

**M & M MAISON II, LTD.**

**FINANCIAL STATEMENTS**

**MARCH 31, 2025**

**M & M MAISON II, LTD.  
FINANCIAL STATEMENTS  
JUNE 30, 2025**

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**TABLE OF CONTENTS**

<b>FINANCIAL INFORMATION</b>	<b>PAGE (S)</b>
Balance Sheets .....	3
Statements of Operation.....	4
Statements of Equity .....	5
Statements of Cash Flows.....	6
Notes .....	7-12

**M & M MAISON II, LTD.  
BALANCE SHEET  
MARCH 31, 2025**

**2024-2025**

**ASSETS**

**Rental Property:**

Buildings	\$ 1,064,402
Furniture and equipment	5,569
<b>Less accumulated depreciation</b>	<u>(746,681)</u>
	341,571
Land	<u>46,560</u>
Total rental property	<u>369,849</u>

**Other Assets:**

Cash	(1,655)
Cash – Wachovia	25
Tenants receivable – tenants	34,825
Tenants security deposits	14,638
Reserve for replacement	34,367
Taxes & Insurance	21,222
Utility deposit	<u>190</u>
Total other assets	<u>103,612</u>
<b>Total Assets</b>	<b><u>\$ 473,461</u></b>

**LIABILITIES AND PARTNERS' DEFICIT**

**Liabilities applicable to investment in real estate:**

<b>Mortgages payable (Note 4)</b>	<b>\$ 887,068</b>
Due to Urban League	9,974
Due to M&M Town Homes	<u>42,200</u>
Total liabilities applicable to investment in real estate	<u>939,242</u>

**Other liabilities:**

Note payable	40,000
Tenants security deposits	13,044
Deferred revenue	<u>5,048</u>
Total other liabilities	<u>58,092</u>
Total liabilities	997,334

Partners' deficit	<u>(523,872)</u>
<b>Total Liabilities and Partners' Deficit</b>	<b><u>\$ 473,461</u></b>

**M & M MAISON II, LTD.**  
**STATEMENT OF INCOME**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025**

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	<u><b>2024-2025</b></u>
<b>REVENUE</b>	
Rental income	\$ 232,708
Less: Vacancies	<u>-</u>
Net rental income	<u>232,708</u>
Interest income	51
Late fees	
Other income	<u>-</u>
<b>Total Revenue</b>	<u><b>232,759</b></u>
<b>EXPENSES</b>	
Management fees	8,259
Administrative expense	27,471
Utilities	24,419
Operating expense	58,379
Taxes and insurance	78,142
Interest expense	9,200
Depreciation expense	<u>-</u>
Total Expense	<u>205,870</u>
<b>Net Income (Loss)</b>	<u><b>26,889</b></u>

**M & M MAISON II, LTD.**  
**STATEMENT OF EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025**

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	<u><b>Total</b></u>
Deficit as of July 1, 2025	(550,762)
Net income	<u>26,889</u>
Deficit as of March 31, 2025	<u>\$ (523,872)</u>

**M & M MAISON II, LTD.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025**

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	<u>2024-2025</u>
<b>Cash flows from operating activities:</b>	
Net income (Loss)	\$ 26,870
<b>Adjustments to reconcile net loss to net cash provided by operating activities:</b>	
Depreciation	
<b>Changes in assets:</b>	
<b>(increase) decrease in:</b>	
Tenants receivable	(32,003)
Miscellaneous	
Tenants security deposits	
<b>Changes in liabilities:</b>	
<b>Increase (decrease) in:</b>	
Tenants security deposits funded	
Accounts payable	(5,510)
Accrued liabilities	
Deferred revenue	
Accrued property tax	
Accrued interest	-
Net cash provided by (used in) operating activities	<u>(10,643)</u>
<b>Cash flows from investing activities:</b>	
Purchase of equipment	-
Net cash used in investing activities	<u>-</u>
<b>Cash flows from financing activities:</b>	
Payment of loan payable	
Loan proceeds from Lakeview	()
Net cash used in financing activities	<u>-</u>
 Net Increase or decrease	 (10,643)
Cash, at beginning	8,988
<b>Cash, at March 31 2025</b>	<b><u>\$ (1,655)</u></b>
 <b>Supplementary disclosure:</b>	
Interest paid	<u>\$ 9,200</u>

