

HOME FORWARD
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2023



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**HOME FORWARD
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YEAR ENDED DECEMBER 31, 2023**

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**HOME FORWARD
BOARD OF COMMISSIONERS, MANAGEMENT, AND GENERAL COUNSEL
YEAR ENDED DECEMBER 31, 2023**

BOARD OF COMMISSIONERS

Matthew Gebhardt Chair	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Jenny Kim Vice Chair	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Damien Hall Treasurer	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Tomi Rene Hettman Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Vivian Satterfield Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Rakeem Washington Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204
Dina DiNucci Commissioner	135 S.W. Ash Street, 6th Floor Portland, Oregon 97204

ADMINISTRATIVE OFFICER

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

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

Board of Commissioners
Home Forward
Portland, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of Home Forward, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Home Forward's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Home Forward as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of 1115 SW 11th Avenue Limited Partnership, Beech Street Limited Partnership, Civic Redevelopment Limited Partnership, East Group Limited Partnership, Lloyd Housing Limited Partnership, North Group Limited Partnership, Square Manor Limited Partnership, Stephens Creek Crossing North Limited Partnership, Stephens Creek Crossing South Limited Partnership, Wests Limited Partnership, Woods East Limited Partnership, FP2 Limited Partnership, 3000 Powell Limited Partnership, Baldwin PSH Limited Partnership, Central Group Limited Partnership, Dekum 2 Limited Partnership, GPT Limited Partnership, and Fairfield PSH Limited Partnership which represent 100 percent, 100 percent, and 93 percent, respectively, of the assets, net position and revenues of the aggregate discretely presented component units as of December 31, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for 1115 SW 11th Avenue Limited Partnership, Beech Street Limited Partnership, Civic Redevelopment Limited Partnership, East Group Limited Partnership, Lloyd Housing Limited Partnership, North Group Limited Partnership, Square Manor Limited Partnership, Stephens Creek Crossing North Limited Partnership, Stephens Creek Crossing South Limited Partnership, Wests Limited Partnership, Woods East Limited Partnership, FP2 Limited Partnership, 3000 Powell Limited Partnership, Baldwin PSH Limited Partnership, Central Group Limited Partnership, Dekum 2 Limited Partnership, GPT Limited Partnership, and Fairfield PSH Limited Partnership are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Home Forward and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Home Forward's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Home Forward's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Home Forward's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Home Forward's basic financial statements. The combining schedule of net position – Affordable Housing, combining schedule of revenues, expenses, and changes in net position – Affordable Housing, combining schedule of net position – Special Needs Housing, and combining schedule of revenues, expenses, and changes in net position – Special Needs Housing (other supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024 on our consideration of Home Forward's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Home Forward's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Home Forward's internal control over financial reporting and compliance.



Mandy L. Merchant
CliftonLarsonAllen LLP

Portland, Oregon
June 27, 2024

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

This section includes a Management's Discussion and Analysis of Home Forward's financial performance during the period of January 1, 2023 to December 31, 2023. Please read it in conjunction with Home Forward's basic financial statements that follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

As required by the Governmental Accounting Standards Board (GASB) Statement No. 61, as amended, the basic financial statements include its blended component units - Home Forward Development Enterprises, St. Francis LLC, Gateway Park Limited Partnership, Cecelia Limited Partnership, Woolsey Limited Partnership, Trouton Limited Partnership, Humboldt Limited Partnership, New Market West Management Services, Home Forward Community Partnerships, Home Forward Insurance Group - and its 20 discretely presented component units. These discretely presented component units represent multi-family properties structured as limited partnerships, which have Home Forward as the general partner with minimal ownership interest. The Statement of Net Position includes all of Home Forward's assets and deferred outflows and liabilities and deferred inflows. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position, regardless of when cash is received or paid.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Significant Developments for the period of January 1, 2023 to December 31, 2023

Grace Peck Terrace - In April 2023, Home Forward transferred this affordable housing property located on NE 14th Avenue to Grace Peck Terrace Limited Partnership. This partnership will utilize 4% low-income housing tax credits to renovate this 95-unit affordable housing property.

The Fairfield – In February 2023, the Portland Housing Bureau transferred ownership interest of The Fairfield, an 82-unit property located on SW Harvey Milk Blvd, to Home Forward. Simultaneously, Home Forward transferred the property to Fairfield PSH Limited Partnership, intending to leverage 9% low-income housing tax credits to redevelopment the site to 75 new single-room occupancy and studio units.

HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Significant Developments for the period of January 1, 2023 to December 31, 2023 (Continued)

Transfer of Tax Credit Limited Partnership Interest – In 2023, Home Forward acquired the remaining interest in Bud Clark Commons and The Jeffrey to become sole owner of these affordable housing properties with a combined total of 210 units. Home Forward Development Enterprises (HFDE), an existing blended component unit, acquired the limited partner's interest in Woolsey and Humboldt Gardens apartments. Home Forward was already the general partner and as such, these affordable housing properties with a combined total of 261 units were added as a blended component units. Both of these tax credit partnerships were originally formed by Home Forward under Section 42 of the Internal Revenue Code.

Subscription-Based Information Technology Arrangements Standard - During fiscal year 2023, Home Forward implemented new accounting standard GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA's)*.

Financial Highlights

Home Forward's Statement of Net Position reflects growth in net position during the period of January 1, 2023 to December 31, 2023. Specifically:

- Total assets and deferred outflows of resources increased \$99.8 million from \$663.2 million at January 1, 2023 to \$763.1 million at December 31, 2023, primarily due to the increase in capital assets for the acquisition of limited partner interest in the Woolsey, Humboldt Gardens, Bud Clark Commons and The Jeffrey Limited Partnerships and the transfer of ownership interest for the Fairfield to Home Forward.
- Total liabilities and deferred inflows of resources increased \$63.6 million from \$257.6 million at January 1, 2023 to \$321.2 million at December 31, 2023, mainly due to an increase in Current Portion - Bonds Payable for the payoff of Dekum Phase I construction bonds, an increase in Notes Payable due to the ownership transfer of Bud Clark Commons and The Jeffrey apartments to Home Forward, an increase in Bond Payable - Partnerships as a result of new bond debt for Dekum II and Grace Peck Terrace construction and an increase in the PERS liability.
- Total operating revenues for the period January 1, 2023 to December 31, 2023 were \$290.0 million and total operating expenses were \$276.5 million. Operating results for this period resulted in operating income of \$13.5 million. Nonoperating revenues/(expenses) were \$19.2 million primarily due to a gain on sale of assets for Grace Peck Terrace, Cora Park, Grant Street House and 171st St. house. Overall, net position increased \$36.2 million.

HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Condensed Statement of Net Position

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

(In Thousands of Dollars)	2023	2022	Increase (Decrease)
Assets and Deferred Outflows of Resources			
Current Assets	\$ 194,170	\$ 150,449	\$ 43,721
Noncurrent Assets	356,939	342,330	14,609
Capital Assets	198,508	156,349	42,159
Total Assets	749,617	649,128	100,489
Deferred Outflows of Resources	13,466	14,112	(646)
Total Assets and Deferred Outflows of Resources	<u>\$ 763,083</u>	<u>\$ 663,240</u>	<u>\$ 99,843</u>
Liabilities and Deferred Inflows of Resources			
Current Liabilities	\$ 65,524	\$ 42,521	\$ 23,003
Noncurrent Liabilities	227,766	182,747	45,019
Total Liabilities	293,290	225,268	68,022
Deferred Inflows of Resources	27,931	32,313	(4,382)
Total Liabilities and Deferred Inflows of Resources	321,221	257,581	63,640
Net Position			
Net Investment in Capital Assets	91,541	56,865	34,676
Restricted	44,848	29,477	15,371
Unrestricted	305,473	319,317	(13,844)
Total Net Position	441,862	405,659	36,203
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 763,083</u>	<u>\$ 663,240</u>	<u>\$ 99,843</u>

Year-End Financial Position

Current assets increased \$43.7 million during the period ending December 31, 2023. This increase was due to an increase in cash reserves as a result of the receipt of four OHCS affordable housing preservation grants, an increase in property specific Reserves, an increase in Net Accounts Receivable from HUD for year-end subsidy true-up, an increase in Short-term Loans to tax credit limited partnerships and an increase in Notes Receivable Current Portion – Partnership for the payoff of Dekum Phase I construction bonds.

Non-current assets (other than capital assets) increased by \$14.6 million mainly due to an increase in Notes Receivable – Tax Credit Bonds for Dekum II and Grace Peck Terrace development activity offset by a decrease in Equity Investment – Partnerships related to the acquisition of limited partner interest in the Woolsey, Humboldt Gardens, Bud Clark Commons and The Jeffrey Limited Partnerships.

Net capital assets increased \$42.2 million mainly driven by to the acquisition of limited partner interest in the Woolsey, Humboldt Gardens, Bud Clark Commons and The Jeffrey Limited Partnerships and the transfer of ownership interest for the Fairfield to Home Forward.

HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year-End Financial Position (Continued)

Current liabilities increased \$23.0 million during the year, mainly due to an increase in Current Portion Bonds Payable - Partnership for the payoff of Dekum Phase I construction bonds and an increase in Current Portion Notes Payable for Kelly Place and Ash Creek Commons current debt.

Non-current liabilities increased \$45.0 million during the year, mainly due to an increase in Notes Payable due to the ownership transfer of Bud Clark Commons and The Jeffrey apartments, an increase in Bond Payable - Partnerships as a result of new bond debt for Dekum II and Grace Peck Terrace construction and an increase in the PERS liability..

Net position at December 31, 2023 was \$441.9 million, an increase of \$36.2 million from the balance at December 31, 2022.

Capital Assets

At December 31, 2023, Home Forward had \$198.5 million of capital assets, an increase \$42.2 million since December 31, 2022. More detailed information about Home Forward's capital assets is presented in Note 9 to the financial statements.

(In Thousands of Dollars)	2023	2022	Increase (Decrease)
Land	\$ 43,714	\$ 38,756	\$ 4,958
Construction in Progress	10,558	10,647	(89)
Total Capital Assets Not Being Depreciated/Amortized	54,272	49,403	4,869
Buildings and Improvements	346,046	278,448	67,598
Right to Use Assets - Buildings	22	97	(75)
Equipment	16,965	14,469	2,496
Right to Use Assets - Equipment	308	224	84
Accumulated Depreciation/Amortization	(219,105)	(186,292)	(32,813)
Total Capital Assets Being Depreciated/Amortized	144,236	106,946	37,290
Total Capital Assets, Net	\$ 198,508	\$ 156,349	\$ 42,159

Notes and Bonds Payable

At December 31, 2023, Home Forward had \$108 million of notes and bonds payable outstanding (*excluding bonds payable-partnerships*), an increase of \$7.2 million over the prior year. More detailed information about Home Forward's capital debt is presented in Notes 11 and 12 to the financial statements.

(In Thousands of Dollars)	2023	2022	Increase (Decrease)
Current Portion of Notes and Bonds Payable	\$ 8,048	\$ 4,860	\$ 3,188
Notes Payable - Long-Term	77,052	69,525	7,527
Bonds Payable - Long-Term	22,899	26,329	(3,430)
Total Notes and Bonds Payable	\$ 107,999	\$ 100,714	\$ 7,285

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

HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Results of Operations

Statement of Revenues, Expenses, and Changes in Net Position

(In Thousands of Dollars)	2023	2022	Change
Operating Revenues			
Rental Revenue	\$ 27,369	\$ 24,056	\$ 3,313
HUD Subsidies and Grants	194,939	154,259	40,680
Development Fee Revenue	10,878	9,022	1,856
State, Local, and Other Grants	49,576	47,418	2,158
Other	7,231	8,080	(849)
Total Operating Revenues	<u>289,993</u>	<u>242,835</u>	<u>47,158</u>
Operating Expenses			
Housing Assistance Payments	176,154	165,596	10,558
Administration	25,857	23,103	2,754
Tenant Services	12,807	11,987	820
Program Expenses	18,876	15,676	3,200
Utilities	7,543	5,286	2,257
Maintenance	18,416	12,799	5,617
Depreciation/Amortization	12,127	7,913	4,214
Other	4,723	2,469	2,254
Total Operating Expenses	<u>276,503</u>	<u>244,829</u>	<u>31,674</u>
Operating Income	13,490	(1,994)	15,484
Nonoperating Revenues (Expenses)			
Investment Income	4,702	5,270	(568)
Interest Expense	(2,674)	(2,687)	13
Investment in Partnership Valuation Charge	508	(15,708)	16,216
Financing Costs	(25)	(21)	(4)
Loss on Sale of Capital Assets	(221)	(230)	9
Gain on Sale of Capital Assets	16,920	5,347	11,573
Total Nonoperating Revenues	<u>19,210</u>	<u>(8,029)</u>	<u>27,239</u>
Income before Capital Contributions	32,700	(10,023)	42,723
Capital Contributions			
HUD Nonoperating Contributions	3,129	1,120	2,009
Other Nonoperating Contributions	374	21,295	(20,921)
Partner Contributions	-	(719)	719
Total Capital Contributions	<u>3,503</u>	<u>21,696</u>	<u>(18,193)</u>
Increase in Net Position	36,203	11,673	24,530
Net Position - Beginning of Year	<u>405,659</u>	<u>393,986</u>	<u>11,673</u>
Net Position - End of Year	<u>\$ 441,862</u>	<u>\$ 405,659</u>	<u>\$ 36,203</u>

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Results of Operations (Continued)

Fiscal year 2023 generated operating income of \$13.5 million, compared to an operating loss of \$2.0 million in fiscal year 2022. Total operating revenues were \$47.2 million higher while operating expenses increased by \$31.7 million.

