



homeforward

FY26 Budget

January 1, 2026, through December 31, 2026



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Management Discussion

This document presents the planned activities and financial budget for Home Forward for the twelve months beginning January 1, 2026, and ending December 31, 2026 (FY26).

General Overview

The Federal Housing Act of 1937 authorized the creation of public housing authorities. Utilizing the 1937 Federal Housing Act, the Portland City Council established Home Forward (at that time, the Housing Authority of Portland) as a municipal corporation under the Oregon Revised Statutes in December 1941.

A nine-member Board of Commissioners governs Home Forward. Four appointments are recommended by the City of Portland, two by the City of Gresham, two by Multnomah County, and there is one resident commissioner. Home Forward is not financially dependent on nor considered a component unit of any of the above jurisdictions. The Board appoints the Chief Executive Officer and is responsible for the daily functioning of Home Forward.

Home Forward is one of only 39 original public housing authorities in the country (out of more than 3,300) that have been selected by the US Department of Housing and Urban Development (HUD) and approved by Congress to participate in the Moving to Work (MTW) program. Moving to Work is a long-term federal pilot program designed to learn whether public housing authorities can serve their communities better with more local discretion over funding allocation, policies, and procedures. Home Forward has been operating as a Moving to Work agency since April 1, 1999. The MTW designation allows for exemptions from specific federal requirements, enabling the merger of Housing Choice Voucher & administrative funds and Public Housing Operating & Capital Funds into a single fund, which allows Home Forward to create and implement innovative programs across its five main mission-based business lines.

The main mission-based business lines are:

- **Real Estate Properties** – Home Forward owns, manages, or is a partner in 115 properties with 7,202 units. Of these, 43 properties with 3,702 units are owned through tax credit partnerships, of which Home Forward is the minority owner. This document does not include the forecasted and budgeted results of these 43 tax credit properties.

For public housing properties, revenue is generated from two primary sources: 1) HUD subsidies – based on a HUD-approved rate multiplied by the number of HUD-approved units multiplied by a proration rate, and 2) tenant revenue – rents collected from residents, which are driven by occupancy levels and by tenant income levels.

For affordable housing properties, revenue is mainly generated by tenant rents and impacted by occupancy levels and contractually allowed affordable rental rates based on unit size.

- **Real Estate Services** – includes Asset Management, Property Management, and Integrated Facilities Services for our affordable, master-leased, and public housing properties.

As part of Home Forward's current strategic plan, the Asset Management group now provides long-term planning services to Home Forward's entire real estate portfolio. Asset Management generates fee income and uses cash flow generated from the real estate portfolio. The department also creates revenue from overseeing affordable properties our jurisdictional partners own.

Home Forward's Property Management group oversees the daily operations, compliance, and maintenance at 43 properties. The group generates property management fees to cover costs and uses cash flow generated from the real estate portfolio.

Integrated Facilities Services is Home Forward's specialized maintenance service, including electrical work, plumbing, pest control, and bulky waste hauling. Fees are earned based on billable services to Home Forward's real estate portfolio.

- **Rent Assistance** – includes traditional and non-traditional rent assistance programs. Traditional programs include federally designed Housing Choice Vouchers, Veterans Affairs Supportive Housing (VASH), Family Unification Program (FUP) Vouchers, Single Room Occupancy/Moderate Rehabilitation (SRO/MOD), and Shelter Plus Care. Non-traditional rent assistance programs include locally developed short-, medium-, and long-term rent assistance and rent assistance combined with partner services. Home Forward provides rental assistance to over 16,000 households through these programs annually. The short-term initiatives began in FY20 and will continue into FY2026.
- The Housing Choice Voucher Program (Section 8) is the most extensive rent assistance program administered by Home Forward, with funding determined by vouchers authorized, voucher utilization, and proration rates.
- **Community Services** – includes social and economic development programs for families and administration of community housing and service partnerships throughout Multnomah County. Programs include congregate supportive housing and family self-sufficiency programs. Cost reimbursement grants and property fees typically fund these programs.
- **Development** – includes work on large-scale development projects such as T. Joyce Philips, York Terrace, Metro Bond housing affordable housing developments, and improvement of our existing properties, such as 85 Stories (part of Home Forward's public housing preservation initiative), using capital grants, local grants, and mainstream financing products. Revenue for this group is generated by developer fees, which may be earned in one reporting period but paid in a different period.

Budget Principles

The budget document provides greater context around where we are investing our resources to achieve the goals of ensuring the members of our community are housed.

This document presents comparative budget information in a Generally Accepted Accounting Principles (GAAP) format and a Funding Flow (simplified operating cash basis) format. The reader must understand this distinction, as specific revenue and expense items may be recorded in one fiscal year. At the same time, the cash involved impacts a different fiscal year (such as development fee revenue) or has no cash impact (such as depreciation expense). Additionally, this document only presents the results of Home Forward's legal entity and does not include the budget of any blended or discretely presented units.

The budget was created with several guiding principles:

- Current-year activities will be funded with current-year revenue, business line reserves, allowable transfers from other programs, or agency-level reserves. In addition, any remaining funds will be assigned to reserves for specific purposes or general reserves to address funding volatility.
- Because the life cycle of development projects spans several years, we monitor development performance to match that life cycle rather than using a single-year snapshot.
- Revenues for the Housing Choice Voucher program and administration are budgeted using estimates for program leasing & attrition, payment standards, and a variety of other projections. Public Housing Operating Subsidy and Public Housing Capital Grant are budgeted based on estimated rates and prorations as determined from a combination of 2025 actual funding rates and congressional funding bill proposals.

- Funds using MTW flexibility are aligned with strategic initiatives.
- Home Forward strives to meet the MTW requirement of serving substantially the same number of households as it would if it did not have MTW status.
- Funds from selling real estate are generally dedicated to acquiring, developing, and preserving real estate assets.

Budget Summary

Key Activities and Financial Highlights for Fiscal Year 26

Key activities planned for Fiscal Year 26 include:

- Development will provide development services at a variety of stages to T. Joyce Phillips, Broadway Corridor, Chaku Kuntuks Haws, York Terrace, Fairfield, Peaceful Villa, Civic Station, and other capital projects. Development is projected to earn \$9.3 million in developer fees from these projects.
- Public Housing will serve 299 households in 8 public housing properties, with an expected occupancy of 98%. Public Housing units continue to decline as they convert to voucher-based units through the RAD/Section 18 program.
- Home Forward's Affordable Portfolio properties will serve 6,420 households, given the expected average occupancy rate of 93%. Home Forward-owned affordable properties are expected to serve 2,735 families, tax credit limited partnerships will serve 3,702 households, and master leased properties will serve 466 households.
- In FY25, Home Forward opened a new HCV waitlist for the first time since FY23. Over 20,000 households applied, and 3,000 were selected and placed on the waiting list.

Financial highlights of the upcoming budget include:

- Annual operating revenues are projected to be \$301.7 million, mainly due to the following:
- \$9.3 million in developer fee revenue from Gresham Civic Station (\$5.2 million), Peaceful Villa Redevelopment (\$3.8 million), and Goose Hollow (\$300 thousand).
- Public Housing Operating Subsidy revenue of \$5.4 million, including \$18 thousand in Asset Repositing Fees, reflects an estimated proration of 80%.
- HUD funding for Housing Choice Voucher revenue in the amount of \$161.7 million includes a proration projection of 90%.
- Administrative fees of \$14.0 million include HUD proration of 75%.
- Annual operating expenses are projected to be \$332.5 million, mainly due to the following:
- Of the \$332.5 million in expenses, \$231 million represents rent assistance payments made directly to landlords on behalf of Home Forward participants. Home Forward's operating expenses would be \$102.8 million without rent assistance payments.
- Personnel expenses will be \$48.4 million for the upcoming budget year.
- Other administrative expenses will be \$17.3 million, primarily due to investment of \$3.2 million in Home Forward's information technology infrastructure, including activity related to additional development of Yardi Voyager,

property management fees of \$1.8 million, security patrol contracts for \$1 million, and third-party payroll costs of \$6.6 million.

- Other tenant services expenses will be \$8.1 million and include \$1.7 million in relocation services for the redevelopment of Peaceful Villa, \$1.3 million related to the Congregate Housing Services Program (CHSP), \$1.3 million in contract services for Fairfield, and \$698 thousand for support services at Bud Clark Commons.
- Other maintenance expenses will be \$9.9 million due to significant maintenance projects at multiple affordable properties in FY26.
- Based on the impact of the above items, operating loss is projected to be \$30.9 million.
- Investment income is expected to yield \$1.3 million and \$1.8 million in interest expense.
- Gain on sale of assets is expected to yield \$2.7 million in proceeds.
- The combined impact yields a \$28.0 million decrease in change to net position.

Impact on Funding Flow

As noted in the Budget Principles section, Home Forward presents its budget in a GAAP presentation and a funding flow format. The standard expectation of the funding flow is that Home Forward programs (excluding development) will break even for the fiscal year. Development activities will (at a minimum) break even throughout the life of its various projects.

A funding flow summary by operating group is presented below:

Program Group	Operating Income / (Loss) after Overhead	Department Capital and Financing Uses	Non-Reserve Funding Flow Adjustments	Unrestricted Cash from Current Operations	Additions to Reserves	Other Reserve Transfers In / (Out) to Funds Current Activities	Net Funding Flow
Rent Assistance	(17,267,123)	-	-	-	-	(17,267,123)	-
Public Housing Properties	2,446,981	264	-	-	-	2,447,245	-
Affordable Properties	269,797	(1,002,243)	(407,980)	-	-	(1,140,426)	-
Asset Management	(4,532,078)	2,700,000	-	-	-	(1,832,078)	-
Property Management	(7,743,899)	-	-	-	-	(7,743,899)	-
Safety	(746,815)	-	-	-	-	(746,815)	-
Integrated Facilities Services	614,068	-	-	-	-	614,068	-
Community Services	(6,102,121)	-	-	-	-	(6,102,121)	-
Other	(278,363)	558,251	956,872	-	-	(8,335,388)	-
Program Group Total	(33,339,553)	2,256,272	548,892	-	-	(40,106,537)	-
Development	2,512,914	4,272	-	(7,293,069)	-	12,089,333	-
Total Agency	(30,826,639)	2,260,544	548,892	(7,293,069)	-	(28,017,204)	-

“Non-reserve *funding flow adjustments*” include add-backs for depreciation, offsets for allocated capital acquisitions and certain debt payments, property-level reserves, and increases/decreases related to the timing of affordable housing cash flows.

“*Unrestricted Cash from Current Operations*” reflects excess cash flow from the Affordable and Tax Credit properties after the operating income and any applicable debt service.

“*Reserve transfers in*” to fund current activities reflect the inflow of reserve funds to cover the current year’s expenses. This activity translates to a reduction of agency reserves.

“*Additions to reserves*” reflect the transfer of remaining operating income into reserve accounts. Please note that the bracketed number in this column *does not* represent an outflow of agency cash but rather an increase in agency reserves.

Net reserves are dedicated to the following identified purposes:

- \$16.9 million of collected development fee revenue is transferred to reserves and is used to cover department operations and fund project costs that span multiple fiscal years.

Staffing Update

Home Forward staff provide services funded with agency resources (Home Forward legal entity) and resources from other legal entities, such as several tax credit partnerships. The breakout by resources of the financing and the change in budgeted full-time equivalents (FTEs) is:

Full-Time Equivalents (FTEs) by Funding Source			
	FY25 Budget	FY26 Budget	Increase / (Decrease)
Agency Funded	322.8	299.9	(22.9)
Other Legal Entity Funded	54.7	53.1	(1.6)
Total Agency-Managed Positions	377.5	353.0	(24.5)

Numbers may be off slightly due to rounding.

In total, full-time equivalent employees have decreased by 24.5 FTE. While this budget reflects the FTEs of Home Forward, it does not include Home Forward paying the financial impact of the 53.1 FTE, whose costs are reflected in the Tax Credit Portfolio.

Risks and Opportunities

As is the case every year, the level of Congressional appropriations determines federal funding. While this funding has been volatile over the last five years, there is extreme uncertainty as to what level of investment the federal government will continue to provide. Given the passage of several continuing resolutions and regular government shutdowns, both of which impact Housing and Urban Development funding, combined with a lack of detailed information from the Congressional Appropriations bill, we have had to develop a budget with estimates of most of its major federal programs. The approach was used to base funding activity on preliminary congressional indicators and historical trends, use program reserves as needed, and prepare to implement budget revisions as soon as more accurate information is available.

For development projects, there is always the risk of construction delays. Still, we are confident in the historical success of the Development team in monitoring and managing projects to mitigate this risk. Additionally, the Development team monitors new funding opportunities and strategies for financing affordable housing.

In addition to funding volatility, there is the potential for a weather-related incident/natural disaster in any given year that could affect most agency properties.

On behalf of our residents and program participants, Home Forward continues to seek opportunities to improve the housing and service delivery systems. There is the potential for new program development and implementation in any given year beyond the programs established with this budget.

Conclusion

For the Fiscal Year 2026, Home Forward will continue its efforts to transition from a traditional public housing platform to a more responsive affordable housing platform. Lastly, Home Forward will maintain ongoing operations while continuing foundational work to address historic and systemic racism.

