

PUBLIC NOTICE:



Home Forward
BOARD OF COMMISSIONERS
will meet on
Tuesday, June 17, 2025
At 5:30 pm
Zoom Link Here:

<https://homeforward.zoom.us/j/84922536814?pwd=WjjTJKfu4P1Rs2ArQTxD41PbvQWw8.1>



MEMORANDUM

To: Community Partners

Date: June 10, 2025

From: Ivory N. Mathews, Chief Executive
Officer

Subject: Home Forward Board of
Commissioners June
Meeting

The Board of Commissioners of Home Forward will meet on Tuesday, June 17 at 5:30 PM virtually using the Zoom platform. The meeting will be accessible to the public via phone and electronic device.

If you would like to provide public testimony or view the meeting, please use this link:

<https://homeforward.zoom.us/j/84922536814?pwd=WjiTJKfu4P1Rs2ArQTxD41PbvQWw8.1>

The commission meeting is open to the public.

AGENDA



BOARD OF COMMISSIONERS MEETING

HOME FORWARD
135 SW ASH STREET
PORTLAND, OREGON
VIA ZOOM

<https://homeforward.zoom.us/j/84922536814?pwd=WjJlTjKfu4P1Rs2ArQTxD41PbvQWw8.>

1

JUNE 17, 2025, 5:30 PM

AGENDA

INTRODUCTION AND WELCOME

PUBLIC COMMENT

General comments not pertaining to specific resolutions. Any public comment regarding a specific resolution will be heard when the resolution is considered.

MEETING MINUTES

Topic
Minutes of May 20, 2025 Board of Commissioners Virtual Meeting

MISSION MOMENT

Topic	Presenter
Steve Rudman Scholarship Fund Recipients	Shaun Cox

REPORTS AND RESOLUTIONS

Following Reports and Resolutions:			
25-06	Topic	Presenter/POC	Phone #
01	Authorize Naming Recommendation for PCC-Killingsworth	Jonathan Trutt	503.802.8507

02	Authorize Naming Recommendation for Dekum Court	Jonathan Trutt	503.802.8507
03	Authorize Acceptance of Fiscal Year 2024 Audit Report	Kandy Sage Linda Uppinghouse	503.802.8585 503.802.8317
04	Authorize Changes to Chapters 4, 5, 8, 9, 11, and 20 of the Administrative Plan	Terren Wing	503.802.8458

THE NEXT MEETING OF THE BOARD OF COMMISSIONERS

Home Forward is currently operating in a state of emergency. We will continue to conduct board-related business as it is currently scheduled but will update the public on the venue or forum by which it occurs as we assess the situation.

The Board Work Sessions are quarterly with the next meeting on Thursday, September 14, 2025 at Noon. There will be no Board meeting in July with the next Board of Commissioners meeting on Tuesday, August 19, 2025 at 5:30 PM.

EXECUTIVE SESSION

The Board of Commissioners of Home Forward may meet in Executive Session pursuant to ORS 192.660(2). Only representatives of the news media and designated staff are allowed to attend. News media and all other attendees are specifically directed not to disclose information that is the subject of the session. No final decision will be made in the session.

ADJOURN

MINUTES



BOARD OF COMMISSIONERS MONTHLY MEETING
HOME FORWARD
HELD VIRTUALLY
135 SW Ash Street Portland, OR 97204
May 20, 2025

COMMISSIONERS PRESENT

Chair Matthew Gebhardt, Treasurer Jessy Ledesma, Chair Emeritus Damien Hall
Commissioner Breann Preston

STAFF PRESENT

Juhi Aggarwal, Elise Anderson, April Berg, Ian Davie, Christina Dirks, Juli Garvey, Carolina Gomez, Biljana Jesic, Meg Kausch, Ivory Mathews, Jimmy Rattanasouk, Brian Rutzen, Amanda Saul, Ian Slingerland, Aimee Smith, Celia Strauss, Jonathan Trutt, Linda Uppinghouse, Terren Wing

LEGAL COUNSEL

Sarah Stauffer Curtiss

Chair Matthew Gebhardt convened the meeting of the Board of Commissioners at 5:30 PM.

Aimeera Marie spoke on behalf of her mother Kathleen Flint addressing an ADA accommodation issue at Hollywood East. Ms. Flint was a Home Forward resident for 20 years. Following a hospital stay, Marie said Home Forward did not respond to her request to move her mother to an ADA-accessible unit. As a long-term tenant, she also asked that the unit be refreshed given no upgrades had been made.

Following Ms. Flint's hospital and rehab stay, Marie reported that upon her mother's return to her Home Forward unit, upgrades had not been made. During this period and after a two-month delay, the ADA accommodation request was processed. There was an attempt to deliver a new refrigerator which didn't fit and remained in the entry causing Ms. Flint to fall and sustain a broken shoulder. Marie is seeking resolution to the delay in processing

the ADA request, accountability by Home Forward regarding the incident and safeguard action to prevent similar occurrences.

Chair Matthew Gebhardt thanked Marie for attending and sharing her story, acknowledging the experience, difficult circumstances and frustrations. He let her know that staff is in the space listening and will be responding.

Cathy Millis, resident at Dahlke Manor, has been dealing with some health concerns but happy to be at the meeting. She voiced wonder regarding the manger's on-site schedule and addressing lack of supplies for the janitor. Millis raised the issue of unauthorized pets, lack of attention to size restrictions and absence of accountability by pet owner/guests. Millis continues to advocate for a resident council at Dahlke and feels it would be good for the residents as well as the property.

Chair Matthew Gebhardt appreciated the updates and acknowledged the stress of not knowing what is going on behind the scenes. Director Elise Anderson indicated she would be following up with Millis to clarify the pet policy. He thanked Millis for attending and hopes to see her next month.

Brendan Jamieson, resident at Lovejoy Station since 2004, provided comments regarding Home Forward's building emergency management plan. As a member of the Pearl district neighborhood association and an emergency preparedness volunteer he requested more information on the building's preparedness. He requested a document outlining action during an emergency that can be shared with the residents and availability of emergency supplies that are regularly inventoried.

Jamieson also addressed heightened security concerns at the property and surrounding neighborhood. Lack of nighttime and weekend security with no on-call staff number to call needs to be addressed. Due to nonexistent security, residents are left to deal with trespassers. A recent theft in the garage was not captured because the security cameras were not functioning.

Chair Matthew Gebhardt appreciated the advocacy around emergency preparedness. Staff will follow up with Jamieson on our coordination efforts around this topic. Security is a constant set of pressures we are prioritizing and appreciate hearing what you are dealing with.

MEETING MINUTES

Minutes of the April 15, 2025 Board of Commissioners Virtual Meeting

Chair Matthew Gebhardt requested a motion authorizing approval of the minutes for the April 15, 2025 Board of Commissioners Virtual Meeting.

There being no discussion, Commissioner Breann Preston moved to approve the meeting minutes. Treasurer Jessy Ledesma seconded the motion.

The vote was as follows:

Chair Matthew Gebhardt—Aye

Treasurer Jessy Ledesma—Aye

Damien Hall—Aye

Commissioner Breann Preston—Aye

RESOLUTIONS

Resolution 25-05-01 Authorize Changes to Chapters 6 and 12 of the Administrative Plan and Admissions and Continuing Occupancy Policy (ACOP)

Terren Wing, Director Strategy and Federal Policy presented the resolution describing the function of the Administrative Plan and ACOP. The changes document how we will implement a recently approved MTW flexibility by HUD in our FY2025 Plan, allowing us to exclude the value of a resident service stipend in excess of \$200 per month from the rent calculation. Chapter 6 of the Administrative Plan clarifies that the resident service stipend amount is \$300 per month and in the relative section of the ACOP. Updates to Chapter 12 reflect outdated language.

Commissioner Breann Preston appreciated the way the changes were presented.

There being no further discussion, Chair Matthew Gebhardt requested a motion to approve Resolution 25-05-01. Commissioner Breann Preston moved to adopt Resolution 25-05-01. Treasurer Jessy Ledesma seconded the motion.

The vote was as follows:

Chair Matthew Gebhardt—Aye

Treasurer Jessy Ledesma—Aye

Damien Hall—Aye

Commissioner Breann Preston—Aye

REPORT: Resident and Participant Power Sharing, Listening, Outcomes

Biljana Jesic, Director of Community Services presented the report beginning with an overview of the agenda. Community Services is a team of many teams sharing a picture of staff and providing historical context. Jesic described the service enriched partnerships they have with Property Management, Asset Management, Rent Assistance and Development. Through these partnerships services are provided in Home Forward properties, third party managed properties and partnerships with nonprofits. Within Community Services is Supportive Housing, the GOAL program, Resident Services and Special Programming. Jesic touched on financing sources.

The Resident Services team offers services to our high rises and family sites focusing on housing stability, health, wellness, and wealth, resident leadership and community engagement, and youth development. Jesic shared photos from community events and provided a snapshot of the activities they provide. She touched on food insecurity being a challenge especially in the high-rise community, saying our partnership with LiftUp Portland is invaluable for our downtown properties. Jesic highlighted the youth programs K'Ching and the Youth Leadership Academy.

The GOALS program was established in 1994 and is an amazing opportunity to provide long-term planning, coaching, asset building with a managed savings account and community partnerships over a five-year period.

Describing Permanent Supportive Housing Jesic said it is a hot topic today. Home Forward was one of the leaders with our Housing First model. The Congregate Housing Services Program was established in 1981 and continues to be one of our most effective strategies to link health resources to vulnerable households. Adding that without this service some of our residents would need to be in assisted living. Bud Clark Commons, opened in 2011, a unique partnership that brings services to this community of elderly and disabled. Jesic highlighted the many partners we work with saying we take pride in being a good partner and are united within the community.

Next up, Community Services focused initiatives. Jesic talked about Resident Services Re-Imagined and their approach with residents, feedback from staff and community partners and culminating in implementation. She spoke of the shift in 2020 serving our high-rise community enhancing case management and introducing a new data tracking system. This included a focus on resident engagement and using a community builder model, elaborating on the resident volunteer program and communication. Jesic touched on

properties that do not have a community builder and a volunteer program and multimedia ways residents can engage.

There has been a focus on digital inclusion with a partnership formed with Free Geek. First on a national level, we have been reporting rent payments to credit bureaus to help build credit scores. The mentioned data tracking system, Apricot, track services and has been helpful tool. Jesic walked through the report which evaluates trends, a helpful tool for staff. The reports will offer information to help point out discrepancies with provided services and assure we are serving everyone. These reports have already had a huge impact for us.

The resident community builder was established in support of resident-led initiatives and overall resident leadership development. Jesic highlighted the areas of engagement. We are fortunate to have amazing partners in this role and they reflect a resident-led model. We are encouraging them to join the monthly board meetings and to extend invitations to others in their community to participate in future meetings.

Jesic shared a picture of the new resident welcome brochure designed by the residents. The brochure provides information specific to each building and the surrounding community.

Treasurer Jessy Ledesma found the report informative and appreciated the level of detail. Over the past 3-5 years there seems to be a notable shift and asked about the types of services being requested. Jesic said on the rise is a greater need for access to essentials and services. This is in the form of food boxes, transportation, mental and behavioral health recognizing that many are dealing with some form of daily crisis. With a greater need around us, there is competition for competing resources.

Commissioner Breann Preston thanked Jesic and was fascinated with the Apricot data system and is a supporter of resident-based approach. As you consider new reporting data, she suggested whose most vulnerable for rental assistance. Jesic said we are excited about the new system and are already seeing impact trends. Having this data is a huge shift internally and will help support future funding.

Chair Matthew Gebhardt imagines the policy folks are excited for the story the data tells. These are powerful pieces of information that can be shared externally. The good work you are doing has a notable impact and seeing the community builders at our board meetings is one way.

As an example of that, Jesic said a community builder was on a panel at last year's CLPHA meeting in Portland and we continue to create advocacy stories that have impact.

In referencing, "we are the last one" for CHSP, what led to this. Jesic said that HUD's CHSP initiative began in 1981. Due to administrative challenges many agencies stopped applying. The program continues to be funded. It is a heavy lift on the administrative side but has a huge impact. We are one of six housing authorities participating, and we will continue to apply until it is no longer available. Federal strategy and policy director Terren Wing said NAHRO has included advocacy for this program.

In response to Chair Gebhardt's offer to get involved, Jesic said there are several opportunities to involve the board such as the summer youth program, Trash for Peace, summer lunch and reading programs. She will gladly extend invitations with Chair Gebhardt and Commissioner Preston ready to volunteer.

In closing, Chair Gebhardt thanked Jesic for the report and the amazing work she and her team are doing.

There being no further business, Chair Matthew Gebhardt adjourned the meeting at 6:58 PM.

Celia M. Strauss
Recorder, on behalf of
Ivory N. Mathews, Secretary

ADOPTED: JUNE 17, 2025

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

MISSION MOMENT



ELEEM RETA

STEVE RUDMAN
SCHOLARSHIP RECIPIENT

COLLEGE

Southern Utah University

Eleem Reta is a 2025 Parkrose HS graduate. They plan to attend Southern Utah University in the Fall with interests in aviation, health, criminal just and the arts.

Eleem has volunteered for the local blood drive and with the Parkrose Theater Crew. Eleem also enjoys taking care of plants and practicing music.

In their essay, Eleem shared, 'this scholarship would mean more than just financial help, it would mean someone believes in the version of myself that I'm working hard to become.'



Makayla Carney is a student at Louisiana State University entering her sophomore year in the Fall. Makayla is studying Psychology.

Makayla has worked with Blanchet House and Elevate Oregon and currently works for the Early Childhood Education Laboratory Preschool.

In their essay, Makayla shared, 'my goal is to become a clinical psychologist specializing in children and families.'

MAKAYLA CARNEY

STEVE RUDMAN
SCHOLARSHIP RECIPIENT

COLLEGE

Louisiana State University



OMARI LADD

STEVE RUDMAN
SCHOLARSHIP RECIPIENT

COLLEGE

Portland State University



Omari Ladd is a 2025 Roosevelt HS graduate. They plan to attend Portland State University in the Fall and to study Computer Science and Coding.

Omari has worked with Self Enhancement Inc. as summer coach youth coordinator and the Northeast Community Fellowship Church as an assistant coach.

In their essay, Omari shared, 'with the support of this scholarship, I am excited to take the next steps toward making my vision a reality and creating a more inclusive digital world.'



SIDI GEDI

STEVE RUDMAN
SCHOLARSHIP RECIPIENT

COLLEGE

Portland State University



Sidi Gedi is a student at Portland State University entering his sophomore year in the Fall. Sidi is studying Business & Finance.

Sidi has worked with Campus Peer Connect and the Food Pantry at PSU. Currently he is in The Real Estate Emerging Leaders (REEL) Club.

In their essay, Sidi shared, 'ultimately, my goal is to run my own business. I want to use the knowledge and skills I am gaining through my business degree to launch and grow a successful company.'

RESOLUTIONS



MEMORANDUM

To: Board of Commissioners

Date:

June 17, 2025

From: Jonathan Trutt
Director of Development
503.802.8507

Subject:

Naming Recommendation for
PCC-Killingsworth
Resolution 25-06-01

The Board Commissioners is requested to authorize a resolution approving the name Chaku kəmtəks haws, which means “Learning House,” for the new affordable housing development located on at the corner of NE 42nd Avenue and NE Killingsworth Street.

NAMING POLICY BACKGROUND

The Board of Commissioners adopted a naming policy in January 2020. This policy states:

Home Forward shall prioritize naming and renaming properties to honor the contributions of under-represented people, cultures or communities to the neighborhood and to Multnomah County. To achieve this priority, names may:

- Honor people of color, women, members of the LGBTQ+ community, people with disabilities, and other under-represented individuals who have made a significant contribution to building the place and community where the property is/will be located.
- Honor a person who has made a significant contribution to furthering social and racial justice in Multnomah County.
- Have a unique meaning for the community that the property is intending to serve.

In the case of a name with unique meaning for a community a property intends to serve, the Naming Policy requires staff to:

- Have received the recommendation from community members, culturally specific organizations, or community-based organizations connected to the community.

- Gather enough background on the name to tell the story of why it is being recommended, and to appropriately memorialize the culture or community in the building.

The Naming Policy allows process flexibility: it does not require the establishment of a naming committee.

CHAKU KƏMTƏKS HAWS: PROJECT BACKGROUND

Chaku kəmtəks haws is an 84-unit development with a mix of studio, one, two, and three-bedroom units located at 5560 NE 42nd Avenue in the Cully Neighborhood of NE Portland. Portland Community College (PCC) owns the underlying land and entered into a 99-year ground lease with Home Forward to allow for its construction. Fifty-six (56) of the units will serve tenants earning at or below 60% of the Area Median Income (AMI). The remaining twenty-eight (28) units will serve tenants earning at or below 30% AMI via Project-Based Section 8 Vouchers (PBVs).

Key building features include:

- Approximately 4,000 square feet of ground-floor commercial space, which will be operated as an Early Learning Center (ELC) by the Native American Youth and Family Center (NAYA).
- A large adjoining public plaza space that will host large gatherings such as farmer's markets.
- Amenities including on-site laundry, a community room, bike storage, a playground and two courtyard spaces for residents.

NAYA referrals will have priority access to Chaku kəmtəks haws' 28 PBVs and NAYA will provide resident services to all of the building's residents. These connections bolster NAYA's significant affordable housing efforts in Cully. NAYA has opened three affordable housing communities in Cully in recent years: Mamook Tokatee, Nesika Illahee, and Hayu Tilixam.

CHAKU KƏMTƏKS HAWS: PROJECT BACKGROUND NAMING

Based on our Naming Policy, NAYA's partnership with Home Forward on multiple fronts at multiple projects, and NAYA's decades of work in Cully, Home Forward asked NAYA if it would like to select the name for this new community. NAYA agreed.

Naming has great importance in Native cultures because, as State Representative Tawna Sanchez, NAYA's Director of Family Services, notes: "In Native cultures, a name is very important because it reflects an image of who or what you are and the hope of what you

can become.” NAYA chose the name Chaku kəmtəks haws, which means “Learning House.” The inspiration for this name comes, in part, from NAYA’s three early learning classrooms on the building’s ground floor. NAYA considered many variations on the theme of learning and the opportunity for young lives to start the lifelong process of learning and wanted the building’s name to reflect those opportunities.

CONCLUSION

Home Forward staff requests that the Board of Commissioners approve the attached naming resolutions for Chaku kəmtəks haws.

The Real Estate and Development (READ) Committee of Home Forward’s Board of Commissioners reviewed a draft of this resolution at its June 6, 2025 meeting.



RESOLUTION 25-06-01

RESOLUTION 25-06-01 AUTHORIZES NAMING OF PCC-KILLINGSWORTH, AN AFFORDABLE HOUSING DEVELOPMENT AND EARLY LEARNING CENTER, LOCATED AT 5560 NE 42ND AVENUE, IN PORTLAND, OREGON

WHEREAS, Home Forward, a housing authority and a public body corporate and politic of the State of Oregon, seeks to encourage the provision of long-term housing for persons with low income residing in Multnomah County, Oregon; and

WHEREAS, Home Forward is currently developing PCC-Killingsworth, located at 5650 NE 42nd Avenue, in partnership with the Native American Youth and Family Center (NAYA);

WHEREAS, PCC-Killingsworth will provide affordable housing and three early learning classrooms operated by NAYA;

WHEREAS, Home Forward's has a Naming Policy, adopted by the Board of Commissioners in January 2020;

WHEREAS, Home Forward's Naming Policy prioritizes naming properties to honor the contributions of under-represented people, cultures or communities;

WHEREAS, consistent with its Naming Policy and guidance from NAYA, Home Forward has selected an official name for PCC-Killingsworth;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward approves naming PCC-Killingsworth as Chaku kəmtəks haws.

ADOPTED: JUNE 17, 2025

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair



MEMORANDUM

To: Board of Commissioners

Date: June 17, 2025

From: Jonathan Trutt
Director of Development
503.802.8507

Subject: Naming Recommendation for
Dekum Court
Resolution 25-06-02

The Board Commissioners is requested to authorize a resolution renaming Dekum Court as The T. Joyce Phillips.

NAMING POLICY BACKGROUND

The Board of Commissioners adopted a naming policy in January 2020. This policy states:

Home Forward shall prioritize naming and renaming properties to honor the contributions of under-represented people, cultures or communities to the neighborhood and to Multnomah County. To achieve this priority, names may:

- Honor people of color, women, members of the LGBTQ+ community, people with disabilities, and other under-represented individuals who have made a significant contribution to building the place and community where the property is/will be located.
- Honor a person who has made a significant contribution to furthering social and racial justice in Multnomah County.
- Have a unique meaning for the community that the property is intending to serve.

THE T. JOYCE PHILLIPS: PROJECT BACKGROUND

The T. Joyce Phillips is the proposed name for the property currently known as Dekum Court. It is located at 2513 NE Saratoga Street in the Concordia Neighborhood, approximately two blocks from the Faubion K-8 School and the University of Oregon's NE Portland Campus (formerly Concordia University.)

In 2022, after approximately 50 years of operating Dekum Court as public housing, Home

Forward broke ground on its phased redevelopment. Though this site totals approximately 5.5 acres, it had historically contained only 40 homes.

The Dekum Court site provided an opportunity to develop a new housing community that vastly increases affordable housing opportunities, is more efficient to operate and, through its wide range of apartment sizes, more responsive community needs. Dekum Court's redevelopment replaced 40 physically obsolete affordable homes with 187 new affordable homes, ranging in size from studios to four-bedroom apartments. This new community includes:

- A community room for social events and resident services delivery
- Office space for property management and resident services offices
- A laundry room
- A computer lounge
- A children's play area
- A covered half-court basketball court
- Raised garden beds
- A sitting area
- A walking path through the site
- Barbeque spaces available to residents

Home Forward redeveloped Dekum Court in two stages to avoid displacing its residents. The only displacement that occurred was of an Albina Head Start classroom: the Joyce Phillips Classroom. Home Forward built two replacement classrooms on land owned by Albina Head Start at the corner of NE Dekum and NE 15th Avenue.

Stage 1 of Dekum Court's redevelopment, featuring 47 new homes, began in April 2022 and opened in the fall of 2023. Stage 2 adds 140 additional apartments and the site's community building. The community building and one of its three residential buildings are currently open. Stage 2's remaining buildings are scheduled to open in July 2025.

JOYCE PHILLIPS' CONTRIBUTIONS TO PORTLAND

A naming committee composed of Home Forward staff, Home Forward Commissioner Breann Preston, Dekum Court residents, and a representative from Albina Head Start selected Dekum Court's new name with the approval of the Phillips family. This selection was based on the historical research of Yaejoon Kwon, who provided multiple naming options and conducted additional research into Joyce Phillips' life after the Naming Committee reached its decision. A summary of her life is included below, and the full

research is attached to this memorandum.

Joyce Phillips (1956-2013) was a cherished Albina Head Start teacher and community member in the Dekum Court neighborhood. Born in Dallas, TX, Teresa “Joyce” Larry moved to Northeast Portland at age five, where she was the oldest of Bobbie Jean Larry and Alfred Larry’s seven children. Joyce graduated from Grant High School and, shortly after, she met and married Timothy Phillips. In the late 1970s, Joyce and Timothy had three children and Joyce began her lifelong career in early childhood education. Through her work with Albina Head Start, dedication to her faith community, and raising her three children in Portland Public Schools, Joyce established deep and wide roots in Portland.

Joyce began working part-time at Albina Head Start (formerly Albina Ministerial Alliance) in 1977, embarking on a career that merged her love of children, faith, and service. Joining full-time in 1986, Joyce’s tenure at Albina Head Start reflected her commitment to developing every child’s potential and supporting parents to become advocates for their children in school. At Albina Head Start, Joyce helped pioneer portfolio-based student assessments that are still used today. Joyce also introduced and incorporated science content in her classroom well before STEM was popular in early childhood education. As a teacher, mentor, and trainer, she nurtured not just children, but parents and fellow educators, always emphasizing the importance of relationship-building and advocacy. When she unexpectedly passed away in 2013, over 1,700 people gathered at her funeral to mourn and celebrate Joyce—a testament to the lives she touched. In addition, Albina Head Start named a classroom in her memory, the Joyce Phillips Classroom, at Dekum Court in 2014. Joyce is deeply missed and is remembered as a paragon of humility, service, and joy in Portland’s early childhood education community and beyond.

Renaming Dekum Court after Joyce Phillips would affirm the long-standing but often unrecognized contributions of Black women educators, as well as the importance of early childhood education in closing the achievement gap for low-income families. Honoring Joyce’s life will highlight the day-to-day work of building community ties after systemic displacement, disinvestment, and destruction of community bonds in Portland’s predominantly African American neighborhoods.

CONCLUSION

Home Forward staff requests that the Board of Commissioners approve the attached re-naming resolution proposing to rename the property currently known as Dekum Court as “The T. Joyce Phillips.”

The Real Estate and Development (READ) Committee of Home Forward's Board of Commissioners reviewed a draft of this resolution at its June 6, 2025 meeting.

ATTACHMENT: Research Report



RESOLUTION 25-06-02

RESOLUTION 25-06-02 AUTHORIZES THE RENAMING OF DEKUM COURT, AN AFFORDABLE HOUSING DEVELOPMENT, LOCATED AT 2513 NE SARATOGA STREET, IN PORTLAND, OREGON

WHEREAS, Home Forward, a housing authority and a public body corporate and politic of the State of Oregon, seeks to encourage the provision of long-term housing for persons with low income residing in Multnomah County, Oregon;

WHEREAS, Home Forward is currently redeveloping its Dekum Court site, located at 2513 NE Saratoga Street;

WHEREAS, Home Forward's has a Naming Policy, adopted by the Board of Commissioners in January 2020;

WHEREAS, Home Forward's Naming Policy prioritizes naming properties to honor the contributions of under-represented people, cultures or communities;

WHEREAS, consistent with its Naming Policy, Home Forward has selected a new name for Dekum Court;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward approves renaming Dekum Court as The T. Joyce Phillips;

ADOPTED: JUNE 17, 2025

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

Report for Home Forward

Teresa “Joyce” Phillips
(February 10, 1956- October 14, 2013)

By Yaejoon Kwon, PhD
June 5, 2025

Yaejoon Kwon Consulting
ykwon.consulting@gmail.com

“If I can help somebody, my living shall not be in vain.”

—Mahalia Jackson, 1964

“ In everything give thanks.”

—1 Thessalonians 5:18¹

Overview

Dekum Court was an Albina Head Start site where Teresa “Joyce” Phillips worked for over 30 years. Known as Joyce or Ms. Joyce by her community of Head Start students and families, Joyce was a cherished teacher and beloved community member of the Dekum Court neighborhood and Northeast Portland. Having worked at Albina Head Start in multiple capacities, Joyce was a community anchor and a testament of joy, service, and love. Re-naming Dekum Court after Joyce Phillips would affirm the long-standing but often unrecognized contributions of Black women educators as well as the importance of early childhood education in closing the achievement gap in low-income communities. Joyce’s life highlights the everyday work of building community ties after systemic displacement, disinvestment, and destruction of community bonds in Portland’s predominantly African American neighborhoods.² This report offers an overview of Joyce Phillips’ life and her contributions to the Northeast Portland community.³

Early life and personal background

Teresa Joyce Larry was born on February 10, 1956 in Dallas, TX to Bobbie Jean Jackson and Edgar A. Miles. In 1957, Bobbie Jean married Alfred E. Larry, and they

¹ The lyric from Mahalia Jackson’s (1964) song, “If I can help somebody,” and the passage from Thessalonians are two phrases Joyce’s family and friends identified as phrases that exemplified her life.

² After the Vanport flood in 1948, many African Americans resettled in the Albina neighborhood, unable to move elsewhere due to redlining. The neighborhood was then physically ruptured, homes demolished, and families displaced with the construction of Interstate 5, Memorial Coliseum, and the Emanuel Hospital expansion.

³ The information included in the report was gathered through interviews conducted virtually with Joyce’s immediate family (children Teresa, Timothy, and Trenton, as well as her husband Timothy) and a group interview with co-workers/friends from Albina Head Start including. Photographs were provided by Joyce’s son, Timothy. I am grateful for their time and all the memories they shared of Joyce. An extra thank you to Sandy Stephens for helping coordinate the group meeting with Joyce’s co-workers.

had six children together.⁴ Teresa Joyce, known as Joyce, was the eldest of seven children and raised with strong commitments to family, faith, and service. At the age of five, her family relocated to Portland, OR, eventually settling in the Irving Park neighborhood in Northeast Portland. As the oldest child, she took care of her siblings, learning critical relationship building skills that would later become a trademark of her career in early childhood education. To this day, she is remembered as the glue of the family and had a special skill of making everyone feel seen and loved. As a teenager, Joyce ran track for her school and devoted much of her time to her church's choir and youth programs. Joyce graduated from Grant high school in 1974.



Young T. Joyce Larry (Phillips), date unknown

Joyce's faith was a compass that guided her throughout her youth and adult life. In 1975, Joyce met Timothy V. Phillips through church. Timothy Phillips (September 29, 1954- present) was born and raised in Portland, with deep roots in the community.⁵

⁴ In 2013, she found and met her biological father, Edgar Miles, who has since passed away. Alfred Larry was the father who raised Joyce and he currently lives in Portland, Oregon.

⁵ Timothy Phillips' mother is Alberta Phillips. Alberta Phillips was born and raised in Texas but moved to Vanport after high school to live with her mother, Georgia Phillips. She was a nurse at St. Vincent's hospital and started an alternative school in NE Portland called "Christian Women Against Crime" for youth slipping through the cracks of the public school system. She also founded "Sister House," a shelter for unwed teenage moms. There is an affordable housing complex named after her in NE Portland, the A. Phillips Square. Alberta Phillips' obituary can be found here: <https://www.terryfamilyfuneralhome.com/obituary/Alberta-Phillips>

Joyce and Timothy were introduced through a mutual friend, began dating, and married in 1977. Along with Timothy's daughter, Elsa Dawn Nelson, from a previous relationship, Joyce and Timothy had three children together—Timothy, Trenton, and Teresa Phillips (1978, 1979, 1980, respectively). Timothy worked for Union Pacific Railroad for 35 years, working his way up until he became an engineer. They were both gospel singers and became leaders in their home church, the New Testament C.O.G.I.C. Timothy often traveled with the choir and Joyce held many positions at their church throughout the years, including that of choir director.



Joyce with husband Timothy and their three children Timothy, Trenton, and Teresa Phillips

Joyce's children remember her as being a devoted mother who supported and honored each of them as unique individuals. She loved going to the zoo and circus, finding joy and laughter in the bonds she shared with her children. Later, Joyce embraced being a grandmother and adored her grandchildren. She travelled frequently to be with them and loved being part of their lives. Joyce also learned how to navigate and advocate for her children within the medical system due to her daughter and grandchild being born with sickle cell anemia. In addition to being a dedicated caregiver, she was also involved in fundraising and raising awareness about sickle cell anemia.

Joyce is remembered as being a fiercely loving, quietly strong, and subtly funny mother and grandmother.

Albina Head Start and community impact

In 1977, Joyce began working as a substitute teaching assistant with what was then Albina Ministerial Alliance Head Start (AMA). The job combined her love of children, gave her the flexibility to prioritize being a parent, and ignited her love of teaching. In 1986, Joyce joined full-time as a Head Start teacher. Albina Head Start⁶ was a program ahead of its time—it offered free full-day daycare, preschool, and other resources to families with incomes at or below the federal poverty line. Empowered with the knowledge that low-income children deserve quality education and care, it had high aspirations for its students and parents. The program gave students a “head start” in core academic subjects in a political landscape that believed teaching preschool children the alphabet, especially low-income children and/or children of color, was not developmentally appropriate. While we now assume the importance of early childhood education and importance of preschool education in equipping students and parents with the skills to succeed in K-12, Albina Head Start was ahead of its time and advocated for its community despite national backlash⁷. Joyce believed that Head Start was the beginning of every child’s life and she took great care in making sure the children and families she worked with developed strong academic and social skills before entering the public school system.

During her tenure at Albina Head Start, Joyce was a teacher, education coordinator, mentor, trainer, recruiter, and advocate—many of the roles she took on informally in the earlier years before specific positions were created. Of the roles she had, her true calling was being a teacher. As a teacher, she was known for creating a learning environment rooted in fun and creativity. Her classroom was known for its vibrancy, warmth, and prioritizing every child’s potential. Joyce incorporated her love of music to create educational songs and went above and beyond to create exciting visuals for her classroom.

⁶ Under the executive directorship of Ron Herndon, Albina Ministerial Alliance Head Start became Albina Head Start in 1993.

⁷ See Ronald Herndon’s interview with The Early Link’s podcast by the Children’s Institute, https://soundcloud.com/childrens-institute/an-interview-with-ron-herndon?utm_source=childinst.org&utm_campaign=wtshare&utm_medium=widget&utm_content=https%253A%252F%252Fsoundcloud.com%252Fchildrens-institute%252Fan-interview-with-ron-herndon



Joyce Phillips in her classroom with her Head Start students

In addition to making learning fun and joyful, Joyce was also proactive and innovative in the tools she introduced to the classroom. Joyce had a genuine curiosity and love for learning. She attended professional conferences, took classes at Portland Community and Mt. Hood Community Colleges, as well as doing research on early childhood activities on her own time to implement in her classroom. Two key elements Joyce pioneered that are still being used today are the portfolio model of assessment and the incorporation of science-based curriculum into the classroom. Portfolio-based assessment provided a more holistic overview of student progress. It allowed parents and teachers to assess growth on the students' own terms rather than only relying on diagnostic and exam-based assessment tools. It highlighted Joyce's attention to the individuality of each child and teaching parents a more comprehensive way of understanding their child's development. Beyond assessment, she was also at the forefront of incorporating science-based content well before STEM entered early childhood education. Joyce collaborated with other Albina Head Start teachers and early childhood educators in Oregon to learn, share, and exchange ideas about science-based activities for their Head Start students.

