New Hampshire COMMUNITY LOAN FUND

Quarterly Financial Update

Summary of asset quality, portfolio risks and mitigants

As of 09/30/2026

Thank you for your leadership and investment in our community! Together we are providing people and communities with the financial, human, and civic resources they need to be economically secure.

1. What is the allocation of loans across the portfolio?

Portfolio by Program – Borrower Composition
9/30/2026

Portfolios by Program	# of loans	Aggregate Loan Balances $	% of portfolio $	Nonaccrual* loans #	Nonaccrual* loans $	Nonaccrual* loans % of portfolio $
ROC-NH Manufactured Housing Coops	124	126,738,252	59%	0	-	0.0%
Welcome Home Loans Single Family Housing	1072	63,314,373	30%	39	1,981,785	3.1%
Business & Community:						
Multi-Family Housing	11	5,354,164	3%	0	-	0.0%
Community Services	19	3,693,552	2%	0	-	0.0%
Business Lending	64	10,322,289	5%	2	145,676	1.4%
Northern Community Investment Capital (NCIC)	60	4,040,010	2%	5	290,498	7.2%
Total Loan Portfolio	**1,350**	**213,462,640**	**100%**	**46**	**2,417,959**	**1.1%**

*Nonaccrual Loans: when a loan is more than 90 days past due, or if it displays problems and full and timely collection of principal or interest is unlikely.

2. How is the portfolio performing?

While the share of loans on nonaccrual (nonperforming) status has increased slightly, from 0.8% last year in September 2025 to 1.1% currently, loan performance remains strong.

We continue to provide payment relief to borrowers-in-need on a case-by-case basis that can include continuation of payment moratoriums, loan modifications, or the addition of suspended payments to the back end of loans. We are committed to providing new loan products, patient capital, and increased technical assistance to borrowers.

Loan losses have been $159,684 during the past 12 months. We have also received $97,454 in recovery payments from loans charged-off in prior years, which translated into a net loan loss of $62,230 (0.03% of loans outstanding).

Net Loan Losses			
	Twelve months ended:		
	9/30/2024	9/30/2025	9/30/2026
Loan Losses	60,763	319,099	159,684
Recoveries	(88,215)	(74,580)	(97,454)
Net Loan Losses $	**(27,452)**	**244,519**	**62,230**
Net Loan Losses %	**-0.01%**	**0.17%**	**0.03%**

3. Where are the risks in our portfolio?

In an economic downturn, our small business, nonprofit and child care loans are at highest risk. Together they represent $18.1M (8%) of the total lending portfolio. These borrowers are currently performing well.

There are 2 Business Lending loans and 5 NCIC loans (to 4 NCIC borrowers) on nonaccrual for $436,174. Each is being managed on an individual basis tailored to their specific situation.

4. What reserves do we have to cover future loan losses or other financial challenges?

We have three ways to cushion any potential borrower losses, and remain extremely confident in continuing our 100% investor repayment rate:

1. **Net Assets** available to protect investors total $76,869,282, or 31.2% of total assets, and they consist of:
    - Financing activity net assets (Equity) of $70,317,273; and
    - Unrestricted program activity net assets (operating reserves) of $6,552,009 which cover six months of our current operating budget expenses.
2. These net assets, plus **Subordinate Debt** of $11,600,000, protect our investors with a total of $88,469,282, or 35.9% of our total assets. Note that in our 43-year history, total net borrower losses have been $10,147,969 (1.8% of total lending).
3. In addition to the net assets and subordinate debt of $88,469,282, we also have an **Allowance for Credit Loss** (ACL) to cover future loan losses. Currently, based on this quarter's portfolio review to ensure the ACL reflects any deterioration in credit quality, the ACL is set at $3,863,730 or 1.8% of loans outstanding.

Furthermore, we set aside a portion of our available lending capital so that we have the liquidity to repay investors who choose not to renew. Our **Liquidity Reserve** currently totals $14,965,595 based on the Board-approved policy to reserve 10% of our senior unsecured debt investments.

5. How have our investors been helping us?

Our investors have been strong partners in support of mission, helping to keep people in their homes, businesses open, and nonprofits strong.

In this higher interest rate environment, many of our investors have shown strong support for our mission by renewing their investments at their current or even lower rates.

We are grateful for the incredible leadership of our investor community.