OLIVER GARDENS LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP
MSHDA DEVELOPMENT NO. 3007

REPORT ON FINANCIAL STATEMENTS
(with supplementary information)

YEARS ENDED DECEMBER 31, 2025 AND 2024

Maner Costerisan

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**OLIVER GARDENS LIMITED DIVIDEND HOUSING ASSOCIATION
LIMITED PARTNERSHIP**

PARTNERS' CERTIFICATION

I hereby certify that I have examined the accompanying financial statements and supplementary information of Oliver Gardens Limited Dividend Housing Association Limited Partnership, MSHDA Development No. 3007, and, to the best of my knowledge and belief, they represent a true statement of the data set forth therein for the year ended December 31, 2025.

Douglas E. Fleming
____

Doug Fleming
Oliver Gardens, LLC, General Partner

Partnership Employer Identification Number: 20-4533000

Maner Costerisan

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INDEPENDENT AUDITOR'S REPORT

To the Partners of the
Oliver Gardens Limited Dividend Housing Association
Limited Partnership

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Oliver Gardens Limited Dividend Housing Association Limited Partnership, MSHDA Development No. 3007, which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of profit and loss, changes in partners' deficit, and cash flows for the years 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 Oliver Gardens Limited Dividend Housing Association Limited Partnership as of December 31, 2025 and 2024, 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 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 Oliver Gardens Limited Dividend Housing Association Limited Partnership 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Oliver Gardens Limited Dividend Housing Association Limited Partnership's internal control. Accordingly, no such opinion is expressed.

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Oliver Gardens Limited Dividend Housing Association Limited Partnership'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 financial statements as a whole. The accompanying supplementary information, as identified in the table of contents, is presented for purposes of additional analysis as required by the *Michigan State Housing Development Authority*, 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2026 on our consideration of the Oliver Gardens Limited Dividend Housing Association Limited Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Oliver Gardens Limited Dividend Housing Association Limited Partnership'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 Oliver Gardens Limited Dividend Housing Association Limited Partnership's internal control over financial reporting and compliance.

Maner Costerisan PC

Lansing, Michigan
March 14, 2026

OLIVER GARDENS LIMITED DIVIDEND HOUSING ASSOCIATION
LIMITED PARTNERSHIP
MSHDA DEVELOPMENT NO. 3007
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents		
Operating	$ 4,599	$ 887
Operating reserve	8,010	-
Total cash and cash equivalents	12,609	887
Accounts receivable		
Resident rent	1,783	3,935
Rental assistance	-	2,208
Prepaid expenses	11,358	4,995
Total current assets	25,750	12,025
Restricted cash and funded reserves		
Tenant security deposits	8,126	5,235
Taxes escrow	9,869	11,473
Insurance escrow	6,033	11,864
Replacement reserve	139,454	159,445
Operating assurance reserve	54,809	86,925
Total restricted cash and funded reserves	218,291	274,942
Long-term assets		
Rental property		
Land	685,162	685,162
Building	2,598,659	2,598,659
Site improvements	719,826	719,826
Furniture and fixtures	203,759	188,459
Total rental property	4,207,406	4,192,106
Less accumulated depreciation	(2,476,561)	(2,410,388)
Net rental property	1,730,845	1,781,718
TOTAL ASSETS	$ 1,974,886	$ 2,068,685

See notes to financial statements.

	2025	2024
LIABILITIES AND PARTNERS' DEFICIT		
LIABILITIES		
Current liabilities		
Accounts payable		
Operating	$ 9,546	$ 7,083
Accrued liabilities		
Payment in lieu of taxes (PILOT)	21,764	19,270
Interest - MSHDA	5,156	5,341
Management fees	1,630	1,585
Mortgage - MSHDA, current portion	46,720	44,446
Total current liabilities	84,816	77,725
Deposits and prepayment liabilities		
Unearned rental revenue	186	1,502
Tenant security deposits	8,026	5,135
Total deposits and prepayment liabilities	8,212	6,637
Long-term liabilities		
Mortgages and notes payable		
Mortgage - MSHDA, net of current portion	1,190,655	1,237,375
HOME Loan	170,000	170,000
CDBG Loan	550,000	550,000
Less unamortized debt issuance costs	(21,410)	(22,708)
Net mortgages and notes payable	1,889,245	1,934,667
Loan from partners	300,133	300,133
Deferred interest - related party	63,927	60,322
Deferred interest - HOME and CDBG	32,532	30,778
Deferred interest - MSHDA	153,534	147,226
Operating advance from partners	293,868	293,868
Accrued management fees	117,750	117,750
Accrued partnership management fees	180,000	170,000
Accrued asset management fees	122,940	114,428
Total long-term liabilities	3,153,929	3,169,172
TOTAL LIABILITIES	3,246,957	3,253,534
PARTNERS' DEFICIT	(1,272,071)	(1,184,849)
TOTAL LIABILITIES AND PARTNERS' DEFICIT	$ 1,974,886	$ 2,068,685

See notes to financial statements.

OLIVER GARDENS LIMITED DIVIDEND HOUSING ASSOCIATION
LIMITED PARTNERSHIP
MSHDA DEVELOPMENT NO. 3007
STATEMENTS OF PROFIT AND LOSS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUE		
Rental revenue		
Apartments	$ 137,649	$ 135,751
Tenant assistance payments	215,199	200,345
Total rental revenue	352,848	336,096
Vacancy loss and concessions	(51,569)	(39,806)
Gain (loss) to lease	1,693	1,449
Net rental revenue	302,972	297,739
Other revenue		
Interest	8,482	10,041
Tenant charges	637	1,252
Other	-	50
Total other revenue	9,119	11,343
TOTAL REVENUE	312,091	309,082
EXPENSES		
Administrative	7,778	6,490
Management fee	19,530	19,020
Salaries and wages	21,268	11,789
Audit fee	9,136	8,821
Bad debt	4,913	14,082
Operating and maintenance	53,694	48,603
Utilities	80,418	87,107
Depreciation	66,173	64,966
PILOT and other taxes	22,149	19,585
Payroll taxes	1,708	959
Insurance	18,173	19,265
Interest	75,861	78,205
Partnership management fee	10,000	10,000
Asset management fee	8,512	8,264
TOTAL EXPENSES	399,313	397,156
NET INCOME (LOSS)	$ (87,222)	$ (88,074)

See notes to financial statements.

OLIVER GARDENS LIMITED DIVIDEND HOUSING ASSOCIATION
LIMITED PARTNERSHIP
MSHDA DEVELOPMENT NO. 3007
STATEMENTS OF CHANGES IN PARTNERS' DEFICIT
YEARS ENDED DECEMBER 31, 2025 AND 2024

	Total Partners' Deficit
BALANCE, January 1, 2024	$ (1,096,775)
Net income (loss)	(88,074)
BALANCE, December 31, 2024	(1,184,849)
Net income (loss)	(87,222)
BALANCE, December 31, 2025	$ (1,272,071)

See notes to financial statements.

