

**HABITAT FOR HUMANITY
OF
FORSYTH COUNTY, INC.**

Financial Statements

June 30, 2024 and 2023

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Board of Directors
Habitat for Humanity of Forsyth County, Inc.
Winston-Salem, North Carolina

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying financial statements of Habitat for Humanity of Forsyth County, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, 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 presented fairly, in all material respects, the financial position of Habitat for Humanity of Forsyth County, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Habitat for Humanity of Forsyth County, Inc. 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 Habitat for Humanity of Forsyth County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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, including omissions, 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 for Humanity of Forsyth County, Inc.'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 for Humanity of Forsyth County, Inc.'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.

Other Matter – Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of home building activity on pages 27 – 28 are presented for purposes of additional analysis and are 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 audits 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.

Butler & Burke LLP

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 436,144	\$ 745,507
Certificate of deposit	71,094	67,951
Promises to give, net	-	1,250
Grants receivable	623,790	52,282
Other receivables	88,949	73,480
Non-interest bearing mortgage notes receivable, net	5,420,704	5,249,432
Real estate held for sale and development	1,337,463	1,176,716
Houses under construction	536,723	657,187
Property and equipment, net	3,982,352	3,940,192
Operating lease right-of-use assets	1,570,765	1,740,181
Beneficial interest in assets held by others	343,066	351,619
Other assets	<u>114,505</u>	<u>129,955</u>
<u>TOTAL ASSETS</u>	<u>\$ 14,525,555</u>	<u>\$ 14,185,752</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 255,542	\$ 289,397
Operating lease liabilities	1,602,454	1,761,710
Finance lease liabilities	145,488	-
Notes payable	1,321,052	1,379,303
Non-interest bearing notes payable, net	<u>1,200,053</u>	<u>1,227,063</u>
<u>Total Liabilities</u>	<u>4,524,589</u>	<u>4,657,473</u>
 Net Assets		
Without Donor Restrictions		
Undesignated	6,808,035	6,168,384
Net investment in property and equipment	2,615,812	2,660,890
Designated for endowment	<u>172,778</u>	<u>189,994</u>
	9,596,625	9,019,268
With Donor Restrictions	<u>404,341</u>	<u>509,011</u>
<u>Total Net Assets</u>	<u>10,000,966</u>	<u>9,528,279</u>
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	 <u>\$ 14,525,555</u>	 <u>\$ 14,185,752</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions	\$ 470,122	\$ 75,000	\$ 545,122
Grants	96,250	105,599	201,849
Hammerbird 5K	11,878	-	11,878
House sponsor donations	-	356,711	356,711
In-kind contributions	78,334	-	78,334
Government contracts	1,267,027	-	1,267,027
Sale of completed houses (net of discounts of \$835,841)	952,359	-	952,359
Amortization of mortgage discount	424,632	-	424,632
ReStore sales	2,261,525	-	2,261,525
Change in value of beneficial interest	15,257	15,394	30,651
Other income	<u>279,065</u>	<u>-</u>	<u>279,065</u>
	5,856,449	552,704	6,409,153
Net assets released from restrictions			
Satisfaction of purpose restrictions	<u>657,374</u>	<u>(657,374)</u>	<u>-</u>
<u>Total Support and Revenue</u>	<u>6,513,823</u>	<u>(104,670)</u>	<u>6,409,153</u>
EXPENSES			
Program services			
Construction, volunteer and family services	2,953,724	-	2,953,724
ReStore	2,239,522	-	2,239,522
Management and general	430,040	-	430,040
Fundraising	<u>313,180</u>	<u>-</u>	<u>313,180</u>
<u>Total Expenses</u>	<u>5,936,466</u>	<u>-</u>	<u>5,936,466</u>
CHANGE IN NET ASSETS	577,357	(104,670)	472,687
Net Assets, Beginning of Year	<u>9,019,268</u>	<u>509,011</u>	<u>9,528,279</u>
Net Assets, End of Year	<u>\$ 9,596,625</u>	<u>\$ 404,341</u>	<u>\$ 10,000,966</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions	\$ 405,855	\$ 126,200	\$ 532,055
Grants	30,000	141,474	171,474
Blueprint breakfast	-	28,510	28,510
House sponsor donations	-	615,043	615,043
In-kind contributions	72,222	-	72,222
Government contracts	862,163	-	862,163
Sale of completed houses (net of discounts of \$622,942)	1,006,258	-	1,006,258
Amortization of mortgage discount	481,282	-	481,282
ReStore sales	2,447,040	-	2,447,040
Change in value of beneficial interest	8,367	7,200	15,567
Other income	<u>240,697</u>	<u>-</u>	<u>240,697</u>
	5,553,884	918,427	6,472,311
Net assets released from restrictions			
Satisfaction of purpose restrictions	<u>726,912</u>	<u>(726,912)</u>	<u>-</u>
<u>Total Support and Revenue</u>	<u>6,280,796</u>	<u>191,515</u>	<u>6,472,311</u>
EXPENSES			
Program services			
Construction, volunteer and family services	3,220,786	-	3,220,786
ReStore	2,330,653	-	2,330,653
Management and general	418,266	-	418,266
Fundraising	<u>283,957</u>	<u>-</u>	<u>283,957</u>
<u>Total Expenses</u>	<u>6,253,662</u>	<u>-</u>	<u>6,253,662</u>
CHANGE IN NET ASSETS	27,134	191,515	218,649
Net Assets, Beginning of Year	9,004,965	317,496	9,322,461
Cumulative Effect Adjustment Due to Adoption of New Lease Standard	<u>(12,831)</u>	<u>-</u>	<u>(12,831)</u>
Net Assets, End of Year	<u>\$ 9,019,268</u>	<u>\$ 509,011</u>	<u>\$ 9,528,279</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2024