Beyond teaching academic skills, she nourished every child's emotional and developmental growth. Joyce's commitment to her students was holistic with an eye towards the future—she made sure her students had the skills they needed but she also understood the importance of showing parents how to advocate for their children once they left the program. From her own parenting experiences, she learned quickly that parents' voices and advocacy were crucial in supporting children in schools. She became a source of information and part of a network of parents supporting each other to navigate the public school system. Whatever she learned professionally or personally, she shared—Joyce was a generous resource for everyone around her.

The institutional knowledge Joyce accumulated over her years at Albina Head Start, along with her embeddedness in the local community, made Joyce an incredibly effective mentor, recruiter, and trainer. She was professionally inspirational when training new hires and onboarding new staff. She was also kind, welcoming, and generous when helping transition new staff to the job and to life in Portland. Sometimes, helping people become part of her community meant teaching new teachers how to do home visits and sometimes, it meant helping new staff with the process of buying their first car. Joyce knew that education (or training) was just one dimension of a larger landscape of resources and connections people need to thrive. In a culture that often piecemeals people's worth and only attributes value to productivity, Joyce saw and valued the whole person which made her a highly effective and respected mentor, teacher, and leader.

Remembering Joyce



Joyce Phillips had a beautiful voice and loved singing with her choir

The last couple months of Joyce Phillips' life were lived to the fullest. After learning more about her biological father, she reached out and met him in August 2013. She was excited to reconnect and was looking forward to learning more about his side of the family. In September, she flew to Atlanta, GA for her daughter's wedding. While her husband stayed in Atlanta after the wedding, Joyce flew back to Portland immediately because she wanted to get back to her classroom. Joyce was always

thinking about her students and knew the importance of showing up for them. The weekend before her passing, Joyce spent her time with her faith community, attending a big church concert with her husband. On October 14th, she was talking with her long-time friend and co-worker in her classroom while her students were napping when she unexpectedly collapsed. Joyce passed away peacefully on site and her family notes that she left this world doing what she loved.

Joyce's funeral was held at the Highland Christian Center. Over 1,700 friends and family from all over the country flew into Portland to celebrate her life. In honor of her life and contributions to the local community, Albina Head Start named the Head Start classroom at Dekum Court, the "Joyce Phillips Classroom" in 2014. Co-workers and family members note that Joyce was loved and recognized wherever she went in Portland for the lasting impacts she made on generations of children and families.

Importantly, Joyce is remembered for her unwavering kindness, professionalism, and warmth. She built impactful relationships wherever she went, practicing her belief that positive connections are the building blocks of strong communities. Her daughter described Joyce as an unsung hero of Dekum Court –she loved the community and is deeply missed for the positive impact she made in so many individual lives and the broader community. Re-naming Dekum Court after Joyce Phillips would recognize the everyday practice of community building Joyce devoted her life to as a teacher, mother, friend, and mentor. Joyce Phillips lived life in alignment with her values, living with purpose and uplifting others as she embraced life to the fullest.



MEMORANDUM

To:	Board of Commissioners	Date:	June 17, 2025
From:	Kandy Sage, Chief Financial Officer 503.802.8585 Linda Uppinghouse, Controller 503.802.8554	Subject:	Authorize Approval of Fiscal Year 2024 Audited Financial Statements, Fiscal Year 2024 Single Audit Report, Schedule of Closed Grants, and Governance Communication Letter to the Board of Commissioners Resolution 25-06-03

The Board of Commissioners is requested to accept and approve:

1. Independent Auditor's Reports, Basic Financial Statements and Supplementary Information for Year Ended December 31, 2024
2. Independent Auditor's Report, Single Audit Report for Year Ended December 31, 2024
3. Auditors' Governance Communication Letter to the Board of Commissioners for Year Ended December 31, 2024

Please note, this audit report covers the period January 1, 2024 to December 31, 2024.

CliftonLarsonAllen (CLA) is the audit firm engaged to audit Home Forward's basic financial statements and compliance with federal programs. On June 13, 2025, CLA met with Home Forward's Audit and Finance committee and presented the audit results for Year Ended December 31, 2024.

HIGHLIGHTS

Key financial highlights from the audit include:

- As in similar years, property transactions had a material impact on the financial statements. During fiscal year 2024, Home Forward Development Enterprises acquired the limited partner's interest in the Civic Redevelopment Low Income

Housing Tax Credit Partnership. Also, during the fiscal year, Home Forward acquired partial ownership in two new Limited Partnerships: Troutdale Housing Limited Partnership and Killingsworth Housing Limited Partnership.

- Total assets and deferred outflows of resources increased \$80.6 million from \$763 million at January 1, 2024 to \$835.6 million at December 31, 2024, primarily due to the increase in capital assets for the acquisition of Civic Redevelopment Limited Partnership and an increase in Notes Receivable attributed to Dekum Phase II. Total liabilities and deferred inflows of resources increased \$36.9 million from \$321.2 million at January 1, 2024 to \$358.2 million at December 31, 2024, mainly due to an increase in Current Portion - Bonds Payable for Powell Limited Partnership, Dekum Limited Partnership, GPT Limited Partnership, Killingsworth Limited Partnership and Troutdale Limited Partnership.
- Total operating revenues were \$300.7 million with HUD operating subsidies and grants providing over \$205.2 million in funding.
- Total operating expenses were \$303.1 million. Housing assistance payments made up \$183.7 million of this total.
- Operating results for 2024 yield operating income of \$1.7 million.
- Nonoperating revenues/(expenses) netted a decrease of \$15.1 million.
- Capital contributions were \$30.3 million during the year.
- Net position increased from \$441.9 million to \$447.3 million at December 31, 2024.

ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2024

As a reminder, the basic financial statements are comprised of two main columns of results:

1. The Primary government and any blended component units – this column includes the results for the primary government (Home Forward) and blended component units (including Home Forward Development Enterprises, St. Francis LLC, Gateway Park Limited Partnership, Cecelia Limited Partnership, Woolsey Limited Partnership, Trouton Limited Partnership, Humboldt Limited Partnership, Civic Redevelopment Limited Partnership, New Market West Management Services, Home Forward Community Partnerships, Home Forward Insurance Group), and any intercompany eliminations.
2. Discretely presented component units – this column aggregates the calendar year results of 19 low-income housing tax credit partnerships where the limited partners have majority ownership but have delegated the majority of their rights regarding the operations of the partnership to Home Forward (as general partner).

CLA issued an unmodified opinion on the basic financial statements for both the primary government and the discretely presented component units, with the opinion stating that they present fairly, in all material respects, the financial position as of December 31, 2024. This is the highest level of assurance Home Forward can obtain.

ANNUAL SINGLE AUDIT REPORT FOR FISCAL YEAR 2024

CLA tested three major programs: Moving to Work Demonstration, Emergency Rental Assistance and COVID-19 Coronavirus State and Local Fiscal Recovery Funds. They issued an unmodified opinion on the basic financial statements and identified one material weakness on the Federal Awards for the Moving to Work Demonstration Program.

AUDITORS' GOVERNANCE COMMUNICATION TO THE BOARD OF COMMISSIONERS

Finally, the auditors issued a Governance Communication to the Board of Commissioners for Fiscal Year 2024. This document provides communication on matters related to the conduct of the audit and includes information regarding any:

- Qualitative aspects of accounting practices
- Difficulties encountered in performing the audit
- Corrected and uncorrected misstatements
- Disagreements with management
- Management representations
- Management consultations with other independent accounts
- Other findings or issues
- Other comments/recommendations

MOTION TO APPROVE

The Board is requested to accept and approve the reports presented:

- Independent Auditor's Reports, Basic Financial Statements and Supplementary Information for Year Ended December 31, 2024
- Auditors' Governance Communication to Board of Commissioners for Year Ended December 31, 2024

Board of Commissioners
Home Forward
Portland, Oregon

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Home Forward as of and for the year ended December 31, 2024, and have issued our report thereon dated REPORT DATE. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit in our statement of work dated December 9, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Home Forward are described in Note [X] to the financial statements.

As described in Note 1, the entity changed accounting policies related to compensated absences by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*, and GASB Statement No. 101, *Compensated Absences*, in 2024. Accordingly, the financial statements have been updated to reflect the implementation of these standards.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the compensated absence liability for sick time is based on the historical utilization of sick leave balances for individual employees. We evaluated the methods, assumptions, and data used to develop the liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the total OPEB asset and liability are based on management's knowledge and experience about past and current events, assumptions about future events, and actuarial computations performed by outside specialists. We evaluated the key factors and assumptions used to develop the total OPEB asset and liability and evaluate the liabilities'

effectiveness in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Corrected misstatements

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated REPORT DATE.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting

accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Audits of group financial statements

We noted no matters related to the group audit that we consider to be significant to the responsibilities of those charged with governance of the group.

Quality of component auditor's work

There were no instances in which our evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work.

Limitations on the group audit

There were no restrictions on our access to information of components or other limitations on the group audit.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated REPORT DATE.

With respect to the Affordable Housing and Special Needs Housing combining schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information

complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated REPORT DATE.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the Board of Commissioners, Management, and General Counsel listing. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the Board of Commissioners and management of Home Forward and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Portland, Oregon
REPORT DATE

SUMMARY OF UNCORRECTED MISSTATEMENTS - AUDIT

Home Forward

Business-Type Activities

Year Ended December 31, 2024

Description	Assets	Liabilities	Fund Balance / Net Position	Change in Fund Balance / Net Position
<p>Debits/Credits - Amounts should be entered as debits (positive amounts) or credits (negative amounts). For example, increases to assets as debits, increases to liabilities as credits, decreases to net income as debits, and increases to net income as credits.</p> <p>Describe all current year misstatements below. Collapse this row (to the left) to print for attachment to management representation letter.</p>				
Correction of capital asset accumulated depreciation for previously transferred discretely presented component units. Overstatement of revenues in the current year.	\$ -	\$ -	\$ -	\$ 2,811,843
The amount of revenue recognized in FDS Line 70600 for the LIPH program was overstated by roughly \$1.7 million as compared to the related eLOCCS reports. Management elected to pass on the potential adjustment. Overstatement of revenues.	(1,652,222)	-	1,652,222	1,652,222
The amount of revenue recognized in FDS Line 70600 for the HCV program was overstated by roughly \$1 million as compared to the related HUD funding confirmation. Management elected to pass on the potential adjustment. Overstatement of revenues.	(991,667)	-	991,667	991,667
Net current year misstatements (Iron Curtain Method)	(2,643,889)	-	2,643,889	5,455,732
Effect of prior year uncorrected misstatements on the change in fund balance/net position				
Combined current and prior year misstatements (Rollover Method)	\$ (2,643,889)	\$ -	\$ 2,643,889	\$ 5,455,732
Financial statement totals	835,028,783	(357,701,513)	(477,327,270)	(35,465,814)
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	0%		-1%	-15%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	0%		-1%	-15%

HOME FORWARD
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2024

Draft
Subject to Change
6/17/25

**HOME FORWARD
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

BOARD OF COMMISSIONERS, MANAGEMENT, AND GENERAL COUNSEL	1
INDEPENDENT AUDITORS' REPORT	2
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	6
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	13
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	15
STATEMENT OF CASH FLOWS	16
NOTES TO FINANCIAL STATEMENTS	18
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	89
SCHEDULE OF PENSION CONTRIBUTIONS	89
SCHEDULE OF CHANGES IN NET OPEB ASSET AND RELATED RATIOS	90
SCHEDULE OF OPEB CONTRIBUTIONS	90
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS	91
OTHER SUPPLEMENTARY INFORMATION	
COMBINING SCHEDULE OF NET POSITION – AFFORDABLE HOUSING	93
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – AFFORDABLE HOUSING	96
COMBINING SCHEDULE OF NET POSITION – SPECIAL NEEDS HOUSING	99
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – SPECIAL NEEDS HOUSING	100
INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS	

**HOME FORWARD
BOARD OF COMMISSIONERS, MANAGEMENT, AND GENERAL COUNSEL
YEAR ENDED DECEMBER 31, 2024**

BOARD OF COMMISSIONERS

Matthew Gebhardt Chair	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Jenny Kim Vice Chair	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Jessy Ledesma Treasurer	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Damien Hall Chair Emeritus	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Tomi Rene Hettman Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Breann Preston Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Rakeem Washington Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Shannon Olive Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204

ADMINISTRATIVE OFFICER

Ivory Matthews Executive Director and Secretary/Treasurer	135 S.W. Ash Street, 6 th Floor Portland, Oregon 97204
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GENERAL COUNSEL

Sarah Stauffer Curtiss	Stoel Rives, LLP 900 S.W. Fifth Avenue, Suite 2600 Portland, Oregon 97204
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Home Forward
Portland, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of Home Forward, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Home Forward's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Home Forward as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of 1115 SW 11th Avenue Limited Partnership, Beech Street Limited Partnership, East Group Limited Partnership, Lloyd Housing Limited Partnership, North Group Limited Partnership, Square Manor Limited Partnership, Stephens Creek Crossing North Limited Partnership, Stephens Creek Crossing South Limited Partnership, Wests Limited Partnership, Woods East Limited Partnership, FP2 Limited Partnership, 3000 Powell Limited Partnership, Baldwin PSH Limited Partnership, Central Group Limited Partnership, Dekum 2 Limited Partnership, GPT Limited Partnership, Fairfield PSH Limited Partnership, Troutdale Limited Partnership, and Killingsworth Limited Partnership, which represent 100 percent of the assets, net position and revenues of the aggregate discretely presented component units as of December 31, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for 1115 SW 11th Avenue Limited Partnership, Beech Street Limited Partnership, East Group Limited Partnership, Lloyd Housing Limited Partnership, North Group Limited Partnership, Square Manor Limited Partnership, Stephens Creek Crossing North Limited Partnership, Stephens Creek Crossing South Limited Partnership, Wests Limited Partnership, Woods East Limited Partnership, FP2 Limited Partnership, 3000 Powell Limited Partnership, Baldwin PSH Limited Partnership, Central Group Limited Partnership, Dekum 2 Limited Partnership, GPT Limited Partnership, Fairfield PSH Limited Partnership, Troutdale Limited Partnership, and Killingsworth Limited Partnership are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit 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. 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 Home Forward and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

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 Home Forward'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' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. 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 and Government Auditing Standards 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 and Government Auditing Standards, 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 Home Forward'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 Home Forward'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedule of proportionate share of the net pension liability, schedule of pension contributions, schedule of changes in net OPEB asset and related ratios, schedule of OPEB contributions, and schedule of changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Home Forward's basic financial statements. The combining schedule of net position – Affordable Housing, combining schedule of revenues, expenses, and changes in net position – Affordable Housing, combining schedule of net position – Special Needs Housing, and combining schedule of revenues, expenses, and changes in net position – Special Needs Housing (other supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 GAAS. In our opinion, the other accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the listing of the Board of Commissioners, management, and general counsel but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE on our consideration of Home Forward'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 solely 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 the effectiveness of Home Forward's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Home Forward's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Portland, Oregon
REPORT DATE

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)**

This section includes a Management's Discussion and Analysis of Home Forward's financial performance during the period of January 1, 2024 to December 31, 2024. Please read it in conjunction with Home Forward's basic financial statements that follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements consist of three parts: 1. Management's Discussion and Analysis (this section), 2. The basic financial statements, and 3. Supplementary information (required and other).

Home Forward is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of Home Forward. Agency-wide statements report information about Home Forward as a whole using accounting methods similar to those used by private sector companies. While detailed sub-fund information is not presented, separate accounts are maintained for each program to control and manage money for particular purposes or to demonstrate that Home Forward is properly using specific appropriations and grants. The financial statements also include a "Notes to Financial Statements" section that explains the information in the basic financial statements and provides more detailed data. The Notes to Financial Statements are followed by a "Supplementary Information" section, which presents the required supplementary information and other financial schedules of Home Forward's operating units and its individual properties.

As required by the Governmental Accounting Standards Board (GASB) Statement No. 61, as amended, the basic financial statements include its blended component units - Home Forward Development Enterprises, St. Francis LLC, Gateway Park Limited Partnership, Cecelia Limited Partnership, Woolsey Limited Partnership, Trouton Limited Partnership, Humboldt Limited Partnership, New Market West Management Services, Haven Limited Partnership, Home Forward Community Partnerships, Home Forward Insurance Group - and its 19 discretely presented component units. These discretely presented component units represent multi-family properties structured as limited partnerships, which have Home Forward as the general partner with minimal ownership interest. The Statement of Net Position includes all of Home Forward's assets and deferred outflows and liabilities and deferred inflows. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position, regardless of when cash is received or paid.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Significant Developments for the period of January 1, 2024 to December 31, 2024

Killingsworth - In 2024, Home Forward transferred this affordable housing property located on NE Killingsworth and 42nd Avenue to Killingsworth Housing Limited Partnership. This partnership will utilize 4% low-income housing tax credits to renovate this 84-unit affordable housing property.

Troutdale – In 2024, Home Forward transferred this affordable housing property located near the corner of SW 257th Avenue and E. Historic Columbia River Highway to Troutdale Housing Limited Partnership. This partnership will utilize 9% low-income housing tax credits to renovate this 85-unit affordable housing property.

The Morrison (Civic Redevelopment) – In 2024, Home Forward acquired the remaining interest in The Morrison to become the sole owner of these affordable housing properties.

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Compensated Absences Standard - During 2024, Home Forward implemented new accounting standard GASB Statement No. 101, *Compensated Absences*, resulting in an increase to the liability of approximately \$2.4 million.

Financial Highlights

Home Forward's Statement of Net Position reflects growth in net position during the period of January 1, 2024 to December 31, 2024. Specifically:

- Total assets and deferred outflows of resources increased \$72.6 million from \$763.1 million at January 1, 2024 to \$835.7 million at December 31, 2024, primarily due to a \$19.7 million increase in notes receivable from partnerships, a \$15.1 million increase in accounts receivable, a \$28.1 million increase in notes and accrued interest receivable, and a \$17.4 million increase in net capital assets.
- Total liabilities and deferred inflows of resources increased \$37.2 million from \$321.2 million at January 1, 2024 to \$358.4 million at December 31, 2024, mainly due to an increase in bonds payable to partnerships of \$19.8 million, an increase in notes payable of \$8.7 million, an increase in bonds payable of \$5.9 million, and an increase in the PERS liability of \$6.5 million, offset by various miscellaneous decreases.
- Total operating revenues for the period January 1, 2024 to December 31, 2024 were \$300.8 million and total operating expenses were \$303.2 million. Operating results for this period resulted in a operating loss of \$2.4 million. Nonoperating revenues/(expenses) were \$4.1 million. Overall, net position increased \$35.5 million.

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Condensed Statement of Net Position

The following tables show a summary of net position by type at December 31:

(In Thousands of Dollars)	2024	2023	Increase (Decrease)
Assets and Deferred Outflows of Resources			
Current Assets	\$ 265,793	\$ 194,170	\$ 71,623
Noncurrent Assets	336,609	356,939	(20,330)
Capital Assets	215,909	198,508	17,401
Total Assets	818,311	749,617	68,694
Deferred Outflows of Resources	17,410	13,466	3,944
Total Assets and Deferred Outflows of Resources	<u>\$ 835,721</u>	<u>\$ 763,083</u>	<u>\$ 72,638</u>
Liabilities and Deferred Inflows of Resources			
Current Liabilities	\$ 133,264	\$ 65,524	\$ 67,740
Noncurrent Liabilities	199,935	227,766	(27,831)
Total Liabilities	333,199	293,290	39,909
Deferred Inflows of Resources	25,195	27,931	(2,736)
Total Liabilities and Deferred Inflows of Resources	358,394	321,221	37,173
Net Position			
Net Investment in Capital Assets	93,547	91,541	2,006
Restricted	40,890	44,848	(3,958)
Unrestricted	342,890	305,473	37,417
Total Net Position	477,327	441,862	35,465
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 835,721</u>	<u>\$ 763,083</u>	<u>\$ 72,638</u>

Year-End Financial Position

Current assets increased \$71.6 million during the period ending December 31, 2024. This increase was due to an increase in accounts receivable, driven by an increase in amounts due from HUD and predevelopment costs receivable, and an increase in the current portion of notes receivable due from partnerships, consistent with the increase in bonds payable—partnerships.

Non-current assets (other than capital assets) decreased by \$20.3 million mainly due to a decrease in the noncurrent portion of notes receivable from partnerships, offset by an increase in notes and accrued interest receivable.

Net capital assets increased \$17.4 million mainly driven by capital asset additions of \$22.2 million, offset by disposals of \$5.2 million, component unit transfers of \$2.5 million related to the acquisition of limited partner interest in the Morrison to Home Forward, and current year adjustments for capital asset cleanup.

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year-End Financial Position (Continued)

Current liabilities increased \$67.7 million during the year, mainly due to an increase in Current Portion Bonds Payable - Partnership of \$67.9 million for the payoff of Hazel Ying Lee (Powell), Dekum, and Grace Peck Terrace bonds.

Non-current liabilities decreased \$27.8 million during the year, mainly due to an increase in Notes Payable due to new notes issued for Cesar Apartments and Killingsworth, an increase in bonds payable as a result of the ownership transfer of the Morrison, and an increase in the PERS liability.

Net position at December 31, 2024 was \$477.3 million, an increase of \$35.5 million from the balance at December 31, 2023.

Capital Assets

At December 31, 2024, Home Forward had \$215.9 million of capital assets, an increase \$17.4 million since December 31, 2023. More detailed information about Home Forward's capital assets is presented in Note 9 to the financial statements.

(In Thousands of Dollars)	2024	2023	Increase (Decrease)
Land	\$ 44,972	\$ 43,714	\$ 1,258
Construction in Progress	11,284	10,558	726
Total Capital Assets Not Being Depreciated/Amortized	56,256	54,272	1,984
Buildings and Improvements	283,486	346,046	(62,560)
Right to Use Assets - Buildings	608	22	586
Equipment	13,962	16,965	(3,003)
Right to Use Assets - Equipment	190	308	(118)
Accumulated Depreciation/Amortization	(138,593)	(219,105)	80,512
Total Capital Assets Being Depreciated/Amortized	159,653	144,236	15,417
Total Capital Assets, Net	<u>\$ 215,909</u>	<u>\$ 198,508</u>	<u>\$ 17,401</u>

Notes and Bonds Payable

At December 31, 2024, Home Forward had \$122.7 million of notes and bonds payable outstanding (*excluding bonds payable-partnerships*), an increase of \$14.7 million over the prior year. More detailed information about Home Forward's capital debt is presented in Notes 11 and 12 to the financial statements.

(In Thousands of Dollars)	2024	2023	Increase (Decrease)
Current Portion of Notes and Bonds Payable	\$ 5,962	\$ 8,048	\$ (2,086)
Notes Payable - Long-Term	88,188	77,052	11,136
Bonds Payable - Long-Term	28,511	22,899	5,612
Total Notes and Bonds Payable	<u>\$ 122,661</u>	<u>\$ 107,999</u>	<u>\$ 14,662</u>

There were no changes in Home Forward's credit rating during the year.

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Results of Operations

Statement of Revenues, Expenses, and Changes in Net Position

(In Thousands of Dollars)	2024	2023	Change
Operating Revenues			
Rental Revenue	\$ 29,728	\$ 27,369	\$ 2,359
HUD Subsidies and Grants	205,207	194,939	10,268
Development Fee Revenue	16,247	10,878	5,369
State, Local, and Other Grants	37,788	49,576	(11,788)
Other	11,837	7,231	4,606
Total Operating Revenues	<u>300,807</u>	<u>289,993</u>	<u>10,814</u>
Operating Expenses			
Housing Assistance Payments	183,702	176,154	7,548
Administration	33,050	25,857	7,193
Tenant Services	14,307	12,807	1,500
Program Expenses	23,726	18,876	4,850
Utilities	8,669	7,543	1,126
Maintenance	23,511	18,416	5,095
Depreciation/Amortization	9,127	12,127	(3,000)
Other	7,097	4,723	2,374
Total Operating Expenses	<u>303,189</u>	<u>276,503</u>	<u>26,686</u>
Operating Income (Loss)	(2,382)	13,490	(15,872)
Nonoperating Revenues (Expenses)			
Investment Income	5,730	4,702	1,028
Interest Expense	(2,846)	(2,674)	(172)
Investment in Partnership Valuation Charge	1,051	508	543
Financing Costs	(52)	(25)	(27)
Loss on Sale of Capital Assets	(607)	(221)	(386)
Gain on Sale of Capital Assets	791	16,920	(16,129)
Total Nonoperating Revenues	<u>4,067</u>	<u>19,210</u>	<u>(15,143)</u>
Income before Capital Contributions	1,685	32,700	(31,015)
Capital Contributions			
HUD Nonoperating Contributions	2,302	3,129	(827)
Other Nonoperating Contributions	31,814	374	31,440
Partner Contributions	(336)	-	(336)
Total Capital Contributions	<u>33,780</u>	<u>3,503</u>	<u>30,277</u>
Increase in Net Position	35,465	36,203	(738)
Net Position - Beginning of Year	<u>441,862</u>	<u>405,659</u>	<u>36,203</u>
Net Position - End of Year	<u>\$ 477,327</u>	<u>\$ 441,862</u>	<u>\$ 35,465</u>

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Results of Operations (Continued)

Fiscal year 2024 had an operating loss of \$2.4 million, compared to operating income of \$13.5 million in fiscal year 2023. Total operating revenues were \$10.8 million higher while operating expenses increased by \$26.7 million.

Operating revenues of \$300.8 million increased \$10.8 million from fiscal year 2023. This is mainly due to a \$10.3 million increase in HUD subsidies and grants.

Total operating expenses were \$303.2 million, an increase of \$26.7 million from the prior year. This increase is primarily due to a \$7.5 million increase in housing assistance payments and a combined \$17.1 million increase in administrative, program, and maintenance expense during the year as a result of cost-of-living adjustments, increased program costs, and continued delayed routine maintenance caused by the COVID-19 pandemic.

Nonoperating revenues/(expenses) were \$4.1 in net revenue, a decrease of \$15.1 million from the prior year. The decrease is primarily due to the decrease in the gain on sale of capital assets of \$16.2 million as a result of fewer sales in 2024.

During 2024, other nonoperating contributions totaled \$31.8 million with funds supporting small capital improvement projects throughout the portfolio. This is a \$31.4 million increase.

The impact of the above activity was an increase in net position during fiscal year 2024 of \$35.5 million

FORWARD LOOKING INFORMATION

Significant economic factors affecting Home Forward are as follows:

RAD/Section 18

Home Forward anticipates continuing to convert its remaining public housing properties under the Department of Housing and Urban Development's Section 18 and Rental Assistance Demonstration (RAD) programs. Under these programs, the public housing units will convert into project-based voucher funded units and will utilize the low-income housing tax credit program with Home Forward as the general partner. The final RAD/Section 18 closing is anticipated for the fall of 2026.

Transfer of Tax Credit Limited Partnership Interest

Home Forward acquired the limited partner's interest in 1115 SW 11th Avenue Limited Partnership in January of 2025. This tax credit partnership was originally formed by Home Forward under Section 42 of the Internal Revenue Code.

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)**

CONTACT INFORMATION

This annual financial report is designed to provide Oregon citizens and taxpayers, and our customers, clients, investors and creditors, with a general overview of Home Forward's finances, and to demonstrate Home Forward's accountability for the appropriations and grants that it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, Home Forward, 135 S.W. Ash Street, Portland, Oregon 97204 or emailed to info@homeforward.org.

Draft
Subject to Change
6/17/25

**HOME FORWARD
STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	Home Forward	Discretely Presented Component Units
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 90,214,952	\$ 12,212,181
Cash and Cash Equivalents - Restricted	42,671,216	16,814,480
Investments - Restricted	1,934,607	-
Accounts Receivable, Net	38,272,069	1,735,549
Due from Partnerships, Net	7,575,721	103,229
Prepaid Expenses	1,465,253	18,747,551
Current Portion of Lease Receivable	767,615	-
Current Portion of Notes Receivable - Partnerships, Net	82,891,413	-
Total Current Assets	<u>265,792,846</u>	<u>49,612,990</u>
NONCURRENT ASSETS		
Notes and Accrued Interest Receivable	278,975,560	-
Notes Receivable - Partnerships, Net	38,940,513	-
Lease Receivable	7,000,402	-
Other Assets	105,690	9,608,331
Investments in Partnerships	10,894,817	-
Net OPEB Asset - RHIA	691,959	-
Capital Assets not being Depreciated	56,256,901	103,585,372
Capital Assets being Depreciated, Net	159,652,065	617,960,222
Total Noncurrent Assets	<u>552,517,907</u>	<u>731,153,925</u>
Total Assets	818,310,753	780,766,915
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related	17,252,164	-
OPEB RHIA Related	57,793	-
OPEB HBRP Related	100,062	-
Total Deferred Outflows of Resources	<u>17,410,019</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 835,720,772</u></u>	<u><u>\$ 780,766,915</u></u>

**HOME FORWARD
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2024**

	Home Forward	Discretely Presented Component Units
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable	\$ 10,517,968	\$ 19,013,285
Line of Credit	11,352,052	-
Accrued Interest Payable, Payable from Restricted Assets	2,330,364	15,646,828
Other Accrued Liabilities	9,253,881	43,895,599
Unearned Revenue	7,261,070	731,514
Deposits, Payable from Restricted Assets	3,590,171	312,142
Current Portion of Notes Payable	3,785,835	1,787,260
Current Portion of Bonds Payable	2,176,416	82,891,413
Current Portion of Bonds Payable - Partnerships	82,891,413	-
Current Portion of Lease Liability	104,691	33,582
Total Current Liabilities	<u>133,263,861</u>	<u>164,311,623</u>
NONCURRENT LIABILITIES		
Notes Payable - Long-Term	88,188,197	420,250,458
Bonds Payable - Long-Term	28,510,879	38,940,513
Bonds Payable - Partnerships	38,940,513	-
Accrued Interest - Long-Term	1,048,527	-
Net Pension Liability	41,816,167	-
Total OPEB Liability - HBRP	867,233	-
Lease Liability - Long-Term	563,245	33,502,534
Total Noncurrent Liabilities	<u>199,934,761</u>	<u>492,693,505</u>
Total Liabilities	333,198,622	657,005,128
DEFERRED INFLOWS OF RESOURCES		
Pension Related	1,927,930	-
OPEB RHIA Related	82,576	-
OPEB HBRP Related	568,561	-
Prepaid Ground Leases	15,487,356	-
Lease Related	7,128,457	-
Total Deferred Inflows of Resources	<u>25,194,880</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	358,393,502	657,005,128
NET POSITION		
Net Investment in Capital Assets	93,546,915	144,142,427
Restricted:		
Net OPEB Asset	691,958	-
Real Estate Proceeds	234,543	-
Residual Receipts	8,300,238	-
Funds Held in Trust	30,421,720	15,755,788
Program Reserves	1,241,640	746,552
Total Restricted	<u>40,890,099</u>	<u>16,502,340</u>
Unrestricted	<u>342,890,256</u>	<u>(36,882,980)</u>
Total Net Position	<u>477,327,270</u>	<u>123,761,787</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 835,720,772</u>	<u>\$ 780,766,915</u>

HOME FORWARD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

	Home Forward	Discretely Presented Component Units
OPERATING REVENUES		
Dwelling Rental	\$ 26,498,506	\$ 28,983,891
Nondwelling Rental	3,229,657	87,365
HUD Operating Subsidies	196,876,640	2,384,353
HUD Grants	8,329,916	-
Development Fee Revenue	16,247,295	-
State, Local, and Other Grants	37,788,098	639,168
Other	11,837,627	1,107,323
Total Operating Revenues	<u>300,807,739</u>	<u>33,202,100</u>
OPERATING EXPENSES		
Housing Assistance Payments	183,701,623	-
Administration	33,049,837	5,138,569
Tenant Services	14,306,961	2,043,141
Program Expense	23,726,066	3,632,856
Utilities	8,669,393	6,267,034
Maintenance	23,510,990	8,835,749
Depreciation and Amortization	9,126,623	21,045,398
General and Other	7,096,938	6,119,806
Total Operating Expenses	<u>303,188,431</u>	<u>53,082,553</u>
OPERATING LOSS	(2,380,692)	(19,880,453)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	5,729,659	360,337
Interest Expense	(2,846,300)	(11,261,023)
Investment in Partnership Valuation Charge	1,050,892	-
Financing Costs	(52,223)	(10,897)
Loss on Disposal of Capital Assets	(606,581)	(55,050)
Gain/Loss on Sale of Capital Assets	790,691	-
Total Nonoperating Revenues (Expenses), Net	<u>4,066,138</u>	<u>(10,966,633)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,685,446	(30,847,086)
CAPITAL CONTRIBUTIONS		
HUD Nonoperating Contributions	2,301,565	-
Other Nonoperating Contributions	31,814,347	3,592
Partner Contributions	(335,544)	35,519,745
Total Capital Contributions	<u>33,780,368</u>	<u>35,523,337</u>
INCREASE IN NET POSITION	35,465,814	4,676,251
Net Position - Beginning of Year	<u>441,861,456</u>	<u>115,488,166</u>
NET POSITION - END OF YEAR	<u>\$ 477,327,270</u>	<u>\$ 120,164,417</u>

See accompanying Notes to Financial Statements.

