

MERRILL ROAD HOUSING CORPORATION
AGENDA OF THE BOARD OF DIRECTORS MEETING
March 25, 2026

**Merrill Road Board of Directors Meeting will take place immediately following the
Housing Authority of the County of Santa Cruz Board of Commissioners Meeting**
HOUSING AUTHORITY OFFICES
2160 41st Avenue, Capitola, CA 95010

1. Roll Call

MERRILL ROAD BOARD OF DIRECTORS:

Chairperson Providence Martinez Alaniz	4 year term expires, February 10, 2027
Vice Chairperson Annette Melendrez	4 year term expires, September 29, 2027
Director Ligaya Eligio	2 year term expires, October 18, 2026
Director Carol Berg	4 year term expires, May 21, 2029
Director Silvia Morales	Expires September 1, 2027
Director Andy Schiffrin	4 year term expires, March 17, 2027
Director Richard Schmale	2 year term expires, May 12, 2027

2. Consideration of Late Additions and Changes to the Agenda

3. Consent Agenda

A. Minutes of the August 27, 2025 Meeting

Motion to Approve as submitted

B. Audited Merrill Road Financial Statements for Fiscal Year Ending June 30, 2025

Motion to Approve the Audited Financial Statements for Fiscal Year Ending June 30, 2025 for Merrill Road Associates

C. FY 2024-25 Tax Returns

Receive FY 2024-25 Tax Returns

4. Oral Communications (All oral communications must be directed to an item not listed on this agenda and must be within the jurisdiction of the Board. Presentations must not exceed three minutes in length. The Board will not take action or respond immediately to any Oral Communication presented, but may choose to follow up at a later time or schedule item for a subsequent agenda. The Board may limit the total amount of time allowed for oral communication). Anyone addressing the Board of Directors is asked to complete a card and leave it with the Board secretary so that their names may be accurately recorded in the Minutes.

5. Unfinished Business

6. New Business

7. Adjournment

*Merrill Road complies with the Americans with Disabilities Act. If you are a person with disabilities and you require special assistance in order to participate, please contact the Board secretary at 831-454-9455, ext. 201 at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format. Spanish language translation is available on an as needed basis. Please make arrangements 72 hours in advance by contacting the Housing Authority at 831-454-9455, ext. 280.

AGENDA ITEM NO. 1 Roll Call

Chairperson Martinez Alaniz called the meeting to order at 12:15 p.m. Members present Chairperson Martinez Alaniz, Directors Berg, Eligio, Morales, Schiffrin and Schmale

Members Absent

Vice-Chairperson Melendrez

Staff Present

Jennifer Panetta, Tom Graham, Suzi Merriam and Courtney Byrd of the Housing Authority

AGENDA ITEM NO. Consideration of Late Additions or Changes to the Agenda

None.

AGENDA ITEM NO. 3 Consent Agenda

Chairperson Martinez Alaniz asked for a motion to approve the Consent Agenda unless any Board of Directors or members of the public would like to pull an item from the agenda or have comments/questions on an item.

Director Schiffrin moved for the approval of the Consent Agenda; Director Martinez Alaniz seconded the motion and it was passed by the following vote:

AYES: Directors Berg, Eligio, Martinez Alaniz, Morales, Schiffrin and Schmale

NOES: None

ABSENT: Director Melendrez

ABSTAIN: None

Agenda Item 3A. Approved the Minutes of the June 25, 2025 Meeting

Agenda Item 3B. Approved: The Board of Directors of Merrill Road Housing Corporation elect the same Chairperson and Vice-Chairperson that was elected at the August 27, 2025 Annual Housing Authority of the County of Santa Cruz Board of Commissioners meeting

AGENDA ITEM NO. 4 Oral Communications

None.

AGENDA ITEM NO. 5 Unfinished Business

None.

AGENDA ITEM NO. 6 New Business

None.

AGENDA ITEM NO. 7 Adjournment

The Board of Directors meeting was adjourned at 12:16 p.m.

I hereby certify that these minutes were approved by the Merrill Road Board of Directors, on the Twenty Fifth Day of March, 2026.

Chairperson for Merrill Road

ATTEST: _____

Secretary for Merrill Road

AGENDA ITEM SUMMARY

MEETING DATE: March 25, 2026

ITEM NUMBER: 3B

FROM: Deputy Executive Director

SUBJECT: Audited Merrill Road Financial Statements for Fiscal Year Ending June 30, 2025

RECOMMENDATION: Approve the Audited Financial Statements for Fiscal Year Ending June 30, 2025 for Merrill Road Associates

BACKGROUND SUMMARY:

The financial statements for the fiscal year ending June 30, 2025 were prepared for Merrill Road Associates in the format prescribed by the requirements of the Government Auditing Standards, issued by the Comptroller General of the United States, and the requirements of the Audited Financial Statement Handbook for Multifamily Rental Housing of the California Department of Housing and Community Development and the California Housing Finance Agency (“HCD/CalHFA”).

The Agency’s auditor, Novogradac & Company LLP, has issued an unmodified (clean) opinion for the report after conducting an audit in accordance with Government Auditing Standards. The auditor opined that the financial statements present fairly, in all material respects, the financial position of Merrill Road Associates as of June 30, 2025.

RECOMMENDATION: Approve the Audited Financial Statements for Fiscal Year Ending June 30, 2025 for Merrill Road Associates.

**MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

FOR THE YEARS ENDED JUNE 30, 2025 and 2024

**WITH
REPORT OF INDEPENDENT AUDITORS**

MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
TABLE OF CONTENTS
FOR THE YEARS ENDED JUNE 30, 2025 and 2024

	<u>Page</u>
Report of Independent Auditors	1-3
Financial Statements:	
Statements of Net Position	4
Statements of Revenues, Expenses, and Changes in Net Position	5
Statements of Cash Flows	6-7
Notes to Financial Statements	8-17
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18-19
Supplementary Information Required by HCD	20-23
Summary of Audit Findings and Recommendations	24
Management Agent's Certification	25
Certification of Officers	26



CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Merrill Road Housing Corporation:

Opinion

We have audited the accompanying financial statements of Merrill Road Associates (the "Partnership"), a blended component unit of the Housing Authority of the County of Santa Cruz as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Partnership's basic financial statements, as listed in the accompanying table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Partnership as of June 30, 2025 and 2024, and the changes in its net position 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the requirements of the *Audited Financial Statement Handbook for Multifamily Rental Housing of the California Department of Housing and Community Development and the California Housing Finance Agency ("HCD/CalHFA")*. 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 the Partnership 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 the Partnership's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility 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 GAAS, *Government Auditing Standards*, and the requirements of the *HCD/CalHFA* 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, *Government Auditing Standards*, and the requirements of *HCD/CalHFA*, 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 Partnership'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 Partnership'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 Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis report that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Other Matters (continued)

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements of the Partnership taken as a whole. The accompanying supplementary information is presented for the purposes of additional analysis as required by *HCD/CalHFA* and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Management Agent's Certification and the Certification of Officers have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* and the requirements of the *HCD/CalHFA*, we have also issued our report dated February 11, 2026 on our consideration of the Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the requirements of the *HCD/CalHFA*, in considering the Partnership's internal control over financial reporting and compliance.

Navigant & Company LLP

February 11, 2026
Toms River, New Jersey

FINANCIAL STATEMENTS

**MERRILL ROAD ASSOCIATES
STATEMENTS OF NET POSITION
AS OF JUNE 30, 2025 AND 2024**

ASSETS

	<u>2025</u>	<u>2024</u>
Current assets:		
Cash and cash equivalents	\$ 1,064,372	\$ 402,642
Tenant security deposits	19,737	18,881
Accounts receivable	814	1,432
Prepaid expenses	<u>15,817</u>	<u>7,205</u>
Total current assets	<u>1,100,740</u>	<u>430,160</u>
Non-current assets:		
Restricted cash	199,347	190,705
Capital assets, net	<u>1,868,340</u>	<u>1,944,620</u>
Total non-current assets	<u>2,067,687</u>	<u>2,135,325</u>
Total assets	<u>\$ 3,168,427</u>	<u>\$ 2,565,485</u>

LIABILITIES

Current liabilities:		
Accounts payable	\$ 7,491	\$ 5,004
Accrued expenses	2,951	3,347
Tenant security deposits	19,737	18,881
Accrued interest, current	379,113	-
Accrued compensated absences, current	2,157	1,955
Prepaid rent	1,097	46
Related party payable	<u>12,000</u>	<u>24,000</u>
Total current liabilities	<u>424,546</u>	<u>53,233</u>
Non-current liabilities:		
Loans payable, non-current	2,199,439	2,199,439
Accrued interest, non-current	775,904	1,131,248
Accrued compensated absences, non-current	<u>4,031</u>	<u>6,017</u>
Total non-current liabilities	<u>2,979,374</u>	<u>3,336,704</u>
Total liabilities	<u>3,403,920</u>	<u>3,389,937</u>

NET POSITION

Net investment in capital assets	(331,099)	(254,819)
Restricted net position	199,347	190,705
Unrestricted net position	<u>(103,741)</u>	<u>(760,338)</u>
Total net position	<u>(235,493)</u>	<u>(824,452)</u>
Total liabilities and net position	<u>\$ 3,168,427</u>	<u>\$ 2,565,485</u>

See accompanying notes to financial statements.

MERRILL ROAD ASSOCIATES
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Tenant revenue	\$ <u>887,791</u>	\$ <u>622,415</u>
Total operating revenues	<u>887,791</u>	<u>622,415</u>
Operating expenses:		
Administrative	55,208	56,338
Management fees	14,580	14,580
Partnership fees	12,000	12,000
Utilities	32,007	25,603
Ordinary maintenance and operations	88,837	91,015
Taxes and insurance	19,274	19,274
Depreciation	<u>76,280</u>	<u>75,906</u>
Total operating expenses	<u>298,186</u>	<u>294,716</u>
Operating income	<u>589,605</u>	<u>327,699</u>
Non-operating revenues (expenses):		
Investment income	42,791	14,103
Interest expense	<u>(43,437)</u>	<u>(43,438)</u>
Total non-operating expenses	<u>(646)</u>	<u>(29,335)</u>
Net income	588,959	298,364
Total net position, beginning of year	<u>(824,452)</u>	<u>(1,122,816)</u>
Total net position, end of year	<u>\$ (235,493)</u>	<u>\$ (824,452)</u>

See accompanying notes to financial statements.

**MERRILL ROAD ASSOCIATES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities:		
Cash received from tenants and others	\$ 888,534	\$ 628,895
Cash paid to vendors and suppliers	(146,245)	(153,446)
Cash paid to employees	<u>(94,184)</u>	<u>(70,710)</u>
Net cash provided by operating activities	<u>648,105</u>	<u>404,739</u>
Cash Flows from Non-capital and Related Financing Activities:		
Interest paid on loan payable	(19,668)	-
Purchase of capital assets	<u>-</u>	<u>(7,275)</u>
Net cash used in non-capital and related financing activities	<u>(19,668)</u>	<u>(7,275)</u>
Cash Flows from Investing Activities:		
Interest received on investments	<u>42,791</u>	<u>14,103</u>
Net cash provided by investing activities	<u>42,791</u>	<u>14,103</u>
Net increase in cash, cash equivalents, and restricted cash	671,228	411,567
Cash, cash equivalents, and restricted cash, beginning of year	<u>612,228</u>	<u>200,661</u>
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 1,283,456</u>	<u>\$ 612,228</u>
A reconciliation of cash, cash equivalents, and restricted cash to the Statements of Net Position is as follows:		
	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 1,064,372	\$ 402,642
Tenant security deposits	19,737	18,881
Restricted cash	<u>199,347</u>	<u>190,705</u>
Total cash, cash equivalents, and restricted cash, end of year	<u>\$ 1,283,456</u>	<u>\$ 612,228</u>

See accompanying notes to financial statements.

MERRILL ROAD ASSOCIATES
STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 589,605	\$ 327,699
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	76,280	75,906
Changes in operating assets and liabilities:		
Accounts receivable, net	618	1,908
Prepaid expenses	(8,612)	(1,444)
Accounts payable	2,487	(18,802)
Accrued expenses	(396)	208
Tenant security deposits	856	4,537
Accrued compensated absences	(1,784)	2,692
Prepaid rent	1,051	35
Related party payable	<u>(12,000)</u>	<u>12,000</u>
Net cash provided by operating activities	<u>\$ 648,105</u>	<u>\$ 404,739</u>

See accompanying notes to financial statements.

**MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Housing Authority of the County of Santa Cruz (the "Authority") is a governmental, public corporation, established in 1969, by a resolution of the Santa Cruz County Board of Supervisors. The Authority is governed by a seven member Board of Commissioners. At-large commissioners are appointed for terms of four years and tenant commissioners are appointed for terms of two years by the Santa Cruz County Board of Supervisors. The Authority is responsible for operating certain low-rent housing programs in the County of Santa Cruz under programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

Merrill Road Associates (the "Partnership") was formed as a limited partnership on September 15, 1995.

The Partnership was formed for the purpose of acquiring, constructing, owning, holding for investment, operating, managing, leasing or selling Partnership property for low and very low income persons. The Partnership property consists of a 15-unit affordable housing complex (the partnership) in the unincorporated area in Santa Cruz County known as Aptos, California. The Partnership qualified for federal low income tax credits under section 42 of the Internal Revenue Code. Such Partnerships are regulated under terms of a regulatory agreement including rent charges, operating methods and other matters. The Partnership is in the extended use period.

Merrill Road Housing Corporation ("MRHC"), a California nonprofit public benefit corporation, is the managing general partner. In September, 2011, the Housing Authority of the County of Santa Cruz (the "Authority"), a California public body, corporate and politic, was admitted as the new limited partner, replacing the original investor limited partner.

The officers and directors of Merrill Road Housing Corporation are the same as the members of the Authority's Board of Commissioners and as such, the Authority considers the Partnership to be a blended component unit of the Authority for financial reporting purposes.

The Partnership has executed a management agreement with the Authority to manage the property.

B. Basis of Accounting / Financial Statement Presentation

The Partnership is considered a government entity for the purpose of applying accounting and financial reporting standards and as such the Governmental Accounting Standards Board ("GASB") has jurisdiction over the Partnership's accounting standards. The Partnership's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Partnership's funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities are recognized when the exchange takes place.

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting / Financial Statement Presentation (continued)

Effective July 1, 2024, the Authority adopted GASB 101, Compensated Absences ("GASB 101"). GASB 101 establishes a more unified model for recognizing and measuring compensated absences, leading to more consistent and comparable financial reporting among government organizations. Key changes resulting from GASB 101 include updating the recognition and measurement of the liability, streamlining the approach and reporting process for consistency, and enhancing disclosures related to the leave types, measurement methods, and key assumptions. For the year ended June 30, 2025, the adoption of GASB 101 did not have a material effect on the financial statements of the Authority.

C. Use of Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain 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. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

D. Cash and Cash Equivalents

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit or any other federally insured investment.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Partnership or with an unaffiliated bank or trust company for the account of the Partnership.

For the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase.

It is the Authority's policy to maintain collateralization for the Partnership in accordance with HUD requirements.

E. Accounts Receivable

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and vacated tenants. An allowance for doubtful accounts is established to provide for all accounts, which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts.

F. Allowance for Doubtful Accounts

The Partnership periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Partnership prepares an analysis of such accounts and records an appropriate allowance against such amounts.

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

H. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statements of Revenues, Expenses and Changes in Net Position. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

- | | |
|------------------------------|------------|
| • Modernization of buildings | 7-10 Years |
| • Furniture and equipment | 12 Years |
| • Buildings | 40 Years |

The Partnership has established a capitalization threshold of \$5,000.

I. Impairment of Long Lived Assets

The Partnership evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Partnership determines that a capital asset is impaired, and that the impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Partnership's financial statements. There were no impairment losses recognized during the years ended June 30, 2025 and 2024.

J. Accounts Payable and Accrued Liabilities

The Partnership recognizes a liability for goods and services received but not paid for as of year-end. The Partnership recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

K. Compensated Absences

Compensated absences represent amounts to which employees are entitled based on accumulated leave earned in accordance with the Authority's Personnel Policy. Employees are provided with ten vacation days after one year of service, and 20 days after 15 years of service. Annual vacation time may be accumulated and rolled over up to a maximum of ten days. Employees may be compensated for accumulated vacation leave in the event of retirement or termination from service at the current salary for a maximum of ten days. Employees are provided with up to 15 days per year of sick time. Employees may not be compensated for accrued unused sick leave.

L. Prepaid Rent

The Partnership's prepaid rent primarily consists of the prepayment of rent by residents applicable to future periods.

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Net Position Classifications

Net position is classified in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other resources that do not meet the definition of "restricted" or "net investment (deficit) in capital assets."

N. Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is the Partnership's policy to use restricted resources first, and then unrestricted resources as needed.

O. Operating Revenues and Expenses

The Partnership defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Partnership classifies all other revenues and expenses as non-operating.

P. Taxes

Income taxes on Partnership income are levied on the partners at the partner level. Accordingly, all profits and losses of the Partnership are recognized by each member on its respective tax return.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Partnership to report information regarding its exposure to various tax positions taken by the Partnership. Management has determined whether any tax positions have met the recognition threshold and has measured the Partnership's exposure to those tax positions. Management believes that the Partnership has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Partnership are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Regulated Leases

The Partnership is a lessor of residential dwelling units under regulated leases as defined by GASB 87 and as such recognizes rental revenue in accordance with the terms of the lease contract. The leases which are twelve months in length are regulated by HUD as to rent, unit size, household composition and tenant income. For the years ended June 30, 2025 and 2024, rental revenue earned by the Partnership under the aforementioned leases totaled \$885,359 and \$622,289, respectively.

R. Regulatory Agreement

On September 29, 1995, the Partnership entered into a Rental Housing Construction Program ("RHCP") Regulatory Agreement, Loan Number 91-RHCP-087. Under this agreement, the State of California, Department of Housing and Community Development ("HCD") provided funding for the development of 15 residential housing units, all of which were to be occupied by very-low income households, located in Aptos, California. The Partnership is required to maintain cash reserves for operations and for replacements. All rent increases must be approved by HCD. The Partnership's annual budget must be approved by HCD. This agreement expires September 1, 2036.

S. Subsidized Rent Income

The Partnership is subject to a Housing Assistance Payment ("HAP") agreement with the Authority. The Authority agreed to pay the owner the difference between the contract rent, as defined in the HAP agreement, and that portion of such rent payable by qualified tenants. Subsidy revenue included in rental income on the statements of operations for the years ended June 30, 2025 and 2024 is \$709,681 and \$473,296, respectively.

NOTE 2. CASH AND CASH EQUIVALENTS

The Partnership had funds on deposit in checking, savings, and money market accounts. As of June 30, 2025 and 2024, the carrying amount of the Partnership's cash and cash equivalents (including restricted cash) was \$1,283,456 and \$612,228, respectively, and the bank balances were \$1,283,456 and \$612,228, respectively.

The bank balances of \$250,000 for both years, were covered by federal depository insurance as of June 30, 2025 and 2024 and the remaining \$1,033,456 and \$362,228, respectively, were collateralized with the pledging financial institution.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Partnership does not have a formal policy for custodial credit risk. As of June 30, 2025 and 2024, the Partnership's bank balances were not exposed to custodial credit risk.

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 3. ACCOUNTS RECEIVABLE

As of June 30, 2025 and 2024, accounts receivable consisted of tenant accounts receivable totaling \$814 and \$1,432, respectively. Tenant accounts receivable represents amounts owed to the Partnership by tenants for outstanding rent. The Partnership considers these amounts fully collectable and accordingly, has made no allowance for doubtful accounts.

NOTE 4. RESTRICTED DEPOSITS

As of June 30, 2025 and 2024, restricted deposits consisted of the following:

<u>Description</u>	<u>2025</u>	<u>2024</u>
Tenant security deposits	\$ 19,737	\$ 18,881
Reserve for replacements	121,107	115,857
Operating reserves	<u>78,240</u>	<u>74,848</u>
Total restricted deposits	<u>\$ 219,084</u>	<u>\$ 209,586</u>

Tenant security deposits represent amounts held by the Partnership on behalf of tenants. Upon termination from the Partnership, the tenant is due amounts deposited plus interest earned less any amounts charged for damage to the unit.

Reserve for replacements represents funds that are restricted for repairs and replacements of buildings and equipment as required by the HCD.

Operating reserves represent funds that are restricted in the case that the Partnership encounters an operating deficit as required by the HCD.

NOTE 5. CAPITAL ASSETS, NET

The following is a summary of the changes in capital assets during the years ended June 30, 2025 and 2024:

<u>Description</u>	<u>June 30, 2024</u>	<u>Additions</u>	<u>Dispositions</u>	<u>June 30, 2025</u>
<u>Non-depreciable capital assets:</u>				
Land	\$ <u>1,039,931</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,039,931</u>
<u>Depreciable capital assets:</u>				
Buildings	2,837,205	-	-	2,837,205
Furniture and equipment	<u>26,200</u>	<u>-</u>	<u>-</u>	<u>26,200</u>
Subtotal	<u>2,863,405</u>	<u>-</u>	<u>-</u>	<u>2,863,405</u>
Less: accumulated depreciation	<u>1,958,716</u>	<u>76,280</u>	<u>-</u>	<u>2,034,996</u>
Net capital assets	<u>\$ 1,944,620</u>	<u>\$ (76,280)</u>	<u>\$ -</u>	<u>\$ 1,868,340</u>

Depreciation expense for the year ended June 30, 2025 amounted to \$76,280.

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 5. CAPITAL ASSETS, NET (continued)

Description	June 30, 2023	Additions	Dispositions	June 30, 2024
<u>Non-depreciable capital assets:</u>				
Land	\$ 1,039,931	\$ -	\$ -	\$ 1,039,931
<u>Depreciable capital assets:</u>				
Buildings	2,829,930	7,275	-	2,837,205
Furniture and equipment	26,200	-	-	26,200
Subtotal	<u>2,856,130</u>	<u>7,275</u>	<u>-</u>	<u>2,863,405</u>
Less: accumulated depreciation	<u>1,882,810</u>	<u>75,906</u>	<u>-</u>	<u>1,958,716</u>
Net capital assets	<u>\$ 2,013,251</u>	<u>\$ (68,631)</u>	<u>\$ -</u>	<u>\$ 1,944,620</u>

Depreciation expense for the year ended June 30, 2024 amounted to \$75,906.

NOTE 6. RELATED PARTY TRANSACTIONS

The Partnership has executed a management agreement with the general partner to manage the property for a flat fee of \$1,000 per month. For both years ended June 30, 2025 and 2024, partnership fees totaled \$12,000.

The Partnership also pays the general partner a Per Unit Per Month Fee ("PUPM") of \$57.97 per month as approved by the State of California Department of Housing and Community Development. For the years ended June 30, 2025 and 2024, the PUPM management fee totaled \$14,580 for both years.

Related party payable represents unpaid Partnership fees owed to the general partner. The fees are paid in arrears to the extent of surplus cash generated by the Partnership. As of June 30, 2025 and 2024, \$12,000 and \$24,000, respectively, remain payable.

NOTE 7. LOANS PAYABLE

Loans payable consisted of the following as of June 30, 2025 and 2024:

<u>Description</u>	<u>2025</u>	<u>2024</u>
On September 15, 1995, the Partnership entered into a promissory note with the State of California, Department of Housing and Community Development, Rental Housing Construction Program ("RHCP"). The note, for \$1,195,167, is secured by a deed of trust on the property, bears simple interest at a rate of 3% per annum, and is due September 1, 2036. Payments are due annually on this loan only to the extent of surplus cash earned by the Partnership. Accrued interest on this note as of June 30, 2025 and 2024 totaled \$1,024,105 and \$992,753, respectively. Management does not consider any portion of this loan, nor the interest accrued on this loan, to be current.	\$ 1,195,167	\$ 1,195,167

**MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024**

NOTE 7. LOANS PAYABLE (continued)

Description	2025	2024
<p>In September 1996, the Partnership received a \$300,000 loan from the Santa Cruz County Redevelopment Agency ("RDA"). This loan is unsecured, bears simple interest at a rate of 8% per annum, and was intended to be forgiven if the Authority exercised the option to purchase the property after 20 years and maintained the units according to the RHCP loan provisions for an additional 20 years. The option to purchase was exercised in 2011. The loan will remain in good standing and no interest will accrue as long as the Partnership maintains compliance with RHCP loan provisions.</p>	300,000	300,000
<p>During the development of the property, the Authority provided gap funding in the amount of \$451,509. The loan bears no interest and is due September 15, 2035. Principal payments are due annually, but only to the extent of surplus cash generated by the Partnership.</p>	451,509	451,509
<p>During the development of the property, the Authority transferred land to the Partnership with a value in the amount of \$252,763. The land loan bears simple interest at a rate of 3% per annum. The loan is due on September 15, 2032. Principal and interest payments are due annually, but only to the extent of surplus cash generated by the Partnership. Accrued interest on this loan as of June 30, 2025 and 2024 totaled \$130,912 and \$138,495, respectively. Management does not consider any portion of this loan, nor the interest accrued on this loan, to be current.</p>	<u>252,763</u>	<u>252,763</u>
<p>Total loans payable</p>	<u>\$ 2,199,439</u>	<u>\$ 2,199,439</u>

Future annual debt service over the next five years and in five year increments is as follows:

Year	Principal	Interest	Total
2026	\$ -	\$ 35,855	\$ 35,855
2027	-	35,855	35,855
2028	-	35,855	35,855
2029	-	35,855	35,855
2030	-	35,855	35,855
2031- 2035	704,272	179,275	883,547
2036	<u>1,495,167</u>	<u>71,710</u>	<u>1,566,877</u>
	<u>\$ 2,199,439</u>	<u>\$ 430,260</u>	<u>\$ 2,629,699</u>

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 8. RESTRICTED NET POSITION

Restricted net position consisted of the following as of June 30, 2025 and 2024:

<u>Description</u>	<u>2025</u>	<u>2024</u>
Replacement Reserves	\$ 121,107	\$ 115,857
Operating reserves	<u>78,240</u>	<u>74,848</u>
Total restricted net position	<u>\$ 199,347</u>	<u>\$ 190,705</u>

Reserve for replacements represents funds that are restricted for repairs and replacements of buildings and equipment as required by the HCD.

Operating reserves represent funds that are restricted in the case that the Partnership encounters an operating deficit as required by the HCD.

NOTE 9. RISK MANAGEMENT

The Partnership is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last three years.

NOTE 10. CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's major asset is a fifteen (15) unit housing complex. The Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD and HCD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD or HCD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

NOTE 11. COMMITMENTS AND CONTINGENCIES

In connection with the financing received from HCD through its Rental Housing Construction Program, limits are placed on the occupancy of the Partnership's 15 units. Only individuals and families that meet various income and age standards may be aided.

The Partnership qualified for a federal-low income housing tax credit under Section 42 of the Internal Revenue Code. The ten year tax credit period ended in 2006 and the fifteen year tax credit compliance period ended 2011. The Partnership continues to operate under restrictions and compliance requirements of the HCD, RHCP loan and regulatory agreement.

MERRILL ROAD ASSOCIATES
NOTES TO FINANCIAL STATEMENTS (continued)
JUNE 30, 2025 AND 2024

NOTE 12. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Management evaluated the activity of the Partnership through February 11, 2026 (the date the financial statements were available to be issued) and management concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Merrill Road Housing Corporation:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Merrill Road Associates (the "Partnership") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Partnership's financial statements, and have issued our report thereon dated February 11, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Partnership's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of the Partnership's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Partnership's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Partnership's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Novogradac & Company LLP

February 11, 2026
Toms River, New Jersey

SUPPORTING INFORMATION REQUIRED BY HCD

MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
SUPPLEMENTARY INFORMATION REQUIRED BY HCD

Account Number	<u>Schedule of Operating Revenue for year ended</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
	Rent Revenue		
5120	Rent revenue	\$ 175,678	\$ 148,993
5121	Tenant assistance payments	<u>709,681</u>	<u>473,296</u>
5100T	Total rent revenue	<u>885,359</u>	<u>622,289</u>
5152	Net Rental Revenue (Rent Revenue Less Vacancies)	<u>885,359</u>	<u>622,289</u>
	Financial Revenue		
5410	Interest on Partnership operations	34,149	7,177
5440	Interest on replacement reserves	5,250	4,208
5490	Interest on operating reserves	<u>3,392</u>	<u>2,718</u>
	Total financial revenue	<u>42,791</u>	<u>14,103</u>
	Other Revenue		
5920	Tenant charges (damages & cleaning fees)	650	126
5990	Miscellaneous revenue - other	<u>1,782</u>	<u>-</u>
	Total other revenue	<u>2,432</u>	<u>126</u>
5000T	Total revenue	<u>\$ 930,582</u>	<u>\$ 636,518</u>
	 <u>Schedule of Operating Expenses for year ended</u>	 <u>June 30, 2025</u>	 <u>June 30, 2024</u>
	Administrative Expenses		
6210	Office salaries	\$ 42,548	\$ 43,840
6250	Office expenses	177	156
6310	Management fees	14,580	14,580
6330	Legal expense	1,016	-
6340	Audit expense	7,808	7,759
6350	Accounting fees	3,650	3,650
6351	Bad debt	-	645
6390	Miscellaneous administrative	<u>9</u>	<u>288</u>
6263T	Total administrative expenses	<u>69,788</u>	<u>70,918</u>
	Utilities Expense		
6420	Electricity	864	887
6450	Water	17,290	11,796
6453	Sewer	<u>13,853</u>	<u>12,920</u>
6400T	Total utilities expense	<u>32,007</u>	<u>25,603</u>

See Report of Independent Auditors

MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
SUPPLEMENTARY INFORMATION REQUIRED BY HCD (continued)

		<u>June 30, 2025</u>	<u>June 30, 2024</u>
Operating and Maintenance Expenses			
6510	Payroll	11,780	10,548
6515	Supplies - general	4,348	5,302
6520	Contracts	41,187	41,397
6525	Garbage and trash removal	31,051	29,996
6590	Miscellaneous operating and maintenance - tenant relocation	-	3,289
6590	Miscellaneous operating and maintenance - maintenance travel & training	<u>471</u>	<u>483</u>
6500T	Total operating and maintenance expenses	<u>88,837</u>	<u>91,015</u>
Taxes and Insurance			
6720	Property and liability insurance	16,466	12,965
6722	Workmen's compensation	1,719	2,469
6723	Health insurance and other benefits	-	2,691
6790	Miscellaneous, taxes, licenses, permits and insurance	<u>1,089</u>	<u>1,149</u>
6700T	Total taxes and insurance	<u>19,274</u>	<u>19,274</u>
Financial Expenses			
6820	Interest on mortgage (or bonds) payable	<u>43,437</u>	<u>43,438</u>
6800T	Total financial expenses	<u>43,437</u>	<u>43,438</u>
6000	Total cost of operations before depreciation	<u>253,343</u>	<u>250,248</u>
5060T	Profit (loss) before depreciation	677,239	386,270
Depreciation and Amortization Expenses			
6600	Depreciation expense	<u>76,280</u>	<u>75,906</u>
5060N	Operating loss	<u>600,959</u>	<u>310,364</u>
Net Entity Expenses			
7190	Partnership management fee	<u>12,000</u>	<u>12,000</u>
7100T	Change in total net assets from operations	<u>12,000</u>	<u>12,000</u>
3250	Change in total net assets from operations	<u>\$ 588,959</u>	<u>\$ 298,364</u>

MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
SUPPLEMENTARY INFORMATION REQUIRED BY HCD (continued)

Operating Cash Flow/Surplus Cash Computation - per HCD/ CalHFA Regulatory Agreements	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Operating Cash Flow/Surplus Cash will be distributed according to the HCD method:		
Operating income		
Total income	\$ 930,582	\$ 636,518
Interest earned on restricted reserve accounts	<u>(8,642)</u>	<u>(6,926)</u>
Adjusted operating income	921,940	629,592
Operating expenses - excludes financial expenses	<u>(209,906)</u>	<u>(206,810)</u>
Adjusted net income	<u>712,034</u>	<u>422,782</u>
Other Activity:		
Capital asset purchases	<u>-</u>	<u>(7,275)</u>
Operating cash flow/surplus cash	<u>\$ 712,034</u>	<u>\$ 415,507</u>
<u>Distribution of operating cash flow/surplus cash:</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Borrower distributions (up to a maximum amount of \$43,669 and \$17,137, respectively)		
Partnership management fees	\$ 12,000	\$ 24,000
Housing Authority of the County of Santa Cruz:		
Land loan	19,669	19,669
Department loan accrued interest and interest payable	<u>680,365</u>	<u>371,838</u>
Total cash available for distributions (net cash flow)	<u>\$ 712,034</u>	<u>\$ 415,507</u>

MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
SUPPLEMENTARY INFORMATION REQUIRED BY HCD (continued)

Cash on Hand and in Banks

See Note 2

<u>Reserve for Replacements and Operating Expenses</u>	<u>Replacement Reserves</u>	<u>Operating Reserves</u>
Balance at June 30, 2023	\$ 111,649	\$ 72,130
Approved withdrawals	-	-
Interest	<u>4,208</u>	<u>2,718</u>
Balance at June 30, 2024	115,857	74,848
Interest income	<u>5,250</u>	<u>3,392</u>
Balance at June 30, 2025	<u>\$ 121,107</u>	<u>\$ 78,240</u>

Property and Equipment

See Note 5

<u>Accounts Payable and Accrued Expenses</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
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Accounts payable and accrued expenses are being paid on a current bases. Details are as follows:

Accounts payable - trade	\$ 7,491	\$ 5,004
Accrued liabilities salaries	2,151	2,547
Accrued liabilities short-term and compensated absences	<u>2,957</u>	<u>2,755</u>
Total accounts payable and accrued expenses	<u>\$ 12,599</u>	<u>\$ 10,306</u>

Tenant Security Deposits

Tenant security deposits were fully funded as of June 30, 2025 and 2024

<u>Gross Potential Rents</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
-------------------------------------	-----------------------------	-----------------------------

Tenant rental payments	\$ 175,678	\$ 148,993
Vacancy Loss	<u>-</u>	<u>-</u>
	<u>\$ 175,678</u>	<u>\$ 148,993</u>

Management Fee

For the years ended June 30, 2025 and 2024, property management fees of \$14,580 for both years, were incurred for property management services provided by the Authority.