**OLIVER GARDENS LIMITED DIVIDEND HOUSING ASSOCIATION
LIMITED PARTNERSHIP
MSHDA DEVELOPMENT NO. 3007
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024**

	2025	2024
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND FUNDED RESERVES		
Cash flows from operating activities		
Net income (loss)	$ (87,222)	$ (88,074)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities		
Depreciation	66,173	64,966
Amortization of debt issuance costs	1,298	1,298
Deferred interest	6,308	6,524
Accounts receivable	4,360	(1,990)
Prepaid expenses	(6,363)	(536)
Accounts payable	2,463	(3,968)
Accrued PILOT	2,494	(3,293)
Accrued interest	5,174	5,137
Accrued management fees	45	55
Accrued partnership and asset management fees	18,512	18,264
Tenant security deposits	2,891	266
Unearned rental revenue	(1,316)	(1,857)
Total adjustments	102,039	84,866
Net cash provided (used) by operating activities	14,817	(3,208)
Cash flows from investing activities		
Purchase of rental property	(15,300)	-
Cash flows from financing activities		
Payments on mortgage - MSHDA	(44,446)	(42,283)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND FUNDED RESERVES	(44,929)	(45,491)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND FUNDED RESERVES		
Beginning of year	275,829	321,320
End of year	$ 230,900	$ 275,829

See notes to financial statements.

OLIVER GARDENS LIMITED DIVIDEND HOUSING ASSOCIATION
LIMITED PARTNERSHIP
MSHDA DEVELOPMENT NO. 3007
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Partnership are prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles.

Cash and Cash Equivalents

The Partnership's cash and cash equivalents are considered to be cash on hand, demand deposits, and any unrestricted investment instruments with original maturities of three months or less. As of December 31, 2025 and 2024, cash and cash equivalents consists of operating cash and operating reserve.

Restricted Cash and Funded Reserves

Tenant security deposits, taxes escrow, insurance escrow, replacement reserve, and operating assurance reserve are considered restricted due to restrictions placed on these accounts.

The following table provides a reconciliation of cash and cash equivalents and restricted cash and funded reserves reported within the balance sheets that sum to the total of the same such amounts shown in the statements of cash flows as of December 31:

	2025	2024
Cash and cash equivalents	$ 12,609	$ 887
Restricted cash and funded reserves	218,291	274,942
Total cash and cash equivalents and restricted cash and funded reserves	$ 230,900	$ 275,829

Tenant Security Deposits

The Partnership maintains accounts for security deposits received from tenants. The cash is restricted for reimbursement of the security deposits unless there is evidence of default by a tenant under the lease agreement. MSHDA regulations provide that tenant security deposits be segregated from the operating cash of the Partnership. All of the deposits owed to tenants has been segregated in restricted cash accounts as of December 31, 2025 and 2024.

Taxes and Insurance Escrows

Taxes and insurance escrows are restricted cash for payments in lieu of taxes (PILOT) and insurance. The Partnership is required to establish and maintain these reserve accounts. These accounts are used to receive monthly deposits sufficient to pay annual PILOT and insurance premiums that are paid from the accounts.

Replacement Reserve

A reserve for replacement is to be funded annually as required by MSHDA.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Reserve

An operating reserve was established to remain in place for the duration of the compliance period. The reserve is to be used for operating expenses and other expenses benefiting the Project.

Operating Assurance Reserve

An operating reserve was established at the time of the initial disbursement of the loan proceeds from MSHDA in an amount equal to four months estimated operating expenses. The reserve may be used for operating shortfalls, replacement reserve needs, or other underfunded escrows and obligations to MSHDA.

Accounts Receivable and Allowance for Uncollectible Accounts

Tenant accounts receivable are stated at the amounts due from residents and subsidy providers, net of an allowance for uncollectible accounts. The Partnership monitors receivables on an ongoing basis and assesses collectability in accordance with ASC 842 for operating lease receivables. Management estimates the allowance based on historical collection experience, current economic conditions, aging of receivables, and a specific review of individual accounts with known collection risks (such as tenants with higher probability of default). Provisions for uncollectible amounts are recorded as bad debt expense in the period the estimate is made. Balances are written off against the allowance when collection efforts have been exhausted and the amounts are deemed uncollectible. Recoveries of previously written-off amounts, if any, are credited to bad debt expense in the period recovered. Management believes that, after consideration of the allowance, tenant accounts receivable are presented at their net realizable value as of the balance sheet date.

Rental Property and Depreciation

Assets are stated at cost. Depreciation is computed over the estimated useful life of the assets utilizing straight line and accelerated methods for both financial reporting and income tax purposes.

Debt Issuance Costs

Debt issuance costs are amortized over 35 years utilizing the straight-line method. Amortization of debt issuance costs is reported in the statements of profit and loss as interest expense.

Income Taxes

The income or loss of the Partnership is reportable by the Partners on their individual federal income tax return. Partnership net revenue is allocated to the Partners per the partnership agreement.

Distributions

The Partnership is subject to restrictions under agreements with the Michigan State Housing Development Authority (MSHDA) as to rental charges, operating policies, and distributions to Partners.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Partners' Personal Interests

These statements do not give effect to any assets the Partners may have outside their interests in the business nor to any personal obligations, including income taxes, of the Partners.

Payment in Lieu of Taxes (PILOT)

The Partnership is a participant in a tax abatement program with the City of Lansing providing for payment of a service fee in lieu of regular property taxes. The service fee is computed as 10% of annual shelter rents collected less utility expenses. The payments are expensed in the year in which the related rental income and utilities expense is recognized.

Advertising Costs

Advertising costs are expensed as incurred.

Impairment

The Partnership reviews its investment in rental property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. For assets held and used, if management's estimate of the aggregate future cash flows to be generated by the property, undiscounted and without interest charges, by the rental property including the low-income housing tax credits and any estimated proceeds from the eventual disposition of the real estate are less than their carrying amounts, an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. The determination of undiscounted cash flows requires significant estimates by management. Subsequent changes in estimated undiscounted cash flows could impact the determination of whether impairment exists. No impairment loss has been recognized during the years ended December 31, 2025 and 2024.

Unearned Rental Revenue

The Partnership records unearned revenue when cash payments are received or due in advance of the Partnership's performance, including amounts which are refundable.

Revenue Recognition

The Partnership is the lessor in residential leases for the housing community and accounts for these leases in accordance with FASB ASC 842, *Leases*. All tenant leases are for terms of one year or less and are classified as operating leases. Rental revenue, including amounts attributable to tenant rent and tenant subsidy payments, is recognized on a straight-line basis over the noncancelable lease term. Rental payments are generally due on the first day of each month. Tenant subsidy payments are treated as a lease component because they are made on behalf of specific tenants to fulfill lease obligations and are therefore included in rental revenue under ASC 842. In accordance with industry financial reporting practices, net rental revenue is presented as total gross rent potential (calculated assuming 100% occupancy at approved contract rents, including subsidies) less vacancy loss, loss-to-lease, and concessions. Payments received in advance of the period to which they relate are recorded as unearned rental income and recognized as revenue ratably over the lease term.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Ancillary revenue streams, including tenant charges (i.e. damages, carport, key replacements, and other fees), laundry and vending income, and similar items, are recognized in accordance with FASB ASC 606, *Revenue from Contracts with Customers*, as separate performance obligations from the primary lease. These revenues are generally satisfied at a point in time upon provision of the service or delivery of the good (i.e. tenant damages) or where access is provided over a period (i.e. carport), revenue is recognized ratably over that period. The Partnership applies the practical expedient in ASC 606-10-50-14 and does not disclose information about remaining performance obligations for contracts with an original expected duration of one year or less. Contract balances related to ancillary revenues were not significant as of balance sheet date.