**HOME FORWARD
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024**

Home
Forward

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from HUD Grants	\$ 192,847,900
Receipts from State, Local, and Other Grants	37,525,821
Receipts from Tenants and Landlords	34,260,945
Receipts from Developer Fees	7,099,326
Receipts from Others	4,049,176
Receipt of Cash Restricted for Deposits Payable	(947,284)
Payments to Landlords	(170,138,124)
Payments to and on Behalf of Employees	(95,403,826)
Payments to Vendors, Contractors, and Others	(18,491,230)
Net Cash Used by Operating Activities	<u>(9,197,296)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Proceeds from Line of Credit	15,558,506
Payments on Line of Credit	(18,574,295)
Net Cash Used by Noncapital Financing Activities	<u>(3,015,789)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Proceeds from Line of Credit	22,700,000
Payments on Line of Credit	(22,700,000)
Proceeds from Issuance of Notes Payable	14,362,309
Proceeds from Issuance of Bonds Payable	13,445,000
Proceeds from Issuance of Bonds Payable - Partnerships	43,416,863
Interest Paid on Notes and Bonds Payable	(4,629,492)
Principal Payments on Notes Payable	(5,658,344)
Principal Payments on Bonds Payable	(7,486,030)
Principal Payments on Bonds Payable - Partnerships	(23,667,476)
Principal Payments on Lease Liability	513,598
HUD Capital Contributions	15,427,134
Other Nonoperating Contributions, Net	2,034,671
Acquisition and Construction of Capital Assets	(8,854,725)
Proceeds from the Sale of Capital Assets	1,080,145
Payments on Right to Use Asset	(66,807)
Purchase of Limited Partnership Interest	(1,399,632)
Net Cash Provided by Capital and Related Financing Activities	<u>38,517,214</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Investments	2,615,582
Financing Fees Paid	(202,013)
Issuance of Notes Receivable	(33,873,474)
Issuance of Notes Receivable - Partnerships	(43,416,863)
Collections on Notes Receivable	11,537,240
Collections on Notes Receivable - Partnerships	23,667,476
Change in Due from Partnerships, Net	359,126
Change in Investments in Partnerships, Net	(867,478)
Investment Income Received	5,729,659
Net Cash Used by Investing Activities	<u>(34,450,745)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS

(8,146,616)

Cash and Cash Equivalents - Beginning of Year

141,032,784

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 132,886,168

See accompanying Notes to Financial Statements.

**HOME FORWARD
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

**RECONCILIATION OF OPERATING LOSS TO NET CASH
FROM OPERATING ACTIVITIES**

Operating Loss	\$ (2,380,692)
Adjustments to Reconcile Operating Loss to Cash Flows Used by Operating Activities:	
Depreciation and Amortization	9,126,623
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:	
Accounts Receivable, Net	(14,860,726)
Developer Fee Receivable	(5,784,004)
Prepaid Expenses	110,566
Other Assets	(105,690)
Accounts Payable	2,913,541
Other Accrued Liabilities	120,686
Unearned Revenue	1,076,571
Deposits, Payable from Restricted Assets	(946,618)
Deferred Outflows of Resources - Pensions	(3,956,227)
Deferred Outflows of Resources - OPEB	12,216
Deferred Inflows of Resources - Pensions	(849,310)
Deferred Inflows of Resources - OPEB	61,770
Net Pension Liability	6,525,816
Net OPEB Asset and Net OPEB Liability	(261,818)
Net Cash Used by Operating Activities	<u>\$ (9,197,296)</u>

SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS

Change in Investment in Partnerships	\$ 1,050,892
Total Noncash Transactions	<u>\$ 1,050,892</u>

See accompanying Notes to Financial Statements.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Federal Housing Act of 1937 authorized public housing authorities. Utilizing the 1937 Federal Housing Act, the Portland City Council established the Housing Authority of Portland as a municipal corporation under the Oregon Revised Statutes in December 1941. On May 18, 2011, Home Forward changed its legal name from Housing Authority of Portland to Home Forward. Housing Authority of Portland is now a registered name of Home Forward. Home Forward is a municipal corporation located in Portland, Oregon.

Home Forward is governed by a nine-member Board of Commissioners; four appointments are recommended by the City of Portland, two by the City of Gresham, two by Multnomah County, and one representative from participants of Home Forward's housing programs. Home Forward is not financially dependent on the City of Portland and is not considered a component unit of the City. The Executive Director is appointed by the Board and is responsible for the daily functioning of Home Forward.

The governmental reporting entity consists of Home Forward, the primary government, and its blended and discretely presented component units.

Component units are legally separate organizations for which the Board of Commissioners is financially accountable or other organizations whose nature and significant relationship with Home Forward are such that exclusion would cause the Home Forward's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the Home Forward's ability to impose its will on the organization, or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on Home Forward. The basic financial statements include both blended and discretely presented component units. The blended component units are legally separate entities, and are considered, in substance, part of Home Forward's operations, and so data from these units is combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the primary government.

Blended Component Units

Home Forward's operations include ten blended component units, which are included in the basic financial statements and consists of legally separate entities for which Home Forward is financially accountable.

Home Forward Development Enterprises (HFDE), formerly known as New Columbia Community Campus Corporation (N4C), was formed in 2005 to support the New Columbia Community. On April 16, 2013, N4C changed its name to Home Forward Development Enterprises and was repurposed to support all of Home Forward's development and housing operations efforts.

Home Forward Community Partnerships (HFCP), formerly known as Evergreen Housing was formed in 1988 to support Home Forward for charitable purposes as permitted by Section 501(c)(3) of the Internal Revenue Code. On December 2, 2015, Evergreen Housing changed its name to Home Forward Community Partnerships.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units (Continued)

St. Francis, LLC was formed September 17, 2015, as a result of the purchase of St. Francis Limited Partnership due to a HUD debt refinancing requirement.

Gateway Park Apartments Limited Partnership (Gateway Park LP) was formed as a Tax Credit Limited Partnership on November 7, 2002 to purchase and rehabilitate a 144-unit apartment complex located on NE 100th Avenue. On March 1, 2018, Key Community Development Corporation transferred their interest as the Limited Partner to HFDE.

Cecelia Limited Partnership (Cecelia LP) was formed as a Tax Credit Limited Partnership on December 31, 2003 to construct a 131-unit apartment complex located in Portland, Oregon. On June 30, 2022, Banc of America-Alliant Tax Credit Fund XXVIII, Ltd. and Alliant ALP I-30, LLC transferred their interests as Investor Limited Partner and Administrated Limited Partner, respectively, to HFDE.

Civic Redevelopment Limited Partnership (Morrison LP) was formed as a Tax Credit Limited Partnership on June 1, 2005 to construct a 140-unit apartment complex located in Portland, Oregon. On October 17, 2024, Nationwide Affordable Housing Fund XXV,-Apollo Tax Credit Fund-XLVII, LLC and RBC Community Investments Manager II, Inc transferred their interests as Investor Limited Partner and Special Limited Partner, respectively, to HFDE.

Trouton Limited Partnership (Trouton LP) was formed as a Tax Credit Limited Partnership on December 31, 2003 to construct a 250-unit apartment complex located in Portland, Oregon. On December 28, 2022, MMA Trouton, LLC and BFIM Special Limited Partner, Inc. transferred their interests as Investor Limited Partner and Special Limited Partner, respectively, to HFDE.

Woolsey Limited Partnership (Woolsey LP) was formed as a Tax Credit Limited Partnership on June 26, 2003 to construct a 131-unit apartment complex located in Portland, Oregon. On March 31, 2023, Enterprise Housing Partners III Series II Limited Partnership transferred their interests as Investor Limited Partner to HFDE.

Humboldt Gardens Limited Partnership (Humboldt Gardens LP) was formed as a Tax Credit Limited Partnership on June 1, 2007 to construct a 130-unit apartment complex located Portland, Oregon. On November 30, 2023 EHP XV Investor, LP transferred their interest as the Limited Partner to HFDE.

Home Forward Insurance Group LLC (HFIG) was formed December 14, 2022 to support Home Forward in long term risk management program savings through use of a formalized self-insurance program.

New Market West Management Services LLC (NMWMS) was formed on October 26, 2017 to support Home Forward by providing management services for housing projects, as defined in the Housing Authorities Law, which are owned by Home Forward and/or located within the area of Home Forward's operation, and by engaging or assisting in the development of operation of such public housing.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units (Continued)

Home Forward is legally entitled to or can otherwise access the resources of HFDE, HFCP, HFIG, NMWMS, St. Francis, LLC, Gateway Park LP, Cecelia LP, Woolsey LP, Humboldt Gardens LP, Civic Commons and Trouton LP at the discretion of Home Forward management. Because HFDE, HFCP, HFIG, NMWMS, St. Francis, LLC, Gateway Park LP, Cecelia LP, Woolsey LP, Humboldt LP, Civic Commons and Trouton LP and Home Forward have this financial and operational relationship, generally accepted accounting principles requires that the financial statements of these entities be blended into the Home Forward financial statements.

Discretely Presented Component Units

Home Forward follows the guidance provided by the Governmental Accounting Standards Board (GASB) for the relationship of housing authorities as general partners of limited low-income tax credit partnerships whereby the limited partners have majority ownership but have delegated the majority of their rights regarding the operations of the partnership to the housing authority. For these entities, Home Forward exercises the majority of control over day-to-day operations.

Home Forward is the general partner and owns a 0.01% to 1% investment in each of the following discretely presented component unit limited partnerships:

- 1115 SW 11th Avenue Limited Partnership
- Beech Street Limited Partnership
- East Group Limited Partnership
- Lloyd Housing Limited Partnership
- North Group Limited Partnership
- Square Manor Limited Partnership
- Stephens Creek Crossing North Limited Partnership
- Stephens Creek Crossing South Limited Partnership
- Wests Limited Partnership
- Woods East Limited Partnership
- FP2 Limited Partnership
- 3000 Powell Limited Partnership
- Baldwin PSH Limited Partnership
- Central Group Limited Partnership
- Dekum 2 Limited Partnership
- GPT Limited Partnership
- Fairfield PSH Limited Partnership
- Troutdale Limited Partnership
- Killingsworth Limited Partnership

As a general practice, Home Forward's liability is not limited to initial investment and/or any future funding requirements. The limited partnerships have a December 31 year-end and complete financial statements may be obtained by contacting the Chief Financial Officer, Home Forward, 135 S.W. Ash Street, Portland, Oregon 97204.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Programs Administered by Home Forward (Continued)

Rent Assistance

Section 8 of the U.S. Housing and Community Development Act of 1974 provides Housing Assistance Payments on behalf of lower-income families to participating housing owners. Under this program, the landlord-tenant relationship is between a rental-housing owner and a family, rather than Home Forward and a family as in the Public Housing program. For approved housing, HUD contracts with Home Forward to enter into contracts with owners to make assistance payments for the difference between the approved contract rent and the actual rent paid by the lower-income families, between 28.5% and 31% of adjusted household gross income. Housing Assistance Payments made to landlords and some participants are funded through Annual Contributions Contracts. At December 31, 2024, Home Forward administered approximately 12,291 vouchers through several programs authorized by Section 8. Additionally, Home Forward administers the Short-Term Rent Assistance program on behalf of the City of Portland, the City of Gresham, and Multnomah County.

Affordable Housing and Special Needs Housing

Home Forward owns or is a partner in 7,739 units of housing. The Affordable Housing portfolio consists of 80 multifamily properties representing 6,960 units, of which 3,910 are owned through tax credit partnerships. The Special Needs portfolio consists of 29 properties representing 488 units. The Special Needs properties were developed using grant funds received from the state of Oregon and federal programs combined with contributions from Home Forward and other local agencies.

Resident Services

Home Forward coordinates and provides social and economic development programs for families and administers a variety of community housing and service partnerships throughout Multnomah County. Funding for these programs comes from HUD, Medicare, participant fees, charitable organizations, and private donations.

Development

Home Forward pursues development projects that augment the supply of low-cost housing, provides essential services to residents, and revitalizes overall communities. These projects include renovation of older/existing housing, new construction, and pilot projects.

Basis of Accounting

Home Forward operates as an enterprise activity. The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Home Forward distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses are derived from providing services in connection with Home Forward's ongoing operations. Operating revenues generally include rental income, operating subsidies, operating grant revenue, and development fee income. Operating expenses generally include housing assistance payments, occupancy charges, development services, tenant services, administrative expenses, and depreciation on capital assets. All other revenue and expenses not meeting this definition are classified as nonoperating revenues and expenses.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of 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 the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Use of Restricted and Unrestricted Resources

When both restricted and unrestricted resources are available for use, it is Home Forward's policy to use restricted resources first and the unrestricted resources as they are needed.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is classified in the following three components:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted

This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation reduced by liabilities relating to those restricted assets.

Unrestricted

This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents consist of amounts deposited in checking, money market accounts and the Oregon Local Government Investment Pool (LGIP) or investments with original maturities of 90 days or less. The LGIP is managed by the Oregon State Treasurer as an alternative to commercial money market accounts. Deposits are subject to collateral requirements. Deposits in the LGIP are recorded at fair value, which is the same as the value of the pool shares. Investments in the LGIP are included in the Oregon Short-Term Fund, which is not registered with the U.S. Securities and Exchange Commission as an investment company. Investments in the Oregon Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board.

Cash and Cash Equivalents – Restricted and Investments – Restricted

This consists of funds set aside for:

Family Self-Sufficiency Funds consist of amounts deposited under the Family Self-Sufficiency (FSS) program. Under the FSS program, if the income of a tenant enrolled in the program increases, instead of decreasing the subsidy amount, the original subsidy continues to be paid and the difference between the original and new subsidy amount is deposited into an escrow account. If the tenant enrolled in the program attains certain target goals related to self-sufficiency, the tenant is awarded money from the escrow account to use for various purposes stated in the tenant's self-sufficiency plan such as college tuition or a down payment for the purchase of a home.

Tenant Security Deposits represent the refundable deposits received from tenants and held in trust to secure the performance of a rental agreement. Tenant security deposits in excess of any outstanding damage or rent charges must be returned to the departing tenants within 31 days after the termination of the tenancy. The funds are typically held in segregated bank accounts since these funds may not be used for operations. Effective March 1, 2020, the City of Portland released the Portland FAIR Ordinance which established new requirements for landlords related to interest earnings and reporting requirements for security deposits. Home Forward ceased collection of security deposits as of January 1, 2020; however, deposits collected before that date were grandfathered and continue to be allowed to earn interest that may be retained for operations.

Rental Assistance Demonstration Acquisition Proceeds are externally restricted funds which consist of net proceeds received from the sale of 2,320 public housing units to various limited partnerships. These proceeds are used to fund the development of new affordable housing multi-family properties or for large-scale rehabilitation projects to existing affordable housing properties. These balances are reported in Real Estate Sale Proceeds.

Section 18 Acquisition Proceeds are externally restricted funds which consist of net proceeds received from the sale of 1,199 public housing units to various limited partnerships. These proceeds are used to fund the development of new affordable housing multi-family properties or for large-scale rehabilitation projects to existing affordable housing properties. These balances are reported in Real Estate Sale Proceeds.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents – Restricted and Investments – Restricted (Continued)

Funds Held in Trust consist primarily of replacement reserves held in trust and by Home Forward for Affordable Housing properties owned and operated by Home Forward. In addition, the balance includes performance guarantee and other funds held in trust and by Home Forward under various agreements. The reserves are invested in interest-bearing bank accounts and are externally restricted for the purposes of maintaining required reserve funds or purchasing or constructing capital assets or other noncurrent assets. As such, the amounts are classified as restricted, noncurrent assets. During the year ended December 31, 2024, the reserves were funded as required under the various agreements.

Program Reserves represents unspent funds that are held for future program use.

PILOT Funds are maintained to fund Payments in Lieu of Taxes (PILOT) on certain rental properties owned by Home Forward. Under an agreement with the City of Portland, Home Forward is required to make an annual payment equal to \$200,000. Home Forward also makes annual payments to the city of Fairview. Total payment to city of Fairview for the year ended December 31, 2024 was \$31,706.

In August 2020, the Board of Commissioners approved Resolution 20-08-02 authorizing Home Forward to establish a pure captive insurance limited liability company domiciled in the state of Hawaii. On December 24, 2020, HFIG was formed and licensed. The Captive is a Class 2 limited liability company managed by Home Forward as the sole member and will insure the risks of Home Forward and its affiliates. Pursuant to Hawaii Revised Statutes 431:19-104, HFIG's minimum required capital and surplus of \$500,000 was on deposit in the corporation's name at First Hawaiian Bank on December 24, 2020.

Concentration of Risk

Federal regulations require that public funds on deposit with financial institutions be secured at a rate of 100% of amounts in excess of deposit insurance coverage. Home Forward maintains cash balances at several financial institutions, some in excess of the federally insured amount of \$250,000 per Employer Identification Number. Financial institutions insure these excess balances either via the Oregon state treasurer's office by designating these balances as Public Funds per ORS 295 or via other collateral agreements. At December 31, 2024, all of Home Forward's funds were collateralized.

Investments

Pursuant to Home Forward's Moving to Work Agreement with the Department of Housing and Urban Development (HUD), Home Forward's Investment Policy dated September 2013 is written in conformance with ORS Chapter 456 – Housing. Home Forward's investment program shall be operated in conformance with Oregon Revised Statutes and Applicable Federal Law. Specifically, Home Forward's investment policy is written in conformance with ORS Chapter 294 – County and Municipal Financial Administrations, which allows for federal funds to be invested in securities permitted under Oregon state law.

HF Insurance Group, LLC deposits cash and makes investment purchases in accordance with its Cash and Investment Policy. The policy defines how the funds are to be managed and invested by HFIG. The policy applies to activities of HFIG with regard to maintaining and investing the financial assets of operating funds, loss reserves, and other financial sources.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Due from Partnerships, Net

Consists primarily of development and management fees earned by Home Forward through its involvement as the General Partner in tax credit partnerships and partnership project costs paid by Home Forward on behalf of the partnerships (see Note 5). The fees are typically paid based on the availability of net cash flow of the partnerships or from the proceeds of capital contributions to the partnerships. Management reviews the balance for likelihood of collection and records an allowance for doubtful accounts based on the type and age of the individual receivables.

Notes Receivable (Noncurrent)

Consists primarily of loans to tax credit partnerships for the development of affordable housing. These loans have a maturity date greater than one year in duration. Management reviews the balance for likelihood of collection and records an allowance for doubtful accounts based on the type and age of the individual receivables (see Note 6).

Notes Receivable – Partnerships, Net

Consists of required payments to be made by the Partnerships to Home Forward to pay required debt service payments on the Multi-Family Housing Revenue Bonds in which Home Forward has an ownership interest.

Investments in Partnerships

Represents Home Forward's equity interest in 19 limited partnerships, which are reported as Home Forward's discretely presented component units (see Note 8). These investments are accounted for under the equity method because Home Forward either holds a controlling interest or has "significant influence" over the operations of the partnerships.

Under the equity method, the initial investment is recorded at cost and is increased or decreased by Home Forward's share of income or losses and is increased by contributions and decreased by distributions. Management reviews the investment in partnerships for possible impairment in value whenever events or circumstances indicate the carrying value of the investment may not be recoverable.

Leases (Lessor)

The Authority determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statement of net position (see Note 7).

Lease receivables represent the Authority's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Lessor) (Continued)

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The Authority is the lessor of dwelling units to low-income and market rate residents. The low-income rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time or renewed every year. The Authority may cancel the leases only for cause. A significant majority of the capital assets are used in these leasing activities. The Authority has recognized payments received for tenant and short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statement of net position.

Where the individual lease contracts do not provide information about the discount rate implicit in the lease, the Authority has elected to use their incremental borrowing rate of 2.50% to calculate the present value of expected lease payments.

Leases (Lessee/Right-to-Use Assets)

The Authority is a lessee for noncancelable leases of office space and office equipment. The Authority recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the statement of net position. The Authority recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Lessor) (Continued)

Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease and option years that the Authority is reasonably certain to exercise.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The Authority monitors change in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported as current and noncurrent on the statement of net position.

Capital Assets

Capital Assets include land, construction in progress, buildings and improvements, and equipment. All capital assets are recorded at cost except for donated capital assets which are recorded at acquisition value at the time of donation. Depreciation is computed on the straight-line method based on the estimated useful lives of the individual assets: 15 to 40 years for buildings and improvements and 3 to 20 years for equipment. When debt is issued for construction of capital assets, interest is capitalized during construction up to the placed-in-service date. Maintenance and repairs are charged to expense when incurred. Assets with costs in excess of \$5,000 are capitalized and depreciated from the respective placed-in-service date.

Management reviews land, buildings and improvements, equipment, and construction in progress for possible impairment whenever events or circumstances cause a material and unanticipated decline in the service utility of an asset. Impairment is inherently subjective and is based on management's best estimate of assumptions concerning expected future conditions.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and therefore will not be recognized as an outflow of resources (expense) until then. Home Forward has three items that qualify for reporting in this category. The deferred amount related to pensions is recognized as an outflow of resources in the period when Home Forward recognizes pension expense. The deferred amount related to OPEB is recognized as an outflow of resources in the period when Home Forward recognizes OPEB expense.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources (Continued)

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and therefore will not be recognized as an inflow of resources (revenue) until that time. Home Forward has three types of items that qualify for reporting in this category. The deferred amount related to pensions is recognized as an inflow of resources in the period Home Forward recognizes a reduction of pension expense. The deferred amount related to OPEB is recognized as an inflow of resources in the period Home Forward recognizes a reduction of OPEB expense. The deferred inflow related to leases is recognized as revenue over the life of the leases.

Net OPEB (Asset)/Liability

Home Forward has two other post-employment benefits (OPEB) plans: 1) Retirement Health Insurance Account (RHIA), and 2) Home Forward Health Benefit Retiree Program (HBRP). For purposes of measuring the net OPEB RHIA asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value (see Note 16). For purposes of measuring the total OPEB HBRP liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been actuarially determined using assumptions regarding the future cost of the retiree health plan and that it will retain its current relationship to the cost of the active plan, and that the active plan cost will maintain a reasonable relationship to direct compensation (see Note 16).

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value (see Note 15).

Unearned Revenue

Unearned revenue consists primarily of land lease prepayments, advanced grant payments received from HUD programs and payments received from non-HUD sources that have not been earned as of December 31, 2023. As of December 31, 2024, unearned revenue consisted of the following:

Prepaid Annual Contributions	\$ 3,354,255
Prepaid Rent Revenue	3,906,815
Total Unearned Revenue	<u>\$ 7,261,070</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Accrued Liabilities – Current

Represents the current liabilities due and payable to the General Partner for operating expenses paid on behalf of the Limited Partnership. These include wages and purchase card transactions.

Revenue Recognition

Operating subsidies are recognized in the period funds are received. Revenues from grants are recognized in the periods designated by the grantor as the associated costs are incurred. Revenues from contracts and rental revenues are recognized when the associated services are provided.

Compensated Absences

The liability for compensated absences consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave. Total accrued compensated absences as of the year ended December 31, 2024 were \$5,696,753 and are a component of other accrued liabilities.

Income Taxes

Home Forward adopted the provisions of FASB ASC *Topic 740-10, Accounting for Uncertainty in Income Taxes* on April 1, 2009, as applicable to the tax credit limited partnerships presented as discretely presented component units in the basic financial statements. These Oregon tax credit limited partnerships were formed in conformity with the provisions of Section 42 of the Internal Revenue Code, thus no provision has been made for income taxes. There was no effect on net position in the current year as a result of adopting this topic. No expense for interest or penalties is recognized in the financial statements. Management believes the tax credit limited partnerships have not taken any uncertain tax positions, as defined in the topic.

Effect of New Pronouncements

Effective December 31, 2024, Home Forward implemented GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*, the implementation of this standard had no impact on Home Forward. Home Forward also implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated absences liability increased by \$2.4 million as of December 31, 2024.

NOTE 2 LOW INCOME HOUSING TAX CREDIT LIMITED PARTNERSHIPS

The low-income housing tax credit program is the result of federal legislation that allows investors certain tax incentives for investing in low-income housing. Under terms of the federal tax code and extended use agreements with the state of Oregon, the buildings must continue to serve the targeted population for 30 years; after 15 years, Home Forward has the option to purchase the property from the partnership.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 LOW INCOME HOUSING TAX CREDIT LIMITED PARTNERSHIPS (CONTINUED)

Tax Credit Limited Partnerships are created to finance and own affordable housing. Home Forward acts as Managing General Partner of each partnership. Although each Tax Credit Limited Partnership is structured differently, they are generally financed via loans to the partnership, contributions of equity by the general and limited partners, and other sources. In some transactions, Home Forward issues bonds and loans the proceeds to the Tax Credit Limited Partnership. Tax-exempt bond issuances are secured by the underlying partnership real estate and, in some cases, by the general revenues of Home Forward. The bonds and notes payable are offset by notes receivable from the partnerships. The partnerships make payments to Home Forward for debt service. Home Forward may receive grant funds or other loans to assist in purchasing the properties and in preserving affordability within the projects. Because of limitations posed by the Internal Revenue Service, all such funds are received by Home Forward and lent to the partnerships. These funds are accounted for as notes receivable from the partnerships if the proceeds are used for developing the property. Other advances are included in amounts due from partnerships and are reflected in Note 5. Notes payable related to the partnerships are reflected in Note 11. A summary of Home Forward's long-term debt, including debt pertaining to the tax credit partnerships, is reflected in Note 12. A summary of notes receivable from the partnerships is reflected in Note 6.

Home Forward typically earns a developer's fee for its role in bringing the project to fruition. These fees are earned based on certain events or dates relative to the development of the project. Developer fees are paid primarily from development proceeds and available cash flows. Under the various partnership agreements, the balance of developer fees not paid during the construction phase are generally required to be paid within 10 to 15 years of the project having been placed in service and may accrue interest on unpaid balances. For the year ended December 31, 2024, Home Forward earned \$16,247,295 in developer fees and was paid \$6,459,004.

At December 31, 2024, the balance of the development fees owed to Home Forward is \$35.1 million. The fees are included within notes receivable on the statement of net position. Some tax credit projects also pay a General Partner's management fee and/or a tenant services fee; these fees are reflected in other operating revenues and totaled \$500,295 for the year ended December 31, 2024.

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

Pursuant to Home Forward's Moving to Work Agreement with HUD, Home Forward's Investment Policy dated September 2013 is written in conformance with ORS Chapter 456—Housing. Home Forward's investment program shall be operated in conformance with Oregon Revised Statutes and applicable federal law. Specifically, Home Forward's investment policy is written in conformance with ORS Chapter 294 – County and Municipal Financial Administration, which allows for federal funds to be invested in securities permitted under Oregon state law.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

As of the year ended December 31, 2024, cash and investments consisted of the following:

Cash and Cash Equivalents	\$ 90,214,952
Cash and Cash Equivalents - Restricted	<u>42,671,216</u>
Total Cash and Cash Equivalents	<u>\$ 132,886,168</u>
Investments - Restricted	<u>1,934,607</u>
Total Investments	<u>\$ 1,934,607</u>

At December 31, 2024, all of Home Forward's bank balances were insured first by federal depository insurance of \$250,000 per institution and any balances in excess of that amount were collateralized by either a Tri-Party agreement or by the Oregon State Public Funds Collateral Pool.

Investment Risk Disclosures

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, Home Forward will not be able to recover the value of the investment securities that are in the possession of the outside party. As of the year ended December 31, 2024, all investments were insured or registered, and held by Home Forward or its agent in Home Forward's name, or uninsured and unregistered, with securities held by the counterparty's trust department or agent in Home Forward's name and were not exposed to custodial credit risk.

Credit risk of investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This credit risk is measured by the credit quality rating of investments in debt securities as described by a nationally recognized statistical rating organization such as Standard and Poor's (S&P).

To minimize credit risk, Home Forward's policies provide that investments in corporate indebtedness are rated a minimum of A1, P1, 3a3 and investments in municipal debt obligations of the state of Oregon that are A or better. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Concentration of credit risk is the risk of loss attributed to the magnitude of Home Forward's investment in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools). To minimize concentration of credit risk, Home Forward's investments are made from a selection of diverse issuers. As of December 31, 2024, Home Forward is not exposed to concentration risk.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Home Forward selects investments of varied maturities to mitigate this risk.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Investment Risk Disclosures (Continued)

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. In accordance with Home Forward's investment policy, Home Forward does not invest in securities associated with exchange rates and therefore is not exposed to foreign currency risk.

As of the year ended December 31, 2024, Home Forward's restricted investments consist of a certificate of deposit of \$318,174, a money market fund of \$547,152, and a guaranteed investment contract and a repurchase agreement with Bayerische with a S&P rating of AAA and a weighted average maturity more than three years in the amount of \$472,680 and \$486,504, respectively.

Investments restricted at December 31, 2024 mature between January 2027 and May 2029 and the interest rate on the investments ranges from 4.39% to 4.57%.

Fair Value of Financial Instruments

Investments held by Home Forward are stated at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Home Forward determines the fair value of these investments on a monthly basis, based on quoted market prices. Outside trustees provide monthly statements to report the fair value and pricing of the assets held by them, which are also based on quoted market prices. During Fiscal Year 2017, Home Forward adopted GASB 72, *Fair Value Measurement and Application*. GASB 72 provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under GASB 72 are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that Home Forward has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Fair Value of Financial Instruments (Continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 as compared to December 31, 2023. Investments in derivatives are valued based upon quoted prices for similar assets in active markets.

Certificates of Deposit, Guaranteed Investment Contracts, Money Market Funds, and U.S. Treasury Bills are carried at amortized cost, thus are not included in the fair value hierarchy.

Investments Not Subject to Fair Value Levels:

Certificate of Deposit	\$ 318,174
Guaranteed Investment Contract	472,680
Money Market Fund	547,152

The following table sets forth by level, within the fair value hierarchy, Home Forward's assets and liabilities at fair value as of December 31, 2024:

	Total	Level 2
Repurchase Agreement	\$ 486,504	\$ 486,504
U.S. Government Securities	110,097	-

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable consist of the following as of the year ended December 31, 2024:

HUD Grants	\$ 19,053,882
State, Local, and Other Grants	3,907,586
Tenants and Landlords	8,312,304
Development	6,521,097
Capital	30,673
Other	4,549,021
Total Accounts Receivable	42,374,563
Less: Allowances for Doubtful Accounts	(4,102,494)
Accounts Receivable, Net	<u>\$ 38,272,069</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 DUE FROM PARTNERSHIPS

Due from Partnerships consists of the following as of the year ended December 31, 2024:

Stephen's Creek Crossing North (4%)	\$ 48,153
West's Limited Partnership	238,571
Stephen's Creek Crossing South (9%)	40,432
Woods Limited Partnership	(72,858)
Square Manor Limited Partnership	608,665
Lloyd Housing Limited Partnership	1,233,261
North Group Limited Partnership	367,393
East Group Limited Partnership	122,406
Central Group Limited Partnership	545,671
3000 Powell Limited Partnership	163,514
Baldwin PSH Limited Partnership	100,819
Fairfield PSH Limited Partnership	197,432
GPT Limited Partnership	1,807,163
Killingsworth Limited Partnership	133,206
Trousdale Housing Limited Partnership	23,739
All Other Partnerships	<u>2,822,095</u>
Total Due from Partnerships	8,379,662
Less: Allowances for Doubtful Accounts	<u>(803,941)</u>
Due from Partnerships, Net	<u><u>\$ 7,575,721</u></u>

NOTE 6 NOTES RECEIVABLE AND ACCRUED INTEREST

Notes and accrued interest receivable consist of the following as of December 31, 2024:

Partnerships Notes	\$ 400,189,953
Homeowners Notes	<u>208,300</u>
Total Notes Receivable	400,398,253
Accrued Interest Receivable	14,407,825
Less: Allowances for Doubtful Accounts	<u>(13,998,591)</u>
Total Notes and Accrued Interest Receivables, Net	<u><u>\$ 400,807,486</u></u>

Partnership notes have been issued to the limited partnerships invested in by Home Forward. These notes are used for the purpose of acquiring, constructing, and/or remodeling buildings for housing and other housing related purposes. These notes have an interest range of 0% to 6% with various maturity dates through 2074. As described in each note agreement, payments will be made from available cash flows.

Homeowners' notes are secured by deed of trust and no longer accrue interest. Deferred interest was forgiven if the owner completed required homeowner education classes and remained in the house for five years. Principal is payable upon sale of property or various dates between 2033 through 2037.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 LEASE RECEIVABLE

The Authority, acting as lessor, leases land and buildings under long-term, non-cancelable lease agreements. The leases expire at various dates through 2084 and provide for various renewal options.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 767,615	\$ 210,864	\$ 978,479
2026	708,062	189,556	897,618
2027	695,677	169,284	864,961
2028	586,681	150,514	737,195
2029	474,959	135,603	610,562
2030 - 2034	1,221,507	564,359	1,785,866
2035 - 2039	490,707	454,445	945,152
2040 - 2044	263,694	413,076	676,770
2045 - 2049	432,620	367,740	800,360
2050 - 2054	292,532	318,085	610,617
2055 - 2059	467,298	266,320	733,618
2060 - 2064	711,038	186,376	897,414
2065 - 2069	423,682	90,704	514,386
2070 - 2074	80,987	59,768	140,755
2075 - 2079	110,497	30,258	140,755
2080 - 2084	40,461	1,807	42,268
Total Minimum Lease Payments	<u>\$ 7,768,017</u>	<u>\$ 3,608,759</u>	<u>\$ 11,376,776</u>

NOTE 8 INVESTMENTS IN PARTNERSHIPS

Investments in partnerships consist of the following as of December 31, 2024:

<u>Investments in Limited Liability Partnerships</u>	
Development	\$ 219,250
St Francis Park Limited Partnership	442,811
Square Manor Limited Partnership	291,358
Powell Limited Partnership	71
Lloyd Housing Limited Partnership	7,851,297
Dekum Court Limited Partnership	2,089,766
Fairfield Limited Partnership	52
GPT Limited Partnership	12
Killingsworth	100
Troutdale Housing LP	100
Total Investments in Partnerships	<u>\$ 10,894,817</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 9 CAPITAL ASSETS AND LEASES

Land, structures, and equipment activity of Home Forward was as follows for the year ended December 31, 2024:

	Balance January 1, 2024	Restatements	Additions	Disposals	Transfers	Component Unit Transfer	Balance, December 31, 2024
Land	\$ 43,714,370	\$ -	\$ 1,275,120	\$ (26,195)	\$ -	\$ 9,108	\$ 44,972,403
Construction in Progress	10,558,246	-	8,504,900	-	(1,125,395)	(6,653,253)	11,284,498
Total Capital Assets Not Being Depreciated/Amortized	54,272,616	-	9,780,020	(26,195)	(1,125,395)	(6,644,145)	56,256,901
Buildings and Improvements	346,045,898	(78,549,617)	11,356,019	(5,227,551)	886,767	8,974,324	283,485,840
Right to Use Assets - Buildings	22,215	-	608,290	(22,216)	-	-	608,289
Equipment	16,927,911	(3,419,248)	349,825	(107,916)	90,780	120,345	13,961,697
Right to Use Assets - Equipment	308,470	-	66,807	(186,389)	-	-	188,888
	363,304,494	(81,968,865)	12,380,941	(5,544,072)	977,547	9,094,669	298,244,714
Less Accumulated Depreciation/ Amortization:							
Buildings and Improvements	(204,653,853)	81,389,082	(8,255,681)	4,358,461	147,848	-	(127,014,143)
Right to Use Assets - Buildings	(19,438)	-	(68,538)	22,216	-	-	(65,760)
Equipment	(14,236,965)	3,391,627	(692,485)	107,165	-	-	(11,430,658)
Right to Use Assets - Equipment	(158,559)	-	(109,919)	186,390	-	-	(82,088)
	(219,068,815)	84,780,709	(9,126,623)	4,674,232	147,848	-	(138,592,649)
Total Capital Assets Being Depreciated/Amortized, Net	144,235,679	2,811,844	3,254,318	(869,840)	1,125,395	9,094,669	159,652,065
Total Capital Assets	\$ 198,508,295	\$ 2,811,844	\$ 13,034,338	\$ (896,035)	\$ -	\$ 2,450,524	\$ 215,908,966

NOTE 10 LINES OF CREDIT

Home Forward has an \$8,000,000 operating revolving line of credit. The line of credit is used for short-term funding needs. The line of credit is collateralized by the general revenues of Home Forward, maturing December 1, 2024. Draws on the line of credit may bear a fixed or variable rate of interest. During the year ended December 31, 2024, gross draws, including initial draws and draws after repayments, on the line of credit were \$27,000,000 which represents both principal and accrued interest. The remaining outstanding line of credit balance for December 31, 2024 was \$-0-.

