

Greystone Housing Impact Investors LP
Q1 2026 Investor Call
May 12, 2026

Presenters

Jesse Coury - Chief Financial Officer

Ken Rogozinski - Chief Executive Officer

Q&A Participants

Jason Weaver – Jones Trading

Chris Muller – Citizens JMP

Operator

Greetings. Welcome to the Q1 2026 Earnings Call for Greystone Housing Impact Investors LP. At this time, all participants are in a listen only mode. A question and answer session will follow the formal presentation. If anyone should require operator assistance during the conference, please press star, zero on your telephone keypad. Please note that this conference is being recorded.

I will now turn the conference over to Jesse Coury, Chief Financial Officer. Thank you. You may begin.

Jesse Coury

I'd like to welcome everyone to the Greystone Housing Impact Investors LP, NYSE ticker symbol GHI, First Quarter of 2026 Earnings Conference Call. During the presentation, all participants will be in a listen only mode. After management presents its overview of Q1 2026, you'll be invited to participate in a question and answer session. As a reminder, this conference call is being recorded. During this conference call, comments made regarding GHI, which are not historical facts, are forward-looking statements and are subject to risks and uncertainties that could cause the actual future events or results to differ materially from these statements.

Such forward-looking statements are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the use of words like may, should, expect, plan, intend, focus and other similar terms. You are cautioned that these forward-looking statements speak only as of today's date. Changes in economic, business, competitive, regulatory and other factors could cause our actual results to differ materially from those expressed or implied by the projections or forward-looking statements made today.

For more detailed information about these factors and other risks that may impact our business, please review the periodic reports and other documents filed from time to time by us with the

Securities and Exchange Commission. Internal projections and beliefs upon which we base our expectations may change, but if they do, you will not necessarily be informed.

Today's discussion will include non-GAAP measures and will be explained during this call. We want to make you aware that GHI is operating under the SEC Regulation FD and encourage you to take full advantage of the question-and-answer session.

Thank you for your participation and interest in Greystone Housing Impact Investors LP. I will now turn the call over to our Chief Executive Officer, Ken Rogozinski.

Ken Rogozinski

Good morning, everyone. Welcome to Greystone Housing Impact Investors LP's First Quarter 2026 Investor Call. Thank you for joining. I will start with an overview of our portfolio and investment strategy. Jesse Coury, our Chief Financial Officer, will then present the Partnership's financial results. I will wrap up with an overview of the market and our investment pipeline. Following that, we look forward to taking your questions.

As we've mentioned on our previous calls, we are pursuing a strategy to reposition our investment portfolio. Specifically, we are focused on exiting our remaining investments in market rate multifamily JV equity investments while maximizing value to our unitholders from those exits. We will then reinvest the capital returned to us from those exits into additional high-quality tax-exempt mortgage revenue bond investments that are expected to provide longer-term stable tax-advantaged earnings, which we believe will provide long-term value for our unitholders.

We believe this change in investment strategy provides three key benefits to our unitholders. First, by their nature, our tax-exempt mortgage revenue bond investments earn stable returns based on the net interest spread between the bond interest rate and our related debt financing rate. As a result, we expect increasingly stable earnings as compared to the uneven returns on joint venture equity investments due to that income being recognized primarily upon property sales.

Second, in recent years, the majority of income allocated to our unitholders has been taxable because of the taxable income from our joint venture equity investment sales. As we allocate more capital to tax exempt mortgage revenue bond investments, we expect that the proportion of income allocated to our unitholders that is tax exempt for federal income tax purposes will increase in the long term. In the near term, potential gains from sales of our remaining market rate multifamily JV equity investments will continue to generate taxable income for unitholders.

Third, we are investing capital in a proven investment class that is core to our operations that also leverages the strong relationships and knowledge base of Greystone's other lending platforms. We currently have eight market rate multifamily JV equity investments that have completed construction and are either in lease-up or stabilized. Overall occupancy is increasing for these investments in lease-up.