Operating revenues of \$290.0 million increased \$47.2 million from fiscal year 2022. This is mainly due to a \$40.7 million increase in HUD Housing Assistance, operating subsidy and administrative fee.

Total operating expenses were \$276.5 million, an increase of \$31.7 million from the prior year. This increase is primarily due to a \$10.6 million increase in housing assistance payments and a combined \$11.1 million increase in program, utility and maintenance expense during the year as a result of delayed routine maintenance caused by the COVID-19 pandemic and utility inflation costs.

Nonoperating revenues/(expenses) were \$19.2 in net revenue, an increase of \$27.2 million from the prior year. The increase is primarily driven by a \$11.5 million increase in the gain in capital assets for the transfer of Lloyd Housing land contribution and Dekum II to new Low Income Housing Tax Credit partnerships.

During 2023, HUD nonoperating and other nonoperating contributions totaled \$3.1 million with funds supporting small capital improvement projects throughout the portfolio. This is an increase of \$2.0 million over the prior fiscal year.

The impact of the above activity was an increase in net position during fiscal year 2023 of \$36.2 million

FORWARD LOOKING INFORMATION

Significant economic factors affecting Home Forward are as follows:

RAD/Section 18

Home Forward anticipates continuing to convert its remaining public housing properties under the Department of Housing and Urban Development's Section 18 and Rental Assistance Demonstration (RAD) programs. Under these programs, the public housing units will convert into project-based voucher funded units and will utilize the low-income housing tax credit program with Home Forward as the general partner. The final RAD/Section 18 closing is anticipated for the spring of 2024.

Transfer of Tax Credit Limited Partnership Interest

Home Forward plans to acquire the limited partner's interest in The Morrison Limited Partnership the third quarter of 2024. This tax credit partnership was originally formed by Home Forward under Section 42 of the Internal Revenue Code.

**HOME FORWARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

CONTACT INFORMATION

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

**HOME FORWARD
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Home Forward	Discretely Presented Component Units
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 93,019,892	\$ 11,241,437
Cash and Cash Equivalents - Restricted	48,012,892	18,618,575
Investments - Unrestricted	2,782,051	-
Investments - Restricted	1,768,138	295,891
Accounts Receivable, Net	23,144,449	1,624,695
Due from Partnerships, Net	7,934,847	-
Prepaid Expenses	1,575,819	15,247,280
Current Portion of Lease Receivable	970,354	-
Current Portion of Notes Receivable - Partnerships, Net	14,961,694	-
Total Current Assets	<u>194,170,136</u>	<u>47,027,878</u>
NONCURRENT ASSETS		
Notes and Accrued Interest Receivable	250,855,323	-
Notes Receivable - Partnerships, Net	87,120,845	-
Lease Receivable	8,426,939	-
Other Assets	-	9,359,215
Investments in Partnerships	10,027,339	-
Net OPEB Asset - RHIA	508,268	-
Capital Assets not being Depreciated	54,272,210	121,889,294
Capital Assets being Depreciated, Net	144,235,688	518,536,202
Total Noncurrent Assets	<u>555,446,612</u>	<u>649,784,711</u>
Total Assets	749,616,748	696,812,589
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related	13,295,937	-
OPEB RHIA Related	56,698	-
OPEB HBRP Related	113,373	-
Total Deferred Outflows of Resources	<u>13,466,008</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 763,082,756</u></u>	<u><u>\$ 696,812,589</u></u>

HOME FORWARD
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2023

	Home Forward	Discretely Presented Component Units
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable	\$ 7,604,427	\$ 16,036,586
Line of Credit	14,367,841	-
Accrued Interest Payable, Payable from Restricted Assets	769,818	15,259,939
Other Accrued Liabilities	9,133,195	37,110,764
Unearned Revenue	6,015,143	667,223
Deposits, Payable from Restricted Assets	4,536,789	311,032
Due to Partnerships	-	471,209
Current Portion of Notes Payable	6,218,504	1,604,761
Current Portion of Bonds Payable	1,829,181	15,211,267
Current Portion of Bonds Payable - Partnerships	14,961,694	-
Current Portion of Lease Liability	88,116	34,343
Total Current Liabilities	<u>65,524,708</u>	<u>86,707,124</u>
NONCURRENT LIABILITIES		
Notes Payable - Long-Term	77,051,563	380,879,901
Bonds Payable - Long-Term	22,899,144	86,871,272
Bonds Payable - Partnerships	87,120,845	-
Accrued Interest - Long-Term	4,392,265	-
Net Pension Liability	35,290,351	-
Total OPEB Liability - HBRP	945,360	-
Lease Liability - Long-Term	66,222	26,866,126
Total Noncurrent Liabilities	<u>227,765,750</u>	<u>494,617,299</u>
Total Liabilities	293,290,458	581,324,423
DEFERRED INFLOWS OF RESOURCES		
Pension Related	2,777,240	-
OPEB RHIA Related	37,166	-
OPEB HBRP Related	552,201	-
Prepaid Ground Leases	15,656,712	-
Lease Related	8,907,523	-
Total Deferred Inflows of Resources	<u>27,930,842</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	321,221,300	581,324,423
NET POSITION		
Net Investment in Capital Assets	91,540,571	128,992,845
Restricted:		
Net OPEB Asset	508,268	-
Real Estate Proceeds	358,547	-
Residual Receipts	6,038,725	60,048
Funds Held in Trust	36,577,916	17,834,241
Unused PILOT Funds	147,306	-
Program Reserves	1,217,112	709,147
Total Restricted	<u>44,847,874</u>	<u>18,603,436</u>
Unrestricted	<u>305,473,011</u>	<u>(32,108,115)</u>
Total Net Position	<u>441,861,456</u>	<u>115,488,166</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 763,082,756</u>	<u>\$ 696,812,589</u>