A summary of activity for Home Forward's line of credit for year ended December 31, 2024 is as follows:

	Balance January 1, 2024	Draws	Repayments	Balance December 31, 2024
Line of Credit	\$ -	\$ 22,700,000	\$ (22,700,000)	\$ -

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 10 LINES OF CREDIT (CONTINUED)

Home Forward has a 10-year, \$18,300,000 real estate revolving line of credit, maturing December 20, 2028. The line of credit will be used to provide capital for real estate development activities. Collateral requirements include first deed of trust (and assignment of rents, if applicable) on a real estate collateral pool with a 75% maximum commitment to collateral value (75% LTV). Home Forward has identified that the two properties Rosenbaum Plaza and Unthank will serve as the properties for the collateral pool. As borrower, Home Forward has the option to replace the properties identified as collateral provided other covenants are in compliance of the new collateral. Additional requirements are that for accounts which are wholly owned and/or controlled by Home Forward. Home Forward will aggregately maintain a minimum of \$12,500,000 in deposit balances at Beneficial State bank during the term of the credit facility and Home Forward will maintain a certificate of deposit of \$275,000 with Beneficial State Bank.

Draws on the line of credit may bear a fixed or variable rate of interest. During the year ended December 31, 2024, gross draws, including initial draws and draws after repayments, on the line of credit were \$15,558,506 which represents both closing costs and accrued interest. The remaining outstanding line of credit balance for the year ended December 31, 2024 was \$11,352,052.

A summary of activity for Home Forward's line of credit for the year ended December 31, 2024 is as follows:

	Balance January 1, 2024	Draws	Repayments	Balance December 31, 2024
Line of Credit	<u>\$ 14,367,841</u>	<u>\$ 15,558,506</u>	<u>\$ (18,574,295)</u>	<u>\$ 11,352,052</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE

Notes payable of Home Forward consist of the following as of December 31, 2024:

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Schiller Way	1.50 %	2030	Monthly	Deed of Trust	Borrower fails to pay principal and interest and doesn't cure within 15 days after due date and Lender may declare all sums owed	If Borrower becomes insolvent all principal and interest become automatically due	N/A	212,808
Richmond Place	3.00	Sale of Property	Cash Flow	Deed of Trust	Beneficiary may declare all principal balance and accrued interest due immediately if loan payments are not paid by due date; beneficiary may take possession of property and collect all rents	Failure to disclose (any misrepresentation), beneficiary has the option to declare all principal balance and interest immediately due	N/A	862,042
Turning Point	7.49	2032	Monthly	Secured by Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and a Pledge and Security Agreement	Borrower fails to pay any amount within 10 days of due date and Lender may declare entire loan due and payable; Borrower fails to perform or comply with any other covenant or condition under agreement, Borrower fails to show evidence of full or substantial compliance with governmental authority over property and not cured in 30 day period, if property is seized by any governmental agency, material adverse change in financial condition of borrower and not remedied within 30 days	Not applicable	N/A	229,873
Willow Tree	4.42	2036	Monthly	Secured by Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and a Pledge and Security Agreement	Borrower fails to pay any amount within 10 days of due date and Lender may declare entire loan due and payable; Borrower fails to perform or comply with any other covenant or condition under agreement, Borrower fails to show evidence of full or substantial compliance with governmental authority over property and not cured in 30 day period, if property is seized by any governmental agency, material adverse change in financial condition of borrower and not remedied within 30 days	Not applicable	N/A	410,536
Cambridge Court	1.00	2032	Monthly	Lender has a lien on the land and all improvements and a security interest in personal property	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), failure to obtain lender's consent to transaction, failure to comply, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclosure of property	Not applicable	N/A	258,552
Cambridge Court	-	2032	Cash Flow	Lender has a lien on the land and all improvements and a security interest in personal property	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), failure to obtain lender's consent to transaction, failure to comply, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclosure of property	Not applicable	N/A	395,388

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Fenwick Apts	3.77 %	2025	Monthly	Trust deed, security agreement, assignment of leases and rents, and fixture filing	Borrower fails to make payment of any amount payable under this loan entire indebtedness becomes immediately due Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. Lender can place a lien on the land and all buildings and improvements. Lender may take action to recover monetary damages caused by violation or attempted violation of any covenant, condition, agreement or obligation. Damages can include but not be limited to all costs, expenses, including but not limited to staff and administrative expenses, fees including legal	Not applicable	N/A	769,200
Fenwick Apts	-	Sale of Property	Cash Flow	Security agreement in property including accessories, additions, replacements and accession now and hereinafter affixed connected to property	Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. The Trustee at Lender's direction shall have the right to foreclose by notice and sale of property. Upon any occurrence of any Event of Default interest shall accrue on the unpaid principal balance at a rate equal to the less of four percentage points above the current rate. Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	1,137,073
Fenwick Apts	3.00	2034	Monthly	Trust Deed, Security interest in personal property collateral	Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. The Trustee at Lender's direction shall have the right to foreclose by notice and sale of property. Upon any occurrence of any Event of Default interest shall accrue on the unpaid principal balance at a rate equal to the less of four percentage points above the current rate. Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	89,882
Helen Swindells	-	2083	Cash Flow	Trust Deed in the property and all tenements along with leases and rents of the property	Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. The Trustee at Lender's direction shall have the right to foreclose by notice and sale of property. Upon any occurrence of any Event of Default interest shall accrue on the unpaid principal balance at a rate equal to the less of four percentage points above the current rate. Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	1,113,664

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Helen Swindells	- %	2083	Cash Flow	Trust Deed in the property and all tenements along with leases and rents of the property	Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	2,720,007
Kelly Place	4.80	2028	Monthly	Trust Deed covering the real property and other collateral	Borrower fails to perform any obligation to pay principal or interest and doesn't cure within 15 days when due	If Borrower becomes insolvent, all sums of principal and interest under the Note become automatically due and payable	N/A	114,738
James Hawthorne	-	Sale of Property	Cash Flow	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rents	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or place a lien on the property	Not applicable	N/A	5,728,950
North Interstate	-	Sale of Property	Cash Flow	Trust Deed	Not applicable	Not applicable	N/A	912,948
Yards at Union Station	1.00	2027	Monthly	Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rents	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale. Upon the event of default, interest can be increased of 4 percentage points above the current interest rate. An event of default is constituted as the following: failure to make any payment when due any loan documents and not cured within 10 days, failure to perform any covenant, agreement or obligation under any of the Loan Documents if not cured within 60 days will lead to the declaration any or all indebtedness secured by the Trust to be due and payable immediately, foreclose the trust deed as a mortgage, cause any or all of the property to be sold under the power of sale, elect to exercise its right with respect to Leases & Rents	Not applicable	N/A	329,787
Pearl Court	3.00	2027	Monthly	Trust Deed, Security Agreement, UCC1	Not applicable	Not applicable	Acceleration of the entire unpaid principal balance of the Note and other indebtedness secured by the Trust Deed securing this note upon any sale or transfer is automatic	142,293

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Schiller Way	- %	Sale of Property	Cash Flow	Not applicable	Events of default are constituted as follows: failure to pay any sum due under agreement within 10 days of due date, failure to comply with covenants, failure to obtain Loan provider's consent in sale, transfer or assignment of proceeds, failure to comply with agreement, failure to pay general debts when due, failure to disclose material facts, default under other grants, default by guarantor or failure to replace guarantor will cause the entire remaining unpaid balance immediately due and loan will become lien on the property. Borrower fails to pay obligations under note when due within 10 days of due date, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale on the property.	Not applicable	N/A	505,351
SW 45th (Carriage Hill Apts)	-	Sale of Property	Cash Flow	Line of credit trust deed, security agreement, fixture and filing and assignment or leases and rents	Borrower fails to pay obligations under note when due within 10 days of due date, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale on the property.	Not applicable	N/A	175,885
Willow Tree	-	2035	Cash Flow	Line of credit trust deed, security agreement, fixture and filing and assignment or leases and rents	Borrower fails to pay obligations under note when due within 10 days of due date, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale on the property.	Not applicable	N/A	116,642
Fairview Oaks & Woods	3.05	2047	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing	Events of default include: borrower fails to pay or deposits amounts when due under the note, fraud or material misrepresentation or material omission by borrower or any of its officers, directors, members, commencement of a forfeiture action or proceeding, any material failure by Borrower to comply obligations under Security Instrument, failure by borrower to perform obligations under regulatory agreement will be cured.	Not applicable	If a monetary event of default occurs for a period of 30 days, the entire unpaid principal balance and any accrued interest and all other amounts payable to becomes due and payable	9,383,993
Rockwood Station	3.58	2047	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing	Events of default include: borrower fails to pay or deposit amounts when due under the note, fraud or material misrepresentation or material omission by borrower or any of its officers, directors, members, commencement of a forfeiture action or proceeding, any material failure by Borrower to comply obligations under Security Instrument, failure by borrower to perform obligations under regulatory agreement will be cured	Not applicable	If a monetary event of default occurs for a period of 30 days, the entire unpaid principal balance and any accrued interest and all other amounts payable to becomes due and payable	3,791,173

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Rockwood Station (Mpower)	6.00 %	2025	Monthly	Security interest in the Efficiency Measures, Memo of ESA	Events of default constitute: Non payment of debt payment, other non compliance of any other covenant under agreement or other loan documents (30 days to satisfy covenant), non compliance with governmental regulations, (30 days to cure), untruth of representations and warranties, default under other financing, bankruptcy, reorganization or dissolution, attachment (levied against all or part of the property), transfer of the project property without written consent of Lender can lead to Lender declaring all sums of note and other loan documents due and payable.	Not applicable	Lender may declare note due and payable in full if the following occur: sale or transfer by Borrower not approve by Lender, Borrower's failure to make any payment within 10 days of due date, and other default or breach of any term in the Note or other Loan documents	3,812
Hawthorne Home	6.00	2029	Monthly	Trust Deed	Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender that proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender. If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender	Not applicable	N/A	21,932
Madison Home	6.00	2029	Monthly	Deed of Trust	Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender	Not applicable	N/A	21,592

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
					<p>If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. Payment among default must include the sums required to be paid in the event of any prepayment of debt. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender.</p> <p>If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. Payment among default must include the sums required to be paid in the event of any prepayment of debt. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender.</p>			
North Interstate	6.00 %	2033	Monthly	Deed of Trust		Not applicable	N/A	266,297
Project Open Door	1.00	2027	Monthly	Trust Deed		Not applicable	N/A	52,206

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
					<p>If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. Payment upon default must include the sums required to be paid in the event of any prepayment of debt. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender that proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender. Borrower fails to pay obligations under note when due within 10 days of due date, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale on the property. If an event of default has occurred, the entire unpaid principal balance of the mortgage loan, any accrued interest, interest accruing at the default rate, the prepayment premium (if applicable) at the option of Lender shall be immediately due and payable without notice to Borrower. In addition Lender shall have rights and remediate including foreclosure on and/or the power of sale of the property. The following events are events of default: failure by Borrower to pay or deposit when due amounts required the Note or any other Loan document, failure of Borrower to maintain insurance coverage, failure by Borrower to maintain property as single asset status, any warranty or representation is false or inaccurate, fraud, gross negligence or will misconduct or material misrepresentation (including on financial statements, rent rolls or other report information, request from Lender in regards to disbursements from Replacement Account Funds), occurrence of any transfer not permitted by Loan Document, occurrence of a bankruptcy event, commencement of forfeiture action (whether civil or criminal) which could lead to forfeiture of the property or impair the lien on the property, any failure by Borrower to complete any repair related to fire, life or safety issues within terms of Loan agreement, and any exercise by the holder of any debt instrument secured by mortgage or deed on the property of a right to declare all amounts due immediately</p>			
Taylor Home	7.00 %	2029	Monthly	Deed of Trust		Not applicable	N/A	21,120
Ainsworth Court	-	2052	Cash Flow	Subordination agreement to be secured by certain liens and encumbrances against the property, Lien on the land		Not applicable	N/A	914,699
Ainsworth Court	4.77 %	2034	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing		Not applicable	If an event of default has occurred and is continuing the entire unpaid principal balance of the loan, any accrued interest, interest accruing at the default rate or prepayment premium (if applicable) and all other indebtedness at the option of Lender is immediately due and payable without prior written consent to Borrower.	1,505,437

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Madrona Apartments	5.31 %	2034	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing	If default has occurred, the unpaid principal balance of the mortgage loan, accrued int, int accruing at the default rate, prepayment premium (if applicable) at the option of Lender shall be immediately due & payable without notice. Lender shall have rights and remediate including foreclosure on and/or the power of sale of the property. The events of default are: failure by Borrower to pay or deposit when due amounts required the Note or any other Loan document, failure of Borrower to maintain insurance coverage, failure by Borrower to maintain property as single asset status, any warranty or representation is false or inaccurate, fraud, gross negligence or will misconduct or material misrepresentation (including on financial statements, rent rolls or other report information, request from Lender in regards to disbursements from Replacement Account Funds), occurrence of any transfer not permitted by Loan Document, occurrence of a bankruptcy event, commencement of forfeiture action (civil or criminal) leading to forfeiture of the property or impair the lien on the property, any failure by Borrower to complete any repair related to fire, life or safety issues within terms of Loan agreement. a right to declare all amounts due immediately. Failure to perform the covenants and conditions in trust deed shall give the option to declare the unpaid balance due on the Note immediately. If any material fact is not disclosed all indebtedness can be due and payable and the trust deed may be foreclosed on including the recouping of reasonable expenses such as attorney fees.	Not applicable	If an event of default has occurred and is continuing the entire unpaid principal balance of the loan, any accrued interest, interest accruing at the default rate or prepayment premium (if applicable) and all other indebtedness at the option of Lender is immediately due and payable without prior written consent to Borrower.	898,908
Kelly Place (Multnomah)	-	2046	Maturity Date	Trust deed	Events of default include: failure to pay any of the obligations of the loan before due date, the occurrence of a breach of covenant, agreement, condition, provision, representation or warranty contained in Trust Deed or any Loan documents, or a writ of execution or any similar process shall be issued against or any part or interest in the estate or any judgement involving monetary damages that become a lien on the property. In the case of these acceleration of all debt occurs and is immediately due and payable, lender can take possession of all or any part of the property, lender can foreclose the property and sale under applicable law. Lender can take over management, rents and revenues of the property	Not applicable	N/A	350,456
Rockwood Landing	-	2058	Maturity Date	Trust deed, security agreement, and fixture filing		Not applicable	N/A	150,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Gretchen Kafoury	3.00 %	2031	Maturity Date	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rent	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	2,664,000
Hamilton West	3.00	2031	Monthly	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rent	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans , default by guarantors or failure to replace guarantor may lead to Lender declaring all unpaid balance due immediately	Not applicable	N/A	329,375
Hamilton West	-	Sale of Property	Cash Flow	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rent	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans , default by guarantors or failure to replace guarantor may lead to Lender declaring all unpaid balance due immediately	Not applicable	N/A	2,039,641

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Rockwood Landing (Mpower)	6.00 %	2025	Monthly	Security interest in the Efficiency Measures, Memo of ESA	Events of default constitute: Non payment of debt payment, other non compliance of any other covenant under agreement or other loan documents (30 days to satisfy covenant), non compliance with governmental regulations, (30 days to cure), untruth of representations and warranties, default under other financing, bankruptcy, reorganization or dissolution, attachment (levied against all or part of the property), transfer of the project property without written consent of Lender can lead to Lender declaring all sums of note and other loan documents due and payable.	Not applicable	Lender may declare note due and payable in full if the following occur: sale or transfer by Borrower not approved by Lender, Borrower's failure to make any payment within 10 days of due date of payment, and other default or breach of any term in the Note or other Loan documents	3,069
Rockwood Landing	3.05	2029	Monthly	Deed of Trust, Security Agreement and Fixture Filing, Assignment of Leases and Rents	In any event representation or warranty shall be found untrue or performance of any obligation, term, covenant or warranty shall constitute default under the Note and Deed of Trust can declare all sums secured immediately due and payable Events of default: Monetary Default (failure to pay sums when due required under the Note), fraud or material misrepresentation in regards to i) loan application, ii) financial statement or rent, iii) the commencement of a forfeiture action or proceeding, iv) any material failure to perform or comply with any of its obligation under Security Instrument, v) failure to perform any HUD obligations under the Regulatory Agreement can lead to the immediate payment of unpaid principal and accrued interest Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	167,539
St. Francis LLC	3.38	2050	Monthly	Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing	Events of default: Monetary Default (failure to pay sums when due required under the Note), fraud or material misrepresentation in regards to i) loan application, ii) financial statement or rent, iii) the commencement of a forfeiture action or proceeding, iv) any material failure to perform or comply with any of its obligation under Security Instrument, v) failure to perform any HUD obligations under the Regulatory Agreement can lead to the immediate payment of unpaid principal and accrued interest Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	If a Monetary Event of Default occurs (and continues for 30 days) the entire unpaid principal balance, any accrued interest will become due & payable.	3,279,371
St Francis LLC	-	Sale of Property	Cash Flow	Trust Deed and Assignment of Leases	Events of default: Monetary Default (failure to pay sums when due required under the Note), fraud or material misrepresentation in regards to i) loan application, ii) financial statement or rent, iii) the commencement of a forfeiture action or proceeding, iv) any material failure to perform or comply with any of its obligation under Security Instrument, v) failure to perform any HUD obligations under the Regulatory Agreement can lead to the immediate payment of unpaid principal and accrued interest Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	5,194,028

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Sequoia Square	8.08 %	2031	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	401,852
Sequoia Square	3.99	2031	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	241,582
Sequoia Square	-	Sale of Property	Cash Flow	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	514,486
Lovejoy Station	3.00	2032	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	1,176,465

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
The Alexis	2.78 %	2040	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Events of default include: failure to pay principal or interest on debt when (within 5 days of due date), the trust estate or any portion is transferred in violation of sale or increase in interest rate on sale, failure to perform or comply with any other covenant in Deed of Trust (fails to cure within 30 days) , writ of execution or attachment is levied against the property or any judgement involving monetary damages against property and a lien is placed on the property, event of default within the Loan agreement occurs, breach or default under any mortgage, trust deed or lien on the property that is either senior or subordinate to the Trust Deed can lead to entire indebtedness becoming immediately due and payable or the right to foreclose by judicial foreclosure on the property or a trustee will be designated to sell property. Default include: Default in the performance of any of its covenants or agreements in any loan document, any representation to current or historical information in regards to certificate, notice report or financial statement that is incorrect in any material respect, any authorization now or hereafter necessary to enable Borrower to comply with obligations under the Trust Deed or Note fails to be timely issued or granted, Borrower becomes bankrupt, insolvent, winding up or reorganization, Borrower receives a proceeding in court for liquidation, dissolution or the readjustment of debts, Borrower effects a change of ownership or transfers any interest without prior written consent, Borrower fails to terminate Property management agreement after request of Lender or makes new satisfactory arrangements for a new management agent which allows Lender to declare all or any portion of debt immediately due and payable, the Lender can take possession of the property and collect rents, the Lender will be empowered to foreclose on Property and sell the Property.	Not applicable	N/A	4,766,668
Gateway Park	5.10	2033	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Event of default: maker fails to pay all or any other portion due within 10 days after written notice, makers fails to pay the outstanding balance on maturity date, event of default defined under deed of trust.	Not applicable	N/A	3,588,441
4720 North Maryland	-	2026	Monthly	Deed of trust	Event of default: maker fails to pay all or any other portion due within 10 days after written notice, makers fails to pay the outstanding balance on maturity date, event of default defined under deed of trust.	Not applicable	N/A	3,547,685

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
4720 North Maryland	5.25 %	2023	Monthly	Deed of trust	Events of default include: Non Payment- Failure to pay any installment, other non-compliance (failure to comply with any other covenant of Agreement or other Loan Documents, non compliance with governmental regulations, other material breach, seizure of collateral, untruth of representations and warranties, changed financial condition, bankruptcy, reorganization or dissolution, attachment, transfer, failure to comply with timeline). Under the occurrence of default, entire loan may due or exercise of any other remedy permitted in agreement.	Not applicable	N/A	495,000
Haven	3.93	2036	Monthly	Deed of Trust with assignment of leases and rents, security agreement, and fixture filing	Events of default include: failure to pay any amount within 15 days of due date, other non-compliance (failure to comply with any other covenant of Agreement or other Loan Documents, non compliance with governmental regulations, other material breach, material portion of the property is condemned or seized). Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	665,472
Cecelia	3.00	2059	Maturity Date	Trust Deed	Events of default include but are not limited to: failure to pay any sum of money in accordance with the Note, failure to comply with any covenants, executing an assignment for the benefit of creditors or take any action in furtherance thereof or admit in writing an inability to pay debts generally as they become due, default under or acceleration of any indebtedness secured by any other trust deed, security interest, or assignment which covers or affects any part of the property, a levy which is not permanently dismissed or discharged within thirty days, discovery that any representation or warranty made in any of the loan documents is false, misleading, erroneous, or breached in any material respect, and failure to commence construction within ninety days of the loan agreement. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	527,726
Woolsey	2.75	2038	Monthly	Deed of Trust	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, all or any material portion of the property is condemned, seized, or appropriated by any governmental agency, or a material adverse change in the financial condition of the borrower or its general partner. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	550,516

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Woolsey	3.18 %	2038	Monthly	Deed of Trust	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, all or any material portion of the property is condemned, seized, or appropriated by any governmental agency, or a material adverse change in the financial condition of the borrower or its general partner. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	576,904
Woolsey	6.75	2038	Monthly	Deed of Trust	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, all or any material portion of the property is condemned, seized, or appropriated by any governmental agency, or a material adverse change in the financial condition of the borrower or its general partner. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	371,231
The Jeffrey	-	2068	Maturity Date	Trust Deed	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, failure to obtain lender's consent to transaction, failure to disclose material facts, default under other loans, or discontinued construction. Default may result in the lender declaring the note immediately due and payable, or in foreclosure.	Not applicable	N/A	8,601,712
New Market West	6.35	2038	Monthly	Deed of Trust	Events of default include: failure to make any payment when due, making false or misleading statements, default in favor of any third party which may materially affect ability to perform under this Deed of Trust, and insolvency. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	2,369,490

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Cesar Apartments	- %	2080	Maturity Date	Trust Deed	Events of default include: Failure to pay obligations within 15 days under loan documents, failure to comply with loan documents (if not cured within 30 days), failure to obtain lender consent to transaction, failure to comply with loan agreement, trust deed, note agreement or PHB Metro Bond regulatory agreement, failure to pay general debts when due, failure to disclose material facts (misrepresentations), default under PHB Bond regulatory agreement and/or land use restrictive covenants, and fault under other loans if applicable	Not applicable	Lender may declare remaining unpaid balance principal and interest due, eligible household and restricted unit rental rate increase, foreclosure, metro bond recapture, notification to obligors to pay rent directly to lender, fee to be paid upon default to lender (1% on unpaid principal balance), foreclosure, foreclosure of lessee's rights- subordination, payment of costs of collection (losing party will pay prevailing part for legal fees in the case of litigation)	8,997,090
The Morrison	3.00	2038	Maturity Date	Trust Deed	Events of default include: Failure to pay obligations within 10 days under loan documents, failure to comply with covenants (if not cured within 30 days), failure to obtain lender consent to transaction, failure to comply with loan agreement, trust deed, note agreement, default under other loans, failure to pay general debts when due, failure to disclose material facts (misrepresentations)	Not applicable	Lender may declare remaining unpaid balance principal and interest due, notification to obligors to pay rent directly to lender, interest on default rate, foreclosure, foreclosure of lessee's rights- subordination, payment of costs of collection (losing party will pay prevailing part for legal fees in the case of litigation)	500,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Killingsworth	- %	2056	Maturity Date	Trust Deed	Events of default include: monetary default (failure to pay interest or principal within 30 days of being due), nonmonetary default (default under any covenants, provisions terms or loan documents), termination of lease resulting from condemnation or conveyance in lieu of condemnation, conveyance of tile to the project, option to purchase defined in the lease is exercised by lender in and the owner fails to 1) subject its interest in the property to a condominium regime of comprised of two units of the lease, 2) close on the sale of the condominium unit consisting of the ELC space to lender or lender's affiliate within the time period required in the lease, failure of borrower to cause the senior debt to be released as a lien on the project prior to the date on which the option to purchase can be exercised by the lender under the terms of the lease. 30 days of borrower to cure nonmonetary default and notice of default is given to effect a cure prior to any exercise of remedies under the loan documents. If Borrower in good faith initiates correction action (if 30 days is not a reasonable timeline) the Borrower shall have such additional time as is reasonably necessary to cure the default prior to the	Not applicable	Following an event of default entire unpaid principal which shall bear interest of 5% (default rate), entire principal (associated fees, interest) will become due and payable immediately	1,413,702
Peter Paulson	-	2084	Maturity Date	Trust Deed	Events of default include: Failure to pay obligations within 15 days under loan documents, failure to comply with covenants (if not cured within 15 days), failure to obtain lender consent to transaction, failure to comply with loan agreement, trust deed, note agreement, default under other loans, failure to pay general debts when due, failure to disclose material facts (misrepresentations), default under PHB regulatory agreement	Not applicable	Lender may declare remaining unpaid balance principal and interest due, notification to obligors to pay rent directly to lender, interest on default rate (from the date first unpaid payment was due at a rate equal to the lesser of 1% point per month or 12% per year or the maxium interest which may be collected from the holder of the Note under applicable law) , foreclosure, foreclosure of lessee's rights- subordination, payment of costs of collection (losing party will pay prevailing part for legal fees in the case of litigation). eligible households income and eligible restricted unit rental rate increase	4,107,346

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Ash Creek	6.25	2044	Monthly	Deed of Trust	Events of default include: payment default, other defaults (related to other agreement with lender and borrower, default in favor of 3rd parties, environmental default (any environmental agreement executed in connection with the loan), false statements, insolvency, credit or forfeiture proceedings, events after guarantor, change in ownership (change of 25% or more of the common stock of Borrower), adverse change (borrower's financial condition or lender believes that payment of of note is impaired)	Not applicable	Lender may upon default declare the entire unpaid principal balance and all accrued unpaid interest due. Borrower will pay any attorney fees/expenses, for the lender associated with bankruptcy proceedings	1,276,396
								Total
								91,974,031
								Less: Current Portion of Notes Payable
								(3,785,835)
								Total Notes Payable -
								Long-Term
								<u>88,188,197</u>

(*) Note: Calendar Year of Final Maturity Date

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**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 11 NOTES PAYABLE (CONTINUED)

Notes payable includes those notes related to equity gap financing. Equity gap financing is utilized to fund the difference between project costs and sources of construction and permanent financing. These notes bear interest rates between 0.00% and 8.08% with maturities due up through 2059 except for certain equity gap notes, which are not payable unless the property is sold.

A summary of activity of Home Forward's notes payable for the year ended December 31, 2024 is as follows:

	Balance January 1, 2024	Increase	Decrease	Balance December 31, 2024
Notes Payable	<u>\$ 83,270,067</u>	<u>\$ 14,362,309</u>	<u>\$ (5,658,344)</u>	<u>\$ 91,974,032</u>

Minimum debt payments due over the next five years and thereafter in five-year increments are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 3,785,835	\$ 1,436,355
2026	5,520,496	1,340,012
2027	2,304,254	1,248,965
2028	2,287,760	1,157,499
2029	2,157,391	1,082,884
2030 - 2034	14,777,456	4,767,152
2035 - 2039	6,827,914	3,656,485
2040 - 2044	8,120,002	1,391,860
2045 - 2049	2,974,383	169,289
2050 - 2054	1,071,014	2,432
2055 - 2059	2,091,431	-
Total	51,917,936	16,252,933
Notes With No Set Maturity	40,056,096	-
Total	<u>\$ 91,974,032</u>	<u>\$ 16,252,933</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 BONDS PAYABLE

Bonds payable of Home Forward, which are secured by mortgages on the respective properties, consist of the following as of December 31, 2024:

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Dawson Park 2012	Fixed	3.37%	2027	Pledge of all legal available revenues of the Project, b) moneys on deposit in a loan reserve fund, c) moneys on deposit in a debt service reserve fund, d) general revenues of Home Forward not previously or subsequently pledge to a specific purpose and legally available. Deed of trust with a security interest in the land and improvement which encompasses the Project.	Events of default include: default in the due debt payment, failure of the Property to perform any other covenant, agreement or obligation under Loan agreement or regulatory agreement, event of default under the Deed of Trust, filing of a petition in voluntary bankruptcy or reorganization, insolvency, involuntary bankruptcy, dissolution or liquidation which can lead to the Authority to declare the entire balance due and payable immediately, the Authority may foreclose the Deed of Trust and Authority may recover monetary damages caused by such violation.	Not applicable	Not applicable	\$ 369,695
Pearl Court	Fixed	4.50	2037	Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	1,305,000
Gretchen Kafoury	Fixed	4.00	2035	Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	3,175,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 BONDS PAYABLE (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Hamilton West	Fixed	4.00%	2031	Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	\$ 2,730,000
Yards at Union Station	Fixed	4.85	2040	Leasehold Trust Deed, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	2,050,000
Lovejoy Station	Fixed	1.45	2052	Leasehold Trust Deed, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	5,670,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 BONDS PAYABLE (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Cecelia	Variable	- %	2037	Line of Credit Commercial Deed of Trust, Assignment, Security Agreement and Fixture filing	Events of default include the following: default in the due and punctual payment of the principal or premium or interest on any Bond when due, failure to pay the purchase price of any variable rate bond tendered when such payment is due, default by the Authority in the observance of any other covenants, agreements (including ground lease and mixed finance amendment) or conditions in the indenture, loan agreement or the bonds (not cured within 60 days) can lead to the acceleration of the bonds including principal and interest accrued due immediately, foreclosure of the deed of trust and power sale.	Not applicable	If any Event of Default occurs the Trustee shall be entitled to upon written notice to the Authority, the Bank, the Remarketing agent and the partnership or the owners of a majority in aggregate principal of the bonds at the time outstanding is entitled to declare the principal of all of the bonds then outstanding and the interest accrued due payable and immediately.	\$ 2,770,000
Trouton	Variable	-	2035	Line of Credit Commercial Deed of Trust, Assignment, Security Agreement and Fixture filing	Events of default include the following: default in the due and punctual payment of the principal or premium or interest on any Bond when due, failure to pay the purchase price of any variable rate bond tendered when such payment is due, default by the Authority in the observance of any other covenants, agreements or conditions in the indenture, loan agreement or the bonds (not cured within 60 days) can lead to the acceleration of the bonds including principal and interest accrued due immediately.	Not applicable	If any Event of Default occurs the Trustee shall be entitled to upon written notice to the Authority, the Bank, the Remarketing agent and the partnership or the owners of a majority in aggregate principal of the bonds at the time outstanding is entitled to declare the principal of all of the bonds then outstanding and the interest accrued due payable and immediately.	4,010,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 BONDS PAYABLE (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Humboldt Gardens	Fixed	6.17%	2039	Trust Indenture	Events of default include the following: default in the due and punctual payment of the principal or premium or interest on any Bond when due, failure to pay the purchase price of any variable rate bond tendered when such payment is due, default by the Authority in the observance of any other covenants, agreements or conditions in the indenture, loan agreement or the bonds (not cured within 60 days) can lead to the acceleration of the bonds including principal and interest accrued due immediately. Event of defaults include: (a) failure to pay the principal or Purchase Price of, premium, if any, or interest on any Bond (other than Purchased Bonds) when due, whether at the stated maturity thereof, or on proceedings for redemption thereof, or on the maturity thereof by declaration; or (b) failure by the Credit Facility Provider to make when due a required payment under the Credit Facility; or (c) failure to observe or perform any of the covenants, agreements or conditions on the part of the Authority (other than those set forth in Section 5.01 hereof) in this Indenture or in the Bonds and the continuance thereof for a period of thirty (30) days after written notice to the Authority from the Trustee or the Holders of not less than 51% of the aggregate principal amount of the Bonds then Outstanding at such time specifying such default and requiring the same to be remedied; provided that the Credit Facility Provider shall have directed in writing that the same shall have constituted an Event of Default; or (d) receipt by the Trustee of written notice from the Construction Phase Credit Facility Provider that the interest portion of the Letter of Credit will not be reinstated. The Trustee and the Authority agree that, notwithstanding the provisions hereof, no default under the terms of this Indenture shall be construed as resulting in a default under the Bond Mortgage Note, the Bond Mortgage, the Reimbursement Mortgage or any other Bond Mortgage Loan Document, unless such event also constitutes an event of default thereunder. The Trustee will immediately notify the Authority, the Servicer (from and after the Conversion Date) and the Credit Facility Provider after a Responsible Officer obtains actual knowledge of the occurrence of an Event of Default or obtains actual knowledge of the occurrence of an event	Not applicable	If any Event of Default occurs the Issuer shall have the right to direct the Trustee to declare all outstanding bonds immediately due and payable.	\$ 705,000
The Morrison	Variable	-	2038	Trust Estate (deed of trust) and the security for the Bonds, the following: (a) the Bond Mortgage Note, (b) the Credit Facility providing credit enhancement for the Bond Mortgage Loan and liquidity support for the Bonds, (c) the amounts on deposit in the Bond Mortgage Loan Fund, to the extent not disbursed pursuant to the terms and conditions hereof, (d) the Revenues and any other moneys received by the Trustee for the payment of the principal of and interest on the Bonds, (e) amounts otherwise on deposit in the funds and accounts (other than moneys on deposit from time to time, in the Bond Purchase Fund, the Principal Reserve Fund, the Borrower's Contingency Fund, the Rebate Fund and the Cost of Issuance Fund) and (f) investment income (excluding Investment Income earned on amounts on deposit in the Rebate Fund and Investment Income earned on amounts on deposit in the Costs of Issuance Fund);	(a) failure to pay the principal or Purchase Price of, premium, if any, or interest on any Bond (other than Purchased Bonds) when due, whether at the stated maturity thereof, or on proceedings for redemption thereof, or on the maturity thereof by declaration; or (b) failure by the Credit Facility Provider to make when due a required payment under the Credit Facility; or (c) failure to observe or perform any of the covenants, agreements or conditions on the part of the Authority (other than those set forth in Section 5.01 hereof) in this Indenture or in the Bonds and the continuance thereof for a period of thirty (30) days after written notice to the Authority from the Trustee or the Holders of not less than 51% of the aggregate principal amount of the Bonds then Outstanding at such time specifying such default and requiring the same to be remedied; provided that the Credit Facility Provider shall have directed in writing that the same shall have constituted an Event of Default; or (d) receipt by the Trustee of written notice from the Construction Phase Credit Facility Provider that the interest portion of the Letter of Credit will not be reinstated. The Trustee and the Authority agree that, notwithstanding the provisions hereof, no default under the terms of this Indenture shall be construed as resulting in a default under the Bond Mortgage Note, the Bond Mortgage, the Reimbursement Mortgage or any other Bond Mortgage Loan Document, unless such event also constitutes an event of default thereunder. The Trustee will immediately notify the Authority, the Servicer (from and after the Conversion Date) and the Credit Facility Provider after a Responsible Officer obtains actual knowledge of the occurrence of an Event of Default or obtains actual knowledge of the occurrence of an event	Not applicable	Upon the occurrence of an Event of Default upon only receipt from the Credit Facility provider of a notice direction such acceleration by notice in writing to the borrower all principal and interest of bonds is due immediately (along with the trustee at the permission of bondholders),	\$ 7,800,000
<div> <div>Total</div> <div>Less: Current Portion of Bonds Payable</div> <div>Total</div> <div>Plus Unamortized Premiums</div> <div>Less: Unamortized Discounts</div> <div>Total Long-Term Bonds Payable</div> </div>								<div>30,584,695</div> <div>(2,176,416)</div> <div>28,408,279</div> <div>162,710</div> <div>(60,110)</div> <div><u>\$ 28,510,879</u></div>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 BONDS PAYABLE (CONTINUED)