Operating Statement & Summary of Funding Flow

Operating Statement

Home Forward

Fiscal Year 2026 Operating Statement

<u>Operating Statement</u>	<u>FY25 Budget</u>	<u>FY26 Budget</u>	<u>Increase / (Decrease)</u>
Dwelling Rental	34,719,235	32,489,391	(2,229,844)
Non-Dwelling Rental	3,197,962	2,402,771	(795,191)
HUD Subsidies Housing Assistance	157,672,666	161,677,705	4,005,039
HUD Subsidies Admin Fee	16,252,806	14,015,715	(2,237,091)
HUD Subsidies Public Housing	4,809,758	5,444,544	634,786
HUD Grants	10,185,284	11,206,139	1,020,855
Development Fee Revenue, Net	15,319,748	9,256,992	(6,062,756)
State, Local & Other Grants	38,705,703	46,506,211	7,800,508
Other Revenue	17,107,818	18,698,377	1,590,559
Total IA Revenue	-	-	-
Total Operating Revenues	297,970,980	301,697,844	3,726,864
Housing Assistance Payments	199,355,978	229,700,976	(30,344,998)
<i>Housing Assistance Payments Federal</i>	<i>162,753,200</i>	<i>190,604,391</i>	<i>(27,851,191)</i>
<i>Housing Assistance Payments Non-Federal</i>	<i>36,602,778</i>	<i>39,096,585</i>	<i>(2,493,807)</i>
Administration	33,349,470	32,651,243	698,227
<i>Administrative Personnel Expense</i>	<i>16,065,375</i>	<i>15,329,645</i>	<i>735,730</i>
<i>Other Admin Expenses</i>	<i>17,687,192</i>	<i>17,321,598</i>	<i>365,594</i>
Tenant Services	10,959,553	15,054,237	(4,094,684)
<i>Tenant Svcs Personnel Expense</i>	<i>6,167,323</i>	<i>6,937,819</i>	<i>(770,496)</i>
<i>Other Tenant Svcs Expenses</i>	<i>4,792,229</i>	<i>8,116,419</i>	<i>(3,324,190)</i>
Program Expense	19,261,923	22,702,708	(3,440,785)
<i>Program Personnel Expense</i>	<i>19,682,444</i>	<i>22,573,949</i>	<i>(2,891,505)</i>
<i>Other Program Expenses</i>	<i>52,060</i>	<i>128,759</i>	<i>(76,699)</i>
Maintenance	11,409,435	13,440,666	(2,031,231)
<i>Maintenance Personnel Expense</i>	<i>3,717,947</i>	<i>3,522,189</i>	<i>195,758</i>
<i>Other Maintenance Expenses</i>	<i>9,248,672</i>	<i>9,918,478</i>	<i>(669,806)</i>
Fees/Overhead Charged	458,604	6,752	451,852
Utilities	6,556,957	6,449,587	107,370
Total IA Expense	-	-	-
Depreciation	6,052,074	8,064,998	(2,012,924)
General	4,227,830	4,453,316	(225,486)
Total Operating Expenses	294,064,685	332,524,484	(38,459,799)
Operating Income (Loss)	3,906,294	(30,826,639)	(34,732,933)
Operating Income (Loss) after Overhead	3,906,294	(30,826,639)	(34,732,933)
Reserve Funding	-	-	-
Operating Income (Loss) after Reserve Funding	3,906,294	(30,826,639)	(34,732,933)
Investment Income	993,954	1,307,172	313,218
Interest Expense	(1,924,671)	(1,754,133)	170,538
Amortization	(1,620)	-	1,620
Gain (Loss) on Sale of Assets	-	2,707,556	2,707,556
Change in Derivative Contract Value	50	(50)	(100)
Net Other Income (Expense)	(926,147)	2,260,544	3,186,691
Net Capital Contributions	(12,225,151)	548,892	12,774,043
Change in Net Position	2,980,146	(28,017,204)	(30,997,350)

Funding Flow Analysis

Home Forward			
Fiscal Year 2026 Funding Flow			
<u>Funding Flow Analysis</u>	<u>FY25 Budget</u>	<u>FY26 Budget</u>	<u>Increase / (Decrease)</u>
Change in Net Position	2,980,146	(28,017,204)	(30,997,350)
Funding Flow	(2,980,146)	-	2,980,146
Final Funding Source (or Shortfall)	-	(28,017,204)	(28,017,204)

Agency Cash Flow Analysis

Home Forward			
Fiscal Year 2026 Projected Cash Flow			
<u>Cash Flow Analysis</u>	<u>FY25 Budget</u>	<u>FY26 Budget</u>	<u>Increase / (Decrease)</u>
Projected Cash Needs	(3,841,071)	(5,407,863)	1,566,792
Projected Cash Flow	5,196,077	7,228,735	2,032,658
Net Cash to Home Forward	1,355,006	1,820,872	465,866

Projected Cash Needs and Projected Cash Flow include Affordable Housing, Public Housing, and Tax Credit Properties.

Line-Item Analysis & Assumptions

Revenue

Dwelling Rental | \$32.5 million

- Public Housing Portfolio will earn \$1.0 million and continue to benefit from high occupancy rates, with an estimated offset of \$44 thousand for vacancies.
- Affordable Housing Portfolio will earn \$31.5 million due to high occupancy rates, with estimated offsets of \$2.5 million for vacancies and \$172 thousand in rent concessions.
- There is a projected elimination of \$5.4 million to reflect voucher holders living in our Affordable and Public Housing properties.

Non-Dwelling Rental | \$2.4 million

- Non-dwelling rental includes commercial rents, payments from special needs master-leased properties, land lease revenue, cell tower revenue, and parking revenue.

HUD Subsidies - Housing Assistance | \$161.7 million

- Due to expected continuing resolutions for a portion of the year, funding for Rent Assistance programs is projected to include no funding increase and a projected proration level of 90%. Details by department and program are provided below.

Department / Program	FY25 Budget	FY26 Budget	Increase/ (Decrease)
Affordable Portfolio	1,464,924	1,459,228	-5,696
<i>Local Blended Subsidy*</i>	1,464,924	1,459,228	-5,696
Development	-	1,691,760	1,691,760
<i>Peaceful Villa</i>	-	1,691,760	1,691,760
Rent Assistance	156,038,742	158,357,717	2,318,975
<i>Emergency Housing Vouchers</i>	4,806,876	7,249,550	2,442,674
<i>FUP (includes FYI)</i>	4,639,027	5,560,104	921,077
<i>Mainstream</i>	2,948,220	3,376,740	428,520
<i>Portability (Port-Out)</i>	1,888,200	2,842,800	954,600
<i>Project-Based Vouchers</i>	33,663,999	38,525,160	4,861,161
<i>RAD</i>	25,758,174	29,364,457	3,606,282
<i>SRO/MOD</i>	286,562	286,562	-
<i>Stability Vouchers</i>	405,141	1,164,768	759,627

Department / Program	FY25 Budget	FY26 Budget	Increase/ (Decrease)
Tenant-Based Vouchers	70,051,116	59,839,260	(10,211,856)
VASH	11,591,427	10,148,316	(1,443,111)
Total	157,503,666	161,508,705	4,005,039

**Only represents Local Blended Subsidy (LBS) in Affordable Portfolio.*

HUD Subsidies - Administrative Fees | \$14.0 million

- Administrative Fees for HUD housing assistance are budgeted based on funding appropriations and assume a 75% proration for FY26.

HUD Subsidies - Public Housing | \$5.4 million

- Funding includes \$18 thousand in Asset Repositioning Fees (ARF). ARF represents a temporary revenue stream (related to Section 18 conversions) to assist with converting Public Housing to Tenant Protection Vouchers.
- The budget assumes that the Operating Subsidy proration will be 80%, based on the current year's actuals.

Development Fee Revenue | \$9.3 million

- Accrued development fee revenue for the current year is projected for the following projects:

Project	Accrued Developer Fee Revenue (in thousands)
Goose Hollow	317
Gresham Civic Station	5,190
Peaceful Villa Redevelopment	3,750
Total	\$9,257

State, Local & Other Grants | \$46.5 million

Grant	FY25 Budget (in thousands)	FY26 Budget (in thousands)	Increase/ (Decrease)
Short-Term Rent Assistance			
Multnomah County	9,241	6,769	(2,471)
Homeless Family System of Care	5,564	5,725	161
PILOT Revenue	310	200	(110)
Short-Term Rent Assistance Total	15,115	12,694	(2,421)
Medicaid – CHSP	895	722	(174)

Grant	FY25 Budget (in thousands)	FY26 Budget (in thousands)	Increase/ (Decrease)
Joint Office – Bud Clark Commons	2,332	2,364	33
Health Related Social Needs	-	392	392
Metro	-	3,236	3,236
Long Term Rent Assistance	20,344	25,897	5,554
Portland Clean Energy Fund	-	1,153	1,153
Teen Collaborative Grant	20	47	27
Total	38,706	46,506	7,801

Other Revenue | \$18.7 million

Other Revenue	FY25 Budget (in thousands)	FY26 Budget (in thousands)	Increase/ (Decrease)
Portability Revenue	10,719	12,701	1,983
Integrated Facilities Services Fees	2,141	1,518	(623)
Property-Related Income - Community Services	456	1,404	948
Property-Related Income - Operations	937	758	(179)
Property-Related Income - Management & General Partner Fees	1,787	1,825	38
Home Forward Development Enterprises Contributions	-	-	-
Other Revenue	1,015	380	(635)
Fraud and Bad Debt Recovery	54	113	59
Total	17,108	18,698	1,591

Expense

Housing Assistance Payments | \$299.7 million

- Includes Housing Assistance payments for the MTW Vouchers, RAD/Section 18 conversions, FUP Program, VASH program, Emergency Housing Vouchers, Single Room Occupancy (SRO) program, Shelter Plus Care, MIF Initiatives, Long-Term Rent Assistance, Port-in vouchers, and vouchers for those housed in our Affordable Portfolio.

Personnel Expense | \$48.4 million

- Total full-time equivalents for agency-funded positions are budgeted to be 299.9. An additional 53.1 FTEs are funded directly from tax credit limited partnerships, and the expenses associated with these staff members are not included in this budget. Combined FTE is 353.0, a 24.5 FTE decrease from the FY25 budget. The expenses below reflect only activity recorded for Home Forward properties.

Personnel Expense	FY25 Budget (in millions)	FY26 Budget (in millions)	Increase / (Decrease)
Administrative Personnel Expense	16.1	15.3	(0.7)
Tenant Services Personnel Expense	6.2	6.9	0.8
Program Expense	19.7	22.6	2.9
Maintenance Personnel Expense	3.7	3.5	(0.2)
Total	45.6	48.4	2.7

- Anticipated compensation increases averaging 6% and higher PERS expenses of 33% are factored into the personnel expense budget.

Other Administrative Expenses | \$17.3 million

- The Affordable Housing portfolio's other administrative expenses include outside payroll expenses, management fees, and security patrol contracts.
- The Administration operating group has budgeted expenses of \$2.1 million due to software and licensing fees. Expenses include several costs associated with the hybrid work model and other agency expenses.

Other Tenant Services Expenses | \$8.1 million

- Tenant services expenses are projected to include \$6.1 million in contracted resident services.

Other Program Expenses | \$129 thousand

- Program expenses are projected to have \$129 thousand in temporary help.

Other Maintenance Expenses | \$9.9 million

- Public housing properties are expected to have \$866 thousand in repairs and other maintenance activities.
- Affordable housing properties are expected to have \$6.6 million in repairs and other maintenance activities.
- New Market West is projected to have \$204 thousand planned repairs and ongoing maintenance.

Utilities | \$6.5 million

- Sewer and water rates are projected to rise between 5% and 10%, while other rates continue to increase, including electric rates ranging from 5% to 15% and natural gas increasing by 15%. Local waste haulers will provide garbage and recycling services.

Depreciation | \$8.1 million

- Depreciation represents the non-cash write-down of the properties' physical assets and reflects the units undergoing RAD/Section 18 and property conversions (listed in the Affordable Portfolio Commentary).

General | \$4.5 million

- Insurance expenses will increase due to rising valuations and premium rates, and are projected to be \$3.1 million.
- Based on historical debt, bad debt expense is projected to be \$1.1 million.

Net Other Income (Expense)**Investment Income | \$1.3 million**

- Investment income is projected to increase based on higher interest rates than the prior year's estimates and could include a combination of 30, 60, or 90-day US Treasury bonds as well as accounts held within Oregon's Local Investment Pool.

Interest Expense | \$1.8 million

Property	FY26 Budget (in thousands)
Madrona Place Apartments	43.0
Fenwick Apartments	62.0
Dawson Park	6.0
Kelly Place	3.0
Yards at Union Station	72.0
Rockwood Landing	5.0
Sequoia Square	43.0
Pearl Court	22.0
Hamilton West	112.0
Gretchen Kafoury Commons	202.0
St Francis	115.0
Ainsworth Court	64.0
Fairview Oaks & Woods	273.0
Rockwood Station	110.0
Ash Creek	82.0
Willow Tree	16.0
Lovejoy Station	197.0

Property	FY26 Budget (in thousands)
The Alexis	130.0
Haven	24.0
North Interstate Crossing	10.0
Schiller Way	2.0
New Market West	155.0
Special Needs Properties	5.0
Total	1,753.0