NOTE 2 - NATURE OF ORGANIZATION, RISKS, AND UNCERTAINTIES

Oliver Gardens Limited Dividend Housing Association Limited Partnership (the Partnership) was organized in 2006 as a limited partnership exclusively to acquire, rehabilitate, maintain, and operate a 30-unit rental housing project for persons of low and moderate income. Occupancy of the units began in 2007. The project is located in Lansing, Michigan. The major activities of the Partnership, including rental rates, are governed by the partnership agreement and Michigan State Housing Development Authority (MSHDA).

Pursuant to the limited partnership agreement, effective June 30, 2006, the Partnership's profit and loss is allocated, other than special allocations, as follows:

	Profit	Loss
General partner		
Oliver Gardens, LLC	0.01%	0.01%
Limited partner		
LHC Non-Profit Housing Corporation	99.99%	99.99%

The Partnership is required to disclose significant concentrations of credit risk regardless of the degree of such risk. Financial instruments which potentially subject the Partnership to concentrations of credit risk consist principally of temporary cash investments and accounts receivable. The Partnership places its temporary cash investments with FDIC insured financial institutions and MSHDA. Although such investments and cash balances may exceed the federally insured limits at certain times during the year and at year-end, they are, in the opinion of management, subject to minimal risk.

The Partnership's concentration of credit risk with respect to tenant accounts receivable is limited due to its large number of tenants, the credit quality of the tenants, and the relatively small account balances for most tenants. The Partnership has considered potential credit risk exposure due to the lack of geographic diversification inherent in a single-property affordable housing project. Management evaluates the collectability of receivables on an ongoing basis and maintains an allowance for uncollectible accounts as described in Note 1.

The Partnership evaluates events and transactions that occur after year end for potential recognition or disclosure in the financial statements. These subsequent events have been considered through March 14, 2026, which is the date the financial statements were available to be issued.

NOTE 2 - NATURE OF ORGANIZATION, RISKS, AND UNCERTAINTIES (continued)

In the preparation of tax returns, tax positions are taken based on interpretation of federal, state, and local income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified, or recorded, as uncertain tax positions. Federal, state, and local tax returns generally remain open for examination by the various taxing authorities for a period of three to four years.

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from estimated amounts.

NOTE 3 - MORTGAGES AND NOTES PAYABLE

Mortgages and notes payable at December 31 consists of the following:

	2025	2024
First mortgage dated October 17, 2006, held by MSHDA in the original amount of $1,775,482. Interest accrues at a rate of 5.5%, although an amount equal to 0.5% is deferred. Monthly payments of principal and interest are $8,961. Total interest incurred in 2025 and 2024 was $69,205 and $71,593, respectively. The total amount deferred was $6,308 and $6,524 in 2025 and 2024, respectively. Deferred interest of $153,534 and $147,226 remained payable at December 31, 2025 and 2024, respectively. The note is secured by land and substantially all property owned by the Partnership and matures on February 1, 2043.	$ 1,237,375	$ 1,281,821
CDBG loan, originally dated May 31, 2006, was assigned to and assumed by the Partnership. The loan is held by the City of Lansing, Michigan under the Community Development Block Grant Program in the amount of $550,000. The loan bears interest at 0.5%, compounded annually, on $150,000 of the loan. Deferred interest of $15,249 and $14,427 remained payable at December 31, 2025 and 2024, respectively. No principal or interest is due until the loan matures in full on May 2, 2046. The loan is secured by land and substantially all property owned by the Partnership.	550,000	550,000

NOTE 3 - MORTGAGES AND NOTES PAYABLE (continued)

	2025	2024
HOME loan, originally dated June 1, 2006, was assigned to and assumed by the Partnership. The loan is held by the City of Lansing, Michigan under the HOME Investments Partnership Program in the amount of $170,000. The loan bears interest at 0.5%, compounded annually. Deferred interest of $17,283 and $16,351 remained payable at December 31, 2025 and 2024, respectively. No principal or interest is due until the loan matures in full on December 31, 2041. The note is secured by land and substantially all property owned by the Partnership.	170,000	170,000
Total	1,957,375	2,001,821
Less current portion	(46,720)	(44,446)
Less unamortized debt issuance costs	(21,410)	(22,708)
	$ 1,889,245	$ 1,934,667

The fair value of the mortgages and notes payable is estimated based on the current rates offered to the Partnership for debt of the same remaining maturities. At December 31, 2025 and 2024, the fair value of the mortgages and notes payable approximates the amounts recorded in the financial statements.

The mortgages and notes payable mature as follows:

Year Ending December 31,	
2026	$ 46,720
2027	49,110
2028	51,623
2029	54,264
2030	57,040
2031 and thereafter	1,698,618
	$ 1,957,375

NOTE 4 - SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental cash flow information for the years ended December 31 are as follows:

	2025	2024
Cash paid during the year for interest	$ 63,082	$ 65,245

NOTE 5 - RELATED PARTY TRANSACTIONS

The following are descriptions of transactions with related parties and identity of interest companies as defined by MSHDA guidelines.

Loan from Partners

The Partnership has a loan with Lansing Housing Commission, an affiliate of the General and Limited Partners, originally dated December 31, 2007. The loan bears interest at 1%, compounded annually. Interest expense for the years ended December 31, 2025 and 2024 was $3,604 and $3,569, respectively. Deferred interest of $63,927 and $60,322 remained payable at December 31, 2025 and 2024, respectively. No principal or interest is due until the loan matures on January 1, 2048. The note is secured by land and substantially all real property owned by the Partnership. The balance of the note payable was $300,133 for the years ended December 31, 2025 and 2024.

Management Fees

The Partnership entered into a property management agreement with Lansing Housing Commission, an affiliate of the General and Limited Partners. Beginning March 1, 2020, the Property was no longer managed by Lansing Housing Commission and was managed by Michigan Asset Group, an unrelated third party. No management fees were paid to Lansing Housing Commission during 2025 or 2024. As of December 31, 2025 and 2024, accrued management fees owed to Lansing Housing Commission were $117,750.

For the years ended December 31, 2025 and 2024, as approved by MSHDA, the maximum management fee allowed was up to $651 and $634 per unit per year, respectively.

Asset Management Fees

According to the partnership agreement, the Limited Partner is entitled to a cumulative annual asset management fee of $5,000 per annum, increasing 3% annually. For the years ended December 31, 2025 and 2024, the Partnership incurred asset management fee expense of $8,512 and $8,264, respectively. No asset management fees were paid during 2025 or 2024. As of December 31, 2025 and 2024, accrued asset management fees were $122,940 and $114,428, respectively.

Partnership Management Fees

According to the partnership agreement, the General Partner is entitled to a cumulative annual partnership management fee of $10,000 per annum. For the years ended December 31, 2025 and 2024, the Partnership incurred partnership management fee expense of $10,000. As of December 31, 2025 and 2024, accrued partnership management fees were $180,000 and $170,000, respectively.