HOME FORWARD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2023

	Home Forward	Discretely Presented Component Units
OPERATING REVENUES		
Dwelling Rental	\$ 24,038,376	\$ 30,522,260
Nondwelling Rental	3,331,057	139,569
HUD Operating Subsidies	185,857,551	1,650,391
HUD Grants	9,081,478	-
Development Fee Revenue	10,877,792	-
State, Local, and Other Grants	49,575,463	692,917
Other	7,231,451	633,016
Total Operating Revenues	<u>289,993,168</u>	<u>33,638,153</u>
OPERATING EXPENSES		
Housing Assistance Payments	176,153,965	-
Administration	25,856,832	4,472,313
Tenant Services	12,806,550	3,146,811
Program Expense	18,876,420	3,274,951
Utilities	7,543,493	5,926,986
Maintenance	18,415,972	8,828,184
Depreciation and Amortization	12,126,525	19,100,922
General and Other	4,723,097	6,126,621
Total Operating Expenses	<u>276,502,854</u>	<u>50,876,788</u>
OPERATING INCOME (LOSS)	13,490,314	(17,238,635)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	4,701,702	501,159
Interest Expense	(2,673,522)	(12,115,665)
Investment in Partnership Valuation Charge	507,592	(22,504,828)
Financing Costs	(25,528)	-
Loss on Disposal of Capital Assets	(221,169)	(99,145)
Gain/Loss on Sale of Capital Assets	16,920,397	-
Total Nonoperating Revenues (Expenses), Net	<u>19,209,472</u>	<u>(34,218,479)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	32,699,786	(51,457,114)
CAPITAL CONTRIBUTIONS		
HUD Nonoperating Contributions	3,128,654	81,832
Other Nonoperating Contributions	373,818	46,909,857
Partner Contributions	-	245,674
Total Capital Contributions	<u>3,502,472</u>	<u>47,237,363</u>
INCREASE (DECREASE) IN NET POSITION	36,202,258	(4,219,751)
Net Position - Beginning of Year	<u>405,659,198</u>	<u>119,707,917</u>
NET POSITION - END OF YEAR	<u><u>\$ 441,861,456</u></u>	<u><u>\$ 115,488,166</u></u>

See accompanying Notes to Financial Statements.

**HOME FORWARD
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from HUD Grants	\$ 194,076,153
Receipts from State, Local, and Other Grants	50,225,077
Receipts from Tenants and Landlords	27,091,925
Receipts from Developer Fees	7,228,249
Receipts from Others	6,158,911
Receipt of Cash Restricted for Deposits Payable	(65,531)
Payments to Landlords	(176,029,889)
Payments to and on Behalf of Employees	(38,394,086)
Payments to Vendors, Contractors, and Others	(38,377,613)
Net Cash Provided by Operating Activities	<u>31,913,196</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Proceeds from Line of Credit	15,005,771
Payments on Line of Credit	(7,865,004)
Net Cash Provided by Noncapital Financing Activities	<u>7,140,767</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Proceeds from Line of Credit	22,000,000
Payments on Line of Credit	(27,000,000)
Proceeds from Issuance of Notes Payable	14,515,760
Proceeds from Issuance of Bonds Payable	735,000
Proceeds from Issuance of Bonds Payable - Partnerships	50,456,133
Interest Paid on Notes and Bonds Payable	(4,311,360)
Principal Payments on Notes Payable	(3,608,748)
Principal Payments on Bonds Payable	(4,356,676)
Principal Payments on Bonds Payable - Partnerships	(600,769)
Principal Payments on Lease Liability	(10,727)
HUD Capital Contributions	373,818
Other Nonoperating Contributions, Net	2,861,760
Acquisition and Construction of Capital Assets	(8,767,539)
Proceeds from the Sale of Capital Assets	29,241,122
Payments on Right to Use Asset	(94,547)
Purchase of Limited Partnership Interest	(56,064,817)
Net Cash Provided by Capital and Related Financing Activities	<u>15,368,410</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Investments	1,993,872
Financing Fees Paid	(267,337)
Issuance of Notes Receivable	(34,331,565)
Issuance of Notes Receivable - Partnerships	(50,456,133)
Collections on Notes Receivable	27,048,476
Collections on Notes Receivable - Partnerships	600,769
Change in Due from Partnerships, Net	(4,936,534)
Change in Investments in Partnerships, Net	21,236,484
Investment Income Received	4,701,702
Net Cash Used by Investing Activities	<u>(34,410,266)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS

20,012,107

Cash and Cash Equivalents - Beginning of Year

121,020,677

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 141,032,784

See accompanying Notes to Financial Statements.

HOME FORWARD
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

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

Operating Income	\$ 13,490,314
Adjustments to Reconcile Operating Income to Cash Flows Provided by Operating Activities:	
Depreciation and Amortization	12,126,525
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:	
Accounts Receivable, Net	(9,011,934)
Developer Fee Receivable	7,228,249
Prepaid Expenses	335,578
Accounts Payable	2,153,252
Other Accrued Liabilities	1,660,970
Unearned Revenue	2,452,949
Deposits, Payable from Restricted Assets	(65,531)
Deferred Outflows of Resources - Pensions	650,714
Deferred Outflows of Resources - OPEB	(31,569)
Deferred Inflows of Resources - Pensions	(6,001,133)
Deferred Inflows of Resources - OPEB	(219,261)
Net Pension Liability	7,039,964
Net OPEB Asset and Net OPEB Liability	104,109
Net Cash Provided by Operating Activities	<u>\$ 31,913,196</u>

SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS

Change in Investment in Partnerships	\$ 507,592
Total Noncash Transactions	<u>\$ 507,592</u>

See accompanying Notes to Financial Statements.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

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

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

Blended Component Units

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units (Continued)

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

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

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

Haven Limited Partnership (Haven LP) was formed as a Tax Credit Limited Partnership on May 5, 2004 to construct a 44-unit apartment complex located in Portland, Oregon. On June 30, 2022, Banc of America-Alliant Tax Credit Fund XXVIII, Ltd. and Alliant ALP I-30, LLC transferred their interests as Investor Limited Partner and Administrated Limited Partner, respectively, to HFDE. This entity was dissolved as of year end.