Operating and Administrative Segment Review

FY26 Operating Statement by Operating Group*

Home Forward Fiscal Year 2026 Operating Statement by Operating Group															Home Forward Total
Operating Statement	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	
Dwelling Rental	\$ -	\$ 997,225	\$ 31,492,166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,489,391
Non-Dwelling Rental	-	76,609	1,482,371	-	-	-	-	-	181,500	-	662,291	-	-	-	2,402,771
HUD Subsidies Housing Assistance	158,357,717	-	1,459,228	-	169,000	-	-	1,691,760	-	-	-	-	-	-	161,677,705
HUD Subsidies Admin Fee	13,460,800	-	-	-	554,915	-	-	-	-	-	-	-	-	-	14,015,715
HUD Subsidies Public Housing	-	5,236,378	-	-	-	-	-	-	208,166	-	-	-	-	-	5,444,544
HUD Grants	9,403,244	-	-	-	235,035	-	-	-	1,567,859	-	-	-	-	-	11,206,139
Development Fee Revenue, Net	-	-	-	-	-	-	-	9,256,992	-	-	-	-	-	-	9,256,992
State, Local & Other Grants	38,591,672	-	-	-	-	-	1,153,299	46,538	6,714,701	-	-	-	-	-	46,506,211
Other Revenue	12,801,360	13,261	758,880	-	1,824,846	-	1,517,808	-	1,782,223	-	-	-	-	(380,676)	18,698,377
Total IA Revenue	-	-	-	-	-	-	-	-	1,071,845	-	-	-	-	(1,071,845)	-
Total Operating Revenues	232,614,793	6,323,473	35,192,645	-	2,783,796	-	2,671,107	10,995,290	11,526,295	-	662,291	-	-	(8,838,839)	301,697,844
Housing Assistance Payments	229,676,899	19,277	4,800	-	-	-	-	-	-	-	-	-	-	(5,586,249)	229,700,976
Housing Assistance Payments Federal	190,580,314	19,277	4,800	-	-	-	-	-	-	-	-	-	-	(5,586,249)	190,604,391
Housing Assistance Payments Non-Federal	39,096,585	-	-	-	-	-	-	-	-	-	-	-	-	-	39,096,585
Administration	1,704,394	376,811	7,894,827	969,171	1,240,257	526,558	327,734	1,446,030	865,877	16,376,096	-	923,489	-	(369,588)	32,651,243
Administrative Personnel Expense	930,116	-	-	911,574	1,031,910	430,872	182,140	1,123,583	630,685	10,088,765	-	-	-	-	15,329,645
Other Admin Expenses	774,277	376,811	7,894,827	57,598	208,347	95,686	145,594	322,447	235,191	6,287,331	-	923,489	-	(369,588)	17,321,598
Tenant Services	135,905	4,800	115,472	-	-	-	-	2,007,119	12,689,941	101,000	-	-	-	-	15,054,237
Tenant Svcs Personnel Expense	-	-	-	-	-	-	-	315,359	6,622,459	-	-	-	-	-	6,937,819
Other Tenant Svcs Expenses	135,905	4,800	115,472	-	-	-	-	1,691,760	6,067,482	101,000	-	-	-	-	8,116,419
Program Expense	13,138,084	524,411	906,474	987,723	2,892,261	-	367,666	2,359,988	1,094,239	431,861	-	-	-	-	22,702,708
Program Personnel Expense	13,138,084	501,504	800,622	987,723	2,892,261	-	367,666	2,359,988	1,094,239	431,861	-	-	-	-	22,573,949
Other Program Expenses	-	22,907	105,852	-	-	-	-	-	-	-	-	-	-	-	128,759
Maintenance	-	1,523,582	9,324,513	-	1,295,778	99,112	793,455	-	-	404,227	-	-	-	-	13,440,666
Maintenance Personnel Expense	-	620,079	707,347	-	1,338,554	78,352	699,505	-	-	78,352	-	-	-	-	3,522,189
Other Maintenance Expenses	-	903,503	-	-	(42,776)	20,760	93,950	-	-	325,875	-	-	-	-	9,918,478
Fees/Overhead Charged	-	-	-	-	3,252	-	3,500	-	-	-	-	-	-	-	6,752
Utilities	-	755,075	5,603,012	-	-	-	-	-	-	91,500	-	-	-	-	6,449,587
Total IA Expense	-	121,812	643,807	-	-	-	-	-	294,321	-	-	-	-	(1,059,940)	-
Depreciation	-	256,273	7,275,460	-	-	-	-	1,060	-	382,274	149,932	-	-	(42,791)	8,064,998
General	170,315	294,451	3,154,483	-	301,591	36,832	101,919	25,125	76,928	280,847	10,825	-	-	-	4,453,316
Total Operating Expenses	244,825,596	3,876,492	34,922,848	1,956,894	5,733,140	662,501	1,594,274	5,839,322	15,021,306	18,067,805	160,757	923,489	-	(7,058,568)	332,524,484
Operating Income (Loss)	(12,210,803)	2,446,981	269,797	(1,956,894)	(2,949,344)	(662,501)	1,076,833	5,155,968	(3,495,012)	(18,067,805)	501,534	(923,489)	-	(1,780,272)	(30,826,639)
Total Overhead Allocations	5,056,320	-	-	2,575,184	4,794,555	84,314	462,766	2,643,054	2,607,110	(18,223,302)	-	-	-	-	-
Operating Income (Loss) after Overhead	(17,267,123)	2,446,981	269,797	(4,532,078)	(7,743,899)	(746,815)	614,068	2,512,914	(6,102,121)	155,497	501,534	(923,489)	-	(1,780,272)	(30,826,639)
Reserve Funding	-	-	-	-	-	-	-	9,572,147	-	-	-	(9,572,147)	-	-	-
Operating Income (Loss) after Reserve Funding	(17,267,123)	2,446,981	269,797	(4,532,078)	(7,743,899)	(746,815)	614,068	12,085,061	(6,102,121)	155,497	501,534	(10,495,636)	-	(1,780,272)	(30,826,639)
Investment Income	-	264	588,888	-	-	-	-	4,272	-	-	713,748	-	-	-	1,307,172
Interest Expense	-	-	(1,598,636)	-	-	-	-	-	-	(155,497)	-	-	-	-	(1,754,133)
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Partnership Valuation Charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	7,556	2,700,000	-	-	-	-	-	-	-	-	-	-	2,707,556
Change in Derivative Contract Value	-	-	(50)	-	-	-	-	-	-	-	-	-	-	-	(50)
Net Other Income (Expense)	-	264	(1,002,243)	2,700,000	-	-	-	4,272	-	(155,497)	713,748	-	-	-	2,260,544
HUD Nonoperating Contributions	-	-	(625,000)	-	-	-	-	-	-	-	956,872	-	-	-	331,872
Other Nonoperating Contributions	-	-	217,020	-	-	-	-	-	-	-	-	-	-	-	217,020
ARRA Nonoperating Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Funded Capital Contributions	-	-	-	-	-	-	-	-	-	-	(3,217,800)	3,217,800	-	-	-
Net Capital Contributions Transferred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Capital Contributions	-	-	(407,980)	-	-	-	-	-	-	-	(2,260,928)	3,217,800	-	-	548,892
Other Equity Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change In Net Position	\$ (17,267,123)	\$ 2,447,245	\$ (1,140,426)	\$ (1,832,078)	\$ (7,743,899)	\$ (746,815)	\$ 614,068	\$ 12,089,333	\$ (6,102,121)	\$ -	\$ (1,045,646)	\$ (7,277,836)	\$ -	\$ (1,780,272)	\$ (28,017,203)

*See attachments for a larger version of this table. Numbers may vary slightly due to rounding.

FY26 Staffing Summary by Operating Group

Home Forward

Fiscal Year 2026 Full-Time Equivalent Changes by Operating Group

<u>Operating Group</u>	<u>FY25 Budgeted FTE</u>	<u>FY25 Budgeted FTE</u>	<u>FTE Changes</u>
Rent Assistance	104.0	102.0	(2.0)
Public Housing Portfolio	9.6	9.6	-
Affordable Portfolio	6.7	8.6	1.8
Asset Management	11.6	10.1	(1.5)
Property Management	33.8	32.0	(1.8)
Safety	2.5	2.8	0.4
Integrated Facilities	17.7	8.2	(9.5)
Development	23.3	19.3	(4.0)
Community Services	55.9	54.5	(1.4)
Administration	57.9	52.9	(5.0)
Agency Funded	322.8	299.9	(22.9)
Limited Partnerships	54.7	53.1	(1.6)
Agency Managed	377.5	353.0	(24.5)

Budget Commentary – Rent Assistance

Summary Budget Data		FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue		226,150,575	232,614,793	6,464,218
Operating Expense		213,864,689	244,825,596	30,960,907
Operating Income Before OH		12,285,886	(12,210,803)	(24,496,689)
Allocated Overhead		4,811,274	5,056,320	245,046
Operating Income After OH		7,474,612	(17,267,123)	(24,741,735)
Funding Flow Activity		(9,899,572)	15,097,199	24,996,771
Funding Required or (Contributed) for Current Agency Activities		(9,899,572)	15,097,199	24,996,771
Total Budgeted FTE		104.0	102.0	(2.0)

Rent Assistance Key Assumptions

Housing Assistance Payments for the Agency are projected to be \$229.7 million, a \$30.4 million increase from last year's projections due to an increase in per-unit costs, updates to leasing and attrition estimates, and growth in the Long-Term Rent Assistance program. \$2.2 million in housing assistance payments are related to Local Blended Subsidy payments to Home Forward consolidated properties. HAP expenses are broken down by individual program in the table below. Homeless Initiatives include Short-Term Rent Assistance (STRA) and Shelter Plus Care (SPC).

Program Cost/Expenses	Average Households Served	Average Voucher Cost	Total HAP Expenses
MTW Vouchers	7,904	1,022.05	96,939,711
Long-Term Rent Assistance	1,448	1,495.23	25,981,110
Homeless Initiatives	1,592	1,139.09	21,761,244
RAD	1,188	1,055.18	15,042,585
VASH	911	1,408.49	15,397,582
Section 18 TPV RAD	625	1,673.57	12,551,752
Portability (Port-In)	716	1,386.80	11,915,364
FUP	381	1,627.08	7,439,028
Emergency Housing Vouchers	390	1,543.86	7,225,271
SRO/MOD RAD	457	918.40	5,036,529
Mainstream	203	1,560.34	3,800,990
Portability (Port-Out)	178	1,330.90	2,842,800

Program Cost/Expenses	Average Households Served	Average Voucher Cost	Total HAP Expenses
LBS	284	641.12	2,184,924
Stability Vouchers	64	1,496.83	1,149,568
SRO/MOD	44	542.73	286,562
MTW Funded Rent Assistance	N/A	N/A	86,878
Flexible Rent Assistance	N/A	N/A	35,000
Total HAP Expense	16,385		229,676,899

Administrative fees for administering vouchers are \$13.5 million, representing a \$2.1 million decrease from last year, impacted by admin fee proration.

Rent Assistance Major Programs/Initiatives/Activities and Estimated Budget Impact

Personnel expenses of \$14.0 million in FY26 represent a \$1.0 million increase from the prior year.

Total Housing Choice Vouchers | \$171.3 million

- The Housing Choice Voucher (HCV) program is the federal government's major program for assisting very low-income families, seniors, and people with disabilities to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on the family's or individual's behalf, participants search for housing in the private market, including single-family homes, townhouses, and apartments. Home Forward administers several distinct HCV programs:

- **Moving to Work (MTW) Vouchers | \$96.9 million**

Home Forward will utilize 7,904 Moving to Work Vouchers.

Home Forward opened the Housing Choice Voucher waitlist during the fiscal year 2025. During fiscal year 2025, Home Forward was notified of a shortfall status for our Moving to Work Voucher program by HUD in July. As a result of being in a shortfall status, Home Forward had to pause vouchers to new families selected from the waitlist. Home Forward anticipates a utilization of 94.2% for the FY26 year.

Tenant-based attrition (vouchers returned) is projected to be 8 vouchers monthly.

- **VASH | \$15.4 million**

Home Forward will utilize 911 VASH Vouchers in partnership with the Department of Veterans Affairs.

Utilization of these vouchers is anticipated to be 87.2%. \$14.0 million in VASH program expense is a \$3.0 million increase from the prior year due to increased utilization and per-unit costs.

- **RAD | \$15.0 million**

Home Forward will utilize 1,188 Rental Assistance Demonstration (RAD) vouchers – prior Public Housing buildings that converted to a Project-Based Voucher subsidy under the HCV program. Converting buildings and units into an HCV subsidy allows the units to receive an HCV admin fee and converts the subsidy to fall under the HCV program.

- **Section 18 TPV RAD | \$12.6 million**

Home Forward will utilize 625 Section 18 tenant protection vouchers (TPV) – former Public Housing buildings converted under RAD. Converting Public Housing buildings to a tenant protection subsidy allows the units to receive an HCV admin fee and converts the subsidy to fall under the HCV program. Section 18 conversions also allow for the receipt of Asset Repositioning Fees (ARF).

RAD Section 18 conversions have a budget impact of \$12.6 million, a \$7.7 million increase from the prior year, due to increased housing assistance payments.

- **Portability (Port-In) | \$11.9 million**

Portability, a significant component of the Housing Choice Voucher program, allows voucher holders to move to other areas where Public Housing Agencies operate an HCV program. There are two types of portability: port-in, where a household moves to Home Forward's jurisdiction, and port-out, where a Home Forward participant moves to another PHA's jurisdiction.

Under port-in regulations, Home Forward is defined as the receiving housing authority and receives households from the initial housing authority. The receiving housing authority can bill expenses, both housing assistance payments and a prorated administrative fee, to the initial housing authority.

Home Forward anticipates administering 6 new monthly port-in vouchers in FY26 for an average of 716 vouchers. Home Forward exercises portability billing and receives reimbursement for HAP and admin fee expenses from the initial housing authority for port-in vouchers.

- **FUP | \$7.4 million**

Home Forward will utilize 381 FUP Vouchers and 150 FYI Vouchers. Utilization of these vouchers is anticipated to be 93.2% and 67.6%, respectively, as vouchers continue to be leased with little turnover. \$7.4 million in FUP program expense is a \$2.0 million increase from the prior year due to increased utilization and per-unit costs.

- **Emergency Housing Vouchers | \$7.2 million**

Home Forward will utilize 390 Emergency Housing Vouchers. Originally expected to continue until 2030, Congress did not renew Emergency Housing Vouchers, and the program will end in 2026. Home Forward will work to transition EHV households into a permanent subsidy during FY26.

- **SRO/MOD RAD | \$5.0 million**

Home Forward will utilize 457 RAD vouchers converted from former single-room occupancy/moderate rehabilitation (SRO/MOD) properties owned by community service providers. The property's conversion allows the units to continue receiving the HCV admin fee. It converts the subsidy from funding under the McKinney-Vento Homeless Assistance Act to a Project-Based subsidy.

The \$5.0 million in program expense for this subset of RAD conversions is unchanged from the prior year.

- **Mainstream | \$3.8 million**

Home Forward will utilize 203 Mainstream Vouchers; utilization of these projected vouchers is projected to be 88.6%.

The \$3.8 million in program expenses is a \$21 thousand increase from the prior year.

- **Portability (Port-Out) | \$2.8 million**

Portability, a significant component of the Housing Choice Voucher program, allows voucher holders to move to other areas where Public Housing Agencies operate an HCV program. There are two types of portability: port-in, where a household moves to Home Forward's jurisdiction, and port-out, where a Home Forward participant moves to another PHA's jurisdiction.

Under port-out regulations, Home Forward is defined as the initial housing authority, and households lease under the administration of the receiving housing authority. The receiving housing authority can bill expenses, both housing assistance payments and a prorated administrative fee, back to Home Forward.

Port-out vouchers are projected to average 178, with little change in new port-outs each month. Most receiving housing authorities chose to bill Home Forward for vouchers leased in their jurisdiction under portability.

- **Stability Vouchers | \$1.1 million**

Home Forward will utilize 64 Stability Vouchers; utilization of these projected vouchers is projected to be 82.6%.

The \$1.1 million in program expenses is a \$744 thousand increase from the prior year.

- **SRO/MOD | \$287 thousand**

Coordinated under the Continuum of Care (CoC) Program, the SRO/MOD provides rental assistance in connection with the moderate rehabilitation of residential properties that contain upgraded single occupancy units for individuals who are homeless. The program is designed to move people into the permanent housing phase within the Continuum of Care.

Home Forward will utilize 44 SRO/MOD units that have not been converted under RAD.

Long Term Rent Assistance | \$26.0 million

- Home Forward administers a long-term rental assistance program, known as Regional Long-Term Rent Assistance (RLRA). Multnomah County funds the RLRA program through the Homeless Services Department (formerly Joint Office of Homeless Services). Serving over 1,400 households, the RLRA program provides similar rental assistance as the HCV program, with local flexibility and a regional focus.
- The \$26.0 million in program expenses is a \$5.6 million increase from the prior year.