See Report of Independent Auditors

**MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
JUNE 30, 2025**

Status of Prior Year Findings and Recommendations:

The audit report for the year ended June 30, 2024, contained no audit findings.

Findings and Recommendations:

There were no findings for the year ended June 30, 2025.

**MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
MANAGEMENT AGENT'S CERTIFICATION
FOR THE YEAR ENDED JUNE 30, 2025**

I hereby certify that we have examined the accompanying financial statements, notes, and supplementary information of Merrill Road Associates as of and for the year ended June 30, 2024, and, to the best of my knowledge and belief, these financial statements, notes, and supplementary information are complete and accurate.

Jenny Panetta, Secretary
Merrill Road Associates
February 11, 2026

**MERRILL ROAD ASSOCIATES
LOAN NUMBER 91-RHCP-087
CERTIFICATION OF OFFICERS
FOR THE YEAR ENDED JUNE 30, 2025**

We, as officers of Merrill Road Housing Corporation, the managing general partner of Merrill Road Associated (A California limited partnership), hereby certify that we have examined the accompanying financial statements, notes, and supplementary information of Merrill Road Associates as of and for the year ended June 30, 2024, and to the best of our knowledge and belief, these financial statements, notes, and supplementary information are complete and accurate.

Providence Martinez Alaniz, Chairperson
Merrill Road Associates
February 11, 2026

AGENDA ITEM SUMMARY

MEETING DATE: March 25, 2026

ITEM NUMBER: 3C

FROM: Deputy Executive Director

SUBJECT: FY 2024-25 Tax Returns

RECOMMENDATION: Receive FY 2024-25 Tax Returns

BACKGROUND SUMMARY:

Merrill Road Housing Corporation and the Merrill Road Associates Partnership are tax exempt entities that are required to file state and federal tax returns for informational purposes. The following FY 2024-25 tax forms were prepared and scheduled to be filed by Novogradac & Company LLP:

- IRS Form 990-EZ for Merrill Road Housing Corporation
- California Franchise Tax Board Form 199 for Merrill Road Housing Corporation
- Registry of Charitable Trusts Form RRF-1 for Merrill Road Housing Corporation
- IRS Form 1065 with Schedule K-1 for Merrill Road Associates Partnership
- California Franchise Tax Board Form 565 for Merrill Road Associates Partnership

RECOMMENDATION: Receive FY 2024-25 Tax Returns

MERRILL ROAD HOUSING CORPORATION



Merrill Road Housing Corporation

Federal and State Returns of Organization Exempt from Income Tax

For the year ended June 30, 2025

March 13, 2026

Ms. Jennifer Panetta, Executive Director
Housing Authority of the County of Santa Cruz
2160 41st Avenue
Capitola, CA 95010

Re: Tax Returns for Merrill Road Housing Corporation

Dear Ms. Panetta:

The following income tax returns have been prepared on behalf of Merrill Road Housing Corporation for the year ending June 30, 2025.

Return of Organization Exempt from Income Tax
California Exempt Organization Annual Information Return Form 199

The returns, as you know, were prepared primarily from your records. You were previously sent an electronic draft copy of the return for your review. By signing the Form 8879-TE (and related state form), you have acknowledged that you personally reviewed the returns, did not find any material misstatements, and authorized for us to file the returns on your behalf.

The enclosed returns should be filed as explained in the filing instructions attached to the enclosed returns. We recommend using certified mail, return receipt requested, to have evidence of timely filing.

California RRF-1 Form - \$25 due

We appreciate this opportunity to be of service to you. If you have any questions or if we can be of further assistance, please do not hesitate to contact me at (732) 649-2800.

Very truly yours,
NOVOGRADAC & COMPANY LLP

by

Richard M. Larsen

Enclosures

TAX RETURN FILING INSTRUCTIONS

FORM 990-EZ

FOR THE YEAR ENDING

JUNE 30, 2025

PREPARED FOR:

MERRILL ROAD HOUSING CORPORATION
2160 41ST AVENUE
CAPITOLA, CA 95010

PREPARED BY:

NOVOGRADAC & COMPANY, LLP
1144 HOOPER AVENUE, SUITE 203
TOMS RIVER, NJ 08753

AMOUNT DUE OR REFUND:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:

NOT APPLICABLE

RETURN MUST BE MAILED ON OR BEFORE:

NOT APPLICABLE

SPECIAL INSTRUCTIONS:

THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8879-TE TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE IRS. DO NOT MAIL A PAPER COPY OF THE RETURN TO THE IRS.

Form **8879-TE**

IRS E-file Signature Authorization for a Tax Exempt Entity

OMB No. 1545-0047

For calendar year 2024, or fiscal year beginning JUL 1, 2024, and ending JUN 30, 2025

2024

Department of the Treasury
Internal Revenue Service

Do not send to the IRS. Keep for your records.
Go to www.irs.gov/Form8879TE for the latest information.

Name of filer

MERRILL ROAD HOUSING CORPORATION

EIN or SSN

77-0411307

Name and title of officer or person subject to tax **JENNIFER PANETTA
SECRETARY**

Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line **1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a** below, and the amount on that line for the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, or 10b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not complete more than one line in Part I.**

1a Form 990 check here	<input type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12)	1b _____
2a Form 990-EZ check here ...	<input checked="" type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2b <u>18,149.</u>
3a Form 1120-POL check here	<input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ...	<input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part V, line 5)	4b _____
5a Form 8868 check here	<input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b _____
6a Form 990-T check here	<input type="checkbox"/>	b Total tax (Form 990-T, Part III, line 4)	6b _____
7a Form 4720 check here	<input type="checkbox"/>	b Total tax (Form 4720, Part III, line 1)	7b _____
8a Form 5227 check here	<input type="checkbox"/>	b FMV of assets at end of tax year (Form 5227, Item D)	8b _____
9a Form 5330 check here	<input type="checkbox"/>	b Tax due (Form 5330, Part II, line 19)	9b _____
10a Form 8038-CP check here	<input type="checkbox"/>	b Amount of credit payment requested (Form 8038-CP, Part III, line 22)	10b _____

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that I am an officer of the above entity or I am a person subject to tax with respect to (name of entity) _____, (EIN) _____ and that I have examined a copy of the 2024 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

I authorize **NOVOGRADAC & COMPANY, LLP** to enter my PIN **54984**
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the tax year 2024 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2024 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax

Date

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

94883454984

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2024 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature

Date

3/11/26

ERO Must Retain This Form - See Instructions

Do Not Submit This Form to the IRS Unless Requested To Do So

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8879-TE** (2024)

**Application for Extension of Time To File an Exempt Organization
Return or Excise Taxes Related to Employee Benefit Plans**

Department of the Treasury
Internal Revenue Service

File a separate application for each return.
Go to www.irs.gov/Form8868 for the latest information.

Electronic filing (e-file). You can electronically file Form 8868 to request up to a 6-month extension of time to file any of the forms listed below except for Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts. An extension request for Form 8870 must be sent to the IRS in a paper format (see instructions). For more details on the electronic filing of Form 8868, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Part I - Identification

Type or Print	Name of exempt organization, employer, or other filer, see instructions. MERRILL ROAD HOUSING CORPORATION	Taxpayer identification number (TIN) 77-0411307
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 2160 41ST AVENUE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CAPITOLA, CA 95010	

Enter the Return Code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 4720 (other than individual)	09
Form 4720 (individual)	03	Form 5227	10
Form 990-PF	04	Form 6069	11
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 8870	12
Form 990-T (trust other than above)	06	Form 5330 (individual)	13
Form 990-T (corporation)	07	Form 5330 (other than individual)	14
Form 1041-A	08	Form 990-T (governmental entities)	15

• After you enter your Return Code, complete either Part II or Part III. Part III, including signature, is applicable only for an extension of time to file Form 5330.

• If this application is for an extension of time to file Form 5330, you must enter the following information.

Plan Name _____
 Plan Number _____
 Plan Year Ending (MM/DD/YYYY) _____

Part II - Automatic Extension of Time To File for Exempt Organizations (see instructions)

The books are in the care of **SANTA CRUZ CO HOUSING AUTHORITY**
2160 41ST AVENUE - CAPITOLA, CA 95010

Telephone No. **831-454-9455** Fax No. _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four-digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **MAY 15**, 20 **26**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

calendar year 20 _____ or

tax year beginning **JUL 1**, 20 **24**, and ending **JUN 30**, 20 **25**

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Short Form

Form 990-EZ

Return of Organization Exempt From Income Tax

2024

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form, as it may be made public.

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form990EZ for instructions and the latest information.

A For the 2024 calendar year, or tax year beginning JUL 1, 2024, and ending JUN 30, 2025

B Check if applicable: C Name of organization MERRILL ROAD HOUSING CORPORATION D Employer identification number 77-0411307 E Telephone number 831-454-9455 F Group Exemption Number

G Accounting Method: X Accrual I Website: WWW.HACOSANTACRUZ.ORG J Tax-exempt status (check only one) - X 501(c)(3) K Form of organization: X Corporation L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ \$ 18,149.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)

Check if the organization used Schedule O to respond to any question in this Part I X

Table with 3 columns: Line number, Description, and Amount. Rows include Revenue (1-9), Expenses (10-17), and Net Assets (18-21). Total revenue is 18,149 and total expenses is 12,000, resulting in a net asset change of 6,149.

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990-EZ (2024)

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II [X]

Table with 3 columns: Description, (A) Beginning of year, (B) End of year. Rows include Cash, savings, and investments; Land and buildings; Other assets (SEE SCHEDULE O); Total assets; Total liabilities (SEE SCHEDULE O); Net assets or fund balances.

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III [X]

What is the organization's primary exempt purpose? SEE SCHEDULE O

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Expenses (Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

Table with 3 columns: Description, Line number, Expenses. Row 28: TO PROVIDE AFFORDABLE HOUSING FOR LOW AND MODERATE INCOME HOUSEHOLDS THROUGH THE OPERATION OF A 15-UNIT HOUSING COMPLEX IN APTOS, CA. Expenses: 12,000.

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated - see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV []

Table with 5 columns: (a) Name and title, (b) Average hours per week devoted to position, (c) Reportable compensation, (d) Health benefits, contributions to employee benefit plans, and deferred compensation, (e) Estimated amount of other compensation. Rows include ANDY SCHIFFRIN, PROVIDENCE MARTINEZ ALANIZ, LIGAYA ELIGIO, CAROL BERG, ANNETTE MELENDREZ, RICHARD SCHMALE, SILVIA MORALES.

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V.) Check if the organization used Sch. O to respond to any question in this Part V

33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O. See instructions
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?
35b If "Yes" to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O
35c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N
37a Enter amount of political expenditures, direct or indirect, as described in the instructions
37b Did the organization file Form 1120-POL for this year?
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee; or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?
38b If "Yes," complete Schedule L, Part II, and enter the total amount involved
39 Section 501(c)(7) organizations. Enter:
39a Initiation fees and capital contributions included on line 9
39b Gross receipts, included on line 9, for public use of club facilities
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under:
40b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I
40c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
40d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization
40e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T
41 List the states with which a copy of this return is filed
42a The organization's books are in care of
42b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
42c At any time during the calendar year, did the organization maintain an office outside the United States?
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ
44b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ
44c Did the organization receive any payments for indoor tanning services during the year?
44d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?
45b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ. See instructions

	Yes	No
46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
	46	

Part VI Section 501(c)(3) Organizations Only

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.
Check if the organization used Schedule O to respond to any question in this Part VI

	Yes	No
47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Sch. C, Part II		X
48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48	X
49a Did the organization make any transfers to an exempt non-charitable related organization?	49a	X
b If "Yes," was the related organization a section 527 organization?	49b	

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC/1099-NEC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
NONE				

f Total number of other employees paid over \$100,000

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None." NONE

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over \$100,000

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A Yes No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer JENNIFER PANETTA, SECRETARY	Date
	Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name RICHARD M LARSEN	Preparer's signature APPROVED	Date	Check <input type="checkbox"/> if self-employed	PTIN P01233142
	Firm's name NOVOGRADAC & COMPANY, LLP	Firm's EIN 94-3108253		Phone no. (732) 649-2800	
	Firm's address 1144 HOOPER AVENUE, SUITE 203 TOMS RIVER, NJ 08753				

May the IRS discuss this return with the preparer shown above? See instructions Yes No

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2024

Open to Public Inspection

Name of the organization **MERRILL ROAD HOUSING CORPORATION** Employer identification number **77-0411307**

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations 1

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
HOUSING AUTHORITY OF THE COUNTY OF SA	94-1699385	6		X	0.	0.
Total					0.	0.

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2024 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2023 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2024. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2023. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2024. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2023. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2024 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2023 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2024 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2023 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2024. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2023. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>	X	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		X
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		X
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		X
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		X
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		X
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		X
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		X
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		X
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		X
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		X
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		X
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		X
b A family member of a person described on line 11a above?		X
c A 35% controlled entity of a person described on line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		X

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		
	X	

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
2 Activities Test. Answer lines 2a and 2b below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3 Parent of Supported Organizations. Answer lines 3a and 3b below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No," provide details in Part VI.</i>		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). **See instructions.**
 All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions.	8
9	Distributable amount for 2024 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2024	(iii) Distributable Amount for 2024
1 Distributable amount for 2024 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2024 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3 Excess distributions carryover, if any, to 2024			
a From 2019			
b From 2020			
c From 2021			
d From 2022			
e From 2023			
f Total of lines 3a through 3e			
g Applied to under distributions of prior years			
h Applied to 2024 distributable amount			
i Carryover from 2019 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2024 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2024 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2024, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6 Remaining underdistributions for 2024. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7 Excess distributions carryover to 2025. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2020			
b Excess from 2021			
c Excess from 2022			
d Excess from 2023			
e Excess from 2024			

**SCHEDULE O
(Form 990)**

(Rev. December 2024)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

**Open to Public
Inspection**

Name of the organization MERRILL ROAD HOUSING CORPORATION	Employer identification number 77-0411307
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FORM 990-EZ, PART I, LINE 8, OTHER REVENUE:	
DESCRIPTION OF OTHER REVENUE:	AMOUNT:
GAIN FROM MERRILL ROAD ASSOCIATES	6,149.

FORM 990-EZ, PART I, LINE 16, OTHER EXPENSES:	
DESCRIPTION OF OTHER EXPENSES:	AMOUNT:
MANAGEMENT FEE EXPENSE	12,000.

FORM 990-EZ, PART II, LINE 24, OTHER ASSETS:		
DESCRIPTION	BEG. OF YEAR	END OF YEAR
MANAGEMENT FEES RECEIVABLE	24,000.	24,000.

FORM 990-EZ, PART II, LINE 26, OTHER LIABILITIES:		
DESCRIPTION	BEG. OF YEAR	END OF YEAR
MANAGEMENT FEES OWED TO THE HA OF THE CO OF SANTA CRUZ	24,000.	24,000.
INVESTMENT IN MERRILL ROAD ASSOCIATES, A CA LIMITED PARTNERSHIP	50,757.	44,608.
TOTAL TO FORM 990-EZ, LINE 26	74,757.	68,608.

FORM 990-EZ, PART III, PRIMARY EXEMPT PURPOSE - MERRILL ROAD HOUSING CORPORATION SERVES AS THE GENERAL PARTNER OF MERRILL ROAD ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP. THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ SERVES AS THE LIMITED PARTNER. THE PURPOSE OF THE PARTNERSHIP IS TO PROVIDE AFFORDABLE HOUSING TO LOW AND MODERATE INCOME HOUSEHOLDS IN THE COUNTY OF SANTA CRUZ. THE PARTNERSHIP OWNS A FIFTEEN UNIT AFFORDABLE HOUSING COMPLEX, LOCATED IN APTOS, CA

FORM 990-EZ, PART V, INFORMATION REGARDING PERSONAL BENEFIT CONTRACTS: THE ORGANIZATION DID NOT, DURING THE YEAR, RECEIVE ANY FUNDS, DIRECTLY, OR INDIRECTLY, TO PAY PREMIUMS ON A PERSONAL BENEFIT CONTRACT. THE ORGANIZATION, DID NOT, DURING THE YEAR, PAY ANY PREMIUMS, DIRECTLY, OR INDIRECTLY, ON A PERSONAL BENEFIT CONTRACT.

TAX RETURN FILING INSTRUCTIONS

CALIFORNIA FORM 199

FOR THE YEAR ENDING

JUNE 30, 2025

PREPARED FOR:

MERRILL ROAD HOUSING CORPORATION
2160 41ST AVENUE
CAPITOLA, CA 95010

PREPARED BY:

NOVOGRADAC & COMPANY, LLP
1144 HOOPER AVENUE, SUITE 203
TOMS RIVER, NJ 08753

TO BE SIGNED AND DATED BY:

NOT APPLICABLE

AMOUNT OF TAX:

TOTAL TAX	\$	0
LESS: PAYMENTS AND CREDITS	\$	0
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
NO PAYMENT IS REQUIRED	\$	0

OVERPAYMENT:

CREDITED TO YOUR ESTIMATED TAX	\$	0
OTHER AMOUNT	\$	0
REFUNDED TO YOU	\$	0

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:

THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE FTB, PLEASE CONTACT OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE FTB. DO NOT MAIL THE PAPER COPY OF THE RETURN TO THE FTB.

RETURN MUST BE MAILED ON OR BEFORE:

NOT APPLICABLE

SPECIAL INSTRUCTIONS:

California Exempt Organization Annual Information Return

Calendar Year 2024 or fiscal year beginning (mm/dd/yyyy) **07/01/2024**, and ending (mm/dd/yyyy) **06/30/2025**

Corporation/Organization name California corporation number

MERRILL ROAD HOUSING CORPORATION

1941725

Additional information. See instructions.

FEIN

77-0411307

Street address (suite or room)

2160 41ST AVENUE

PMB no.

City

CAPITOLA

State

CA

ZIP code

95010

Foreign country name

Foreign province/state/county

Foreign postal code

- A** First return Yes No
- B** Amended return Yes No
- C** IRC Section 4947(a)(1) trust Yes No
- D** Final information return?
 - Dissolved Surrendered (Withdrawn) Merged/Reorganized
 - Enter date: (mm/dd/yyyy) _____
- E** Check accounting method: (1) Cash (2) Accrual (3) Other
- F** Federal return filed? (1) 990T (2) 990PF (3) Sch H (990) (4) Other 990 series
- G** Is this a group filing? See instructions Yes No
- H** Is this organization in a group exemption Yes No
If "Yes," what is the parent's name? _____

- I** Did the organization have any changes to its guidelines not reported to the FTB? See instructions Yes No
- J** If exempt under R&TC Section 23701d, has the organization engaged in political activities? See instructions. Yes No
- K** Is the organization exempt under R&TC Section 23701g? Yes No
If "Yes," enter the gross receipts from nonmember sources \$ _____
- L** Is the organization a limited liability company? Yes No
- M** Did the organization file Form 100 or Form 109 to report taxable income? Yes No
- N** Is the organization under audit by the IRS or has the IRS audited in a prior year? Yes No
- O** Is federal Form 1023/1024 pending? Yes No
Date filed with IRS _____

Part I Complete Part I unless not required to file this form. See General Information B and C.

Receipts and Revenues	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8	1	18,149	00
	2	Gross dues and assessments from members and affiliates	2		00
	3	Gross contributions, gifts, grants, and similar amounts received	3		00
	4	Total gross receipts for filing requirement test. Add line 1 through line 3. This line must be completed. If the result is less than \$50,000, see General Information B	4	18,149	00
	5	Cost of goods sold	5		00
	6	Cost or other basis, and sales expenses of assets sold	6		00
	7	Total costs. Add line 5 and line 6	7		00
	8	Total gross income. Subtract line 7 from line 4	8	18,149	00
Expenses	9	Total expenses and disbursements. From Side 2, Part II, line 18	9	12,000	00
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8	10	6,149	00
Payments	11	Total payments	11		00
	12	Use tax. See General Information K	12		00
	13	Payments balance. If line 11 is more than line 12, subtract line 12 from line 11	13		00
	14	Use tax balance. If line 12 is more than line 11, subtract line 11 from line 12	14		00
	15	Penalties and interest. See General Information J	15		00
	16	Balance due. Add line 12 and line 15. Then subtract line 11 from the result	16		00

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer **SECRETARY** Title Date Telephone **813-454-9455**

Paid Preparer's Use Only

Preparer's signature Date Check if self-employed PTIN **P01233142**

Firm's name (or yours, if self-employed) and address **NOVOGRADAC & COMPANY, LLP
1144 HOOPER AVENUE, SUITE 203
TOMS RIVER, NJ 08753** Firm's FEIN Telephone **94-3108253
(732) 649-2800**

May the FTB discuss this return with the preparer shown above? See instructions Yes No

Part II Organizations with gross receipts of more than \$50,000 and private foundations regardless of amount of gross receipts - complete Part II or furnish substitute information.

428951 01-14-25

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	•	1		00
	2	Interest	•	2		00
	3	Dividends	•	3		00
	4	Gross rents	•	4		00
	5	Gross royalties	•	5		00
	6	Gross amount received from sale of assets (See instructions)	•	6		00
	7	Other income. Attach schedule	•	7	18,149	00
	8	Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	•	8	18,149	00
	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	•	9		00
	10	Disbursements to or for members.	•	10		00
	11	Compensation of officers, directors, and trustees. Attach schedule	•	11	0	00
	12	Other salaries and wages	•	12		00
	13	Interest	•	13		00
	14	Taxes	•	14		00
	15	Rents	•	15		00
	16	Depreciation and depletion (See instructions)	•	16		00
	17	Other expenses and disbursements. Attach schedule	•	17	12,000	00
	18	Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	•	18	12,000	00

Schedule L	Balance Sheet	Beginning of taxable year		End of taxable year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash			•	
2	Net accounts receivable			•	
3	Net notes receivable			•	
4	Inventories			•	
5	Federal and state government obligations			•	
6	Investments in other bonds			•	
7	Investments in stock			•	
8	Mortgage loans			•	
9	Other investments. Attach schedule			•	
10	a Depreciable assets				
	b Less accumulated depreciation				
11	Land			•	
12	Other assets. Attach schedule STMT 4		24,000	•	24,000
13	Total assets		24,000		24,000
Liabilities and net worth					
14	Accounts payable			•	
15	Contributions, gifts, or grants payable			•	
16	Bonds and notes payable			•	
17	Mortgages payable			•	
18	Other liabilities. Attach schedule STMT 5		74,757		68,608
19	Capital stock or principal fund			•	
20	Paid-in or capital surplus. Attach reconciliation			•	
21	Retained earnings or income fund		-50,757	•	-44,608
22	Total liabilities and net worth		24,000		24,000

Schedule M-1 Reconciliation of income per books with income per return

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$50,000.

1	Net income per books	•	7	Income recorded on books this year not included in this return. Attach schedule	•
2	Federal income tax	•	8	Deductions in this return not charged against book income this year. Attach schedule	•
3	Excess of capital losses over capital gains	•	9	Total. Add line 7 and line 8	
4	Income not recorded on books this year. Attach schedule	•	10	Net income per return. Subtract line 9 from line 6	
5	Expenses recorded on books this year not deducted in this return. Attach schedule	•			
6	Total. Add line 1 through line 5				

CA 199

OTHER INCOME

STATEMENT 1

DESCRIPTIONAMOUNTGAIN FROM MERRILL ROAD ASSOCIATES
PROGRAM SERVICE REVENUE6,149.
12,000.

TOTAL TO FORM 199, PART II, LINE 7

18,149.

CA 199

COMPENSATION OF OFFICERS, DIRECTORS AND TRUSTEES

STATEMENT 2

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HRS WORKED/WK</u>	<u>COMPENSATION</u>
ANDY SCHIFFRIN	COMMISSIONER 1.00	0.
PROVIDENCE MARTINEZ ALANIZ	CHAIRPERSON 1.00	0.
LIGAYA ELIGIO	COMMISSIONER 1.00	0.
CAROL BERG	COMMISSIONER 1.00	0.
ANNETTE MELENDREZ	VICE-CHAIRPERSON 1.00	0.
RICHARD SCHMALE	COMMISSIONER 1.00	0.
SILVIA MORALES	COMMISSIONER 1.00	0.
TOTAL TO FORM 199, PART II, LINE 11		0.

CA 199	OTHER EXPENSES	STATEMENT 3
DESCRIPTION		AMOUNT
MANAGEMENT FEE EXPENSE		12,000.
TOTAL TO FORM 199, PART II, LINE 17		12,000.

CA 199	OTHER ASSETS	STATEMENT 4	
DESCRIPTION		BEG. OF YEAR	END OF YEAR
MANAGEMENT FEES RECEIVABLE		24,000.	24,000.
TOTAL TO FORM 199, SCHEDULE L, LINE 12		24,000.	24,000.

CA 199	OTHER LIABILITIES	STATEMENT 5	
DESCRIPTION		BEG. OF YEAR	END OF YEAR
MANAGEMENT FEES OWED TO THE HA OF THE CO OF SANTA CRUZ		24,000.	24,000.
INVESTMENT IN MERRILL ROAD ASSOCIATES, A CA LIMITED PARTNERSHIP		50,757.	44,608.
TOTAL TO FORM 199, SCHEDULE L, LINE 18		74,757.	68,608.

TAXABLE YEAR
2024

California e-file Return Authorization for Exempt Organizations

FORM
8453-EO

Exempt Organization name	Identifying number
MERRILL ROAD HOUSING CORPORATION	77-0411307

Part I Electronic Return Information (whole dollars only)

1 Total gross receipts or unrelated business taxable income (Form 199, line 4 or Form 109, line 5)	1	18,149
2 Total gross income or total tax (Form 199, line 8 or Form 109, line 14)	2	18,149
3 Refund (Form 109, line 26)	3	
4 Balance due or Total amount due (Form 199, line 16 or Form 109, line 29)	4	

Part II Settle Your Account Electronically for Taxable Year 2024

5 Direct deposit of refund (Form 109 only.)		
6 Electronic funds withdrawal	6a Amount	6b Withdrawal date (mm/dd/yyyy)

Part III Schedule of Estimated Tax Payments for Taxable Year 2025 (These are **not** installment payments for the current amount the exempt organization owes.)

	First Payment	Second Payment	Third Payment	Fourth Payment
7 Amount				
8 Withdrawal Date				

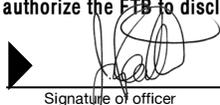
Part IV Banking Information (Have you verified the exempt organization's banking information?)

9 Routing number _____	
10 Account number _____	11 Type of account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings

Part V Declaration of Officer

I authorize the exempt organization's account to be settled as designated in Part II. If I check Part II, box 5, I declare that the bank account specified in Part IV for the direct deposit refund agrees with the authorization stated on my return. If I check Part II, box 6, I authorize an electronic funds withdrawal for the amount listed on line 6a and any estimated payment amounts listed on Part III, line 7 from the bank account specified in Part IV.

Under penalties of perjury, I declare that I am an officer of the above exempt organization and that the information I provided to my electronic return originator (ERO), transmitter, or intermediate service provider and the amounts in Part I above agree with the amounts on the corresponding lines of the exempt organization's 2024 California electronic return. To the best of my knowledge and belief, the exempt organization's return is true, correct, and complete. If the exempt organization is filing a balance due return, I understand that if the Franchise Tax Board (FTB) does not receive full and timely payment of the exempt organization's tax liability, the exempt organization will remain liable for the tax liability and all applicable interest and penalties. I authorize the exempt organization return and accompanying schedules and statements be transmitted to the FTB by the ERO, transmitter, or intermediate service provider. **If the processing of the exempt organization's return or refund is delayed, I authorize the FTB to disclose to the ERO or intermediate service provider the reason(s) for the delay or the date when the refund was sent.**

Sign Here  3/11/26  **SECRETARY**

Signature of officer Date Title

Part VI Declaration of Electronic Return Originator (ERO) and Paid Preparer.