On assets that have reached stabilization, we have seen some variability in occupancy as local market factors impact demand and rent levels. Decisions regarding when to sell an individual property are made by our joint venture partners based on their views of the local market conditions and current leasing trends. We currently have two market rate multifamily JV equity investments that are sites for potential development. Our joint venture partners are evaluating the highest and best use for the development sites, which may include a sale of the land or the commencement of construction. Our remaining funding commitments for these investments will be terminated if the land is sold.

Meanwhile, we continue to see strong investment opportunities for our traditional investments in tax exempt mortgage revenue bonds associated with affordable multifamily properties as well as for seniors housing and skilled nursing properties.

Greystone's strong lending relationships across affordable housing, seniors housing and skilled nursing business lines are also providing investment opportunities for the Partnership. We believe that these opportunities will allow us to redeploy the capital returned from market rate multifamily JV equity investment sales events soon after the capital is received.

We and the Board of Managers acknowledge that it will take some time to cycle our capital out of our market rate JV equity investments and into tax exempt mortgage revenue bond investments. We currently report minimal earnings related to our JV equity investments during the holding period. We expect that the reinvestment of capital from sales of JV equity investments into tax exempt mortgage revenue and bond investments will increase the Partnership's recurring earnings in the long run.

We look forward to providing additional details on our progress in this effort in future communications and on future earnings calls. With that, I will turn things over to Jesse Coury, our CFO, to discuss the financial data for the first quarter of 2026.

Jesse Coury

Thank you, Ken. For our first quarter ended March 31, we reported net income of \$1.3 million or \$0.01 per unit basic and diluted, and we reported Cash Available for Distribution, or "CAD", a non-GAAP measure, of \$3.1 million or \$0.13 per unit. A significant driver of our reported GAAP income for the first quarter is our proportionate share of losses from non-Vantage JV equity investments of approximately \$4.9 million or \$0.21 per unit.

As we've mentioned on previous calls, we are required to report our proportionate share of losses of such JV equity investments under GAAP. These are not impairments or realized losses to the Partnership, and approximately \$1.9 million or 39% of total reported losses relate to depreciation and amortization expenses at the respective JV equity investment entities, with the remaining reported losses related to interest expense and property operating expenses that exceeded revenues during the lease-up of these respective properties.

We add back our share of property operating losses to net income when calculating CAD, as such losses are not direct expenses to the Partnership, and we expect such losses, which are largely funded by the individual property development budgets, to be recovered upon future transactional events.

Our book value per unit as of March 31 was on a diluted basis, \$11.30. I will note that this metric is based on our joint venture equity investments marked at net carrying value. As a result, it does not include any potential gains or additional income that may be realized upon sale of a property or recovery of our share of GAAP operating losses that I previously discussed that are also expected to be recovered upon sale.

As of market close yesterday, May 11, our closing unit price on the New York Stock Exchange was \$5.09, which is a 55% discount to our net book value per unit as of March 31. We regularly monitor our liquidity to fund our investment commitments and to protect against potential debt deleveraging events if there are significant declines in asset values.

As of March 31, we reported unrestricted cash and cash equivalents of \$20.6 million. In addition, in April, we received approximately \$18 million as return of our net capital invested in the GIL and taxable GILs for the Poppy Grove I and Poppy Grove II projects after their sale to Freddie Mac and repayment of the related debt financings.

We had approximately \$40 million of availability on our secured lines of credit. We also have a significant amount of investments scheduled to mature during the remainder of 2026, which after repayment of the related debt financings will provide additional liquidity. We believe that we are well positioned to meet our current funding commitments. In addition, potential sales of JV equity investments would provide additional liquidity for investment purposes.

We regularly monitor our overall exposure to potential increases in interest rates through an interest rate sensitivity analysis, which we report quarterly and is included on Page 90 of our Form 10-Q. The interest rate sensitivity table shows the impact on our net interest income given various changes in market interest rates and other various management assumptions.