Homeless Initiatives | \$21.3 million

- In addition to federally funded HCV, Home Forward receives grant funding and collaborates with community service providers to offer Short-Term Rent Assistance (STRA). Serving approximately 500 households per month,

STRA provides limited housing assistance to families in Multnomah County who are experiencing homelessness or are at risk of homelessness. Home Forward also manages Shelter Plus Care grants, serving approximately 495 households per month. Shelter Plus Care provides rental assistance and supportive services to people with disabilities who are experiencing homelessness.

- The \$21.3 million in program expenses is a \$1.9 million decrease from the prior year.

Moving to Work (MTW) Initiatives | \$3.7 million

- As a Moving to Work agency, Home Forward has the flexibility to operate various local programs to provide additional housing and services that align with our strategic plan. MTW Initiatives include Local Blended Subsidy:

- **Local Blended Subsidy (LBS) | \$2.2 million**

LBS enhances funding for certain MTW Section 8 and RAD properties to subsidize units reserved for families earning 80% or below the area median income. These units may be new construction, rehabilitated, or existing housing. LBS has been utilized for 284 units at three properties, including 130 at Bud Clark Commons, 45 at Madrona Place, and 109 at Stephens Creek Crossing (64 at Stephens Creek North and 45 at Stephens Creek South).

- **Flexible Rent Assistance | \$37 thousand**

Flexible rent assistance helps participants with various barriers to housing, including applications, bad debt, security deposits, expungement fees, and other financial assistance to aid the leasing process.

Flexible rent assistance is paired with a Housing Search Advocates program that works with participants to: 1) develop individualized housing search plans which include addressing any housing barriers such as past evictions or bad credit; 2) meet directly with landlords and applicants/participants to navigate the application and leasing process, including filing appeals of denials and accommodations for special needs; 3) stay informed of the available housing inventory and maintain strong landlord relationships; and 4) help support households in understanding Home Forward's rules and processes.

- The remaining MTW activity can be found in the Moving to Work Initiative Schedule in the attachments section of this report. Additional MTW expenses to support services and safety may be funded under Home Forward's approved single-fund flexibility and 2026 MTW Plan.

Budget Commentary – Public Housing Portfolio

Summary Budget Data			
	FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue	5,776,720	6,323,473	546,753
Operating Expense	3,325,428	3,876,492	551,064
Operating Income Before OH	2,451,292	2,446,981	(4,311)
Allocated Overhead	-	-	-
Operating Income After OH	2,451,292	2,446,981	(4,311)
Funding Flow Activity	(2,524,432)	(2,774,942)	(250,510)
Funding Required or (Contributed) for Current Agency Activities	(2,524,432)	(2,774,942)	(250,510)
Total Budgeted FTE	9.6	9.6	-

The Public Housing Portfolio includes the budget activity for 8 traditional public housing properties and 9.6 property-level staff. Home Forward's public housing stock provides an essential resource to the community by providing housing in 299 rentable units throughout Multnomah County. The unit count in Public Housing continues to decline as properties are converted to RAD and Section 18 funding. Property staff focus on the management and maintenance of the properties and work towards preserving the aging housing stock.

In FY26, staff will continue to integrate maintenance, property management, inspections, and services to improve efficiency and reduce turnover time.

Public Housing Key Assumptions

Public Housing Portfolio Operating Subsidy Assumptions		
	FY25 Budget	FY26 Budget
Physical Units in Public Housing Portfolio*	299	299
Subsidized Units in Public Housing Portfolio	299	299
Eligibility per Unit Per Month**	\$1,554	\$1,961
Eligibility per Unit per Month (Excluding ARF)	1,542	1,956
Proration	90%	80%
Proration per Unit per Month***	\$1,282	\$1,459
Total Subsidy	\$4,601,592	\$5,236,378

*As of January 1st, of the respective year.

**Eligibility provided by HUD: calculated as Total Non-Utility Operating Subsidy + RAD Adjustment Factor + Utilities Expense Level (UEL)

***Less Carve-outs for PILOT, GOALS, and Asset Reposition Fee (ARF).

There are no expected RAD or Section 18 conversions in FY26; households served – occupancy is assumed at 98%.

Staff in public housing include property managers, assistant property managers, and maintenance staff.

Public Housing Major Revenue and Expense Items

Operating Revenue is \$6.3 million, up \$547 thousand from FY25.

- Dwelling Rental is \$997 thousand, a decrease of \$76 thousand, due to a reduction in rent and occupancy.
- HUD Subsidies for public housing are \$5.2 million, an increase of \$635 thousand.
- Non-dwelling rental is \$77 thousand from commercial rental income, a decrease of \$6 thousand in commercial space rental.
- Other revenue from laundry and other fees is \$13 thousand, a decrease of \$6 thousand.

Operating Expenses are \$3.9 million, up \$551 thousand from FY25. The primary drivers of Operating Expenses are:

- Housing Assistance Payments of \$19 thousand, a decrease of \$16 thousand. This budget item is for utility reimbursement payments to residents at properties that pay for their own utilities. The decrease is the result of properties shifting to direct payment of utilities.
- Other Admin Expenses is \$377 thousand, for property management fees charged by the Property Management department, an increase of \$22 thousand.
- Maintenance is \$1.5 million, up \$189 thousand. Maintenance includes \$620 thousand in Maintenance Personnel Expenses and \$904 thousand in Other Maintenance Expenses.
- Program Expense is \$524 thousand, an increase of \$52 thousand. Program expense covers personnel expenses and temporary help at properties.
- Tenant Services, combined with Total IA Expense, are \$127 thousand, an increase of \$10 thousand for community services at properties.
- Utilities are \$755 thousand, an increase of \$22 thousand.
- Depreciation is \$256 thousand, a 100% increase due to moving from the affordable and tax credit portfolios.
- General expenses of \$294 thousand in insurance, an increase of \$17 thousand.
- All personnel expenses include planned compensation increases.

Agency Overhead is charged through Property Management and is allocated to the Public Housing Portfolio through the property management fee.

Public Housing Funding Required for Current Agency Activities

The Public Housing Portfolio provides \$2.8 million in projected cash flow for agency and property needs.

Budget Commentary – Affordable Housing Portfolio

Summary Budget Data			
	FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue	37,816,271	35,192,645	(2,623,626)
Operating Expense	32,909,898	34,922,848	2,012,950
Operating Income Before OH	4,906,373	269,797	(4,636,576)
Allocated Overhead	-	-	-
Operating Income After OH	4,906,373	269,797	(4,636,576)
Funding Flow Activity	(7,900,718)	(8,955,813)	(1,055,095)
Funding Required or (Contributed) for Current Agency Activities	(7,973,023)	(8,955,813)	(982,790)
Total Budgeted FTE	6.7	8.6	1.8

The Affordable Housing Portfolio comprises 99 properties with 6,903 units throughout Multnomah County, owned by Home Forward and financed by private debt, public debt, and tax credit funding. The portfolio consists of non-public housing properties owned directly by Home Forward and properties leased with local service providers. Home Forward property management staff manages 8 of the affordable properties, with the remainder managed by third-party property management companies.

For the externally managed properties, \$6.6 million in personnel expenses are on the Home Forward financials, but the FTE is not included in the Home Forward headcount.

Affordable Housing has two new properties in the portfolio in 2026.

- Goose Hollow, a market-rate apartment rental community built in 2018 in SW Portland's historic Goose Hollow neighborhood, was purchased in May of 2025 with the support of Metro Bond Funds. The 61-unit, 6-story apartments will offer modern, open-concept studio, 1-, and 2-bedroom units.
- The Cesar Apartments, located near SE Hawthorne Blvd. and Cesar Chavez Blvd, was acquired with a plan to convert to Permanent Supportive Housing (PSH) for individuals exiting chronic homelessness. The Cesar offers 47 units ranging from studios to two-bedroom apartments.

The Affordable Housing Portfolio contributes revenue to the Agency through cash flow from mature properties. The major challenge for the Affordable Housing Portfolio in the upcoming year is balancing the Agency's need for cash flow while completing much-needed capital improvements at several aging sites. Vacancy, rent collection, rising insurance costs, and continuing inflation will be other issues in the upcoming fiscal year.

Affordable Housing Key Assumptions

The average budgeted occupancy is 93%, consistent with actual property performance.

Peaceful Villa underwent RAD conversion in late FY24 and will not be budgeted for FY26. It will begin lease-up and occupancy in late 2026.

Affordable Housing Major Programs/Initiatives/Activities and Estimated Budget Impact

Enhanced security projects at properties, including courtesy patrols and cameras, are budgeted for \$907 thousand. \$78 thousand budget for pest control extermination projects.

Capital projects, such as roof replacements, window replacements, and capital projects, are several smaller properties.

Affordable Housing Major Revenue and Expense Items

Operating Revenues are budgeted to be \$35.2 million, a \$2.6 million decrease from FY25, primarily driven by:

- Dwelling Rental is projected to be \$31.5 million, a decrease of \$2.2 million due to lower rent and higher vacancy at most properties.

Operating Expenses are projected to be \$34.9 million, a \$2.0 million increase from the prior budget year.

- Utilities are projected to be \$5.6 million, a decrease of \$129 thousand from the previous budget.
- Depreciation increases by \$1.3 million to \$7.3 million.
- Management fees for third-party-managed properties are expected to be \$1.3 million, flat from FY25.
- Other Administrative expenses are \$7.9 million, an increase of \$125 thousand. Third-party-managed properties have budgeted \$5.3 million in payroll expenses.
- Home Forward labor expenses are \$1.5 million, an increase of \$390 thousand from FY25, mostly in program expense from increased staffing for lease up and management of new properties.

Budget Commentary – Asset Management

Summary Budget Data			
	FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue	-	-	-
Operating Expense	2,105,062	1,956,894	(148,168)
Operating Income Before OH	(2,105,062)	(1,956,894)	148,168
Allocated Overhead	2,493,469	2,575,184	81,715
Operating Income After OH	(4,598,530)	(4,532,078)	66,452
Funding Flow Activity	4,598,530	4,532,078	(66,452)
Funding Required or (Contributed) for Current Agency Activities	4,598,530	4,532,078	(66,452)
Total Budgeted FTE	11.6	10.1	(1.5)

The Asset Management group is responsible for overseeing the performance of the entire Home Forward portfolio with the following breakdown.

Portfolio Type	Properties	Units
Public Housing	16	299
Leased	28	466
Affordable	28	2,735
Tax Credit	43	3,702
Total	115	7,202

Asset Management Key Assumptions

The Asset Management group also provides asset management services to properties owned by jurisdictional partners.

Asset Management Funding Required for Current Agency Activities

The Asset Management department will require \$4.5 million to fund all planned operations fully.

Budget Commentary – Property Management

Summary Budget Data			
	FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue	3,008,358	2,783,796	(224,562)
Operating Expense	5,120,864	5,733,140	612,276
Operating Income Before OH	(2,112,506)	(2,949,344)	(836,838)
Allocated Overhead	4,573,204	4,794,555	221,351
Operating Income After OH	(6,685,710)	(7,743,899)	(1,058,189)
Funding Flow Activity	6,685,710	7,743,899	1,058,189
Funding Required or (Contributed) for Current Agency Activities	6,685,710	7,743,899	1,058,189
Total Budgeted FTE	33.8	32.0	(1.8)

Property Management is the service department for Home Forward's self-managed properties. The Property Management group oversees the compliance and maintenance at 47 properties. These properties provide housing for 2,698 households and reflect the RAD/Section 18 conversions.

Subsidy Type	Properties
Public Housing	8
Service Provider and Commercial Leased	3
Tax Credit Limited Partnership	32
Affordable	4
Total Properties Managed	47

The operating activity for the tax credit properties is reported outside of the Property Management budget, but their associated overhead costs are included in this department. The 32.0 FTE captured in this Property Management budget includes management, compliance, and centralized maintenance staff.

Property Management Major Programs/Initiatives/Activities and Estimated Budget Impact

Property Management will support the remaining public housing properties pending future RAD/Section 18 application conversions. Eight properties are remaining public housing properties that will undergo conversion in the coming years; however, there are no expected conversions for FY26.

A new property, The Cesar Apartments, began pre-leasing in the fall of 2025 and expects to be fully leased by May of 2026. This property adds 47 units in Southeast Portland.

Madrona apartments stopped leasing units in 2025 in anticipation of rehab work on the property.

T. Joyce Philips (formerly Dekum Court) completed construction and will begin lease-up in 2026. In addition to the original 40 units, this property will add 140 units to the Home Forward portfolio.

Peaceful Villa Apartments remains offline and under construction in 2026.

Property Management Major Revenue and Expense Items

Operating Revenue is \$2.8 million, down \$225 thousand from FY25. The significant contributors to Operating Revenue are:

- HUD Subsidies of \$169 thousand, which fund the Payment in Lieu of Taxes (PILOT).
- Other Revenue of \$1.8 million includes property management fees, which are charged to properties instead of overhead. Property Management fees have increased by \$38 thousand.
- HUD Subsidies are \$555 thousand from the Rent Assistance department, down \$96 thousand. The administrative fee is earned on RAD conversions and will provide compliance with tax credit reviews.
- HUD Grants are \$235 thousand from the Capital Fund Program grant, a decrease of \$167 thousand.

Operating Expense is \$5.7 million, an increase of \$612 thousand from FY25. The significant drivers of Operating Expenses are:

- Administration Expenses are \$1.2 million, a decrease of \$270 thousand from FY25.
- \$1.0 million is in Administrative Personnel Expenses, no change from the prior year.
- \$208 thousand is in Other Admin Expenses, a decrease of \$269 thousand.
- Program Expense is \$2.9 million, which covers personnel expenses and temporary help. This amount is \$441 thousand higher than FY25.
- Maintenance Expenses are \$1.3 million, primarily in Maintenance Personnel Expenses for floating and on-call staff, an increase of \$341 thousand.
- General Expenses are \$302 thousand, comprised mainly of PILOT expenses.

Property Management Funding Required for Current Agency Activities

The Property Management Department requires \$7.7 million to fund all planned operations fully, an increase of \$1.1 million from FY25.