Related Party Advances

An affiliate of the general partner has advanced funds to the Partnership to cover operating expenses. As of December 31, 2025 and 2024, $293,868 remains payable. The advances are non-interest bearing, and payable from surplus cash, as defined in the partnership agreement.

NOTE 5 - RELATED PARTY TRANSACTIONS (continued)

Related party transactions for the year ending December 31, 2025 are summarized as follows:

Name of Related Party	Relationship	Brief Description of Work/Services Performed	Partnership or Operating Account	Balance, 12/31/2024	2025 Services Invoiced	2025 Payments	Balance, 12/31/2025	Terms of Settlement
Lansing Housing Commission	Affiliate of general and limited partners	Note payable	Operating	$ 300,133	$ -	$ -	$ 300,133	Long-term payable
LHC Non-Profit Housing Corporation	Limited partner	Asset management fees	Partnership	114,428	8,512	-	122,940	Payable from surplus cash
Lansing Housing Commission	Affiliate of general and limited partners	Management fees	Operating	117,750	-	-	117,750	Long-term payable
Oliver Gardens, LLC	General partner	Partnership management fees	Partnership	170,000	10,000	-	180,000	Payable from surplus cash
Lansing Housing Commission	Affiliate of general and limited partners	Operating advance	Partnership	293,868	-	-	293,868	Payable from surplus cash

Related party transactions for the year ending December 31, 2024 are summarized as follows:

Name of Related Party	Relationship	Brief Description of Work/Services Performed	Partnership or Operating Account	Balance, 1/1/2024	2024 Services Invoiced	2024 Payments	Balance, 12/31/2024	Terms of Settlement
Lansing Housing Commission	Affiliate of general and limited partners	Note payable	Operating	$ 300,133	$ -	$ -	$ 300,133	Long-term payable
LHC Non-Profit Housing Corporation	Limited partner	Asset management fees	Partnership	106,164	8,264	-	114,428	Payable from surplus cash
Lansing Housing Commission	Affiliate of general and limited partners	Management fees	Operating	117,750	-	-	117,750	Long-term payable
Oliver Gardens, LLC	General partner	Partnership management fees	Partnership	160,000	10,000	-	170,000	Payable from surplus cash
Lansing Housing Commission	Affiliate of general and limited partners	Operating advance	Partnership	293,868	-	-	293,868	Payable from surplus cash

NOTE 6 - DISTRIBUTION OF CASH FLOW

In accordance with the partnership agreement, cash flow shall be distributed in the following order and priority:

(i) First, to the Limited Partner to the extent of any amount that the Limited Partner is entitled to receive to satisfy any payment required pursuant to the credit adjusters' section in the partnership agreement.
(ii) Second, to the developer to pay any unpaid balance on the deferred development fee.
(iii) Third, payment of any accrued and payable asset management fees to the asset manager.
(iv) Fourth, to the operating reserve account until such time as the account is equal to the operating reserve target amount.
(v) Fifth, to pay any accrued and unpaid interest and unpaid principal on loans made by the Limited Partner.
(vi) Sixth, to pay any accrued and unpaid interest and unpaid principal on loans made by the General Partner.
(vii) Seventh, to the General Partner (in order of loans made, with earlier loans repaid in full before subsequent loans are repaid) to repay any amounts treated as loans to the Partnership (without interest) by the General Partner pursuant to the partnership agreement.
(viii) Eighth, a total of $10,000 to the General Partner as a partnership management fee, on a cumulative basis.
(ix) Ninth, if any remaining cash flow shall be distributed, it is distributable 80% to the General Partner and 20% to the Limited Partner.

NOTE 7 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's operations are concentrated in the real estate rental market. In addition, the Partnership operates in a heavily regulated environment. The operations of the project are subject to administrative directives, rules, and regulations of federal, state and local agencies, including, but not limited to MSHDA. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by MSHDA. Such changes may occur with little notice or inadequate funding to pay the related cost, including the additional administrative burden, to comply with a change.

NOTE 8 - RESYNDICATION

The Partnership is in the process of applying for Low Income Housing Tax Credits and resyndication of the Development to complete rehabilitation work.

SUPPLEMENTARY INFORMATION

OLIVER GARDENS MSHDA NO. 3007

SCHEDULE I
FUNDS AVAILABLE FOR DISTRIBUTION
December 31, 2025

SECTION 1			
1	Operating Cash	$ 4,599	
2	MSHDA-Held Operating Reserve Account	8,010	
3	Other Non-Restricted Cash Reserve Accounts	-0-	
4	TOTAL AVAILABLE CASH (PER AUDIT) (ADD Lines 1 through Line 3)		$ 12,609
SECTION 2			
ADD:			
5	Resident Rent Receivable	$ 1,783	
6	Other Resident Charges	-0-	
7	Non-Resident Receivable	-0-	
8	Unadjusted Items-Accounts Receivable	-0-	
9	Subsidy Receivable	-0-	
10	Development Cost Escrow Interest	-0-	
11	Tax/Insurance Escrow Surplus (Deficit)	-0-	
12	Escrow Draws Receivable	-0-	
13	TOTAL ADDITIONS (ADD Lines 5 through Line 12)		$ 1,783
14	TOTAL CASH AND ADDITIONS (Line 4 PLUS Line 13)		14,392
SECTION 3			
DEDUCT:			
15	Trade Accounts And Surcharges Payable, Accrued Expenses Liabilities And Other Short-term Operating Liabilities	$ 305,044	
16	Subsidy Payable	-0-	
17	Unadjusted Items-Liabilities	-0-	
21	Approved Undisbursed Limited Dividend (L.D.) Payments	-0-	
22	Prepaid Rent/Unearned Rental Income	186	
23	Delinquent Mortgage Principal Payments or Deferred Mortgage Principle Payment as a Result of Mortgage Workout	-0-	
24	Delinquent Interest Payment or Deferred Mortgage Interest Payment as a Result of Mortgage Workout	153,534	
25	R/R Deferrals, Delinquent MSHDA Loans/Grants	-0-	
26	Security Deposit Not Funded (Over Funded)	(100)	
27	One Month's Gross Rent Potential	29,404	
28	TOTAL DEDUCTIONS (ADD Lines 15 through 27)		$ 488,068
29	**SURPLUS FUNDS** (Line 14 MINUS Line 28). Insert the actual amount even if it is negative.		$ (473,676)

SECTION 4

If the developments has an Operating Deficit Reserve (ODR) escrow it is required to fully fund the reserve if funds are available. All others go to

26	Prior Years Cumulative ODR Draws	-0-	
27	Prior Year ODR Payments Made from Surplus Cash	-0-	
29	Total Actual ODR Draws (Line 26 minus Line 27)	-0-	
30	Cumulative Allowable ODR Draws - "Total 1.0 DCR and Maintained DCR"	$ -0-	
31	ODR Underfunding (Line 29 minus Line 30, if negative, enter -0-)	-0-	
32	Repayment due to ODR Escrow (If Line 25 is Negative, go to Line 34, all others enter the Smaller of Line 25 or Line 31)	-0-	
33	**SURPLUS FUNDS (LINE 25 MINUS LINE 32). Insert the actual amount even if it is negative.**		$ (473,676)
30	Replacement Reserve Needs	$ 401,986	
31	Subtotal (Line 29 MINUS Line 30)	(875,662)	
32	Amenity Improvement/Deferred Maintenance Loan	-0-	
33	Subtotal (Line 31 MINUS Line 32)	(875,662)	
34	Amount of Workout Repayment Obligations	-0-	
35	Subtotal (Line 33 MINUS Line 34)	(875,662)	
36	Amount of MSHDA Subsidy Repayment Obligations	-0-	
37	Subtotal (Line 35 MINUS Line 36)	(875,662)	

The following developments have additional surplus cash repayment requirements as identified on Lines 38-41. All others go to Line 42.