Our base case uses the forward SOFR yield curve as of March 31, which includes market anticipated SOFR projections over the next 12 months. Scenarios we present assume that there is an immediate shift in the yield curve and that we do nothing in response for 12 months. The analysis shows that an immediate 100 basis point increase in rates will result in a decrease in our net interest income and CAD of \$736,000 or approximately \$0.032 per unit. Conversely, a 100 basis point decrease in rates across the curve will result in an increase in our net interest income and CAD of \$736,000 or approximately \$0.032 per unit. We consider ourselves largely hedged against significant fluctuations in our net interest income from market interest rate movements in all scenarios, assuming no significant credit issues.

Our debt investments portfolio consists of mortgage revenue bonds, governmental issuer loans and property loans totaling \$1.17 billion as of March 31 or 79% of our total assets. We own 80 mortgage revenue bonds as of March 31 that provide financing for affordable multifamily seniors and skilled nursing properties across 12 states with concentrations in California and Texas.

We own four Governmental Issuer Loans as of March 31 that finance the construction of affordable multifamily properties in California. Two of the GIL -- Governmental Issuer Loan investments and related taxable investments totaling \$90 million were redeemed at par in April with a third Governmental Issuer Loan and taxable Governmental Issuer Loan investment expected to redeem at par later in May.

Our outstanding future funding commitments for our mortgage revenue bonds, Governmental Issuer Loans and related investments totaled \$12.2 million as of March 31 before related debt proceeds and excluding investments we expect to transfer to our construction lending joint venture with BlackRock. These commitments will be funded over approximately 12 months and will add to our income-producing asset base.

Our overall mortgage investment portfolio performed steadily during the first quarter with the exception of four mortgage revenue bonds and related taxable mortgage revenue bond investments in South Carolina, which I will discuss later. All mortgage revenue bond and governmental issuer loan investments are current on principal and interest payments as of March 31. Physical occupancy for the stabilized mortgage revenue bond portfolio was 85.9% as of March 31, which is down slightly from 86.7% as of December 31.

The decline is primarily associated with properties in Texas, where local markets are experiencing higher vacancies due to recent increases in multifamily unit supply. We expect occupancies will recover once available units are absorbed and new supply deliveries decline in the near term.

As I mentioned on our last call, we completed the deed in lieu of foreclosure process on four South Carolina mortgage revenue bond properties during the first quarter. We believe that by owning and managing the properties directly, we can maximize the value of our investments. The original mortgage revenue bonds were redeemed, the related debt financings were repaid and the Partnership now owns the underlying multifamily properties directly with first mortgage financing provided by a group of two banks.

We recorded the assets and liabilities of the acquired properties based on estimated fair values. Based on these estimates, we recorded a recovery of prior provisions for credit losses of approximately \$2.1 million related to the Park at Sondrio, the Park at Vietti and the Windsor Shores investments.

In addition, we reported a gain on deed in lieu of foreclosures totaling approximately \$2.2 million due to the estimated fair values in excess of our amortized cost basis of our prior mortgage

revenue bond investments in Windsor Shores and Century Plaza apartments, also known as the Ivy Apartments.

We have retained a third-party property manager to operate the properties on a day-to-day basis under our oversight. We are being assisted in that effort by Greystone's corporate asset management team.

On the liability side of our balance sheet, we use various debt financing facilities to leverage our debt investments. Our outstanding debt financings had an outstanding principal balance totaling approximately \$927 million as of March 31, which is down approximately \$92 million from December 31.

We manage and report our debt financing in four main categories on Page 82 of our Form 10-Q. Three of the four categories are designed such that our net return is generally insulated from changes in short-term interest rates. These categories account for \$700 million or 76% of our total debt financing.