I declare that I have reviewed the above exempt organization's return and that the entries on form FTB 8453-EO are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I understand that I am not responsible for reviewing the exempt organization's return. I declare, however, that form FTB 8453-EO accurately reflects the data on the return.) I have obtained the organization officer's signature on form FTB 8453-EO before transmitting this return to the FTB. I have provided the organization officer with a copy of all forms and information that I will file with the FTB, and I have followed all other requirements described in FTB Pub. 1345, 2024 Handbook for Authorized e-file Providers. I will keep form FTB 8453-EO on file for **four** years from the due date of the return or **four** years from the date the exempt organization return is filed, whichever is later, and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above exempt organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

ERO	ERO's signature 	Date	Check if also paid preparer	Check if self-employed	ERO's PTIN
Must Sign	Firm's name (or yours if self-employed) and address	NOVOGRADAC & COMPANY, LLP 1144 HOOPER AVENUE, SUITE 203 TOMS RIVER, NJ			Firm's FEIN 94-3108253 ZIP code 08753

Under penalties of perjury, I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

Paid Preparer	Paid preparer's signature 	Date	Check if self-employed	Paid preparer's PTIN	
Must Sign	Firm's name (or yours if self-employed) and address	NOVOGRADAC & COMPANY, LLP 1144 HOOPER AVENUE, SUITE 203 TOMS RIVER, NJ			Firm's FEIN 94-3108253 ZIP code 08753

TAX RETURN FILING INSTRUCTIONS

CALIFORNIA FORM RRF-1

FOR THE YEAR ENDING

JUNE 30, 2025

PREPARED FOR:

MERRILL ROAD HOUSING CORPORATION
2160 41ST AVENUE
CAPITOLA, CA 95010

PREPARED BY:

NOVOGRADAC & COMPANY, LLP
1144 HOOPER AVENUE, SUITE 203
TOMS RIVER, NJ 08753

AMOUNT OF TAX:

BALANCE DUE OF \$25

MAKE CHECK PAYABLE TO:

DEPARTMENT OF JUSTICE

MAIL TAX RETURN TO:

REGISTRY OF CHARITIES AND FUNDRAISERS
P.O. BOX 903447
SACRAMENTO, CA 94203-4470

RETURN MUST BE MAILED ON OR BEFORE:

MAY 15, 2026

SPECIAL INSTRUCTIONS:

THE REPORT SHOULD BE SIGNED AND DATED BY AN AUTHORIZED
INDIVIDUAL(S).

**ANNUAL REGISTRATION RENEWAL FEE REPORT
TO ATTORNEY GENERAL OF CALIFORNIA**
Sections 12586 and 12587, California Government Code
11 Cal. Code Regs. sections 301-307, and 310

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties. Revenue & Taxation Code section 23703; Government Code section 12586.1. IRS extensions will be honored.

MAIL TO:
Registry of Charities and Fundraisers
P.O. Box 903447
Sacramento, CA 94203-4470

STREET ADDRESS:
1300 I Street
Sacramento, CA 95814

WEBSITE ADDRESS:
www.oag.ca.gov/charities

MERRILL ROAD HOUSING CORPORATION

Name of Organization

List all DBAs and names the organization uses or has used

2160 41ST AVENUE

Address (Number and Street)

CAPITOLA, CA 95010

City or Town, State, and ZIP Code

AARONP@HACOSANTACRUZ. OR

831-454-9455

Telephone Number

G

E-mail Address

Check if:

- Change of address
 Amended report
 Organization requests email notifications

State Charity Registration Number **098876**

Corporation or Organization No. **1941725**

Federal Employer ID No. **77-0411307**

ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, and 310)
Make Check Payable to Department of Justice

Total Revenue	Fee	Total Revenue	Fee	Total Revenue	Fee
Less than \$50,000	\$25	Between \$250,001 and \$1 million	\$100	Between \$20,000,001 and \$100 million	\$800
Between \$50,000 and \$100,000	\$50	Between \$1,000,001 and \$5 million	\$200	Between \$100,000,001 and \$500 million	\$1,000
Between \$100,001 and \$250,000	\$75	Between \$5,000,001 and \$20 million	\$400	Greater than \$500 million	\$1,200

PART A - ACTIVITIES

For your most recent full accounting period (beginning 07/01/2024 ending 06/30/2025) list:

Total Revenue (including noncash contributions) \$ 18,149 Noncash Contributions \$ 0 Total Assets \$ 24,000
Program Expenses \$ 12,000 Total Expenses \$ 12,000

PART B - STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT

Note: All questions must be answered. If you answer "yes" to any of the questions below, you must attach a separate page providing an explanation and details for each "yes" response. Please review RRF-1 instructions for information required.

	Yes	No
1. During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof, either directly or with an entity in which any such officer, director or trustee had any financial interest?		X
2. During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?		X
3. During this reporting period, were any organization funds used to pay any penalty, fine or judgment?		X
4. During this reporting period, were the services of a commercial fundraiser, fundraising counsel for charitable purposes, or commercial coventurer used?		X
5. During this reporting period, did the organization receive any governmental funding?		X
6. During this reporting period, did the organization hold a raffle for charitable purposes?		X
7. Does the organization conduct a vehicle donation program?		X
8. Did the organization conduct an independent audit and prepare audited financial statements in accordance with generally accepted accounting principles for this reporting period?		X
9. At the end of this reporting period, did the organization hold restricted net assets, while reporting negative unrestricted net assets?		X

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, the content is true, correct and complete, and I am authorized to sign.

JENNIFER PANETTA

SECRETARY

Signature of Authorized Agent

Printed Name

Title

Date



Merrill Road Associates, LLC

Federal and State Partnership Returns of Income

For the year ended June 30, 2025



CERTIFIED PUBLIC ACCOUNTANTS

March 3, 2026

Ms. Jennifer Panetta
Merrill Road Associates, LLC
2160 41st Avenue
Capitola, CA 95010

Re: Merrill Road Associates, LLC

Dear Ms. Panetta:

Enclosed are the following partnership income tax returns prepared on behalf of Merrill Road Associates, LLC for the year ending June 30, 2025.

Federal Tax Return
California State Tax Return

The returns, as you know, were prepared from data made available to us by you. You were previously sent an electronic draft copy of the returns for your review. By signing the Form 8879-PE (and related state form), you have acknowledged that you personally reviewed the returns, did not find any material misstatements, and authorized for us to file the returns on your behalf.

You have represented to us that the Company is not required to file form(s) 1099, and that no required form(s) 1099 have been so filed. Accordingly, Schedule B indicates that no required forms 1099 have been filed for the tax year.

Please note that Schedule B and Schedule B-1 of the federal partnership tax return contain information required to be provided by the Company. We have answered these questions based on information provided to us by you, but we suggest that you review those schedules to confirm the accuracy of the information presented therein.

In accordance with Revenue Procedure 2012-17 partnerships must follow specific requirements if they wish to distribute Schedules K-1 electronically in lieu of paper format. If you plan to distribute paper copies of K-1s by the deadline (regardless of whether or not you sent electronic copies), these guidelines do not apply. If you do not plan to distribute paper copies of the K-1s, you must follow the guidelines discussed in the revenue procedure to avoid penalties. Please contact me if you need further information.

As requested by you, included with this entity's federal tax return is an election statement under Regulations Section 1.263(a)-1(f) to make the de minimis safe harbor election. To use the safe harbor, the taxpayer must have a written policy for accounting procedures in place at the beginning of the tax year that treat as an expense amounts paid for property that costs less than a specified dollar amount or has an economic useful life of 12 months or less.

As requested by you, the General Partner has been listed as the partnership representative and Jennifer Panetta is listed as the designated individual for the partnership representative on the tax return for the Company.

Ms. Jennifer Panetta
March 3, 2026
Page 2

We appreciate this opportunity to be of service to you. If you have any questions or if we can be of further assistance, please do not hesitate to contact me at (732) 649-2800.

Very truly yours,
NOVOGRADAC & COMPANY LLP

by 
Richard M. Larsen

Enclosures

2024 TAX RETURN FILING INSTRUCTIONS
U.S. RETURN OF PARTNERSHIP INCOME

FOR THE YEAR ENDING
JUNE 30, 2025

PREPARED FOR:

MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ
2160 41ST AVENUE
CAPITOLA, CA 95010

PREPARED BY:

NOVOGRADAC & COMPANY LLP
1144 HOOPER AVE, SUITE 203
TOMS RIVER, NJ 08753

TO BE SIGNED AND DATED BY:

A GENERAL PARTNER

AMOUNT OF TAX:

NOT APPLICABLE

MAIL TAX RETURN TO:

THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8879-PE TO OUR OFFICE. WE WILL THEN SUBMIT YOUR ELECTRONIC RETURN.

FORMS TO BE DISTRIBUTED TO PARTNERS:

ENCLOSED ARE COPIES OF SCHEDULE K-1 TO BE DISTRIBUTED TO THE PARTNERS.

RETURN MUST BE MAILED ON OR BEFORE:

NOT APPLICABLE

SPECIAL INSTRUCTIONS:

DO NOT MAIL THE PAPER COPY OF THE RETURN TO THE IRS.

Form **8879-PE**

E-file Authorization for Form 1065

(For return of partnership income or administrative adjustment request)

OMB No. 1545-0123

2024

Department of the Treasury
Internal Revenue Service

ERO must obtain and retain completed Form 8879-PE.
Go to www.irs.gov/Form8879PE for the latest information.

For calendar year 2024, or tax year beginning **JUL 1**, 2024, ending **JUN 30**, 20**25**

Name of partnership **MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ** Employer identification number
77-0411399

Part I Form 1065 Information (Whole dollars only)	
1 Gross receipts or sales less returns and allowances (Form 1065, line 1c)	1
2 Gross profit (Form 1065, line 3)	2
3 Ordinary business income (loss) (Form 1065, line 23)	3
4 Net rental real estate income (loss) (Form 1065, Schedule K, line 2)	4 572,148.
5 Other net rental income (loss) (Form 1065, Schedule K, line 3c)	5

Part II Declaration and Signature Authorization of Partner or Member or Partnership Representative

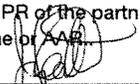
I declare under penalties of perjury that:

- If the Form 1065 is being transmitted as part of a return of partnership income, I am a partner or member of the named partnership.
- If the Form 1065 is being transmitted as part of an administrative adjustment request (AAR), I am the partnership representative (PR) of the named partnership for the partnership taxable year to which the AAR relates.
- I have examined a copy of the partnership's electronic Form 1065 (whether used as return or AAR) and accompanying forms, schedules, and statements, and to the best of my knowledge and belief, it/they is/are true, correct, and complete.
- I am fully authorized to sign the return or AAR on behalf of the partnership.
- The amounts shown in Part I above are the amounts shown on the electronic copy of the partnership's Form 1065.
- I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to transmit the partnership's return or AAR to the IRS and to receive from the IRS (a) an acknowledgment of receipt or reason for rejection of the transmission and (b) the reason for any delay in processing the return or AAR.
- I have selected a personal identification number (PIN) as my signature for the partnership's electronic return of partnership income or AAR.

Partner's or Member or PR PIN: check one box only

I authorize **NOVOGRADAC & COMPANY LLP** to enter my PIN **98149**
ERO firm name Don't enter all zeros
 as my signature on the partnership's 2024 electronically filed return of partnership income or AAR.

As a Partner or Member or PR of the partnership, I will enter my PIN as my signature on the partnership's 2024 electronically filed return of partnership income or AAR.

Partner or Member or PR signature: 
 Title: **EXECUTIVE DIRECTOR** Date: **3/3/2026**

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. **94883483467**
Don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2024 electronically filed return of partnership income or AAR for the partnership indicated above. I confirm that I am submitting this return or AAR in accordance with the requirements of **Pub. 3112**, IRS *e-file* Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS *e-file* Providers for Business Returns.

ERO's signature:  Date: **March 5, 2026**

ERO Must Retain This Form - See Instructions
Don't Submit This Form to the IRS Unless Requested To Do So

**Application for Automatic Extension of Time To File Certain
 Business Income Tax, Information, and Other Returns**
 ▶ File a separate application for each return.
 ▶ Go to www.irs.gov/Form7004 for instructions and the latest information.

OMB No. 1545-0233

Print or Type	Name MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ	Identifying number 77-0411399
	Number, street, and room or suite no. (If P.O. box, see instructions.) 2160 41ST AVENUE	
	City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).) CAPITOLA, CA 95010	

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns. See instructions.

1 Enter the form code for the return listed below that this application is for 09

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II All Filers Must Complete This Part

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here
 If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.
- 4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here
- 5a The application is for calendar year _____, or tax year beginning **JUL 1 2024**, and ending **JUN 30 2025**
- b **Short tax year.** If this tax year is less than 12 months, check the reason: Initial return Final return
 Change in accounting period Consolidated return to be filed Other (See instructions - attach explanation.)

6 Tentative total tax	6	0.
7 Total payments and credits. See instructions	7	
8 Balance due. Subtract line 7 from line 6. See instructions	8	

LHA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Form 7004 (Rev. 12-2018)

DEPARTMENT OF THE TREASURY
 INTERNAL REVENUE SERVICE CENTER
 OGDEN, UT 84201-0045

EXTENSION GRANTED TO 03/16/26

Form 1065

U.S. Return of Partnership Income

OMB No. 1545-0123

Department of the Treasury Internal Revenue Service

For calendar year 2024, or tax year beginning JUL 1 2024, ending JUN 30 2025. Go to www.irs.gov/Form1065 for instructions and the latest information.

2024

Partnership information including Principal business activity (REAL ESTATE), Principal product or service (RENTAL), Business code number (531110), Name of partnership (MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ), and Employer identification number (77-0411399).

Check applicable boxes for initial, final, name, address, or amended return. Accounting method: Accrual (checked). Number of Schedules K-1: 2.

Caution: Include only trade or business income and expenses on lines 1a through 23 below. See instructions for more information.

Main table with 32 rows for Income, Deductions, and Tax and Payment. Includes sub-rows for depreciation (16a, 16b) and total calculations.

Signature section for JENNIFER PANETTA, SECRETARY, with a box for 'May the IRS discuss this return with the preparer shown below?' (checked Yes).

Preparer information for RICHARD M. LARSEN, NOVogradac & Company LLP, including firm name, address (1144 Hooper Ave, Suite 203, Toms River, NJ 08753), and phone number (732-649-2800).

Product: **Partnership**
Name: **Merrill Road Associates c/o HSG Authority of the CO of Santa Cruz**
FEIN: *******1399**

Category:

IRS Center: **Ogden**
e-Postmark: **03/06/2026 1:02:40 PM**
Notification:

Fiscal Year Begin Date: **7/1/2024**

Fiscal Year End Date: **6/30/2025**

eSigned:

Return Information

Date	Return ID	Type of Activity	Submission ID	Refund/(Due)	Updated By	eSign Date
03/06/2026	24P:MRA100:V1	Upload Started			Cavanaugh,Kerry	
03/06/2026	24P:MRA100:V1	Ready to Release by Customer				
03/06/2026	24P:MRA100:V1	Released for Transmission - Validation in Progress			Jolene Otte	
03/06/2026	24P:MRA100:V1	Ready to transmit - Validation Complete				
03/06/2026	24P:MRA100:V1	Transmitted to FD	9488342026065044cc00			
03/06/2026	24P:MRA100:V1	Transmitted to CA	9488342026065033f100			
03/06/2026	24P:MRA100:V1	Accepted by CA - on 3/6/2026				
03/06/2026	24P:MRA100:V1	Accepted by FD on 3/6/2026				

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:
a Domestic general partnership
b Domestic limited partnership
c Domestic limited liability company
d Domestic limited liability partnership
e Foreign partnership
f Other

2 At the end of the tax year:
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership?
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership?

3 At the end of the tax year, did the partnership:
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below

Table with 4 columns: (i) Name of corporation, (ii) Employer identification number (if any), (iii) Country of Incorporation, (iv) Percentage owned in voting stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

Table with 5 columns: (i) Name of entity, (ii) Employer identification number (if any), (iii) Type of entity, (iv) Country of organization, (v) Maximum percentage owned in profit, loss, or capital

4 Does the partnership satisfy all four of the following conditions?
a The partnership's total receipts for the tax year were less than \$250,000.
b The partnership's total assets at the end of the tax year were less than \$ 1 million.
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.
d The partnership is not filing and is not required to file Schedule M-3

5 Is this partnership a publicly traded partnership, as defined in section 469(k)(2)?

6 During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?

7 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?

8 At any time during calendar year 2024, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country

9 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions

10 a Is the partnership making, or had it previously made (and not revoked), a section 754 election? If "Yes," enter the effective date of the election. See instructions for details regarding a section 754 election

b For this tax year, did the partnership make an optional basis adjustment under section 743(b)? If "Yes," enter the total aggregate net positive amount \$ and the total aggregate net negative amount \$ () of such section 743(b) adjustments for all partners made in the tax year. The partnership must also attach a statement showing the computation and allocation of each basis adjustment. See instructions

Schedule B Other Information (continued)		Yes	No
c	For this tax year, did the partnership make an optional basis adjustment under section 734(b)? If "Yes," enter the total aggregate net positive amount \$ _____ and the total aggregate net negative amount \$ (_____) of such section 734(b) adjustments for all partnership property made in the tax year. The partnership must also attach a statement showing the computation and allocation of each basis adjustment. See instructions		X
d	For this tax year, is the partnership required to adjust the basis of partnership property under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," enter the total aggregate amount of such section 743(b) adjustments and/or section 734(b) adjustments for all partners and/or partnership property made in the tax year \$ _____. The partnership must also attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
11	Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year) <input type="checkbox"/>		
12	At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
13	If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), enter the number of Forms 8858 attached. See instructions		
14	Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership		X
15	Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return		
16 a	Did you make any payments in 2024 that would require you to file Form(s) 1099? See instructions		X
b	If "Yes," did you or will you file required Form(s) 1099?		
17	Enter the number of Forms 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, attached to this return		
18	Enter the number of partners that are foreign governments under section 892		
19	During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		X
20	Was the partnership a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938		X
21	Is the partnership a section 721(c) partnership, as defined in Regulations section 1.721(c)-1(b)(14)?		X
22	During the tax year, did the partnership pay or accrue any interest or royalty for which one or more partners are not allowed a deduction under section 267A? See instructions If "Yes," enter the total amount of the disallowed deductions \$ _____		X
23	Did the partnership have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		X
24	Does the partnership satisfy one or more of the following? See instructions a The partnership owns a pass-through entity with current, or prior year carryover, excess business interest expense. b The partnership's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$30 million and the partnership has business interest expense. c The partnership is a tax shelter (see instructions) and the partnership has business interest expense. If "Yes" to any, complete and attach Form 8990.	X	
25	Is the partnership attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 15 \$ _____		X
26	Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership _____ Complete Schedule K-3 (Form 1065), Part XIII, for each foreign partner subject to section 864(c)(8) on a transfer or distribution.		
27	At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		X
28	Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties constituting a trade or business of your partnership, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the partners held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions. Percentage: By vote By value		X
29	Is the partnership required to file Form 7208 Excise Tax on Repurchase of Corporate Stock (see instructions): a Under the applicable foreign corporation rules?		X

Schedule B Other Information <i>(continued)</i>		Yes	No
b	Under the covered surrogate foreign corporation rules? If "Yes" to either (a) or (b), complete Form 7208. See the Instructions for Form 7208.		X
30	At any time during this tax year, did the partnership (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or financial interest in a digital asset)? See instructions		X
31	Reserved for future use		
32	Check this box if an election out of subchapter K under section 761 is being made. See instructions <input type="checkbox"/>		
33	Is the partnership electing out of the centralized partnership audit regime under section 6221(b)? See instructions If "Yes," the partnership must complete Schedule B-2 (Form 1065). Enter the total from Schedule B-2, Part III, line 3 If "No," complete Designation of Partnership Representative below.		X

Designation of Partnership Representative (see instructions)

Enter below the information for the partnership representative (PR) for the tax year covered by this return.

Name of PR MERRILL ROAD HOUSING CORPORATION			
U.S. address of PR	2160 41ST AVENUE CAPITOLA, CA 95010	U.S. phone number of PR	831-454-9455
If the PR is an entity, name of the designated individual for the PR JENNIFER PANETTA			
U.S. address of designated individual	2160 41ST AVENUE CAPITOLA, CA 95010	U.S. phone number of designated individual	831-454-9455

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 23)	1	0.
	2 Net rental real estate income (loss) (attach Form 8825) SEE STATEMENT 2	2	572,148.
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments: a Services 4a b Capital 4b	4c	
	c Total. Add lines 4a and 4b	4c	
	5 Interest income SEE STATEMENT 3	5	42,791.
	6 Dividends and dividend equivalents: a Ordinary dividends	6a	
	b Qualified dividends 6b c Dividend equivalents 6c	6c	
	7 Royalties	7	
8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8		
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10		
11 Other income (loss) (see instructions) Type:	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13a Cash contributions	13a	
	b Noncash contributions	13b	
	c Investment interest expense	13c	
	d Section 59(e)(2) expenditures: (1) Type: (2) Amount	13d(2)	
e Other deductions (see instructions) Type:	13e		
Self-Employment	14a Net earnings (loss) from self-employment	14a	
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	
Credits	15a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	15c	
	d Other rental real estate credits (see instructions) Type:	15d	
	e Other rental credits (see instructions) Type:	15e	
	f Other credits (see instructions) Type:	15f	
Inter-national	16 Attach Schedule K-2 (Form 1065), Partners' Distributive Share Items-International, and check this box to indicate that you are reporting items of international tax relevance <input checked="" type="checkbox"/>		
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties - gross income	17d	
	e Oil, gas, and geothermal properties - deductions	17e	
	f Other AMT items (attach statement)	17f	
Other Information	18a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses	18c	
	19a Distributions of cash and marketable securities	19a	
	b Distributions of other property	19b	
	20a Investment income	20a	42,791.
b Investment expenses	20b		
c Other items and amounts (attach statement) STMT 4			
21 Total foreign taxes paid or accrued	21		

Analysis of Net Income (Loss) per Return

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13e, and 21						1	614,939.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners					6,149.		
b Limited partners					608,790.		

Schedule L Balance Sheets per Books

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash		402,642.		1,064,372.
2a Trade notes and accounts receivable	10,521.		9,887.	
b Less allowance for bad debts	9,089.	1,432.	9,073.	814.
3 Inventories				
4 U.S. Government obligations				
5 Tax-exempt securities				
6 Other current assets (attach statement)	STATEMENT 5	216,791.		234,901.
7a Loans to partners (or persons related to partners)				
b Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets	2,863,405.		2,863,405.	
b Less accumulated depreciation	1,958,716.	904,689.	2,034,996.	828,409.
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)		1,039,931.		1,039,931.
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach statement)				
14 Total assets		2,565,485.		3,168,427.
Liabilities and Capital				
15 Accounts payable		5,004.		386,604.
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)	STATEMENT 6	54,246.		41,973.
18 All nonrecourse loans		2,199,439.		2,199,439.
19a Loans from partners (or persons related to partners)				
b Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)	STATEMENT 7	1,131,248.		775,904.
21 Partners' capital accounts		-824,452.		-235,493.
22 Total liabilities and capital		2,565,485.		3,168,427.

Schedule M-1 Reconciliation of Income (Loss) per Books With Analysis of Net Income (Loss) per Return

Note: The partnership may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books		6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13e, and 21, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13e, and 21 (itemize):		a Depreciation \$	
a Depreciation \$		8 Add lines 6 and 7	
b Travel and entertainment \$		9 Income (loss) (Analysis of Net Income (Loss) per Return, line 1). Subtract line 8 from line 5	
5 Add lines 1 through 4			

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	-611,757.	6 Distributions: a Cash	
2 Capital contributed: a Cash		b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) (see instructions)	614,939.	8 Add lines 6 and 7	
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5	3,182.
5 Add lines 1 through 4	3,182.		

**SCHEDULE K-2
(Form 1065)**

Department of the Treasury
Internal Revenue Service

Partners' Distributive Share Items - International

Attach to Form 1065.

Go to www.irs.gov/Form1065 for instructions and the latest information.

OMB No. 1545-0123

2024

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ Employer identification number (EIN) **77-0411399**

A Is the partnership a withholding foreign partnership?
 Yes No If "Yes," enter your WP-EIN _____
B Is the partnership (including the home office or any branch) a qualified derivatives dealer?
 Yes No If "Yes," enter your Q-EIN _____

C Check to indicate the parts of Schedule K-2 that apply.

	Yes	No	7	8	9	10	11	12
1 Does Part I apply? If "Yes," complete and attach Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 Does Part II apply? If "Yes," complete and attach Part II	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Does Part III apply? If "Yes," complete and attach Part III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Does Part IV apply? If "Yes," complete and attach Part IV	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 Does Part V apply? If "Yes," complete and attach Part V	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 Does Part VI apply? If "Yes," complete and attach Part VI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part I Partnership's Other Current Year International Information

Check box(es) for additional specified attachments. See instructions.

- 1. Gain on personal property sale
- 2. Foreign oil and gas taxes
- 3. Splitter arrangements
- 4. Foreign tax translation
- 5. High-taxed income
- 6. Section 267A disallowed deduction
- 7. Reserved for future use
- 8. Form 5471 information
- 9. Other forms
- 10. Partner loan transactions
- 11. Dual consolidated loss
- 12. Reserved for future use
- 13. Other international items (attach description and statement)

Part II Foreign Tax Credit Limitation

Section 1 - Gross Income

Description	(a) U.S. source	Foreign Source			(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income		
1 Sales						
A						
B						
C						
2 Gross income from performance of services						
A						
B						
C						
3 Gross rental real estate income	887,060.	0.	0.	0.	0.	887,060.
A US						
B						
C						
4 Other gross rental income						
A						
B						
C						

For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

Name of partnership

MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

EIN

77-0411399

Part II Foreign Tax Credit Limitation (continued)

Section 1 - Gross Income (continued)

Description	(a) U.S. source	Foreign Source			(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income		
5 Guaranteed payments						
6 Interest income						
A US	42,791.	0.	0.	0.	0.	42,791.
B						
C						
7 Ordinary dividends (exclude amount on line 8)						
A						
B						
C						
8 Qualified dividends						
A						
B						
C						
9 Reserved for future use						
10 Royalties and license fees						
A						
B						
C						
11 Net short-term capital gain						
A						
B						
C						
12 Net long-term capital gain						
A						
B						
C						
13 Collectibles (28%) gain						
A						
B						
C						
14 Unrecaptured section 1250 gain						
A						
B						
C						

Name of partnership

EIN

MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

77-0411399

Part II Foreign Tax Credit Limitation (continued)

Section 1 - Gross Income (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
15 Net section 1231 gain							
A							
B							
C							
16 Section 986(c) gain							
17 Section 987 gain							
18 Section 988 gain							
19 Reserved for future use							
A							
B							
C							
20 Other income (see instructions)							
A							
B							
C							
21 Reserved for future use							
A							
B							
C							
22 Reserved for future use							
A							
B							
C							
23 Reserved for future use							
A							
B							
C							
24 Total gross income (combine lines 1 through 23)	929,851.						929,851.
A US	929,851.	0.	0.	0.	0.	0.	929,851.
B							
C							

Name of partnership

MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

EIN

77-0411399

Part II Foreign Tax Credit Limitation (continued)

Section 2 - Deductions

Description	(a) U.S. source	Foreign Source			(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income		
25 Expenses allocable to sales income						
26 Expenses allocable to gross income from performance of services						
27 Net short-term capital loss						
28 Net long-term capital loss						
29 Collectibles loss						
30 Net section 1231 loss						
31 Other losses						
32 Research & experimental (R&E) expenses						
A SIC code:						
B SIC code:						
C SIC code:						
33 Allocable rental expenses - depreciation, depletion, and amortization	51,351.					51,351.
34 Allocable rental expenses - other than depreciation, depletion, and amortization	220,124.					220,124.
35 Allocable royalty and licensing expenses - depreciation, depletion, and amortization						
36 Allocable royalty and licensing expenses - other than depreciation, depletion, and amortization						
37 Depreciation not included on line 33 or line 35						
38 Charitable contributions						
39 Interest expense specifically allocable under Regulations section 1.861-10(e)						
40 Other interest expense specifically allocable under Regulations section 1.861-10T	43,437.					43,437.
41 Other interest expense - business						
42 Other interest expense - investment						
43 Other interest expense - passive activity						
44 Section 59(e)(2) expenditures, excluding R&E expenses on line 32						
45 Foreign taxes not creditable but deductible						

Name of partnership

MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

EIN

77-0411399

Part II Foreign Tax Credit Limitation (continued)

Section 2 - Deductions (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
46 Section 986(c) loss							
47 Section 987 loss							
48 Section 988 loss							
49 Other allocable deductions (see instructions)							
50 Other apportioned share of deductions (see instructions)							
51 Reserved for future use							
52 Reserved for future use							
53 Reserved for future use							
54 Total deductions (combine lines 25 through 53)	314,912.					314,912.	
55 Net income (loss) (subtract line 54 from line 24)	614,939.					614,939.	

Part III Other Information for Preparation of Form 1116 or 1118

Section 1 - R&E Expenses Apportionment Factors

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
1 Gross receipts by SIC code:							
A SIC code:							
B SIC code:							
C SIC code:							
D SIC code:							
E SIC code:							
F SIC code:							

2 Exclusive apportionment with respect to total R&E expenses entered on Part II, line 32. Enter the following.

A R&E expense with respect to activity performed in the United States

(i) SIC code:		2A(i)
(ii) SIC code:		2A(ii)
(iii) SIC code:		2A(iii)

B R&E expense with respect to activity performed outside the United States

(i) SIC code:		2B(i)
(ii) SIC code:		2B(ii)
(iii) SIC code:		2B(iii)

Name of partnership

EIN

77-0411399

MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 2 - Interest Expense Apportionment Factors

ASSETS TAX BOOK VALUE AMOUNTS

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____) (country code _____)		
1 Total average value of assets	1,790,861.					1,790,861.	
2 Sections 734(b) and 743(b) adjustment to assets - average value							
3 Assets attracting directly allocable interest expense under Regulations section 1.861-10(e)							
4 Other assets attracting directly allocable interest expense under Regulations section 1.861-10T	1,790,861.					1,790,861.	
5 Assets excluded from apportionment formula							
6a Total assets used for apportionment (subtract the sum of lines 3, 4, and 5 from the sum of lines 1 and 2)							
b Assets attracting business interest expense							
c Assets attracting investment interest expense							
d Assets attracting passive activity interest expense							
7 Basis in stock of 10%-owned noncontrolled foreign corporations (see attachment)							
8 Basis in stock of CFCs (see attachment)							

Section 3 - Foreign-Derived Intangible Income (FDII) Deduction Apportionment Factors

Description	(a) U.S. source	Foreign Source				(e) Sourced by partner	(f) Total
		(b) Passive category income	(c) General category income	(d) Other (category code _____) (country code _____)			
1 Foreign-derived gross receipts							
2 Cost of goods sold (COGS)							
3 Partnership deductions allocable to foreign-derived gross receipts							
4 Other partnership deductions apportioned to foreign-derived gross receipts							

Name of partnership _____ EIN **77-0411399**

Part III Other Information for Preparation of Form 1116 or 1118 (continued)
Section 4 - Foreign Taxes

1	Description	(a) Type of tax		(b) Section 951A category income		(c) Foreign branch category income		Partner
		U.S.	Foreign	U.S.	Foreign	U.S.	Foreign	
	Direct (section 901 or 903) foreign taxes: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued							
A								
B								
C								
D								
E								
F								
2	Reduction of taxes (total)							
A	Taxes on foreign mineral income							
B	Reserved for future use							
C	International boycott provisions							
D	Failure-to-file penalties							
E	Taxes with respect to splitter arrangements							
F	Taxes on foreign corporate distributions							
G	Other							
3	Foreign tax redeterminations							
A	Related tax year							
	Date tax paid							
	Contested tax							
B	Related tax year							
	Date tax paid							
	Contested tax							
C	Related tax year							
	Date tax paid							
	Contested tax							
4	Reserved for future use							
5	Reserved for future use							
6	Reserved for future use							

Name of partnership EIN 77-0411399

Part III Other Information for Preparation of Form 1116 or 1118 (continued)

	(d) Passive category income		(e) General category income			(f) Other (category code)	(g) Total
	U.S.	Foreign	Partner	U.S.			
				Foreign	Partner		
1							
A							
B							
C							
D							
E							
F							
2							
A							
B							
C							
D							
E							
F							
G							
3							
A							
B							
C							
4							
5							
6							

Section 5 - Other Tax Information

Description	(a) U.S. source	Foreign Source					(g) Sourced by partner	(h) Total
		(b) Section 951A category income	(c) Foreign branch category income	(d) Passive category income	(e) General category income	(f) Other (category code / country code)		
1 Section 743(b) positive income adjustment								
2 Section 743(b) negative income adjustment								
3 Reserved for future use								
4 Reserved for future use								

Name of partnership

MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

EIN

77-0411399

Part IV Information on Partners' Section 250 Deduction With Respect to Foreign-Derived Intangible Income (FDII)

Section 1 - Information To Determine Deduction Eligible Income (DEI) and Qualified Business Asset Investment (QBAI) on Form 8993

1	Net income (loss)	1	614,939.
2a	DEI gross receipts	2a	929,851.
b	DEI COGS	2b	
c	DEI properly allocated and apportioned deductions	2c	271,475.
3	Reserved for future use	3	
4	Controlled foreign corporation (CFC) dividends	4	
5	Financial services income	5	
6	Domestic oil and gas extraction income	6	
7	Foreign branch income	7	
8	Partnership QBAI	8	348,567.