Duvernay Park #1039
The Depot #971
Maplewood Manor #3180

38	**DUVERNAY PARK -** Surplus cash to be distributed to replacement reserve. (Line 37 if positive, if negative enter -0-)	-0-	
39	**THE DEPOT -** Surplus cash to be distributed to deferred interest (25% of Line 37, if negative enter -0-)	-0-	
40	**MAPLEWOOD MANOR #3180** (25%) **OR VILLAGE OF APPLEDORN #3539** (50%)- % of Outstanding Balance of Preservation Fund Loan	-0-	
41	**MAPLEWOOD MANOR #3180 OR VILLAGE OF APPLEDORN #3539 -** Surplus cash to be distributed to Preservation Fund Loan (Less of Line 37 or Line 40, if Line 37 negative enter -0-)	-0-	
42	**SURPLUS FUNDS** (LINE 37 MINUS LINES 38, 39 AND 41)		$ (875,662)

All properties with MSHDA HOME Loans complete Lines 43 and 44. All others go to Line 45.

SECTION 5

43	Outstanding Balance of MSHDA HOME Loan	-0-	
44	Amount to be Repaid on HOME Loan Enter 25% Line 42, or if Line 42 is negative enter -0-. Lakewood Manor #924 is required to submit 60% The following are NOT required to submit HOME loan payments from surplus cash: Gardenview Estates #3181 Orianna Ridge #1074 Research Park #300 Rosewood Park #1022 Rouge Woods #3223 The Depot #971	-0-	
57	Total Surplus Cash Repayment (If Development is listed above enter 25%, 50%, or 100% of Line 56 if Line 56 is positive)	$ -0-	
58	Deferred Interest on HOME Loan	-0-	
59	Deferred Interest Repayment: Lesser of Line 57 Line 58	-0-	
60	Balance of Surplus Cash Repayment to be Paid to HOME Loan (Line 57 Minus Line 59)	-0-	
61	Balance of HOME Loan	-0-	
62	HOME Loan Repayment: Lesser of Line 60 or Line 61.	-0-	
45	**SURPLUS FUNDS AVAILABLE FOR DISTRIBUTION (LINE 42 MINUS LINE 44)**		$ (875,662)
46	Current Years Maximum Potential L.D. Payment		287,720
47	Subtotal (Line 45 MINUS Line 46)		(1,163,382)
48	Sum of Lines 2 and 10	$ 8,010	
49	OPERATING RESERVE CASH TO BE SUBMITTED TO MSHDA: DEDUCT LINE 48 FROM LINE 47. If LINE 47 is negative, insert "0".		$ -0-

SECTION 6

SUMMARY OF CHECKS AND/OR MSHDA-HELD RESERVE TRANSFERS DUE:

A SEPARATE CHECK AND/OR MSHDA-HELD RESERVE TRANSFER REQUEST MUST BE SUBMITTED FOR EACH AMOUNT REPORTED ON LINES 50 THROUGH 59 WITHIN 120 DAYS AFTER THE DEVELOPMENT'S YEAR-END. PLEASE INDICATE THE PURPOSE ON EACH CHECK OR MSHDA-HELD RESERVE TRANSFER REQUEST. FAILURE TO COMPLY WITH THIS REQUEST WILL AFFECT THE MANAGEMENT AGENT'S ELIGIBILITY FOR PREMIUM MANAGEMENT FEES.

50	The amount from Line 11, if a deficit (Tax/Insurance Escrow)	$	-0-
51	The lesser of Line 31 or Line 32-Amenity Improvement/Deferred Maintenance Loan (If Line 31 is negative, insert "0")	$	-0-
52	The lesser of Line 33 or Line 34-Workout Repayment Obligations (If Line 33 is negative, insert "0")	$	-0-
53	The lesser of Line 35 or Line 36-MSHDA Subsidy Repayment Obligations (If Line 35 is negative, insert "0")	$	-0-
54	The amount from Line 44 (MSHDA HOME Loan)	$	-0-
55	The amount from Line 49 (Operating Reserve Cash)	$	-0-
56	The lesser or Line 29 or Line 30-Replacement Reserve Needs (If Line 29 is negative, insert "0").	$	-0-
57	The amount from Line 38 (Replacement Reserve)	$	-0-
58	The amount from Line 39 (Deferred Interest)	$	-0-
59	The amount from Line 41 (Preservation Fund Loan)	$	-0-

OLIVER GARDENS MSHDA NO.3007

SCHEDULE II
FUNDS AVAILABLE FOR DISTRIBUTION
December 31, 2025

1.	OWNER INITIAL EQUITY		$ 1,150,880
1a.	SECTION 8/236 PRESERVATION		$ -0-
2.	MAXIMUM L.D. PAYMENT:		$ 287,720
3.	CUMULATIVE %	25%	$ 287,720
4.	NON-CUMULATIVE %	0%	$ -0-
	CUT-OFF DATE:	February 11, 2008	

5. SALE/PRESERVATION TRANSACTION
CLOSING DATE:

I.	II.	III.	IV.	V.
YEAR OF OPERATION	**AVAILABLE FOR DISTRIBUTION**	**POTENTIAL L.D.**	**L.D. PAID**	**CARRY FORWARD**
2008	(31,528)	122,592	0	122,592
2009	(83,207)	149,614	0	272,206
2010	(21,678)	161,123	0	433,329
2011	(70,288)	161,123	0	594,452
2012	(98,798)	184,141	0	778,593
2013	(64,204)	195,650	0	974,243
2014	(14,414)	207,158	0	1,181,401
2015	(64,160)	218,667	0	1,400,068
2016	(513,747)	230,176	0	1,630,244
2017	(926,715)	241,685	0	1,871,929
2018	(993,076)	253,194	0	2,125,123
2019	(1,034,491)	264,702	0	2,389,825
2020	(593,117)	276,211	0	2,666,036
2021	(572,905)	287,720	0	2,953,756
2022	(758,389)	287,720	0	3,241,476
2023	(833,623)	287,720	0	3,529,196
2024	(852,434)	287,720	0	3,816,916
2025	(875,662)	287,720	0	4,104,636