A summary of activity of Home Forward's bonds payable for the year ended December 31, 2024 is as follows:

	Balance January 1, 2024	Draws	Repayments	Balance December 31, 2024
Bonds Payable	<u>\$ 24,613,654</u>	<u>\$ 13,445,000</u>	<u>\$ (7,473,959)</u>	<u>\$ 30,584,695</u>

Minimum debt payments due over the next five fiscal years and thereafter are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 2,176,416	\$ 894,009
2026	2,269,909	785,120
2027	2,292,398	698,496
2028	1,850,463	615,955
2029	1,926,290	541,000
2030-2034	13,984,111	1,810,393
2035-2039	6,085,108	201,588
Total	<u>\$ 30,584,695</u>	<u>\$ 5,546,561</u>

NOTE 13 BONDS PAYABLE AND NOTES RECEIVABLE – PARTNERSHIPS

Home Forward issued Multi-Family Housing Revenue Bonds, Tax-Exempt Tax Credit Notes Receivable, and Taxable Tax Credit Notes Receivable for the purpose of providing financing to Internal Revenue Service Section 42 Partnerships (see Note 8 and Note 19) in which Home Forward has an ownership interest. The Partnerships are required to make payments on the notes receivable to Home Forward, the General Partner of the Partnerships, sufficient to make required debt service payments on the bonds.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 BONDS PAYABLE AND NOTES RECEIVABLE – PARTNERSHIPS (CONTINUED)

Bonds payable—partnerships and the corresponding notes receivable—partnerships consist of the following at December 31:

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Stephens Creek Crossing North LP	Fixed	4.56.00%	2031	Line of Credit Construction Leasehold Deed of Trust, Assignment, Security Agreement and Fixture Filing	Events of default: payment obligation failure, transfer of any or all part of property not included in the trust deed, failure to perform or comply with any obligations in trust deed (and not cured for 30 days), an event of default under the note or loan agreement, change in zoning or public restriction in regards to the use of the property if it would be in violation of zoning ordinance or regulation, default under any lease, default under any other mortgage, deed of trust or security agreement covering the property or an execution or attachment is levied against the property and is not discharged or stayed within 30 days of being levied can lead to acceleration of all obligations becoming due and payable without notice of default or acceleration, the property can be foreclosed upon and the power of sale can be enacted. A judicial action can be submitted for foreclosure of the Deed of Trust. In the event of default, collection of rents can be assumed by Lender.	In the event of default all obligations shall become due and payable without notice of default, notice of acceleration or intention to accelerate. The property can be foreclosed upon and the power of sale can be enacted. A judicial action can be submitted for foreclosure of the Deed of Trust and collection of rents can be assumed by Lender.	\$ 2,516,308
West's Limited Partnership	Fixed	4.18%	2052	Revenues and receipts therefrom and the security therefore (including the Security Instrument) and the amounts on deposit from time to time in any and all funds established under the Funding Loan Agreement	Events of default: failure by the Borrower to pay any Borrower Loan Payment on the date such payment is due, failure by or behalf of Borrower to pay when due any amount required to be paid under any of the other funding loan documents, an Event of Default as defined by any other Funding Loan Document, any representation made by Borrower, the General Partner or Guarantor in any Funding Loan Document or in any report, certificate, financial statement or other instrument, agreement or document by the Borrower that is false or misleading in any material respect, the Borrower makes a general assignment for the benefit of credits or shall generally not be paying its debt as they become due, bankruptcy, any portion of the Borrower required equity to be made by the Equity investor is not received, failure to comply with ERISA, any material litigation or proceeding against the Borrower, the General Partner or the Guarantor or the property, if a final judgement is issued for monetary damages in excess of \$50,000 is not paid and discharged prior to completion date, a failure to pay when due any monetary obligation to any Person in excess of \$100,000 and such failure continues beyond the expiration of any grace period, a final and un-appealable and uninsured money judgment in favor of any other person other than a governmental authority in the aggregate sum of \$50,000 or more against Borrower, the general partner or the guarantor that is not paid prior to completion date, the inability of the Borrower to satisfy any condition for the receipt of a Disbursement and failure to resolve, construction or rehabilitation is abandoned or halted prior to the completion date (as long as not caused by unforeseeable conditions such as acts fire, strikes, disruption of shipping acts of terrorism), Borrower fails to keep in force and effect any material permit, license, consent or approval required under the loan agreement, failure to substantially complete the construction or rehab on or prior to the substantial completion date, failure of Borrower to satisfy conditions to conversion or before the conversion date, failure by any subordinate lender to disburse the proceeds of its subordinate loan, an Event of Default occurs under any of subordinate loan documents, any failure by the Borrower to perform or comply with any of its obligations under the loan agreement (and continues for 30 days), a seizure or forfeiture of the property can lead to declaring the borrower payment obligations to be immediately due and payable including prepayment	Event of default can make all borrower payment obligations immediately due and payable including the prepayment premium	\$ 11,987,980

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 BONDS PAYABLE AND NOTES RECEIVABLE – PARTNERSHIPS (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Woods East Limited Partnership	Fixed	4.18%	2052	Revenues and receipts therefrom and the security therefore (including the Security Instrument) and the amounts on deposit from time to time in any and all funds established under the Funding Loan Agreement	Events of default: failure by the Borrower to pay any Borrower Loan Payment on the date such payment is due, failure by or behalf of Borrower to pay when due any amount required to be paid by Borrower under any of the other funding loan documents, an Event of Default as defined by the Borrower note, the Security Instrument or any other Funding Loan Document, any representation made by Borrower, the General Partner or Guarantor in any Funding Loan Document or in any report, certificate, financial statement or other instrument, agreement or document by the Borrower that is false or misleading in any material respect, the Borrower makes a general assignment for the benefit of credits or shall generally not be paying its debt as they become due, bankruptcy, any portion of the Borrower required equity to be made by the Equity investor is not received, failure to comply with ERISA, any material litigation or proceeding against the Borrower, the General Partner or the Guarantor or the property, if a final judgement is issued for monetary damages in excess of \$50,000 is not paid and discharged prior to completion date, a failure to pay when due any monetary obligation to any Person in excess of \$100,000 and such failure continues beyond the expiration of any grace period, a final and un-appealable and uninsured money judgment in favor of any other person other than a governmental authority in the aggregate sum of \$50,000 or more against Borrower, the general partner or the guarantor that is not paid prior to completion date, the inability of the Borrower to satisfy any condition for the receipt of a Disbursement and failure to resolve, construction or rehabilitation is abandoned or halter prior to the completion date (as long as not caused by unforeseeable conditions such as acts fire, strikes, disruption of shipping acts of terrorism), Borrower fails to keep in force and effect any material permit, license, consent or approval required under the loan agreement, failure to substantially complete the construction or rehab on or prior to the substantial completion date, , failure of Borrower to satisfy conditions to conversion or before the conversion date, failure by any subordinate lender to disburse the proceeds of its subordinate loan, an Event of Default occurs under any of subordinate loan documents, any failure by the Borrower to perform or comply with any of its obligations under the loan agreement (and continues for 30 days), a seizure or forfeiture of the property can lead to declaring the borrower payment obligations to be immediately due and payable including prepayment premium	Event of default can make all borrower payment obligations immediately due and payable including the prepayment premium	\$ 14,195,022

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 BONDS PAYABLE AND NOTES RECEIVABLE – PARTNERSHIPS (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Square Manor Limited Partnership	Fixed	4.25%	2035	Leasehold Trust Deed, Security Agreement, Assignment of Leases and Rents and Fixture Filing	Events of default: borrower fails to make any payment within 10 days when due, borrower fails to comply with or perform when due any other term, obligation, covenant, or condition contained in the note, borrower makes representation that is false or misleading in any material way, borrower dissolves or becomes insolvent or bankrupt, any creditor tries to take any of property on or in which lender has a lien or security interest, any guarantor of the note seeks to limit/modify/ revoke such guarantor's guaranty with Lender cane can lead interest rate increase of 4% per annum in excess of the interest rate otherwise than in effect of 18% per annum whichever is greater and lead to the balance of unpaid principal and accrued interest immediately due and payable. Event of default of one or more of the following: failure to pay an installment of interest or principal within 30 days of due date; any of the convenats, provisions, terms and conditons of the loan document not fully cured within the period of time therein. In the event of default, the entrie unpaid balance of principal shall bear the interest rate of 12% per annum until paid in full.	Not applicable	\$ 3,835,539
3000 Powell	Fixed	2.20	2025	Secured by leasehold interest in the property	Events of default include any representation made by the borrower is incorrect; failure to pay any amounts due; borrower fails to observe or perform any other term, covenant, condition or agreement set forth in the Project Loan Agreement. Default rate as applicable 5% per annum or the maximum interest rate allowable by law. If principal and accrued interest are not paid in full on maturity date, unpaid balances shall accrue at the default rate.	Not applicable	34,792,591
Dekum Court	Fixed	7.18	2026	Leasehold Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing	Events of default include any representation made by the borrower is incorrect; failure to pay any amounts due; borrower fails to observe or perform any other term, covenant, condition or agreement set forth in the Project Loan Agreement.	Default may result in the lender declaring the Project Loans to be immediately due and payable.	27,895,500
GPT Limited Partnership	Variable	-	2027	Security Instrument, the Pledged Security and other security provided by it for the Project Loans	Events of default include any representation made by the borrower is incorrect; failure to pay any amounts due; borrower fails to observe or perform any other term, covenant, condition or agreement set forth in the Project Loan Agreement.	Default may result in the lender declaring the Project Loans to be immediately due and payable.	26,608,986
Total							121,831,926
Less: Current Portion of Bonds Payable							(82,891,413)
Total Bonds Payable and Notes Receivable - Partnerships							<u>\$ 38,940,513</u>

*For the variable rate debt, the December 31, 2024, interest rate, as provided above, was used for the future interest calculation.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 BONDS PAYABLE AND NOTES RECEIVABLE – PARTNERSHIPS (CONTINUED)

A summary activity of Home Forward's bonds payable at December 31, 2024 is as follows:

	Balance January 1, 2024	Draws	Repayments	Balance December 31, 2024
Bonds Payable	<u>\$ 102,082,539</u>	<u>\$ 43,416,863</u>	<u>\$ (23,667,476)</u>	<u>\$ 121,831,926</u>

Minimum debt payments due over the next five fiscal years and thereafter are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 82,891,413	\$ 1,359,618
2026	760,113	1,640,327
2027	786,651	1,584,022
2028	820,467	1,550,205
2029	855,739	1,514,934
2030-2034	6,415,153	6,724,600
2035-2039	7,779,805	5,028,626
2040-2044	5,868,523	3,883,988
2045-2049	7,224,921	2,527,590
2050-2054	5,288,365	1,012,230
2055-2059	1,271,643	514,932
2060-2064	1,557,321	229,254
2065	311,812	6,190
Total	<u>\$ 121,831,926</u>	<u>\$ 27,576,516</u>

NOTE 14 RETIREMENT PLANS

Plan Descriptions

Home Forward is a participating employer in the state of Oregon Public Employees' Retirement System (PERS). PERS, a cost sharing multiple employer defined benefit plan and a fiduciary fund of the state of Oregon, issues a comprehensive annual financial report, which may be obtained by writing to Public Employees' Retirement System, P.O. Box 23700, Tigard, Oregon, 97281-3700, or by calling 1-888-320-7377.

As a member of PERS, Home Forward contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost sharing, multiple-employer defined benefit other post-employment benefit (OPEB) plan administered by PERS.

Actuarial Assumptions for the Calculation of Pension and OPEB Assets, Liabilities, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension and OPEB

As both plans are administered by PERS, many of the actuarial assumptions were the same for the pension plan and OPEB-RHIA plan. Refer to Note 15 and Note 16 for pension or OPEB-RHIA specific assumptions, respectively.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 14 RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions for the Calculation of Pension and OPEB Assets, Liabilities, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension and OPEB (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of occurrence of events into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown below are based on the 2022 Experience Study, which reviewed experience for the four-year period ended on December 31, 2022.

The total pension and OPEB liabilities based on the December 31, 2022 actuarial valuation were determined using the following actuarial assumptions:

Valuation Date:	December 31, 2022
Measurement Date:	June 30, 2024
Experience Study Report:	2022, published July 24, 2023
Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Inflation	2.40%
Long-term expected rate of return	6.90%
Discount Rate	6.90%
Projected Salary Increases	3.40%
Cost-of-living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality:	<p>Health Retirees and Beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled Retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 14 RETIREMENT PLANS (CONTINUED)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>20-Year Annual Return (Geometric)</u>
Global Equity	27.50 %	7.07 %
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds - Multistrategy	1.25	6.27
Hedge Fund Equity - Hedge	0.63	6.48
Hedge Fund - Macro	5.62	4.83
Total	<u>100.00 %</u>	
Assumed Inflation - Mean		2.35 %

NOTE 15 PENSION

PERS Pension (Defined Benefits)

Home Forward is a participant of the PERS pension program. PERS benefits, as described by the PERS 2024 Comprehensive Annual Financial Report are as follows:

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalence of benefits to which he or she is entitled.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 PENSION (CONTINUED)

PERS Pension (Defined Benefits) (Continued)

Pension Benefits (Continued)

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

Upon the death of a nonretired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in an PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

A member's beneficiary may choose a monthly payment for life instead of the lump-sum or a combination of lump-sum and monthly payments, if eligible. The monthly payment must be a minimum of \$200 per month for deaths that occur after July 30, 2003.

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a nonduty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a nonduty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit Changes after Retirement

Members may choose to continue participation in their variable equities investment account after retiring and may experience annual benefit fluctuations caused by changes in the fair value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The COLA is capped at 2.0%.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 PENSION (CONTINUED)

OPSRP Pension Programs

Home Forward is a participant of the pension programs, a hybrid defined benefit/defined contribution plan for those employees hired after August 29, 2003. OPSRP benefits, as described by the PERS 2022 Comprehensive Annual Financial Report are as follows:

OPSRP Pension Benefits (Defined Benefit)

This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age.

General Service

1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

Upon the death of a nonretired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70 1/2 years.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

OPSRP Individual Account Program (Defined Contribution)

Pension Benefits: Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a).

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 PENSION (CONTINUED)

OPSRP Pension Programs (Continued)

Death Benefits

Upon the death of a nonretired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Risk Pooling

In 2001, the Oregon legislature amended ORS 238.227 allowing for local government entities to pool their PERS pension assets and liabilities with the state of Oregon and other organizations joining the pool. Contribution rates are actuarially determined based on the experience of the overall pool as opposed to the potentially more volatile experience of the individual member. On January 19, 2010, Home Forward's Board of Commissioners approved Home Forward's inclusion in the State & Local Government Rate Pool (SLGRP).

Funding Status

Employees who are OPSRP members are required by state statute to contribute 6.0% of their salary to OPSRP and employers may agree to pay this required contribution. Home Forward pays the employee's required contribution for all represented employees and non-represented employees hired before April 1, 2012. Additionally, employers are required to contribute actuarially computed amounts as determined by PERS on actuarial valuations performed at least every two years. Rates are subject to change as a result of subsequent actuarial valuations and legislative actions.

Employer contribution rates in effect July 1, 2021 to June 30, 2023 are:

	<u>Tier 1/Tier 2</u>	<u>OPSRP</u>
Pension Contribution Rate	21.06 %	17.54 %
Retiree Health Care Rate	0.05	-
Total Employer Contribution	<u>21.11 %</u>	<u>17.54 %</u>

Employer contribution rates in effect July 1, 2023 to June 30, 2025 are:

	<u>Tier 1/Tier 2</u>	<u>OPSRP</u>
Pension Contribution Rate	23.03 %	19.79 %
Retiree Health Care Rate	0.05	-
Total Employer Contribution	<u>23.08 %</u>	<u>19.79 %</u>

The amount contributed by Home Forward for the year ended December 31, 2024 was approximately \$8,134,906 which represents the required contributions for both the employee and the employer for the year presented.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 PENSION (CONTINUED)

Net Pension Assets and Liabilities

At December 31, 2024, Home Forward reported a liability of \$41,816,167 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to June 30, 2024. Home Forward's proportion of the net pension liability was based on a projection Home Forward's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2024, Home Forward's proportion was 0.18813025%, which increased from its proportion of 0.18840928% measured as of June 30, 2023.

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2024, Home Forward recognized pension expense of \$1,720,281 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 4,122,083	\$ -
Net Differences Between Expected and Actual Experience	2,477,221	99,802
Changes in Assumptions	4,204,211	5,386
Net Differences Between Projected and Actual Earnings on Plan Investments	2,656,496	-
Changes in Proportion	3,117,983	35,997
Difference Between the Employer's Contributions and the Employer's Proportion Share of Contributions	674,170	1,786,745
Total	<u>\$ 17,252,164</u>	<u>\$ 1,927,930</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 PENSION (CONTINUED)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The amount of \$4,122,083 reported as of the year ended December 31, 2024 as deferred outflow of resources related to pensions resulting from Home Forward contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2025	\$ 1,113,204
2026	5,528,737
2027	2,850,594
2028	1,409,397
2029	300,219
Total	<u>\$ 11,202,151</u>

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Home Forward's Proportionate Share of the Net Pension Liability and Net Pension Asset to Changes in the Discount Rate

The following presents the Home Forward's proportionate share of the net pension liability/(asset) calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower (5.90%) or 1% higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Net Pension Liability (Asset)	<u>\$ 65,963,305</u>	<u>\$ 41,816,167</u>	<u>\$ 21,591,759</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Payables to the Pension Plan

The balance of PERS payable as of the year ended December 31, 2024 was \$369,659. This balance is recorded in other accrued liabilities on the statement of net position.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Retirement Health Insurance Account (RHIA)

RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statutes (ORS) 238.420 established this trust fund. The Oregon legislature has the ability to establish and amend the benefit provisions of the RHIA. The plan closed to new entrants after August 29, 2003. The Schedule of Employer Allocations and OPEB Amounts by Employer along with PERS audited financial statements and the Schedule of OPEB Amounts under GASB Statement No. 75 prepared by PERS' third-party actuaries as of and for the year ended June 30, 2022 (the measurement period) may be obtained online at <https://www.oregon.gov/pers> or by writing to Public Employees' Retirement System, P.O. Box 23700, Tigard, Oregon, 97281-3700, or by calling 1-888-320-7377.

ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premium coverage, whichever is less, shall be paid from the RHIA, established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment the member must 1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, 2) receive both Medicare Parts A and B coverage, and 3) enroll in a PERS sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the benefit if he or she is receiving a retirement benefit or allowance from PERS or was insured at the time the member died and the member retired before May 1, 1991.

Employer contributions are advance funded on an actuarially determined basis and amounted to \$27,301 for the year ended December 31, 2024. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in health care costs. Participating employees are contractually required to contribute to RHIA at a rate assessed each year by PERS, currently 0.50% of annual covered PERS payroll and 0.00% of OPSRP payroll. The PERS board sets the employer contribution rate based on creditable compensation for active members reported by employers. Effective March 31, 2018, Home Forward adopted GASB Statement No. 75 where Home Forward recognizes a liability as the employees earn benefits by providing services. Changes to OPEB liability are recognized immediately as OPEB expenses or deferred outflows/inflows of resources.

Net OPEB Asset/Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024, Home Forward reported an asset of \$691,959 for its proportionate share of the collective net OPEB asset. The collective net OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the collective net OPEB asset was determined by an actuarial valuation as of December 31, 2022, rolled forward to June 30, 2024. Home Forward's proportion of the collective net OPEB assets was based on a projection of Home Forward's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At the June 30, 2024 measurement date, Home Forward's proportion was 0.17131567%, which increased from its proportion measured as of June 30, 2023 (0.13880812%).

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Net OPEB Asset/Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the year ended December 31, 2024, Home Forward recognized a decrease in OPEB expense of \$139,385 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contribution Subsequent to Measurement Date	\$ 30,943	\$ -
Differences Between Expected and Actual Experience	-	13,534
Changes in Assumptions	-	8,753
Net Differences Between Projected and Actual Earning on Plan Investments	19,537	-
Changes in Proportionate Share	7,313	60,289
Total	<u>\$ 57,793</u>	<u>\$ 82,576</u>

The amount of \$30,943 reported for the year ended December 31, 2024 as deferred inflow of resources related to OPEB resulting from Home Forward contributions subsequent to the measurement date will be recognized as an increase in the net OPEB asset in the year ended December 31, 2025. Other amounts reported as deferred outflow and inflow of resources related to OPEB will be recognized in Home Forward's OPEB expense as follows:

<u>Year Ending December 31,</u>	Deferred Outflows (Inflows) of Resources
2025	\$ (86,719)
2026	18,169
2027	10,570
2028	2,254
Total	<u>\$ (55,726)</u>

Discount Rate

The discount rate used to measure the total OPEB liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Sensitivity of Home Forward's Proportionate Share of the Collective Net OPEB Asset to Changes in the Discount Rates

The following presents Home Forward's proportionate share of the collective net OPEB asset, as well as what Home Forward's proportionate share of the collective net OPEB asset at the measurement date June 30, 2024 would be if it were calculated using a discount rate that is 1% lower (5.90%) or 1% higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Rate (6.90%)	1% Increase (7.90%)
Net OPEB Asset	<u>\$ (640,543)</u>	<u>\$ (691,959)</u>	<u>\$ (736,228)</u>

Home Forward Health Benefit Retiree Program (HBRP) (Implicit Benefit Subsidy)

The Health Benefit Retiree Program is a post-employment single employee benefit plan that provides health insurance to eligible Home Forward retirees. As a condition of participation in PERS, Home Forward is required to offer healthcare insurance coverage to retirees and their spouses until the retired employee reaches the age for obtaining Medicare coverage. Under this requirement, the employer is required to provide access to the same plan(s) available for current employees. Though Home Forward does not pay any portion of the retiree's healthcare insurance, the retired employee receives an implicit benefit of a lower healthcare premium which is subsidized among the premium cost of coverage for active employees.

As Home Forward pays none of the premiums of health insurance coverage for retirees from age 58 to 65, Home Forward has not established and does not intend to establish a trust fund to supplement the costs for other post-employment benefit obligation related to this implicit benefit. Home Forward's regular health care benefit providers underwrite the retirees' policies. Retirees may not convert the benefit into an in lieu of payment to secure coverage under independent plans. At December 31, 2024 there were nine retirees and/or surviving spouses receiving the post-employment implicit healthcare benefits.

Effective March 31, 2018, Home Forward adopted GASB Statement No. 75 where Home Forward recognizes a liability as the employees earn benefits by providing services. Changes to the OPEB liability are recognized immediately as OPEB expenses or deferred outflows/inflows of resources.

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

As of the year ended December 31, 2023, Home Forward reported a total OPEB liability of \$867,233 for its implicit benefit subsidy based on a measurement date of December 31, 2024.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The following table shows the changes in the total OPEB liability for the year ended December 31, 2024:

	Total OPEB Liability
Balance - Beginning of Year	\$ 945,360
Benefit Payments	(51,499)
Service Cost	72,278
Interest on Total OPEB Liability	34,210
Change in Assumptions	(76,184)
Experience (Gain) Loss	(56,932)
Balance - End of Year	<u>\$ 867,233</u>

For the year ended December 31, 2024, Home Forward recognized OPEB revenue of \$48,465 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 29,728	\$ 154,402
Changes of Assumptions or Other Inputs	70,334	414,159
Total	<u>\$ 100,062</u>	<u>\$ 568,561</u>

Amounts reported as deferred inflows of resources related to OPEB will be recognized in Home Forward's OPEB expenses as follows:

<u>Year Ending December 31,</u>	Deferred Inflows of Resources - OPEB HBRP
2025	\$ (103,448)
2026	(102,841)
2027	(73,386)
2028	(58,602)
2029	(24,118)
All Subsequent Years	(106,104)
Total	<u>\$ (468,499)</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Actuarial Methods and Assumptions for Implicit Benefit Subsidy

Certain actuarial assumptions for the Implicit Benefit subsidy calculation are from the actuarial report as of December 31, 2024. Rates of mortality, retirement, and withdrawal are the same rates that were used in the December 31, 2024 actuarial valuation of the Oregon Public Employees Retirement System and are updated after each new PERS actuarial valuation is completed. For the other demographic assumptions such as entrance and persistence, the experience study was completed in December 2022.

Valuation Date:	December 31, 2024
Measurement Date:	December 31, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market value of assets
Interest Discount Rate:	4.08% per year
Kaiser Medical Cost Annual Trend Rate:	5% in all future years.
Providence Medical Cost Annual Trend Rate:	5% in all future years
Dental Cost Annual Trend Rate:	3% in all future years.
Mortality Rates:	Rates of mortality for active male employees are 75% of the male generational rates and rate of mortality for active female employees are 60% of the female generational rates.
Inflation Rate:	2.5% in all future years.
Salary Scale:	3.5% in all future years.

Long-Term Expected Rate of Return

The 4.08% discount rate assumption is the December 31, 2024 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer. This discount rate represents the long-term investment yield on Home Forward's assets.

Sensitivity of Total OPEB Liability to Changes in the Discount Rates

The following presents what Home Forward's total OPEB liability at December 31, 2024 would be if it were calculated using a discount rate that is 1% lower (3.08%) or 1% higher (5.08%) than the current rate:

	1% Decrease (3.08%)	Current Rate (4.08%)	1% Increase (5.08%)
OPEB Liability	<u>\$ 941,264</u>	<u>\$ 867,233</u>	<u>\$ 798,896</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents what Home Forward's total OPEB liability at December 31, 2024 would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current health care cost trend rates.

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
OPEB Liability	<u>\$ 772,494</u>	<u>\$ 867,233</u>	<u>\$ 979,107</u>

NOTE 17 DEFERRED COMPENSATION PLAN

Home Forward offers employees an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Home Forward's employees, permits them to defer a portion of their salary to future years. Annual deferrals are limited to the lesser of \$20,500 or 100% of includable compensation. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. This plan is administered by a third party and is not included in Home Forward's basic financial statements.