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

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

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units (Continued)

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

Discretely Presented Component Units

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

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Programs Administered by Home Forward (Continued)

Rent Assistance

Section 8 of the U.S. Housing and Community Development Act of 1974 provides Housing Assistance Payments on behalf of lower-income families to participating housing owners. Under this program, the landlord-tenant relationship is between a rental-housing owner and a family, rather than Home Forward and a family as in the Public Housing program. For approved housing, HUD contracts with Home Forward to enter into contracts with owners to make assistance payments for the difference between the approved contract rent and the actual rent paid by the lower-income families, between 28.5% and 31% of adjusted household gross income. Housing Assistance Payments made to landlords and some participants are funded through Annual Contributions Contracts. At December 31, 2023, Home Forward administered approximately 12,017 vouchers through several programs authorized by Section 8. Additionally, Home Forward administers the Short-Term Rent Assistance program on behalf of the City of Portland, the City of Gresham, and Multnomah County.

Affordable Housing and Special Needs Housing

Home Forward owns or is a partner in 7,258 units of housing. The Affordable Housing portfolio consists of 78 multifamily properties representing 6,770 units, of which 3,910 are owned through tax credit partnerships. The Special Needs portfolio consists of 29 properties representing 488 units. The Special Needs properties were developed using grant funds received from the state of Oregon and federal programs combined with contributions from Home Forward and other local agencies.

Resident Services

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

Development

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

Basis of Accounting

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Use of Restricted and Unrestricted Resources

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

Net Position

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

Net Investment in Capital Assets

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

Restricted

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

Unrestricted

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

Cash and Cash Equivalents

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents – Restricted and Investments – Restricted

This consists of funds set aside for:

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

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

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

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

Funds Held in Trust consist primarily of replacement reserves held in trust and by Home Forward for Affordable Housing properties owned and operated by Home Forward. In addition, the balance includes performance guarantee and other funds held in trust and by Home Forward under various agreements. The reserves are invested in interest-bearing bank accounts and are externally restricted for the purposes of maintaining required reserve funds or purchasing or constructing capital assets or other noncurrent assets. As such, the amounts are classified as restricted, noncurrent assets. During the year ended December 31, 2023, the reserves were funded as required under the various agreements.

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

PILOT Funds are maintained to fund Payments in Lieu of Taxes (PILOT) on certain rental properties owned by Home Forward. Under an agreement with the City of Portland, Home Forward is required to make an annual payment equal to \$200,000. Home Forward also makes annual payments to the city of Fairview. Total payment to city of Fairview for the year ended December 31, 2023 was \$31,085.

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

Concentration of Risk

Federal regulations require that public funds on deposit with financial institutions be secured at a rate of 100% of amounts in excess of deposit insurance coverage. Home Forward maintains cash balances at several financial institutions, some in excess of the federally insured amount of \$250,000 per Employer Identification Number. Financial institutions insure these excess balances either via the Oregon state treasurer's office by designating these balances as Public Funds per ORS 295 or via other collateral agreements. At December 31, 2023, all of Home Forward's funds were collateralized.

Investments

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

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

Due from Partnerships, Net

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable (Noncurrent)

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

Notes Receivable – Partnerships, Net

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

Investments in Partnerships

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

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

Leases (Lessor)

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

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Lessor) (Continued)

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

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

Leases (Lessee/Right-to-Use Assets)

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

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

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

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

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

Deferred Outflows and Deferred Inflows of Resources

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net OPEB (Asset)/Liability

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

Net Pension Liability

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

Unearned Revenue

Unearned revenue consists primarily of land lease prepayments, advanced grant payments received from HUD programs and payments received from non-HUD sources that have not been earned as of December 31, 2022. As of December 31, 2023, unearned revenue consisted of the following:

Prepaid Annual Contributions	\$ 1,430,824
Unspent Funding	498,323
Prepaid Rent Revenue	4,085,996
Total Unearned Revenue	<u>\$ 6,015,143</u>

Other Accrued Liabilities – Current

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

Revenue Recognition

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

All full-time and part-time employees who are regularly scheduled to work at least 20 hours per week are eligible to earn paid annual leave. Eligible employees begin to accrue annual leave as of their hire date; however, the accrued time does not become earned, useable or payable until the completion of 90 days of continuous service. Earned paid annual leave time may be carried over and accumulated up to a maximum of two years' accrual as of January 1 of any year. Total accrued compensated absences as of the year ended December 31, 2023 were \$2,341,847 and are a component of other accrued liabilities.

Income Taxes

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

Effect of New Pronouncement

During the year ended December 31, 2023, Home Forward adopted Statement No. 96, *Subscription-Based Information Technology Arrangements*, which was effective for Home Forward beginning in fiscal year 2023. This statement had no impact on Home Forward.

NOTE 2 LOW INCOME HOUSING TAX CREDIT LIMITED PARTNERSHIPS

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

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

Home Forward typically earns a developer's fee for its role in bringing the project to fruition. These fees are earned based on certain events or dates relative to the development of the project. Developer fees are paid primarily from development proceeds and available cash flows. Under the various partnership agreements, the balance of developer fees not paid during the construction phase are generally required to be paid within 10 to 15 years of the project having been placed in service and may accrue interest on unpaid balances. For the year ended December 31, 2023, Home Forward earned \$11,012,660 in developer fees and was paid \$7,228,249.

At December 31, 2023, the balance of the development fees owed to Home Forward is \$29.4 million. The fees are included within notes receivable on the statement of net position. Some tax credit projects also pay a General Partner's management fee and/or a tenant services fee; these fees are reflected in other operating revenues and totaled \$325,198 for the year ended December 31, 2023.

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

As of the year ended December 31, 2023, cash and investments consisted of the following:

Cash and Cash Equivalents	\$ 93,019,892
Cash and Cash Equivalents - Restricted	48,012,892
Total Cash and Cash Equivalents	<u>\$ 141,032,784</u>
Investments	\$ 2,782,051
Investments - Restricted	1,768,138
Total Investments	<u>\$ 4,550,189</u>

At December 31, 2023, all of Home Forward's bank balances were insured first by federal depository insurance of \$250,000 per institution and any balances in excess of that amount were collateralized by either a Tri-Party agreement or by the Oregon State Public Funds Collateral Pool.

Investment Risk Disclosures

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, Home Forward will not be able to recover the value of the investment securities that are in the possession of the outside party. As of the year ended December 31, 2023, all investments were insured or registered, and held by Home Forward or its agent in Home Forward's name, or uninsured and unregistered, with securities held by the counterparty's trust department or agent in Home Forward's name and were not exposed to custodial credit risk.

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

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

Concentration of credit risk is the risk of loss attributed to the magnitude of Home Forward's investment in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools). To minimize concentration of credit risk, Home Forward's investments are made from a selection of diverse issuers. As of December 31, 2023, Home Forward is not exposed to concentration risk.