Section 2 - Information To Determine Foreign-Derived Deduction Eligible Income (FDDEI) on Form 8993 (see instructions)

	(a) Foreign-derived income from all sales of general property	(b) Foreign-derived income from all sales of intangible property	(c) Foreign-derived income from all services	(d) Total (add columns (a) through (c))
9	Gross receipts			
10	COGS			
11	Allocable deductions			
12	Other apportioned deductions			12

Section 3 - Other Information for Preparation of Form 8993

	Description	(a) DEI	(b) FDDEI	(c) Total
13	Interest deductions			
A	Interest expense specifically allocable under Regulations section 1.861-10(e)			
B	Other interest expense specifically allocable under Regulations section 1.861-10T	43,437.		43,437.
C	Other interest expense			
14	Interest expense apportionment factors			
A	Total average value of assets	1,790,861.		1,790,861.
B	Sections 734(b) and 743(b) adjustment to assets - average value			
C	Assets attracting directly allocable interest expense under Regulations section 1.861-10(e)			
D	Other assets attracting directly allocable interest expense under Regulations section 1.861-10T	1,790,861.		1,790,861.
E	Assets excluded from apportionment formula			
F	Total assets used for apportionment (the sum of lines 14C, 14D, and 14E subtracted from the sum of lines 14A and 14B)			

15 R&E expenses apportionment factors

Gross receipts by SIC code

A SIC code: _____

B SIC code: _____

C SIC code: _____

16 R&E expenses by SIC code

A SIC code: _____ 16A

B SIC code: _____ 16B

C SIC code: _____ 16C

Name of partnership

MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

EIN

77-0411399

Part VIII Partnership's Interest in Foreign Corporation Income (Section 960)

A Enter EIN or reference ID number of CFC: _____ **B** Separate category (enter code - see instructions): _____
C If PAS was entered on line B, enter the applicable grouping under Regulations section 1.904-4(c). See instructions _____
D Check the box and attach a statement if there is more than one source country for a line. See instructions **E** If U.S. source, check the box and complete a separate Part VIII
F If foreign oil related income or foreign oil and gas extraction income, check the box and attach a separate Part VIII **G** Enter functional currency of foreign corporation: _____ **(iv)** Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions) _____

	(i) Country code	(ii) Partnership's share of foreign corporation's net income (functional currency)	(iii) Foreign corporation's total net income (functional currency) (see instructions)	(iv) Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions)
1 Subpart F income groups				
a Dividends, interest, rents, royalties, and annuities (total)				
(1) Unit:				
(2) Unit:				
b Net gain from certain property transactions (total)				
(1) Unit:				
(2) Unit:				
c Net gain from commodities transactions (total)				
(1) Unit:				
(2) Unit:				
d Net foreign currency gain (total)				
(1) Unit:				
(2) Unit:				
e Income equivalent to interest (total)				
(1) Unit:				
(2) Unit:				
f Other foreign personal holding company income (total)				
(1) Unit:				
(2) Unit:				
g Foreign base company sales income (total)				
(1) Unit:				
(2) Unit:				
h Foreign base company services income (total)				
(1) Unit:				
(2) Unit:				
i Full inclusion foreign base company income (total)				
(1) Unit:				
(2) Unit:				
j Insurance income (total)				
(1) Unit:				
(2) Unit:				
k International boycott income (total)				
l Bribes, kickbacks, and other payments (total)				
m Section 901(i) (total)				

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ EIN **77-0411399**

Part VIII Partnership's Interest in Foreign Corporation Income (Section 960) (continued)

Enter amounts in functional currency of the foreign corporation (unless otherwise noted).		(i) Country code	(ii) Partnership's share of foreign corporation's net income (functional currency)	(iii) Foreign corporation's total net income (functional currency) (see instructions)	(iv) Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions)
2	Recaptured subpart F income				
3	Tested income group (total)				
	(1) Unit:				
	(2) Unit:				
4	Residual income group (total)				
	(1) Unit:				
	(2) Unit:				
5	Total				

Part IX Partners' Information for Base Erosion and Anti-Abuse Tax (Section 59A)

Section 1 - Applicable Taxpayer (see instructions for more information and definition of terms)

Description	(a) Total	(b) Total ECI gross receipts	(c) Total non-ECI gross receipts
1 Gross receipts for section 59A(e)	929,851.	929,851.	
2 Gross receipts for the first preceding year	636,553.	636,553.	
3 Gross receipts for the second preceding year	183,272.	183,272.	
4 Gross receipts for the third preceding year	187,955.	187,955.	
5 Amounts included in the denominator of the base erosion percentage as described in Regulations section 1.59A-2(e)(3)			

Section 2 - Base Erosion Payments and Base Erosion Tax Benefits (see instructions)

Description	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
6 Reserved for future use			
7 Cost sharing transaction payments			
8 Purchase or creations of property rights for intangibles (patents, trademarks, etc.)			
9 Rents, royalties, and license fees			
10 a Compensation/consideration paid for services not excepted by section 59A(d)(5)			
b Compensation/consideration paid for services excepted by section 59A(d)(5)	43,437.		
11 Interest expense			
12 Payments for the purchase of tangible personal property			
13 Premiums and/or other considerations paid or accrued for insurance and reinsurance as covered by sections 59A(d)(3) and 59A(c)(2)(A)(iii)			
14 a Nonqualified derivative payments			
b Qualified derivative payments excepted by section 59A(h)			
15 Payments reducing gross receipts made to surrogate foreign corporation			
16 Other payments-specify:			
17 Base erosion tax benefits related to payments reported on lines 6 through 16, on which tax is imposed by section 871, 881, or 884(f), with respect to which tax has been withheld under section 1441 or 1442 at the 30% statutory withholding tax rate or subject to tax under Regulations section 1.884-4(a)(2)(ii) at the 30% statutory rate (see instructions)			

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ
 EIN **77-0411399**

Part IX Partners' Information for Base Erosion and Anti-Abuse Tax (Section 59A) (continued)
Section 2 - Base Erosion Payments and Base Erosion Tax Benefits (see instructions) (continued)

Description	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
18 Portion of base erosion tax benefits reported on lines 6 through 16, on which tax is imposed by section 871 or 881, with respect to which tax has been withheld under section 1441 or 1442 at reduced withholding rate pursuant to income tax treaty or subject to a reduced rate of tax under Regulations section 1.884-4(a)(2)(ii). Multiply the amount of the base erosion tax benefit by a fraction equal to the rate of tax imposed under the treaty over the 30% (0.30) statutory rate. See instructions			
19 Total base erosion tax benefits (subtract the sum of lines 17 and 18 from the sum of lines 7 through 16)			
20 Reserved for future use			
21 Reserved for future use			
22 Reserved for future use			

Part X Foreign Partners' Character and Source of Income and Deductions
Section 1 - Gross Income

Description	(a) Total	(b) Partner determination	Partnership Determination				
			ECI		Non-ECI		
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source
1 Ordinary business income (gross)							
2 Gross rental real estate income	887,060.		887,060.				
3 Other gross rental income							
4 Guaranteed payments for services							
5 Guaranteed payments for use of capital							
6 Interest income	42,791.		42,791.				
7 Dividends							
8 Dividend equivalents							
9 Royalties and license fees							
10 Net short-term capital gain							
11 Net long-term capital gain							
12 Collectibles (28%) gain							
13 Unrecaptured section 1250 gain							
14 Net section 1231 gain							
15 Reserved for future use							
16 Reserved for future use							
17 Reserved for future use							
18 Reserved for future use							
19 Reserved for future use							
20 Other income not included on lines 1 through 19							
21 Gross income (sum of lines 1 through 20)	929,851.		929,851.				

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ
 EIN **77-0411399**

Part X Foreign Partners' Character and Source of Income and Deductions (continued)
Section 2 - Deductions, Losses, and Net Income

Description	(a) Total	(b) Partner determination	Partnership Determination					
			ECI		Non-ECI			
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source	
1 Expenses related to ordinary business income (gross)								
2 R&E expenses								
3 Expenses from rental real estate	271,475.							
4 Expenses from other rental activities								
5 Royalty and licensing expenses								
6 Section 179 deduction								
7 Interest expense on U.S.-booked liabilities								
8 Interest expense directly allocable under Regulations sections 1.882-5(a)(1)(ii)(B) and 1.861-10T	43,437.							
9 Other interest expense								
10 Section 59(e)(2) expenditures								
11 Net short-term capital loss								
12 Net long-term capital loss								
13 Collectibles loss								
14 Net section 1231 loss								
15 Other losses								
(1)								
(2)								
16 Charitable contributions								
17 Other:								
18 Other:								
19 Reserved for future use								
20 Reserved for future use								
21 Reserved for future use								
22 Reserved for future use								
23 Reserved for future use								
24 Total (sum of lines 1 through 23)	314,912.							
25 Net income (loss) (line 21 (Section 1) minus line 24 (Section 2))	614,939.							

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ EIN **77-0411399**

Part X Foreign Partners' Character and Source of Income and Deductions (continued)
Section 3 - Allocation and Apportionment Methods for Deductions

1 Gross income		Reserved for future use	
a Gross ECI	929,851.	(i)	(ii)
b Worldwide gross income	929,851.		(i)
2 Assets			
a Average U.S. assets (inside basis)	1,790,861.		
b Worldwide assets	1,790,861.		
3 Liabilities			
a U.S.-booked liabilities of partnership	3,402,823.		
b Directly allocated partnership indebtedness	2,675,343.		
4 Personnel			
a Personnel of U.S. trade or business			
b Worldwide personnel			
5 Gross receipts from sales or services by SIC code			
a		(ii) Key/Factor	
b		(ii) Allocation	
6 Other allocation and apportionment key			
a		(i) Key/Factor	
b		(i) Allocation	
7 Other allocation and apportionment key			
a		(i) Key/Factor	
b		(i) Allocation	

Section 4 - Reserved for Future Use

	Reserved	(a) Reserved	(b) Reserved	(c) Reserved
1 Reserved for future use				
2 Reserved for future use				
3 Reserved for future use				
4 Reserved for future use				
5 Reserved for future use				
6 Reserved for future use				
7 Reserved for future use				
8 Reserved for future use				
9 Reserved for future use				
10 Reserved for future use				

Rental Real Estate Income and Expenses of a Partnership or an S Corporation

▶ Attach to Form 1065 or Form 1120S.
▶ Go to www.irs.gov/Form8825 for the latest information.

Name MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ	Employer identification number 77 0411399
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1 Show the type and address of each property. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions. See page 2 to list additional properties.			
Physical address of each property - street, city, state, ZIP code	Type - Enter code 1-8; see page 2 for list	Fair Rental Days	Personal Use Days
A 3201 MERRILL ROAD APTOS, CA 95003	2	365	0
B			
C			
D			

	Properties				
		A	B	C	D
Rental Real Estate Income					
2 Gross rents	2	887,060.			
Rental Real Estate Expenses					
3 Advertising	3				
4 Auto and travel	4	496.			
5 Cleaning and maintenance	5	31,051.			
6 Commissions	6				
7 Insurance	7	16,466.			
8 Legal and other professional fees	8	12,474.			
9 Interest	9	43,437.			
10 Repairs	10	40,972.			
11 Taxes	11	1,089.			
12 Utilities	12	32,007.			
13 Wages and salaries	13	58,828.			
14 Depreciation (see instructions)	14	51,351.			
15 Other (list) ▶ STMT 9	15	26,741.			
16 Total expenses for each property. Add lines 3 through 15	16	314,912.			
17 Income or (Loss) from each property. Subtract line 16 from line 2	17	572,148.			

18a Total gross rents. Add gross rents from line 2, columns A through H	18a 887,060.
b Total expenses. Add total expenses from line 16, columns A through H	18b (314,912.)
19 Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities	19
20a Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1)	20a
b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed:	
(1) Name _____	(2) Employer identification number _____
_____	_____
_____	_____
21 Net rental real estate income (loss). Combine lines 18a through 20a. Enter the result here and on:	21 572,148.

• Form 1065 or 1120S: Schedule K, line 2

1 Show the type and address of each property. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions.			
Physical address of each property - street, city, state, ZIP code	Type - Enter code 1-8; see below for list	Fair Rental Days	Personal Use Days
E			
F			
G			
H			

		Properties			
		E	F	G	H
Rental Real Estate Income					
2 Gross rents	2				
Rental Real Estate Expenses					
3 Advertising	3				
4 Auto and travel	4				
5 Cleaning and maintenance	5				
6 Commissions	6				
7 Insurance	7				
8 Legal and other professional fees	8				
9 Interest	9				
10 Repairs	10				
11 Taxes	11				
12 Utilities	12				
13 Wages and salaries	13				
14 Depreciation (see instructions)	14				
15 Other (list) ▶	15				
16 Total expenses for each property. Add lines 3 through 15	16				
17 Income or (Loss) from each property. Subtract line 16 from line 2	17				

Allowable Codes for Type of Property

- 1 - Single Family Residence
- 2 - Multi-Family Residence
- 3 - Vacation or Short-Term Rental
- 4 - Commercial
- 5 - Land
- 6 - Royalties
- 7 - Self-Rental
- 8 - Other (include description with the code on Form 8825 or on a separate statement)

**SCHEDULE B-1
(Form 1065)**

(Rev. August 2019)
Department of the Treasury
Internal Revenue Service

**Information on Partners Owning 50% or
More of the Partnership**

▶ Attach to Form 1065.

▶ Go to www.irs.gov/Form1065 for the latest information.

OMB No. 1545-0123

Name of partnership MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ	Employer identification number 77-0411399
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Part I Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2a (Question 3a for 2009 through 2017))

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital
HOUSING AUTHORITY OF THE CO OF SANTA CRUZ	94-1699385	TAX-EXEMPT	UNITED STATES	99.00

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 2b (Question 3b for 2009 through 2017))

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

SCHEDULE M-3

(Form 1065)

(Rev. December 2021)
Department of the Treasury
Internal Revenue Service

**Net Income (Loss) Reconciliation
for Certain Partnerships**

▶ Attach to Form 1065.

▶ Go to www.irs.gov/Form1065 for instructions and the latest information.

OMB No. 1545-0123

Name of partnership MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ	Employer identification number 77-0411399
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This Schedule M-3 is being filed because (check all that apply):

- A The amount of the partnership's total assets at the end of the tax year is equal to \$10 million or more.
- B The amount of the partnership's adjusted total assets for the tax year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year _____.
- C The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year _____.
- D An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50% or more in the partnership's capital, profit, or loss on any day during the tax year of the partnership.

Name of Reportable Entity Partner	Identifying Number	Maximum Percentage Owned or Deemed Owned
HOUSING AUTHORITY OF CO OF SANTA CRU	94-1699385	99.0000%

E Voluntary filer.

Part I Financial Information and Net Income (Loss) Reconciliation

1a Did the partnership file SEC Form 10-K for its income statement period ending with or within this tax year?

- Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.
- No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.

b Did the partnership prepare a certified audited non-tax-basis income statement for that period?

- Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.
- No. Go to line 1c.

c Did the partnership prepare a non-tax-basis income statement for that period?

- Yes. Complete lines 2 through 11 with respect to that income statement.
- No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records on line 4a.

2 Enter the income statement period: Beginning 07/01/2024 Ending 06/30/2025

3a Has the partnership's income statement been restated for the income statement period on line 2?

- Yes. (If "Yes," attach a statement and the amount of each item restated.)
- No.

b Has the partnership's income statement been restated for any of the 5 income statement periods immediately preceding the period on line 2?

- Yes. (If "Yes," attach a statement and the amount of each item restated.)
- No.

4a Worldwide consolidated net income (loss) from income statement source identified on Part I, line 1	4a	588,959.
b Indicate accounting standard used for line 4a. See instructions.		
1 <input checked="" type="checkbox"/> GAAP 2 <input type="checkbox"/> IFRS 3 <input type="checkbox"/> Section 704(b)		
4 <input type="checkbox"/> Tax-basis 5 <input type="checkbox"/> Other (specify) ▶ _____		
5a Net income from nonincludible foreign entities (attach statement)	5a	()
b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	
6a Net income from nonincludible U.S. entities (attach statement)	6a	()
b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	
7a Net income (loss) of other foreign disregarded entities (attach statement)	7a	
b Net income (loss) of other U.S. disregarded entities (attach statement)	7b	
8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach stmt.)	8	
9 Adjustment to reconcile income statement period to tax year (attach statement)	9	
10 Other adjustments to reconcile to amount on line 11 (attach statement)	10	
11 Net income (loss) per income statement of the partnership. Combine lines 4a through 10	11	588,959.

Note: Part I, line 11, must equal Part II, line 26, column (a); or Form 1065, Schedule M-1, line 1. See instructions.

12 Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or removed on the following lines.

	Total Assets	Total Liabilities
a Included on Part I, line 4	3,168,427.	3,403,920.
b Removed on Part I, line 5		
c Removed on Part I, line 6		
d Included on Part I, line 7		

For Paperwork Reduction Act Notice, see the instructions for your return.

Schedule M-3 (Form 1065) (Rev. 12-2021)

Name of partnership **MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ** Employer identification number **77-0411399**

Part II Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return

Income (Loss) Items	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
Attach statements for lines 1 through 10.				
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Gross foreign distributions previously taxed				
5 Income (loss) from equity method U.S. corporations				
6 U.S. dividends				
7 Income (loss) from U.S. partnerships				
8 Income (loss) from foreign partnerships				
9 Income (loss) from other pass-through entities				
10 Items relating to reportable transactions				
11 Interest income (see instructions)	42,791.			42,791.
12 Total accrual to cash adjustment				
13 Hedging transactions				
14 Mark-to-market income (loss)				
15 Cost of goods sold (see instructions)	()			()
16 Sale versus lease (for sellers and/or lessors)				
17 Section 481(a) adjustments				
18 Unearned/deferred revenue				
19 Income recognition from long-term contracts				
20 Original issue discount and other imputed interest				
21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets other than inventory				
22 Other income (loss) items with differences (attach statement) STMT 11	886,009.	1,051.		887,060.
23 Total income (loss) items. Combine lines 1 through 22	928,800.	1,051.		929,851.
24 Total expense/deduction items. (From Part III, line 31) (see instructions)	-119,717.	24,929.		-94,788.
25 Other items with no differences STMT 12	-220,124.			-220,124.
26 Reconciliation totals. Combine lines 23 through 25	588,959.	25,980.		614,939.

Note: Line 26, column (a), must equal Part I, line 11, and column (d) must equal Form 1065, Analysis of Net Income (Loss), line 1.

Name of partnership **MERRILL ROAD ASSOCIATES C/O HSG**
AUTHORITY OF THE CO OF SANTA CRUZ Employer identification number
77-0411399

Part III Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return - Expense/Deduction Items

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 State and local current income tax expense				
2 State and local deferred income tax expense				
3 Foreign current income tax expense (other than foreign withholding taxes)				
4 Foreign deferred income tax expense				
5 Equity-based compensation				
6 Meals and entertainment				
7 Fines and penalties				
8 Judgments, damages, awards, and similar costs				
9 Guaranteed payments				
10 Pension and profit-sharing				
11 Other post-retirement benefits				
12 Deferred compensation				
13 Charitable contribution of cash and tangible property				
14 Charitable contribution of intangible property				
15 Organizational expenses as per Regulations section 1.709-2(a)				
16 Syndication expenses as per Regulations section 1.709-2(b) ..				
17 Current year acquisition/reorganization investment banking fees				
18 Current year acquisition/reorganization legal and accounting fees				
19 Amortization/impairment of goodwill				
20 Amortization of acquisition, reorganization, and start-up costs				
21 Other amortization or impairment write-offs				
22 Reserved for future use				
23a Depletion - oil & gas				
b Depletion - other than oil & gas				
24 Intangible drilling and development costs (IDC)				
25 Depreciation	76,280.	-24,929.		51,351.
26 Bad debt expense				
27 Interest expense (see instructions)	43,437.			43,437.
28 Purchase versus lease (for purchasers and/or lessees)				
29 Research and development costs				
30 Other expense/deduction items with differences (attach statement)				
31 Total expense/deduction items. Combine lines 1 through 30. Enter here and on Part II, line 24, reporting positive amounts as negative and negative amounts as positive	119,717.	-24,929.		94,788.

Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service

Attach to your tax return.

Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ

MERRILL ROAD ASSOCIATES 77-0411399

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2023 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2025. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	2,964.

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2024	17	48,387.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

Section B - Assets Placed in Service During 2024 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property					
c	7-year property					
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs.		S/L	
h	Residential rental property	/	27.5 yrs.	MM	S/L	
		/	27.5 yrs.	MM	S/L	
i	Nonresidential real property	/	39 yrs.	MM	S/L	
		/		MM	S/L	

Section C - Assets Placed in Service During 2024 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	30-year	/	30 yrs.	MM	S/L	
d	40-year	/	40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	51,351.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost.

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use 25

Table for 26 Property used more than 50% in a qualified business use. Columns include percentage and other details.

Table for 27 Property used 50% or less in a qualified business use. Columns include percentage and S/L status.

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with columns (a) through (f) for Vehicle 1 through Vehicle 6. Rows include 30-34 (miles driven) and 35-36 (personal use availability).

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

Table for Section C with questions 37-41 and Yes/No columns. Question 41 includes a note: Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

Table for Part VI with columns (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year.

Table for 42 Amortization of costs that begins during your 2024 tax year.

43 Amortization of costs that began before your 2024 tax year 43

44 Total. Add amounts in column (f). See the instructions for where to report 44

2024 DEPRECIATION AND AMORTIZATION REPORT

MERRILL ROAD ASSOCIATES

R- 1

Asset No.	Description	Date Acquired	Method	Life	Conv	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	LAND	08/31/96	L				1,039,931.				1,039,931.			0.	
2	SITE IMPROVEMENTS	10/01/11	SL	20.00		16	47,853.				47,853.	30,510.		2,393.	32,903.
3	SITE IMPROVEMENTS	10/01/11	SL	27.50		16	10,742.				10,742.	4,985.		391.	5,376.
4	SITE IMPROVEMENTS	10/01/11	SL	27.50		16	4,949.				4,949.	2,295.		180.	2,475.
5	BUILDING	10/01/11	SL	27.50	MM17		522,692.				522,692.	241,547.		19,007.	260,554.
6	BUILDING	10/01/11	SL	27.50	MM17		723,537.				723,537.	334,356.		26,310.	360,666.
8	SITE IMPROVEMENTS	12/01/21	SL	27.50	MM17		6,325.				6,325.	585.		230.	815.
9	SITE IMPROVEMENTS	12/20/22	SL	27.50	MM17		7,210.				7,210.	404.		262.	666.
10	SITE IMPROVEMENTS	04/02/23	SL	27.50	MM17		6,750.				6,750.	296.		245.	541.
11	SITE IMPROVEMENTS	04/05/23	SL	27.50	MM17		6,750.				6,750.	296.		245.	541.
12	SITE IMPROVEMENTS	03/02/23	SL	27.50	MM17		6,750.				6,750.	316.		245.	561.
13	SITE IMPROVEMENTS	04/19/23	SL	27.50	MM17		7,800.				7,800.	343.		284.	627.
14	SITE IMPROVEMENTS	04/19/23	SL	27.50	MM17		6,750.				6,750.	296.		245.	541.
15	SITE IMPROVEMENTS	05/02/23	SL	27.50	MM17		6,750.				6,750.	276.		245.	521.
16	SITE IMPROVEMENTS	05/19/23	SL	27.50	MM17		6,750.				6,750.	276.		245.	521.
17	SITE IMPROVEMENTS	05/02/23	SL	27.50	MM17		15,386.				15,386.	629.		559.	1,188.
18	SITE IMPROVEMENTS	07/29/23	SL	27.50	MM17		7,275.				7,275.	254.		265.	519.
	* TOTAL RENTAL DEPRECIATION						2,434,200.				2,434,200.	617,664.		51,351.	669,015.

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

Supplemental Attachment to Schedule M-3

▶ Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120-S.
 ▶ Go to www.irs.gov/Form1120 for the latest information.

Name of common parent MERRILL ROAD ASSOCIATES C/O HSG AUTHORIT	Employer identification number 77-0411399
Name of subsidiary	Employer identification number

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity-based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate-owned life insurance premiums				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement)				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions				

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4a	Intercompany interest income - From outside tax affiliated group				
4b	Intercompany interest income - From tax affiliated group				
5	Other interest income STMT 14	42,791.			42,791.
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.	42,791.			42,791.

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3a	Intercompany interest expense - Paid to outside tax affiliated group				
3b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense STMT 15	43,437.			43,437.
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.	43,437.			43,437.

Limitation on Business Interest Expense Under Section 163(j)

Attach to your tax return.

Go to www.irs.gov/Form8990 for instructions and the latest information.

Taxpayer name(s) shown on tax return MERRILL ROAD ASSOCIATES C/O HSG AUTHORIT	Identification number 77-0411399
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- A** If Form 8990 relates to an information return for a foreign entity (for example, Form 5471), enter:
- Name of foreign entity _____
Employer identification number, if any _____
Reference ID number _____
- B** Is the foreign entity a CFC group member? See instructions Yes No
- C** Is this Form 8990 filed by the specified group parent for an entire CFC group? See instructions Yes No
- D** Has a CFC or a CFC group made a safe harbor election? If yes, see instructions for which lines of Form 8990 to complete Yes No

Part I Computation of Allowable Business Interest Expense

Part I is completed by all taxpayers subject to section 163(j). Schedule A and Schedule B need to be completed before Part I when the taxpayer is a partner or shareholder of a pass-through entity subject to section 163(j).

Section I - Business Interest Expense

1 Current year business interest expense (not including floor plan financing interest expense), before the section 163(j) limitation	1	43,437.			
2 Disallowed business interest expense carryforwards from prior years. (Does not apply to a partnership)	2				
3 Partner's excess business interest expense treated as paid or accrued in current year (Schedule A, line 44, column (h))	3				
4 Floor plan financing interest expense. See instructions	4				
5 Total business interest expense. Add lines 1 through 4	5				43,437.

Section II - Adjusted Taxable Income

Tentative Taxable Income

6 Tentative taxable income. See instructions	6				614,939.
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Additions (adjustments to be made if amounts are taken into account on line 6)

7 Any item of loss or deduction that is not properly allocable to a trade or business of the taxpayer. See instructions	7				
8 Any business interest expense not from a pass-through entity. See instr.	8	43,437.			
9 Amount of any net operating loss deduction under section 172	9				
10 Amount of any qualified business income deduction allowed under section 199A	10				
11 Reserved for future use	11				
12 Amount of any loss or deduction items from a pass-through entity. See instructions	12				
13 Other additions. See instructions	13				
14 Total current year partner's excess taxable income (Schedule A, line 44, column (f))	14				
15 Total current year S corporation shareholder's excess taxable income (Schedule B, line 46, column (c))	15				
16 Total. Add lines 7 through 15	16				43,437.

Reductions (adjustments to be made if amounts are taken into account on line 6)

17 Any item of income or gain that is not properly allocable to a trade or business of the taxpayer. See instructions	17	(42,791.)			
18 Any business interest income not from a pass-through entity. See instructions	18	()			
19 Amount of any income or gain items from a pass-through entity. See instructions	19	()			
20 Other reductions. See instructions	20	()			
21 Total. Combine lines 17 through 20	21	(42,791.)			
22 Adjusted taxable income. Combine lines 6, 16, and 21. See instructions	22				615,585.

Section III - Business Interest Income

23	Current year business interest income. See instructions	23	42,791.	
24	Excess business interest income from pass-through entities (total of Schedule A, line 44, column (g), and Schedule B, line 46, column (d))	24		
25	Total. Add lines 23 and 24	25		42,791.

Section IV - Section 163(j) Limitation Calculations

Limitation on Business Interest Expense

26	Multiply the adjusted taxable income from line 22 by the applicable percentage. See instructions	26	184,676.	
27	Business interest income (line 25)	27	42,791.	
28	Floor plan financing interest expense (line 4)	28		
29	Total. Add lines 26, 27, and 28	29		227,467.

Allowable Business Interest Expense

30	Total current year business interest expense deduction. See instructions	30		43,437.
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Carryforward

31	Disallowed business interest expense. Subtract line 29 from line 5. (If zero or less, enter -0-)	31		
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Part II Partnership Pass-Through Items

Part II is only completed by a partnership that is subject to section 163(j). The partnership items below are allocated to the partners and are not carried forward by the partnership. See the instructions for more information.

Excess Business Interest Expense

32	Excess business interest expense. Enter amount from line 31	32		
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Excess Taxable Income (If you entered an amount on line 32, skip lines 33 through 37.)

33	Subtract the sum of lines 4 and 25 from line 5. (If zero or less, enter -0-)	33	646.	
34	Subtract line 33 from line 26. (If zero or less, enter -0-)	34	184,030.	
35	Divide line 34 by line 26. Enter the result as a decimal. (If line 26 is zero, enter -0-)	35	.9965	
36	Excess taxable income. Multiply line 35 by line 22	36	613,432.	

Excess Business Interest Income

37	Excess business interest income. Subtract the sum of lines 1, 2, and 3 from line 25. (If zero or less, enter -0-)	37		
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Part III S Corporation Pass-Through Items

Part III is only completed by S corporations that are subject to section 163(j). The S corporation items below are allocated to the shareholders. See the instructions for more information.