Budget Commentary – Safety

Summary Budget Data			
	FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue	-	-	-
Operating Expense	559,996	662,501	102,505
Operating Income Before OH	(559,996)	(662,501)	(102,505)
Allocated Overhead	65,033	84,314	19,281
Operating Income After OH	(625,029)	(746,815)	(121,786)
Funding Flow Activity	625,029	746,815	121,786
Funding Required or (Contributed) for Current Agency Activities	625,029	746,815	121,786
Total Budgeted FTE	2.5	2.8	0.4

The Safety Department coordinates Home Forward's property and staff safety awareness and training, implements new safety initiatives, and oversees the Agency's safety committee. The overarching objective is to utilize a proactive approach to reducing losses, providing safe and comfortable homes for residents, and a secure and inviting workplace for employees. The Safety group identifies potential risks to properties and operations, develops strategies to mitigate risks, and delivers safety and compliance training to Home Forward staff.

Safety Major Programs/Initiatives/Activities and Estimated Budget Impact

Staff will continue to conduct physical assessments of properties and make safety and training recommendations.

Safety Major Revenue and Expense Items

Safety has no revenue for FY26.

Operating Expenses are \$663 thousand, an increase of \$103 thousand from FY25. The primary drivers of Operating Expenses are expected to be:

- \$509 thousand in Personnel Expenses, an increase of \$85 thousand.
- \$95 thousand in Other Administrative Expenses, a decrease of \$15 thousand.
- \$21 thousand for Other Maintenance Expenses, a decrease of \$2 thousand.

Safety Funding Required for Current Agency Activities

The Safety Department requires \$747 thousand to fund all planned operations fully.

Budget Commentary – Integrated Facilities Services and Sustainability

Summary Budget Data			Increase/ (Decrease)
	FY25 Budget	FY26 Budget	
Operating Revenue	2,140,549	2,671,107	530,558
Operating Expense	2,456,713	1,594,274	(862,439)
Operating Income Before OH	(316,165)	1,076,833	1,392,998
Allocated Overhead	687,201	462,766	(224,435)
Operating Income After OH	(1,003,365)	614,068	1,617,433
Funding Flow Activity	1,003,365	(614,068)	(1,617,433)
Funding Required or (Contributed) for Current Agency Activities	1,003,365	(614,068)	(1,617,433)
Total Budgeted FTE	17.7	8.2	(9.5)

Integrated Facilities Services and Sustainability is a significant contribution to Home Forward's commitment to sustainability and the strategic plan to address climate change. By focusing on sustainability, the aim is to reduce the impact of extreme weather events on our community. The department also provides trades services, including electrical work, plumbing, pest control, painting, and bulky waste hauling. Home Forward-managed properties utilize Integrated Facilities Services and Sustainability based on need and are billed for services provided.

Integrated Facilities Services Major Programs/Initiatives/Activities and Estimated Budget Impact

Integrated Facilities Services and Sustainability (IFS) strives to operate as a self-sustaining business unit. Trades billing on an hourly basis provides services at rates that are competitive with market rates.

- \$1.2 million in grants for electric vehicles from Portland Community Engagement Funds (PCEF).
- \$50 thousand initiative to improve building energy efficiency and sustainability.
- \$25 thousand for projects in emergency management and emergency response.
- \$75 thousand for needed pest control management at properties.

Integrated Facilities Services Major Revenue and Expense Items

Revenue is \$2.7 million, an increase of \$531 thousand from FY25.

- \$1.5 million from IFS maintenance fees from Home Forward-managed properties.
- \$1.2 million from PCEF grants to fund electric vehicle purchases.

Operating Expenses are \$1.6 million, a decrease of \$862 thousand from FY25. The significant drivers of Operating Expenses are expected to be:

- Maintenance Personnel Expense is \$700 thousand, a \$759 thousand decrease.

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- Program Personnel Expenses in support of department administration are \$368 thousand, a \$105 thousand decrease.
 - Administrative Personnel Expense is \$182 thousand, an increase of \$109 thousand.
 - All personnel expenses include planned compensation increases.
 - Other Maintenance Expenses are \$94 thousand and include materials and vehicle expenses, a \$5 thousand decrease.

Integrated Facilities Services Funding Required for Current Agency Activities

Integrated Facilities Services will contribute \$615 thousand to the Agency in FY26.

Budget Commentary – Development

Summary Budget Data				Increase/ (Decrease)
Operating Revenue	15,319,748	FY25 Budget	FY26 Budget	(4,324,458)
Operating Expense	4,541,054		5,839,322	1,298,268
Operating Income Before OH	10,778,694		5,155,968	(5,622,726)
Allocated Overhead	2,615,899		2,643,054	27,155
Operating Income After OH	8,162,795		2,512,914	(5,649,881)
Funding Flow Activity	1,937,590		4,779,095	2,841,505
Funding Required or (Contributed) for Current Agency Activities	1,937,590		4,779,095	2,841,505
Total Budgeted FTE	23.3		19.3	(4.0)

The Development department undertakes the development of new affordable rental housing, plus the acquisition and rehabilitation of existing affordable housing properties. As part of its development and rehabilitation efforts, Development is also responsible for structuring the financing that supports these construction activities. Relocation services are provided as necessary in support of various development and rehabilitation projects. The department earns Developer Fees to support current and future development activity costs.

- Active Projects: 9
- Active Projects Total Budget: \$495.7 million

Development Key Assumptions

Development will receive \$16.8 million in developer fee cash payments in FY26 and accrue developer revenue in the amount of \$9.3 million. Developer fees earned and accrued are for:

Project	Developer Fees Accrued and Received FY26(amounts in millions)		
	Project Budget	Accrued Developer Fee Revenue	Developer Fee Cash to be Received
Hazel Ying Lee	83.8	0.0	2.6
T. Joyce Philips	94.6	0.0	7.2
Fairfield PSH LP	31.6	0.0	0.8
Chaku Kumtuks Haws	51.6	0.0	3.3
Peaceful Villa Redevelopment	104.1	3.8	1.0
York Terrace	54.0	0.0	1.6
Gresham Civic Station	45.5	5.2	0.0

Developer Fees Accrued and Received FY26(amounts in millions)				
Project	Project Budget	Accrued Developer Fee Revenue	Developer Fee Cash to be Received	
Cesar	15.3	0.0	0.2	
Goose Hollow	15.2	0.3	0.1	
Total	\$495.7	\$9.3	\$16.8	

Development Major Programs/Initiatives/Activities and Estimated Budget Impact

- T. Joyce Phillips (previously known as Dekum 2 LP) – This redevelopment project is divided into two phases. Phase 1 is a mixed-use new construction of 47 housing units. The households occupying 40 public housing units will move to the newly constructed property. Phase 2 is demolishing the existing property and building 141 housing units. This tax credit partnership utilizes four percent Low-Income Housing Tax Credits, Metro Housing Bond Proceeds, and reserve funds. Construction finance closed in April 2022, and construction of Phase 1 began in May 2022. Phase 1 of the project was completed in October 2023, and construction of Phase 2 started in August 2023. Phase 2 of the project was completed in September 2025. The final installment of the developer fee is estimated to be paid in September 2026.

T. Joyce Phillips (in millions)	FY22	FY23	FY24	FY25	FY26	Total
Total Project Sources and Uses	\$24.6	\$29.1	\$22.4	\$10.6	\$7.9	\$94.6

- Chaku Kumtuks Haws (previously known as PCC/Killingsworth Housing project) – Home Forward, working with Portland Community College (PCC), formulated a development partnership in which Home Forward provides development services in the construction of 84 affordable housing units. Home Forward is the developer, owner, and General Partner of the Low-Income Housing Tax Credit partnership. PCC owns the land, and the tax credit partnership will lease the land from PCC. This tax credit partnership utilizes four percent Low-Income Housing Tax Credits, Metro Bond Proceeds, OHCS grant, Local Innovation and Fast Track (LIFT), and reserve funds. Construction finance closed in February 2024, and construction began in March 2024. The project completion is scheduled for April 2026.

Chaku Kumtuks Haws (in millions)	FY24	FY25	FY26	Total
Total Project Sources and Uses	\$25.8	\$18.5	\$7.3	\$51.6

- Peaceful Villa Redevelopment – Peaceful Villa is one of the public housing properties included in the 85 Stories Initiative. Built in 1948, the property sits on four acres of land with 70 homes. The redevelopment anticipates increasing units from 70 to 166. The redeveloped Peaceful Villa forges a new partnership with the Immigrant and Refugee Community Organization (IRCO) to deliver culturally specific services to immigrants. Home Forward will serve as developer and owner as General Partner of the Low-Income Housing Tax Credit partnership. This tax credit partnership will utilize four percent Low-Income Housing Credits, bond funds, OHCS grants, and reserve

funds. Construction finance closed in February 2025, and construction began in April 2025. The project completion is scheduled for January 2028.

Peaceful Villa (in millions)	FY25	FY26	FY27	FY28	Total
Total Project Sources and Uses	\$21.7	\$38.5	\$30.1	\$13.2	\$104.1

- York Terrace (previously known as Troutdale Housing project) - Home Forward and Multnomah County have entered into an intergovernmental agreement (IGA) to transfer the 3.58-acre site to Home Forward. The site is at SW 257th Avenue and East Historic Columbia River Street in Troutdale. This project will develop approximately 111 affordable housing units in Troutdale. Home Forward will serve as developer, owner, and General Partner of the Low-Income Housing Tax Credit partnership. This tax credit partnership utilizes nine percent Low-Income Housing Tax Credits, Metro Bond Proceeds, OHCS grants, HUD CFP grants, and reserve funds. Construction finance closed in May 2024, and construction began in June 2024. The project completion is scheduled for January 2027.

York Terrace (in millions)	FY24	FY25	FY26	Total
Total Project Sources and Uses	\$16.2	\$27.0	\$10.8	\$54.0

- Civic Station – Civic Station is a development project of 60 affordable housing units on a formerly vacant site in Gresham. Home Forward is the owner after being awarded the Civic Drive parcel through Metro's site acquisition program. Home Forward is partnering with the IRCO to provide culturally specific on-site services and operate an affordable early childhood education center. Home Forward will serve as the developer, owner, and General Partner of the Low-Income Housing Tax Credit Partnership. This tax credit partnership will utilize four percent Low-Income Housing Tax Credits, Metro Housing Bond proceeds, OHCS (LIFT) funds, and reserve funds. Construction finance closed, and construction began in December 2025. The project completion is scheduled for the 3rd quarter of 2028.

Civic Station (in millions)	FY25	FY26	FY27	FY28	Total
Total Project Sources and Uses	\$14.8	\$30.9	\$14.3	\$4.3	\$64.3

- Cesar Apartments – Home Forward acquired this property in December 2024 to convert to Permanent Supportive Housing (PSH) for individuals experiencing chronic homelessness. The Cesar offers 47 units ranging from studios to two-bedroom apartments. Built in 2022, the modern design, transit-accessible location, and community amenities will require minimal structural changes to transition into housing that fosters stability and dignity quickly. The acquisition and conversion of Cesar will utilize the Metro Affordable Housing Bond Fund, Portland Housing Bureau, Multnomah County General Fund, and Oregon Housing and Community Service PSH Fund.

Cesar Housing (in millions)	FY24	FY25	FY26	Total
Total Project Sources and Uses	\$13.1	\$1.3	\$0.9	\$15.3

- Goose Hollow Lofts – Home Forward acquired this property in May 2025 to convert existing market-rate units to affordable housing. Goose Hollow Lofts was built in 2018 and offers 61 units ranging from studios to two-bedroom apartments in SW Portland. These units will transition to affordable housing over time as existing residents move out and income-qualified residents move in. Home Forward will renovate common areas to construct office space and provide additional upgrades and features to the building. The acquisition and conversion of Goose Hollow Lofts will utilize funding from the Portland Housing Bureau's Rapid Acquisition program and the Oregon Housing and Community Services LIFT program.

Goose Hollow Lofts (in millions)	FY25	FY26	FY27	FY28	Total
Total Project Sources and Uses	\$13.0	\$1.4	\$0.1	\$0.8	\$15.3

- Capital Improvement Projects – There are three capital improvement projects in FY26. The total budget for these projects is \$2.0 million, utilizing the HUD Capital Fund Project Grant, OHCS Preservation Grant, and PCEF Grant.

Projects	Project Budget (In millions)	Estimated Project Completion
Sequoia Square Full Envelope	\$0.2	April 2026
Schiller Way Security Camera/LED Lighting	\$0.6	March 2026
IFS Electric Vehicles & Chargers Project	\$1.2	December 2026
Total	\$2.0	

Development Major Revenue and Expense Items

- Operating Revenue is projected to be \$11 million, a \$4.3 million decrease from FY25. The change is primarily due to Developer Fee earnings decreasing by \$6.0 million from FY25. In FY26, Development will earn \$9.3 million in developer fees from the following projects:

Developer Fees (in millions)		
Projects	Total Developer Fee	FY26
Goose Hollow	1.2	0.3
Gresham Civic Station	5.8	5.2
Peaceful Villa Redevelopment	12.5	3.8
Total	\$19.5	\$9.3

- HUD Subsidies – Public Housing increased by \$1.7 million, as a result of rent assistance payments associated with Peaceful Villa relocation payments.

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- State, Local & Other Grants increased by \$47 thousand from FY25.

- Total Operating Expenses are projected to be \$5.9 million, a \$1.3 million increase from the FY25 budget. The increase is primarily due to Other Tenant Services Expenses of \$1.7 million, which are associated with the Peaceful Villa relocation payments.