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

Investment Risk Disclosures (Continued)

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

As of the year ended December 31, 2023, Home Forward's restricted investments consist of a certificate of deposit of \$309,128, a money market fund of \$500,000, and a guaranteed investment contract and a repurchase agreement with Bayerische with a S&P rating of AAA and a weighted average maturity more than three years in the amount of \$472,680 and \$486,330, respectively.

Investments restricted at December 31, 2023 mature between January 2027 and May 2029 and the interest rate on the investments ranges from 4.39% to 4.57%.

Fair Value of Financial Instruments

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

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

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

Fair Value of Financial Instruments (Continued)

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 as compared to December 31, 2022. Investments in derivatives are valued based upon quoted prices for similar assets in active markets.

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

Investments Not Subject to Fair Value Levels:

Certificate of Deposit	\$ 309,128
Guaranteed Investment Contract	472,680
Money Market Fund	500,000

The following table sets forth by level, within the fair value hierarchy, Home Forward's assets and liabilities at fair value as of December 31, 2023:

	<u>Total</u>	<u>Level 2</u>
Repurchase Agreement	\$ 486,330	\$ 486,330
U.S. Government Securities	2,782,051	2,782,051

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable consist of the following as of the year ended December 31, 2023:

HUD Grants	\$ 7,687,685
State, Local, and Other Grants	3,493,483
Tenants and Landlords	6,632,534
Development	96,401
Other	<u>7,559,266</u>
Total Accounts Receivable	25,469,369
Less: Allowances for Doubtful Accounts	<u>(2,324,920)</u>
Accounts Receivable, Net	<u><u>\$ 23,144,449</u></u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 DUE FROM PARTNERSHIPS

Due from Partnerships consists of the following as of the year ended December 31, 2023:

Stephen's Creek Crossing North (4%)	\$ 40,164
Stephen's Creek Crossing North (9%)	33,824
Square Manor Limited Partnership	236,279
Lloyd Housing Limited Partnership	891,986
North Group Limited Partnership	233,185
East Group Limited Partnership	107,555
Central Group Limited Partnership	392,049
Baldwin PSH Limited Partnership	67,015
3000 Powell Limited Partnership	159,474
Fairfield PSH Limited Partnership	83,601
GPT Limited Partnership	2,889,383
All Other Partnerships	<u>3,327,086</u>
Total Due from Partnerships	8,461,601
Less: Allowances for Doubtful Accounts	<u>(526,754)</u>
Due from Partnerships, Net	<u><u>\$ 7,934,847</u></u>

NOTE 6 NOTES RECEIVABLE AND ACCRUED INTEREST

Notes and accrued interest receivable consist of the following as of December 31, 2023:

Partnerships Notes	\$ 352,328,368
Homeowners Notes	<u>208,300</u>
Total Notes Receivable	352,536,668
Accrued Interest Receivable	14,114,871
Less: Allowances for Doubtful Accounts	<u>(13,713,676)</u>
Total Notes and Accrued Interest Receivables, Net	<u><u>\$ 352,937,862</u></u>

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 LEASE RECEIVABLE

The Authority, acting as lessor, leases land and buildings under long-term, non-cancelable lease agreements. The leases expire at various dates through 2083 and provide for various renewal options.

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 970,354	\$ 251,671	\$ 1,222,025
2025	891,516	223,435	1,114,951
2026	829,392	199,550	1,028,942
2027	729,369	178,139	907,508
2028	628,370	158,864	787,234
2029 - 2033	1,781,012	623,344	2,404,356
2034 - 2038	679,407	469,530	1,148,937
2039 - 2043	265,100	420,122	685,222
2044 - 2048	392,965	378,693	771,658
2049 - 2053	325,744	326,607	652,351
2054 - 2058	426,728	278,658	705,386
2059 - 2063	656,332	205,051	861,383
2064 - 2068	575,669	105,164	680,833
2069 - 2073	76,108	64,647	140,755
2074 - 2078	103,840	36,916	140,756
2079 - 2083	65,387	5,031	70,418
Total Minimum Lease Payments	<u>\$ 9,397,293</u>	<u>\$ 3,925,422</u>	<u>\$ 13,322,715</u>

NOTE 8 INVESTMENTS IN PARTNERSHIPS

Investments in partnerships consist of the following as of December 31, 2023:

<u>Investments in Limited Liability Partnerships</u>	
The Morrison Limited Partnership	\$ 25,998
St Francis Park Limited Partnership	442,811
Square Manor Limited Partnership	291,673
Central Group Limited Partnership	58
Powell Limited Partnership	100
Fountain Place 2 Limited Partnership	38
Lloyd Housing Limited Partnership	7,176,576
Dekum Court Limited Partnership	2,089,803
Baldwin Limited Partnership	82
Fairfield Limited Partnership	100
GPT Limited Partnership	100
Total Investments in Partnerships	<u>\$ 10,027,339</u>

HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 CAPITAL ASSETS AND LEASES

Land, structures, and equipment activity of Home Forward was as follows for the year ended December 31, 2023:

	Balance January 1, 2023	Additions	Disposals	Transfers	Component Unit Transfer	Balance, December 31, 2023
Land	\$ 38,756,248	\$ -	\$ (3,904,551)	\$ -	\$ 8,862,671	\$ 43,714,368
Construction in Progress	10,647,026	8,463,123	(57,162)	(1,855,137)	(6,640,008)	10,557,842
Total Capital Assets Not Being Depreciated/Amortized	49,403,274	8,463,123	(3,961,713)	(1,855,137)	2,222,663	54,272,210
Buildings and Improvements	278,447,823	-	(17,828,880)	1,693,947	83,733,010	346,045,900
Right to Use Assets - Buildings	96,748	-	(74,533)	-	-	22,215
Equipment	14,468,993	304,416	(172,820)	161,190	2,202,733	16,964,512
Right to Use Assets - Equipment	223,891	94,547	(9,968)	-	-	308,470
	293,237,455	398,963	(18,086,201)	1,855,137	85,935,743	363,341,097
Less Accumulated Depreciation/ Amortization:						
Buildings and Improvements	(173,694,172)	(11,408,255)	9,068,913	-	(28,656,934)	(204,690,448)
Right to Use Assets - Buildings	(67,957)	(26,014)	74,533	-	-	(19,438)
Equipment	(12,454,526)	(598,952)	352,606	-	(1,536,092)	(14,236,964)
Right to Use Assets - Equipment	(75,223)	(93,304)	9,968	-	-	(158,559)
	(186,291,878)	(12,126,525)	9,506,020	-	(30,193,026)	(219,105,409)
Total Capital Assets Being Depreciated/Amortized, Net	106,945,577	(11,727,562)	(8,580,181)	1,855,137	55,742,717	144,235,688
Total Capital Assets	\$ 156,348,851	\$ (3,264,439)	\$ (12,541,894)	\$ -	\$ 57,965,380	\$ 198,507,898

NOTE 10 LINES OF CREDIT

Home Forward has an \$8,000,000 operating revolving line of credit. The line of credit is used for short-term funding needs. The line of credit is collateralized by the general revenues of Home Forward, maturing December 1, 2024. Draws on the line of credit may bear a fixed or variable rate of interest. During the year ended December 31, 2023, gross draws, including initial draws and draws after repayments, on the line of credit were \$22,000,000 which represents both principal and accrued interest. The remaining outstanding line of credit balance for December 31, 2023 was \$-0-.