	A	C	D	E	F	H
1	SCHEDULE I - INPUT				YES	Are all account variances reconciled, Schedule 2, and Surplus Funds varia
2	NAME:	OLIVER GARDENS			0	Number of account variances from 'Variances' tab (cell J103 of 'Variances
3	NO:	3007			0	Number of reconciliations on 'Compliance' tab
4	PARTNERSHIP NAME:	Oliver Gardens LDHA LP			0	Number of Schedule 2 variances (cell I122 on 'Variances' tab)and other mi
5	YE:	December 31, 2025			YES	Surplus Funds Detail and Variance Reconciliation (cell C10,C16,D16, and
6	Schedule 1	1				
7	CONTACT INFORMATION				Unqualified	Audit Opinion
8		ACCOUNTING FIRM			Accrual Basis	Basis of Accounting
9	Firm Name	Maner Costerisan			NO	Was a management letter issued?
10	Contact Name	Keith Pfeifle				Compliance Report
11	Phone Number	(517) 323-7500			NO	Were any material weaknesses noted in internal control?
12	Email Address	kpfeifle@manercpa.com			InternalControlWeakne	If yes, click cell to left to provide explanation that is noted in report.
13		MANAGEMENT AGENT			YES	If material weaknesses were noted, was explanation provided?
14	Name	Michigan Asset Group LLC			NO	Were noncompliance issues noted?
15	Contact Name	Matt Hanna				If yes, what type of issues?
16	Phone Number	(517) 580-3445			AcctBalVariances	Select cell to left to enter Account Balance Variances
17	Email Address	matt@miasset.com			OtherNonCompliance	Select cell to left to enter Account Balance Variances
18		OWNER			YES	If noncompliance issues were noted, was explanation provided?
19	Name	Oliver Gardens, LLC				
20	Contact Name	Doug Fleming				
21	Phone Number	(517) 487-6550				
22	Email Address	Dfleming@lanshc.org				
23						
24						
25	Line # From Sch 1and/or 2	BALANCE SHEET	Amount			
26						
27		Assets				
28						
29		Cash				
30	1	General Operating Cash	4,599		PAYMENT SUMMARY	
31		Security Deposit Cash	8,126		0	Tax & Insurance Escrow Deficit
32	2	MSHDA-Held Operating Reserve Cash	8,010		0	Amenity Improvement/Deferred Maintenance Loan
33	3	Other Non-Restricted Cash Reserve Accounts			0	Workout Repayment Obligations
34		Partnership Cash			0	HOME Loan
35					0	HOME Preservation Initiative Loan
36		Escrows			0	Repayable Subsidy Payable
37		MSHDA-Held Replacement Reserve	139,454		0	Small Size/Security Loan
38		MSHDA-Held Tax Escrow	9,869		0	Operating Reserve Cash
39		MSHDA-Held Insurance Escrow	6,033		0	Replacement Reserve Needs/Replacement Reserve
40		DCE Principal			0	MSHDA Subsidy Repayment Obligation
41	10	Development Cost Escrow Interest			0	Deferred Mortgage Interest
42		Operating Assurance Reserve (OAR)	54,809		0	Deferred Mortgage Principal
43		Sinking Fund			0	Second or Third Mortgage
44		Operating Reserve			0	Operating Assurance Reserve (OAR)
45		Subordinate Debt Payment Reserve			0	Subordinate Debt Payment Reserve
46		Operating Deficit Reserve (ODR)			0	TCAP Interest and/or Principal
47		Transition and Stabilization Reserve			0	Operating Deficit Reserve (ODR)
48		New Reg Residual Receipts			0	Preservation or MRF Loans
49		New Reg Threshold				
50		Other Escrows			0	Service Fund
51					0	NSP Loan Payment
52		Accounts Receivable				
53	5	Resident Rent Receivable	1,783		0	NR4 - Threshold
54	6	Other Resident Charges			0	ResRec
55	12	Escrow Draws Receivable				
56	5	Allowance for Doubtful Accounts				
57	7	Laundry and Carport Receivable				
58		Commercial Income Receivable				
59		Interest Income Receivable				
60	7	Receivable from Other Developments				
61	6	Other Current Resident Receivable				
62	7	Non-Resident Receivable				
63	9	HUD Subsidy Receivable				
64	9	MSHDA Subsidy Receivable - Tenant Based				
65	9	MSHDA Subsidy Receivable - Development Based				
66	9	Other Subsidy Receivable				
67	7	Related Party Receivable				
68		Partnership				
69		Other Receivables				
70						
71		Other Current Asset				
72		Prepaid Expenses - Partnership				
73		Prepaid Expenses - Operating	11,358			
74						
75		Investment in Rental Property				
76		Land	685,162			
77		Building	2,598,659			
78		Building Improvements				
79		Land Improvements	719,826			
80		Furniture & Fixtures	203,759			
81		Equipment & Vehicles				
82		Accumulated Depreciation	(2,476,561)			

****** If you have a line item that is not included on the balance sheet, but you need to enter it to have the schedule 1 calculate correctly, select an "X" in column E next to the applicable line item. If you have the "X" selected, the total will not be included in the total assets or liabilities.**

INSTRUCTIONS:

All yellow shaded cells are entry fields.
All blue shaded cells are accounts that are used in the Schedule 1.
The numbers in Column A are the corresponding line numbers from the Schedule 1.
All bolded accounts are to be separated and not grouped with others.

Select the developments in the pull down list in cell "C2". When you have the development name selected, the corresponding MSHDA Number and Schedule 1 will be automatically filled in cells "C3" and "C6".
Enter the applicable year end in cell "C5".
Enter the applicable contact information, and accounting basis and internal control and compliance information in the yellow cells.
The Schedules will automatically calculate on the Schedule 1, Schedule 2, and Schedule 3 tabs.
The prior year Schedule 2 information will automatically fill if you enter the prior year detail in the bottom section of the Input tab.

After you have completed the worksheet verify there are no "Not Acceptable" errors in the following section.
NOTE: This is not all of the items that will be checked by the asset manager.