Development Funding Required for Current Agency Activities

The cash to Home Forward highlights the cyclical nature of projects where developer fees are earned and paid over the next fiscal year. The project lifecycle of the department is exhibited by:

- Hazel Ying Lee project will generate \$6.0 million in developer fees over multiple fiscal years. The first installment of \$1.0 million was paid at the close of construction finance in November 2021. The second and third installments of \$1.9 million will be paid at project conversion to permanent status, scheduled in March 2025. The final installment of \$700 thousand is due upon receipt of Form 8609 by the Limited Partner, planned in June 2026. The remaining unpaid developer fee of \$2.4 million will be paid from the limited partnership's cash flow from operations and proceeds available for distribution from capital transactions.
- T. Joyce Philips Redevelopment project will generate \$13.2 million in developer fees over multiple fiscal years. The first installment of \$1.5 million was due at the close of construction finance in April 2022, but was delayed due to non-receipt of the construction permit and was paid in February 2024. The second installment of \$1.5 million was paid for at the project conversion of Phase 1 in June 2024. The third installment of \$6.6 million is due to the project conversion of Phase 2 and is expected to be paid in June 2026. The final installment of \$500 thousand is due upon receipt of Form 8609 by the Limited Partner and is scheduled for September 2026. The remaining unpaid developer fee of \$3.1 million will be paid from the limited partnership's cash flow from operations and proceeds available for distribution from capital transactions.
- Fairfield PSH project will generate \$3.3 million in developer fees over multiple fiscal years. The first installment of \$772 thousand was paid at the close of construction finance in April 2023. The second installment of \$772 thousand was paid upon receipt of the 100% certificate of occupancy in September 2024. The third installment of \$772 thousand is due upon project stabilization in March 2026. The fourth and final installment of \$100 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns scheduled in June 2026. The remaining unpaid developer fee of \$834 thousand will be paid from the limited partnership's cash flow from operations and proceeds available for distribution from capital transactions.
- Chaku Kumtuks Haws will generate \$5.4 million in developer fees over multiple fiscal years. The first installment of \$1 million was paid at the close of construction finance in February 2024. The second installment of \$1.5 million is due at construction completion, scheduled to be paid in March 2026. The third installment of \$1.5 million is due upon receipt of the draft cost certification, on an eligible basis, and the lease-up is scheduled to be paid in June 2026. The fourth and final installment of \$300 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns, scheduled to be paid in September 2026. The remaining unpaid developer fee of \$1.1 million will be paid from the limited partnership's cash from operations and proceeds available for distribution from capital transactions.
- Peaceful Villa Redevelopment project is projected to generate \$12.5 million in developer fees over multiple fiscal years. The first installment of \$1.4 million was received in June 2025. The second installment of \$1.0 million is due at construction completion, scheduled to be paid in September 2026. The third installment of \$3.5 million is due at the project conversion planned in March 2028. The fourth installment of \$1.0 million is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns scheduled in June 2028.

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- York Terrace is projected to generate \$6.0 million in developer fees over multiple fiscal years. The first installment of \$1.6 million was paid at the close of construction finance in June 2024. The second installment of \$1.6 million is due upon receipt of the 100% certificate of occupancy, scheduled for June 2026. The third installment of \$1.6 million is due at project conversion to permanent, expected to be paid in March 2027. The fourth and final installment of \$100 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns scheduled in September 2027. The remaining unpaid developer fee of \$1.1 million will be paid from the limited partnership's cash from operations and proceeds available for distribution from capital transactions.
 - Gresham Civic Station Project is projected to generate \$5.5 million in developer fees over multiple fiscal years. The first installment of \$300 thousand is due at the close of construction finance, scheduled in December 2026. The second installment of \$832 thousand is expected in June 2027. The third installment of \$944 thousand is scheduled for December 2027. The fourth installment of \$250 thousand is scheduled for October 2028.
 - Goose Hollow Project is projected to generate \$1.2 million in developer fees over multiple fiscal years. The first installment of \$371 thousand was received at acquisition in May 2025. The second installment of \$317 thousand is expected in March 2026.

Budget Commentary – Community Services

Summary Budget Data		FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue		8,216,832	11,526,295	3,309,463
Operating Expense		11,398,546	15,021,306	3,622,760
Operating Income Before OH		(3,181,714)	(3,495,012)	(313,298)
Allocated Overhead		2,153,224	2,607,110	453,886
Operating Income After OH		(5,334,938)	(6,102,121)	(767,183)
Funding Flow Activity		5,334,938	6,102,121	767,183
Funding Required or (Contributed) for Current Agency Activities		5,334,938	6,102,121	767,183
Total Budgeted FTE		55.9	54.5	(1.4)

The Community Services department provides services to Home Forward residents, utilizing in-house staff and contractors. In FY26, the Community Services team will continue to play a role in coordinating and delivering services at 51 Home Forward properties throughout Multnomah County. The group plans to offer services to approximately 3,000 residents, providing around 15,000 service interactions. Through intentional alignment with community partners, the department will work holistically with both individual and family systems to further their goals of social, emotional, academic, and economic advancement and well-being.

This summary includes the service budgets for Home Forward's three HOPE VI developments (Humboldt Gardens, Stephens Creek Crossing, and New Columbia), Bud Clark Commons, 85 Stories - Phase I, and programs and services to residents at traditional affordable housing and public housing properties.

Community Services Major Programs/Initiatives/Activities and Estimated Budget Impact

Health Related Social Needs: \$392 thousand for a grant-funded initiative through Medicaid for housing-related health supports. Home Forward staff will engage in outreach to eligible housing participants who may be eligible for enrollment for services through the Oregon Health Plan (OHP) in order to support stability in housing and access to services.

Housing Stability: Community services play a crucial role in eviction prevention and resident support in maintaining housing stability. The department often connects households with community resources and counseling to help stabilize their housing and address issues before they lead to eviction. Community Services staff also work directly with residents to identify challenges, such as job loss, health concerns, or family stress, and link them to wrap-around services like employment programs, education, transportation services, and community engagement.

Community Services Major Revenue and Expense Items

Operating Revenue is \$11.5 million, an increase of \$3.3 million from FY25. The significant contributors to Operating Revenue are:

- Non-Dwelling Rental is \$181 thousand from Land Lease revenue at Stephens Creek Crossing, a decrease of \$36 thousand.
- HUD Subsidies - Public Housing of \$208 thousand funds: \$57 thousand in the GOALS program and \$151 thousand in services at Dahlke, Holgate, Medallion, Ruth Haefner, Schrunck, and Williams.
- HUD grants are \$1.6 million, an increase of \$77 thousand.
- \$1.2 million in FSS Funding.
- \$452 thousand in the Congregated Housing Services Program (CHSP).
- \$62 thousand in endowment funds at Stephens Creek Crossing.
- State, Local, & Other Grants are \$6.7 million, an increase of \$3.5 million.
- \$722 thousand in Medicaid Revenue from senior/disabled support services (CHSP).
- \$2.4 million from Multnomah County for Bud Clark Commons programs.
- \$392 thousand from the Health-Related Social Needs grant.
- Other Revenue and IA Revenue of \$2.9 million combined, a decrease of \$199 thousand from FY25, primarily consisting of:
 - Program Fees from properties are \$2.4 million.
 - Tenant Fees of \$289 thousand for CHSP participant fees.
 - \$378 thousand in Community Services contract fees for services at properties in Clackamas County.

Operating Expenses are \$15.0 million, an increase of \$3.6 million from FY25. The primary drivers of Operating Expenses are:

- Administrative Expenses of \$866 thousand, a decrease of \$105 thousand.
- Administrative Personnel Expense is \$630 thousand, a decrease of \$88 thousand.
- Other Admin Expenses of \$235 thousand, a decrease of \$18 thousand.
- Tenant Services expense is \$12.7 million, an increase of \$3.3 million.
- Direct Community Services, Program Supplies, Contract Tenant Services, and other expenses are \$6.1 million, an increase of \$2.3 million primarily due to increased contracted services.
- Tenant Services Personnel expense is \$6.6 million, an increase of \$998 thousand.
- Program Personnel Expense is \$1.1 million, an increase of \$278 thousand.

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- Inter-Agency Expense is \$294 thousand for the Community Services department administration fee, an increase of \$108 thousand.
 - General Expenses of \$77 thousand for insurance.

Community Services Funding Required for Current Agency Activities

The Community Services department needs \$6.1 million to fund all planned operations fully, an increase of \$767 thousand.

Budget Commentary – Administration

Summary Budget Data		FY25 Budget	FY26 Budget	Increase/ (Decrease)
Operating Revenue		560,654	-	(560,654)
Operating Expense		18,132,546	18,067,805	(64,741)
Operating Income Before OH		(17,571,892)	(18,067,805)	(495,913)
Allocated Overhead		(17,571,892)	(18,223,302)	(651,410)
Operating Income After OH		-	155,497	155,497
Funding Flow Activity		(996,227)	(155,497)	840,730
Funding Required or (Contributed) for Current Agency Activities		(996,227)	(155,497)	840,730
Total Budgeted FTE		57.9	52.9	(5.0)

The Administration group provides management and administrative support to Home Forward's operating departments. Administration is composed of: Accounting & Finance, Communications, Equity, Executive, Home Forward-Owned Fleet Vehicles, Human Resources, Information Technology, Legal, Policy, Procurement, and Talent & Organization Development.

In addition, this group includes activities for several agency-wide initiatives focused on research and developing new program opportunities to further the Agency's mission.

Administration Major Programs/Initiatives/Activities and Estimated Budget Impact

During the year, Home Forward will continue to implement upgrades to Yardi Voyager 7s, including Rent Cafe, SharePoint Document Management, and other features to enhance and support Home Forward's work.

Home Forward will also invest in improved data storage, network recovery options, and cybersecurity.

Administration Major Revenue and Expense Items

Operating Expenses are budgeted at \$18.1 million.

- Personnel costs will be \$10.6 million, an increase of \$529 thousand. These costs reflect planned compensation increases and a higher PERS liability.
- Other Administrative Expenses will be \$6.3 million. The primary drivers of Other Admin Expenses are: \$1.6 million in Software, \$900 thousand in Data & Networking, \$783 thousand in Unum Leave (Paid Leave Oregon), and \$260 thousand in Auditing Fees. Details by Administration Department are detailed below.

Administration Department	FY26 Budget (in thousands)	Percentage of Other Administrative Expense
Accounting & Finance	337	5.4%
Communications	184	2.9%
Equity	144	2.3%
Executive	561	8.9%
Home Forward Community Partnerships	237	3.8%
Human Resources	1,072	17.1%
Inclusion Council	32	0.5%
Information Technology	3,233	51.4%
Legal	84	1.3%
New Market West	45	0.7%
Policy	11	0.2%
Purchasing	190	3.0%
Talent & Organizational Development	158	2.5%
Total	6,288	100.0%

- Consulting expenses will be \$571 thousand, primarily due to the continued development of Yardi Voyager 7s.
- There will be \$295 thousand for Other Maintenance Expenses and Utilities at New Market West.

Budget Commentary – Real Estate Finance

Summary Budget Data				Increase/ (Decrease)
	FY25 Budget	FY26 Budget		
Operating Revenue	615,931	662,291		46,360
Operating Expense	88,780	160,757		71,977
Operating Income Before OH	527,150	501,534		(25,616)
Allocated Overhead	-	-		-
Operating Income After OH	527,150	501,534		(25,616)
Funding Flow Activity	(836,674)	(903,328)		(66,654)
Funding Required or (Contributed) for Current Agency Activities	1,026,883	(903,328)		(1,930,211)
Total Budgeted FTE	-	-		-

The Real Estate Finance group captures the financing activity for Home Forward. It allows for greater transparency by isolating the financing activities from the Agency's operating activities. The activity includes land lease revenues, cell tower arrangements, and omnibus loans issued with real estate activity.

Real Estate Finance Major Revenue and Expense Items

- Operating Income is projected to be \$663 thousand, an increase of \$46 thousand. The primary drivers of Operating Income are:
- \$404 thousand for Land Lease Revenue.
- \$259 thousand for Cell Phone Tower Revenue.
- Operating Expense is projected to be \$161 thousand, an increase of \$72 thousand. The primary drivers of Operating Expense are:
- \$11 thousand in Insurance.
- \$150 thousand in Depreciation.

Attachments

Summary of Moving to Work Initiative Funds

Initiative	Description	First Year	FY25 Budget	FY26 Budget
STRA Funding	In collaboration with community partners, provide limited housing assistance to eligible households in Multnomah County who are at risk of eviction, are newly homeless, or are experiencing immediate crises in their housing.	FY12	1,505,386	1,035,715
Home Forward STRA	Home Forward will fund a portion of the Short-Term Rental Assistance program administered by the Joint Office of Homeless Services.	FY14	572,250	379,907
Alder School	Home Forward will provide short to medium-term rent assistance and leverage school support at Alder School to improve academic outcomes and housing stability.	FY14	499,119	350,291
New Doors/NAFY	Shared housing model for former or transitioning foster care youth who are experiencing homelessness or at risk of homelessness. Leverages service dollars from Multnomah County.	FY14	44,201	29,313
Earl Boyles Housing Partnership	Home Forward will provide short to medium-term rent assistance and leverage school support at Earl Boyles School to improve academic outcomes and housing stability.	FY17	246,754	173,177
Economic Opportunity Program	Home Forward will provide support, and Worksource and Human Solutions to aid unstably housed or homeless households successfully engaged in Worksource training or employment programs.	FY17	143,063	103,027
Expungement Partnership	Working with community partner Metropolitan Public Defender to support Home Forward residents with the following: criminal record expungements; consultation to meet ongoing obligations to the courts.	FY17	274,892	-

Initiative	Description	First Year	FY25 Budget	FY26 Budget
Worksystems Liaison	Funds an agreement with Worksystems for residents in pursuit of economic advancement products.	FY17	47,000	38,850
Barrier Reduction and Opportunities	Combines initiatives to promote asset-building and short-term respite care for resident impacted by community violence and assists the senior and disabled population to age in place by maintaining their quality of life.	FY12	70,522	70,560
Neighbor 2 Neighbor	A grant program for resident groups from our public or affordable housing communities. Resident groups submit applications for grant funds to improve their community livability and reinforce community values.	FY12	49,613	75,600
Local Blended Subsidy (LBS)	LBS uses a blend of MTW Section 8 and public housing operating funds to subsidize rental units. Leveraging subsidies allows for a more adequate revenue stream and increases the number of households that can be served.	FY12	2,424,960	2,169,924
VASH Security Deposit	The initiative addresses a severe barrier to VASH Vouchers by providing security deposits for homeless veterans leasing units requiring deposits.	FY12	93,240	36,750
Landlord Incentive Fund	Attract new landlords and units in low-poverty areas to the Housing Choice Voucher program. Eligible units must be in zip codes considered low-poverty areas and have not had a tenant in the prior 24 months.	FY13	35,700	-
Domestic Violence Transfer Funds	An inter-jurisdictional transfer program to assist participants who are victims of domestic violence in relocating to cities outside Multnomah County. Home Forward will provide up to \$2,000 in relocation assistance.	FY13	10,500	-
Flexible Rent Assistance	Flexible rent assistance helps participants with various barriers to housing, including applications, bad debt, security deposits, expungement fees, and other financial assistance to aid the leasing process.	FY20	105,000	36,750
Tenant Education	A program designed to help our tenants better understand the rental process.	FY16	87,945	52,500