A summary of activity for Home Forward's line of credit for year ended December 31, 2023 is as follows:

	Balance January 1, 2023	Draws	Repayments	Balance December 31, 2023
Line of Credit	\$ 5,000,000	\$ 22,000,000	\$ (27,000,000)	\$ -

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 10 LINES OF CREDIT (CONTINUED)

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

Draws on the line of credit may bear a fixed or variable rate of interest. During the year ended December 31, 2023, gross draws, including initial draws and draws after repayments, on the line of credit were \$15,005,771 which represents both closing costs and accrued interest. The remaining outstanding line of credit balance for the year ended December 31, 2023 was \$14,367,841.

A summary of activity for Home Forward's line of credit for the year ended December 31, 2023 is as follows:

	Balance January 1, 2023	Draws	Repayments	Balance December 31, 2023
Line of Credit	<u>\$ 7,227,074</u>	<u>\$ 15,005,771</u>	<u>\$ (7,865,004)</u>	<u>\$ 14,367,841</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 11 NOTES PAYABLE

Notes payable of Home Forward consist of the following as of December 31, 2023:

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Schiller Way	1.50 %	2030	Monthly	Deed of Trust	Borrower fails to pay principal and interest and doesn't cure within 15 days after due date and Lender may declare all sums owed	If Borrower becomes insolvent all principal and interest become automatically due	N/A	\$ 250,244
Richmond Place	3.00	Sale of Property	Cash Flow	Deed of Trust	Beneficiary may declare all principal balance and accrued interest due immediately if loan payments are not paid by due date; beneficiary may take possession of property and collect all rents	Failure to disclose (any misrepresentation), beneficiary has the option to declare all principal balance and interest immediately due	N/A	862,042
Turning Point	7.49	2032	Monthly	Secured by Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and a Pledge and Security Agreement	Borrower fails to pay any amount within 10 days of due date and Lender may declare entire loan due and payable; Borrower fails to perform or comply with any other covenant or condition under agreement, Borrower fails to show evidence of full or substantial compliance with governmental authority over property and not cured in 30 day period, if property is seized by any governmental agency, material adverse change in financial condition of borrower and not remedied within 30 days	Not applicable	N/A	250,412
Willow Tree	4.42	2036	Monthly	Secured by Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and a Pledge and Security Agreement	Borrower fails to pay any amount within 10 days of due date and Lender may declare entire loan due and payable; Borrower fails to perform or comply with any other covenant or condition under agreement, Borrower fails to show evidence of full or substantial compliance with governmental authority over property and not cured in 30 day period, if property is seized by any governmental agency, material adverse change in financial condition of borrower and not remedied within 30 days	Not applicable	N/A	438,105
Cambridge Court	1.00	2032	Monthly	Lender has a lien on the land and all improvements and a security interest in personal property	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), failure to obtain lender's consent to transaction, failure to comply, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclosure of property	Not applicable	N/A	293,625
Cambridge Court	-	2032	Cash Flow	Lender has a lien on the land and all improvements and a security interest in personal property	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), failure to obtain lender's consent to transaction, failure to comply, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclosure of property	Not applicable	N/A	395,975

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Fenwick Apts	3.77 %	2025	Monthly	Trust deed, security agreement, assignment of leases and rents, and fixture filing	Borrower fails to make payment of any amount payable under this loan entire indebtedness becomes immediately due Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. Lender can place a lien on the land and all buildings and improvements. Lender may take action to recover monetary damages caused by violation or attempted violation of any covenant, condition, agreement or obligation. Damages can include but not be limited to all costs, expenses, including but not limited to staff and administrative expenses, fees including legal	Not applicable	N/A	\$ 829,362
Fenwick Apts	-	Sale of Property	Cash Flow	Security agreement in property including accessories, additions, replacements and accession now and hereinafter affixed connected to property	Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. The Trustee at Lender's direction shall have the right to foreclose by notice and sale of property. Upon any occurrence of any Event of Default interest shall accrue on the unpaid principal balance at a rate equal to the less of four percentage points above the current rate. Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	1,137,073
Fenwick Apts	3.00	2034	Monthly	Trust Deed, Security interest in personal property collateral	Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. The Trustee at Lender's direction shall have the right to foreclose by notice and sale of property. Upon any occurrence of any Event of Default interest shall accrue on the unpaid principal balance at a rate equal to the less of four percentage points above the current rate. Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	97,481
Helen Swindells	-	2083	Cash Flow	Trust Deed in the property and all tenements along with leases and rents of the property	Failure to pay sum due under this agreement within 10 days, failure to pay general debts when due, failure to comply with covenants under agreement and not cured within 30 days, failure to obtain lender's consent to transaction (sale, transfer of proceeds from agreement), failure to disclose material facts, default under other loans, default by guarantor or failure to replace guarantor within 90 days. Lender may declare the entire remaining balance of principal and interest due immediately. The Trustee at Lender's direction shall have the right to foreclose by notice and sale of property. Upon any occurrence of any Event of Default interest shall accrue on the unpaid principal balance at a rate equal to the less of four percentage points above the current rate. Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	1,113,664