	A	C	D	E	F	H
83					Following are checks that the worksheet is entered correctly. If an item shows "Not Acceptable", view comment on cell for an explanation of the error.	
84		Other Assets				
85		Deferred Mortgage Costs, net of amortization			Acceptable	Partnership Name, Year End & Contact Information
86		Organizational Costs, net of amortization			Acceptable	Internal Control and Compliance Letter Detail
87		Syndication Costs, net of amortization			Acceptable	Assets = Liabilities & Owner's Equity
88		Monitoring Fees, net of amortization			Acceptable	Rent Potential
89		Deposits			Acceptable	Repayable Subsidy
90					Acceptable	Small Size Loan
91		TOTAL ASSETS	1,974,886		Acceptable	Security Loan
92					Acceptable	HOME Preservation Loan
93		Liabilities & Owner's Equity			Acceptable	Schedule 1-B Information (Cash Flow Question)
94					Acceptable	Schedule 1-B & 1-D Surplus Cash Allocation
95		Accounts Payable & Accrued Expenses			Acceptable	Schedule 2 Cut-off Date
96	15	General Trade Payables	9,546		Acceptable	Schedule 2 Owner's Equity
97		Construction Payables			Acceptable	Schedule 2 Cumulative LD
98		Partnership Payables			Acceptable	Schedule 2 Non-Cumulative LD
99	15	Payroll Payable			Acceptable	Current Year Cumulative Carryforward
100	15	Management Fees Payable	1,630			
101	15	Utilities Payable				
102	15	Auditing Fees Payable				
103	15	Short-term Notes Payable - operating				
104		Short-term Notes Payable - partnership				
105	15	Payable to Other Developments				
106		Short-Term Related Party Advances/Liabilities	63,927			
107	15	Owner Advances - operating	293,868			
108		Owner Advances - operating - Non-repayable	302,940			
109		Owner Advances - partnership				
110	15	Surcharges Payable				
111	15	Related Party Payable				
112	16	HUD Subsidy Payable				
113	0	Repayable Subsidy				
114	16	MSHDA Resident-Based Subsidy Payable				
115	16	Other Subsidy Payable				
116	22	Unearned Rental Income - operating	186			
117		Unearned Rental Income - congregate care				
118		Current Mortgage Interest - MSHDA	5,156			
119		Current Mortgage Interest - HOME				
120		Current Mortgage Interest - Other				
121	24	Delinquent Mortgage Interest Payments				
122	23	Delinquent Mortgage Principal Payments				
123	24	Deferred Mortgage Interest Payments Due to Mortgage Workout (or if Sch 1-J, HOME interest)	153,534			
124	23	Deferred Mortgage Principal Payments Due to Mortgage Workout (or if Sch 1-J, deferred HOME principal)				
125		Real Estate Taxes	21,764			
126		Security Deposit Liability	8,026			
127		Current Portion of Mortgages	46,720			
128		Deferred Developer Fees Payable				
129		Developer Fees Payable				
130	15	Other Accrued Liabilities - operating				
131		Other Accrued Liabilities - partnership				
132						
133		Long-term Liabilities				
134		Long-term Portion of First Mortgage	1,169,245			
135		Deferred Interest on Second and/or Third Mortgage				
136		Accrued Principal on Second and/or Third Mortgage	1,020,133			
137	43	MSHDA HOME Loan			*** Only include HOME loans that were processed through MHSDA.	
138	0	HOME Preservation Initiative Loan				
139	32	Amenity Improvement/Deferred Maintenance Loan				
140	0	Small Size Loan				
141	0	Security Loan				
142	0	Preservation or MRF Loan or HTF				
143		TCAP Loan				
144		Deferred Interest on HOME,TCAP, MRF or Preservation Loan				
145		1602 Loan				
146	0	NSP Loan				
147		Other Long-term Liabilities (L11 from MIE Balance Sheet tab)	150,282			
148		Other Long-term Liabilities (L12 from MIE Balance Sheet tab)				
149						
150		Owners' Equity	(1,272,071)			
151						
152		TOTAL LIABILITIES & OWNERS' EQUITY	1,974,886			
153						
154						
155						
156		INCOME STATEMENT INFORMATION				
157		INCOME:				
158		RENTAL INCOME				
159		Apartments	139,342			
160		MSHDA Subsidy Income	215,199			
161		HAP Subsidy Income				
162		Other Subsidy Income				
163		Total Rent Potential	354,541			
164		Vacancy Loss	51,569			
165		Net Rental Revenue	302,972			

	A	C	D	E	F	G	H	K	L	M	N	O	P
166		OTHER INCOME											
167		Carport Income											
168		Sec 236 Interest Subsidy											
169		Interest Income	8,482										
170		Laundry Income											
171		Tenant Charges	637										
172		**Congregate Services Income**											
173		Commercial Income											
174		Other Income											
175		Total Other Income	9,119										
176		TOTAL INCOME	312,091										
177													
178		**EXPENSES:**											
179		**Management Fees (Development's Operating Account)**	19,530										
180		**Management Fees (Partnership's Operating Account)**											
181		**Premium Management Fees**											
182		COE Salaries & Travel											
183		Marketing											
184		Legal	407										
185		Marketing Rent Concession											
186		Rent Free Units											
187		General Administrative	5,104										
188		Payroll - Marketing											
189		Payroll - Administrative	5,404										
190		Payroll - Maintenance	15,864										
191		Payroll - Janitorial											
192		Payroll - Grounds											
193		Payroll - Security											
194		Payroll Benefits	2,267										
195		Payroll Taxes	1,708										
196		Bad Debt	4,913										
197		Audit Fees	9,136										
198		Miscellaneous Administrative (from 7k on MIE)											
199		Utilities	80,418										
200		Operating & Maintenance	53,694										
201		Property Taxes	22,149										
202		Interest	75,861										
203		Insurance	18,173										
204		Regulatory and Bond Fees											
205		ARRA Regulatory Fees											
206		Depreciation & Amortization	66,173										
207		Partnership Expenses	18,512										
208		**Congregate Services Expense**											
209		Other											
210		Total Expenses	399,313										
211		**NET INCOME/LOSS**	**(87,222)**										
212													
220		**Proforma Information for ODR Reserves**											
221	0	Cumulative ODR Draws											
222	0	Prior Year ODR Payments Made from Surplus Cash											
224	0	Cum Allowable ODR Draws - "Total 1.0 DCR and Maintained DCR"											
227													
233		**TAX & INSURANCE ESCROW ANALYSIS INFORMATION**											
234	11	Tax/Insurance Escrow Surplus (Deficit)											
235													
254		**SMALL SIZE & SECURITY LOAN INFORMATION**											
255		Small Size Loan											
256	0	Beginning of Year Balance	0										
257	0	Current Year Repayments											
258	0	Current Year Draws											
259	0	End of Year Balance	0										
260	0	Amount of Small Size Loan proceeds applied against mortgage payments during current year											
261		Security Loan											
262	0	Beginning of Year Balance	0										
263	0	Current Year Repayments											
264	0	Current Year Draws											
265	0	End of Year Balance	0										
266	0	Security loan proceeds applied against current year's mortgage payment											
267	0	Did the development receive security loan proceeds during year?											
268	0	Is the Security Revenue reported on the mortgage loan commitment report (Developmental Rental Schedule)?											
269	0	Total Security Expenditures reported on the mortgage loan commitment report (Total Development Expenditures)?											
270		Classification of Security Expenditures											
271	0	Equipment											
272	0	Payroll & Payroll Taxes											
273	0	Contractual Services											
274	0	Other											
275													

