# CHICAGO RESIDENTIAL INVESTMENT FUND
# (A NONPROFIT ORGANIZATION)

## FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2026

# CHICAGO RESIDENTIAL INVESTMENT FUND

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Noren, Nordling, and Associates PLLC

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Chicago Residential Investment Fund
4422 N. Ravenswood Avenue
Chicago, IL 60640

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Chicago Residential Investment Fund (the "Organization"), which comprise the statement of financial position as of June 30, 2026, and the related statements 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 the Organization 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 the Organization'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 GAAS 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 GAAS, 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 Organization'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 Organization'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.

*Noren Nordling and Associates PLLC*

**Noren, Nordling, and Associates PLLC**

Springfield, IL

September 25, 2026

# CHICAGO RESIDENTIAL INVESTMENT FUND
## STATEMENT OF FINANCIAL POSITION
## AS OF JUNE 30, 2026

| | 2026 |
|---|---|
| **Assets:** | |
| Current assets: | |
| Cash | $ 1,016,029 |
| Restricted cash | 896,211 |
| Prepaid expense | 6,717 |
| Total current assets | 1,918,957 |
| **Total assets** | **$ 1,918,957** |
| | |
| **Liabilities and Net Assets:** | |
| **Liabilities:** | |
| Current liabilities: | |
| Accounts payable | $ 19,308 |
| Other current liabilities | 5,091 |
| Total current liabilities | 24,399 |
| Total liabilities | 24,399 |
| | |
| Net Assets: | |
| Net assets without donor restrictions: | |
| Net assets - without donor restrictions | 998,347 |
| Net assets - board designated reserve | 896,211 |
| Total net assets without donor restrictions | 1,894,558 |
| **Total liabilities and net assets** | **$ 1,918,957** |

The accompanying notes are an integral part of these financial statements.

# CHICAGO RESIDENTIAL INVESTMENT FUND
## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
## FOR THE YEAR ENDED JUNE 30, 2026

| | Without Donor Restrictions | With Donor Restrictions | 2026 |
|---|---|---|---|
| Public support and revenues: | | | |
| Grant income | $ 2,000,000 | $ - | $ 2,000,000 |
| Total public support and revenues | 2,000,000 | - | 2,000,000 |
| | | | |
| Expenses: | | | |
| Program services | - | - | - |
| Management and general | 105,442 | - | 105,442 |
| Fundraising | - | - | - |
| Total expenses | 105,442 | - | 105,442 |
| | | | |
| Change in net assets | 1,894,558 | - | 1,894,558 |
| Net assets, beginning of year | - | - | - |
| **Net assets, end of year** | **$ 1,894,558** | **$ -** | **$ 1,894,558** |

The accompanying notes are an integral part of these financial statements.

# CHICAGO RESIDENTIAL INVESTMENT FUND
## STATEMENT OF FUNCTIONAL EXPENSES
## FOR THE YEAR ENDED JUNE 30, 2026

| | Program Services | Management and General | Fundraising | Total Expenses |
|---|---|---|---|---|
| Professional fees | $ - | $ 50,115 | $ - | $ 50,115 |
| Salaries and wages | - | 27,586 | - | 27,586 |
| Legal fees | - | 18,020 | - | 18,020 |
| Office expenses | - | 7,414 | - | 7,414 |
| Rent | - | 1,288 | - | 1,288 |
| Dues and subscriptions | - | 1,019 | - | 1,019 |
| **Total expenses** | **$ -** | **$ 105,442** | **$ -** | **$ 105,442** |

The accompanying notes are an integral part of these financial statements.

# CHICAGO RESIDENTIAL INVESTMENT FUND
## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED JUNE 30, 2026

| | 2026 |
|---|---|
| Cash flows from operating activities: | |
| Change in net assets | $ 1,894,558 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Changes in operating assets and liabilities: | |
| Prepaid expense | (6,717) |
| Accounts payable | 19,308 |
| Other current liabilities | 5,091 |
| Net cash provided by operating activities | 1,912,240 |
| Net increase in cash and restricted cash | 1,912,240 |
| Cash and restricted cash, beginning of year | - |
| **Cash and restricted cash, end of year** | **$ 1,912,240** |
| **Reconciliation of cash and restricted cash:** | |
| Cash | 1,016,029 |
| Restricted cash | 896,211 |
| **Total cash and restricted cash shown in the statement of cash flows** | **$ 1,912,240** |

The accompanying notes are an integral part of these financial statements.

## NOTE 1. NATURE OF ORGANIZATION

The Chicago Residential Investment Fund (the "Organization") is an Illinois not-for-profit organization established to support the development and preservation of affordable, mixed-income, and environmentally sustainable multifamily housing in Chicago. The Organization provides investment capital to housing projects and partners with private-sector developers to address financing gaps and promote long-term housing affordability.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions.

### Use of Estimates

The preparation of financial statements in conformity with U.S. 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 periods. Actual results could differ from those estimates.

### Cash

Cash consists of cash deposits held in bank accounts.

### Restricted Cash

Cash restricted for future annual budgets and strategic purposes consists of balances in designated checking accounts. These funds are reserved to support unbudgeted needs, cover organizational expenses, and provide for operations in the event of an emergency.

### Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets - without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Amounts designated for future financial product development are included within net assets without donor restrictions because such designations are internally imposed and may be modified or reversed by action of the Board of Directors.

