NEW AMERICAN COMMUNITY LENDING CORPORATION
(d/b/a NEW AMERICAN LENDING)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025 AND 2024

NEW AMERICAN COMMUNITY LENDING CORPORATION
(d/b/a NEW AMERICAN LENDING)

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
New American Community Lending Corporation
d/b/a New American Lending
Baltimore, Maryland

Opinion

We have audited the accompanying financial statements of New American Community Lending Corporation (d/b/a New American Lending)("NAL") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NAL as of December 31, 2025, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NAL and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 NAL's ability to continue as a going concern within one year after the date that 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 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.

Board of Directors
New American Community Lending Corporation
d/b/a New American Lending
Baltimore, Maryland

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 NAL'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 NAL'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 Summarized Comparative Information

We have previously audited NAL's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 2, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Tait, Weller & Baker LLP

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
June 26, 2026

NEW AMERICAN COMMUNITY LENDING CORPORATION
(d/b/a New American Lending)

STATEMENTS OF FINANCIAL POSITION

December 31, 2025 And 2024

ASSETS

	2025	2024
ASSETS		
Cash and cash equivalents	$ 524,717	$ 689,249
Contributions receivable	27,500	75,000
Loans receivable, net of allowance for doubtful accounts of $89,568 and $72,922 as of December 31, 2025 and 2024, respectively	1,921,516	1,523,381
Accounts and interest receivable	25,715	11,425
Prepaid expense	19,000	-
Total Assets	$2,518,448	$2,299,055

LIABILITIES AND NET ASSETS

	2025	2024
LIABILITIES		
Accounts payable and accrued expenses	$ 11,448	$ 11,696
Related party payable	971,051	897,330
Total Liabilities	982,499	909,026
NET ASSETS		
Without donor restrictions	476,698	211,248
With donor restrictions	1,059,251	1,178,781
Total Net Assets	1,535,949	1,390,029
Total Liabilities and Net Assets	$2,518,448	$2,299,055

NEW AMERICAN COMMUNITY LENDING CORPORATION
(d/b/a New American Lending)

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2025 With Summarized Information For 2024

	Without Donor Restrictions	With Donor Restrictions	2025	2024
Operating Activities				
Support and Revenue				
Loan service income	$ 88,076	$ 470	$ 88,546	$ 62,293
Contributions	376,287	205,000	581,287	1,543,768
Miscellaneous income	3,750	-	3,750	-
Release from restrictions	325,000	(325,000)	-	-
Total support and revenue	793,113	(119,530)	673,583	1,606,061
Expenses				
Program services	391,011	-	391,011	368,496
Supporting activities:				
Management and general	97,583	-	97,583	89,283
Fundraising	39,069	-	39,069	14,468
	136,652	-	136,652	103,751
Total expenses	527,663	-	527,663	472,247
Excess revenue over expenses	265,450	(119,530)	145,920	1,133,814
Non-operating activities				
Loss on disposal of fixed assets	-	-	-	(38,320)
Change in Net Assets	265,450	(119,530)	145,920	1,095,494
Net Assets				
Beginning of year	211,248	1,178,781	1,390,029	294,535
End of year	$ 476,698	$ 1,059,251	$ 1,535,949	$ 1,390,029

NEW AMERICAN COMMUNITY LENDING CORPORATION
(d/b/a New American Lending)

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2025 With Summarized Information For 2024

		SUPPORTING ACTIVITIES				
	Program Services	Management And General	Fund-Raising	Total Supporting Activities	2025 Total Expenses	2024
Personnel costs	$ 273,533	$ 7,259	$ 36,271	$ 43,530	$ 317,063	$ 311,962
Travel and meetings	1,139	127	1,266	1,393	2,532	-
Professional fees	-	8,563	-	8,563	8,563	2,012
Office expenses	1,059	74	62	136	1,195	5,351
Operating costs	43,280	81,560	1,470	83,030	126,310	80,000
Bad debt expense	72,000	-	-	-	72,000	72,922
Total expenses	$ 391,011	$ 97,583	$ 39,069	$ 136,652	$ 527,663	$ 472,247