Draft
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6/17/25

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 18 BLENDED COMPONENT UNITS

The condensed statements of net position of the blended component units are as follows as of December 31, 2024:

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	The Morrison	Eliminations	Total
Assets														
Current Assets	\$ 3,175,741	\$ 1,100,409	\$ 627,726	\$ 1,228,782	\$ 595,343	\$ 4,700	\$ -	\$ 1,689,563	\$ 1,988,839	\$ 3,253,252	\$ 691,026	\$ 4,245,833	\$ (3,576,975)	\$ 15,024,239
Noncurrent Assets	37,030,272	1,000,000	-	-	-	-	-	-	-	-	32,320	-	-	38,062,592
Capital Assets	-	-	-	6,992,309	3,022,193	-	-	7,058,140	6,951,735	16,873,588	15,108,896	9,054,754	-	65,061,615
Total Assets	<u>\$ 40,206,013</u>	<u>\$ 2,100,409</u>	<u>\$ 627,726</u>	<u>\$ 8,221,091</u>	<u>\$ 3,617,536</u>	<u>\$ 4,700</u>	<u>\$ -</u>	<u>\$ 8,747,703</u>	<u>\$ 8,940,574</u>	<u>\$ 20,126,840</u>	<u>\$ 15,832,242</u>	<u>\$ 13,300,587</u>	<u>\$ (3,576,975)</u>	<u>\$ 118,148,446</u>
Liabilities														
Current Liabilities	\$ 739,244	\$ 483,542	\$ -	\$ 254,477	\$ 1,112,373	\$ 4,800	\$ -	\$ 442,323	\$ 228,448	\$ 482,177	\$ 207,745	\$ 650,035	\$ -	\$ 4,605,164
Noncurrent Liabilities	-	-	-	8,392,499	3,262,197	-	-	3,297,726	1,410,895	3,795,000	707,155	8,037,495	-	28,902,967
Total Liabilities	<u>739,244</u>	<u>483,542</u>	<u>-</u>	<u>8,646,976</u>	<u>4,374,570</u>	<u>4,800</u>	<u>-</u>	<u>3,740,049</u>	<u>1,639,343</u>	<u>4,277,177</u>	<u>914,900</u>	<u>8,687,530</u>	<u>-</u>	<u>33,508,131</u>
Net Position														
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted	39,466,769	1,616,867	627,726	(425,885)	(757,034)	(100)	-	5,007,654	7,301,231	15,849,663	14,917,342	4,613,057	(3,576,975)	84,640,315
Total Net Position	<u>39,466,769</u>	<u>1,616,867</u>	<u>627,726</u>	<u>(425,885)</u>	<u>(757,034)</u>	<u>(100)</u>	<u>-</u>	<u>5,007,654</u>	<u>7,301,231</u>	<u>15,849,663</u>	<u>14,917,342</u>	<u>4,613,057</u>	<u>(3,576,975)</u>	<u>84,640,315</u>
Total Liabilities and Net Position	<u>\$ 40,206,013</u>	<u>\$ 2,100,409</u>	<u>\$ 627,726</u>	<u>\$ 8,221,091</u>	<u>\$ 3,617,536</u>	<u>\$ 4,700</u>	<u>\$ -</u>	<u>\$ 8,747,703</u>	<u>\$ 8,940,574</u>	<u>\$ 20,126,840</u>	<u>\$ 15,832,242</u>	<u>\$ 13,300,587</u>	<u>\$ (3,576,975)</u>	<u>\$ 118,148,446</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 18 BLENDED COMPONENT UNITS (CONTINUED)

The condensed statements of revenues, expenses, and changes in net position of the blended component units are as follows for the year ended December 31, 2024:

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	The Morrison	Eliminations	Total
Operating Revenues														
Dwelling rental	\$ -	\$ -	\$ -	\$ 971,412	\$ 1,698,333	\$ -	\$ -	\$ 1,698,875	\$ 1,544,120	\$ 3,459,425	\$ 1,395,232	\$ 915,151	\$ -	\$ 11,682,548
Non-dwelling rental	-	-	-	124,959	1,920	-	-	-	-	525	7,580	23,332	-	158,316
Other	(1,867,409)	-	27,168	8,818	361,140	28,800	-	32,980	13,964	42,392	343,004	14,453	-	(994,690)
Total Operating Revenues	(1,867,409)	-	27,168	1,105,189	2,061,393	28,800	-	1,731,855	1,558,084	3,502,342	1,745,816	952,936	-	10,846,174
Operating Expenses														
Administration	1,428	389,286	18,082	139,527	187,651	-	-	(361,694)	(98,084)	(997,456)	30,420	137,160	-	(553,680)
Tenant Services	-	-	-	407	21,384	-	-	-	-	-	14,095	14,969	-	50,855
Program Expense	-	-	-	190,377	135,102	-	-	112,960	113,029	177,563	237,527	139,517	-	1,106,075
Utilities	-	-	-	174,299	443,648	-	-	397,837	363,578	817,570	411,610	167,637	-	2,776,179
Maintenance	-	2,238,027	-	239,381	549,163	-	-	355,222	302,729	616,231	1,195,462	363,613	-	5,859,828
Depreciation	-	-	-	189,012	348,971	-	-	188,568	181,643	410,483	336,085	49,024	-	1,703,786
General and Other	2,665	1,232	424	121,399	253,910	28,900	-	333,349	213,835	677,177	237,100	124,071	-	1,994,062
Total Operating Expenses	4,093	2,628,545	18,506	1,054,402	1,939,829	28,900	-	1,026,242	1,076,730	1,701,568	2,462,299	995,991	-	12,937,105
Operating Income (Loss)	(1,871,502)	(2,628,545)	8,662	50,787	121,564	(100)	-	705,613	481,354	1,800,774	(716,483)	(43,055)	-	(2,090,931)
Nonoperating Revenues (Expenses)														
Investment Income	96,566	2,026,372	22,460	3,046	3,399	-	-	40,574	14,951	76,488	57,753	89,170	(1,132,583)	1,298,196
Interest Expense	-	-	-	(120,693)	(198,342)	-	-	(15,831)	(59,763)	(171,868)	(44,332)	(157,391)	-	(768,220)
Investment in partnership valuation change	-	-	-	-	-	-	-	-	-	-	-	4,724,333	-	4,724,333
Loss on Disposal of Capital Ass	-	-	-	(11,622)	-	-	-	-	-	-	(45,781)	-	-	(57,403)
Total Nonoperating Revenues (Expenses)	96,566	2,026,372	22,460	(129,269)	(194,943)	-	-	24,743	(44,812)	(95,380)	(32,360)	4,656,112	(1,132,583)	5,196,906
Income/Loss Before Capital Contributions	(1,774,936)	(602,173)	31,122	(78,482)	(73,379)	(100)	-	730,356	436,542	1,705,394	(748,843)	4,613,057	(1,132,583)	3,105,975
Capital Contributions HUD Nonoperating Contributions	-	-	-	-	-	-	-	-	-	-	449	-	-	449
Increase (Decrease) in Net Position	(1,774,936)	(602,173)	31,122	435,895	(73,379)	(100)	-	730,356	436,542	1,705,394	(748,394)	4,613,057	(1,132,583)	3,620,801
Net Position - Beginning of Year	41,241,705	2,219,040	596,604	(861,780)	(683,655)	-	-	4,277,298	6,864,689	14,144,269	15,665,736	-	(2,444,392)	81,019,514
Net Position - End of Year	\$ 39,466,769	\$ 1,616,867	\$ 627,726	\$ (425,885)	\$ (757,034)	\$ (100)	\$ -	\$ 5,007,654	\$ 7,301,231	\$ 15,849,663	\$ 14,917,342	\$ 4,613,057	\$ (3,576,975)	\$ 84,640,315

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 18 BLENDED COMPONENT UNITS (CONTINUED)

The condensed statements of cash flows of the blended component units are as follow:

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	The Morrison	Eliminations	Total
Cash Flows from Operating Activities														
Receipts from HUD Grants	\$ -	\$ -	\$ -	\$ 514,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 514,377
Receipts from Tenants and Landlords	-	-	-	969,212	1,699,748	-	-	1,673,422	1,522,671	3,447,440	1,320,027	908,808	(164,354)	\$ 11,376,974
Receipts from Others	(1,867,409)	1,942,031	49,628	133,777	363,060	28,800	-	32,980	13,964	42,917	388,837	37,784	(1,132,583)	33,786
Payments to and on Behalf of Employees	-	-	-	(319,582)	(241,712)	-	-	(255,098)	(255,098)	(443,570)	(492,958)	(154,531)	-	(2,162,549)
Payments to Vendors, Contractors, and Others	(4,092)	(3,579,252)	(18,506)	(573,589)	(1,444,384)	(28,900)	-	(1,387,337)	(1,060,224)	(2,418,728)	(1,698,654)	(668,490)	23,785	(12,858,371)
Total Cash Provided (Used) by Operating Activities	(1,871,501)	(1,637,221)	31,122	724,195	376,712	(100)	-	63,967	221,313	628,059	(482,748)	123,571	(1,273,152)	(3,095,783)
Cash Flows from Capital and Related Financing Activities														
Interest Paid on Notes and Bonds Payable	-	-	-	(112,282)	(191,642)	-	-	(1,843)	(60,274)	(175,530)	(44,486)	60,335	2	(525,720)
Principal Payments on Notes Payable	-	-	-	(78,215)	(310,056)	-	-	-	(84,535)	(200,000)	(30,000)	8,300,000	-	7,597,194
Acquisition and Construction of Capital Assets	-	-	-	(373,335)	(61,125)	-	-	-	-	-	(49,509)	(9,103,777)	2	(9,587,744)
Change in Investment in Partnership	-	-	-	-	-	-	(260,221)	-	-	-	-	4,724,333	-	4,464,111
Total Cash Provided (Used) by Capital and Related Financing Activities	-	-	-	(563,832)	(562,823)	-	(260,221)	(1,843)	(144,809)	(375,530)	(123,995)	3,980,891	4	1,947,841

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 18 BLENDED COMPONENT UNITS (CONTINUED)

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	The Morrison	Eliminations	Total
Cash Flows from														
Investing Activities														
Decrease in Notes Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(33,845)	\$ -	\$ -	(33,845)
Purchase of Investments	-	-	-	-	-	-	-	-	-	-	-	(157,249)	-	(157,249)
Change in Due from Partnerships	(1,922,563)	-	500	26,548	347,765	100	-	100	100	100	177,227	22	(2,330,516)	(3,700,617)
Investment Income	96,566	78,453	-	3,046	3,399	-	-	40,574	14,951	76,488	57,753	89,170	-	460,400
Total Cash Provided (Used) by Investing Activities	(1,825,997)	78,453	500	29,594	351,164	100	-	40,674	15,051	76,588	201,135	(68,057)	(2,330,516)	(3,431,311)
Net Increase (Decrease) in Cash and Cash Equivalents	(3,697,498)	(1,558,768)	31,622	189,957	165,053	-	(260,221)	102,798	91,555	329,117	(405,608)	4,036,405	(3,603,664)	(4,579,252)
Cash and Cash Equivalents - Beginning of Year	3,850,627	2,649,198	596,104	1,057,776	445,325	-	-	1,738,617	1,848,400	2,957,433	1,651,395	-	26,688	16,821,564
Cash and Cash Equivalents - End of Year	<u>\$ 153,129</u>	<u>\$ 1,090,430</u>	<u>\$ 627,726</u>	<u>\$ 1,247,733</u>	<u>\$ 610,378</u>	<u>\$ -</u>	<u>\$ (260,221)</u>	<u>\$ 1,841,415</u>	<u>\$ 1,939,955</u>	<u>\$ 3,286,550</u>	<u>\$ 1,245,787</u>	<u>\$ 4,036,405</u>	<u>\$ (3,576,976)</u>	<u>\$ 12,242,312</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 19 DISCRETELY PRESENTED COMPONENT UNITS CONDENSED FINANCIAL INFORMATION

Home Forward is the General Partner and holds a 0.01% to 1% interest in each of the following limited partnerships (see Note 2 and Note 7). Summarized partnership information as of and for the year ended December 31, 2024 is as follows:

	Central Group	North Group	East Group	Woolsey	Civic Redevelopment	Humboldt Gardens	Fairfield	The Jeffrey Apartments
ASSETS								
Cash and Cash Equivalents	\$ 1,133,218	\$ 991,299	\$ 2,792,506	\$ -	\$ 13,184	\$ -	\$ 54,779	\$ -
Cash and Cash Equivalents - Restricted	1,301,044	1,556,185	1,695,423	-	3,425,593	-	-	-
Accounts Receivables	40,650	98,701	67,288	-	49,164	-	-	-
Investments (Restricted)- Long Term	-	-	-	-	295,891	-	-	-
Other Assets	5,666,276	626,000	3,978,419	-	467,350	-	2,018,826	-
Capital Assets, Net	69,012,292	77,664,969	62,846,625	-	8,675,031	-	17,736,644	-
Total Assets	<u>\$ 77,153,480</u>	<u>\$ 80,937,154</u>	<u>\$ 71,380,261</u>	<u>\$ -</u>	<u>\$ 12,926,213</u>	<u>\$ -</u>	<u>\$ 19,810,249</u>	<u>\$ -</u>
LIABILITIES AND NET POSITION								
LIABILITIES								
Current Liabilities	\$ 5,469,228	\$ 4,641,761	\$ 7,294,527	\$ -	\$ 5,377,488	\$ -	\$ 3,524,966	\$ -
Long-Term Liabilities	49,623,491	62,806,848	47,613,694	-	11,697,869	-	15,147,035	-
NET POSITION								
Net Investment in Capital Assets	18,838,904	14,584,066	14,740,837	-	(3,272,412)	-	2,590,078	-
Funds Held in Trust	1,280,117	1,516,278	1,660,473	-	3,679,019	-	-	-
Unrestricted (Deficit)	1,941,740	(2,611,799)	70,730	-	(4,555,751)	-	(1,451,830)	-
Total Liabilities and Net Position	<u>\$ 77,153,480</u>	<u>\$ 80,937,154</u>	<u>\$ 71,380,261</u>	<u>\$ -</u>	<u>\$ 12,926,213</u>	<u>\$ -</u>	<u>\$ 19,810,249</u>	<u>\$ -</u>
Operating Revenues	\$ 3,281,041	\$ 4,401,634	\$ 3,918,435	\$ 389,820	\$ 1,584,021	\$ 1,423,041	\$ 469	\$ 91,229
Operating Expenses	(5,350,957)	(6,519,770)	(5,363,284)	(427,061)	(2,462,843)	(1,514,133)	(482,159)	(157,247)
Operating Income (Loss)	(2,069,916)	(2,118,136)	(1,444,849)	(37,241)	(878,822)	(91,092)	(481,690)	(66,018)
Nonoperating Revenues	5,034	19,236	45,168	969	139,755	60,248	-	138
Nonoperating Expenses	(2,897,493)	(2,178,166)	(1,395,319)	(154,889)	(590,272)	(277,317)	-	-
Loss Before Capital Contributions	(4,962,375)	(4,277,066)	(2,795,000)	(191,161)	(1,329,339)	(308,161)	(481,690)	(65,880)
Capital Contributions	26,112,833	4,002,147	15,377	-	-	4,130,547	1,619,938	-
Transfer of Component Unit	-	-	-	(3,800,512)	-	-	-	(386,668)
Change in Net Position	21,150,458	(274,919)	(2,779,623)	(3,991,673)	(1,329,339)	3,822,386	1,138,248	(452,548)
Prior Period Adjustment / Equity Transfer	-	-	-	-	-	-	-	-
Net Position - Beginning of Year	910,303	13,763,464	19,251,663	3,991,673	(2,819,805)	(3,822,386)	-	452,548
NET POSITION - END OF YEAR	<u>\$ 22,060,761</u>	<u>\$ 13,488,545</u>	<u>\$ 16,472,040</u>	<u>\$ -</u>	<u>\$ (4,149,144)</u>	<u>\$ -</u>	<u>\$ 1,138,248</u>	<u>\$ -</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 19 DISCRETELY PRESENTED COMPONENT UNITS CONDENSED FINANCIAL INFORMATION (CONTINUED)

	GPT	1115 SW 11th Avenue	RAC Housing	Stephens Creek Crossing South	Stephens Creek Crossing North	Beech Street	West
ASSETS							
Cash and Cash Equivalents	\$ 2,680,447	\$ 274,485	\$ -	\$ 208,192	\$ 606,149	\$ 121,913	\$ 358,146
Cash and Cash Equivalents - Restricted	53,628	1,309,143	-	594,055	961,969	263,705	1,858,021
Accounts Receivables	593,522	26,184	-	17,185	47,669	18,060	50,019
Investments (Restricted)- Long Term	-	-	-	-	-	-	-
Other Assets	592,635	28,991	-	41,628	164,548	46,741	783,925
Capital Assets, Net	34,539,160	9,436,911	-	11,062,033	23,824,227	6,173,957	43,380,121
Total Assets	<u>\$ 38,459,392</u>	<u>\$ 11,075,714</u>	<u>\$ -</u>	<u>\$ 11,923,093</u>	<u>\$ 25,604,562</u>	<u>\$ 6,624,376</u>	<u>\$ 46,430,232</u>
LIABILITIES AND NET POSITION							
LIABILITIES							
Current Liabilities	\$ 8,295,544	\$ 180,164	\$ -	\$ 159,809	\$ 247,026	\$ 154,790	\$ 909,423
Long-Term Liabilities	28,229,926	10,714,953	-	7,678,964	26,746,734	1,181,131	35,822,320
NET POSITION							
Net Investment in Capital Assets	6,309,235	(1,278,043)	-	3,351,859	(2,996,951)	4,992,826	7,334,539
Funds Held in Trust	38,482	1,302,343	-	586,255	946,042	260,105	1,831,774
Unrestricted (Deficit)	(4,413,795)	156,297	-	146,206	661,711	35,524	532,176
Total Liabilities and Net Position	<u>\$ 38,459,392</u>	<u>\$ 11,075,714</u>	<u>\$ -</u>	<u>\$ 11,923,093</u>	<u>\$ 25,604,562</u>	<u>\$ 6,624,376</u>	<u>\$ 46,430,232</u>
Operating Revenues	\$ 927,481	\$ 1,074,043	\$ 273,708	\$ 829,805	\$ 1,511,348	\$ 504,699	\$ 3,404,162
Operating Expenses	(1,566,942)	(1,523,361)	(460,328)	(1,411,248)	(2,371,386)	(906,098)	(4,108,198)
Operating Income (Loss)	(639,461)	(449,318)	(186,620)	(581,443)	(860,038)	(401,399)	(704,036)
Nonoperating Revenues	8,505	35,982	-	10,303	57,069	6,206	61,543
Nonoperating Expenses	(245,165)	(10,756)	63,132	(90,051)	(119,637)	(5,905)	(969,383)
Loss Before Capital Contributions	(876,121)	(424,092)	(123,488)	(661,191)	(922,606)	(401,098)	(1,611,876)
Capital Contributions	2,810,043	-	-	-	-	-	-
Transfer of Component Unit	-	-	(18,317,648)	-	-	-	-
Change in Net Position	1,933,922	(424,092)	(18,441,136)	(661,191)	(922,606)	(401,098)	(1,611,876)
Prior Period Adjustment / Equity Transfer	-	-	-	-	-	-	-
Net Position - Beginning of Year	-	604,689	18,441,136	4,745,511	(466,592)	5,689,553	11,310,365
NET POSITION - END OF YEAR	<u>\$ 1,933,922</u>	<u>\$ 180,597</u>	<u>\$ -</u>	<u>\$ 4,084,320</u>	<u>\$ (1,389,198)</u>	<u>\$ 5,288,455</u>	<u>\$ 9,698,489</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 19 DISCRETELY PRESENTED COMPONENT UNITS CONDENSED FINANCIAL INFORMATION (CONTINUED)

	Woods East	Square Manor	Lloyd Housing	FP2	3000 Powell	Dekum	Baldwin	Total
ASSETS								
Cash and Cash Equivalents	\$ 135,324	\$ 181,261	\$ 54,052	\$ 160,152	\$ 35,919	\$ 1,114,448	\$ 325,963	\$ 11,241,437
Cash and Cash Equivalents - Restricted	2,670,649	772,806	1,801,607	354,647	100	-	-	18,618,575
Accounts Receivables	98,381	157,385	19,275	58,388	-	8,807	274,017	1,624,695
Investments (Restricted)- Long Term	-	-	-	-	-	-	-	295,891
Other Assets	923,177	197,359	449,656	337,189	4,897,041	980,243	2,406,491	24,606,495
Capital Assets, Net	50,438,298	13,508,685	59,392,876	30,692,003	63,368,012	39,367,738	19,305,914	640,425,496
Total Assets	<u>\$ 54,265,829</u>	<u>\$ 14,817,496</u>	<u>\$ 61,717,466</u>	<u>\$ 31,602,379</u>	<u>\$ 68,301,072</u>	<u>\$ 41,471,236</u>	<u>\$ 22,312,385</u>	<u>\$ 696,812,589</u>
LIABILITIES AND NET POSITION								
LIABILITIES								
Current Liabilities	\$ 1,243,190	\$ 2,267,466	\$ 4,197,876	\$ 6,675,765	\$ 7,836,979	\$ 25,744,348	\$ 2,486,774	\$ 86,707,124
Long-Term Liabilities	45,674,466	10,737,877	31,617,360	18,287,895	57,131,666	14,100,074	19,804,996	494,617,299
NET POSITION								
Net Investment in Capital Assets	4,499,467	2,706,185	27,596,166	12,372,707	6,236,345	10,886,120	(499,083)	128,992,845
Funds Held in Trust	2,640,267	737,553	1,782,240	342,388	100	-	-	18,603,436
Unrestricted (Deficit)	208,439	(1,631,585)	(3,476,176)	(6,076,376)	(2,904,018)	(9,259,306)	519,698	(32,108,115)
Total Liabilities and Net Position	<u>\$ 54,265,829</u>	<u>\$ 14,817,496</u>	<u>\$ 61,717,466</u>	<u>\$ 31,602,379</u>	<u>\$ 68,301,072</u>	<u>\$ 41,471,236</u>	<u>\$ 22,312,385</u>	<u>\$ 696,812,589</u>
Operating Revenues	\$ 4,634,241	\$ 1,059,689	\$ 2,079,682	\$ 871,563	\$ -	\$ 101,138	\$ 1,276,904	\$ 33,638,153
Operating Expenses	(5,800,209)	(1,628,839)	(4,062,002)	(2,004,658)	(290,804)	(376,336)	(2,088,925)	(50,876,788)
Operating Income (Loss)	(1,165,968)	(569,150)	(1,982,320)	(1,133,095)	(290,804)	(275,198)	(812,021)	(17,238,635)
Nonoperating Revenues	40,324	304	6,674	295	-	-	3,406	501,159
Nonoperating Expenses	(1,222,750)	(323,377)	(811,629)	(569,387)	-	(99,581)	(316,865)	(12,214,810)
Loss Before Capital Contributions	(2,348,394)	(892,223)	(2,787,275)	(1,702,187)	(290,804)	(374,779)	(1,125,480)	(28,952,286)
Capital Contributions	6,385	-	-	8,169,245	-	-	370,848	47,237,363
Transfer of Component Unit	-	-	-	-	-	-	-	(22,504,828)
Change in Net Position	(2,342,009)	(892,223)	(2,787,275)	6,467,058	(290,804)	(374,779)	(754,632)	(4,219,751)
Prior Period Adjustment / Equity Transfer	-	-	-	-	-	-	-	-
Net Position - Beginning of Year	9,690,182	2,704,376	28,689,505	171,661	3,623,231	2,001,593	775,247	119,707,917
NET POSITION - END OF YEAR	<u>\$ 7,348,173</u>	<u>\$ 1,812,153</u>	<u>\$ 25,902,230</u>	<u>\$ 6,638,719</u>	<u>\$ 3,332,427</u>	<u>\$ 1,626,814</u>	<u>\$ 20,615</u>	<u>\$ 115,488,166</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 19 DISCRETELY PRESENTED COMPONENT UNITS CONDENSED FINANCIAL INFORMATION (CONTINUED)

Summarized Capital Assets – Discretely Presented Component Units

Land, structures, and equipment activity of the discretely presented component units was as follows for the year ended December 31, 2024:

	Balance 12/31/22	Additions and Transfers In	Disposals and Transfers Out	Balance 12/31/2023
Land	\$ 11,329,876	\$ 3,900,000	\$ (5,120,162)	\$ 10,109,714
Construction in Progress	59,751,366	52,477,056	(448,842)	111,779,580
Total Capital Assets not Being Depreciated	71,081,242	56,377,056	(5,569,004)	121,889,294
Buildings and Improvements	579,298,950	54,773,591	(99,449,023)	534,623,518
Right-of-Use Assets	80,444,146	1,902,376	(5,754,632)	76,591,890
Equipment	20,616,723	1,202,265	(7,109,532)	14,709,456
Total	680,359,819	57,878,232	(112,313,187)	625,924,864
Less: Accumulated Depreciation	(148,094,911)	(19,100,922)	59,807,171	(107,388,662)
Total Capital Assets Being Depreciated	532,264,908	38,777,310	(52,506,016)	518,536,202
Total Capital Assets, Net	<u>\$ 603,346,150</u>	<u>\$ 95,154,366</u>	<u>\$ (58,075,020)</u>	<u>\$ 640,425,496</u>

Summarized Notes Payable – Discretely Presented Component Units

Notes payable of the discretely presented component units consist of the following:

	December 31, 2023
Notes Payable - General Partner	\$ 179,053,720
Mortgages and Other Housing Related Notes	203,430,942
Total	382,484,662
Less: Current Portion	(1,604,761)
Noncurrent Portion	<u>\$ 380,879,901</u>

A summary of activity of the discretely presented component units' notes payable is as follows:

	Balance January 1, 2023	Increase	Decrease	Balance December 31, 2023
Component Units	<u>\$ 439,098,514</u>	<u>\$ 175,795,410</u>	<u>\$ (232,409,262)</u>	<u>\$ 382,484,662</u>

A summary of activity of the discretely presented component units' bonds payable is as follows:

	Balance January 1, 2023	Increase	Decrease	Balance December 31, 2023
Component Units	<u>\$ 51,364,124</u>	<u>\$ 51,539,094</u>	<u>\$ (820,679)</u>	<u>\$ 102,082,539</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 20 COMMITMENTS AND CONTINGENCIES

Leases

At December 31, 2024, Home Forward has approximately 13,580 dwelling units under lease to Section 8 landlords. The terms of these leases extend up to one year. Housing assistance payments under these leases, including FSS program contributions, for the year ended December 31, 2024 was approximately \$177,571,001. These leases are not subject to GASB 87, *Leases*.

Construction Commitments

As of December 31, 2024, Home Forward had construction commitments of approximately \$317,803,692.

Contingent Liabilities

Home Forward has entered into long-term use agreements with the City of Portland, Multnomah County, and the state of Oregon in exchange for development funds for group homes and other projects. These agreements expire between 2025 and 2065. Repayment of an amortized portion of these funds is required if Home Forward does not use the properties according to their intended purposes. Home Forward has not and does not intend to violate those agreements. The exposure, if recorded, would be approximately \$3,078,603.

General Partner Operating Deficit Guarantees

In relation to the performance of the tax credit partnerships for which Home Forward is the general partner, Home Forward has agreed to provide certain levels of funding in the event of partnership operating deficits that exceed operating reserves. The maximum amount required to fund excess operating deficits ranges from zero to the total amount of the excess operating deficit for a single partnership. As of December 31, 2024, no additional liability existed relating to excess operating deficits for any of the partnerships.

NOTE 21 RISK MANAGEMENT

Home Forward operates in an industry subject to various risks of loss related to torts, theft, damage, destruction, errors and omissions, injuries to employees or participants, and natural disasters.

Home Forward contracts with Marsh & McLennan Companies (Marsh) for broker services. Annually, Marsh markets the agency's insurance coverage needs to a wide variety of insurance markets. From this effort, Marsh's comprehensive insurance program provides appropriate levels of insurance coverage for property, boiler and machinery equipment, casualty/general liability, automotive, umbrella, financial and professional lines, crime, and cyber/special risks.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 21 RISK MANAGEMENT (CONTINUED)

Marsh's comprehensive insurance provides coverage for 3,499 affordable units, which include 93.9 Blended Component Units, 1 New Market West property, 348 public housing units, 219 special needs units, 1 parcel of land being held for future development, and 48 vehicles. It also includes actions by Home Forward employees, directors, officers, and departments. This does not include the 414 units Home Forward's Asset Management manages as part of our inter-governmental agreement with the City of Portland.

Marsh coverage as of December 31, 2024 includes:

Liabilities	Deductible	Coverage
Property/Earthquake/Flood/Business Interruption	\$ 100,000	\$ 100,000,000
Boiler/Machinery/Equipment	100,000	100,000,000
General Liability	250,000	2,000,000
Automobile	250,000	2,000,000
Professional Liability	250,000	2,000,000
Umbrella Liability	-	10,000,000
Directors & Officers Liability	100,000	2,000,000
Fidelity and Crime	25,000	1,000,000
Special Risks	-	1,000,000
Cyber Liability	50,000	1,000,000
Lloyds/Roanoke Property Terrorism	10,000	50,000,000

Home Forward contracts with SAIF Corporation to provide workers' compensation and employer liability coverage of \$1,000,000 per incident with no deductible.

Settlements have not exceeded coverage during the last three years. Home Forward has four liability claims as of December 31, 2024.

For several years, Home Forward experienced significant increases in its insurance costs. In order to address these increases, Home Forward created a Home Forward controlled pure captive insurance company.

In August 2020, the Board of Commissioners approved Resolution 20-08-02 authorizing Home Forward to establish a pure captive insurance company. On December 24, 2020, the HF Insurance Group LLC (HFIG) was formed. The Captive is a Class 2 limited liability company managed by Home Forward as the sole member and will insure the risks of Home Forward and its affiliates.

This captive will allow Home Forward to provide insurance coverage to itself and its related entities, reduce its exposure in the retail insurance market, and gain access to reinsurance markets. It will also allow Home Forward to build insurance reserves to support its ability to retain more risk. The captive was initially structured to provide only property related coverage but on January 1, 2022 also began to provide general liability, auto liability, and Directors and Officers insurance coverage. We continue to explore additional types of insurance for future policy years.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Draft
Subject to Change
6/17/25

**HOME FORWARD
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
LAST TEN FISCAL YEARS**

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Measurement Date	(a) Home Forward's Proportion of the Net Pension Liability (Asset)	(b) Home Forward's Proportionate Share of the Net Pension Liability (Asset)	(c) Home Forward's Covered Payroll	(b/c) Home Forward's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2024	0.18813025 %	\$ 41,816,167	\$ 36,467,264	114.67%	79.30 %
June 30, 2023	0.18840928	35,290,351	30,125,434	117.14	81.70
June 30, 2022	0.18449827	28,250,387	26,324,526	107.32	84.50
June 30, 2021	0.15246390	18,244,562	23,403,663	77.96	87.60
June 30, 2020	0.14600007	31,862,281	22,943,155	138.87	75.80
June 30, 2019	0.14322567	24,774,611	18,423,720	134.47	80.20
June 30, 2018	0.14164116	21,456,770	17,367,082	123.55	82.10
June 30, 2017	0.15329650	20,664,424	17,227,380	119.95	83.10
June 30, 2016	0.15888919	23,852,957	17,299,181	137.88	80.50
June 30, 2015	0.15526214	8,914,316	17,560,069	50.76	91.90

SCHEDULE OF PENSION CONTRIBUTIONS

Year Ended	(a) Statutorily Required Contribution	(b) Contributions in Relation to the Statutorily Required Contribution	(a-b) Contribution Deficiency (Excess)	(c) Home Forward's Covered Payroll	(b/c) Contributions as a Percent of Covered Payroll
December 31, 2024	\$ 5,551,087	\$ 5,551,087	-	\$ 36,467,264	15.22%
December 31, 2023	4,463,479	4,463,479	-	30,125,434	13.83
December 31, 2022	3,641,714	3,641,714	-	23,403,663	14.47
December 31, 2021	3,387,161	3,387,161	-	22,943,155	12.02
December 31, 2020	2,758,006	2,758,006	-	18,423,720	11.10
December 31, 2019	2,044,769	2,044,769	-	17,367,082	10.63
December 31, 2018**	1,846,617	1,846,617	-	17,227,380	10.19
March 31, 2018	1,755,769	1,755,769	-	17,299,181	8.54
March 31, 2017	1,476,588	1,476,588	-	17,560,069	8.35
March 31, 2016	1,465,817	1,465,817	-	16,954,319	9.24

Since the December 31, 2013 actuarial valuation, the system-wide actuarial accrued liability has increased primarily due to the Moro decision and assumption changes, along with interest on the liability as current active members get closer to retirement. The Oregon State Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reduction the 2013 Oregon legislature made to future system Cost of Living Adjustments (COLA) through Senate Bill 822 and 861. The reversal increased the benefits projected to be paid by employers compared to those developed in the prior actuarial valuation, and consequently increased plan liabilities. The employers' projected long-term contribution effort has been adjusted for the estimated impact of the Moro Decision. In accordance with statute, a biennial review of actuarial methods and assumptions was completed in 2017 to be used for the December 31, 2016 actuarial valuation, which explains the significant increase in Home Forward's proportionate share of the net pension liability for the fiscal year ended March 31, 2017.

**This line represents the nine-month period ended December 31, 2018, as Home Forward changed its fiscal year-end to December 31 effective April 1, 2018.

**HOME FORWARD
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
LAST EIGHT FISCAL YEARS***

OTHER POST EMPLOYMENT BENEFITS

Retirement Health Insurance Account (RHIA)

Schedule of Changes in Net OPEB Asset and Related Ratios*

Measurement Date	Proportion of the Net OPEB Asset	Proportionate Share of the Net OPEB Asset	Covered Payroll	Percentage of Covered Payroll
June 30, 2024	0.17131567 %	\$ 691,959	\$ 34,467,264	2.01
June 30, 2023	0.13880812	508,268	30,125,434	1.69
June 30, 2022	0.15691889	557,588	26,324,526	2.12
June 30, 2021	0.11964643	410,866	23,403,663	1.76
June 30, 2020	0.08330245	169,736	22,943,155	0.74
June 30, 2019	0.14722967	284,501	18,423,720	1.54
June 30, 2018	0.13862370	154,742	17,367,082	0.89
June 30, 2017	0.14138662	59,006	17,227,380	0.34

Schedule of OPEB Contributions*

Year Ended	(a) Contractually Required Contribution**	(b) Contributions in Relation to the Contractually Required Contribution	(a-b) Contribution Deficiency (Excess)	(c) Covered Payroll	(b/c) Percentage of Covered Payroll
December 31, 2024	\$ 82,267	\$ 82,267	\$ -	\$ 34,467,264	0.24%
December 31, 2023	58,827	58,827	-	30,125,434	0.20
December 31, 2022	27,301	27,301	-	26,324,526	0.26
December 31, 2021	67,196	67,196	-	23,403,663	0.29
December 31, 2020	61,211	61,211	-	22,943,155	0.27
December 31, 2019	73,049	73,049	-	18,423,720	0.40
December 31, 2018***	66,536	66,536	-	17,367,082	0.38
March 31, 2018	109,892	109,892	-	17,227,380	0.64

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

*Schedule of changes in net OPEB asset and related ratios and schedule of OPEB contributions are presented in accordance with GASB Statement No. 75's reporting requirement. Fiscal year ended March 31, 2018 was the first year of implementation of GASB Statement No. 75; therefore, only seven years of information is shown.

**Based on the actuarial report.

***This line represents the nine-month period ended December 31, 2018, as Home Forward changed its fiscal year-end to December 31 effective April 1, 2018.

**HOME FORWARD
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
LAST EIGHT FISCAL YEARS***

OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Retiree Access to Home Forward Benefit Retiree Program (Implicit Benefit Subsidy)

Schedule of Changes in Total Liability and Related Ratios*

	December 31, 2024***	December 31, 2023***	December 31, 2022***	December 31, 2021***	December 31, 2020***	December 31, 2019***	December 31, 2018***	March 31, 2018***
Beginning of Year - January 1	\$ 945,360	\$ 890,571	\$ 986,736	\$ 932,648	\$ 887,379	\$ 900,487	\$ 1,415,327	\$ 1,384,796
Benefit Payments	(51,499)	(44,322)	(32,264)	(48,271)	(60,911)	(98,600)	(66,832)	67,210
Service Cost	72,278	66,813	64,555	83,100	80,290	50,593	36,662	51,747
Interest on Total OPEB Liability	34,210	32,298	20,577	19,259	18,167	34,899	42,494	(58,362)
Change in Assumptions	(76,184)	-	(189,381)	-	119,179	-	(512,048)	(15,894)
Experience (Gain) Loss	(56,932)	-	40,348	-	(111,456)	-	(15,116)	(14,170)
Total Changes	(78,127)	54,789	(96,165)	54,088	45,269	(13,108)	(514,840)	30,531
End of Year - December 31	<u>\$ 867,233</u>	<u>\$ 945,360</u>	<u>\$ 890,571</u>	<u>\$ 986,736</u>	<u>\$ 932,648</u>	<u>\$ 887,379</u>	<u>\$ 900,487</u>	<u>\$ 1,415,327</u>
Covered Payroll**	\$ 34,467,264	\$ 30,125,434	\$ 26,324,526	\$ 23,403,663	\$ 22,943,155	\$ 17,030,216	\$ 16,454,315	\$ 15,368,318
Total Liability as a Percentage of its Covered Payroll	2.52%	3.14%	3.38%	4.22%	4.07%	5.21%	5.47%	9.21%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

*Schedule of changes in OPEB liability and related ratios is presented in accordance with GASB Statement No. 75's reporting requirement. Fiscal year ended March 31, 2018 was the first year of implementation of GASB Statement No. 75; therefore, only eight years of information is shown. Fiscal year ended December 31, 2018 information only included nine months from April 1, 2018 to December 31, 2018.

**Based on the actuarial report.

***The table above is as of the measurement date of the actuarial report. As such, the information is presented one year prior to the fiscal year ending shown.