**M & M MAISON II, LTD**  
**SCHEDULE OF OPERATING EXPENSES**  
**FOR THE PERIOD ENDED MARCH 31, 2025**

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**Note 1 - Organization**

M & M Maison II, Ltd. (“the Partnership”) was formed in the State of Florida on November 8, 1991 as a limited partnership. Under the terms of the Third Amendment to the First Amended and Restated Partnership Agreement dated March 27, 2007, the Partners of the Partnership are as follows:

<b><u>Partners</u></b>	<b><u>Percentage</u></b>
<b>General Partner:</b>	
GMUL, Inc.	0.01%
<b>Limited Partner:</b>	
Florida Housing Tax Credit Fund	<u>99.99%</u>
Total	<u>100.00%</u>

The Third Amendment to the Partnership Agreement provides for, among other things, the transfer of the 0.005% partnership interest from GMN Affordable Housing Partner II, Inc (“the GMN General Partner”) to GMUL, Inc. (“Remaining General Partner”).

The Partnership was organized to acquire, rehabilitate, and operate 21 residential units for rental to low income families know as M & M II Apartments (“the Project”), located in Miami, Florida. The Project consists of ten building and has qualified and been allocated low income housing credits pursuant to Internal Revenue Code Section 42, which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. Each building of the Project must meet the provisions of these regulations during each of 15 consecutive ten month periods in order to remain qualified to receive the credits. In addition, M & M Maison II, Ltd. has executed a regulatory agreement, which requires the utilization of the Project pursuant to Section 42 for a minimum of 30 ten month periods, even if the Partnership disposes of the Project.

**As of January 1, 2019, the Partnership was dissolved and the Project reverted to the Urban League of Greater Miami. All financial information related to this property will be included in the books and records of the Consolidated Financial Statements of the Urban League under Rental Properties**

**Note 2 - Summary of Significant Accounting Policies**

A summary of the Partnership’s significant accounting policies consistently applied to the preparation of the accompanying financial statements follows:

**Basis of presentation**

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

**M & M MAISON II, LTD**  
**SCHEDULE OF OPERATING EXPENSES**  
**FOR THE PERIOD ENDED MARCH 31, 2025**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

**Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Accounts receivable - Tenants**

Accounts receivables - tenants are charged to bad debt expense when they are determined to be uncollectible, based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write off method is not materially different from the results that would have been obtained under the allowance method.

**Capitalization and depreciation**

Rental property is recorded at cost. Depreciation is provided for, in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Building and improvements are depreciated over 27.5 twelve month periods using the straight line method. Personal property is depreciated over 5 twelve month periods using an accelerated method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains or losses are reflected in the Statement of Operations.

**Income taxes**

No provision or benefit for income taxes has been included in the accompanying financial statements since taxable income or loss passes through to, and is reportable by, the Urban League of Greater Miami (a Not for Profit Organization).

**M & M MAISON II, LTD**  
**SCHEDULE OF OPERATING EXPENSES**  
**FOR THE PERIOD ENDED MARCH 31, 2025**

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**Note 2 - Summary of Significant Accounting Policies (cont'd)**

**Rental income**

Rental income is recognized as rents become due. Rent payments received in advance are deferred until earned. All leases between the Partnership and the tenants of the project are no longer than a twelve month period.

**Impairment of assets**

The Partnership accounts for its investment in real estate under the Statements of Financial Accounting Standards ("SFAS") No. 144 " Accounting for the Impairment or Disposal of Long Lived Assets" which requires the Partnership to write down to fair market value long term assets that have been impaired, under SFAS No. 144 an impairment loss is recognized if the sum of the expected future undiscounted net cash flows to be generated by the rental property is less than the carrying amount of the property. The amount of the impairment loss is the amount by which the carrying value exceeds the fair market value of the property. The Partnership did not recognize an impairment loss for the June 30 period ended March 31, 2025.

**Note 4 – Mortgages Payable**

The Partnership's mortgages payable consist of the following at March 31, 2025:

**City of Miami, Florida**

The Partnership is obligated under the terms of a construction/permanent note for \$672,100 to the City of Miami, Florida. The note required a principle payment of \$314,567 upon the earlier of the receipt of the second installment of the Limited Partner's capital contribution or 10 twelve month periods after the execution of the note (2005). The Partners have negotiated an amendment to the Partnership Agreement with regards to the required capital contribution and subsequent principle payment on the note.

Until the note converts to permanent, no payments of principle are due and interest only accrues on \$443,000 of the note. The loan matures in 2025, at which time all principle and accrued interest are due.