NEW AMERICAN COMMUNITY LENDING CORPORATION
(d/b/a New American Lending)

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2025 And 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 145,920	$ 1,095,494
Adjustments to Reconcile Change in Net Assets to Net Cash (Used in) Provided by Operating Activities:		
Loss on disposal of fixed assets	-	38,320
Provision for credit losses	72,000	72,922
Proceeds from collections on loans receivable	445,865	206,843
Disbursements of loans receivable	(916,000)	(1,243,000)
(Increase) Decrease in operating assets:		
Contributions receivable	47,500	(75,000)
Prepaid expense	(19,000)	-
Accounts and interest receivable	(14,290)	(11,425)
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued expenses	(248)	(42,589)
Related party payable	73,721	491,588
Net cash (used in) provided by operating activities	(164,532)	533,153
Net change in cash and cash equivalents	(164,532)	533,153
CASH AND CASH EQUIVALENTS		
Beginning of year	689,249	156,096
End of year	$ 524,717	$ 689,249

(1) NATURE OF ORGANIZATION

New American Community Lending Corporation d/b/a New American Lending ("NAL") was incorporated as a supporting organization to Lutheran Immigration and Refugee Services, d/b/a Global Refuge ("LIRS") to financially empower refugees, asylum seekers, and other immigrants to promote stability, and a share in the American dream. NAL is a certified community development financial institution (CDFI) certified by the CDFI Fund of the U.S. Treasury Department as of 2025. The mission of NAL is to protect migrants and refugees through services that rebuild lives, rekindle dreams, and enliven and enrich communities; and to promote community economic development by offering financial information, education, loans, and/or grants to refugees, asylum seekers, migrants, immigrants, or other underserved people or by offering such services to businesses owned by refugees, asylum seekers, migrants, immigrants, or other underserved people.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

BASIS OF PRESENTATION

NAL's financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The principles require that net assets, revenue, support and expenses be classified as without donor restrictions or with donor restrictions based on the existence or absence of donor-imposed restrictions as follows:

Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations and that may be expendable for any purpose in performing the primary objective of NAL. These net assets may be used at the discretion of NAL.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of NAL and/or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt.

ACCOUNTING ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash held in a checking account. The account may, at times, exceed federally insured limits. NAL has not experienced any losses in this account.

CONCENTRATION OF CREDIT RISK

NAL occasionally maintains deposits in excess of federally insured limits. Accounting Standards Codification (***"ASC"***) 825, ***"Financial Instruments"***, identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by monitoring the financial institutions in which deposits are made.

PROPERTY AND EQUIPMENT

Property and equipment are reported at cost and depreciated over their estimated useful lives. Repairs and maintenance are expensed as incurred if they do not extend the life of the asset.

LOANS RECEIVABLE

Loans receivable are measured at historical cost and reported at their outstanding principal balances net of any unearned income, charge-offs, and unamortized deferred fees.

SUPPORT AND REVENUE

NAL recognizes contributions when cash, securities or other assets, and unconditional promises to give are received. Conditional contributions include donor-imposed conditions with one or more barriers that must be overcome before the NAL is entitled to the assets transferred or promised and there is a right of return to the contributor for assets transferred or a right of release of the promisor from its obligation to transfer assets. NAL recognizes the contribution when the conditions are substantially met or explicitly waived. Unconditional contributions are classified as without donor restrictions unless there are donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of the restriction is accomplished, net assets with donor restrictions are then classified to net assets without donor restrictions and reported in the statement of activities as ***"net assets released from restrictions."***

Loan service income consists of loan processing fees and interest income. Loan processing fees are non-refundable and are amortized into income over the loan period. Interest income on loans receivable is recognized using the effective interest rate method.

EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The costs of providing the various program services and supporting activities are summarized on a functional basis in the statements of activities. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to program and supporting services based on various factors determined by management. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

INCOME TAXES

NAL is a not-for-profit Maryland corporation exempt from federal income tax under Internal Revenue Code 501(c)(3). Accordingly, no provision has been made for federal or state taxes on the excess revenue over expenses.