The fourth category is fixed rate assets with variable rate debt with no designated hedging, which is where we are most exposed to interest rate risk in the near term. This category represents approximately \$227 million or 24% of our total debt financing. Of this amount, approximately \$188 million is associated with debt investments that are scheduled to mature during 2026, which will repay the associated outstanding debt financings. As such, we expect the unhedged period to be relatively short.

Ken previously provided updates on our 10 market rate multifamily joint venture equity investments. In addition, we have two market rate seniors housing JV equity investments in Nevada. Our remaining funding commitments for market rate multifamily joint venture equity investments totaled \$19.5 million as of March 31, all related to sites being considered for future development. We will not fund these commitments until a construction contract is signed and construction commences. Managing member may also choose to sell the sites and terminate our related funding commitments. We have an outstanding funding commitment of approximately \$7 million for our Valage Mt. Rose senior housing JV investment.

I'll now turn the call back to Ken for his update on market conditions and our investment pipeline.

Ken Rogozinski

Thanks, Jesse. The first four months of 2026 have seen a positive performance from the U.S. municipal bond market. The muni high-grade and high-yield indices both recovered well in April from March's underperformance. As of April 30, the Muni High-grade Index showed a 1.0% return for 2026, along with a 2.1% return for the high-yield index. At the end of March, 10-year MMD was at 3.16% and 30-year MMD was at 4.50%, which were 40 and 30 basis points higher, respectively, versus December's levels.

As of yesterday's close, 10-year MMD was at 2.96% and 30-year MMD was at 4.31%, reflecting slightly higher levels from year-end due to inflation uncertainty stemming from the current conflict in the Middle East. The 10-year muni-to-treasury ratio is currently at 67% and the 30-year muni-to-treasury ratio is currently at 87%, a significant improvement in the 10-year ratio since the time of our last call.

The MMD housing bond interest rate scale, which is used to mark our core mortgage revenue bond portfolio to market is correlated to these broader muni bond indices.

Through four months of 2026, there have been \$175 billion of gross new issuance, slightly behind last year's record pace, and almost \$28 billion in fund inflows, well ahead of last year's pace. The market's ability to handle this higher than historical average level of new issue activity is a good sign for the overall secondary market liquidity in muni bonds, like the mortgage revenue bonds owned by the Partnership. The HUD appropriations bill fully funding the department's programs, in many cases, at expenditure levels higher than the previous year, for the remainder of the federal fiscal year was passed by Congress and signed by President Trump. The federal low-income housing tax credit program is beginning to adjust to the new rules set forth in the One Big Beautiful Bill Act.

With that, Jesse and I are happy to take your questions.

Operator

Thank you. We will now be conducting a question and answer session. If you would like to ask a question, please press star, one on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star, two if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. One moment please while we poll for your questions.

Our first questions come from the line of Jason Weaver with Jones Trading. Please proceed with your questions.

Jason Weaver

Hey, good morning, guys. Thanks for taking my question. First, I wanted to ask about the nine or ten properties that have completed construction as of now. How many of those are at or nearing stabilized occupancy, and what do you think an ideal sort of monetization timeline would be? Would that stretch into mid-2027, or is that mostly in 2026?

Ken Rogozinski

Thanks, Jason. In terms of properties that have reached stabilization at this point in time, there are four assets that we believe are either at or close to stabilized operations at this point in time. The other four are still in their initial lease-up phase.

In terms of a potential timeline from our perspective, spring and early summer has traditionally been peak leasing season for market-rate multifamily properties. We're seeing good velocity at a number of the assets that are in lease-up, and we're watching the property managers deal with normal lease turnover at the stabilized properties - so something that we're going to continue to keep our eye on.

Again, it's not something that we directly control. The timing of exit is up to the discretion of our JV partners as the managing members of the property-owning entities, but my expectation would be, as we move further through leasing season, that we're going to be taking a hard look at each of the stabilized assets with our JV partners to try to see what the appropriate timeline is for potential monetization of those investments.

Jason Weaver

All right, thanks for that. And then on the South Carolina properties you took back, what can you tell me regarding the financing there, nonrecourse structure and/or covenant exposure?