	Program Services			Management and General	Fundraising	Total
	Construction, Volunteer and Family Services	ReStore	Total Program Services			
Building lots, materials and supplies (including \$61,506 of donated construction materials)	\$ 1,571,690	\$ -	\$ 1,571,690	\$ -	\$ -	\$ 1,571,690
Other donated materials and services	1,892	-	1,892	-	-	1,892
Salaries and benefits	864,208	1,041,650	1,905,858	281,658	236,210	2,423,726
Lease costs	15,505	280,836	296,341	1,421	1,422	299,184
Repairs and maintenance	45,243	57,489	102,732	74,020	-	176,752
Travel and vehicle	14,912	243,392	258,304	-	-	258,304
Insurance	54,420	26,382	80,802	3,178	5,004	88,984
Publicity	6,703	7,019	13,722	2,650	3,935	20,307
Office expense	14,968	44,376	59,344	375	18,515	78,234
Utilities	20,108	55,597	75,705	7,962	-	83,667
Tithe to HFH International	26,210	-	26,210	-	-	26,210
Interest	23,805	25,145	48,950	-	-	48,950
Amortization of discount on non-interest bearing notes payable	95,262	-	95,262	-	-	95,262
Depreciation and amortization	69,359	73,815	143,174	8,486	8,897	160,557
Volunteer expense	28,725	-	28,725	3,562	-	32,287
Professional fees	5,574	-	5,574	15,430	-	21,004
Hammerbird 5K	-	-	-	-	13,460	13,460
Other	95,140	383,821	478,961	31,298	25,737	535,996
	<u>\$ 2,953,724</u>	<u>\$ 2,239,522</u>	<u>\$ 5,193,246</u>	<u>\$ 430,040</u>	<u>\$ 313,180</u>	<u>\$ 5,936,466</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2023