Excess Taxable Income

38	Subtract the sum of lines 4 and 25 from line 5. (If zero or less, enter -0-)	38		
39	Subtract line 38 from line 26. (If zero or less, enter -0-)	39		
40	Divide line 39 by line 26. Enter the result as a decimal. (If line 26 is zero, enter -0-)	40		
41	Excess taxable income. Multiply line 40 by line 22	41		

Excess Business Interest Income

42	Excess business interest income. Subtract the sum of lines 1, 2, and 3 from line 25. (If zero or less, enter -0-)	42		
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Determination of Each Partner's Deductible Business Interest Expense and Section 163(j) Excess Items - Worksheet A

Keep for Your Records

Before you begin: ✓ Complete Form 8990 before beginning this worksheet.				
✓ This worksheet provides space for up to three partners. If there are more than three partners, use more than one worksheet. The total column should reconcile to amounts for all partners.				
	Partner 1	Partner 2	Partner 3	Total
Step 1: Partnership - level calculation required by section 163(j)(4)(A).				
1. Partnership's Adjusted Taxable Income (ATI) (Form 8990, line 22)				615,585.
2. Partnership's business interest income (Form 8990, line 25)				42,791.
3. Partnership's business interest expense (Form 8990, subtract line 4 from line 5)				43,437.
4. Partnership's deductible business interest expense (Form 8990, subtract line 4 from line 30)				43,437.
5. Partnership's excess business interest expense (Form 8990, line 32)				0.
6. Partnership's excess taxable income (Form 8990, line 36)				613,432.
7. Partnership's excess business interest income (Form 8990, line 37)				0.
Step 2: Determine each partner's section 163(j) items.				
8. Partner's allocable ATI. See instructions	6,156.	609,429.		615,585.
9. Partner's allocable business interest income. See instructions	428.	42,363.		42,791.
10. Partner's allocable business interest expense. See instructions	434.	43,003.		43,437.
Step 3: Partner - level comparison of business interest income and business interest expense.				
11. Subtract line 10 from line 9. (If zero or less, enter -0-.)	0.	0.		0.
12. Subtract line 9 from line 10. (If zero or less, enter -0-.)	6.	640.		646.
Step 4: Matching partnership and aggregate partner excess business interest income.				
13. Divide line 11 by the line 11 total column amount. (If the total column equals zero, enter -0-.)				.00%
14. Multiply line 13 by the line 12 total column amount				0.
15. Subtract line 14 from line 11. (If zero or less, enter -0-.)				0.
Step 5: Remaining business interest expense determination.				
16. Divide line 12 by the line 12 total column amount. (If the total column equals zero, enter -0-.)	.93%	99.07%		100.00%
17. Multiply line 16 by the line 11 total column amount				0.
18. Subtract line 17 from line 12. (If zero or less, enter -0-.)	6.	640.		646.
Step 6: Determination of final allocable ATI.				
19. If line 8 is greater than or equal to \$0, enter the amount from line 8. Otherwise, enter -0-	6,156.	609,429.		615,585.
20. If line 8 is less than \$0, enter the absolute value of line 8. Otherwise, enter -0-	0.	0.		0.
21. Divide line 19 by the line 19 total column amount. (If the total column equals zero, enter -0-.)	1.00%	99.00%		100.00%
22. Multiply line 21 by the line 20 total column amount				0.
23. Subtract line 22 from line 19. (If zero or less, enter -0-.)	6,156.	609,429.		615,585.
Step 7: Partner - level comparison of the applicable percentage of ATI and remaining business interest expense.				
24. Multiply line 23 by the applicable percentage (defined earlier)	1,847.	182,829.		184,676.
25. Subtract line 18 from line 24. (If zero or less, enter -0-.)	1,841.	182,189.		184,030.
26. Subtract line 24 from line 18. (If zero or less, enter -0-.)				0.

Determination of Each Partner's Deductible Business Interest Expense and Section 163(j) Excess Items - Worksheet A - Continued

Keep for Your Records

	Partner 1	Partner 2	Partner 3	Total
Step 8: Partner priority right to ATI capacity excess determination.				
27a. Is the line 5 total column amount greater than zero? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
27b. Is the line 20 total column amount greater than zero? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
27c. Is the line 26 total column amount greater than zero? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
27d. Are lines 27(a), 27(b), and 27(c) all "Yes"? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
28. If line 27d is "No," enter the amount from line 25. Otherwise, complete Worksheet B	1,841.	182,189.		184,030.
29. If line 27d is "No," enter the amount from line 26. Otherwise, complete Worksheet B				0.
30. If line 27d is "No," enter -0-. Otherwise, complete Worksheet B				0.
Step 9: Matching partnership and aggregate partner excess taxable income.				
31. Divide line 28 by the line 28 total column amount. (If the total column equals zero, enter -0-.)	1.00%	99.00%	%	100.00%
32. Multiply line 31 by the line 29 total column amount				0.
33. Subtract line 32 from line 28. (If zero or less, enter -0-.)	1,841.	182,189.		184,030.
Step 10: Match partnership and aggregate partner excess business interest expense.				
34. Divide line 29 by the line 29 total column amount. (If the total column equals zero, enter -0-.)	%	%	%	.00%
35. Multiply line 34 by the line 28 total column amount				0.
36. If line 30 is greater than zero, enter the amount from line 30. Otherwise, subtract line 35 from line 29. (If zero or less, enter -0-.)				0.
Step 11: Final section 163(j) excess item and deductible business interest expense allocation.				
37. Partner's deductible business interest expense. Subtract line 36 from line 10	434.	43,003.		43,437.
38. Partner's excess business interest expense. Enter the amount from line 36				0.
39. Partner's excess taxable income. Multiply line 33 by (10/3)	6,137.	607,297.		613,434.
40. Partner's excess business interest income. Enter the amount from line 15				0.

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

Merrill Road Associates c/o HSG
Authority of the CO of Santa Cruz
2160 41st Avenue
Capitola, CA 95010

Employer Identification Number: 77-0411399

For the Year Ending June 30, 2025

Merrill Road Associates c/o HSG Authority of the CO of Santa Cruz is making the de minimis safe harbor election under Reg. Sec. 1.263(a)-1(f).

Section 1.263(a)-3(n) Election

Merrill Road Associates c/o HSG
Authority of the CO of Santa Cruz
2160 41st Avenue
Capitola, CA 95010

Employer Identification Number: 77-0411399

For the Year Ending June 30, 2025

Merrill Road Associates c/o HSG Authority of the CO of Santa Cruz is electing to capitalize repair and maintenance costs under Reg. Sec. 1.263(a)-3(n).

FOOTNOTES

STATEMENT 1

SCHEDULE B-1 STATEMENT

TAXPAYER HAS PROVIDED THE INFORMATION REQUIRED IN FORM 1065, SCHEDULE B-1, BASED ON ALL INFORMATION AVAILABLE TO THE TAXPAYER AT THE TIME THE RETURN WAS FILED. TAXPAYER HAS MADE ITS BEST EFFORTS IN OBTAINING ALL REQUIRED INFORMATION FOR SCHEDULE B AS REQUIRED BY APPLICABLE IRS REGULATIONS AND THE INSTRUCTIONS TO THE FORM.

RECONCILIATION OF TOTAL LIABILITIES:

TOTAL LIABILITIES PER SCHEDULE L	3,403,920.
PREPAID RENT	-1,097.
TOTAL LIABILITIES PER SCHEDULE K-1	3,402,823.

SCHEDULE K NET INCOME (LOSS) FROM RENTAL REAL ESTATE STATEMENT 2

DESCRIPTION	AMOUNT
MULTI-FAMILY RESIDENCE - MERRILL ROAD ASSOCIATES	572,148.
TOTAL TO SCHEDULE K, LINE 2	572,148.

SCHEDULE K INTEREST INCOME STATEMENT 3

DESCRIPTION	U.S. BONDS	OTHER
INTEREST INCOME		42,791.
TOTAL TO SCHEDULE K, LINE 5		42,791.

SCHEDULE K OTHER ITEMS STATEMENT 4

DESCRIPTION	AMOUNT
EXCESS TAXABLE INCOME	613,432.
SECTION 199A - RENTAL INCOME (LOSS)	572,148.
SECTION 199A W-2 WAGES	58,828.
SECTION 199A UNADJUSTED BASIS OF ASSETS	1,394,269.
BUSINESS INTEREST EXPENSE	43,437.

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 5	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
PREPAID EXPENSES		7,205.	15,817.
RESTRICTED CASH		190,705.	199,347.
TENANT SECURITY DEPOSITS		18,881.	19,737.
TOTAL TO SCHEDULE L, LINE 6		216,791.	234,901.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 6	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED EXPENSES		11,319.	9,139.
DUE TO RELATED PARTIES		24,000.	12,000.
PREPAID RENT		46.	1,097.
TENANT SECURITY DEPOSIT LIABILITY		18,881.	19,737.
TOTAL TO SCHEDULE L, LINE 17		54,246.	41,973.

SCHEDULE L	OTHER LIABILITIES	STATEMENT 7	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED INTEREST		1,131,248.	775,904.
TOTAL TO SCHEDULE L, LINE 20		1,131,248.	775,904.

FORM 1065		PARTNERS' CAPITAL ACCOUNT SUMMARY			STATEMENT 8
PARTNER NUMBER	BEGINNING CAPITAL	CAPITAL CONTRIBUTED	SCHEDULE M-2 LNS 3, 4 & 7	WITH-DRAWALS	ENDING CAPITAL
1	142,901.		6,149.		149,050.
2	-754,658.		608,790.		-145,868.
TOTAL	-611,757.		614,939.		3,182.

OTHER RENTAL EXPENSES		STATEMENT 9
MULTI-FAMILY RESIDENCE		
PROPERTY: MERRILL ROAD ASSOCIATES		
LOCATION: 3201 MERRILL ROAD, APTOS, CA 95003		
DESCRIPTION	AMOUNT	
MANAGEMENT FEE	14,580.	
PARTNERSHIP MANAGEMENT FEE	12,000.	
OTHER ADMIN	161.	
TOTAL TO RENTAL SCHEDULE, LINE 15	26,741.	

GROSS RENTAL INCOME		STATEMENT 10
MULTI-FAMILY RESIDENCE		
PROPERTY: MERRILL ROAD ASSOCIATES		
LOCATION: 3201 MERRILL ROAD, APTOS, CA 95003		
DESCRIPTION	AMOUNT	
GROSS RENTAL INCOME	886,410.	
OTHER	650.	
TOTAL TO RENTAL SCHEDULE, LINE 2	887,060.	

SCHEDULE M-3 OTHER INCOME (LOSS) ITEMS WITH DIFFERENCES STATEMENT 11

DESCRIPTION	INCOME (LOSS) PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	INCOME (LOSS) PER TAX RETURN
RENTAL INCOME FROM MERRILL ROAD ASSOCIATES	886,009.	1,051.	0.	887,060.
TOTAL TO M-3, PART II, LINE 22	<u>886,009.</u>	<u>1,051.</u>	<u>0.</u>	<u>887,060.</u>

SCHEDULE M-3 OTHER INCOME (LOSS) AND EXPENSE / DEDUCTION STATEMENT 12
ITEMS WITH NO DIFFERENCES

DESCRIPTION	PER INCOME STATEMENT	PER TAX RETURN
OTHER EXPENSE / DEDUCTION - SEE STATEMENT	-220,124.	-220,124.
TOTAL TO SCHEDULE M-3, PART II, LINE 25	<u>-220,124.</u>	<u>-220,124.</u>

SCHEDULE M-3 OTHER EXPENSE/DEDUCTION ITEMS STATEMENT 13
WITH NO DIFFERENCES

DESCRIPTION	EXPENSE/ DEDUCTION PER INCOME STATEMENT	EXPENSE/ DEDUCTION PER TAX RETURN
RENTAL EXPENSES FROM MERRILL ROAD ASSOCIATES	220,124.	220,124.
TOTAL TO SCHEDULE M-3, PART II, LINE 25	<u>220,124.</u>	<u>220,124.</u>

FORM 8916-A OTHER INTEREST INCOME STATEMENT 14

DESCRIPTION	PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN
INTEREST INCOME	42,791.	0.	0.	42,791.
TOTAL TO PART II, LINE 5	<u>42,791.</u>	<u>0.</u>	<u>0.</u>	<u>42,791.</u>

FORM 8916-A		OTHER INTEREST EXPENSE			STATEMENT 15
DESCRIPTION	PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN	
INTEREST EXPENSE FROM RENTS AND ROYALTIES	43,437.	0.	0.	43,437.	
TOTAL TO PART III, LINE 4	43,437.	0.	0.	43,437.	

2024 DEPRECIATION AND AMORTIZATION REPORT

- CURRENT YEAR FEDERAL - MERRILL ROAD ASSOCIATES C/O HSG
 AUTHORITY OF THE CO OF SANTA CRUZ

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	LAND	083196L				1039931.			1039931.			0.
2	SITE IMPROVEMENTS	100111SL		20.00	16	47,853.			47,853.	30,510.		2,393.
3	SITE IMPROVEMENTS	100111SL		27.50	16	10,742.			10,742.	4,985.		391.
4	SITE IMPROVEMENTS	100111SL		27.50	16	4,949.			4,949.	2,295.		180.
5	BUILDING	100111SL		27.50	17	522,692.			522,692.	241,547.		19,007.
6	BUILDING	100111SL		27.50	17	723,537.			723,537.	334,356.		26,310.
8	SITE IMPROVEMENTS	120121SL		27.50	17	6,325.			6,325.	585.		230.
9	SITE IMPROVEMENTS	122022SL		27.50	17	7,210.			7,210.	404.		262.
10	SITE IMPROVEMENTS	040223SL		27.50	17	6,750.			6,750.	296.		245.
11	SITE IMPROVEMENTS	040523SL		27.50	17	6,750.			6,750.	296.		245.
12	SITE IMPROVEMENTS	030223SL		27.50	17	6,750.			6,750.	316.		245.
13	SITE IMPROVEMENTS	041923SL		27.50	17	7,800.			7,800.	343.		284.
14	SITE IMPROVEMENTS	041923SL		27.50	17	6,750.			6,750.	296.		245.
15	SITE IMPROVEMENTS	050223SL		27.50	17	6,750.			6,750.	276.		245.
16	SITE IMPROVEMENTS	051923SL		27.50	17	6,750.			6,750.	276.		245.
17	SITE IMPROVEMENTS	050223SL		27.50	17	15,386.			15,386.	629.		559.
18	SITE IMPROVEMENTS	072923SL		27.50	17	7,275.			7,275.	254.		265.
	* TOTAL RENTAL DEPRECIATION					2434200.			2434200.	617,664.		51,351.

Schedule K-1 (Form 1065) Department of the Treasury Internal Revenue Service

2024

For calendar year 2024, or tax year

Final K-1 Amended K-1 OMB No. 1545-0123

beginning 07/01/2024 ending 06/30/2025

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part I Information About the Partnership
A Partnership's employer identification number 77-0411399
B Partnership's name, address, city, state, and ZIP code MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ 2160 41ST AVENUE CAPITOLA, CA 95010
C IRS center where partnership filed return: E-FILE
D Check if this is a publicly traded partnership (PTP)
Part II Information About the Partner
E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.) 77-0411307
F Name, address, city, state, and ZIP code for partner entered in E. See instructions. MERRILL ROAD HOUSING CORPORATION 2160 41ST AVENUE CAPITOLA, CA 95010
G General partner or LLC member-manager Limited partner or other LLC member
H1 Domestic partner Foreign partner
H2 If the partner is a disregarded entity (DE), enter the partner's:
I1 What type of entity is this partner? EXEMPT ORGANIZATION
I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here
J Partner's share of profit, loss, and capital:
Beginning Ending
Profit 1.000000% 1.000000%
Loss 1.000000% 1.000000%
Capital 1.000000% 1.000000%
Check if decrease is due to:
Sale or Exchange of partnership interest. See instructions.
K1 Partner's share of liabilities:
Beginning Ending
Nonrecourse \$ 3,000. \$ 3,000.
Qualified nonrecourse financing \$ 30,307. \$ 26,753.
Recourse \$ 59,204. \$ 427,480.
K2 Check this box if Item K-1 includes liability amounts from lower-tier partnerships
K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner. See instructions
L Partner's Capital Account Analysis
Beginning capital account \$ 142,901.
Capital contributed during the year \$
Current year net income (loss) \$ 6,149.
Other increase (decrease) (attach explanation) \$
Withdrawals and distributions \$()
Ending capital account \$ 149,050.
M Did the partner contribute property with a built-in gain (loss)?
Yes No X No If "Yes," attach statement. See instructions.
N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)
Beginning \$
Ending \$

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss) 0.
2 Net rental real estate income (loss) 5,721.
3 Other net rental income (loss)
4a Guaranteed payments for services
4b Guaranteed payments for capital
4c Total guaranteed payments
5 Interest income 428.
6a Ordinary dividends
6b Qualified dividends
6c Dividend equivalents
7 Royalties
8 Net short-term capital gain (loss) N * 434.
9a Net long-term capital gain (loss) AE * 6,134.
9b Collectibles (28%) gain (loss)
9c Unrecaptured section 1250 gain
10 Net section 1231 gain (loss)
11 Other income (loss)
12 Section 179 deduction
13 Other deductions
14 Self-employment earnings (loss)
15 Credits
16 Schedule K-3 is attached if checked X
17 Alternative min tax (AMT) items
18 Tax-exempt income and nondeductible expenses
19 Distributions
20 Other information
A 428.
N * 434.
Z * STMT
AE * 6,134.
21 Foreign taxes paid or accrued
22 More than one activity for at-risk purposes*
23 More than one activity for passive activity purposes*
*See attached statement for additional information.
For IRS Use Only

SCHEDULE K-1 BUSINESS INTEREST EXPENSE, BOX 20, CODE N

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
BUSINESS INTEREST EXPENSE - (INCLUDED IN RENTAL REAL ESTATE INCOME (LOSS))	SEE PARTNERS INSTRUCTIONS	434.
TOTAL TO SCHEDULE K-1, BOX 20, CODE N		434.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
RENT - MERRILL ROAD ASSOCIATES	
RENTAL INCOME (LOSS)	5,721.
W-2 WAGES	588.
UNADJUSTED BASIS OF ASSETS	13,943.

SCHEDULE K-1 SECTION 199A ADDITIONAL INFORMATION

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
SCHEDULE K-1	EXCESS TAXABLE INCOME, BOX 20, CODE AE	
EXCESS TAXABLE INCOME	SEE IRS SCH. K-1 INSTRUCTIONS	6,134.
TOTAL TO SCHEDULE K-1, LINE 20 AE		6,134.

DESCRIPTION	AMOUNT	TOTALS
SCHEDULE K-1	CURRENT YEAR NET INCOME (LOSS) AND OTHER INCREASES (DECREASES)	
RENTAL REAL ESTATE INCOME (LOSS)	5,721.	
INTEREST INCOME	428.	
SCHEDULE K-1 INCOME SUBTOTAL		6,149.
NET INCOME (LOSS) PER SCHEDULE K-1		6,149.

**Schedule K-3
(Form 1065)**

Final K-3 Amended K-3
**Partner's Share of Income, Deductions,
Credits, etc.-International**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

For calendar year 2024, or tax year beginning 07/01/2024, ending 06/30/2025
See separate instructions.

2024

Information About the Partnership	Information About the Partner
A Partnership's employer identification number (EIN) 77-0411399	C Partner's social security number (SSN) or taxpayer identification number (TIN) (Do not use TIN of a disregarded entity. See instructions.) 77-0411307
B Partnership's name, address, city, state, and ZIP code MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ 2160 41ST AVENUE CAPITOLA, CA 95010	D Name, address, city, state, and ZIP code for partner entered in C. See instr. MERRILL ROAD HOUSING CORPORATION 2160 41ST AVENUE CAPITOLA, CA 95010

		Yes	No
E Check to indicate the parts of Schedule K-3 that apply.			
1 Does Part I apply? If "Yes," complete and attach Part I	1		X
2 Does Part II apply? If "Yes," complete and attach Part II	2	X	
3 Does Part III apply? If "Yes," complete and attach Part III	3	X	
4 Does Part IV apply? If "Yes," complete and attach Part IV	4	X	
5 Does Part V apply? If "Yes," complete and attach Part V	5		X
6 Does Part VI apply? If "Yes," complete and attach Part VI	6		X
7 Does Part VII apply? If "Yes," complete and attach Part VII	7		X
8 Does Part VIII apply? If "Yes," complete and attach Part VIII	8		X
9 Does Part IX apply? If "Yes," complete and attach Part IX	9	X	
10 Does Part X apply? If "Yes," complete and attach Part X	10	X	
11 Does Part XI apply? If "Yes," complete and attach Part XI	11		X
12 Does Part XII apply? If "Yes," complete and attach Part XII	12		X
13 Does Part XIII apply? If "Yes," complete and attach Part XIII	13		X

For IRS Use Only

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **MERRILL ROAD HOUSING CORPORATION** SSN or TIN: **77-0411307**

Part I Partner's Share of Partnership's Other Current Year International Information

Check box(es) for additional specified attachments. See instructions.

- 1. Gain on personal property sale
 - 2. Foreign oil and gas taxes
 - 3. Splitter arrangements
 - 4. Foreign tax translation
 - 5. High-taxed income
 - 6. Section 267A disallowed deduction
 - 7. Reserved for future use
 - 8. Form 5471 information
 - 9. Other forms
 - 10. Partner loan transactions
 - 11. Dual consolidated loss
 - 12. Form 8865 information
 - 13. Other international items
- (attach description and statement)

Part II Foreign Tax Credit Limitation

Section 1 - Gross Income

Description	(a) U.S. source	Foreign Source			(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income		
1 Sales						
A						
B						
C						
2 Gross income from performance of services						
A						
B						
C						
3 Gross rental real estate income	8,871.	0.	0.	0.	0.	8,871.
A						
B						
C						
4 Other gross rental income						
A						
B						
C						
5 Guaranteed payments						
6 Interest income	428.	0.	0.	0.	0.	428.
A						
B						
C						
7 Ordinary dividends (exclude amount on line 8)						
A						
B						
C						

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG A EIN **77-0411399** Name of partner **MERRILL ROAD HOUSING CORPORATION** SSN or TIN **77-0411307**

Part II Foreign Tax Credit Limitation (continued)

Section 1 - Gross Income (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
8 Qualified dividends							
A							
B							
C							
9 Reserved for future use							
10 Royalties and license fees							
A							
B							
C							
11 Net short-term capital gain							
A							
B							
C							
12 Net long-term capital gain							
A							
B							
C							
13 Collectibles (28%) gain							
A							
B							
C							
14 Unrecaptured section 1250 gain							
A							
B							
C							
15 Net section 1231 gain							
A							
B							
C							

Name of partnership: MERRILL ROAD ASSOCIATES C/O HSG A
 EIN: 77-0411399
 Name of partner: MERRILL ROAD HOUSING CORPORATION
 SSN or TIN: 77-0411307

Part II Foreign Tax Credit Limitation (continued)

Section 1 - Gross Income (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
16 Section 986(c) gain							
17 Section 987 gain							
18 Section 988 gain							
19 Reserved for future use							
A							
B							
C							
20 Other income (see instructions)							
A							
B							
C							
21 Reserved for future use							
A							
B							
C							
22 Reserved for future use							
A							
B							
C							
23 Reserved for future use							
A							
B							
C							
24 Total gross income (combine lines 1 through 23)	9,299.						9,299.
A US	9,299.	0.	0.	0.	0.	0.	9,299.
B							
C							

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **MERRILL ROAD HOUSING CORPORATION** SSN or TIN: **77-0411307**

Part II Foreign Tax Credit Limitation (continued)
Section 2 - Deductions

Description	(a) U.S. source	Foreign Source				(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)	
25 Expenses allocable to sales income						
26 Expenses allocable to gross income from performance of services						
27 Net short-term capital loss						
28 Net long-term capital loss						
29 Collectibles loss						
30 Net section 1231 loss						
31 Other losses						
32 Research & experimental (R&E) expenses						
A SIC code:						
B SIC code:						
C SIC code:						
33 Allocable rental expenses - depreciation, depletion, and amortization	515.					515.
34 Allocable rental expenses - other than depreciation, depletion, and amortization	2,201.					2,201.
35 Allocable royalty and licensing expenses - depreciation, depletion, and amortization						
36 Allocable royalty and licensing expenses - other than depreciation, depletion, and amortization						
37 Depreciation not included on line 33 or line 35						
38 Charitable contributions						
39 Interest expense specifically allocable under Regulations section 1.861-10(e)						
40 Other interest expense specifically allocable under Regulations section 1.861-10T	434.					434.
41 Other interest expense - business						
42 Other interest expense - investment						
43 Other interest expense - passive activity						
44 Section 59(e)(2) expenditures, excluding R&E expenses on line 32						
45 Foreign taxes not creditable but deductible						

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG A EIN **77-0411399** Name of partner
MERRILL ROAD HOUSING CORPORATION SSN or TIN **77-0411307**

Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 2 - Interest Expense Apportionment Factors ASSETS TAX BOOK VALUE AMOUNTS

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____) (country code _____)		
1 Total average value of assets	17,909.						17,909.
2 Sections 734(f) and 743(b) adjustment to assets - average value							
3 Assets attracting directly allocable interest expense under Regulations section 1.861-10(e)							
4 Other assets attracting directly allocable interest expense under Regulations section 1.861-10T	17,909.						17,909.
5 Assets excluded from apportionment formula							
6a Total assets used for apportionment (subtract the sum of lines 3, 4, and 5 from the sum of lines 1 and 2)							
b Assets attracting business interest expense							
c Assets attracting investment interest expense							
d Assets attracting passive activity interest expense							
7 Basis in stock of 10%-owned noncontrolled foreign corporations (see attachment)							
8 Basis in stock of CFCs (see attachment)							

Section 3 - Foreign-Derived Intangible Income (FDII) Deduction Apportionment Factors

Description	(a) U.S. source	Foreign Source				(f) Total
		(b) Passive category income	(c) General category income	(d) Other (category code _____) (country code _____)	(e) Sourced by partner	
1 Foreign-derived gross receipts						
2 Cost of goods sold (COGS)						
3 Partnership deductions allocable to foreign-derived gross receipts						
4 Other partnership deductions apportioned to foreign-derived gross receipts						

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG A EIN **77-0411399** Name of partner **MERRILL ROAD HOUSING CORPORATION** SSN or TIN **77-0411307**

Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 4 - Foreign Taxes

Description	(a) Type of tax		(b) Section 951A category income		(c) Foreign branch category income		Partner
	U.S.	Foreign	U.S.	Foreign	U.S.	Foreign	
1 Direct (section 901 or 903) foreign taxes: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued A _____ B _____ C _____ D _____ E _____ F _____							
2 Reduction of taxes (total) A Taxes on foreign mineral income _____ B Reserved for future use _____ C International boycott provisions _____ D Failure-to-file penalties _____ E Taxes with respect to splitter arrangements _____ F Taxes on foreign corporate distributions _____ G Other _____							
3 Foreign tax redeterminations A Related tax year _____ Date tax paid _____ Contested tax _____ B Related tax year _____ Date tax paid _____ Contested tax _____ C Related tax year _____ Date tax paid _____ Contested tax _____							
4 Reserved for future use _____ 5 Reserved for future use _____ 6 Reserved for future use _____							

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **MERRILL ROAD HOUSING CORPORATION** SSN or TIN: **77-0411307**

Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 4 - Foreign Taxes (continued)

	(d) Passive category income		(e) General category income			(f) Other (category code _____)	(g) Total
	U.S.	Foreign	Partner	U.S.	Foreign		
1							
A							
B							
C							
D							
E							
F							
2							
A							
B							
C							
D							
E							
F							
G							
3							
A							
B							
C							
4							
5							
6							

Section 5 - Other Tax Information

Description	Foreign Source						(g) Sourced by partner	(h) Total
	(a) U.S. source	(b) Section 951A category income	(c) Foreign branch category income	(d) Passive category income	(e) General category income	(f) Other (category code _____)		
1 Section 743(b) positive income adjustment								
2 Section 743(b) negative income adjustment								
3 Reserved for future use								
4 Reserved for future use								

Name of partnership: MERRILL ROAD ASSOCIATES C/O HSG A
 EIN: 77-0411399
 Name of partner: MERRILL ROAD HOUSING CORPORATION
 SSN or TIN: 77-0411307

Part IV Information on Partner's Section 250 Deduction With Respect to Foreign-Derived Intangible Income (FDII)

Section 1 - Information To Determine Deduction Eligible Income (DEI) and Qualified Business Asset Investment (QBAI) on Form 8993

	1	2a	2b	2c	3	4	5	6	7	8
1 Net income (loss)										6,149.
2a DEI gross receipts										9,299.
b DEI COGS										
c DEI properly allocated and apportioned deductions										2,715.
3 Reserved for future use										
4 Controlled foreign corporation (CFC) dividends										
5 Financial services income										
6 Domestic oil and gas extraction income										
7 Foreign branch income										
8 Partnership QBAI										3,486.

Section 2 - Information To Determine Foreign-Derived Deduction Eligible Income (FDDEI) on Form 8993 (see instructions)

Description	(a) Foreign-derived income from all sales of general property	(b) Foreign-derived income from all sales of intangible property	(c) Foreign-derived income from all services	(d) Total (add columns (a) through (c))
9 Gross receipts				
10 COGS				
11 Allocable deductions				
12 Other apportioned deductions				

Section 3 - Other Information for Preparation of Form 8993

Description	(a) DEI	(b) FDDEI	(c) Total
13 Interest deductions			
A Interest expense specifically allocable under Regulations section 1.861-10(e)			
B Other interest expense specifically allocable under Regulations section 1.861-10T	434.		434.
C Other interest expense			
14 Interest expense apportionment factors			
A Total average value of assets	17,909.		17,909.
B Sections 734(b) and 743(b) adjustment to assets - average value			
C Assets attracting directly allocable interest expense under Regulations section 1.861-10(e)			
D Other assets attracting directly allocable interest expense under Regulations section 1.861-10T	17,909.		17,909.
E Assets excluded from apportionment formula			
F Total assets used for apportionment (the sum of lines 14C, 14D, and 14E subtracted from the sum of lines 14A and 14B)			

15 R&E expenses apportionment factors

Gross receipts by SIC code	A SIC code:	B SIC code:	C SIC code:

16 R&E expenses by SIC code

A SIC code:	B SIC code:	C SIC code:

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **MERRILL ROAD HOUSING CORPORATION** SSN or TIN: **77-0411307**

Part VIII Partner's Interest in Foreign Corporation Income (Section 960)

A EIN or reference ID number of CFC: _____ B Separate category. See instructions. C If PAS was entered on line B, applicable grouping under Regulations section 1.904-4(c). See instructions. D Box is checked if there is more than one source country for a line. See attachment and instructions. E Box is checked if U.S. source income. F Box is checked if foreign oil related income or foreign oil and gas extraction income. G Functional currency of foreign corporation. (iii) Foreign corporation's total net income (functional currency) (see instructions). (iv) Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions).

	(i) Country code	(ii) Partner's share of foreign corporation's net income (functional currency)	(iii) Foreign corporation's total net income (functional currency) (see instructions)	(iv) Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions)
1 Subpart F income groups				
a Dividends, interest, rents, royalties, and annuities (total)				
(1) Unit:				
(2) Unit:				
b Net gain from certain property transactions (total)				
(1) Unit:				
(2) Unit:				
c Net gain from commodities transactions (total)				
(1) Unit:				
(2) Unit:				
d Net foreign currency gain (total)				
(1) Unit:				
(2) Unit:				
e Income equivalent to interest (total)				
(1) Unit:				
(2) Unit:				
f Other foreign personal holding company income (total)				
(1) Unit:				
(2) Unit:				
g Foreign base company sales income (total)				
(1) Unit:				
(2) Unit:				
h Foreign base company services income (total)				
(1) Unit:				
(2) Unit:				
i Full inclusion foreign base company income (total)				
(1) Unit:				
(2) Unit:				
j Insurance income (total)				
(1) Unit:				
(2) Unit:				
k International boycott income (total)				
l Bribes, kickbacks, and other payments (total)				
m Section 901(i) (total)				

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG A EIN **77-0411399** Name of partner
MERRILL ROAD HOUSING CORPORATION SSN or TIN
77-0411307

Part VII Partner's Interest in Foreign Corporation Income (Section 960) (continued)

Amounts are in functional currency unless otherwise noted.
 See instructions.