Jesse Coury

Yeah, I can take that one. So it is an \$84 million mortgage loan secured by all four properties under one loan with two financial institutions. It is a recourse obligation of GHI or the Partnership in full recourse with a partial 10% guarantee provided by Greystone affiliate to help us get better terms on that financing.

In terms of covenant levels, there is a debt service coverage test that is in early 2027 and a second that's in mid-2027. And those are kind of traditional debt service coverage where, if they're not met, then potential principal paydown would be needed to bring those in line with the debt service covenant test, but those are at very low covenant levels. I think the first test is at a 1x debt service coverage based on a T3. So we have roughly a year to work through these properties, get them back to a more stable financial footing before any covenant exposure comes into play.

Ken Rogozinski

And Jason, I would note that the former tender option bond trust financing that funded the MRBs associated with these four properties was full recourse to us, as well. So from that exposure perspective, the replacement bank financing has not sort of increased our potential exposure associated with these assets.

Jason Weaver

Got it. Thanks for the color, guys.

Operator

Thank you. Our next question comes from the line of Chris Muller with Citizens JMP. Please proceed with your questions.

Chris Muller

Hey, guys, thanks for taking my questions. So nice to see the \$2.2 million gain on the deed in lieu of foreclosure. I guess, do you guys expect much in terms of CapEx on these properties? And are they currently profitable, or will they be a drag on earnings in the near term?

Ken Rogozinski

We're still in the process right now, Chris, of working through the transition on the property management level. As Jesse said, we took title to two of the assets in January and two of the assets at the end of February. The property management transition occurred at the same time. And so we're continuing to work through what the potential CapEx budget might be for these assets.

So we'll be working with the property managers and with the Greystone Asset Management team to take a look at those budgets, identify what the needs are there at the individual asset levels and try to best position them for growth moving forward in order for us to get that return on our investment. I think the one thing that I will note is that our initial mortgage revenue bond investment on these four properties were all acquisition rehab transactions where there was a level of rehab that was built into the initial budgets in 2022, 2023 for each of these assets. So it's not like we're sort of taking over assets that haven't been touched for a while. There was, I think in each circumstance, at least \$2 million to \$3 million worth of rehab that was done at the time that our initial mortgage revenue bond investments were funded.

Chris Muller

Got it. That's great to hear. And I guess, last quarter, you guys said that about half of the JV losses were depreciation expense. And I think I heard Jesse say \$1.9 million was depreciation this quarter. Is that a good run rate for us to model until properties start getting sold?

Jesse Coury

So from a depreciation perspective, I think that's a good number as the six non-Vantage investments have kind of reached that operating -- and so -- that operating phase. And so I think that will be a fairly consistent depreciation and amortization number going forward. But I think the overall proportionate share of our losses of those investments is going to come down over time, because as Ken mentioned, these are properties that are in lease-up. So some of them are still in that 20% to 40% leased. And so as -- they're generating quite a bit of losses because there's not revenue to offset the expenses. But as they continue to lease up, particularly through the spring leasing season, we'll see revenues increase and our proportionate share of losses should decrease accordingly.

Chris Muller

Got it. That makes a lot of sense. And I just -- I think I just missed that what you guys said book value was, if I could squeeze the last one in.

Jesse Coury

\$11.30 per unit.

Chris Muller

Got it. Thank you very much, and thanks for taking my questions.

Operator

Thank you. As a reminder, if you would like to ask a question, please press star, one on your telephone keypad.

We have reached the end of our question-and-answer session. I'd now like to hand the call back over to Ken Rogozinski for closing comments.

Ken Rogozinski

Thank you very much for your participation today. We look forward to speaking with everyone again next quarter.

Operator

Thank you, ladies and gentlemen. This does now conclude today's teleconference. We appreciate your participation. You may disconnect your lines at this time. Enjoy the rest of your day.