	Program Services			Management and General	Fundraising	Total
	Construction, Volunteer and Family Services	ReStore	Total Program Services			
Building lots, materials and supplies (including \$21,051 of donated construction materials)	\$ 1,627,711	\$ -	\$ 1,627,711	\$ -	\$ -	\$ 1,627,711
Other donated materials and services	51,171	-	51,171	-	-	51,171
Salaries and benefits	952,917	1,150,657	2,103,574	245,715	203,303	2,552,592
Lease costs	14,114	252,603	266,717	2,173	2,061	270,951
Repairs and maintenance	50,231	70,451	120,682	65,779	-	186,461
Travel and vehicle	17,066	170,922	187,988	-	-	187,988
Insurance	48,715	23,126	71,841	2,724	3,843	78,408
Publicity	11,713	11,193	22,906	213	7,384	30,503
Office expense	12,846	42,731	55,577	58	14,261	69,896
Utilities	23,250	47,435	70,685	7,637	-	78,322
Tithe to HFH International	31,000	-	31,000	-	-	31,000
Interest	36,103	26,577	62,680	-	-	62,680
Amortization of discount on non-interest bearing notes payable	99,846	-	99,846	-	-	99,846
Depreciation	54,060	81,960	136,020	8,492	8,818	153,330
Volunteer expense	27,106	-	27,106	1,791	-	28,897
Professional fees	208	-	208	22,251	-	22,459
Blueprint breakfast	-	-	-	-	8,895	8,895
Other	162,729	452,998	615,727	61,433	35,392	712,552
	<u>\$ 3,220,786</u>	<u>\$ 2,330,653</u>	<u>\$ 5,551,439</u>	<u>\$ 418,266</u>	<u>\$ 283,957</u>	<u>\$ 6,253,662</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 472,687	\$ 218,649
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	160,557	153,330
Amortization on operating leases	213,517	188,655
Issuance of non-interest bearing mortgage loans	(1,483,300)	(1,330,080)
Discounts on newly issued non-interest bearing mortgage loans	919,683	816,973
Amortization of mortgage discounts	(424,632)	(481,282)
Amortization of discounts on non-interest bearing notes payable	95,262	99,846
Discounts on current year non-interest bearing notes payable	(87,104)	(194,031)
Provision for uncollectible promises to give	-	5,654
Change in value of beneficial interest	(30,652)	(15,567)
Donated vehicle	(14,881)	-
Changes in operating assets and liabilities		
(Increase) decrease in:		
Promises to give	1,250	28,274
Grants receivable	(571,508)	(37,482)
Other receivables	(15,469)	37,509
Non-interest bearing mortgage notes receivable	816,977	1,040,356
Houses under construction	120,464	(53,199)
Real estate held for sale and development	(160,747)	(552,696)
Other assets	15,450	21,157
Increase (decrease) in:		
Accounts payable and accrued expenses	(33,855)	28,177
Operating lease liabilities	(203,357)	(179,957)
<u>Net Cash Used in Operating Activities</u>	<u>(209,658)</u>	<u>(205,714)</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(32,576)	(33,709)
Purchase of certificate of deposit	(71,094)	(67,951)
Redemption of certificate of deposit	67,951	-
Beneficial interest distributions	39,204	6,715
<u>Net Cash Provided by (Used in) Investing Activities</u>	<u>3,485</u>	<u>(94,945)</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
FINANCING ACTIVITIES		
Principal payments on notes payable	(158,251)	(156,687)
Principal payments on non-interest bearing notes payable	(175,168)	(197,225)
Principal payments on finance lease liabilities	(9,771)	-
Proceeds from note payable	100,000	200,000
Proceeds from current year non-interest bearing notes payable	<u>140,000</u>	<u>315,000</u>
<u>Net Cash Provided by (Used in) Financing Activities</u>	<u>(103,190)</u>	<u>161,088</u>
Change in Cash and Cash Equivalents	(309,363)	(139,571)
Cash and Cash Equivalents, Beginning of Year	<u>745,507</u>	<u>885,078</u>
Cash and Cash Equivalents, End of Year	<u>\$ 436,144</u>	<u>\$ 745,507</u>
<u>SUPPLEMENTAL INFORMATION:</u>		
Cash paid for interest	<u>\$ 52,129</u>	<u>\$ 62,538</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE A: ORGANIZATION AND NATURE OF ACTIVITIES

Habitat for Humanity of Forsyth County, Inc. ("Habitat"), an affiliate of Habitat for Humanity International, Inc. ("HFHI") is a North Carolina not-for-profit corporation organized in 1985 whose purpose is to mobilize community resources to advocate for the elimination of substandard housing and to build affordable housing for low-income individuals and families in Forsyth County, North Carolina, through a program both privately and publicly financed, and to sell such housing to low-income persons at appraised value, which approximates cost, under twenty to thirty year non-interest bearing mortgage notes. Habitat finances its operations through continuing contributions, mortgage payment receipts, ReStore sales, and grants. Habitat operates several retail ReStore locations which are open to the public to sell new and used furniture, building supplies, and creative merchandise for home improvements. ReStore accepts donated goods from individuals and businesses. Although HFHI assists with information resources, training, publications, and in other ways, Habitat is directly responsible for its own operations. Habitat is required to make contributions to HFHI for the construction of homes in economically depressed areas outside the United States, in order to maintain status as an affiliate in good standing.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of Habitat have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). Habitat reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - net assets that are not restricted by donors or for which donor-imposed restrictions have expired. If the board specifies a purpose where none has been stated, such funds are classified as board designated net assets without donor restrictions.

Net assets with donor restrictions - net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e. donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Habitat considers all short-term investments with original maturity of three months or less to be cash equivalents. These accounts at times may exceed federally insured limits. Habitat has not experienced any losses on these accounts and management does not believe it is exposed to any significant credit risk.

Certificate of Deposit

Habitat has a certificate of deposit with a local financial institution with an original maturity of thirteen months maturing in April 2025.

Promises to Give

Contributions and grants (promises to give) are recognized as revenues in the period the commitment is made. Habitat records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contributions and grants revenue in the statements of activities. Habitat determines an allowance for uncollectible promises to give based on historical experience, an assessment of the economic conditions, and a review of subsequent collections. No allowance for uncollectible promises to give was considered necessary at June 30, 2024 or 2023. Promises to give are written off when deemed uncollectible. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions upon which they depend are substantially met.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recorded at amortized cost. Amortized cost represents the original carrying amount of the financial instrument less an allowance for future credit losses. An allowance for credit losses is an estimate based upon historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based on current trends, and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. Habitat believes that an allowance for credit losses would not be significant and, therefore, was not considered necessary at June 30, 2024.