NAL's federal information returns are generally subject to examination by the Internal Revenue Service for three years. Management has reviewed the tax positions for each open tax year (2022 - 2024) or those expected to be taken in NAL's 2025 tax return and concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

ALLOWANCE FOR CREDIT LOSSES

The allowance for credit losses is a valuation account that is deducted from the loans amortized cost basis to present the net amount expected to be collected on the loans. Loans are charged off against the allowance when management believes the account is not collectible. Management estimates the allowance balance using available information relating to past events, current conditions, and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of expected credit losses. Adjustments to historical loss information are made for differences in current loan-specific risk characteristics such as differences in underwriting standards, delinquency levels, as well as for changes in environmental conditions, such as changes in the unemployment rates or other relevant factors. NAL measures its allowance for credit losses on a collective pool basis for loans that share similar risk characteristics. For all other loans, the allowance is measured on an individual loan basis.

RECLASSIFICATION

Certain account balances in the 2024 financial statements have been reclassified to conform to the 2025 presentation.

(3) LOANS RECEIVABLE

NAL offers interest bearing and Riba-free Business and Personal loans. Interest rates on the loans are fixed and range from 5% to 10% at December 31, 2025 and 2024, respectively. Business loans from $500 to $7,500 have repayment options of 12 months to 36 months whereas loans from $7,501 to $15,000 have repayment options of 12 months to 60 months. Borrowers of Personal loans can borrow $500 to $5,000 and have repayment options of 12 months to 36 months. As of December 31, 2025 and 2024, there were approximately 265 and 170 loans outstanding, respectively.

Scheduled maturities of loans receivable are as follows:

Year Ending December 31,	
2026	$ 613,279
2027	560,570
2028	469,018
2029	283,085
2030	84,882
Thereafter	250
Subtotal	2,011,084
Less: allowance for credit losses	(89,568)
Total	$ 1,921,516

NAL monitors the aging of its loans as a key component of credit risk evaluation. Loans are considered past due when there are delinquent payments of 90 days or more. Such loans as of December 31, 2025, had a total balance outstanding of approximately $318,000.

(4) ALLOWANCE FOR CREDIT LOSSES

The activity in the Allowance for Credit Losses is as follows:

	2025	**2024**
Beginning balance	$ 72,922	$ -
Loan charged off	(55,354)	-
Provision for credit losses	72,000	72,922
Ending balance	$ 89,568	$ 72,922

There were no loans on non-accrual status as of December 31, 2025 and 2024.

(5) NET ASSETS

Net assets with restrictions as of December 31 are available for the following purposes:

	2025	**2024**
Restricted for lending	$1,059,251	$1,178,781

For the years ending December 31, 2025 and 2024, net assets of $325,000 and $5,000 were released from donor restrictions by satisfying the restricted purpose, respectively.

(6) RELATED PARTY TRANSACTIONS

NAL paid administrative fees and charges for human resources, information technology, accounting and management costs under a cost sharing agreement with LIRS. For the years ending December 31, 2025 and 2024, administrative fees of $80,000 were incurred under this agreement for providing information technology, accounting and other general and administrative services. As of December 31, 2025 and 2024, NAL had an outstanding balances due to LIRS for such services, salaries and benefits, and loan capital funding in the amount of $971,051 and $897,330, respectively.

(7) FINANCIAL ASSETS AND LIQUIDITY RESOURCES

NAL monitors its liquidity so that it has sufficient resources available to meet its operating needs and other obligations as they become due. Financial assets available for general expenditures within one year of the statement of financial position date consist of cash and cash equivalents, contribution receivables and the current balance of loans receivable (including accrued interest). As of December 31, 2025, NAL has $524,717 cash and cash equivalents, $27,500 of contribution receivables and $638,994 of loans receivable. As of December 31, 2024, NAL has $689,249 cash and cash equivalents, $75,000 of contribution receivables and $402,232 of loans receivable.

(8) SUBSEQUENT EVENTS

Subsequent events have been evaluated through the report date June 26, 2026, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.