	(i) Country code	(ii) Partner's share of foreign corporation's net income (functional currency)	(iii) Foreign corporation's total net income (functional currency) (see instructions)	(iv) Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions)
2 Recaptured subpart F income				
3 Tested income group (total)				
(1) Unit:				
(2) Unit:				
4 Residual income group (total)				
(1) Unit:				
(2) Unit:				

5 Total
Part IX Partner's Information for Base Erosion and Anti-Abuse Tax (Section 59A)

Section 1 - Applicable Taxpayer (see instructions for more information and definitions of terms)

Description	(a) Total	(b) Total ECI gross receipts	(c) Total non-ECI gross receipts
1 Gross receipts for section 59A(e)	9,299.	9,299.	
2 Gross receipts for the first preceding year	6,366.	6,366.	
3 Gross receipts for the second preceding year	1,833.	1,833.	
4 Gross receipts for the third preceding year	1,880.	1,880.	
5 Amounts included in the denominator of the base erosion percentage as described in Regulations section 1.59A-2(e)(3)			

Section 2 - Base Erosion Payments and Base Erosion Tax Benefits (see instructions)

Description	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
6 Reserved for future use			
7 Cost sharing transaction payments			
8 Purchase or creations of property rights for intangibles (patents, trademarks, etc.)			
9 Rents, royalties, and license fees			
10 a Compensation/consideration paid for services not excepted by section 59A(d)(5)			
b Compensation/consideration paid for services excepted by section 59A(d)(5)	434.		
11 Interest expense			
12 Payments for the purchase of tangible personal property			
13 Premiums and/or other considerations paid or accrued for insurance and reinsurance as covered by sections 59A(d)(3) and 59A(c)(2)(A)(iii)			
14 a Nonqualified derivative payments			
b Qualified derivative payments excepted by section 59A(h)			
15 Payments reducing gross receipts made to surrogate foreign corporation			
16 Other payments-specify:			
17 Base erosion tax benefits related to payments reported on lines 6 through 16, on which tax is imposed by section 871, 881, or 884(f), with respect to which tax has been withheld under section 1441 or 1442 at the 30% statutory withholding tax rate or subject to tax under Regulations section 1.884-4(a)(2)(ii) at the 30% statutory rate (see instructions)			

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **MERRILL ROAD HOUSING CORPORATION** SSN or TIN: **77-0411307**

Part IX Partner's Information for Base Erosion and Anti-Abuse Tax (Section 59A) (continued)
Section 2 - Base Erosion Payments and Base Erosion Tax Benefits (see instructions) (continued)

18	Description	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
18	Portion of base erosion tax benefits reported on lines 6 through 16, on which tax is imposed by section 871 or 881, with respect to which tax has been withheld under section 1441 or 1442 at reduced withholding rate pursuant to income tax treaty or subject to a reduced rate of tax under Regulations section 1.884-4(a)(2)(ii). Multiply the amount of the base erosion tax benefit by a fraction equal to the rate of tax imposed under the treaty over the 30% (0.30) statutory rate. See instructions			
19	Total base erosion tax benefits (subtract the sum of lines 17 and 18 from the sum of lines 7 through 16)			
20	Reserved for future use			
21	Reserved for future use			
22	Reserved for future use			

Part X Foreign Partner's Character and Source of Income and Deductions
Section 1 - Gross Income

Description	(a) Total	(b) Partner determination	Partnership Determination					
			ECI		Non-ECI			
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source	
1 Ordinary business income (gross)								
2 Gross rental real estate income	8,871.		8,871.					
3 Other gross rental income								
4 Guaranteed payments for services								
5 Guaranteed payments for use of capital								
6 Interest income	428.		428.					
7 Dividends								
8 Dividend equivalents								
9 Royalties and license fees								
10 Net short-term capital gain								
11 Net long-term capital gain								
12 Collectibles (28%) gain								
13 Unrecaptured section 1250 gain								
14 Net section 1231 gain								
15 Reserved for future use								
16 Reserved for future use								
17 Reserved for future use								
18 Reserved for future use								
19 Reserved for future use								
20 Other income not included on lines 1 through 19								
21 Gross income (sum of lines 1 through 20)	9,299.		9,299.					

Name of partnership: MERRILL ROAD ASSOCIATES C/O HSG A
 EIN: 77-0411399
 Name of partner: MERRILL ROAD HOUSING CORPORATION
 SSN or TIN: 77-0411307

Part X Foreign Partner's Character and Source of Income and Deductions (continued)
Section 2 - Deductions, Losses, and Net Income

Description	(a) Total	(b) Partner determination	Partnership Determination					
			ECI		Non-ECI			
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source	
1 Expenses related to ordinary business income (gross)								
2 R&E expenses								
3 Expenses from rental real estate	2,715.							
4 Expenses from other rental activities								
5 Royalty and licensing expenses								
6 Section 179 deduction								
7 Interest expense on U.S.-booked liabilities								
8 Interest expense directly allocable under Regulations sections 1.882-5(a)(1)(i)(B) and 1.861-10T	435.					435.		
9 Other interest expense								
10 Section 59(e)(2) expenditures								
11 Net short-term capital loss								
12 Net long-term capital loss								
13 Collectibles loss								
14 Net section 1231 loss								
15 Other losses								
(1)								
(2)								
16 Charitable contributions								
17 Other:								
18 Other:								
19 Reserved for future use								
20 Reserved for future use								
21 Reserved for future use								
22 Reserved for future use								
23 Reserved for future use								
24 Total (sum of lines 1 through 23)	3,150.					3,150.		
25 Net income (loss) (line 21 (Section 1) minus line 24 (Section 2))	6,149.							

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG A EIN **77-0411399** Name of partner
MERRILL ROAD HOUSING CORPORATION SSN or TIN
77-0411307

Part X Foreign Partner's Character and Source of Income and Deductions
Section 3 - Allocation and Apportionment Methods for Deductions (continued)

1		Gross income			
a	Gross ECI	9,299.		(i)	(iii)
b	Worldwide gross income	9,299.		(ii)	
2		Assets			
a	Average U.S. assets (inside basis)	17,909.			
b	Worldwide assets	17,909.			
3		Liabilities			
a	U.S.-booked liabilities of partnership	457,233.			
b	Directly allocated partnership indebtedness	26,753.			(i) Allocation
4		Personnel			
a	Personnel of U.S. trade or business				
b	Worldwide personnel				(i) Allocation
5		Gross receipts from sales or services by SIC code			
	(i) SIC code				
	(ii) ECI				
	(iii) Worldwide				
a					
b					

Section 4 - Reserved for Future Use

	Reserved		
	(a) Reserved	(b) Reserved	(c) Reserved
1	Reserved for future use		
2	Reserved for future use		
3	Reserved for future use		
4	Reserved for future use		
5	Reserved for future use		
6	Reserved for future use		
7	Reserved for future use		
8	Reserved for future use		
9	Reserved for future use		
10	Reserved for future use		

Schedule K-1 (Form 1065) Department of the Treasury Internal Revenue Service

2024

Final K-1 Amended K-1 OMB No. 1545-0123

For calendar year 2024, or tax year

beginning 07/01/2024 ending 06/30/2025

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part I Information About the Partnership
A Partnership's employer identification number 77-0411399
B Partnership's name, address, city, state, and ZIP code MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ 2160 41ST AVENUE CAPITOLA, CA 95010
C IRS center where partnership filed return: E-FILE
D Check if this is a publicly traded partnership (PTP)
Part II Information About the Partner
E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.) 94-1699385
F Name, address, city, state, and ZIP code for partner entered in E. See instructions. HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ 2160 41ST AVENUE CAPITOLA, CA 95010
G General partner or LLC member-manager Limited partner or other LLC member
H1 Domestic partner Foreign partner
H2 If the partner is a disregarded entity (DE), enter the partner's:
I1 What type of entity is this partner? EXEMPT ORGANIZATION
I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here
J Partner's share of profit, loss, and capital:
Beginning Ending
Profit 99.0000000% 99.0000000%
Loss 99.0000000% 99.0000000%
Capital 99.0000000% 99.0000000%
Check if decrease is due to:
Sale or Exchange of partnership interest. See instructions.
K1 Partner's share of liabilities:
Beginning Ending
Nonrecourse \$ 297,000. \$ 297,000.
Qualified nonrecourse financing \$ 3,000,380. \$ 2,648,590.
Recourse \$ 0. \$ 0.
K2 Check this box if item K-1 includes liability amounts from lower-tier partnerships
K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner. See instructions
L Partner's Capital Account Analysis
Beginning capital account \$ -754,658.
Capital contributed during the year \$
Current year net income (loss) \$ 608,790.
Other increase (decrease) (attach explanation) \$
Withdrawals and distributions \$()
Ending capital account \$ -145,868.
M Did the partner contribute property with a built-in gain (loss)?
Yes No X No If "Yes," attach statement. See instructions.
N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)
Beginning \$
Ending \$

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss) 0.
2 Net rental real estate income (loss) 566,427.
3 Other net rental income (loss)
4a Guaranteed payments for services
4b Guaranteed payments for capital
4c Total guaranteed payments
5 Interest income 42,363.
6a Ordinary dividends
6b Qualified dividends
6c Dividend equivalents
7 Royalties
8 Net short-term capital gain (loss)
9a Net long-term capital gain (loss)
9b Collectibles (28%) gain (loss)
9c Unrecaptured section 1250 gain
10 Net section 1231 gain (loss)
11 Other income (loss)
12 Section 179 deduction
13 Other deductions
14 Self-employment earnings (loss)
15 Credits
16 Schedule K-3 is attached if checked X
17 Alternative min tax (AMT) items
18 Tax-exempt income and nondeductible expenses
19 Distributions
20 Other information
A 42,363.
N * 43,003.
Z * STMT
AE * 607,298.
21 Foreign taxes paid or accrued
22 More than one activity for at-risk purposes*
23 More than one activity for passive activity purposes*
*See attached statement for additional information.
For IRS Use Only

SCHEDULE K-1 BUSINESS INTEREST EXPENSE, BOX 20, CODE N

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
BUSINESS INTEREST EXPENSE - (INCLUDED IN RENTAL REAL ESTATE INCOME (LOSS))	SEE PARTNERS INSTRUCTIONS	43,003.
TOTAL TO SCHEDULE K-1, BOX 20, CODE N		43,003.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
RENT - MERRILL ROAD ASSOCIATES	
RENTAL INCOME (LOSS)	566,427.
W-2 WAGES	58,240.
UNADJUSTED BASIS OF ASSETS	1,380,326.

SCHEDULE K-1 SECTION 199A ADDITIONAL INFORMATION

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1	EXCESS TAXABLE INCOME, BOX 20, CODE AE	
--------------	--	--

<u>DESCRIPTION</u>	<u>PARTNER FILING INSTRUCTIONS</u>	<u>AMOUNT</u>
EXCESS TAXABLE INCOME	SEE IRS SCH. K-1 INSTRUCTIONS	607,298.
TOTAL TO SCHEDULE K-1, LINE 20 AE		607,298.

SCHEDULE K-1	CURRENT YEAR NET INCOME (LOSS) AND OTHER INCREASES (DECREASES)	
--------------	---	--

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTALS</u>
RENTAL REAL ESTATE INCOME (LOSS)	566,427.	
INTEREST INCOME	42,363.	
SCHEDULE K-1 INCOME SUBTOTAL		608,790.
NET INCOME (LOSS) PER SCHEDULE K-1		608,790.

**Schedule K-3
(Form 1065)**

Department of the Treasury
Internal Revenue Service

Final K-3 Amended K-3
**Partner's Share of Income, Deductions,
Credits, etc.-International**

OMB No. 1545-0123

2024

For calendar year 2024, or tax year beginning 07/01/2024, ending 06/30/2025
See separate instructions.

Information About the Partnership	Information About the Partner
A Partnership's employer identification number (EIN) 77-0411399	C Partner's social security number (SSN) or taxpayer identification number (TIN) (Do not use TIN of a disregarded entity. See instructions.) 94-1699385
B Partnership's name, address, city, state, and ZIP code MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ 2160 41ST AVENUE CAPITOLA, CA 95010	D Name, address, city, state, and ZIP code for partner entered in C. See instr. HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ 2160 41ST AVENUE CAPITOLA, CA 95010

E Check to indicate the parts of Schedule K-3 that apply.

		Yes	No
1 Does Part I apply? If "Yes," complete and attach Part I	1		X
2 Does Part II apply? If "Yes," complete and attach Part II	2	X	
3 Does Part III apply? If "Yes," complete and attach Part III	3	X	
4 Does Part IV apply? If "Yes," complete and attach Part IV	4	X	
5 Does Part V apply? If "Yes," complete and attach Part V	5		X
6 Does Part VI apply? If "Yes," complete and attach Part VI	6		X
7 Does Part VII apply? If "Yes," complete and attach Part VII	7		X
8 Does Part VIII apply? If "Yes," complete and attach Part VIII	8		X
9 Does Part IX apply? If "Yes," complete and attach Part IX	9	X	
10 Does Part X apply? If "Yes," complete and attach Part X	10	X	
11 Does Part XI apply? If "Yes," complete and attach Part XI	11		X
12 Does Part XII apply? If "Yes," complete and attach Part XII	12		X
13 Does Part XIII apply? If "Yes," complete and attach Part XIII	13		X

For IRS Use Only

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY OF** SSN or TIN: **94-1699385**

Part I Partner's Share of Partnership's Other Current Year International Information

Check box(es) for additional specified attachments. See instructions.

- 1. Gain on personal property sale
- 2. Foreign oil and gas taxes
- 3. Splitter arrangements
- 4. Foreign tax translation
- 5. High-taxed income
- 6. Section 267A disallowed deduction
- 7. Reserved for future use
- 8. Form 5471 information
- 9. Other forms
- 10. Partner loan transactions
- 11. Dual consolidated loss
- 12. Form 8865 information
- 13. Other international items (attach description and statement)

Part II Foreign Tax Credit Limitation

Section 1 - Gross Income

Description	(a) U.S. source	Foreign Source			(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income		
1 Sales						
A						
B						
C						
2 Gross income from performance of services						
A						
B						
C						
3 Gross rental real estate income						
A US	878,189.	0.	0.	0.	0.	878,189.
B						
C						
4 Other gross rental income						
A						
B						
C						
5 Guaranteed payments						
6 Interest income						
A US	42,363.	0.	0.	0.	0.	42,363.
B						
C						
7 Ordinary dividends (exclude amount on line 8)						
A						
B						
C						

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG A EIN **77-0411399** Name of partner
HOUSING AUTHORITY OF THE COUNTY O SSN or TIN **94-1699385**

Part II Foreign Tax Credit Limitation (continued)
Section 1 - Gross Income (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
8 Qualified dividends							
A							
B							
C							
9 Reserved for future use							
10 Royalties and license fees							
A							
B							
C							
11 Net short-term capital gain							
A							
B							
C							
12 Net long-term capital gain							
A							
B							
C							
13 Collectibles (28%) gain							
A							
B							
C							
14 Unrecaptured section 1250 gain							
A							
B							
C							
15 Net section 1231 gain							
A							
B							
C							

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY OF** SSN or TIN: **94-1699385**

Part II Foreign Tax Credit Limitation (continued)
Section 1 - Gross Income (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
16 Section 986(c) gain							
17 Section 987 gain							
18 Section 988 gain							
19 Reserved for future use							
A							
B							
C							
20 Other income (see instructions)							
A							
B							
C							
21 Reserved for future use							
A							
B							
C							
22 Reserved for future use							
A							
B							
C							
23 Reserved for future use							
A							
B							
C							
24 Total gross income (combine lines 1 through 23)	920,552.						920,552.
A US	920,552.	0.	0.	0.	0.	0.	920,552.
B							
C							

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY OF** SSN or TIN: **94-1699385**

Part II Foreign Tax Credit Limitation (continued)

Section 2 - Deductions

Description	(a) U.S. source	Foreign Source				(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)	
25 Expenses allocable to sales income						
26 Expenses allocable to gross income from performance of services						
27 Net short-term capital loss						
28 Net long-term capital loss						
29 Collectibles loss						
30 Net section 1231 loss						
31 Other losses						
32 Research & experimental (R&E) expenses						
A SIC code:						
B SIC code:						
C SIC code:						
33 Allocable rental expenses - depreciation, depletion, and amortization	50,836.					50,836.
34 Allocable rental expenses - other than depreciation, depletion, and amortization	217,923.					217,923.
35 Allocable royalty and licensing expenses - depreciation, depletion, and amortization						
36 Allocable royalty and licensing expenses - other than depreciation, depletion, and amortization						
37 Depreciation not included on line 33 or line 35						
38 Charitable contributions						
39 Interest expense specifically allocable under Regulations section 1.861-10(e)						
40 Other interest expense specifically allocable under Regulations section 1.861-10T	43,003.					43,003.
41 Other interest expense - business						
42 Other interest expense - investment						
43 Other interest expense - passive activity						
44 Section 59(e)(2) expenditures, excluding R&E expenses on line 32						
45 Foreign taxes not creditable but deductible						

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY O** SSN or TIN: **94-1699385**

Part II Foreign Tax Credit Limitation (continued)
Section 2 - Deductions (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
46 Section 986(c) loss							
47 Section 987 loss							
48 Section 988 loss							
49 Other allocable deductions (see instructions)							
50 Other apportioned share of deductions (see instructions)							
51 Reserved for future use							
52 Reserved for future use							
53 Reserved for future use							
54 Total deductions (combine lines 25 through 53)	311,762.						311,762.
55 Net income (loss) (subtract line 54 from line 24)	608,790.						608,790.

Part III Other Information for Preparation of Form 1116 or 1118
Section 1 - R&E Expenses Apportionment Factors

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code)		
1 Gross receipts by SIC code:							
A SIC code:							
B SIC code:							
C SIC code:							
D SIC code:							
E SIC code:							
F SIC code:							

2 Exclusive apportionment with respect to total R&E expenses entered on Part II, line 32.							
A R&E expenses with respect to activity performed in the United States							
(i) SIC code:							2A(i)
(ii) SIC code:							2A(ii)
(iii) SIC code:							2A(iii)
B R&E expenses with respect to activity performed outside the United States							
(i) SIC code:							2B(i)
(ii) SIC code:							2B(ii)
(iii) SIC code:							2B(iii)

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY OF** SSN or TIN: **94-1699385**

Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 2 - Interest Expense Apportionment Factors

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____) (country code _____)		
1 Total average value of assets	1,772,952.					1,772,952.	
2 Sections 734(b) and 743(b) adjustment to assets - average value							
3 Assets attracting directly allocable interest expense under Regulations section 1.861-10(e)							
4 Other assets attracting directly allocable interest expense under Regulations section 1.861-10T	1,772,952.					1,772,952.	
5 Assets excluded from apportionment formula							
6a Total assets used for apportionment (subtract the sum of lines 3, 4, and 5 from the sum of lines 1 and 2)							
b Assets attracting business interest expense							
c Assets attracting investment interest expense							
d Assets attracting passive activity interest expense							
7 Basis in stock of 10%-owned noncontrolled foreign corporations (see attachment)							
8 Basis in stock of CFCs (see attachment)							

Section 3 - Foreign-Derived Intangible Income (FDII) Deduction Apportionment Factors

Description	(a) U.S. source	Foreign Source				(e) Sourced by partner	(f) Total
		(b) Passive category income	(c) General category income	(d) Other (category code _____) (country code _____)			
1 Foreign-derived gross receipts							
2 Cost of goods sold (COGS)							
3 Partnership deductions allocable to foreign-derived gross receipts							
4 Other partnership deductions apportioned to foreign-derived gross receipts							

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY OF** SSN or TIN: **94-1699385**

Part III Other Information for Preparation of Form 1116 or 1118 (continued)
Section 4 - Foreign Taxes

Description	(a) Type of tax	(b) Section 951A category income		(c) Foreign branch category income	
		U.S.	Foreign	U.S.	Foreign
1 Direct (section 901 or 903) foreign taxes: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued					
A					
B					
C					
D					
E					
F					
2 Reduction of taxes (total)					
A Taxes on foreign mineral income					
B Reserved for future use					
C International boycott provisions					
D Failure-to-file penalties					
E Taxes with respect to splitter arrangements					
F Taxes on foreign corporate distributions					
G Other					
3 Foreign tax redeterminations					
A					
Related tax year					
Date tax paid					
Contested tax					
B					
Related tax year					
Date tax paid					
Contested tax					
C					
Related tax year					
Date tax paid					
Contested tax					
4 Reserved for future use					
5 Reserved for future use					
6 Reserved for future use					

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY OF** SSN or TIN: **94-1699385**

Part III Other Information for Preparation of Form 1116 or 1118 (continued)

Section 4 - Foreign Taxes (continued)

	(d) Passive category income		(e) General category income			(f) Other (category code _____)	(g) Total
	U.S.	Foreign	Partner	U.S.	Foreign		
1							
A							
B							
C							
D							
E							
F							
2							
A							
B							
C							
D							
E							
F							
G							
3							
A							
B							
C							
4							
5							
6							

Section 5 - Other Tax Information

Description	(a) U.S. source	Foreign Source				(g) Sourced by partner	(h) Total
		(b) Section 951A category income	(c) Foreign branch category income	(d) Passive category income	(e) General category income		
1 Section 743(b) positive income adjustment							
2 Section 743(b) negative income adjustment							
3 Reserved for future use							
4 Reserved for future use							

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY OF** SSN or TIN: **94-1699385**

Part IV Information on Partner's Section 250 Deduction With Respect to Foreign-Derived Intangible Income (FDII)

Section 1 - Information To Determine Deduction Eligible Income (DEI) and Qualified Business Asset Investment (QBAI) on Form 8993

1	Net income (loss)	1	608,790.
2a	DEI gross receipts	2a	920,552.
b	DEI COGS	2b	
c	DEI properly allocated and apportioned deductions	2c	268,760.
3	Reserved for future use	3	
4	Controlled foreign corporation (CFC) dividends	4	
5	Financial services income	5	
6	Domestic oil and gas extraction income	6	
7	Foreign branch income	7	
8	Partnership QBAI	8	345,081.

Section 2 - Information To Determine Foreign-Derived Deduction Eligible Income (FDDEI) on Form 8993 (see instructions)

Description	(a) Foreign-derived income from all sales of general property	(b) Foreign-derived income from all sales of intangible property	(c) Foreign-derived income from all services	(d) Total (add columns (a) through (c))
9	Gross receipts			
10	COGS			
11	Allocable deductions			
12	Other apportioned deductions			12

Section 3 - Other Information for Preparation of Form 8993

Description	(a) DEI	(b) FDDEI	(c) Total
13	Interest deductions		
A	Interest expense specifically allocable under Regulations section 1.861-10(e)		
B	Other interest expense specifically allocable under Regulations section 1.861-10T	43,003.	43,003.
C	Other interest expense		
14	Interest expense apportionment factors		
A	Total average value of assets	1,772,952.	1,772,952.
B	Sections 734(b) and 743(b) adjustment to assets - average value		
C	Assets attracting directly allocable interest expense under Regulations section 1.861-10(e)		
D	Other assets attracting directly allocable interest expense under Regulations section 1.861-10T	1,772,952.	1,772,952.
E	Assets excluded from apportionment formula		
F	Total assets used for apportionment (the sum of lines 14C, 14D, and 14E subtracted from the sum of lines 14A and 14B)		

15 R&E expenses apportionment factors

Gross receipts by SIC code	
A SIC code:	
B SIC code:	
C SIC code:	

16 R&E expenses by SIC code

A SIC code:	16A
B SIC code:	16B
C SIC code:	16C

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY** SSN or TIN: **94-1699385**

Part VII Partner's Interest in Foreign Corporation Income (Section 960)

A EIN or reference ID number of CFC: _____ B Separate category. See instructions: _____
 C If PAS was entered on line B, applicable grouping under Regulations section 1.904-4(c). See instructions: _____
 D Box is checked if there is more than one source country for a line. See attachment and instructions: E Box is checked if U.S. source income:
 F Box is checked if foreign oil related income or foreign oil and gas extraction income: G Functional currency of foreign corporation: _____

	(i) Country code	(ii) Partner's share of foreign corporation's net income (functional currency)	(iii) Foreign corporation's total net income (functional currency) (see instructions)	(iv) Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions)
1 Subpart F income groups				
a Dividends, interest, rents, royalties, and annuities (total)				
(1) Unit:				
(2) Unit:				
b Net gain from certain property transactions (total)				
(1) Unit:				
(2) Unit:				
c Net gain from commodities transactions (total)				
(1) Unit:				
(2) Unit:				
d Net foreign currency gain (total)				
(1) Unit:				
(2) Unit:				
e Income equivalent to interest (total)				
(1) Unit:				
(2) Unit:				
f Other foreign personal holding company income (total)				
(1) Unit:				
(2) Unit:				
g Foreign base company sales income (total)				
(1) Unit:				
(2) Unit:				
h Foreign base company services income (total)				
(1) Unit:				
(2) Unit:				
i Full inclusion foreign base company income (total)				
(1) Unit:				
(2) Unit:				
j Insurance income (total)				
(1) Unit:				
(2) Unit:				
k International boycott income (total)				
(1) Unit:				
(2) Unit:				
l Bribes, kickbacks, and other payments (total)				
m Section 901(i) (total)				

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY O** SSN or TIN: **94-1699385**

Part VIII Partner's Interest in Foreign Corporation Income (Section 960) (continued)

	(i) Country code	(ii) Partner's share of foreign corporation's net income (functional currency)	(iii) Foreign corporation's total net income (functional currency) (see instructions)	(iv) Foreign corporation's current year foreign taxes for which credit allowed (U.S. dollars) (see instructions)
Amounts are in functional currency unless otherwise noted. See instructions.				
2				
3				
	(1) Unit:			
	(2) Unit:			
4				
	(1) Unit:			
	(2) Unit:			
5	Total			

Part IX Partner's Information for Base Erosion and Anti-Abuse Tax (Section 59A)

Section 1 - Applicable Taxpayer (see instructions for more information and definitions of terms)

Description	(a) Total	(b) Total ECI gross receipts	(c) Total non-ECI gross receipts
1 Gross receipts for section 59A(e)	920,552.	920,552.	
2 Gross receipts for the first preceding year	630,187.	630,187.	
3 Gross receipts for the second preceding year	181,439.	181,439.	
4 Gross receipts for the third preceding year	186,075.	186,075.	
5 Amounts included in the denominator of the base erosion percentage as described in Regulations section 1.59A-2(e)(3)			

Section 2 - Base Erosion Payments and Base Erosion Tax Benefits (see instructions)

Description	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
6 Reserved for future use			
7 Cost sharing transaction payments			
8 Purchase or creations of property rights for intangibles (patents, trademarks, etc.)			
9 Rents, royalties, and license fees			
10 a Compensation/consideration paid for services not excepted by section 59A(d)(5)			
b Compensation/consideration paid for services excepted by section 59A(d)(5)	43,003.		
11 Interest expense			
12 Payments for the purchase of tangible personal property			
13 Premiums and/or other considerations paid or accrued for insurance and reinsurance as covered by sections 59A(d)(3) and 59A(c)(2)(A)(iii)			
14 a Nonqualified derivative payments			
b Qualified derivative payments excepted by section 59A(h)			
15 Payments reducing gross receipts made to surrogate foreign corporation			
16 Other payments-specify:			
17 Base erosion tax benefits related to payments reported on lines 6 through 16, on which tax is imposed by section 871, 881, or 884(f), with respect to which tax has been withheld under section 1441 or 1442 at the 30% statutory withholding tax rate or subject to tax under Regulations section 1.884-4(a)(2)(ii) at the 30% statutory rate (see instructions)			

Name of partnership: **MERRILL ROAD ASSOCIATES C/O HSG A** EIN: **77-0411399** Name of partner: **HOUSING AUTHORITY OF THE COUNTY O** SSN or TIN: **94-1699385**

Part IX Partner's Information for Base Erosion and Anti-Abuse Tax (Section 59A) (continued)
Section 2 - Base Erosion Payments and Base Erosion Tax Benefits (see instructions) (continued)

Description	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
18 Portion of base erosion tax benefits reported on lines 6 through 16, on which tax is imposed by section 871 or 881, with respect to which tax has been withheld under section 1441 or 1442 at reduced withholding rate pursuant to income tax treaty or subject to a reduced rate of tax under Regulations section 1.884-4(a)(2)(ii). Multiply the amount of the base erosion tax benefit by a fraction equal to the rate of tax imposed under the treaty over the 30% (0.30) statutory rate. See instructions			
19 Total base erosion tax benefits (subtract the sum of lines 17 and 18 from the sum of lines 7 through 16)			
20 Reserved for future use			
21 Reserved for future use			
22 Reserved for future use			

Part X Foreign Partner's Character and Source of Income and Deductions
Section 1 - Gross Income

Description	(a) Total	(b) Partner determination	Partnership Determination					
			ECI		Non-ECI			
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source	
1 Ordinary business income (gross)								
2 Gross rental real estate income	878,189.		878,189.					
3 Other gross rental income								
4 Guaranteed payments for services								
5 Guaranteed payments for use of capital								
6 Interest income	42,363.		42,363.					
7 Dividends								
8 Dividend equivalents								
9 Royalties and license fees								
10 Net short-term capital gain								
11 Net long-term capital gain								
12 Collectibles (28% gain)								
13 Unrecaptured section 1250 gain								
14 Net section 1231 gain								
15 Reserved for future use								
16 Reserved for future use								
17 Reserved for future use								
18 Reserved for future use								
19 Reserved for future use								
20 Other income not included on lines 1 through 19								
21 Gross income (sum of lines 1 through 20)	920,552.		920,552.					

Name of partnership MERRILL ROAD ASSOCIATES C/O HSG A	EIN 77-0411399	Name of partner HOUSING AUTHORITY OF THE COUNTY O	SSN or TIN 94-1699385
Part X Foreign Partner's Character and Source of Income and Deductions (continued)			
Section 2 - Deductions, Losses, and Net Income			

Description	(a) Total	(b) Partner determination	Partnership Determination					
			ECI		Non-ECI			
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source	
1 Expenses related to ordinary business income (gross)								
2 R&E expenses								
3 Expenses from rental real estate	268,760.		268,760.					
4 Expenses from other rental activities								
5 Royalty and licensing expenses								
6 Section 179 deduction								
7 Interest expense on U.S.-booked liabilities								
8 Interest expense directly allocable under Regulations sections 1.882-5(a)(1)(i)(B) and 1.861-10T	43,002.		43,002.					
9 Other interest expense								
10 Section 59(e)(2) expenditures								
11 Net short-term capital loss								
12 Net long-term capital loss								
13 Collectibles loss								
14 Net section 1231 loss								
15 Other losses								
(1)								
(2)								
16 Charitable contributions								
17 Other:								
18 Other:								
19 Reserved for future use								
20 Reserved for future use								
21 Reserved for future use								
22 Reserved for future use								
23 Reserved for future use								
24 Total (sum of lines 1 through 23)	311,762.		311,762.					
25 Net income (loss) (line 21 (Section 1) minus line 24 (Section 2))	608,790.							