Grants and Other Receivables

Grants and other receivables are recorded at net realizable value consisting of the carrying amount less the allowance for uncollectible accounts, as needed. Habitat uses the allowance method to account for uncollectible receivable balances. Under the allowance method, if needed, an estimate of uncollectible balances is made based upon specific account balances that are considered uncollectible. No allowance was considered necessary at June 30, 2024 or 2023.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Real Estate Held for Sale and Development

Real estate held for sale and development consists of both purchased and donated lots. Purchased lots are valued at historical cost. Donated lots are valued using the appraised values from either an independent appraisal or from property tax records. Since all donated property is unrestricted, management may determine that certain property is not suitable for construction and may elect to sell or otherwise dispose of the property. Real estate held for sale is valued at the lower of cost or market.

Property and Equipment

Property, equipment and leasehold improvements are capitalized at cost, unless donated. Donated property is stated at fair market value at the date of the gift. It is Habitat's policy to capitalize expenditures for these items in excess of \$2,000. Lesser amounts are expensed. Depreciation and amortization are provided on the straight-line method over estimated useful lives ranging from 3 to 39 years. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. For assets held and used, an impairment charge is recognized if projected undiscounted cash flows are less than the carrying value of the assets. For assets held for disposal, an impairment charge is recognized if the carrying value of the assets exceeds the fair value less costs to sell.

Lease Arrangements

Financing and operating leases are recognized as right-of-use assets with related lease liabilities in the accompanying statements of financial position. Right-of-use assets represent Habitat's right to use an underlying asset for the lease term. Lease liabilities represent Habitat's obligation to make lease payments arising from the lease. Right-of-use assets and related liabilities are recognized at the commencement date of the lease based on the present value of lease payments over the lease term using interest rates implicit in the lease. Absent an implicit rate in the lease, Habitat uses the risk-free rate of a zero-coupon U.S. Treasury instrument.

Habitat has made the accounting policy election not to separate lease components from non-lease components, but rather accounts for the components as a single lease component. Habitat has also elected to apply the short-term lease exception for all classes of underlying assets to all leases with a term of one year or less. Therefore, lease assets and liabilities for these leases, if applicable, are not recorded in the statements of financial position, but rather expensed as incurred.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Assets Held by Others

Habitat has established trust arrangements with the Winston-Salem Foundation (the "Foundation"), the purpose of which is to provide permanent endowments to support the future needs of Habitat. Donor contributions and monies designated by the Board have been irrevocably transferred to the Foundation, who will invest the funds and make quarterly earnings distributions, to Habitat or accumulated income funds within the endowments, in an amount determined by the Foundation. Habitat has granted the Foundation variance power, the unilateral power to redirect the use of the assets, but has retained a right to the assets by specifying itself as the beneficiary. Pursuant to GAAP, these endowments have been recognized as a beneficial interest in assets held by others in the accompanying statements of financial position at the current market value of the underlying investments held by the Foundation, which amounted to \$343,066 and \$351,619 as of June 30, 2024 and 2023, respectively. Habitat is not subject to the Uniform Prudent Management of Institutional Funds Act or the endowment disclosure requirements of FASB ASC 958-205-50 for these funds since control over the funds was relinquished to the Foundation.

Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

Donated Services and In-Kind Contributions

Contributions of assets other than cash are recorded at their estimated fair value. Habitat reports revenues for the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing these skills, and represent services that would have been purchased had they not been donated. A substantial number of volunteers donate significant amounts of time to Habitat; however, no amounts have been reflected in the financial statements for these services since the donated services do not meet the above conditions for recognition under GAAP.

ReStore Donations

Donations accepted by the ReStore consist principally of surplus and salvage building materials and furniture. These donations are not recorded when received as the donated items do not have a readily determinable fair value at the time of the donation. Accordingly, Habitat recognizes ReStore revenue when the donated items are sold.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sales of Completed Houses

Sales to homeowners are recorded at the gross amount of payments to be received over the lives of the mortgages. The non-interest bearing mortgages Habitat holds are discounted at inception based upon market interest rates for similar mortgages as supplied each June 30th by HFHI. Discount rates applied to the mortgages Habitat currently holds range from 7.23% to 8.34%. A discount rate of 8.02% was applied to mortgages originated during the year ended June 30, 2024 and a discount rate of 7.85% was applied to mortgages originated during the year ended June 30, 2023. Discounts are amortized over the lives of the mortgages using the effective interest method. No amounts have been provided as an allowance for credit losses as the fair value of the collateral (homes sold) exceeds the amounts of the discounted notes and estimated costs associated with foreclosure.