	A	C	D	E	F	G	H	K	L	M	N	O	P
276		**MISCELLANEOUS INFORMATION**											
277		Surity Bond Coverage											
278	21	Approved Undisbursed Limited Dividend (L.D.) Payments											
279	25	R/R Deferrals, Delinquent MSHDA Loans/ Grants											
280	26	Security Deposit Under (Over) Funded	(100)										
281	27	One Month's Gross Rent Potential	29,404										
282	30	Replacement Reserve Needs	401,986										
284	36	MSHDA Subsidy portion payable to MSHDA											
285		Deferred Mortgage Principal (Applicable only to 1-H)											
286		Deferred Mortgage Interest (Applicable only to 1-H)											
287	0	Restricted DCE Interest - Prior Year											
288		Restricted DCE Interest - Current Year											
289	0	Prior Year's Cumulative L.D. Payment											
290													
294													
295													
296		**SCHEDULE II INPUT INFORMATION**			**Current Year Schedule 2 Summary**								
297		Development does not complete a Schedule 2											
298	1	Owner's Initial Equity	1,150,880		Suplus Funds Available for Dist		Potential LD		LD/HOME Paid		Cumulative Carryforward		
299	1A	Section 8/236 Preservation Transaction Recomputed Initial Equity			(875,662)		287,720		0		4,104,636		
300													
301													
302	3	Cumulative LD Payment Percentage **-OR-**	25.00%	You must enter LD % **-OR-** the fixed amount. Do **NOT** enter numbers in both fields.									
303		fixed amount from regulatory agreement											
304	4	Non-Cumulative LD Payment Percentage **-OR-**		You must enter LD % **-OR-** the fixed amount. Do **NOT** enter numbers in both fields.									
305		fixed amount from regulatory agreement											
306		Cut-off Date	2/11/2008	** If the cut-off date is the current year, it will calculate the prorated amount for you.									
307		Sale/Preservation Transaction Closing Date											
308		Prior Year Cumulative Carryforward L.D.	3,816,916										
309	IV	L.D. Payments Made in Current Year	0										
310													
311		Starting Year of Schedule II	2008										
312		**THE PRIOR YEAR SCHEDULE 2 INFORMATION IS NOT REQUIRED. IF YOU ENTER THE FOLLOWING PRIOR YEAR INFORMATION IT WILL PREPARE THE SCHEDULE 2 THAT IS REQUIRED IN THE AUDIT REPORT.**											
313													
314		Schedule II Prior Year Information	Surplus Funds Available for Distribution		Potential LD		LD/HOME Paid		Cumulative Carryfwd of L.D.				
315		2008	(31,528)		122,592		0		122,592				
316		2009	(83,207)		149,614		0		272,206				
317		2010	(21,678)		161,123		0		433,329				
318		2011	(70,288)		161,123		0		594,452				
319		2012	(98,798)		184,141		0		778,593				
320		2013	(64,204)		195,650		0		974,243				
321		2014	(14,414)		207,158		0		1,181,401				
322		2015	(64,160)		218,667		0		1,400,068				
323		2016	(513,747)		230,176		0		1,630,244				
324		2017	(926,715)		241,685		0		1,871,929				
325		2018	(993,076)		253,194		0		2,125,123				
326		2019	(1,034,491)		264,702		0		2,389,825				
327		2020	(593,117)		276,211		0		2,666,036				
328		2021	(572,905)		287,720		0		2,953,756				
329		2022	(758,389)		287,720		0		3,241,476				
330		2023	(833,623)		287,720		0		3,529,196				
331		2024	(852,434)		287,720		0		3,816,916				

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

To the Partners of the
Oliver Gardens Limited Dividend Housing Association
Limited Partnership

We have audited, 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, the financial statements of Oliver Gardens Limited Dividend Housing Association Limited Partnership, which comprise the balance sheet as of December 31, 2025, and the related statements of profit and loss, changes in partners' deficit, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 14, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Oliver Gardens Limited Dividend Housing Association Limited Partnership's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Oliver Gardens Limited Dividend Housing Association Limited Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of the Oliver Gardens Limited Dividend Housing Association Limited Partnership'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 Partnership's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oliver Gardens Limited Dividend Housing Association Limited Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including compliance with specific provisions of MSHDA Regulatory Agreement, MSHDA Directives, and HUD regulations and procedures included in the HUD subsidy contract, HOME requirements, and MSHDA Multifamily Audit Guidelines, 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.*

> We have compared the December 31, 2025 Monthly Income and Expense Report submitted to MSHDA with balances in the financial statements for the year ended December 31, 2025 audited by us and covered by our report dated March 14, 2026. The account balances set forth therein are in material agreement (defined by MSHDA as differences not exceeding 10% and $3,000), unless noted in the MSHDA input template and supplementary information.

Additionally, no management letter was issued in relation to our audit of the financial statements of Oliver Gardens Limited Dividend Housing Association Limited Partnership as of and for the year ended December 31, 2025.

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 Partnership'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 Partnership's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maner Costerisan PC

Lansing, Michigan
March 14, 2026

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING MSHDA ELECTRONIC SUBMISSION AGREED-UPON PROCEDURES

To the Partners of the
Oliver Gardens Limited Dividend Housing Association
Limited Partnership

We have performed the procedures detailed below on the electronic submission of certain financial information that was included with the related hard copy documents within the audit reporting package submitted to Michigan State Housing Development Authority (MSHDA). Oliver Gardens Limited Dividend Housing Association Limited Partnership is responsible for the accuracy and completeness of the electronic submission.

Oliver Gardens Limited Dividend Housing Association Limited Partnership and MSHDA have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining whether the electronic submission of certain financial information agrees with the related hard copy documents within the audit reporting package. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

> We compared the items listed in the electronic submission with the corresponding items listed in the audit report submitted to MSHDA. The results of the performance of our agreed-upon procedures indicate agreement of the electronically submitted information in MSHDA's Excel audit template and related audit report submitted to MSHDA.
>
> The procedures performed include complying with all requirements in the MSHDA Audit Guide Policy. MSHDA has the discretion to not accept submissions which contain incomplete/inaccurate information, or do not comply with requirements in the MSHDA Audit Guide Policy.

We were engaged by Oliver Gardens Limited Dividend Housing Association Limited Partnership to perform this agreed-upon procedure engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronic submission of certain financial information agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Oliver Gardens Limited Dividend Housing Association Limited Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

We were engaged to perform an audit of the financial statements of Oliver Gardens Limited Dividend Housing Association Limited Partnership in accordance with the MSHDA Audit Guide as of and for the year ended December 31, 2025 and have issued our reports thereon dated March 14, 2026. Our opinion on the fair representation of the supplementary financial information dated March 14, 2026 was expressed in relation to the basic financial statements of Oliver Gardens Limited Dividend Housing Association Limited Partnership taken as a whole.

A copy of the reporting package required by MSHDA, which includes the auditor's report, is available in its entirety from Oliver Gardens Limited Dividend Housing Association Limited Partnership. We take no responsibility for the security of the information transmitted electronically to MSHDA.

This report is intended solely for the information and use of Oliver Gardens Limited Dividend Housing Association Limited Partnership and MSHDA, and is not intended to be, and should not be, used by anyone other than these specified parties.

Maner Costerisan PC

Lansing, Michigan
March 14, 2026

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March 14, 2026

To the Partners of the
Oliver Gardens Limited Dividend Housing Association Limited Partnership

We have audited the financial statements of Oliver Gardens Limited Dividend Housing Association Limited Partnership for the year ended December 31, 2025, and have issued our report thereon dated March 14, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards,* as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Oliver Gardens Limited Dividend Housing Association Limited Partnership are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies were not changed during 2025. We noted no transactions during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

> Management's estimate of the useful lives of fixed assets is based on depreciable lives as defined in Note 1 of the financial statements. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the allowance for uncollectible accounts is based on the factors defined in Note 1 of the financial statements. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We did not identify any sensitive disclosures.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 14, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Oliver Gardens Limited Dividend Housing Association Limited Partnership's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Oliver Gardens Limited Dividend Housing Association Limited Partnership's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Partners and management of Oliver Gardens Limited Dividend Housing Association Limited Partnership and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Maner Costerisan PC

Lansing, Michigan