OTHER SUPPLEMENTARY INFORMATION

Draft
Subject to Change
6/17/25

**HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – AFFORDABLE HOUSING
DECEMBER 31, 2024**

	Grace Peck Terrace	Madrona	Rosenbaum Plaza	Unthank Plaza	Fenwick Apts	Helen Swindells	Dawson Park	Pearl Court	Gretchen Kafoury	Ainsworth Court	Fairviews
ASSETS AND DEFERRED OUTFLOWS											
CURRENT ASSETS											
Cash and Cash Equivalents	\$ 14,716,225	\$ 1,102,536	\$ 622,101	\$ 2,418,304	\$ 24,535	\$ 41,444	\$ 64,269	\$ 640,474	\$ 39,636	\$ 330,653	4,759,228
Cash and Cash Equivalents - Restricted	-	255,562	11,830	75,555	169,193	583,261	547,489	1,775,061	1,318,270	873,317	2,944,023
Accounts Receivable, Net	-	22,634	1,158,225	1,537,612	15,418	39,897	364,371	182,673	88,948	407,234	120,921
Prepaid Expenses	-	-	15,645	11,784	-	10,762	50	5,970	1,000	2,861	22,967
Total Current Assets	14,716,225	1,380,732	1,807,801	4,043,255	209,146	675,364	976,179	2,604,178	1,447,854	1,614,065	7,847,139
NONCURRENT ASSETS											
Due from Partnerships, Net	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable and Accrued Interest Receivable	-	-	-	-	-	1,171,247	-	-	-	-	18,481
Capital Assets not being Depreciated	-	579,600	74,720	233,201	306,440	432,880	138,466	952,468	4,134,089	1,115,635	943,432
Capital Assets being Depreciated, Net	-	1,467,120	1,645,263	624,387	1,366,330	1,408,945	114,415	280,291	993,553	629,863	7,989,310
Total Noncurrent Assets	-	2,046,720	1,719,983	857,588	1,672,770	3,013,072	252,871	1,232,759	5,127,642	1,745,498	8,951,223
Total Assets	<u>\$ 14,716,225</u>	<u>\$ 3,427,452</u>	<u>\$ 3,527,784</u>	<u>\$ 4,900,843</u>	<u>\$ 1,881,916</u>	<u>\$ 3,688,436</u>	<u>\$ 1,229,050</u>	<u>\$ 3,836,937</u>	<u>\$ 6,575,496</u>	<u>\$ 3,359,563</u>	<u>16,798,362</u>
LIABILITIES AND NET POSITION											
CURRENT LIABILITIES											
Accounts Payable	\$ -	\$ 93,061	\$ 40,661	\$ 402,133	\$ 124,239	\$ 548,671	\$ 688,633	\$ 313,220	\$ 1,465,892	\$ 4,731	1,849,838
Accrued Interest Payable	-	4,110	-	-	2,640	-	2,073	352,359	1,842,354	10,986	23,851
Other Accrued Liabilities	-	71,611	36,902	26,983	9,821	3,651	308,730	105,004	2,174	15,663	32,920
Deferred Revenue	-	5,308	56,795	132,805	4,809	23,455	17,213	44,880	54,146	13,060	46,702
Deposits, Payable from Restricted Assets	-	6,029	11,830	15,306	11,078	24,321	22,165	51,244	59,719	33,407	233,635
Current Portion of Notes and Bonds Payable	-	70,591	-	-	777,023	-	143,911	500,227	100,000	123,327	299,387
Total Current Liabilities	-	250,710	146,188	577,227	929,610	600,098	1,182,725	1,366,934	3,524,285	201,174	2,486,333
NONCURRENT LIABILITIES											
Notes Payable	-	832,342	-	-	1,219,132	3,833,672	-	57,066	2,664,000	2,296,808	9,084,606
Bonds Payable	-	-	-	-	-	-	225,785	890,000	3,075,000	-	-
Total Noncurrent Liabilities	-	832,342	-	-	1,219,132	3,833,672	225,785	947,066	5,739,000	2,296,808	9,084,606
Total Liabilities	-	1,083,052	146,188	577,227	2,148,742	4,433,770	1,408,510	2,314,000	9,263,285	2,497,982	11,570,939
Deferred Inflows of Resources - Leases	-	-	-	-	-	1,079,856	-	-	-	-	15,637
NET POSITION	<u>14,716,225</u>	<u>2,344,400</u>	<u>3,381,596</u>	<u>4,323,616</u>	<u>(266,826)</u>	<u>(1,825,190)</u>	<u>(179,460)</u>	<u>1,522,937</u>	<u>(2,687,789)</u>	<u>861,581</u>	<u>5,211,786</u>
Total Liabilities and Net Position	<u>\$ 14,716,225</u>	<u>\$ 3,427,452</u>	<u>\$ 3,527,784</u>	<u>\$ 4,900,843</u>	<u>\$ 1,881,916</u>	<u>\$ 3,688,436</u>	<u>\$ 1,229,050</u>	<u>\$ 3,836,937</u>	<u>\$ 6,575,496</u>	<u>\$ 3,359,563</u>	<u>16,798,362</u>

HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – AFFORDABLE HOUSING (CONTINUED)
DECEMBER 31, 2024

	Rockwood Station	Willow Tree	The Alexis	Ash Creek	Schiller Way	Peter Paulson	Kelly Place	Trouton Commercial	Commercial Space at Lloyd Housing	Yards at Union Station	Rockwood Landing
ASSETS AND DEFERRED OUTFLOWS											
CURRENT ASSETS											
Cash and Cash Equivalents	\$ 1,045,261	\$ 78,580	\$ 30,349	\$ 186,978	\$ 181,994	\$ 25,247	\$ 95,480	\$ 9,232	\$ -	\$ 496,026	\$ 7,917
Cash and Cash Equivalents - Restricted	1,719,456	278,632	292,438	149,951	140,524	190,874	152,067	-	-	1,147,021	197,472
Accounts Receivable, Net	191,446	10,496	91,876	15,223	18,057	36,872	6,767	29,357	176	120,149	6,930
Prepaid Expenses	28,427	579	29	280	3,000	3,611	465	190	-	11,571	2,779
Total Current Assets	2,984,590	368,287	414,692	352,432	343,575	256,604	254,779	38,779	176	1,774,767	215,098
NONCURRENT ASSETS											
Due from Partnerships, Net	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable and Accrued Interest Receivable	-	1,029	-	-	-	-	-	261,447	-	3,610	-
Capital Assets not being Depreciated	702,000	162,767	465,000	363,581	207,198	2,248,609	188,664	-	-	671,000	225,000
Capital Assets being Depreciated, Net	2,326,775	516,459	6,267,192	535,970	1,837,468	1,213,331	513,063	14,084	2,100,645	447,435	554,369
Total Noncurrent Assets	3,028,775	680,255	6,732,192	899,551	2,044,666	3,461,940	701,727	275,531	2,100,645	1,122,045	779,369
Total Assets	<u>\$ 6,013,365</u>	<u>\$ 1,048,542</u>	<u>\$ 7,146,884</u>	<u>\$ 1,251,983</u>	<u>\$ 2,388,241</u>	<u>\$ 3,718,544</u>	<u>\$ 956,506</u>	<u>\$ 314,310</u>	<u>\$ 2,100,821</u>	<u>\$ 2,896,812</u>	<u>\$ 994,467</u>
LIABILITIES AND NET POSITION											
CURRENT LIABILITIES											
Accounts Payable	\$ 1,040,106	\$ 7,907	\$ 349,912	\$ 52,609	\$ 592,818	\$ 771,584	\$ 24,907	\$ 37,465	\$ 7,656	\$ 810,431	\$ 13,631
Accrued Interest Payable	9,655	1,512	11,411	7,219	12,147	-	459	-	-	16,846	554
Other Accrued Liabilities	14,479	4,742	84,640	11,235	357,488	125,000	5,507	29,266	-	89,336	9,876
Deferred Revenue	117,803	202	4,139	100	8,092	14,749	2,619	21,654	-	12,450	905
Deposits, Payable from Restricted Assets	111,264	4,900	8,617	7,836	8,612	32,390	5,250	-	-	51,131	15,153
Current Portion of Notes and Bonds Payable	124,765	28,813	103,345	30,779	37,999	-	32,519	-	-	467,849	36,620
Total Current Liabilities	1,418,072	48,076	562,064	109,778	1,017,156	943,723	71,261	88,385	7,656	1,448,043	76,739
NONCURRENT LIABILITIES											
Notes Payable	3,670,219	498,365	4,663,323	1,245,617	680,163	4,107,346	432,675	-	-	231,939	283,988
Bonds Payable	-	-	-	-	-	-	-	-	-	1,680,000	-
Total Noncurrent Liabilities	3,670,219	498,365	4,663,323	1,245,617	680,163	4,107,346	432,675	-	-	1,911,939	283,988
Total Liabilities	5,088,291	546,441	5,225,387	1,355,395	1,697,319	5,051,069	503,936	88,385	7,656	3,359,982	360,727
Deferred Inflows of Resources - Leases	-	948	-	-	-	-	-	249,737	-	-	-
NET POSITION	<u>925,074</u>	<u>501,153</u>	<u>1,921,497</u>	<u>(103,412)</u>	<u>690,922</u>	<u>(1,332,525)</u>	<u>452,570</u>	<u>(23,812)</u>	<u>2,093,165</u>	<u>(463,170)</u>	<u>633,740</u>
Total Liabilities and Net Position	<u>\$ 6,013,365</u>	<u>\$ 1,048,542</u>	<u>\$ 7,146,884</u>	<u>\$ 1,251,983</u>	<u>\$ 2,388,241</u>	<u>\$ 3,718,544</u>	<u>\$ 956,506</u>	<u>\$ 314,310</u>	<u>\$ 2,100,821</u>	<u>\$ 2,896,812</u>	<u>\$ 994,467</u>

HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – AFFORDABLE HOUSING (CONTINUED)
DECEMBER 31, 2024

	Hamilton West	Sequoia Square	Interstate Crossing	Lovejoy Station	Baldwin Interstate	Dekum Court	Haven	The Jeffrey	Cora Park Apartments	Chateau Apartments	East Area A Scattered Sites	The Apartments at Bud Clark Commons	Cesar Apartments	Totals
ASSETS AND DEFERRED OUTFLOWS														
CURRENT ASSETS														
Cash and Cash Equivalents	\$ 24,054	\$ 37,049	\$ 129,933	\$ 512,566	\$ -	\$ -	\$ 5,731	\$ 2,327	\$ -	\$ 402,088	\$ 294,858	\$ 538,881	\$ 49,176	\$ 28,913,132
Cash and Cash Equivalents - Restricted	774,006	241,063	97,842	1,650,174	-	-	407,182	824,051	-	-	-	1,043,981	-	17,860,295
Accounts Receivable, Net	64,116	22,465	7,343	94,812	-	-	53,139	27,160	-	-	2,579	145,989	877	4,883,762
Prepaid Expenses	6,939	85	336	25,329	-	-	717	7,867	-	-	-	8,970	-	172,213
Total Current Assets	869,115	300,662	235,454	2,282,881	-	-	466,769	861,405	-	402,088	297,437	1,737,821	50,053	51,829,402
NONCURRENT ASSETS														
Due from Partnerships, Net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable and Accrued Interest Receivable	-	-	-	145,924	-	-	-	98,669	-	-	-	343,621	-	2,044,028
Capital Assets not being Depreciated	406,124	2,090,478	90,000	1,997,915	-	-	-	2,306,544	-	-	103,231	7,098	1,480,770	22,626,900
Capital Assets being Depreciated, Net	3,272,620	1,653,372	698,837	7,186,570	-	-	2,306,902	5,763,599	-	1,806	61,970	18,707,940	11,293,104	83,792,988
Total Noncurrent Assets	3,678,744	3,743,850	788,837	9,330,409	-	-	2,306,902	8,168,812	-	1,806	165,201	19,058,659	12,773,874	108,463,916
Total Assets	<u>\$ 4,547,859</u>	<u>\$ 4,044,512</u>	<u>\$ 1,024,291</u>	<u>\$ 11,613,290</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,773,671</u>	<u>\$ 9,030,217</u>	<u>\$ -</u>	<u>\$ 403,894</u>	<u>\$ 462,638</u>	<u>\$ 20,796,480</u>	<u>\$ 12,823,927</u>	<u>\$ 160,293,318</u>
LIABILITIES AND NET POSITION														
CURRENT LIABILITIES														
Accounts Payable	\$ 328,702	\$ 498,050	\$ 429,068	\$ 444,711	\$ -	\$ -	\$ 28,520	\$ 113,343	\$ -	\$ 1,859	\$ 15,399	\$ 2,672,190	\$ 3,856,409	\$ 17,628,356
Accrued Interest Payable	57,848	4,332	999	98,545	-	-	2,179	-	-	-	-	-	-	2,462,079
Other Accrued Liabilities	11,444	10,038	-	20,750	-	-	58,873	68,535	-	1,025	748	267,358	-	1,783,799
Deferred Revenue	37,182	12,324	7,876	39,902	-	-	7,004	1,700	-	3	2	28,643	-	716,522
Deposits, Payable from Restricted Assets	36,744	10,876	650	104,584	-	-	12,300	15,689	-	885	504	-	29,173	925,292
Current Portion of Notes and Bonds Payable	143,822	74,635	25,706	801,699	-	-	44,673	-	-	-	-	4,103	-	3,971,793
Total Current Liabilities	615,742	610,255	464,299	1,510,191	-	-	153,549	199,267	-	3,772	16,653	2,972,294	3,885,582	27,487,841
NONCURRENT LIABILITIES														
Notes Payable	2,315,194	1,083,285	1,153,538	924,766	-	-	620,799	8,601,712	-	-	-	6,723	8,997,090	59,504,368
Bonds Payable	2,640,000	-	-	5,222,600	-	-	-	-	-	-	-	-	-	13,733,385
Total Noncurrent Liabilities	4,955,194	1,083,285	1,153,538	6,147,366	-	-	620,799	8,601,712	-	-	-	6,723	8,997,090	73,237,753
Total Liabilities	5,570,936	1,693,540	1,617,837	7,657,557	-	-	774,348	8,800,979	-	3,772	16,653	2,979,017	12,882,672	100,725,594
Deferred Inflows of Resources - Leases	-	-	-	137,527	-	-	-	96,869	-	-	-	321,229	-	1,901,803
NET POSITION	<u>(1,023,077)</u>	<u>2,350,972</u>	<u>(593,546)</u>	<u>3,818,206</u>	<u>-</u>	<u>-</u>	<u>1,999,323</u>	<u>132,369</u>	<u>-</u>	<u>400,122</u>	<u>445,985</u>	<u>17,496,234</u>	<u>(58,745)</u>	<u>57,665,921</u>
Total Liabilities and Net Position	<u>\$ 4,547,859</u>	<u>\$ 4,044,512</u>	<u>\$ 1,024,291</u>	<u>\$ 11,613,290</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,773,671</u>	<u>\$ 9,030,217</u>	<u>\$ -</u>	<u>\$ 403,894</u>	<u>\$ 462,638</u>	<u>\$ 20,796,480</u>	<u>\$ 12,823,927</u>	<u>\$ 160,293,318</u>

HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – AFFORDABLE HOUSING
YEAR ENDED DECEMBER 31, 2024

	Grace Peck Terrace	Madrona	Rosenbaum Plaza	Unthank Plaza	Fenwick Apts	Helen Swindells	Dawson Park	Pearl Court	Gretchen Kafoury	Ainsworth Court	Fairviews
OPERATING REVENUES											
Dwelling Rental	\$ -	\$ 461,813	\$ 307,567	\$ 486,731	\$ 291,443	\$ 312,323	\$ 690,330	\$ 1,550,085	\$ 1,140,740	\$ 948,018	\$ 4,775,478
Nondwelling Rental	-	-	95,448	-	360	141,173	893	19,344	5,845	1,173	34,138
HUD Operating Subsidies	-	487,649	449,480	1,087,383	-	-	-	-	-	-	-
HUD grants	-	2,245	-	-	-	-	-	-	-	-	13,470
State, Local, and Other Grants	-	-	-	-	-	-	-	-	-	-	-
Other	-	10,018	5,108	6,399	916	15,131	6,886	19,840	23,170	12,288	57,810
Total Operating Revenues	-	961,725	857,603	1,580,513	292,719	468,627	698,109	1,589,269	1,169,755	961,479	4,880,896
OPERATING EXPENSES											
Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-
Administration	-	121,172	352,920	353,810	70,381	477,333	192,508	362,255	521,449	159,396	611,514
Financing Costs	-	-	-	-	-	-	-	-	-	-	-
Program Expense	-	81,687	37,490	14,764	-	-	-	-	34,687	-	-
Tenant Services	-	3,113	(242)	-	3,600	10,852	14,400	-	49,791	-	-
Utilities	-	158,852	192,592	107,852	52,537	128,718	118,604	331,575	216,154	118,866	470,755
Maintenance	-	344,097	287,249	648,586	71,741	248,982	173,793	13,799	317,996	217,145	1,049,587
Depreciation	-	186,033	149,035	76,070	69,622	108,095	12,205	384,457	309,799	170,558	877,425
General and Other	-	65,759	93,798	414,881	31,890	84,726	122,110	348,714	257,914	83,127	587,575
Total Operating Expenses	-	960,713	1,112,842	1,615,963	299,771	1,058,706	633,620	1,440,800	1,707,790	749,092	3,596,856
OPERATING INCOME (LOSS)	-	1,012	(255,239)	(35,450)	(7,052)	(590,079)	64,489	148,469	(538,035)	212,387	1,284,040
NONOPERATING REVENUES (EXPENSES)											
Investment income	-	36,568	2,549	64,274	1,412	45,592	16,451	32,981	19,506	7,951	419,974
Interest expense	-	(50,314)	-	-	(32,911)	(141)	(15,181)	(64,931)	(241,527)	(92,582)	(290,294)
Investment in partnership valuation charge	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	(13,746)	2,549	64,274	(31,499)	45,451	1,270	(31,950)	(222,021)	(84,631)	129,680
CAPITAL CONTRIBUTIONS											
HUD Nonoperating Contributions	-	-	-	-	-	-	-	-	832,403	-	-
Other Nonoperating Contributions	-	-	-	-	-	391,272	82,996	495,927	1,781,268	-	(5,000,000)
Total Capital Contributions	-	-	-	-	-	391,272	82,996	495,927	2,613,671	-	(5,000,000)
INCREASE (DECREASE) IN NET POSITION	-	(12,734)	(252,690)	28,824	(38,551)	(153,356)	148,755	612,446	1,853,615	127,756	(3,586,280)
Net Position - Beginning of Year	14,716,225	2,357,133	3,634,288	4,294,790	(228,275)	(1,671,835)	(24,763)	1,011,491	(4,541,406)	733,826	8,798,067
Adjustments to Net Position (as previously reported)	-	-	-	-	-	-	(303,450)	(101,000)	-	-	-
NET POSITION - END OF YEAR	<u>\$ 14,716,225</u>	<u>\$ 2,344,399</u>	<u>\$ 3,381,598</u>	<u>\$ 4,323,614</u>	<u>\$ (266,826)</u>	<u>\$ (1,825,191)</u>	<u>\$ (179,458)</u>	<u>\$ 1,522,937</u>	<u>\$ (2,687,791)</u>	<u>\$ 861,582</u>	<u>\$ 5,211,787</u>

HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – AFFORDABLE HOUSING (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Rockwood Station	Willow Tree	The Alexis	Ash Creek	Schiller Way	Peter Paulson	Kelly Place	Trouton Commercial	Commercial Space at Lloyd Housing	Yards at Union Station	Rockwood Landing
OPERATING REVENUES											
Dwelling Rental	\$ 2,466,846	\$ 227,480	\$ 473,055	\$ 429,542	\$ 127,915	\$ 568,781	\$ 204,549	\$ -	\$ -	\$ 1,278,367	\$ 292,869
Nondwelling Rental	25,123	10,838	3,790	-	58,150	1,240	267	54,673	-	-	1,870
HUD Operating Subsidies	(40)	-	-	-	-	-	-	-	-	-	-
HUD grants	8,531	449	-	-	-	-	898	-	-	-	6,286
State, Local, and Other Grants	-	-	-	-	-	-	-	-	-	-	-
Other	39,448	1,858	31,718	542	310	11,251	85	74,117	-	39,916	5,637
Total Operating Revenues	2,539,908	240,625	508,563	430,084	186,375	581,272	205,799	128,790	-	1,318,283	306,662
OPERATING EXPENSES											
Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-
Administration	777,406	48,429	80,304	79,941	58,759	268,409	39,767	7,063	-	376,953	48,472
Financing Costs	-	-	-	18,908	-	10,220	-	-	-	-	-
Program Expense	-	-	-	-	40,443	39,994	-	-	-	-	-
Tenant Services	830	-	-	-	-	14,796	-	-	-	-	-
Utilities	307,727	30,953	203,320	98,622	164,713	172,555	31,799	74,876	-	250,314	81,923
Maintenance	942,883	48,948	143,687	148,436	65,283	253,299	78,490	57,314	-	264,479	253,538
Depreciation	407,623	111,654	185,318	112,401	153,980	131,148	58,442	1,492	96,196	389,377	164,298
General and Other	537,600	15,810	160,290	32,499	32,096	186,408	16,878	2,447	-	379,672	46,640
Total Operating Expenses	2,974,069	255,794	772,919	490,807	515,274	1,076,829	225,376	143,192	96,196	1,660,795	594,871
OPERATING INCOME (LOSS)	(434,161)	(15,169)	(264,356)	(60,723)	(328,899)	(495,557)	(19,577)	(14,402)	(96,196)	(342,512)	(288,209)
NONOPERATING REVENUES (EXPENSES)											
Investment income	126,944	3,289	27	2,165	3,589	1,319	29	6,626	2	28,961	190
Interest expense	(118,123)	(18,709)	(136,020)	(83,327)	(15,331)	(20,457)	(6,195)	-	-	(109,751)	(8,700)
Investment in partnership valuation charge	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-	(4,568)	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	8,821	(15,420)	(135,993)	(81,162)	(16,310)	(19,138)	(6,166)	6,626	2	(80,790)	(8,510)
CAPITAL CONTRIBUTIONS											
HUD Nonoperating Contributions	-	-	-	-	60,554	29,809	-	-	-	-	-
Other Nonoperating Contributions	(1,000,000)	-	352,000	-	47,608	1,801,657	-	-	28,268	308,343	75,000
Total Capital Contributions	(1,000,000)	-	352,000	-	108,162	1,801,657	-	-	28,268	308,343	75,000
INCREASE (DECREASE) IN NET POSITION	(1,425,340)	(30,589)	(48,349)	(141,885)	(237,047)	1,286,962	(25,743)	(7,776)	(67,926)	(114,959)	(221,719)
Net Position - Beginning of Year	2,350,415	531,742	2,035,847	38,472	1,242,969	(2,524,298)	478,314	(16,035)	2,161,090	(278,208)	855,459
Adjustments to Net Position (as previously reported)	-	-	(66,000)	-	(315,000)	(125,000)	-	-	-	(70,000)	-
NET POSITION - END OF YEAR	<u>\$ 925,075</u>	<u>\$ 501,153</u>	<u>\$ 1,921,498</u>	<u>\$ (103,413)</u>	<u>\$ 690,922</u>	<u>\$ (1,362,336)</u>	<u>\$ 452,571</u>	<u>\$ (23,811)</u>	<u>\$ 2,093,164</u>	<u>\$ (463,167)</u>	<u>\$ 633,740</u>

HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – AFFORDABLE HOUSING (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Hamilton West	Sequoia Square	Interstate Crossing	Lovejoy Station	Baldwin Interstate	Dekum Court	Haven	The Jeffrey	Cora Park Apartments	Chateau Apartments	East Area A Scattered Sites	The Apartments at Bud Clark Commons	Cesar Apartments	Totals
OPERATING REVENUES														
Dwelling Rental	\$ 1,311,031	\$ 578,081	\$ 159,005	\$ 2,018,527	\$ -	\$ 1,092	\$ 528,425	\$ 745,127	\$ -	\$ 88,617	\$ 80,640	\$ 1,114,001	\$ (46,972)	\$ 23,611,506
Nondwelling Rental	44,473	-	160	205,954	-	-	-	65,280	-	-	-	17,970	-	788,162
HUD Operating Subsidies	-	-	-	-	-	-	-	-	-	-	-	989,274	-	3,013,746
HUD grants	-	2,103	-	-	-	-	-	-	-	-	-	-	-	33,982
State, Local, and Other Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	9,574	8,272	3,616	67,236	-	-	20,768	13,450	-	(701)	1,711	302,309	-	788,683
Total Operating Revenues	1,365,078	588,456	162,781	2,291,717	-	1,092	549,193	823,857	-	87,916	82,351	2,423,554	(46,972)	28,236,079
OPERATING EXPENSES														
Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administration	493,325	179,491	42,812	396,922	-	-	141,364	390,374	-	7,508	1,307	149,902	-	6,811,246
Financing Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	29,128
Program Expense	-	34,451	-	-	-	-	-	-	-	13,012	9,569	464,185	-	770,282
Tenant Services	-	3,913	-	-	-	-	-	-	-	636	22,191	497,696	-	621,576
Utilities	292,674	178,230	23,435	312,648	-	-	137,659	120,946	-	16,542	26,286	375,066	-	4,796,793
Maintenance	264,192	100,074	56,277	328,510	(231)	-	161,491	214,285	-	27,423	29,724	1,138,497	-	7,949,574
Depreciation	220,214	55,966	46,276	264,608	-	-	60,509	162,983	-	22,964	7,919	540,386	11,776	5,548,829
General and Other	298,503	68,891	17,154	375,145	-	-	54,841	112,393	-	8,842	9,972	173,360	-	4,619,935
Total Operating Expenses	1,568,908	621,016	185,954	1,677,833	(231)	-	555,864	1,000,981	-	96,927	106,968	3,339,092	11,776	31,147,363
OPERATING INCOME (LOSS)	(203,830)	(32,560)	(23,173)	613,884	231	1,092	(6,671)	(177,124)	-	(9,011)	(24,617)	(915,538)	(58,748)	(2,911,284)
NONOPERATING REVENUES (EXPENSES)														
Investment income	14,442	1,864	395	75,277	-	-	6,801	12,968	-	-	-	29,592	3	961,741
Interest expense	(124,654)	(54,476)	(11,275)	(247,450)	-	-	(26,932)	-	-	-	-	(426)	-	(1,769,707)
Investment in partnership valuation charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	(214,652)	-	-	(13,353)	-	-	-	-	-	-	-	(80,103)	-	(312,676)
Total Nonoperating Revenues (Expenses)	(324,864)	(52,612)	(10,880)	(185,526)	-	-	(20,131)	12,968	-	-	-	(50,937)	3	(1,120,642)
CAPITAL CONTRIBUTIONS														
HUD Nonoperating Contributions	-	102,772	-	-	-	-	-	-	-	-	-	-	-	1,025,538
Other Nonoperating Contributions	151,000	1,388,118	-	99,899	-	-	-	-	-	-	-	-	-	1,003,356
Total Capital Contributions	151,000	1,490,890	-	99,899	-	-	-	-	-	-	-	-	-	2,028,894
INCREASE (DECREASE) IN NET POSITION	(377,694)	1,405,718	(34,053)	528,257	231	1,092	(26,802)	(164,156)	-	(9,011)	(24,617)	(966,475)	(58,745)	(2,003,032)
Net Position - Beginning of Year	(654,290)	945,254	(559,495)	3,289,948	(842,871)	-	2,026,125	296,525	-	409,134	470,604	18,462,709	-	59,798,951
Adjustments to Net Position (as previously reported)	8,908	-	-	-	-	-	-	-	-	-	-	-	-	(971,542)
NET POSITION - END OF YEAR	<u>\$ (1,023,076)</u>	<u>\$ 2,350,972</u>	<u>\$ (593,548)</u>	<u>\$ 3,818,205</u>	<u>\$ (842,640)</u>	<u>\$ 1,092</u>	<u>\$ 1,999,323</u>	<u>\$ 132,369</u>	<u>\$ -</u>	<u>\$ 400,123</u>	<u>\$ 445,987</u>	<u>\$ 17,496,234</u>	<u>\$ (58,745)</u>	<u>\$ 56,824,377</u>

**HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – SPECIAL NEEDS HOUSING
DECEMBER 31, 2024**

	Carriage Hill	Project Open Door	Total
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 14,715	\$ 24,344	\$ 39,059
Cash and Cash Equivalents - Restricted	14,219	81,529	95,748
Accounts Receivable Net	1,659	7,831	9,490
Total Current Assets	<u>30,593</u>	<u>113,704</u>	<u>144,297</u>
NONCURRENT ASSETS			
Capital Assets not being Depreciated	75,424	71,104	146,528
Capital Assets being Depreciated, Net	176,696	250,820	427,516
Total Noncurrent Assets	<u>252,120</u>	<u>321,924</u>	<u>574,044</u>
Total Assets	<u><u>\$ 282,713</u></u>	<u><u>\$ 435,628</u></u>	<u><u>\$ 718,341</u></u>
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable	\$ 47,758	\$ 144,106	\$ 191,864
Accrued Interest Payable	-	44	44
Other Accrued Liabilities	299	958	1,257
Unearned Revenue	7,147	8,016	15,163
Deposits, Payable from Restricted Assets	175	882	1,057
Current Portion of Notes and Bond Payable	-	17,728	17,728
Total Current Liabilities	<u>55,379</u>	<u>171,734</u>	<u>227,113</u>
NONCURRENT LIABILITIES			
Notes Payable	<u>175,885</u>	<u>34,478</u>	<u>210,363</u>
Total Liabilities	231,264	206,212	437,476
NET POSITION	<u>51,449</u>	<u>229,416</u>	<u>280,865</u>
Total Liabilities and Net Position	<u><u>\$ 282,713</u></u>	<u><u>\$ 435,628</u></u>	<u><u>\$ 718,341</u></u>

**HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION – SPECIAL NEEDS HOUSING
YEAR ENDED DECEMBER 31, 2024**

	Carriage Hill	Project Open Door	Total
OPERATING REVENUES			
Dwelling Rental	35,589	81,889	117,478
Total Operating Revenues	<u>35,589</u>	<u>81,889</u>	<u>117,478</u>
OPERATING EXPENSES			
Administration	306	753	1,059
Program Expense	4,211	12,561	16,772
Utilities	7,045	27,292	34,337
Maintenance	22,352	26,002	48,354
Depreciation	12,433	21,857	34,290
General and Other	4,525	5,948	10,473
Total Operating Expenses	<u>50,872</u>	<u>94,413</u>	<u>145,285</u>
OPERATING LOSS	(15,283)	(12,524)	(27,807)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	966	1,831	2,797
Interest Expense	-	(604)	(604)
Total Nonoperating Revenues (Expenses)	<u>966</u>	<u>1,227</u>	<u>2,193</u>
DECREASE IN NET POSITION	(14,317)	(11,297)	(25,614)
Net Position - Beginning of Year	<u>65,766</u>	<u>240,713</u>	<u>306,479</u>
NET POSITION - END OF YEAR	<u>\$ 51,449</u>	<u>\$ 229,416</u>	<u>\$ 280,865</u>

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Commissioners
Home Forward
Portland, Oregon

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Home Forward as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Home Forward's basic financial statements, and have issued our report thereon dated REPORT DATE. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Minimum Standards for Audits of Oregon Municipal Corporations*. Our auditors' report includes a reference to other auditors. Novogradac & Company LLP and Jones & Roth PC audited the financial statements of the aggregate discretely presented component units. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the other auditors.

Compliance

As part of obtaining reasonable assurance about whether Home Forward's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures, which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayment.
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing, nothing came to our attention that caused us to believe Home Forward was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of ORS as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

OAR 162-10-0230 Internal Control

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

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 or significant deficiencies may exist that were not identified.

Purpose of this Report

This report is intended solely for the information and use of the board of commissioners, management of Home Forward, and the Oregon Secretary of State and is not intended to be, and should not be, used by anyone other than these specified parties.

Mandy L. Merchant
CliftonLarsonAllen LLP

Portland, Oregon
REPORT DATE

**HOME FORWARD
SINGLE AUDIT REPORT
YEAR ENDED DECEMBER 31, 2024**

Draft
Subject to Change
6/17/25

**HOME FORWARD
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AND AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	8
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	9

**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**

Board of Commissioners
Home Forward
Portland, Oregon

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 the business-type activities and the aggregate discretely presented component units of Home Forward, as of December 31, 2024, and the related notes to the financial statements, which collectively comprise Home Forward's basic financial statements, and have issued our report thereon dated REPORT DATE. Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units as described in our report on Home Forward's financial statements. The audits of the aggregate discretely presented component units were not performed in accordance with *Government Auditing Standards* and, accordingly, this report does not include the results of the other auditors' testing of internal control over financial reporting or instances of reportable noncompliance that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Home Forward'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Home Forward's internal control. Accordingly, we do not express an opinion on the effectiveness of Home Forward'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as an item that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Home Forward'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 statements. 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 or other matters 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 Home Forward's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Home Forward's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Portland, Oregon
REPORT DATE

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners
Home Forward
Portland, Oregon

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Home Forward's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Home Forward's major federal programs for the year ended December 31, 2024. Home Forward's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Moving to Work Demonstration Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, Home Forward complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Moving to Work program for the year ended December 31, 2024.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Home Forward complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2024.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Home Forward and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of Home Forward's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on the Moving to Work Program

As described in the accompanying schedule of findings and questioned costs, Home Forward did not comply with requirements regarding Assistance Listing No. 14.881 Moving to Work Demonstration Program as described in finding number 2024-001 for Eligibility.

Compliance with such requirements is necessary, in our opinion, for Home Forward to comply with the requirements applicable to that program.