Habitat has entered into an agreement with a local financial institution to undertake a collaborative loan program whereby the financial institution will provide direct loans to certain homeowners in conjunction with Habitat's mission to build affordable housing for low-income individuals. Loans under this program will differ in certain ways from the loans Habitat has historically provided in that the eligibility requirements are different and the loans will be interest bearing at a rate of 2%. Only a portion of the total homes constructed and sold by Habitat in a given year will be eligible for this program and they will be limited based on mutually agreed upon annual maximum loans allowed. If a loan under this program goes into default and is subject to foreclosure procedures, Habitat has agreed to either bid on the property at the foreclosure sale until it is the successful bidder, unless a separate third party is the successful bidder, or Habitat will take assignment of the financial institution's bid in the event that the financial institution is the successful bidder at the foreclosure sale. This agreement will remain in effect on a year to year basis for future program loans, but not existing program loans, unless terminated by either party in a mutually agreed upon manner. During the year ended June 30, 2024, two loans were originated with the financial institution mentioned above. During the year ended June 30, 2023, two loans were originated with the financial institution mentioned above.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses presents the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated between the programs and supporting services benefited. Directly identifiable expenses are charged to the appropriate programs and supporting services. The primary expenses that are allocated include utilities and depreciation, which are allocated on a square footage basis, as well as salaries, payroll taxes, and employee benefits, which are allocated on the basis of time and effort.

Advertising Costs

Advertising costs, included in publicity in the accompanying statements of functional expenses, are expensed as incurred.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

Habitat is a not-for-profit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, income tax expense is limited to activities that are deemed by the Internal Revenue Service to be unrelated to their exempt purpose.

Habitat's primary tax positions relate to its status as a not-for-profit entity exempt from income taxes and classification of activities related to its exempt purpose. It is the opinion of management that Habitat has no uncertain tax positions that would be subject to change upon examination.

Habitat is required to file a federal exempt organization tax return (Form 990) annually to retain its exempt status. Habitat is also required to file an exempt organization business income tax return (Form 990-T) for any year unrelated business income exceeds \$1,000. Habitat's Form 990 filings are generally subject to examination by the Internal Revenue Service for three years after they are filed.

Use of Estimates

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

Subsequent Events

Habitat has evaluated its subsequent events (events occurring after June 30, 2024) through the date of this report, which represents the date the financial statements were available to be issued and determined that all significant events and disclosures are included in the financial statements.

Accounting Pronouncement Adopted in the Current Year

Habitat adopted FASB ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments that are measured at amortized cost, such as accounts and loan receivables. Prior to July 1, 2023, the allowance for losses on such assets was determined based on management's estimate of probable incurred losses. Habitat adopted this new guidance effective July 1, 2023, utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on Habitat's financial statements.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE C: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of the balance sheet date, comprise the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 436,144	\$ 745,507
Certificate of deposit	71,094	67,951
Promises to give, net	-	1,250
Grants and other receivables	712,739	125,762
Non-interest bearing mortgage notes receivable, net	5,420,704	5,249,432
Beneficial interest in assets held by others	<u>343,066</u>	<u>351,619</u>
Total financial assets	6,983,747	6,541,521
Less those unavailable for general expenditure within one year due to:		
Noncurrent portion of non-interest bearing notes receivable, net	(4,735,924)	(4,478,236)
Purpose restrictions	(234,051)	(347,383)
Beneficial interest in assets held by others	<u>(343,066)</u>	<u>(351,619)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 1,670,706</u>	<u>\$ 1,364,283</u>

Habitat has a goal to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, Habitat has a \$250,000 line of credit available to draw upon, if needed.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE D: FAIR VALUE MEASUREMENTS

Financial assets and liabilities required to be measured on a recurring basis (at least annually) are classified under a three-tier hierarchy. Fair value is the amount that would be received to sell an asset, or paid to settle a liability, in an orderly transaction between market participants at the measurement date.

Assets and liabilities measured at fair value are categorized depending on the observability of the inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are observable inputs other than quoted prices included within Level 1 for the asset or liability, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or other inputs that can be corroborated by observable data for substantially the full term of the assets or liabilities. Level 3 inputs are unobservable for the asset or liability, including Habitat’s own assumptions in determining the fair value of assets or liabilities.

Valuation techniques used in the fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Habitat believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date.

The following is a description of the valuation methodologies used by Habitat for assets measured at fair value:

Beneficial Interest In Assets Held By Others: Equities and fixed income funds within the Winston-Salem Foundation (the Foundation) endowment pool are valued at the closing price reported on the active markets on which the individual securities are traded. Although the measurement is based on the unadjusted fair value of trust assets reported by the Foundation, Habitat has irrevocably assigned the monies to the Foundation and is only able to redeem accumulated income that the Foundation has transferred to the grantable funds account within the endowment. Therefore, Habitat considers the measurement of its beneficial interest in assets held by others to be a Level 3 measurement within the fair value hierarchy.