**M & M MAISON II, LTD**  
**SCHEDULE OF OPERATING EXPENSES**  
**FOR THE PERIOD ENDED MARCH 31, 2025**

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**Note 4 – Mortgages Payable (cont'd)**

During 2007, the Partnership made a payment of \$229,100 on the mortgage note using the proceeds of a capital contribution from the Limited partner. In connection with this payment, the Partnership executed an instrument modifying the terms of the mortgage note and loan agreement, and the loan was converted to a permanent note. Under the terms of the modification agreement, interest and principle will be payable over a 30-twelve month period term at .5% interest per annum, in the amount of 1/30th of the principle balance plus accrued interest, up to a maximum required annual payment of \$12,086. Annual principle and interest payments are subject to the existence of Available Cash Flow as described in the modification agreement. The loan is secured by a mortgage and security agreement encumbering the Property, collateral assignment of leases, rents, and contract rights.

Principal as of March 31, 2025 was \$427,164. A payment of \$3,000 and \$12,836 was made as of March 31, 2021

**Miami - Dade County, Florida**

The Partnership is obligated under the terms of a surtax loan for \$598,500 to Miami - Dade County, Florida. The terms of the loan require monthly payments of principal and interest in the amount of \$2,523. The loan bears interest at the rate of 3%. The loan matures March 31, 2026, at which time the unpaid principal and accrued interest are payable in full. The loan is secured by a mortgage and security agreement encumbering the property, collateral assignment of leases, rents, and contract rights. Principal as of March 31, 2025 was \$312,740.

**Florida Housing Finance Agency**

The Partnership has a mortgage in the original amount of \$160,000 with the Florida Housing Finance Agency ("FHFA") under the Florida State Apartment Incentive Loan ("SAIL") program; interest consists of fixed components: a base rate of 3% and additional interest of 6%. The base rate interest is payable ten month period out of project income, as defined, and can be deferred if project income is inadequate. The additional interest of 6% is payable out of project income only if available and only after payment of a cumulative 12% annual return on capital. Principal as of March 31, 2025 was \$160,000 and accrued interest was \$152,587. The note is secured by a mortgage and security agreement and collateral assigned of rents and losses. The note matures in February 2019.

The liability under the loans is limited to the underlying value of the real estate collateral plus the assignment of leases rents and a security agreement.

**M & M MAISON II, LTD  
SCHEDULE OF OPERATING EXPENSES  
FOR THE PERIOD ENDED MARCH 31, 2025**

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**Note 4 – Mortgages Payable (cont'd)**

Aggregate maturities of long term debt for the next five twelve month periods are as follow:

	<u>City of Miami</u>	<u>SAIL</u>	<u>Surtax</u>	<u>Total</u>
2025			19,198	19,198
2025		\$ 160,000	19,782	179,782
2026			20,366	20,366
2027			20,986	20,986
2028			21,087	21,087
Thereafter	\$ 414,328		211,321	625,649
	<u>\$ 414,328</u>	<u>\$ 160,000</u>	<u>\$ 312,740</u>	<u>\$ 887,068</u>

**Note 5 – Related Party Transactions**

**Notes Payable to Affiliates:**

A summarization of notes payable to affiliates as well as a brief description of each obligation is as follows:

Due to Urban League	\$	9,974
Due to M&M Town Homes		42,200
Due to NUD Inc.		-
		<u>52,174</u>
		<u>\$ 52,174</u>

**Due to Affiliates**

During 2015, the partnership borrowed funds in the amount of \$42,200 from M&M Town Homes to pay its property taxes and \$9,974 from the Urban League of Greater Miam.

**M & M MAISON II, LTD**  
**SCHEDULE OF OPERATING EXPENSES**  
**FOR THE PERIOD ENDED MARCH 31, 2025**

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**Note 6 – Going Concern**

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplates continuation of the Partnership as a going concern. However, the Partnership has sustained operating losses in recent ten month periods and has had a continuous negative cash flow trend.

Management has proposed a workout plan and an agreement has been prepared, which would require the Limited Partner to disburse the remaining capital contributions of \$90,081 plus an additional \$180,000. As disclosed in Note 3, the Limited Partner has made capital contributions of \$18,393 and \$52,487 during the ten month periods ended March 31, 2010 and 2009, respectively. Future contributions would be used to fund the reserves, pay down the City of Miami loan, pay accruals, and fund any current ten month period and future deficits. As of the report date, the plan is still in process and the date of potential funding has yet to be determined.

In view of these matters, realization of a major portion of the assets in the accompanying balance sheets are dependent upon the continued operations of the Partnership, which in turn is dependent upon the Partnership's ability to meet its financing requirements, and the success of its future operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.