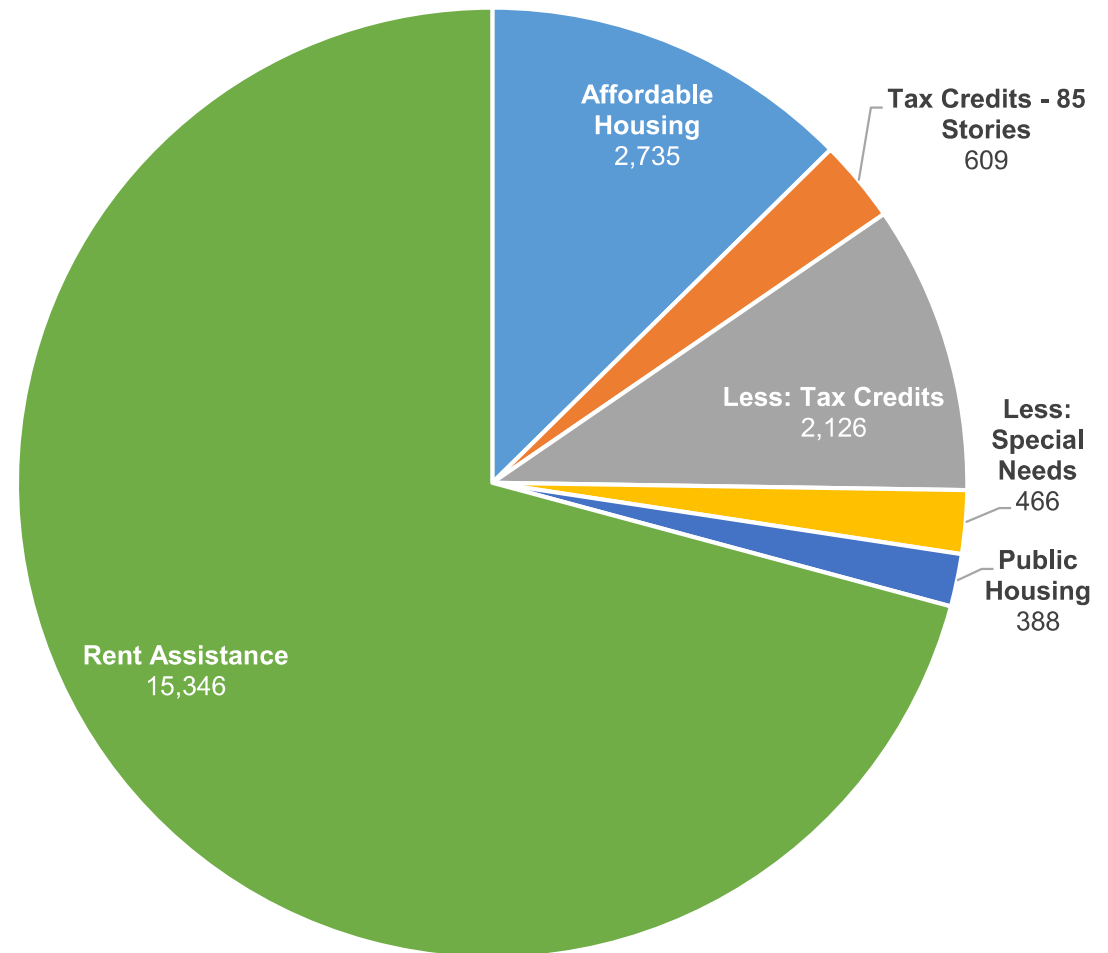
Initiative	Description	First Year	FY25 Budget	FY26 Budget
Nesika Illahee	Locally funded rent assistance for Nesika Illahee.	FY21	86,303	91,222
Mamook Tokatee	Locally funded rent assistance for Mamook Tokatee.	FY25	83,160	87,900
Lift Urban Food Pantry	Funding for the partnership program with the Lift Urban Food Pantry program.	FY25	15,750	42,000
East County Enrichment Funds	Enrichment funds to support sites located within East Multnomah County.	FY25	36,750	-
Total – MTW Initiatives			4,460,532	3,737,771

FY26 Estimated Households Served by Category

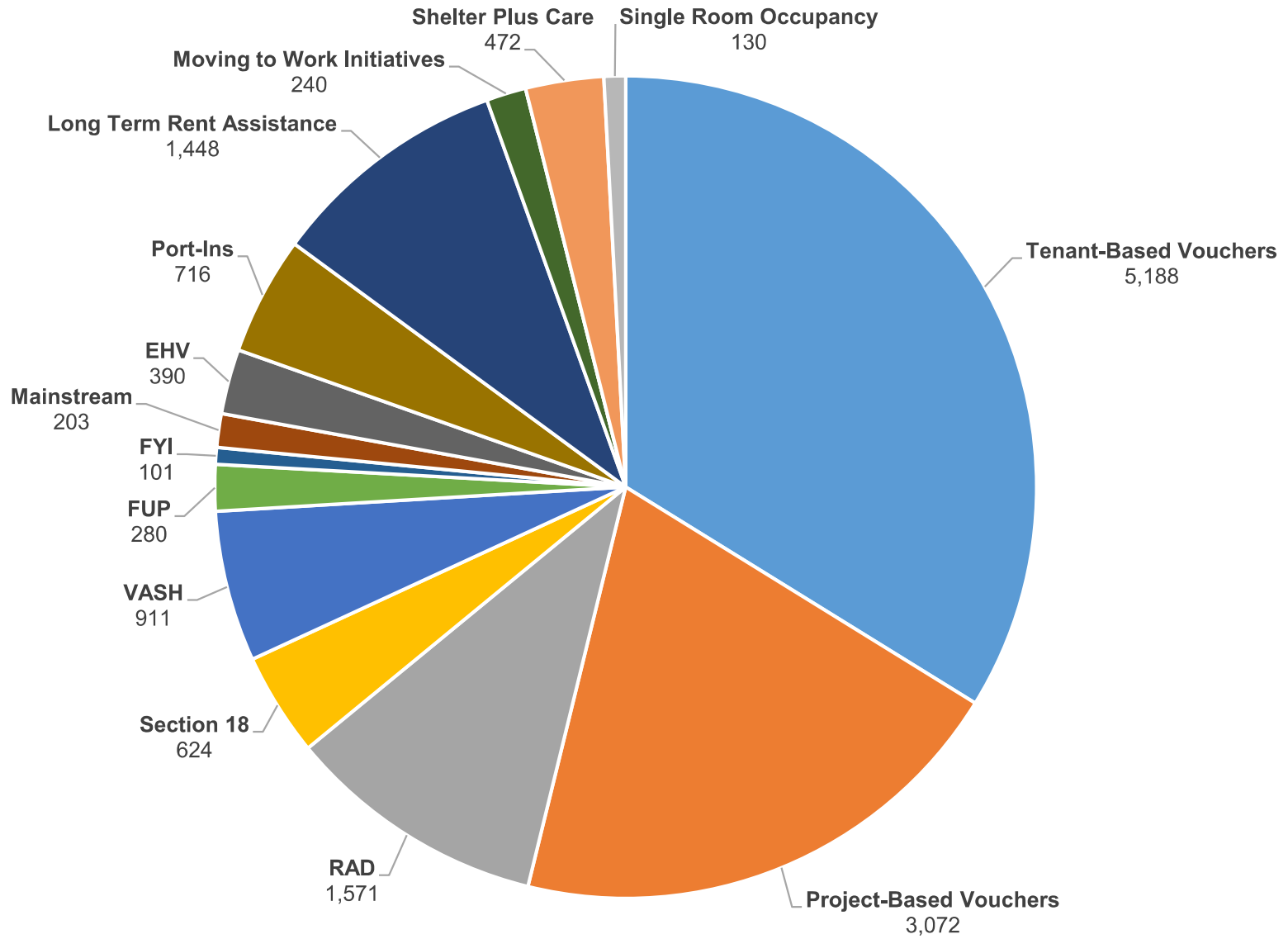
Category	Households Served	Percent
Affordable Housing	2,735	13%
Special Needs	466	2%
Tax Credits – 85 Stories	609	3%
Tax Credits	2,126	10%
Public Housing	388	2%
Rent Assistance	15,346	71%
Total	21,670	
Rent Assistance Occupying Affordable Housing / Tax Credit Units	-4,384	-25%
Unduplicated Total	17,286	100%

*Rent Assistance Occupying Affordable Units represents voucher holders that live within our Affordable and Tax Credit properties. The 4,384 represent residents already included in the Rent Assistance / Affordable Housing / Tax Credit Portfolios. An adjustment is made to provide an unduplicated total.

Home Forward's Affordable Portfolio properties will serve 6,420 households, given the expected average occupancy rate of 93%. Home Forward-owned affordable properties are expected to serve 2,735 families, tax credit limited partnerships will serve 3,702 households, and master leased properties will serve 466 households.

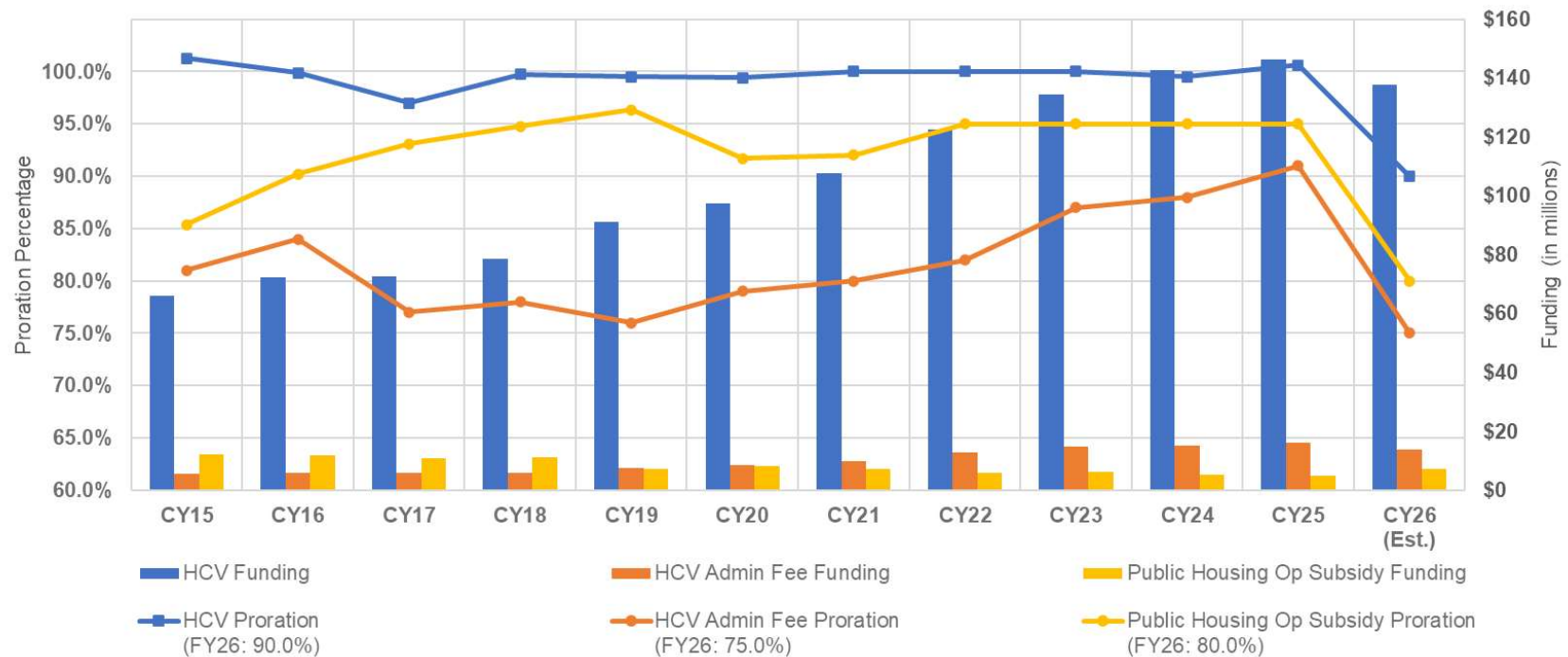


FY26 Estimated Rent Assistance Households Served by Category



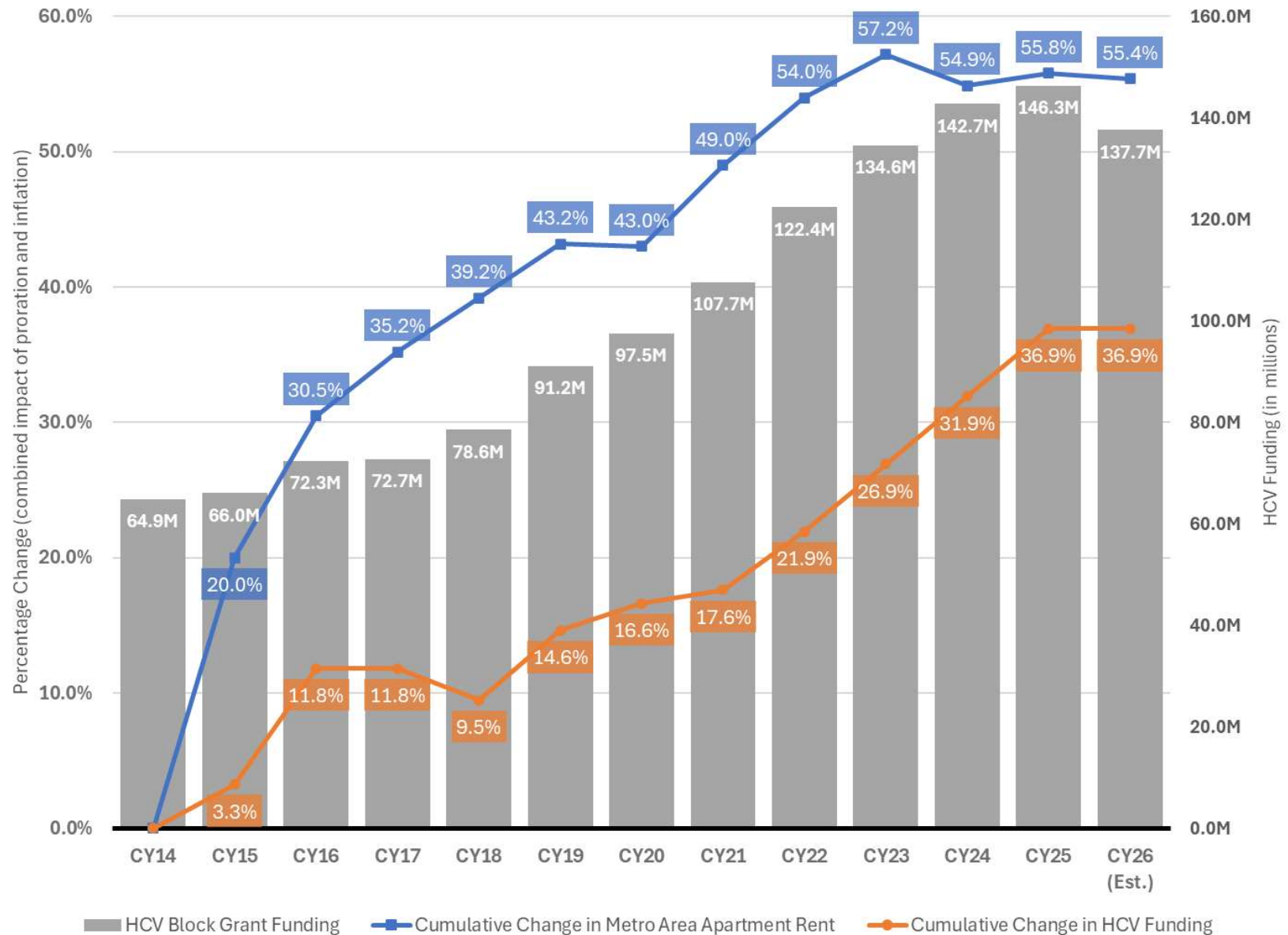
Subsidy Proration Trends

Subsidy Proration Trends ¹									
Actual Funding Year	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24	CY 25	CY 26 (Est)
Home Forward Budget Year	FY 2018	FY 2019	FY 2019 12/31 YE	FY 2021	FY22	FY23	FY24	FY25	FY26
Section 8 Voucher Funding	99.7%	99.5%	99.4%	100.0%	100.0%	100.0%	99.5%	100.6%	90.0%
Section 8 Admin Fees	78.0%	76.0%	79.0%	80.0%	82.0%	87.0%	88.0%	91.0%	75.0%
Public Housing Operating Subsidy	94.7%	96.3%	91.7%	92.0%	95.0%	95.0%	95.0%	95.0%	80.0%



¹ Proration represents the percentage of total funding under HUD's program formula. Percentages below 100% represent inadequate federal budget appropriations based on HUD's program formulas.