Other Matter – Federal Expenditures Not included in the Compliance Audit

Home Forward's basic financial statements include the operations of discretely presented component units which may have received federal awards which are not included in the schedule of expenditures of federal awards for the year ended December 31, 2024. Our compliance audit, described in the Opinion on Each Major Federal Program, did not include the operations of the aggregate discretely presented component units because other auditors were engaged to perform audits of compliance, if applicable.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Home Forward's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Home Forward's compliance based on our audit. 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 Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Home Forward's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Home Forward's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Home Forward's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Home Forward's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on Home Forward's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Home Forward's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider a material weakness in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Home Forward's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Home Forward's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and aggregate discretely presented component units of Home Forward as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Home Forward's basic financial statements. We have issued our report thereon, dated REPORT DATE, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such 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. The 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

Portland, Oregon
REPORT DATE

**HOME FORWARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024**

Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development				
Direct:				
Multifamily Housing Service Coordinators	14.191	Not applicable	\$ -	\$ 437,884
Section 8 Project-Based Cluster:				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	Not applicable	-	186,611
Lower Income Housing Assistance Program - Section 8				
Moderate Rehabilitation	14.856	Not applicable	-	203,234
Subtotal Section 8 Project-Based Cluster			-	389,845
Continuum of Care Program	14.267	Not applicable	-	6,959,042
Demolition and Revitalization of Severely Distressed Public Housing	14.866	Not applicable	-	131,099
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	Not applicable	-	50,457,658
Emergency Housing Vouchers	14.871	Not applicable	-	8,982,232
Section 8 Mainstream Vouchers	14.879	Not applicable	-	3,129,921
Subtotal Housing Voucher Cluster			-	62,569,811
Moving to Work Demonstration Program	14.881	Not applicable	-	137,649,069
Family Self-Sufficiency Program	14.896	Not applicable	-	849,503
Subtotal Direct Programs			-	208,986,253
Total U.S. Department of Housing and Urban Development			-	208,986,253
U.S. Department of the Treasury				
Pass-through from the City of Portland:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not available	-	3,335,977
COVID-19 Emergency Rental Assistance Program	21.023	Not available	-	1,705,970
Total U.S. Department of the Treasury			-	5,041,947
Federal Communications Commission				
Direct:				
Affordable Connectivity Outreach Program	32.011	Not applicable	-	21,622
Total Federal Communications Commission			-	21,622
U.S. Department of Homeland Security				
Direct:				
Emergency Food and Shelter National Board Program	97.024	Not applicable	-	61,153
Total U.S. Department of Homeland Security			-	61,153
Department of Health and Human Services				
Direct:				
Medical Assistance Program/Grants to States for Medicaid	93.778	Not applicable	-	33,718
Total Department of Health and Human Services			-	33,718
Total Expenditures of Federal Awards			\$ -	\$ 214,144,693

**HOME FORWARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024**

NOTE 1 BASIS OF PRESENTATION

The schedule of expenditures of federal awards (Schedule) presents the activities of all federal award programs of Home Forward. Home Forward's reporting entity is defined in Note 1 of Home Forward's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other governmental agencies, are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Home Forward, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of Home Forward.

Home Forward's reporting entity includes the operations of discretely presented component units which may have expended federal awards that are not included in the schedule of expenditures of federal awards for the year ended December 31, 2024.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the Schedule are reported on the accrual basis of accounting and include capitalized expenditures. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of assistance listing number 21.023, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Home Forward did not elect to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 LOANS OUTSTANDING

Home Forward participates in federal award programs that sponsor revolving loan programs, which are administrated by Home Forward and the city of Portland, Oregon (City). The City contracts Home Forward to collect loan repayments for these programs through servicing and trust arrangements. The funds are returned to the City upon repayment of the principal and interest. The federal government has imposed certain significant continuing compliance requirements with respect to the loans rendered under the Home Investment Partnerships (HOME) Program (assistance listing number 14.239). The City is responsible to administer the continuing compliance requirements and report the outstanding loan balances. During the year ended December 31, 2024, Home Forward did not incur expenditures related to new loans under the HOME program.

**HOME FORWARD
SCHEDULES OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? x yes _____ no
 - Significant deficiency(ies) identified? _____ yes x no
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified for all major programs, except for the Moving to Work Demonstration Program, which was qualified.
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Numbers

14.881
21.023
21.027

Name of Federal Program or Cluster

Moving to Work Demonstration
Emergency Rental Assistance
COVID-19 Coronavirus State and Local Fiscal
Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

 x yes _____ no

**HOME FORWARD
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2024 – 001

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Moving to Work Demonstration

Assistance Listing Number: 14.881

Federal Award Identification Number and Year: OR002VOW - 2024

Award Period: January 1, 2024 – December 31, 2024

Compliance Requirement: Eligibility

Type of Finding:

- Material Weakness in Internal Control over Compliance
- Material Noncompliance (Modified Opinion)

Criteria or specific requirement: Beneficiaries must be “low-income families,” as defined in Section 3(b)(2) of the 1937 Housing Act (42 USC 1437a(b)(2)) (Section 204(b) of Pub. L. No. 104-134 (42 USC 1437f (note))).

Condition: The Authority did not have adequate internal controls designed to ensure that eligibility requirements were met.

Questioned costs: Unable to determine

Context: Testing of 40 tenant files for eligibility noted 15 files with exceptions:

- 10 files were missing documentation needed to support and recalculate total income.
- 5 files where the examination was not processed within the regulatory period.

Cause: Home Forward did not sufficiently monitor controls to ensure compliance with eligibility requirements.

Effect: Home Forward is not in compliance with federal regulations regarding eligibility. Tenant rent may have been miscalculated due to using stale/inaccurate information in the rent calculation.

Repeat Finding: No.

Recommendation: We recommend that Home Forward reviews the controls in place to ensure that recertifications are performed timely and the income is supported.

**HOME FORWARD
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Views of responsible officials: There is no disagreement with the audit finding.

Draft
Subject to Change
6/17/25



MEMORANDUM

To: Board of Commissioners

Date: June 17, 2025

From: Terren Wing
Director, Strategy & Federal Policy
503.802.8370

Subject: Authorize Changes to Chapters 4,
5, 8, 9, 11, and 20 of the
Administrative Plan
Resolution 25-06-04

The Board of Commissioners is requested to authorize changes to Home Forward's Administrative Plan. The Administrative Plan is the programmatic policy document for our Rent Assistance program, which serves over 16,000 households. The changes requested are to Chapters 4, 5, 8, 9, 11, and 20 of the Administrative Plan.

These changes are needed to reflect changes made by a recent Department of Housing and Urban Development (HUD) policy notice regarding the Family Unification Program (FUP) and Foster Youth to Independence (FYI) voucher programs. These updates to Chapters 4, 5, and 20 align the Administrative Plan with requirements for these respective federal rent assistance programs. Changes to Chapters 8, 9, and 11 are unrelated to the FUP and FYI notice. These edits outline requirements for interim reexaminations that have been in effect since the Covid-19 pandemic and allow for greater flexibility for administration as well as residents and participants.

These actions support Strategic Plan Priorities: Improve Services to Residents and Participants; Support Employees; and Lead Within the Housing Stability Ecosystem.

BACKGROUND

HUD published PIH Notice 2025-08 in April 2025, outlining alternative requirements and optional waivers for the FUP and FYI voucher programs. These changes are intended to provide programmatic flexibility to help FUP and FYI voucher holders lease up and maintain stable housing. These flexibilities will also increase opportunities for FUP and FYI voucher

holders to secure a decent and safe unit by reducing barriers and challenges when searching for a unit. The changes are also aimed at helping FUP youth and FYI-eligible youth in leasing a unit before turning 25 and aging out of eligibility for the program.

Both FYI and FUP are intended to support former foster youth transitioning from foster care. Both voucher programs can be used to support young people as they age out as well as for young people who have aged out and become homeless. Public housing authorities administer FUP and FYI programs in partnership with Public Child Welfare Agencies (PCWAs) who verify eligibility and refer young people for housing assistance. FUP vouchers can serve families and young people who are leaving or have already left foster care. FYI vouchers can only be used to serve young people who are in or have left foster care.

The Administrative Plan changes reflect these new requirements and areas where Home Forward is electing to adopt some of the new policy options.

SUMMARY OF REQUIRED CHANGES

In summary, the mandatory program policies outlined in the notice require that PHAs administering the FUP or FYI voucher programs:

- adopt a referral policy to accept referrals of youth, otherwise eligible for FUP and FYI vouchers, that are leaving foster care with 180 days (as opposed to within 90 days previously); and
- provide a minimum initial search term of 120 days for FUP and FYI voucher applicants (as opposed to 60 days previously); and
- provide FUP and FYI voucher applicants with flexible extensions during their search for a unit, including that each extension must be for a minimum of 90 days beyond the initial 120-day term.

The notice also outlines discretionary alternative policies that PHAs may elect to implement including:

- establishing a separate waiting list for FUP and FYI; and
- establishing separate preferences for FUP and FYI voucher applicants.

DETAILED OVERVIEW - ADMINISTRATIVE PLAN CHANGES

Home Forward is proposing the following changes to the Administrative Plan.

Chapter 4	
Current policy	Amended policy
<ul style="list-style-type: none"> ○ Eligibility for FUP includes youth who have left foster care at age 16 or older or will leave foster care within 90 days ○ References Mainstream vouchers as part of local preferences ○ References that Mainstream vouchers have an approved tenant-based voucher set aside 	<ul style="list-style-type: none"> ○ Updated eligibility for FUP youth to mean those who have left foster care at age 16 or older or will leave foster care within 180 days (page 4-11) ○ Removed reference to Mainstream from local preferences section (page 4-20) ○ Removed reference to Mainstream from Tenant Based Set Asides section (page 4-25)

Redline changes in Chapter 4 are detailed below.

- **Revising the eligibility requirements for FUP-eligible youth.** Previously, FUP-eligible youth must be at least 18 years old and not more than 21 and have left foster care at age 16 or older. Under the new law, FUP-eligible youth must:
 - Be at least 18 years old and not more than 24
 - Have left foster care at age 16 or older or will leave foster care within 90-180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act; and
 - Be homeless or at risk of being homeless (refer to the definition of “at risk of homelessness” at 24 CFR 576.2).
- **Families with a non-elderly (age 18 - 61) person with disabilities, as defined in 24 CFR 5.403, who is experiencing homelessness and was referred to the PHA from Multnomah County’s Coordinated Access system managed by the City of Portland / Multnomah County Joint Office of Homeless Services. The PHA will limit the number of vouchers set aside for this preference to 130 until December 1, 2022. Families will be selected utilizing this preference only upon availability of a mainstream voucher for up to 130 vouchers until December 1, 2022. The PHA will limit the number of vouchers set aside for this preference to 229 beginning December 2, 2022. Families will be selected utilizing this preference only upon availability of a mainstream voucher for up to 229 vouchers beginning December 2, 2022. ~~As of October 2024, this voucher set aside preference has sunsetted and access is now through the PHA’s MTW Tenant Based Voucher Set Aside.~~**

Mainstream Voucher Program

~~The PHA has 229 authorized Mainstream Vouchers. Referrals for Mainstream Vouchers come from Multnomah County's Coordinated Access systems. Beginning October 2024, the PHA uses a Tenant-Based Voucher Set Aside for the Mainstream Voucher program. Information on Mainstream Voucher eligibility is included in Chapter 20.~~

Chapter 5	
Current policy	Amended policy
<ul style="list-style-type: none">○ Extensions are automatically approved for 60 days upon written request○ For Mainstream vouchers, Home Forward automatically approves extensions upon request for a minimum of 90 days	<ul style="list-style-type: none">○ Updates approval time to 90-day extension and via oral request (page 5-16)○ Updates reference to Notice and includes FYI and FUP vouchers in extension approval language (page 5-16)

Redline changes in Chapter 5 are detailed below.

PHA Policy

The PHA will automatically approve an additional 90~~60~~-day extension upon written or~~oral~~ request from the family. The request may be delivered in person, by e-mail, fax, or through a support agency on behalf of the family.

The PHA may approve additional extensions only in the following circumstances:

An additional extension is necessary as a reasonable accommodation for a person with disabilities

PHA Policy [Notice PIH 2024-30, Notice PIH 2025-08]

For Mainstream Vouchers, Foster Youth to Independence (FYI) vouchers, and Family Unification Program (FUP) vouchers, the PHA will automatically approve extensions upon request from the family and will allow for each extension to be for a minimum of 90 days. The PHA will approve the first extension request regardless of how the request is made or when it is made, whether written or verbal, so long as the request is made on or before the term expiration date and is consistent with applicable requirements. The PHA will, at least once after voucher issuance, notify the family prior to the initial term expiration to remind them of the term expiration date, the process for requesting an extension, and to inquire if the family needs assistance with their housing search.

Chapter 8: Housing Quality Standards and Rent Reasonableness Determinations	
Current policy	Amended policy
<ul style="list-style-type: none">○ Outlines that owner requested rent increases are reviewed within 15 business days	<ul style="list-style-type: none">○ Removed reference to reviewing requested increases within 15 business days to align with current practice (page 8-27)

Redline changes in Chapter 8 are detailed below.

PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

~~The PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.~~

All rents adjustments will be effective the first of the month following 90 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

Chapter 9: General Leasing Policies	
Current policy	Amended policy
<ul style="list-style-type: none">o Outlines that owner requested rent increases are reviewed within 15 business days	<ul style="list-style-type: none">o Removed reference to reviewing requested increases within 15 business days to align with current practice (page 9-14)

Redline changes in Chapter 9 are detailed below.

PHA Policy (MTW)

The PHA will not execute a new HAP contract where there are changes in lease requirements governing tenant or owner responsibilities for utilities or appliances. If the owner and the family agree to such changes, the PHA will require a copy of written agreement executed by the owner and the family. The PHA must receive a copy of the agreement at least 30 days before the changes go into effect.

The PHA will not execute a new HAP contract where there are changes in lease provisions governing the term of the lease. The PHA must receive a copy of the new lease agreement at least 30 days before the lease start date.

~~Where the owner is requesting a rent increase, the PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.~~

Rent increases will go into effect on the first of the month following the 90 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.

Chapter 11: Reexaminations	
Current policy	Amended policy
<ul style="list-style-type: none"> Requires that for interim reexaminations, changes in income be at least 45 days from when information is received 	<ul style="list-style-type: none"> Removed the requirement that for interim reexaminations, income changes have been within at least 45 days to align with current practice (page 11-14)
<ul style="list-style-type: none"> Requires that the effective date of income changes be at least 60 days before the annual recertification 	<ul style="list-style-type: none"> Removed language requiring the effective date of income changes to be at least 60 days before the annual recertification (page 11-15)
<ul style="list-style-type: none"> Requires that if a family's share of rent is to decrease, the family must have submitted all required information by the 15th of the month 	<ul style="list-style-type: none"> Updated required date of submission of information to end of the month to align with current practice (page 11-16)

Redline changes in Chapter 11 are detailed below.

If a family reports a change in income (decrease or increase) that would result in an overall decrease in the household income since the last determination, ~~and the change is expected to last 45 days or more from the time the PHA received the information,~~ the PHA will conduct an interim reexamination. See Section 11-I.E for effective dates.

Interim Changes Reported During Regular Reexamination Process

~~If a family reports changes in income or family composition during regular reexamination process (between the time the PHA issues a regular reexamination notice to the family and the time the PHA notifies the family of the changes resulting from the regular reexamination) and the PHA receives all required information less than 60 days prior to the family's next regularly scheduled reexamination date, the changes will not be processed separately but will be included in a regular reexamination with the effective date in accordance with policies in Section 11-I.E.~~

Interim Changes Reported at the Time Other Than During Regular Reexamination Process

If the family share of the rent is to decrease:

If a family submitted all required information by the ~~15th~~ end of the month, the decrease will be effective on the first day of the following month.

Chapter 20: Special Purpose Vouchers	
Current policy	Amended policy
<ul style="list-style-type: none"> References FUP Fact Sheet 	<ul style="list-style-type: none"> Updated with reference to latest FUP/FYI Notice (page 20-2)
<ul style="list-style-type: none"> Eligibility for FUP includes youth who have left foster care at age 16 or older or will leave foster care within 90 days 	<ul style="list-style-type: none"> Updated eligibility for FUP youth to mean those who have left foster care at age 16 or older or will leave foster care within 180 days (page 20-2)

<ul style="list-style-type: none"> ○ Outlines process following referral, including placement on waiting list ○ Details designated ratio of families to youth for FUP vouchers ○ Eligibility for FUP includes youth who have left foster care at age 16 or older or will leave foster care within 90 days ○ Outlines eligibility determination after FUP-eligible youth or family is selected from the HCV waiting list ○ No language on voucher issuance or initial search term ○ Details policy on referrals from PCWA and interplay with HCV waiting list ○ Outlines eligibility determination after eligible youth is selected from the HCV waiting list ○ No language on voucher issuance or initial search term ○ Referenced the use of MTW Tenant Based Set Aside activity for Mainstream vouchers 	<ul style="list-style-type: none"> ○ Removes reference to waiting list (page 20-2) ○ Clarified that the ratio of families to youth can shift based on consultation with the PCWA (page 20-3) ○ Updated eligibility for FUP youth to mean those who have left foster care at age 16 or older or will leave foster care within 180 days (page 20-7) ○ Replaced reference to HCV waiting list with referral from PCWA (page 20-18) ○ Added language outlining that FUP vouchers will have an initial search term of 120 days (page 20-19) ○ Removed overview of referrals and waiting list to only reference MTW Tenant-Based Set Aside Activity (page 20-28) ○ Replaced reference to HCV waiting list with referral from PCWA (page 20-28) ○ Added language outlining that FYI vouchers will have an initial search term of 120 days (page 20-30) ○ Removed reference to MTW Tenant Based Set Aside activity for Mainstream vouchers (page 20-55)
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Redline changes in Chapter 20 are detailed below.

20-1.A. PROGRAM OVERVIEW [Fact Sheet, Housing Choice Voucher Program Family Unification Program (FUP), Notice PIH 2025-08]

- Have left foster care or will leave foster care within 90-180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 and older; and

In order to administer the program, the PHA must also form a partnership with a local PCWA who is responsible for determining the family or youth meets FUP eligibility requirements and referring them to the PHA. Once the referral is received, the PHA is responsible ~~for placing the FUP family or youth on the PHA's waiting list~~selecting FUP family or Youth for assistance and determining whether they are eligible to receive assistance under the PHA's HCV program.

Assigning Vouchers [FUP FAQs]

The PHA may, but is not required to, assign a specific number or percentage of FUP vouchers for FUP youths and FUP families. Unless the PHA assigns a specific number or percentage of FUP vouchers to a designated FUP population, the PHA must serve any referrals (youths or families) that meet all program eligibility requirements up to the PHA's designated FUP program size.

PHA Policy

The PHA has designated 75% of FUP vouchers for families and 25% for youth. This ratio can shift based on consultation with PCWA.

- Has left foster care or will leave foster care within 90-180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act [Notice PIH 2025-08].

20-II.F. PHA HCV ELIGIBILITY DETERMINATION [FYI FAQs]

Once an eligible youth is ~~selected from the HCV waiting list~~referred from the PCWA, the PHA must determine whether the youth meets HCV program eligibility requirements. Applicants must be eligible under both FYI eligibility requirements and HCV eligibility requirements as outlined in Chapter 3 of this policy.

The PCWA may, but is not obligated to, provide information to the PHA on the youth's criminal history.

Voucher Issuance

Unlike the standard HCV program which requires an initial voucher term of at least 60 days, FYI vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

PHA Policy

All FYI vouchers will have an initial term of 120 calendar days. The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the PHA grants an extension.

Waiting List Placement and Selection [Notice PIH 2021-26 and FYI FAQs]

The PHA must use the HCV waiting list for the FYI program. Youth already on the HCV program may not be transferred to an FYI voucher since they are not homeless or at-risk of homelessness.

Once a referral is made, the PHA must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA's referral list are already on the PHA's HCV waiting list. Applicants already on the PHA's HCV waiting list retain the order of their position on the list. Applicants not already on the PHA's HCV waiting list must be placed on the HCV waiting list.

If the PHA's HCV waiting list is closed, the PHA must open its HCV waiting list in order to accept new referrals. The PHA may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants; however, the requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply (see section 4-II.C., Opening and Closing the Waiting List of this administrative plan).

PHA Policy

~~Within 10 business days of receiving the referral from the PCWA, the PHA will review the HCV waiting list.~~

~~Referrals who are already on the list will retain their position and the list will be notated to indicate the applicant is FYI eligible.~~

~~For those referrals not already on the waiting list, the PHA will work with the PCWA to ensure they receive and successfully complete a pre-application or application, as applicable. Once the pre-application or application has been completed, the PHA will place the referral on the HCV waiting list with the date and time of the original referral and an indication that the referral is FYI eligible.~~

Waiting List Selection

As of August 2024 the PHA follows its MTW Tenant-Based Set Aside Activity in Chapter 4.

20-IG. PHA HCV ELIGIBILITY DETERMINATION

Once a FUP-eligible family or youth is selected from the HCV waiting list referred from the PCWA, the PHA must determine whether the family or youth meets HCV program eligibility requirements. Applicants must be eligible under both FUP family or youth eligibility requirements, as applicable, and HCV eligibility requirements as outlined in Chapter 3 of this policy.

The PCWA may, but is not obligated to, provide information to the PHA on the family's criminal history.

Voucher Issuance

Unlike the standard HCV program which requires an initial voucher term of at least 60 days, FUP vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

PHA Policy

All FUP vouchers will have an initial term of 120 calendar days. The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the PHA grants an extension.

PHA Policy

~~As of October 2024, the PHA follows its MTW Tenant Based Set Aside Activity in Chapter 4. The Mainstream Voucher set aside is for families with a non elderly (age 18 –61) person with disabilities, as defined in 24 CFR 5.403, that are experiencing homelessness and were referred to the PHA from Multnomah County’s Coordinated Access system managed by the City of Portland / Multnomah County Joint Office of Homeless Services.~~

CONCLUSION

Accordingly, staff request approval for changes to Chapters 4, 5, 8, 9, 11, and 20 of the Administrative Plan.

ATTACHMENTS

Given the length of this memorandum and the redline excerpts provided above, full copies of the redline or blackline versions of each chapter are not attached but can be provided upon request.



RESOLUTION 25-06-04

RESOLUTION 25-06-04 AUTHORIZES HOME FORWARD STAFF TO AMEND CHAPTERS 4, 5, 8, 9, 11, AND 20 OF HOME FORWARD'S ADMINISTRATIVE PLAN GOVERNING THE ADMINISTRATION OF RENT ASSISTANCE

WHEREAS, the Department of Housing and Urban Development (HUD) permits a Public Housing Authority to amend and modify its Administrative Plan with Board of Commissioners' approval; and

WHEREAS, on April 9, 2025, HUD released Notice PIH 2025-08, establishing both mandatory and optional waivers, and alternative requirements for the Family Unification Program (FUP) and Foster Youth to Independence (FYI) vouchers; and

WHEREAS, Home Forward proposes amendments to Chapters 4, 5, 8, 9, 11, and 20 of the Administrative Plan to incorporate the updates outlined in the above referenced notice; and

WHEREAS, from time to time, Home Forward reviews its programmatic policy documents to bring them into alignment with current policies, practices, statutes, and regulations; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Home Forward that Home Forward staff is authorized to make the changes to Chapters 4, 5, 8, 9, 11, and 20 of the Administrative Plan as outlined in the June 17, 2025 Memorandum from Home Forward staff to the Board of Commissioners.

ADOPTED: JUNE 17, 2025

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

STAFF REPORTS

Procurement & Contracts Department
MONTHLY CONTRACT REPORT
Contracts Approved 4/01/25 - 05/31/25

PUBLIC IMPROVEMENT
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3597	0	Finnmark Property Services	\$425,255.78	Reconstruction of damaged units at Sellwood Center	Property Management	4/17/2025	7/31/2025
C3624	0	A-Absolute Comfort Heating & Cooling Inc	\$110,358.00	Emergency water heater replacement at Dahlke	Property Management	4/21/2025	7/31/2025
Subtotal			\$535,613.78				2

GOODS & SERVICES

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3607	0	Pono Security	\$15,680.00	Security at Sellwood Center	Property Management	4/2/2025	5/25/2025
C3610	0	NW Enforcement	\$21,900.00	Security at Cesar Apts	Property Management	4/4/2025	3/31/2026
C3613	0	Rosecity Builders Corporation	\$19,223.00	Interior and exterior window painting at NMW	IFS	4/15/2025	9/15/2025
C3611	0	EV United	\$42,459.00	Hardware and Software for EV Charger at Troutdale	DCR	4/17/2025	6/30/2025
C3615	0	Carbonell Cleaning Solutions	\$150,000.00	Air conditioner installation, scheduling, and reporting	IFS	4/17/2025	4/13/2027
C3616	0	Diana's Cleaning Professional Services	\$150,000.00	Air conditioner installation, scheduling, and reporting	IFS	4/17/2025	4/13/2027
C3618	0	Prime Legacy	\$150,000.00	Air conditioner installation, scheduling, and reporting	IFS	4/17/2025	4/13/2027
C3619	0	Change Commercial Services	\$150,000.00	Air conditioner installation, scheduling, and reporting	IFS	4/24/2025	4/13/2027
C3617	0	PDX Construction Group	\$150,000.00	Air conditioner installation, scheduling, and reporting	IFS	4/28/2025	4/13/2027
C3630		West Coast Landscape LLC	\$46,344.00	Landscaping at Maple Mallory, Eliot Square, and Hattie Redmond	Property Management	5/2/2025	6/1/2026
C3634		Carbonell Cleaning Solutions	\$47,863.80	Landscaping at Maple Mallory, Eliot Square, and Hattie Redmond	Property Management	5/7/2025	6/30/2026
C3637		EV United	\$62,150.00	EV Charger (4) purchase and install at Tamarack	IFS	5/15/2025	10/31/2025

C3638		EV United	\$68,923.00	EV Charger (3) purchase and install at New Columbia	IFS	5/15/2025	10/31/2025
C3641		EV United	\$33,498.00	EV Charger (1) purchase and install at Ash Creek Commons	IFS	5/15/2025	10/31/2025
C3642		EV United	\$41,458.00	EV Charger (1) purchase and install a Kelly Place	IFS	5/15/2025	10/31/2025
C3644		EV United	\$63,548.00	EV Charger (2) purchase and install at Rockwood Station	IFS	5/15/2025	10/31/2025
C3643		EV United	\$43,240.00	EV Charger (1) purchase and install at Fairview Oaks	IFS	5/19/2025	10/31/2025
C3646		Alpha Environmental Services Inc.	\$150,000.00	On-Call Radon Testing & Mitigation	IFS	5/27/2025	5/25/2027
C3647		Environmental Works	\$150,000.00	On-Call Radon Testing & Mitigation	IFS	5/27/2025	5/25/2027
C3648		Cascade Environmental Solutions	\$150,000.00	On-Call Radon Testing Only	IFS	5/27/2025	5/25/2027
C3650		Environmental Works	\$4,500.00	Radon Systems Inspections for the Peaceful Villa Project	DCR	5/27/2025	12/30/2026
C3652		USA Mechanical	\$15,084.00	HVAC maintenance at BCC	Property Management	5/27/2025	3/19/2026
C3653		American Heating, Inc	\$14,360.00	HVAC maintenance at Dahlke	Property Management	5/29/2025	5/30/2027
C3654		Pacific WRO	\$80,490.46	Furniture for Troutdale Project	DCR	5/29/2025	1/31/2026
Subtotal			\$1,820,721.26				24

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3591	0	Cultivated Sense	\$5,000.00	On-call coaching and facilitating	T&OD	4/16/2025	2/25/2026
C3614	0	Girl Scouts of America	\$3,924.44	Youth program at SCC	Community Services	4/16/2025	6/30/2025
C3620	0	CBRE, Inc	\$6,800.00	Appraisal for Cesar Apts	DCR	4/16/2025	9/30/2025
C3623	0	Immigrant Refugee Community Organization (IRCO)	\$50,000.00	Interpreter and Translation Services for HF	Rent Assistance	4/17/2025	6/26/2028
C3625	0	Fair Housing Council of Oregon	\$750.00	Fair housing trainings	T&OD	4/24/2025	10/31/2025
C3629		Cascade Environmental	\$4,020.00	Hazardous Materials Survey at N Maryland	DCR	4/28/2025	7/31/2025

C3628	0	Soluna Career Consulting	\$11,350.00	Worth It! curriculum development for Home Forward youth age 18-24, focus on finances, employment, education, and leadership	Community Services	4/28/2025	12/31/2025
C3626		Carlson Testing	\$2,984.00	Special Testing Services for concrete slab repair at Floresta Apts. Storm damaged unit# 12550.	DCR	4/30/2025	9/30/2025
C3593	0	KGT Consulting	\$5,000.00	On-call coaching and facilitating	T&OD	4/30/2025	2/25/2026
C3633		Metropolitan Public Defender Services Inc	\$274,892.10	Legal services for HF residents and participants; Rule 46-0340	Executive	5/8/2025	1/31/2026
C3635		QED LAB Inc.	\$2,100.00	Window testing at Sequoia Square	DCR	5/12/2025	6/8/2025
C3632		QED Lab	\$16,450.00	Testing windows for water intrusion on the Peaceful Villa project.	DCR	5/14/2025	12/1/2026
C3640		With The End In Mind LLC	\$6,450.00	Coaching and support for Property Management leadership	Executive	5/22/2025	12/31/2025
Subtotal			\$389,720.54				13

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3609	0	Earth Advantage, Inc	\$75,500.00	Functional testing for 45L tax credits	DCR	4/3/2025	1/31/2027
C3622	0	Convergence Architecture	\$41,000.00	A&E services for Demolition project of the N Maryland Property.	DCR	4/18/2025	8/31/2025
C3627	0	KPFF	\$9,000.00	Support on DEQ annual report re: Water Pollution Control Permit	Asset Management	4/28/2025	9/30/2025
Total			\$125,500.00				3

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3467	1	W.B. Wells & Associates, Inc	\$2,500.00	Elevation certificates	DCR	1/2/2025	6/30/2029
C3250	3	Holst Architects	\$3,743,233.00	Negotiated B101 through CA	DCR	1/31/2025	5/1/2029
C2769	12	MWA Architects Inc	\$9,550.00	Additional structural and design services	DCR	2/13/2025	4/1/2026
C3467	2	W.B. Wells & Associates, Inc	\$7,870.00	Adding permit requirements	DCR	4/1/2025	6/30/2029

C3154	2	Herrera's Photography	\$3,950.00	Virtual furniture staging of still image photographs for Dekum ct	DCR	4/3/2025	8/3/2025
C3556	1	PacificWRO	\$10,061.59	FF&E at Dekum	DCR	4/4/2025	8/8/2025
C3588	1	With The End In Mind LLC	\$1,600.00	Additional training sessions	Executive	4/4/2025	7/31/2025
C2448	10	O'Neill/Walsh Community Builders	\$85,358.87	Killingsworth CO #07	DCR	4/7/2025	7/31/2025
C2965	8	LMC, Inc.	\$103,007.03	Change orders 11, 12, 13, 15	DCR	4/7/2025	2/1/2027
C2410	5	Amanda Morris	\$1,200.00	Foot care clinic at BCC; amended to extend contract	Community Services	4/9/2025	6/30/2025
C2769	13	MWA Architects Inc	\$12,300.00	Additional structural and design services	DCR	4/9/2025	4/1/2026
C3026	13	Bacharach Construction LLC	\$13,115.44	City inspector requires south pedestrian gate to be adjusted, in order to get final approval.	DCR	4/14/2025	6/30/2025
C3492	1	Going Home II	\$-	Provide violence intervention and youth outreach services at New Columbia; amended to add time	Community Services	4/15/2025	8/31/2025
C3204	2	Austin Advocates With LLC	\$15,000.00	Data collection and analysis consulting; amended to extend contract	Executive	4/16/2025	6/1/2026
C3513	1	Novogradac & Company LLP	\$5,000.00	Additional work associated with completing a 50% test analysis, which was not a part of the original scope of work.	DCR	4/17/2025	12/31/2026
C3393	1	Birdee Media	\$12,500.00	Website administration, video production, graphic design; amended to extend contract	Executive	4/18/2025	12/31/2025
C3201	2	Forensic Building Consultants	\$4,400.00	Schiller Way permit add services	DCR	4/21/2025	12/31/2025
C3214	2	Air X LLC	\$7,201.00	St Francis HVAC Replacement CO#2 Replace Fire Smoke Dampers floors 2-7 & Heat Pump lineset relocation.	DCR	4/24/2025	5/30/2025
C3362	1	EVREN Northwest Inc.	\$20,969.61	Environmental Engineering Services at Peaceful Villa; amended to update scope	DCR	4/30/2025	4/1/2026
C2965	9	LMC, Inc.	\$79,845.30	Fuel tank removal	DCR	5/5/2025	2/1/2027
C2448	11	O'Neill/Walsh Community Builders	\$303,573.71	Killingsworth CO #08	DCR	5/6/2025	12/31/2025
C3635	1	QED LAB Inc.	\$1,500.00	Window testing at Sequoia Square; amended for a no test fee	DCR	5/13/2025	6/8/2025
C3322	1	Clair Company, Inc	\$3,372.00	Added services for Frontier Fabrication - fab shop inspections.	DCR	5/20/2025	12/1/2026
C3261	1	Meals on Wheels People	\$30,000.00	Provides weekly meals at BCC; amended to extend contract	Community Services	5/22/2025	12/31/2025
C3286	2	Diana's Cleaning Professional Services	\$112,000.00	Weekly cleaning services at BCC; amended to extend contract	Property Management	5/22/2025	6/30/2026
C3236	2	Le Chevallier Strategies	\$40,000.00	Communications consulting related to media, messaging, and public engagement. Additional service may also include assistance with confidential public records requests. Rule 46-0340; amended to add funds	Executive	5/27/2025	12/31/2025

Subtotal	\$4,629,107.55	26
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OTHER AGREEMENTS (Revenue contracts, 3rd Party contracts, MOU's, IGA's)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
Subtotal			\$0.00				0
Total			\$7,500,663.13				68

Procurement & Contracts Department
FUTURE FORMAL PROCUREMENTS
Look Ahead - June 2025

Estimated Contract Amount	Description	Dept.	Solicitation Period
\$600k	Cesar Apartments Construction Project	DCR	May 2025
\$300k	24/7 Security services at Sellwood Center	Prop Mgmt	June 2025
\$1.650 million	A&E for N. Maryland	DCR	Spring 2025
\$13.2 million	CM/GC for N. Maryland	DCR	Spring 2025
\$350k	Demolition at North Maryland	DCR	Summer 2025
\$500k	Goose Hollow Apts Renovations	DCR	Summer 2025
TBD	Townhouse Terrace Construction Project	DCR	Late 2025
TBD	Slavin Court Construction Project	DCR	Late 2025
\$1.5 million	CHSP Housekeeping & Personal Care	Community Services	TBD
\$1 million	Rosenbaum Plaza Plumbing Repairs Phase 2/3	DCR	TBD