Name of partnership
MERRILL ROAD ASSOCIATES C/O HSG A EIN **77-0411399** Name of partner
HOUSING AUTHORITY OF THE COUNTY O SSN or TIN **94-1699385**

Part X Foreign Partner's Character and Source of Income and Deductions
Section 3 - Allocation and Apportionment Methods for Deductions (continued)

1 Gross income		Reserved for future use	
a	Gross ECI	(i)	(iii)
b	Worldwide gross income	(ii)	
2 Assets		Other allocation and apportionment key	
a	Average U.S. assets (inside basis)	(i) Key/Factor	(ii) Allocation
b	Worldwide assets		
3 Liabilities		Other allocation and apportionment key	
a	U.S.-booked liabilities of partnership	(i) Key/Factor	(ii) Allocation
b	Directly allocated partnership indebtedness		
4 Personnel		Other allocation and apportionment key	
a	Personnel of U.S. trade or business	(i) Key/Factor	(ii) Allocation
b	Worldwide personnel		

5 Gross receipts from sales or services by SIC code		(iii) Worldwide	
a	(i) SIC code	(ii) ECI	
b			

Section 4 - Reserved for Future Use

	Reserved		
	(a) Reserved	(b) Reserved	(c) Reserved
1	Reserved for future use		
2	Reserved for future use		
3	Reserved for future use		
4	Reserved for future use		
5	Reserved for future use		
6	Reserved for future use		
7	Reserved for future use		
8	Reserved for future use		
9	Reserved for future use		
10	Reserved for future use		

TAX RETURN FILING INSTRUCTIONS
CALIFORNIA FORM 565

FOR THE YEAR ENDING
JUNE 30, 2025

PREPARED FOR:

MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ
2160 41ST AVENUE
CAPITOLA, CA 95010

PREPARED BY:

NOVOGRADAC & COMPANY LLP
1144 HOOPER AVE, SUITE 203
TOMS RIVER, NJ 08753

TO BE SIGNED AND DATED BY:

A GENERAL PARTNER

AMOUNT OF TAX:

TOTAL TAX	\$	800
LESS: PAYMENTS AND CREDITS	\$	800
PLUS OTHER AMOUNT	\$	0
PLUS INTEREST AND PENALTIES	\$	0
NO PMT REQUIRED	\$	

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN TO:

THE CALIFORNIA RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED TO THE FTB, PLEASE SIGN, DATE AND RETURN FORM 8453-P TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE FTB.

FORMS TO BE DISTRIBUTED TO PARTNERS:

ENCLOSED ARE COPIES OF SCHEDULE K-1 TO BE DISTRIBUTED TO THE PARTNERS.

RETURN MUST BE MAILED ON OR BEFORE:

NOT APPLICABLE

SPECIAL INSTRUCTIONS:

DO NOT MAIL THE PAPER COPY OF THE RETURN TO THE FTB.

Banking Information (Direct Debit / Deposit / Estimated Payments)

Informational Only. Do Not Key On These Forms. Electronic Filing errors could result. Review for accuracy after export.

State Payment (Direct Debit - for Returns / Extensions or stand-alone Estimates):

Checking [X] Savings []
Routing Number 121143736
Bank Account Number 023006208
Payment Amount 800.
Identification Number
Account Holder Name
Account Holder Type 1 = Business; 2 = Personal
Requested Payment Date 03/03/2026
Bank Name (NY Only)

Addenda Record: # of addenda records: Use next sheet to see next account

Taxpayer Identification

Tax Type Code:

FTA Code

State Tax Type Code

Tax Period End Date

Sub Tax Type Info (TXP Amount) Occur 1 Occur 2 Occur 3

Sub Amount Type

Sub Amount

International ACH (Automated Clearing House) Transaction Not Supported []

Refund (Direct Deposit): Number of accounts for total Refund: Use next sheet to see next account

Taxpayer Telephone Number
Routing Number
Bank Account Number
Refund Amount
Checking [] Savings []

International ACH (Automated Clearing House) Transaction Not Supported []

ACH Credit Information:

Payment Amount
Identification Number
Requested Payment Date

Addenda Record: # of addenda records: Use next sheet to see next account

Taxpayer Identification

Tax Type Code:

FTA Code

State Tax Type Code

Tax Period End Date

Sub Tax Type Info (TXP Amount) Occur 1 Occur 2 Occur 3

Sub Amount Type

Sub Amount

International ACH (Automated Clearing House) Transaction Not Supported []

Refund to 529 Plans (Direct Deposit): Number of accounts for total Refund: Use next sheet to see next account

Routing Number
Bank Account Number
Refund Amount
Checking [] Savings []

Beneficiary Name:

First Name

Middle Initial

Last Name

Suffix

Beneficiary SSN:

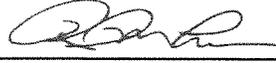
Note: All fields may not be applicable to all taxing authorities and/or systems.

SUMMARY OF SCHEDULE K-1

Entity Name:	Number 1	Number 2	Number	Number	Number	Number	Number
Schedule K-1 Line/Item Description	Name: MERRILL ROAD HOUSING CORPORATION	Name: HOUSING	Name: AUTHORITY OF THK-1	Name: TOTALS	Name:	Name:	Name:
2 - NET INCOME (LOSS) - RENTAL REAL ESTATE	5,713.	565,635.	571,348.				
5 - INTEREST INCOME	428.	42,363.	42,791.				
18(C) - NONDEDUCTIBLE EXPENSES	8.	792.	800.				
CAPITAL ACCOUNTS							
BEGINNING OF YEAR	-6,364.	-629,994.	-636,358.				
CONTRIBUTIONS			0.				
CURRENT YEAR INCREASES (DECREASES)	6,133.	607,206.	613,339.				
WITHDRAWALS & DISTRIBUTIONS			0.				
END OF YEAR	-231.	-22,788.	-23,019.				
LIABILITIES - NONRECOURSE	3,000.	297,000.	300,000.				
LIABILITIES - QUALIFIED NONRECOURSE	26,753.	2,648,590.	2,675,343.				
LIABILITIES - OTHER	427,480.		427,480.				

Part VI Declaration of Electronic Return Originator (ERO) and Paid Preparer.

I declare that I have reviewed the above partnership's return and that the entries on form FTB 8453-P are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I understand that I am not responsible for reviewing the partnership's return. I declare, however, that form FTB 8453-P accurately reflects the data on the return.) I have obtained the partnership officer's signature on form FTB 8453-P before transmitting this return to the FTB; I have provided the partnership officer with a copy of all forms and information that I will file with the FTB, and I have followed all other requirements described in FTB Pub. 1345, 2024 Handbook for Authorized e-file Providers. I will keep form FTB 8453-P on file for **four** years from the due date of the return or **four** years from the date the partnership return is filed, whichever is later, and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above partnership's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

ERO Must Sign	ERO's signature		Date	3/5/2026	Check if also paid preparer	<input checked="" type="checkbox"/>	Check if self-employed	<input type="checkbox"/>	ERO's PTIN	P00183253	
	Firm's name (or yours if self-employed) and address	NOVOGRADAC & COMPANY LLP 1144 HOOPER AVE, SUITE 203 TOMS RIVER, NJ							Firm's FEIN	94-3108253	ZIP code

Under penalties of perjury, I declare that I have examined the above partnership's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

Paid Preparer Must Sign	Paid preparer's signature		Date		Check if self-employed	<input type="checkbox"/>	Paid preparer's PTIN				
	Firm's name (or yours if self-employed) and address								Firm's FEIN		ZIP code

TAXABLE YEAR **2024** **California Payment Authorization**
for Business Entities

FORM

8453-BE (PMT)

Name of business entity (corporation, limited liability company, partnership or exempt organization)
MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ

California Corporation No., CA SOS file no., or FEIN
77-0411399

Part I Extension Payment Information for Taxable Year 2024

1 Electronic Funds Withdrawal (EFW) Amount 800 2 Withdrawal Date (mm/dd/yyyy) 12/15/2025

Part II Schedule of Estimated Tax Payments for Taxable Year 2025

(These are **not** installment payments for the current amount the corporation or exempt organization owes.)

	First Payment	Second Payment	Third Payment	Fourth Payment
3 Amount				
4 Withdrawal date (mm/dd/yyyy)				

Part III Annual Tax or Estimated Fee Payment for Taxable Year 2025

(This is **not** an installment payment for the current amount the LLC owes.)

	Annual Tax Payment	Estimated Fee Payment
5 Amount		
6 Withdrawal date (mm/dd/yyyy)		

Part IV Pass-Through Entity (PTE) Elective Tax Payments for Taxable Years 2024 and 2025

	2024 Second Payment	2025 First Payment
7 Amount		
8 Withdrawal date (mm/dd/yyyy)		

Part V Banking Information for Electronic Funds Withdrawal

9 Routing number 121143736

10 Account number 023006208

11 Type of account: Checking Savings

Payment Authorization

I authorize the business entity account to be settled as designated in Parts I, II, III and IV. The above electronic funds withdrawals are to be made from the bank account indicated on Part V, lines 9, 10, and 11. This authorization will remain in effect unless I contact the Franchise Tax Board (FTB) to cancel the request. I request that the payment(s) above be deducted from the bank account on the date(s) specified above. If a date falls on a Saturday, Sunday, or holiday, the transfer is authorized for the next business day. If the FTB cannot deduct the payment from the account because of insufficient funds or because the bank account is closed, the FTB may charge a dishonored payment penalty. I will be responsible for any overdraft fees charged by the bank. Under penalties of perjury under the laws of the State of California, I declare that I have completed this payment authorization to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here	Signature of business entity's representative 	Date
	Title EXECUTIVE DIRECTOR	3/3/2026

Declaration of Electronic Return Originator (ERO) and Paid Preparer.

Under penalties of perjury, I declare that I have reviewed the entries on form FTB 8453-BE (PMT) and they are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I declare that form FTB 8453-BE (PMT) accurately reflects the data on the EFW request.) I have obtained the taxpayer's signature on form FTB 8453-BE (PMT) before transmitting the EFW to the FTB. I have provided the taxpayer with a copy of all forms and information that I will file with the FTB and I have followed all other requirements described in FTB Pub. 1345, 2024 Handbook for Authorized e-file Providers. I will keep form FTB 8453-BE (PMT) for the statute of limitations period, and I will make a copy available to FTB upon request.

Sign Here	ERO's signature 	Date	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed	ERO's PTIN
	Paid preparer's Signature 	Date			Paid preparer's PTIN
	Firm's Name (or yours if self-employed) and Address	NOVOGRADAC & COMPANY LLP 1144 HOOPER AVE, SUITE 203 TOMS RIVER, NJ		Firm's FEIN 94-3108253	ZIP code 08753

KEEP THIS FORM FOR YOUR RECORDS - DO NOT MAIL TO THE FTB

When to pay:

Fiscal Year - File and Pay by the 15th day of the 3rd month following the close of the taxable year.

Calendar Year - File and Pay by March 17, 2025.

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

Pay online: Go Green! Enjoy the ease and secure options for online payments.

- **Web pay for business**
LPs, LLPs, and REMICs can make an immediate payment or schedule payments up to a year in advance.
- **Credit Card** (service fee)

For more information, go to ftb.ca.gov/pay. Do not mail this form if you pay online.



Where to pay: Using black or blue ink, make check or money order payable to the "Franchise Tax Board." Write the FEIN, California SOS file number, and "2024 FTB 3538" on the check or money order. Detach form below. Enclose, but do not staple, payment with form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

429131 11-14-24

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----

TAXABLE YEAR
2024

**Payment for Automatic Extension
for LPs, LLPs, and REMICs**

CALIFORNIA FORM
3538 (565)

77-0411399 MERR 199526300009 24 FORM 0
 TYB 07-01-2024 TYE 06-30-2025
 MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

2160 41ST AVENUE
 CAPITOLA CA 95010

Amount of Payment 800 .

Partnership Return of Income

199526300009 MERR 77-0411399 24
 TYB 07-01-2024 TYE 06-30-2025
 MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ
 2160 41ST AVENUE
 CAPITOLA CA 95010

ACCTMETHOD 2 09-01-1996 ASSETS 3168427.
 INITIAL 0 FINAL 0 AMENDED 0 PROTECTIVE 0

- I (1) During this taxable year, did this partnership acquire control or majority ownership (more than a 50% interest) in another legal entity?
 If yes, did the acquired entity(ies) own California real property (i.e., land, buildings), lease such property for a term of 35 years or more, or lease such property from a government agency for any term?
 If yes to both questions, answer yes Yes No
- (2) During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this partnership or any legal entity in which the partnership holds a controlling or majority interest?
 If yes, did the acquired entity(-ies) own California real property (i.e., land, buildings), lease such property for a term of 35 years or more, or lease such property from a government agency for any term? If yes to both questions, answer yes Yes No
- (3) Has California real property (i.e., land, buildings) transferred to the partnership that was excluded from property tax reassessment under Revenue and Taxation Code Section 62(a)(2)?
 If yes, during this taxable year, has more than 50% of the partnership's ownership interests cumulatively transferred in one or more transactions and it was not reported on a previous year's tax return? If yes to both questions, answer yes Yes No
 (Yes requires filing of BOE-100-B statement, penalties may apply - see instructions.)

Caution: Include **only** trade or business income and expenses on line 1a through line 22. See the instructions for more information.

	1 a	b	c	1c	
Income	1 a Gross receipts or sales \$	Less returns and allowances \$	c Balance	1c	00
	2 Cost of goods sold (Schedule A, line 8)			2	00
	3 GROSS PROFIT. Subtract line 2 from line 1c			3	00
	4 Total ordinary income from other partnerships and fiduciaries. Attach schedule			4	00
	5 Total ordinary loss from other partnerships and fiduciaries. Attach schedule			5	00
	6 Total farm profit. Attach federal Schedule F (Form 1040)			6	00
	7 Total farm loss. Attach federal Schedule F (Form 1040)			7	00
	8 Total gains included on Schedule D-1, Part II, line 17 (gain only)			8	00
	9 Total losses included on Schedule D-1, Part II, line 17 (loss only)			9	00
	10 Other income. Attach schedule			10	00
	11 Other loss. Attach schedule			11	00
	12 Total income (loss). Combine line 3 through line 11			12	00

Deductions Enclose, but do not staple, any payment	13 Salaries and wages (other than to partners)	<input checked="" type="radio"/>	13		00
	14 Guaranteed payments to partners	<input checked="" type="radio"/>	14		00
	15 Bad debts	<input type="radio"/>	15		00
	16 Deductible interest expense not claimed elsewhere on return	<input checked="" type="radio"/>	16		00
	17 a Depreciation and amortization. Att form FTB 3885P \$	<input type="radio"/>			
	b Less depreciation reported on Sch A and elsewhere on return \$	<input type="radio"/>			
	c Balance	<input type="radio"/>	17c		00
	18 Depletion. Do not deduct oil and gas depletion	<input type="radio"/>	18		00
	19 Retirement plans, etc.	<input type="radio"/>	19		00
	20 Employee benefit programs	<input type="radio"/>	20		00
	21 Other deductions. Attach schedule	<input type="radio"/>	21		00
	22 Total deductions. Add line 13 through line 21	<input type="radio"/>	22		00
Payments	23 Ordinary income (loss) from trade or business activities. Subtract line 22 from line 12	<input type="radio"/>	23	0	00
	24 Tax - \$800.00 (LPs, LLPs, and REMICs only). See instructions	<input type="radio"/>	24	800	00
	25 Pass-through entity elective tax. See instructions	<input type="radio"/>	25		00
	26 Partnership level tax. If IRS concluded a centralized audit for this year, see instructions. If not, leave blank	<input type="radio"/>	26		00
	27 Total tax. Add line 24, line 25, and line 26	<input type="radio"/>	27	800	00
	28 Withholding (Form 592-B and/or 593)	<input type="radio"/>	28		00
	29 Amount paid with extension of time to file return (form FTB 3538)	<input type="radio"/>	29	800	00
	30 Amounts paid for pass-through entity elective tax	<input type="radio"/>	30		00
	31 Total payments. Add line 28, line 29, and line 30	<input type="radio"/>	31	800	00
	32 Use tax. This is not a total line. See instructions	<input type="radio"/>	32		00
Amount Due or Refund	33 Payments balance. If line 31 is more than line 32, subtract line 32 from line 31	<input type="radio"/>	33	800	00
	34 Use tax balance. If line 32 is more than line 31, subtract line 31 from line 32	<input type="radio"/>	34		00
	35 Tax due. If line 27 is more than line 33, subtract line 33 from line 27	<input type="radio"/>	35	0	00
	36 Refund. If line 33 is more than line 27, subtract line 27 from line 33	<input type="radio"/>	36		00
	37 Penalties and interest. See instructions	<input type="radio"/>	37		00
	38 Total amount due. Add line 34, line 35, and line 37.	<input type="radio"/>	38		0.00

- J What type of entity is filing this return? Check one only:
- 1 General partnership
 - 2 LP required to pay annual tax (is doing business in CA, is registered with SOS, or is organized in CA)
 - 3 LP, LLC, or other entity NOT required to pay annual tax (is not doing business in CA, is not registered with SOS, and is not organized in CA)
 - 4 REMIC
 - 5 LLP
 - 6 Other (See instructions)
- K Principal business activity code (Do not leave blank) 531110
 Business activity REAL ESTATE Product or service RENTAL
- L Enter the maximum number of partners in this partnership at any time during the year. Attach a CA Sch. K-1 (565) for each partner 2
- M Is any partner of the partnership related (as defined in IRC Section 267(c)(4)) to any other partner? Yes No
- N Is any partner of the partnership a trust for the benefit of any person related (as defined in IRC Section 267(c)(4)) to any other partner? Yes No
- O Are any partners in this partnership also partnerships or LLCs? If "Yes," complete Schedule K-1, Table 3 for each Yes No
- P Does the partnership meet all the requirements shown in the instructions for Question P? Yes No
- Q Is this partnership a partner in another partnership or multiple member LLC? If "Yes," complete Schedule EO, Part I Yes No
- R Was there a distribution of property or transfer (for example by sale or death) of a partnership interest during the taxable year? Yes No
 If "Yes," see the federal instructions concerning an election to adjust the basis of the partnership's assets under IRC Section 754
- S Is this partnership a publicly traded partnership as defined in IRC Section 469(k)(2)? Yes No
- T Is this partnership under audit by the IRS or has it been audited in a prior year? Yes No

- U (1)** Does the partnership have any foreign (non U.S.) nonresident partners? Yes No
- (2)** Does the partnership have any domestic (non-foreign) nonresident partners? Yes No
- (3)** Were Form 592, Form 592-A, Form 592-B, Form 592-F, and Form 592-PTE filed for these partners? Yes No
- V** Is this an investment partnership? See General Information O, Investment Partnerships, in the instructions Yes No
- W** Is the partnership apportioning or allocating income to California using Schedule R? Yes No
- X** Has the partnership included a Reportable Transaction or Listed Transaction within this return? Yes No
(See instructions for definitions.) If "Yes," complete and attach federal Form 8886 for each transaction.
- Y** Did this partnership file the Federal Schedule M-3 (Form 1065)? Yes No
- Z** Is this partnership a direct owner of an entity that filed a federal Schedule M-3? Yes No
- AA** Does this partnership have a beneficial interest in a trust or is it a grantor of a trust? Attach name, address, and FEIN Yes No
- BB** Does this partnership own an interest in a business entity disregarded for tax purposes? If "Yes," complete Schedule EO, Part II Yes No
- CC (1)** Is the partnership deferring any income from the disposition of assets? Yes No
- (2)** If "Yes," enter the year of asset disposition
- DD** Is the partnership reporting previously deferred income from: Installment Sale IRC §1031 IRC §1033 Other
- EE** "Doing business as" name. See instructions:
- FF (1)** Has this partnership operated as another entity type such as a Corporation, S Corporation, General Partnership, Limited Partnership, LLC or Sole Proprietorship in the previous five (5) years? Yes No
- (2)** If "Yes," provide prior FEIN(s) if different, business name(s), and entity type(s) for prior returns filed with the FTB and/or IRS:
- GG (1)** Has this partnership previously operated outside California? Yes No
- (2)** Is this the first year of doing business in California? Yes No
- HH** Is the partnership a section 721(c) partnership, as defined in Treasury Regulations Section 1.721(c)-1T(b)(14)? Yes No
- II** At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8? Yes No
- JJ** Check if the partnership: **(1)** Aggregated activities for IRC Section 465 at-risk purposes
(2) Grouped activities for IRC Section 469 passive activity purposes
- KK (1)** Has this business entity previously filed an unclaimed property Holder Remit Report with the State Controller's Office? Yes No
- (2)** If "Yes," when was the last report filed? (mm/dd/yyyy) **(3)** Amount last remitted \$

Sign Here	Our privacy notice can be found in annual tax booklets or online. Go to ftb.ca.gov/privacy to learn about our privacy policy statement, or go to ftb.ca.gov/forms and search for 1131 to locate FTB 1131 EN-SP, Franchise Tax Board Privacy Notice on Collection. To request this notice by mail, call 800.338.0505 and enter form code 948 when instructed.		
	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
Paid Preparer's Use Only	Signature of general partner <input type="text"/>	Date <input type="text"/>	Telephone <input type="text"/>
	General Partner's email address (optional) <input type="text"/>		
	Paid Preparer's signature <input type="text"/>	Date <input type="text"/>	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed) and address NOVOGRADAC & COMPANY LLP 1144 HOOPER AVE, SUI TOMS RIVER, NJ 08753		Telephone <input type="text"/>
		732-649-2800	FEIN <input type="text"/> 94-3108253
May the FTB discuss this return with the preparer shown above (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

Schedule K Partners' Shares of Income, Deductions, Credits, etc.

	(a) Distributive share items	(b) Amounts from federal K (1065)	(c) California adjustments	(d) Total amounts using California law		
Income (Loss)	1 Ordinary income (loss) from trade or business activities	1 •		•		
	2 Net income (loss) from rental real estate activities. Attach federal Form 8825	2 • 572,148	-800	• 571,348		
	3 a Gross income (loss) from other rental activities	3a •		•		
	b Less expenses. Attach schedule	3b •		•		
	c Net income (loss) from other rental activities. Subtract in 3b from in 3a	3c •		•		
	4 Guaranteed payments a Services	4a •				
	b Capital	4b •				
	c Total	4c •		•		
	5 Interest income STMT 1	5 • 42,791		• 42,791		
	6 Dividends	6 •		•		
	7 Royalties	7 •		•		
8 Net short-term capital gain (loss). Attach Schedule D (565)	8 •		•			
9 Net long-term capital gain (loss). Attach Schedule D (565)	9 •		•			
10 a Total gain under IRC Section 1231 (other than due to casualty or theft)	10a •		•			
b Total loss under IRC Section 1231 (other than due to casualty or theft)	10b •		•			
11 a Other portfolio income (loss). Attach schedule	11a •		•			
b Total other income. Attach schedule	11b •		•			
c Total other loss. Attach schedule	11c •		•			
Deductions	12 Expense deduction for recovery property (IRC Section 179). Attach schedule	12 •		•		
	13 a Cash contributions	13a •		•		
	b Noncash contributions	13b •		•		
	c Investment interest expense	13c •		•		
	d 1 Total expenditures to which IRC Section 59(e) election may apply	13d1 •		•		
	2 Type of expenditures	13d2				
e Deductions related to portfolio income	13e •		•			
f Other deductions. Attach schedule	13f •		•			
Credits	15 a Withholding on partnership allocated to all partners	15a		•		
	b Low-income housing credit	15b		•		
	c Credits other than the credit shown on line 15b related to rental real estate activities	15c		•		
	d Credits related to other rental activities	15d		•		
	e Nonconsenting nonresident members' tax allocated to all partners	15e		•		
	f Other credits	15f		•		
Alternative Minimum Tax (AMT) items	17 a Depreciation adjustment on property placed in service after 1986	17a •		•		
	b Adjusted gain or loss	17b •		•		
	c Depletion (other than oil and gas)	17c •		•		
	d Gross income from oil, gas, and geothermal properties	17d •		•		
	e Deductions allocable to oil, gas, and geothermal properties	17e •		•		
	f Other alternative minimum tax items	17f •		•		
Other Information	18 a Tax-exempt interest income	18a •		•		
	b Other tax-exempt income	18b •		•		
	c Nondeductible expenses	18c •	800	• 800		
	19 a Distributions of money (cash and marketable securities)	19a •		•		
	b Distribution of property other than money	19b •		•		
	20 a Investment income	20a • 42,791		• 42,791		
b Investment expenses	20b •		•			
c Other information. See instructions STMT 2	20c •		•			
Analysis	21 a Total distributive income/payment items. Combine lines 1, 2, 3c and 4c through 11c. From the result, subtract the sum of lines 12 through 13f.	21a 614,939	-800	• 614,139		
	b Analysis by type of partner:	(a) Corporate	(b) Individual i. Active ii. Passive	(c) Partnership	(d) Exempt Organization	(e) Nominee/Other
	(1) General partners	•	•	•	• 6,141	•
(2) Limited partners	•	•	•	• 607,998	•	

Schedule A

Cost of Goods Sold

1 Inventory at beginning of year	1	00
2 Purchases less cost of items withdrawn for personal use	2	00
3 Cost of labor	3	00
4 Additional IRC Section 263A costs. Attach schedule	4	00
5 Other costs. Attach schedule	5	00
6 Total. Add line 1 through line 5	6	00
7 Inventory at end of year	7	00
8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on Side 1, line 2	8	00

9 a Check all methods used for valuing closing inventory:
 (1) Cost (2) Lower of cost or market as described in Treas. Reg. Section 1.471-4 (3) Write down of "subnormal" goods as described in Treas. Reg. Section 1.471-2(c) (4) Other. Specify method used and attach explanation _____
 b Check this box if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970 Yes
 c Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the partnership? Yes No
 d Was there any change (other than for IRC Section 263A purposes) in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation Yes No

Schedule L Balance Sheets. See the instructions for Question P before completing Schedules L, M-1, and M-2.

Assets	Beginning of income year		End of income year	
	(a)	(b)	(c)	(d)
1 Cash		402,642		1,064,372
2 a Trade notes and accounts receivable	10,521		9,887	
b Less allowance for bad debts	(9,089)	1,432	(9,073)	814
3 Inventories				•
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets. Attach schedule		216,791		234,901
7 a Loans to partners				
b Mortgage and real estate loans				
8 Other investments. Attach schedule				•
9 a Buildings and other depreciable assets	2,863,405		2,863,405	
b Less accumulated depreciation	(1,958,716)	904,689	(2,034,996)	828,409
10 a Depletable assets				
b Less accumulated depletion	()		()	
11 Land (net of any amortization)		1,039,931		1,039,931
12 a Intangible assets (amortizable only)				
b Less accumulated amortization	()		()	
13 Other assets. Attach schedule				•
14 Total assets		2,565,485		3,168,427
Liabilities and Capital				
15 Accounts payable		5,004		386,604
16 Mortgages, notes, bonds payable in less than 1 year				•
17 Other current liabilities. Attach schedule		54,246		41,973
18 All nonrecourse loans		2,199,439		2,199,439
19 a Loans from partners				
b Mortgages, notes, bonds payable in 1 year or more				•
20 Other liabilities. Attach schedule		1,131,248		775,904
21 Partners' capital accounts		(824,452)		(235,493)
22 Total liabilities and capital		2,565,485		3,168,427

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return. Use total amount under California law.
If the partnership completed federal Schedule M-3 (Form 1065), see instructions.

1 Net income (loss) per books	<input checked="" type="radio"/>	588,959	6 Income recorded on books this year not included on Schedule K, line 1 through line 11c. Itemize:	
2 Income included on Schedule K, line 1 through line 11c, not recorded on books this year. Itemize SEE STATEMENT 6	<input checked="" type="radio"/>	1,051	a Tax-exempt interest	<input checked="" type="radio"/> \$ _____
3 Guaranteed payments (other than health insurance)	<input checked="" type="radio"/>		b Other	<input checked="" type="radio"/> \$ _____
4 Expenses recorded on books this year not included on Schedule K, line 1 through line 13f. Itemize:	<input checked="" type="radio"/>		c Total. Add line 6a and line 6b	<input checked="" type="radio"/>
a Depreciation	<input checked="" type="radio"/>	\$ _____	7 Deductions included on Schedule K, line 1 through line 13f, not charged against book income this year. Itemize:	
b Travel and entertainment	<input checked="" type="radio"/>	\$ _____	a Depreciation	<input checked="" type="radio"/> \$ _____
c Limited partnership tax	<input checked="" type="radio"/>	\$ 800	b Other	<input checked="" type="radio"/> \$ _____
d Other STMT 7	<input checked="" type="radio"/>	\$ 800	c Total. Add line 7a and line 7b	<input checked="" type="radio"/>
e Total. Add line 4a through line 4d	<input checked="" type="radio"/>	1,600	8 Total. Add line 6c and line 7c	<input checked="" type="radio"/>
5 Total of line 1 through line 4e	<input checked="" type="radio"/>	591,610	9 Income (loss) (Schedule K, line 21a). Subtract line 8 from line 5	<input checked="" type="radio"/> 614,139

Schedule M-2 Analysis of Partners' Capital Accounts. Use California amounts.

1 Balance at beginning of year	<input checked="" type="radio"/>	-636,358	5 Total of line 1 through line 4	-47,399
2 Capital contributed during year:			6 Distributions: a Cash	<input checked="" type="radio"/>
a Cash	<input checked="" type="radio"/>		b Property	<input checked="" type="radio"/>
b Property	<input checked="" type="radio"/>		7 Other decreases. Itemize	<input checked="" type="radio"/>
3 Net income (loss) per books	<input checked="" type="radio"/>	588,959	8 Total of line 6 and line 7	<input checked="" type="radio"/>
4 Other increases. Itemize	<input checked="" type="radio"/>		9 Balance at end of year. Subtract line 8 from line 5	<input checked="" type="radio"/> -47,399

CA SCHEDULE K	INTEREST INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
INTEREST INCOME		42,791.
TOTAL TO SCHEDULE K, LINE 5		42,791.

CA SCHEDULE K	AGGREGATE GROSS RECEIPTS FOR AMT EXCLUSION	STATEMENT 2
DESCRIPTION		AMOUNT
ACTIVITY: RENTAL REAL ESTATE INTEREST		887,060.
		42,791.
TOTAL		929,851.

CA SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 3	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
PREPAID EXPENSES		7,205.	15,817.
RESTRICTED CASH		190,705.	199,347.
TENANT SECURITY DEPOSITS		18,881.	19,737.
TOTAL TO SCHEDULE L, LINE 6		216,791.	234,901.

CA SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 4	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED EXPENSES		11,319.	9,139.
DUE TO RELATED PARTIES		24,000.	12,000.
PREPAID RENT		46.	1,097.
TENANT SECURITY DEPOSIT LIABILITY		18,881.	19,737.
TOTAL TO SCHEDULE L, LINE 17		54,246.	41,973.

CA SCHEDULE L	OTHER LIABILITIES	STATEMENT 5	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED INTEREST		1,131,248.	775,904.
TOTAL TO SCHEDULE L, LINE 20		1,131,248.	775,904.

CA SCHEDULE M-1	INCOME PER RETURN NOT ON BOOKS	STATEMENT 6
DESCRIPTION		AMOUNT
RENTAL INCOME FROM MERRILL ROAD ASSOCIATES		1,051.
TOTAL TO SCHEDULE M-1, LINE 2		1,051.