Cumulative Change in HCV Block Grant Funding vs. Cumulative Change in Metro Area Apartment Rent



FTE Change Comparison Schedule

Full-Time Equivalents (FTEs) by Funding Source			
	FY25 Budget	FY26 Budget	Increase / (Decrease)
Agency Funded	322.8	299.9	(22.9)
Other Legal Entity Funded	54.7	53.1	(1.6)
Total Agency-Managed Positions	377.5	353.0	(24.5)

In addition to 5.5 FTE changes within the calendar year 2025, Home Forward reduced FTE by 30 in 2026, leading to the overall decrease of 24.5 FTE shown above.

Acronym Key

85 Stories: Multi-year development initiative to change the subsidy structure for ten high-rise public housing apartment communities to leverage equity and debt to make needed capital repairs to deteriorating building systems.

ACOP: Admission and Condition Operating Plan – the document that establishes guidelines for determining public housing eligibility and occupancy.

AH: Affordable Housing – properties owned in whole or partly by Home Forward and managed by outside property management companies.

ARF: Asset Repositioning Fee – Temporary subsidy to aid in the disposition of Public Housing units. The subsidy continues for two years and is tied to the Operating Subsidy. The first year is funded at 75% of the Operating Subsidy, and the second year is 50%.

CFP: Capital Fund Projects

CHSP: Congregate Housing Services Program

Congregate Care: Programs that provide services to help senior and disabled residents maintain their independence.

CSS: Community & Supportive Services – Community services are tied to a HOPE VI property.

CY: Calendar Year – the year running from January 1 to December 31.

DDTF: Demolition or Disposition Transitional Funding – a five-year limited duration continuation of the Capital Fund to assist with the modernization and development of Public Housing units.

FSS: Family Self-Sufficiency – HUD programs that seek to increase participants' skills and enable them to obtain employment.

FTE: Full-Time Equivalent measures how many full-time employees by adding all positions, including those that are part-time.

FUP: Family Unification Program – a HUD Section 8 Voucher program focused on reuniting youth with their families.

FYI: Foster Youth to Independence – a HUD Section 8 Voucher program focused on youth exiting foster care.

FY: Fiscal Year – the 12-month accounting year.

GOALS: Greater Opportunities to Advance, Learn, and Succeed – a Home Forward program that provides Section 8 and public housing clients with five years of supportive services as they work toward economic independence.

HAP: Housing Assistance Payment – the amount of money Section 8 pays to a landlord on behalf of the tenant.

HCV: Housing Choice Voucher

HFDE: Home Forward Development Enterprises

HUD: US Department of Housing and Urban Development

IA: Inter-Agency Revenue/Expense – direct cost transfer between departments and operating groups.

IFS: Integrated Facilities Services and Sustainability

LBS: Local Blended Subsidy

LIFT: Local Innovation and Fast Track

LIHTC: Low-Income Housing Tax Credit is a program created by HUD in 1986 to provide tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.

LP: Limited Partnership

MIF: MTW Initiatives Fund – Home Forward funding source for significant initiatives, funded from flexible funds.

MOD: Moderate Rehabilitation

MTW: Moving to Work: a national program authorized by Congress and administered by HUD that allows certain regulatory flexibilities to some 30 participating housing authorities.

NOFA: Notice of Funding Availability

OH: Overhead

OHCS: Oregon Housing and Community Services

PERS: Public Employee Retirement System

PCEF: Portland Community Engagement Funds

PH: Public Housing – Home Forward owned and operated subsidized housing supported by HUD funding.

PHB: Portland Housing Bureau

PILOT: Payment In Lieu of Taxes – payments negotiated with local municipalities to cover city services generally funded by property taxes. Currently, contracts provide for reinvestment of these funds into Short-Term Rent Assistance.

PSH: Permanent Supportive Housing

RAD: Rental Assistance Demonstration – HUD program to preserve public housing properties by converting them to Project-Based Section 8, allowing housing authorities to leverage public and private debt to reinvest in public housing stock.

ROSS: Resident Opportunities and Self-Sufficiency Grant Program – HUD program that funds staff to coordinate community resources with public housing residents’ needs.

RLRA: Regional Long Term Rent Assistance – Locally funded rental assistance in combination with Clackamas and Washington Counties.

Shelter Plus Care: a federal rent assistance program for homeless people with disabilities provided in connection with supportive services funded from sources outside the program.

SRO: Single Room Occupancy

STRA: Short-Term Rent Assistance: a program administered by Home Forward that disperses funding from public sector partners to agencies that aid families experiencing homelessness or in danger of losing their housing.

Towers: A group of four properties originally in the Public Housing Portfolio converted to site-based Section 8 in September 2013. The four properties are Gallagher Place, Hollywood East, Northwest Towers, and Sellwood Center.

TPV: Tenant Protection Vouchers

VASH: Veterans Affairs Supportive Housing – Section 8 Vouchers for homeless veterans referred by Veterans Affairs.

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FY26 Operating Statement by Operating Group

Home Forward															
Fiscal Year 2026 Operating Statement by Operating Group															
Operating Statement	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	Home Forward Total
Dwelling Rental	\$ -	\$ 997,225	\$ 31,492,166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,489,391
Non-Dwelling Rental	-	76,609	1,482,371	-	-	-	-	-	-	-	662,291	-	-	-	2,402,771
HUD Subsidies Housing Assistance	158,357,717	-	1,459,228	-	169,000	-	-	1,691,760	-	-	-	-	-	-	161,677,705
HUD Subsidies Admin Fee	13,460,800	-	-	-	554,915	-	-	-	-	-	-	-	-	-	14,015,715
HUD Subsidies Public Housing	-	5,236,378	-	-	-	-	-	-	208,166	-	-	-	-	-	5,444,544
HUD Grants	9,403,244	-	-	-	235,035	-	-	-	1,567,859	-	-	-	-	-	11,206,139
Development Fee Revenue, Net	-	-	-	-	-	-	-	9,256,992	-	-	-	-	-	-	9,256,992
State, Local & Other Grants	38,591,672	-	-	-	-	-	1,153,299	46,538	6,714,701	-	-	-	-	-	46,506,211
Other Revenue	12,801,360	13,261	758,880	-	1,824,846	-	1,517,808	-	1,782,223	-	-	-	-	(380,676)	18,698,377
Total IA Revenue	-	-	-	-	-	-	-	-	1,071,845	-	-	-	-	(1,071,845)	-
Total Operating Revenues	232,614,793	6,323,473	35,192,645	-	2,783,796	-	2,671,107	10,995,290	11,526,295	-	662,291	-	-	(8,838,839)	301,697,844
Housing Assistance Payments	229,676,899	19,277	4,800	-	-	-	-	-	-	-	-	-	-	(5,586,249)	229,700,976
Housing Assistance Payments Federal	190,580,314	19,277	4,800	-	-	-	-	-	-	-	-	-	-	(5,586,249)	190,604,391
Housing Assistance Payments Non-Federal	39,096,585	-	-	-	-	-	-	-	-	-	-	-	-	-	39,096,585
Administration	1,704,394	376,811	7,894,827	969,171	1,240,257	526,558	327,734	1,446,030	865,877	16,376,096	-	923,489	-	(369,588)	32,651,243
Administrative Personnel Expense	930,116	-	-	911,574	1,031,910	430,872	182,140	1,123,583	630,685	10,088,765	-	-	-	-	15,329,645
Other Admin Expenses	774,277	376,811	7,894,827	57,598	208,347	95,686	145,594	322,447	235,191	6,287,331	-	923,489	-	(369,588)	17,321,598
Tenant Services	135,905	4,800	115,472	-	-	-	-	2,007,119	12,689,941	101,000	-	-	-	-	15,054,237
Tenant Svcs Personnel Expense	-	-	-	-	-	-	-	315,359	6,622,459	-	-	-	-	-	6,937,819
Other Tenant Svcs Expenses	135,905	4,800	115,472	-	-	-	-	1,691,760	6,067,482	101,000	-	-	-	-	8,116,419
Program Expense	13,138,084	524,411	906,474	987,723	2,892,261	-	367,666	2,359,988	1,094,239	431,861	-	-	-	-	22,702,708
Program Personnel Expense	13,138,084	501,504	800,622	987,723	2,892,261	-	367,666	2,359,988	1,094,239	431,861	-	-	-	-	22,573,949
Other Program Expenses	-	22,907	105,852	-	-	-	-	-	-	-	-	-	-	-	128,759
Maintenance	-	1,523,582	9,324,513	-	1,295,778	99,112	793,455	-	-	404,227	-	-	-	-	13,440,666
Maintenance Personnel Expense	-	620,079	707,347	-	1,338,554	78,352	699,505	-	-	78,352	-	-	-	-	3,522,189
Other Maintenance Expenses	-	903,503	-	-	(42,776)	20,760	93,950	-	-	325,875	-	-	-	-	9,918,478
Fees/Overhead Charged	-	-	-	-	3,252	-	3,500	-	-	-	-	-	-	-	6,752
Utilities	-	755,075	5,603,012	-	-	-	-	-	-	91,500	-	-	-	-	6,449,587
Total IA Expense	-	121,812	643,807	-	-	-	-	-	294,321	-	-	-	-	(1,059,940)	-
Depreciation	-	256,273	7,275,460	-	-	-	-	1,060	382,274	149,932	-	-	-	(42,791)	8,064,998
General	170,315	294,451	3,154,483	-	301,591	36,832	101,919	25,125	76,928	280,847	10,825	-	-	-	4,453,316
Total Operating Expenses	244,825,596	3,876,492	34,922,848	1,956,894	5,733,140	662,501	1,594,274	5,839,322	15,021,306	18,067,805	160,757	923,489	-	(7,058,568)	332,524,484
Operating Income (Loss)	(12,210,803)	2,446,981	269,797	(1,956,894)	(2,949,344)	(662,501)	1,076,833	5,155,968	(3,495,012)	(18,067,805)	501,534	(923,489)	-	(1,780,272)	(30,826,639)
Total Overhead Allocations	5,056,320	-	-	2,575,184	4,794,555	84,314	462,766	2,643,054	2,607,110	(18,223,302)	-	-	-	-	-
Operating Income (Loss) after Overhead	(17,267,123)	2,446,981	269,797	(4,532,078)	(7,743,899)	(746,815)	614,068	2,512,914	(6,102,121)	155,497	501,534	(923,489)	-	(1,780,272)	(30,826,639)
Reserve Funding	-	-	-	-	-	-	-	9,572,147	-	-	-	(9,572,147)	-	-	-
Operating Income (Loss) after Reserve Funding	(17,267,123)	2,446,981	269,797	(4,532,078)	(7,743,899)	(746,815)	614,068	12,085,061	(6,102,121)	155,497	501,534	(10,495,636)	-	(1,780,272)	(30,826,639)
Investment Income	-	264	588,888	-	-	-	-	4,272	-	-	713,748	-	-	-	1,307,172
Interest Expense	-	-	(1,598,636)	-	-	-	-	-	-	(155,497)	-	-	-	-	(1,754,133)
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Partnership Valuation Charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	7,556	2,700,000	-	-	-	-	-	-	-	-	-	-	2,707,556
Change in Derivative Contract Value	-	-	(50)	-	-	-	-	-	-	-	-	-	-	-	(50)
Net Other Income (Expense)	-	264	(1,002,243)	2,700,000	-	-	-	4,272	-	(155,497)	713,748	-	-	-	2,260,544
HUD Nonoperating Contributions	-	-	(625,000)	-	-	-	-	-	-	-	956,872	-	-	-	331,872
Other Nonoperating Contributions	-	-	217,020	-	-	-	-	-	-	-	-	-	-	-	217,020
ARRA Nonoperating Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Funded Capital Contributions	-	-	-	-	-	-	-	-	-	-	(3,217,800)	3,217,800	-	-	-
Net Capital Contributions Transferred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Capital Contributions	-	-	(407,980)	-	-	-	-	-	-	-	(2,260,928)	3,217,800	-	-	548,892
Other Equity Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change In Net Position	\$ (17,267,123)	\$ 2,447,245	\$ (1,140,426)	\$ (1,832,078)	\$ (7,743,899)	\$ (746,815)	\$ 614,068	\$ 12,089,333	\$ (6,102,121)	\$ -	\$ (1,045,646)	\$ (7,277,836)	\$ -	\$ (1,780,272)	\$ (28,017,203)

* Numbers may vary slightly due to rounding