The following table sets forth by level, within the fair value hierarchy, Habitat’s assets measured at fair value on a recurring basis as of June 30, 2024 and 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2024</u>				
Beneficial interest in assets held by others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 343,066</u>	<u>\$ 343,066</u>
<u>2023</u>				
Beneficial interest in assets held by others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 351,619</u>	<u>\$ 351,619</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE D: FAIR VALUE MEASUREMENTS (CONTINUED)

The table below sets forth a summary of changes in the fair value of Habitat’s level 3 assets for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 351,619	\$ 342,767
Change in value	30,651	15,567
Distributions	<u>(39,204)</u>	<u>(6,715)</u>
Balance, end of year	<u>\$ 343,066</u>	<u>\$ 351,619</u>

NOTE E: NON-INTEREST BEARING MORTGAGE NOTES RECEIVABLE

A summary of mortgage notes is as follows at June 30:

	<u>2024</u>	<u>2023</u>
Various non-interest bearing mortgage notes which are due in monthly installments of approximately \$68,000	\$ 10,642,731	\$ 9,976,408
Less discounts	<u>(5,222,027)</u>	<u>(4,726,976)</u>
	<u>\$ 5,420,704</u>	<u>\$ 5,249,432</u>

A portion of the above mortgage notes receivable is pledged as collateral, securing the loans described in Note G and Note H.

In general, each homeowner signs several promissory notes. The first mortgage note payable to Habitat; non-interest bearing, due in monthly installments over a term of 30 years; secured by a first deed of trust on the home with an average value of \$214,200. The average value of first mortgages was \$178,800. Some of the loans made also included a loan to the North Carolina Housing Finance Agency (NCHFA). When applied for, Habitat receives \$15,000 - \$45,000 from NCHFA after closing a loan with the homeowner. Habitat collects the full mortgage payment and remits the NCHFA portion monthly. See additional information on NCHFA notes payable in Note H. Owner must occupy as principal residence; if sold, refinanced or otherwise encumbered within ten years, then, in addition to the balance of the note, a share of appreciation in value shall be payable to Habitat, based upon a defined formula in the deed. The deed of trust grants Habitat the right of first refusal to repurchase the property under the same terms and conditions as a bona fide offer to the homeowner.

Most new homes sold in Winston-Salem also have a mortgage note payable to the City of Winston-Salem representing its investment in the property for site preparation and infrastructure costs performed by Habitat; owner must occupy as principal residence, due upon sale or transfer of property; non-interest bearing; secured by deed of trust.

Habitat policy does not allow for total purchase price of homes to be greater than appraised value by an independent appraiser.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE E: NON-INTEREST BEARING MORTGAGE NOTES RECEIVABLE (CONTINUED)

Credit Quality Information

Habitat adheres to underwriting standards and qualifications endorsed by HFHI. Habitat requires a credit report at the time of application and prior to closing the loan, but the credit score does not determine the lending decision. Minimum underwriting standards allow for no more than \$2,000 in non-medical collections and no unsatisfied judgements against the applicant. Habitat requires a demonstrated ability to repay the loan.

Every effort is made to assist homeowners who have become delinquent in their mortgage payments. However, foreclosure proceedings may be initiated and/or Habitat may accept back the deed in lieu of foreclosure if homeowner mortgage payments are deemed seriously delinquent. Management does not believe any of the mortgage notes receivable to be impaired as of June 30, 2024 or 2023.

Mortgage notes receivable balances that are considered past due as of June 30 are as follows:

	<u>2024</u>	<u>2023</u>
1 – 30 days past due	\$ 14,520	\$ 30,580
30 – 60 days past due	15,833	13,586
60 – 90 days past due	8,072	11,113
90+ days past due	<u>34,621</u>	<u>16,998</u>
Total	<u>\$ 73,046</u>	<u>\$ 72,277</u>

NOTE F: PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following at June 30:

	<u>2024</u>	<u>2023</u>
Buildings	\$ 3,717,772	\$ 3,707,357
Office furniture and equipment	197,499	196,551
Construction equipment	713,616	528,866
ReStore furniture and equipment	93,162	93,162
Leasehold improvements	96,401	96,401
Land	<u>919,361</u>	<u>919,361</u>
	5,737,811	5,541,698
Less accumulated depreciation and amortization	<u>(1,755,459)</u>	<u>(1,601,506)</u>
	<u>\$ 3,982,352</u>	<u>\$ 3,940,192</u>

Depreciation and amortization expense totaled \$160,557 and \$153,330 for the years ended June 30, 2024 and 2023, respectively. Property and equipment includes \$155,259 of finance lease right-of-use assets at June 30, 2024. Accumulated amortization on this property was \$12,938 at June 30, 2024.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE G: NOTES PAYABLE

Notes payable are summarized as follows at June 30:

	<u>2024</u>	<u>2023</u>
Revolving line of credit with Truist Bank, limit of \$250,000, (increased from \$150,000 as of October 2022), bank prime interest rate minus 0.375%, interest only monthly payments, unsecured. Matures in October 2026.	\$ 100,000	\$ -
Note payable to Allegacy Federal Credit Union is secured by certain land and ReStore building, 3.65% interest rate, principal and interest payable in monthly payments of \$4,913 through September 2028, at which time any remaining balance of principal and accrued interest will be due in full.	662,984	696,651
Note payable to Allegacy Federal Credit Union is secured by certain land and building, 3.65% interest rate, principal and interest payable in monthly payments of \$3,838 through March 2030, at which time any remaining balance of principal and accrued interest will be due in full.	558,068	582,652
Unsecured note payable to Habitat for Humanity International. Total financed \$200,000 with interest at 4.00%. Interest is paid monthly with all principal and accrued interest due as of December 31, 2023.	-	100,000
	<u>\$ 1,321,052</u>	<u>\$ 1,379,303</u>

Habitat must comply with certain financial institution loan covenants. At June 30, 2024, Habitat was in compliance with all such covenants.

Future maturities of notes payable at June 30, 2024 are as follows:

2025	\$ 161,718
2026	64,008
2027	66,383
2028	68,848
2029	543,523
Thereafter	<u>416,572</u>
	<u>\$ 1,321,052</u>

Interest expense totaled \$48,950 and \$62,680 for the years ended June 30, 2024 and 2023, respectively.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE H: NON-INTEREST BEARING NOTES PAYABLE

For some of the mortgage notes receivable discussed in Note E, Habitat can apply for and receive a non-interest bearing note payable from the North Carolina Housing Finance Agency (NCHFA) for \$15,000 - \$45,000. The non-interest bearing notes payable are tied to specific mortgages and as Habitat collects the full monthly mortgage payments, a portion is remitted to NCHFA. Payments range from \$41 to \$133, and mature through June 2054. Interest rates used to discount the notes were determined based on market rates for similar types of notes on the origination dates. Rates consist of a range of 7.23% to 8.14%. Non-interest bearing notes payable are summarized as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Non-interest bearing notes payable	\$ 2,339,487	\$ 2,377,917
Less discount	<u>(1,139,434)</u>	<u>(1,150,854)</u>
Total	<u>\$ 1,200,053</u>	<u>\$ 1,227,063</u>

Future maturities of non-interest bearing notes payable as of June 30, 2024 are as follows:

2025	\$ 151,270
2026	144,937
2027	136,687
2028	135,089
2029	130,944
Thereafter	<u>1,640,560</u>
	<u>\$ 2,339,487</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE I: LEASES

Habitat leases ReStore facilities under operating leases. The leases, including anticipated renewal options, expire through October 2034. Habitat also leases a Freightliner truck through December 2031 under a long-term non-cancelable finance lease. Habitat also leases other ReStore space and office equipment under short-term lease arrangements.

Total right-of-use assets and liabilities at June 30, 2024 and 2023 are classified as follows in the statements of financial position:

	<u>2024</u>	<u>2023</u>
Lease assets -		
Operating lease right-of-use assets	\$ 1,570,765	\$ 1,740,181
Finance lease right-of-use asset (included in property and equipment)	<u>142,320</u>	<u>-</u>
	<u>\$ 1,713,085</u>	<u>\$ 1,740,181</u>
Lease liabilities -		
Operating lease liabilities	\$ 1,602,454	\$ 1,761,710
Finance lease liabilities	<u>145,488</u>	<u>-</u>
	<u>\$ 1,747,942</u>	<u>\$ 1,761,710</u>

Total lease costs for the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Finance lease costs		
Amortization of right-of-use assets	\$ 12,938	\$ -
Interest on lease liabilities	3,371	-
Operating lease costs	213,517	188,655
Short-term lease costs		
ReStore facilities	63,948	63,948
Equipment	<u>18,348</u>	<u>18,348</u>
Total lease costs	<u>\$ 312,122</u>	<u>\$ 270,951</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE I: LEASES (CONTINUED)

The following summarizes the weighted-average discount rate and remaining lease terms as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Weighted average discount rate		
Operating	2.70%	2.66%
Finance	3.94%	0.00%
Weighted average remaining lease term		
Operating	8.60 years	9.60 years
Finance	7.46 years	0.00 years

Future minimum lease payments required under operating leases that have an initial or remaining non-cancelable lease terms in excess of one year are as follows at each June 30:

	<u>Finance Leases</u>	<u>Operating Leases</u>
2025	\$ 22,528	\$ 206,282
2026	22,528	208,057
2027	22,528	219,782
2028	22,528	220,757
2029	22,528	220,757
Thereafter	<u>54,443</u>	<u>735,864</u>
Total lease payments	167,083	1,811,499
Less imputed interest	<u>(21,595)</u>	<u>(209,045)</u>
 Total lease obligations	 <u>\$ 145,488</u>	 <u>\$ 1,602,454</u>