CA SCHEDULE M-1	BOOK EXPENSES NOT ON RETURN	STATEMENT 7
DESCRIPTION		AMOUNT
NONDEDUCTIBLE EXPENSE		800.
TOTAL TO SCHEDULE M-1, LINE 4		800.

SCHEDULE M-3
(Form 1065)

(Rev. December 2021)
Department of the Treasury
Internal Revenue Service

**Net Income (Loss) Reconciliation
for Certain Partnerships**

▶ Attach to Form 1065.

▶ Go to www.irs.gov/Form1065 for instructions and the latest information.

OMB No. 1545-0123

Name of partnership MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ	Employer identification number 77-0411399
---	---

This Schedule M-3 is being filed because (check all that apply):

- A The amount of the partnership's total assets at the end of the tax year is equal to \$10 million or more.
- B The amount of the partnership's adjusted total assets for the tax year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year _____.
- C The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year _____.
- D An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50% or more in the partnership's capital, profit, or loss on any day during the tax year of the partnership.

Name of Reportable Entity Partner	Identifying Number	Maximum Percentage Owned or Deemed Owned
HOUSING AUTHORITY OF CO OF SANTA CRU	94-1699385	99.0000%

- E Voluntary filer.

Part I Financial Information and Net Income (Loss) Reconciliation

1a Did the partnership file SEC Form 10-K for its income statement period ending with or within this tax year?

- Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.
- No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.

b Did the partnership prepare a certified audited non-tax-basis income statement for that period?

- Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.
- No. Go to line 1c.

c Did the partnership prepare a non-tax-basis income statement for that period?

- Yes. Complete lines 2 through 11 with respect to that income statement.
- No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records on line 4a.

2 Enter the income statement period: Beginning 07/01/2024 Ending 06/30/2025

3a Has the partnership's income statement been restated for the income statement period on line 2?

- Yes. (If "Yes," attach a statement and the amount of each item restated.)
- No.

b Has the partnership's income statement been restated for any of the 5 income statement periods immediately preceding the period on line 2?

- Yes. (If "Yes," attach a statement and the amount of each item restated.)
- No.

4a Worldwide consolidated net income (loss) from income statement source identified on Part I, line 1	4a	588,959.
b Indicate accounting standard used for line 4a. See instructions.		
1 <input checked="" type="checkbox"/> GAAP	2 <input type="checkbox"/> IFRS	3 <input type="checkbox"/> Section 704(b)
4 <input type="checkbox"/> Tax-basis	5 <input type="checkbox"/> Other (specify) ▶ _____	
5a Net income from nonincludible foreign entities (attach statement)	5a	()
b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	
6a Net income from nonincludible U.S. entities (attach statement)	6a	()
b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	
7a Net income (loss) of other foreign disregarded entities (attach statement)	7a	
b Net income (loss) of other U.S. disregarded entities (attach statement)	7b	
8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach stmt.)	8	
9 Adjustment to reconcile income statement period to tax year (attach statement)	9	
10 Other adjustments to reconcile to amount on line 11 (attach statement)	10	
11 Net income (loss) per income statement of the partnership. Combine lines 4a through 10	11	588,959.

Note: Part I, line 11, must equal Part II, line 26, column (a); or Form 1065, Schedule M-1, line 1. See instructions.

12 Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or removed on the following lines.

	Total Assets	Total Liabilities
a Included on Part I, line 4	3,168,427.	3,403,920.
b Removed on Part I, line 5		
c Removed on Part I, line 6		
d Included on Part I, line 7		

For Paperwork Reduction Act Notice, see the instructions for your return.

Schedule M-3 (Form 1065) (Rev. 12-2021)

Name of partnership **MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ** Employer identification number **77-0411399**

Part II Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return

Income (Loss) Items	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
Attach statements for lines 1 through 10.				
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Gross foreign distributions previously taxed				
5 Income (loss) from equity method U.S. corporations				
6 U.S. dividends				
7 Income (loss) from U.S. partnerships				
8 Income (loss) from foreign partnerships				
9 Income (loss) from other pass-through entities				
10 Items relating to reportable transactions				
11 Interest income (see instructions)	42,791.			42,791.
12 Total accrual to cash adjustment				
13 Hedging transactions				
14 Mark-to-market income (loss)				
15 Cost of goods sold (see instructions)	()			()
16 Sale versus lease (for sellers and/or lessors)				
17 Section 481(a) adjustments				
18 Unearned/deferred revenue				
19 Income recognition from long-term contracts				
20 Original issue discount and other imputed interest				
21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets other than inventory				
22 Other income (loss) items with differences (attach statement) STMT 8	886,009.	1,051.		887,060.
23 Total income (loss) items. Combine lines 1 through 22	928,800.	1,051.		929,851.
24 Total expense/deduction items. (From Part III, line 31) (see instructions)	-119,717.	24,929.		-94,788.
25 Other items with no differences STMT 9	-220,124.			-220,124.
26 Reconciliation totals. Combine lines 23 through 25	588,959.	25,980.		614,939.

Note: Line 26, column (a), must equal Part I, line 11, and column (d) must equal Form 1065, Analysis of Net Income (Loss), line 1.

Name of partnership **MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ** Employer identification number **77-0411399**

Part III Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return - Expense/Deduction Items

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 State and local current income tax expense				
2 State and local deferred income tax expense				
3 Foreign current income tax expense (other than foreign withholding taxes)				
4 Foreign deferred income tax expense				
5 Equity-based compensation				
6 Meals and entertainment				
7 Fines and penalties				
8 Judgments, damages, awards, and similar costs				
9 Guaranteed payments				
10 Pension and profit-sharing				
11 Other post-retirement benefits				
12 Deferred compensation				
13 Charitable contribution of cash and tangible property				
14 Charitable contribution of intangible property				
15 Organizational expenses as per Regulations section 1.709-2(a)				
16 Syndication expenses as per Regulations section 1.709-2(b)				
17 Current year acquisition/reorganization investment banking fees				
18 Current year acquisition/reorganization legal and accounting fees				
19 Amortization/impairment of goodwill				
20 Amortization of acquisition, reorganization, and start-up costs				
21 Other amortization or impairment write-offs				
22 Reserved for future use				
23a Depletion - oil & gas				
b Depletion - other than oil & gas				
24 Intangible drilling and development costs (IDC)				
25 Depreciation	76,280.	-24,929.		51,351.
26 Bad debt expense				
27 Interest expense (see instructions)	43,437.			43,437.
28 Purchase versus lease (for purchasers and/or lessees)				
29 Research and development costs				
30 Other expense/deduction items with differences (attach statement)				
31 Total expense/deduction items. Combine lines 1 through 30. Enter here and on Part II, line 24, reporting positive amounts as negative and negative amounts as positive	119,717.	-24,929.		94,788.

Supplemental Attachment to Schedule M-3

▶ Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120-S.
 ▶ Go to www.irs.gov/Form1120 for the latest information.

OMB No. 1545-0123

Name of common parent MERRILL ROAD ASSOCIATES C/O HSG AUTHORIT	Employer identification number 77-0411399
Name of subsidiary	Employer identification number

Part I Cost of Goods Sold

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity-based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate-owned life insurance premiums ...				
n Other section 263A costs				
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach statement)				
7 Other items with no differences				
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions ...				

Part II Interest Income

	Interest Income Item	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Tax-exempt interest income				
2	Interest income from hybrid securities				
3	Sale/lease interest income				
4a	Intercompany interest income - From outside tax affiliated group				
4b	Intercompany interest income - From tax affiliated group				
5	Other interest income STMT 11	42,791.			42,791.
6	Total interest income. Add lines 1 through 5 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.	42,791.			42,791.

Part III Interest Expense

	Interest Expense Item	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	Interest expense from hybrid securities				
2	Lease/purchase interest expense				
3a	Intercompany interest expense - Paid to outside tax affiliated group				
3b	Intercompany interest expense - Paid to tax affiliated group				
4	Other interest expense STMT 12	43,437.			43,437.
5	Total interest expense. Add lines 1 through 4 in columns a, b, c, and d. Enter total on the applicable Schedule M-3. See instructions.	43,437.			43,437.

SCHEDULE M-3		OTHER INCOME (LOSS) ITEMS WITH DIFFERENCES			STATEMENT 8
DESCRIPTION	INCOME (LOSS) PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	INCOME (LOSS) PER TAX RETURN	
RENTAL INCOME FROM MERRILL ROAD ASSOCIATES	886,009.	1,051.	0.	887,060.	
TOTAL TO M-3, PART II, LINE 22	886,009.	1,051.	0.	887,060.	

SCHEDULE M-3		OTHER INCOME (LOSS) AND EXPENSE / DEDUCTION ITEMS WITH NO DIFFERENCES		STATEMENT 9
DESCRIPTION		PER INCOME STATEMENT	PER TAX RETURN	
OTHER EXPENSE / DEDUCTION - SEE STATEMENT		-220,124.	-220,124.	
TOTAL TO SCHEDULE M-3, PART II, LINE 25		-220,124.	-220,124.	

SCHEDULE M-3		OTHER EXPENSE/DEDUCTION ITEMS WITH NO DIFFERENCES		STATEMENT 10
DESCRIPTION		EXPENSE/ DEDUCTION PER INCOME STATEMENT	EXPENSE/ DEDUCTION PER TAX RETURN	
RENTAL EXPENSES FROM MERRILL ROAD ASSOCIATES		220,124.	220,124.	
TOTAL TO SCHEDULE M-3, PART II, LINE 25		220,124.	220,124.	

FORM 8916-A		OTHER INTEREST INCOME			STATEMENT 11
DESCRIPTION	PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN	
INTEREST INCOME	42,791.	0.	0.	42,791.	
TOTAL TO PART II, LINE 5	42,791.	0.	0.	42,791.	

DESCRIPTION	PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	PER TAX RETURN
INTEREST EXPENSE FROM RENTS AND ROYALTIES	43,437.	0.	0.	43,437.
TOTAL TO PART III, LINE 4	43,437.	0.	0.	43,437.

Depreciation and Amortization

Name as shown on return

FEIN

77-0411399

MERRILL ROAD ASSOCIATES C/O HSG
AUTHORITY OF THE CO OF SANTA CRUZ

California Secretary of State (SOS) file no.

199526300009

Table with 9 columns: (a) Description of property, (b) Date placed in service, (c) Cost or other basis, (d) Method of figuring depreciation, (e) Life or rate, (f) Depreciation for this year, (g) Code section, (h) Period or percentage, (i) Amortization for this year.

1 Enter line 1, column (f) and column (i) totals 1

Depreciation

Be sure to make adjustments for any basis differences when calculating depreciation.

2 California depreciation for assets placed in service beginning before the 2024 taxable year 2 51,351
3 Total California depreciation. Add line 1(f) totals and line 2 3 51,351

Amortization

Be sure to make adjustments for any basis differences when calculating amortization.

4 California amortization for intangibles placed in service beginning before the 2024 taxable year 4
5 Total California amortization. Add line 1(i) totals and line 4 5
6 Total depreciation and amortization. Add line 3 and line 5. Enter the total here and on Form 565, Side 2, line 17a, if from a trade or business, or on federal Form 8825, line 14, if from rental real estate activities 6 51,351
7 IRC Section 179 expense deduction from line 12 of the worksheet in the instructions 7
8 Carryover of disallowed deduction to 2025 from line 13 of the worksheet in the instructions 8

Rental Real Estate Income and Expenses of a Partnership or an S Corporation

▶ Attach to Form 1065 or Form 1120S.
 ▶ Go to www.irs.gov/Form8825 for the latest information.

CALIFORNIA
VERSION

OMB No. 1545-0123

Name **MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ** Employer identification number **77 0411399**

1 Show the type and address of each property. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions. See page 2 to list additional properties.				
	Physical address of each property - street, city, state, ZIP code	Type - Enter code 1-8; see page 2 for list	Fair Rental Days	Personal Use Days
A	3201 MERRILL ROAD APTOS, CA 95003	2	365	
B				
C				
D				

	Properties			
	A	B	C	D
Rental Real Estate Income				
2 Gross rents	887,060			
Rental Real Estate Expenses				
3 Advertising				
4 Auto and travel	496			
5 Cleaning and maintenance	31,051			
6 Commissions				
7 Insurance	16,466			
8 Legal and other professional fees	12,474			
9 Interest	43,437			
10 Repairs	40,972			
11 Taxes	1,089			
12 Utilities	32,007			
13 Wages and salaries	58,828			
14 Depreciation (see instructions)	51,351			
15 Other (list) ▶ STMT 13	26,741			
16 Total expenses for each property. Add lines 3 through 15	314,912			
17 Income or (Loss) from each property. Subtract line 16 from line 2	572,148			

18a Total gross rents. Add gross rents from line 2, columns A through H	18a	887,060
b Total expenses. Add total expenses from line 16, columns A through H	18b	(314,912)
19 Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities	19	
20a Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1)	20a	
b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed:		
(1) Name	(2) Employer identification number	
_____	_____	
_____	_____	
21 Net rental real estate income (loss). Combine lines 18a through 20a. Enter the result here and on:	21	572,148

• Form 1065 or 1120S: Schedule K, line 2

For Paperwork Reduction Act Notice, see instructions.

1	Show the type and address of each property. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions.			
	Physical address of each property - street, city, state, ZIP code	Type - Enter code 1-8; see below for list	Fair Rental Days	Personal Use Days
E			
F			
G			
H			

		Properties			
		E	F	G	H
Rental Real Estate Income					
2 Gross rents	2				
Rental Real Estate Expenses					
3 Advertising	3				
4 Auto and travel	4				
5 Cleaning and maintenance	5				
6 Commissions	6				
7 Insurance	7				
8 Legal and other professional fees	8				
9 Interest	9				
10 Repairs	10				
11 Taxes	11				
12 Utilities	12				
13 Wages and salaries	13				
14 Depreciation (see instructions)	14				
15 Other (list) ▶	15				
.....					
.....					
16 Total expenses for each property. Add lines 3 through 15	16				
17 Income or (Loss) from each property. Subtract line 16 from line 2	17				

- Allowable Codes for Type of Property**
- 1 - Single Family Residence
 - 2 - Multi-Family Residence
 - 3 - Vacation or Short-Term Rental
 - 4 - Commercial
 - 5 - Land
 - 6 - Royalties
 - 7 - Self-Rental
 - 8 - Other (include description with the code on Form 8825 or on a separate statement)

CA OTHER RENTAL EXPENSES STATEMENT 13

MULTI-FAMILY RESIDENCE
 PROPERTY: MERRILL ROAD ASSOCIATES
 LOCATION: 3201 MERRILL ROAD
 APTOS, CA 95003

DESCRIPTION	AMOUNT
MANAGEMENT FEE	14,580.
PARTNERSHIP MANAGEMENT FEE	12,000.
OTHER ADMIN	161.
TOTAL TO RENTAL SCHEDULE, LINE 15	26,741.

CA OTHER RENTAL INCOME STATEMENT 14

MULTI-FAMILY RESIDENCE
 PROPERTY: MERRILL ROAD ASSOCIATES
 LOCATION: 3201 MERRILL ROAD
 APTOS, CA 95003

DESCRIPTION	AMOUNT
OTHER	650.
GROSS RENTS	886,410.
TOTAL TO RENTAL SCHEDULE, LINE 2	887,060.

TAXABLE YEAR

2024

Partner's Share of Income, Deductions, Credits, etc.

439741 11-21-24

CALIFORNIA SCHEDULE

K-1 (565)

TYB 07-01-2024 TYE 06-30-2025 77-0411307

MERRILL ROAD HOUSING CORPORATION

2160 41ST AVENUE CAPITOLA CA 95010

77-0411399 199526300009 MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

2160 41ST AVENUE CAPITOLA CA 95010

A Is this partner a: (1) [X] General partner; or (2) [] Limited partner?

B What type of entity is this partner? See instructions.

(1) [] Individual (4) [] C Corporation (7) [] LLP (10) [X] Exempt Organization

(2) [] S Corporation (5) [] General Partnership (8) [] LLC (11a) [] Disregarded Entity (DE)

(3) [] Estate/Trust (6) [] Limited Partnership (9) [] IRA/Keogh/SEP (11b) DE owner's name

(11c) DE owner's TIN

C Is this partner a foreign partner? [] Yes [X] No

D Enter partner's percentage (without regard to special allocations) of:

Table with columns (i) Beginning and (ii) Ending, rows Profit, Loss, Capital. Values are 1.0000% for all.

Check if decreases is due to: [] Sale or [] Exchange of partnership interest

E Partner's share of liabilities:

Table with columns (i) Beginning and (ii) Ending, rows Nonrecourse, Qualified nonrecourse financing, Recourse. Values are \$3,000, \$30,307, \$59,204 and \$3,000, \$26,753, \$427,480.

Check the box if Item E includes liability amounts from lower-tier partnerships []

Check if any of the above liability is subject to guarantees or other payment obligations by the partner []

F Reportable transaction or tax shelter registration number(s) 96276000278

Partner's name **MERRILL ROAD HOUSING CORPORATION** Partner's identifying number **77-0411307**

- G (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2) (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1)
- H Check here if this is: (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)
- I Is this partner a resident of California? Yes No
- J Did this partner contribute property with a built-in gain or loss? If "Yes" attach statement. See instructions Yes No
- K Partner's share of net unrecognized IRC Section 704(c) gain or (loss) (i) Beginning (ii) Ending

L Analysis of partner's tax basis capital account:

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Current year net income (loss) STMT	(d) Other increase (decrease) (attach explanation)	(e) Withdrawals and distributions	(f) Capital account at end of year, combine column (a) through column (e)
• -6,364 •		• 6,133 •		• () •	• -231 •

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Sched. K-1 (Form 1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities			•	▶
	2 Net income (loss) from rental real estate activities	5,721	-8	• 5,713 •	▶ 5,713
	3 Net income (loss) from other rental activities			•	•
	4a Guaranteed payments for services				
	4b Guaranteed payments for capital				
	4c Total guaranteed payments			•	▶
	5 Interest income	428		• 428 •	▶
	6 Dividends			•	▶
	7 Royalties			•	▶
	8 Net short-term capital gain (loss)			•	▶
	9 Net long-term capital gain (loss)			•	▶
	10 a Total gain under IRC Section 1231 (other than due to casualty or theft)			•	▶
	b Total loss under IRC Section 1231 (other than due to casualty or theft)			•	▶
	11 a Other portfolio income (loss). Attach schedule			•	▶
	b Total other income. Attach schedule			•	▶
c Total other loss. Attach schedule			•	▶	

Partner's name **MERRILL ROAD HOUSING CORPORATION** Partner's identifying number **77-0411307**

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (Form 1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179)			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	13 a Cash contributions			<input checked="" type="radio"/>	
	b Noncash contributions			<input checked="" type="radio"/>	
	c Investment interest expense			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	d 1 Total expenditures to which an IRC Section 59(e) election may apply			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	2 Type of expenditures <input checked="" type="radio"/>				
	e Deductions related to portfolio income			<input checked="" type="radio"/>	<input checked="" type="radio"/>
f Other deductions attach schedule			<input checked="" type="radio"/>	<input checked="" type="radio"/>	
Credits	15 a Total withholding (equals amount on Form 592-B if calendar year partnership) ...			<input type="radio"/>	<input type="radio"/>
	b Low-income housing credit			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Credits other than line 15b related to rental real estate activities			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	d Credits related to other rental activities			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	e Nonconsenting nonresident members' tax allocated to partner			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	f Other credits - Attach required schedules or statements			<input checked="" type="radio"/>	<input checked="" type="radio"/>
Alternative Minimum Tax (AMT) Items	17 a Depreciation adjustment on property placed in service after 1986			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	b Adjusted gain or loss			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Depletion (other than oil & gas)			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	d Gross income from oil, gas, and geothermal properties			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	e Deductions allocable to oil, gas, and geothermal properties			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	f Other alternative minimum tax items			<input checked="" type="radio"/>	<input checked="" type="radio"/>
Tax-Exempt Income and Nondeductible Expenses	18 a Tax-exempt interest income			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	b Other tax-exempt income			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Nondeductible expenses		8	<input checked="" type="radio"/>	8 <input checked="" type="radio"/>
Distributions	19 a Distributions of money (cash and marketable securities)			<input checked="" type="radio"/>	
	b Distributions of property other than money			<input checked="" type="radio"/>	
Other Information	20 a Investment income	428		<input checked="" type="radio"/>	428 <input checked="" type="radio"/>
	b Investment expenses			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Other information. See instructions			<input checked="" type="radio"/>	
21	<input type="checkbox"/> More than one activity for at-risk purposes. See instructions.				
22	<input type="checkbox"/> More than one activity for passive activity purposes. See instructions.				

Partner's name
MERRILL ROAD HOUSING CORPORATION

Partner's identifying number
77-0411307

Other Partner Information

Table 1 - Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partner):

Interest ... \$ Sec. 1231 Gains/Losses \$ Capital Gains/Losses \$
 Dividends \$ Royalties \$ Other \$

FOR USE BY PARTNERS ONLY - See instructions.

Table 2 - Partner's share of distributive items.

- A. Partner's share of the partnership's business income. See instructions. \$
 B. Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses ... \$ Rents/Royalties \$
 Sec. 1231 Gains/Losses \$ Other \$

- C. Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$ <input type="text"/>	\$ <input type="text"/>
Property: Ending	\$ <input type="text"/>	\$ <input type="text"/>
Property: Annual rent expense	\$ <input type="text"/>	\$ <input type="text"/>
Payroll	\$ <input type="text"/>	\$ <input type="text"/>
Sales	\$ <input type="text"/>	\$ <input type="text"/>

Table 3 - Partner's share of cost of goods sold, deductions, and rental income.

Enter only amounts used to determine income (loss) derived from and attributable to California sources. All amounts entered on this table are first multiplied by the appropriate percentage in Item D (ii) end of year partner's profit and loss percentage on Side 1. See the partnership Schedule K-1 instructions for information on how to obtain the amounts below.

1. Schedule K, line 1, column (d), Ordinary income (loss) from trade or business activities:
- a. Enter as a positive amount the cost of goods sold used to determine the amount on Schedule K, line 1, column (d), plus the total amounts on line 1a of Table 3 from all Schedule K-1s (565) this partnership received \$
 - b. Enter as a positive amount the total deductions used to determine the amount on Schedule K, line 1, column (d), plus the total amounts on line 1b of Table 3 from all Schedule K-1s (565) this partnership received \$
2. Enter the total gross rents from line 18a of federal Form 8825 as adjusted for California law differences, plus the total amounts on line 2 of Table 3 from all Schedule K-1s (565) this partnership received \$
3. Enter the gross income (loss) from other rental activities from Schedule K, line 3a, column (d), plus the total amounts on line 3 of Table 3 from all Schedule K-1s (565) this partnership received \$

CA SCHEDULE K-1

COLUMN C RECONCILIATION

<u>DESCRIPTION</u>	<u>AMOUNT</u>
RENTAL REAL ESTATE INCOME (LOSS)	5,713.
INTEREST INCOME	428.
NONDEDUCTIBLE EXPENSES	<8.>
TOTAL TO SCHEDULE K-1 ANALYSIS OF CAPITAL ACCOUNT, COLUMN C	<u>6,133.</u>

TAXABLE YEAR

2024

Partner's Share of Income, Deductions, Credits, etc.

439741 11-21-24

CALIFORNIA SCHEDULE

K-1 (565)

TYB 07-01-2024 TYE 06-30-2025
94-1699385

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

2160 41ST AVENUE
CAPITOLA CA 95010

77-0411399 199526300009
MERRILL ROAD ASSOCIATES C/O HSG AUTHORITY OF THE CO OF SANTA CRUZ

2160 41ST AVENUE
CAPITOLA CA 95010

A Is this partner a: (1) General partner; or (2) Limited partner? [X]

B What type of entity is this partner? See instructions.

(1) Individual (4) C Corporation (7) LLP (10) Exempt Organization [X]

(2) S Corporation (5) General Partnership (8) LLC (11a) Disregarded Entity (DE)

(3) Estate/Trust (6) Limited Partnership (9) IRA/Keogh/SEP (11b) DE owner's name

(11c) DE owner's TIN

C Is this partner a foreign partner? [X] No

D Enter partner's percentage (without regard to special allocations) of:

Table with columns (i) Beginning and (ii) Ending, rows Profit, Loss, Capital. Values are 99.0000%.

Check if decreases is due to: [] Sale or [] Exchange of partnership interest

E Partner's share of liabilities:

Table with columns (i) Beginning and (ii) Ending, rows Nonrecourse, Qualified nonrecourse financing, Recourse. Values are \$297,000, \$3,000,380, and \$.

Check the box if Item E includes liability amounts from lower-tier partnerships []

Check if any of the above liability is subject to guarantees or other payment obligations by the partner []

F Reportable transaction or tax shelter registration number(s) 96276000278

Partner's name **HOUSING AUTHORITY OF THE COUNTY OF SA** Partner's identifying number **94-1699385**

- G (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2) (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1)
- H Check here if this is: (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)
- I Is this partner a resident of California? Yes No
- J Did this partner contribute property with a built-in gain or loss? If "Yes" attach statement. See instructions Yes No
- K Partner's share of net unrecognized IRC Section 704(c) gain or (loss) (i) Beginning _____ (ii) Ending _____

L Analysis of partner's tax basis capital account:

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Current year net income (loss) STMT	(d) Other increase (decrease) (attach explanation)	(e) Withdrawals and distributions	(f) Capital account at end of year, combine column (a) through column (e)
• -629,994 •		• 607,206		• () •	• -22,788

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Sched. K-1 (Form 1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities			•	▶
	2 Net income (loss) from rental real estate activities	566,427	-792	• 565,635	▶ 565,635
	3 Net income (loss) from other rental activities			●	●
	4a Guaranteed payments for services				
	4b Guaranteed payments for capital				
	4c Total guaranteed payments			•	▶
	5 Interest income	42,363		• 42,363	▶
	6 Dividends			•	▶
	7 Royalties			•	▶
	8 Net short-term capital gain (loss)			•	▶
	9 Net long-term capital gain (loss)			•	▶
	10 a Total gain under IRC Section 1231 (other than due to casualty or theft)			•	▶
	b Total loss under IRC Section 1231 (other than due to casualty or theft)			•	▶
	11 a Other portfolio income (loss). Attach schedule			•	▶
	b Total other income. Attach schedule			•	▶
c Total other loss. Attach schedule			•	▶	

Partner's name **HOUSING AUTHORITY OF THE COUNTY OF SA** Partner's identifying number **94-1699385**

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (Form 1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179)			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	13 a Cash contributions			<input checked="" type="radio"/>	
	b Noncash contributions			<input checked="" type="radio"/>	
	c Investment interest expense			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	d 1 Total expenditures to which an IRC Section 59(e) election may apply			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	2 Type of expenditures <input checked="" type="radio"/>				
	e Deductions related to portfolio income			<input checked="" type="radio"/>	<input checked="" type="radio"/>
f Other deductions attach schedule			<input checked="" type="radio"/>	<input checked="" type="radio"/>	
Credits	15 a Total withholding (equals amount on Form 592-B if calendar year partnership) ...			<input type="radio"/>	<input type="radio"/>
	b Low-income housing credit			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Credits other than line 15b related to rental real estate activities			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	d Credits related to other rental activities			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	e Nonconsenting nonresident members' tax allocated to partner			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	f Other credits - Attach required schedules or statements			<input checked="" type="radio"/>	<input checked="" type="radio"/>
Alternative Minimum Tax (AMT) Items	17 a Depreciation adjustment on property placed in service after 1986			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	b Adjusted gain or loss			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Depletion (other than oil & gas)			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	d Gross income from oil, gas, and geothermal properties			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	e Deductions allocable to oil, gas, and geothermal properties			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	f Other alternative minimum tax items			<input checked="" type="radio"/>	<input checked="" type="radio"/>
Tax-Exempt Income and Nondeductible Expenses	18 a Tax-exempt interest income			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	b Other tax-exempt income			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Nondeductible expenses		792	<input checked="" type="radio"/> 792	<input checked="" type="radio"/> 792
Distributions	19 a Distributions of money (cash and marketable securities)			<input checked="" type="radio"/>	
	b Distributions of property other than money			<input checked="" type="radio"/>	
Other Information	20 a Investment income	42,363		<input checked="" type="radio"/> 42,363	<input checked="" type="radio"/>
	b Investment expenses			<input checked="" type="radio"/>	<input checked="" type="radio"/>
	c Other information. See instructions			<input checked="" type="radio"/>	
21	<input type="checkbox"/> More than one activity for at-risk purposes. See instructions.				
22	<input type="checkbox"/> More than one activity for passive activity purposes. See instructions.				

Partner's name **HOUSING AUTHORITY OF THE COUNTY OF SA** Partner's identifying number **94-1699385**

Other Partner Information

Table 1 - Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partner):

Interest ... \$	<input type="text" value="42,363"/>	Sec. 1231 Gains/Losses \$	<input type="text"/>	Capital Gains/Losses \$	<input type="text"/>
Dividends \$	<input type="text"/>	Royalties	<input type="text"/>	Other	<input type="text"/>

FOR USE BY PARTNERS ONLY - See instructions.

Table 2 - Partner's share of distributive items.

- A. Partner's share of the partnership's business income. See instructions. \$
- B. Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses ... \$	<input type="text"/>	Rents/Royalties \$	<input type="text"/>
Sec. 1231 Gains/Losses \$	<input type="text"/>	Other	<input type="text"/>

- C. Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$ <input type="text"/>	\$ <input type="text"/>
Property: Ending	\$ <input type="text"/>	\$ <input type="text"/>
Property: Annual rent expense	\$ <input type="text"/>	\$ <input type="text"/>
Payroll	\$ <input type="text"/>	\$ <input type="text"/>
Sales	\$ <input type="text"/>	\$ <input type="text"/>

Table 3 - Partner's share of cost of goods sold, deductions, and rental income.

Enter only amounts used to determine income (loss) derived from and attributable to California sources. All amounts entered on this table are first multiplied by the appropriate percentage in Item D (ii) end of year partner's profit and loss percentage on Side 1. See the partnership Schedule K-1 instructions for information on how to obtain the amounts below.

1. Schedule K, line 1, column (d), Ordinary income (loss) from trade or business activities:
 - a. Enter as a positive amount the cost of goods sold used to determine the amount on Schedule K, line 1, column (d), plus the total amounts on line 1a of Table 3 from all Schedule K-1s (565) this partnership received \$
 - b. Enter as a positive amount the total deductions used to determine the amount on Schedule K, line 1, column (d), plus the total amounts on line 1b of Table 3 from all Schedule K-1s (565) this partnership received \$
2. Enter the total gross rents from line 18a of federal Form 8825 as adjusted for California law differences, plus the total amounts on line 2 of Table 3 from all Schedule K-1s (565) this partnership received \$
3. Enter the gross income (loss) from other rental activities from Schedule K, line 3a, column (d), plus the total amounts on line 3 of Table 3 from all Schedule K-1s (565) this partnership received \$

CA SCHEDULE K-1

COLUMN C RECONCILIATION

<u>DESCRIPTION</u>	<u>AMOUNT</u>
RENTAL REAL ESTATE INCOME (LOSS)	565,635.
INTEREST INCOME	42,363.
NONDEDUCTIBLE EXPENSES	<792.>
TOTAL TO SCHEDULE K-1 ANALYSIS OF CAPITAL ACCOUNT, COLUMN C	<u>607,206.</u>