*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.

The Organization reports grant income with donor restrictions as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized. Grant income with donor restrictions is reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as "Net assets released from restrictions".

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Revenue Recognition

The Organization recognizes revenue in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958, *Not-for-Profit Entities*, as applicable to each revenue stream.

Grant Income

The Organization accounts for government grants as contributions under ASC 958, *Not-for-Profit Entities*, when the grantor does not receive commensurate value in exchange. Unconditional grants are recognized as revenue when received or unconditionally promised. Grants containing both a substantive barrier to entitlement and a right of return of transferred assets or a right of release from the grantor's obligation to provide funding are recognized when the conditions are substantially met. Amounts received before such conditions are substantially met are recorded as refundable advances.

Grants supporting the Organization's general operating activities in furtherance of its overall mission are reported as revenue without donor restrictions unless the agreement imposes a more specific purpose or time restriction. Revenue from unconditional operating support is recognized independently of the timing of related expenditures. Routine budget reporting, performance updates, and monitoring requirements do not, by themselves, constitute conditions that defer revenue recognition. Individual installments are evaluated based on their applicable terms, including substantive approval requirements and funding contingencies.

Grants subject to donor-imposed purpose or time restrictions are reported as revenue with donor restrictions and reclassified to net assets without donor restrictions when the restrictions are satisfied. The Organization has elected to report donor-restricted contributions whose restrictions are satisfied in the same reporting period in which the revenue is recognized as revenue without donor restrictions. This policy is applied consistently.

In-Kind Donations

Donated services are recognized when they either (a) create or enhance nonfinancial assets, or (b) would typically be purchased if not provided by contribution, require specialized skills, and are performed by individuals possessing those skills. Donated services primarily consist of professional services. None of the donated services had donor-imposed restrictions. It is the Organization's policy to estimate the fair value of donated services based on current market rates provided by the service provider. Significant donated materials and equipment are recorded as contributions at fair value upon receipt. The Organization estimates the fair value of donated materials based on current market rates as if the materials were to be purchased. The Organization did not receive any in-kind donations during the year ended June 30, 2026.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Income Taxes

The Organization has applied for exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the "Code") and is not a private foundation. As of the date the financial statements were issued, the Organization had not yet received its determination letter from the Internal Revenue Service ("IRS"). The Organization is generally exempt from federal and state income taxes; however, unrelated business income may be subject to federal and state taxation. Management believes there are no material uncertain tax positions that require recognition under applicable accounting guidance.

Financial Instruments and Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash deposits. Accounts at each institution are insured by Federal Deposit Insurance Corporation ("FDIC") up to $250,000. During the year ended June 30, 2026, the Organization had cash accounts that from time to time could have exceeded the FDIC insurance limits. Management believes that these financial institutions have strong credit ratings and that credit risk to these accounts is minimal.

Advertising and Marketing Costs

Advertising and marketing costs are expensed when incurred. Advertising and marketing expenses for the year ended June 30, 2026, were $0.

Functional Allocation of Expenses

The costs of programs and other activities have been summarized on a functional basis in the accompanying statement of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function. Expenses directly attributable to a specific functional area are reported as expenses to those functional areas. A portion of support services that benefit multiple functional areas has been allocated across programs and other activities based on management's best estimate, considering factors such as time and effort and proportion of employee time spent on programs and other activities to total Organization's time spent. Accordingly, costs have been allocated among the program services and support services benefitted.

For the year ended June 30, 2026, the Organization's expenses related to organizational and administrative activities were classified as management and general. No program services or fundraising expenses were incurred, and no allocation among functional categories was necessary.

**NOTE 3. LIQUIDITY AND AVAILABILITY**

The Organization regularly monitors the liquidity required to meet its operating needs and other contractual commitments. The Organization maintains cash as its sole source of liquidity to fund operations and meet obligations as they become due. For purposes of analyzing resources available to meet general expenditures over 12 months, the Organization considers all expenditures related to its ongoing program activities as well as the supporting services to be general expenditures. For the year ended June 30, 2026, such expenditures consisted solely of management and general expenses.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization anticipates collecting sufficient revenue to cover general expenditures not covered by restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash.

## NOTE 3. LIQUIDITY AND AVAILABILITY (CONTINUED)

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following as of June 30:

| **Financial assets at year-end:** | | **2026** |
|---|---|---|
| Total assets | $ | 1,918,957 |
| Less: | | |
| Restricted cash | | 896,211 |
| Prepaid expense | | 6,717 |
| **Total financial assets available within one year** | **$** | **1,016,029** |

## NOTE 4. CONCENTRATION OF REVENUE

During the year ended June 30, 2026, 100% of the Organization's revenue was derived from a grant awarded by the City of Chicago. A significant reduction in the level of funding provided by the City of Chicago, or the loss of such funding, could have a material effect on the Organization's programs and operations.

## NOTE 5. RELATED PARTY TRANSACTIONS

Related party transactions consisted of the following for the year ended June 30, 2026:

| **Related Party and Relationship** | **Nature of Transactions** | | **Amount** |
|---|---|---|---|
| William Tim Jeffries, Chief Executive Officer | Reimbursement of business expenses | $ | 4,751 |

## NOTE 6. SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events and transactions that occurred subsequent to the date of the statement of financial position through September 25, 2026, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through September 25, 2026, that would require disclosure in the financial statements.