The following summarizes cash flow information related to leases for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 203,357	\$ 179,957
Operating cash flows from finance leases	3,370	-
Financing cash flows from finance leases	<u>9,771</u>	<u>-</u>
	<u>\$ 216,498</u>	<u>\$ 179,957</u>
 Right-of-use assets obtained in exchange for lease obligations:		
Finance lease	<u>\$ 155,259</u>	<u>\$ -</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE J: DEFINED CONTRIBUTION PLAN

Eligible employees are rewarded with retirement benefits under Habitat’s 401(k) savings plan. Employees are eligible to participate in the plan if they have completed two months of service and have reached their twenty-first birthday. Under the plan, Habitat can, at its discretion, contribute an amount equal to a uniform percentage of participant salary deferrals. This percentage was set at 4% of eligible salary for the years ended June 30, 2024 and 2023, respectively. Habitat’s contribution for the years ended June 30, 2024 and 2023 was \$33,200 and \$35,864, respectively.

NOTE K: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specified purposes:		
House sponsorships	\$ 49,235	\$ 187,630
Youth empowerment program	19,462	25,000
Construction	105,599	63,908
ReStore distribution center	29,755	39,645
Van purchase	30,000	30,000
Other	-	1,200
	<u>234,051</u>	<u>347,383</u>
Not subject to Habitat’s spending policy or appropriation:		
Beneficial interest in assets held by others		
Jimmy Johnson scholarships	79,841	75,763
Held in perpetuity	90,449	85,865
	<u>170,290</u>	<u>161,628</u>
	<u>\$ 404,341</u>	<u>\$ 509,011</u>

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE L: IN-KIND CONTRIBUTIONS

Habitat received the following in-kind contributions for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Construction materials	\$ 61,561	\$ 21,051
Professional services	250	51,171
Vehicle	14,881	
Program supplies	<u>1,642</u>	<u>-</u>
	<u>\$ 78,334</u>	<u>\$ 72,222</u>

Habitat receives contributions of construction materials to help in the construction of homes. These are based on current market rates for construction materials.

Habitat was also provided marketing services at no cost. These are based on current market rates for the services.

Habitat was gifted a car during the year ended June 30, 2024. The fair market value on the date of the gift was \$14,881.

Habitat was also provided with supplies used for its programs. The value of these supplies was based on current market rates.

All in-kind contributions received by Habitat for the years ended June 30, 2024 and 2023 were considered without donor restrictions and able to be used by Habitat as determined by the board of directors and management.

NOTE M: CONCENTRATION OF RISK AND FUNDING

In accordance with its mission, Habitat sells homes to low-income persons in exchange for thirty-year non-interest bearing notes. The notes are secured by first mortgages on the underlying real estate. The credit risk associated with these notes is not significant as the homes are sold at appraised value which approximates cost.

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
SUPPLEMENTAL SCHEDULE OF HOME BUILDING ACTIVITY
For the Year Ended June 30, 2024

	<u>Actual number of houses</u>	<u>Cost</u>	<u>Construction site</u>	<u>Percentage completed at June 30, 2024</u>
Houses under construction as of June 30, 2023; sold during the year ended June 30, 2024	6	\$ 946,198	1040 Kapp St 1070 Kapp St 879 W 12th St 1629 14th St 1079 Kapp St 528 Barbara Jane Ave	N/A
Houses started and sold during the year ended June 30, 2024	5	625,492	1315 Free St 1325 Free St 1365 Free St 1375 Free St 4150 Stone Terrace Dr	N/A
		<u>\$ 1,571,690</u>		
Houses under construction as of June 30, 2024; as yet unsold	6	<u>\$ 536,723</u>	1508 E 24th St 1395 Free St 1509 E 25th St 1734 N Dunleith St 1505 E 25th St 1029 Kapp St	88% 75% 13% 50% 85% 15%

HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.
SUPPLEMENTAL SCHEDULE OF HOME BUILDING ACTIVITY
For the Year Ended June 30, 2023

	<u>Actual number of houses</u>	<u>Cost</u>	<u>Construction site</u>	<u>Percentage completed at June 30, 2023</u>
Houses under construction as of June 30, 2022; sold during the year ended June 30, 2023	10	\$ 1,485,720	1045 Kapp St 1050 Kapp St 1059 Kapp St 1060 Kapp St 208 W 23rd St 2705 Ansonia St 4563 Stone Hill Dr 4531 Stone Hill Dr 1253 N Jackson St 4564 Stone Hill Dr	N/A
Houses started and sold during the year ended June 30, 2023	1	141,991	4550 Stone Hill Dr	N/A
		<u>\$ 1,627,711</u>		
Houses under construction as of June 30, 2023; as yet unsold	7	<u>\$ 657,187</u>	1040 Kapp St 1070 Kapp St 879 W 12th St 1629 14th St 1079 Kapp St 528 Barbara Jane Ave 1508 E 24th St	91% 88% 80% 61% 61% 40% 17%