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Helen Swindells	- %	2083	Cash Flow	Trust Deed in the property and all tenements along with leases and rents of the property	Failure to abide by any covenants of trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, title is free of encumbrance, pay liens, taxes and assessments, abide by loan agreement covenants, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in entirety.	Not applicable	N/A	\$ 2,720,007
Kelly Place	4.80	2028	Monthly	Trust Deed covering the real property and other collateral	Borrower fails to perform any obligation to pay principal or interest and doesn't cure within 15 days when due	If Borrower becomes insolvent, all sums of principal and interest under the Note become automatically due and payable	N/A	145,736
James Hawthorne	-	Sale of Property	Cash Flow	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rents	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or place a lien on the property	Not applicable	N/A	5,728,950
North Interstate	-	Sale of Property	Cash Flow	Trust Deed	Not applicable	Not applicable	N/A	912,948
Yards at Union Station	1.00	2027	Monthly	Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rents	Borrower fails to pay obligations under note when due, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale. Upon the event of default, interest can be increased of 4 percentage points above the current interest rate. An event of default is constituted as the following: failure to make any payment when due any loan documents and not cured within 10 days, failure to perform any covenant, agreement or obligation under any of the Loan Documents if not cured within 60 days will lead to the declaration any or all indebtedness secured by the Trust to be due and payable immediately, foreclose the trust deed as a mortgage, cause any or all of the property to be sold under the power of sale, elect to exercise its right with respect to Leases & Rents	Not applicable	N/A	426,638
Pearl Court	3.00	2027	Monthly	Trust Deed, Security Agreement, UCC1		Not applicable	Acceleration of the entire unpaid principal balance of the Note and other indebtedness secured by the Trust Deed securing this note upon any sale or transfer is automatic	225,432

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Peter Paulson	7.91 %	2024	Cash Flow	Trust Deed and assignment of leases and collection of rents	Failure to abide by any covenants or trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, pay liens, taxes and assessments, abide by loan agreement covenants, monthly reserve is maintained by borrower, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in full.	Not applicable	N/A	\$ 1,021,301
Peter Paulson	0.50	2024	Cash Flow	Trust Deed and assignment of leases and collection of rents	Failure to abide by any covenants or trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, pay liens, taxes and assessments, abide by loan agreement covenants, monthly reserve is maintained by borrower, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in full.	Not applicable	N/A	250,000
Peter Paulson	-	2024	Cash Flow	Trust Deed and assignment of leases and collection of rents	Failure to abide by any covenants or trust deed (payment of all amounts under trust deed, maintain property, maintain insurance, pay liens, taxes and assessments, abide by loan agreement covenants, monthly reserve is maintained by borrower, senior liens are kept current, further encumbrances need prior written consent of Lender) will make entire principal balance due immediately. Failure to disclose any fact material to the making of the loan Lender has the option to declare unpaid principal balance due in full.	Not applicable	N/A	689,635
Schiller Way	-	Sale of Property	Cash Flow	Not applicable	Events of default are constituted as follows. Failure to pay any sum due under agreement within 10 days of due date, failure to comply with covenants, failure to obtain Loan provider's consent in sale, transfer or assignment of proceeds, failure to comply with agreement, failure to pay general debts when due, failure to disclose material facts, default under other grants, default by guarantor or failure to replace guarantor will cause the entire remaining unpaid balance immediately due and loan will become lien on the property.	Not applicable	N/A	505,351

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SW 45th (Carriage Hill Apts)	- %	Sale of Property	Cash Flow	Line of credit trust deed, security agreement, fixture and filing and assignment or leases and rents	Borrower fails to pay obligations under note when due within 10 days of due date, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale on the property	Not applicable	N/A	\$ 178,241
Willow Tree	-	2035	Cash Flow	Line of credit trust deed, security agreement, fixture and filing and assignment or leases and rents	Borrower fails to pay obligations under note when due within 10 days of due date, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, failure by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale on the property.	Not applicable	N/A	116,642
Fairview Oaks & Woods	3.05	2047	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing	Events of default include: borrower fails to pay or deposits amounts when due under the note, fraud or material misrepresentation or material omission by borrower or any of its officers, directors, members, commencement of a forfeiture action or proceeding, any material failure by Borrower to comply obligations under Security Instrument, failure by borrower to perform obligations under regulatory agreement will be cured.	Not applicable	If a monetary event of default occurs for a period of 30 days, the entire unpaid principal balance and any accrued interest and all other amounts payable to becomes due and payable	9,674,398
Rockwood Station	3.58	2047	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing	Events of default include: borrower fails to pay or deposit amounts when due under the note, fraud or material misrepresentation or material omission by borrower or any of its officers, directors, members, commencement of a forfeiture action or proceeding, any material failure by Borrower to comply obligations under Security Instrument, failure by borrower to perform obligations under regulatory agreement will be cured	Not applicable	If a monetary event of default occurs for a period of 30 days, the entire unpaid principal balance and any accrued interest and all other amounts payable to becomes due and payable	3,908,497

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Rockwood Station (Mpower)	6.00 %	2025	Monthly	Security interest in the Efficiency Measures, Memo of ESA	Events of default constitute: Non payment of debt payment, other non compliance of any other covenant under agreement or other loan documents (30 days to satisfy covenant), non compliance with governmental regulations, (30 days to cure), untruth of representations and warranties, default under other financing, bankruptcy, reorganization or dissolution, attachment (levied against all or part of the property), transfer of the project property without written consent of Lender can lead to Lender declaring all sums of note and other loan documents due and payable.	Not applicable	Lender may declare note due and payable in full if the following occur: sale or transfer by Borrower not approve by Lender, Borrower's failure to make any payment within 10 days of due date, and other default or breach of any term in the Note or other Loan documents	\$ 25,900
Hawthorne Home	6.00	2029	Monthly	Trust Deed	Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender that proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender. If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender	Not applicable	N/A	25,886
Madison Home	6.00	2029	Monthly	Deed of Trust	Events of default that can potentially lead to all sums due immediately: Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender	Not applicable	N/A	25,566

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Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
					<p>If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. Payment among default must include the sums required to be paid in the event of any prepayment of debt. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately:</p> <p>Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender.</p> <p>If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. Payment among default must include the sums required to be paid in the event of any prepayment of debt. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately:</p> <p>Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender.</p>			
North Interstate	6.00 %	2033	Monthly	Deed of Trust		Not applicable	N/A	\$ 288,996
Project Open Door	1.00	2027	Monthly	Trust Deed		Not applicable	N/A	69,757

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					<p>If default occurs in payment of any installment and is not cured before next installment date the unpaid balance of principal and interest become due and payable without notice. Payment among default must include the sums required to be paid in the event of any prepayment of debt. All costs of collection during default including attorney fees will be added to the principal balance of the note. Events of default that can potentially lead to all sums due immediately:</p> <p>Borrower defaults in the performance on any of its covenants or agreements in the loan or trust deed, any representation made to the Lender hat proves to be incorrect in any material respect when made, any authorization to comply with its obligation fails to be timely issued which interferes with compliance, borrower petitions for bankruptcy, reorganization, Borrower liquidates or dissolves, borrower effects a change of ownership or transfers interest in properties, borrower fails to terminate management agreement after request by Lender. Events of default can allow Lender to declare all sums owed this loan and other loan documents. Events of default include: Borrower fails to pay when due any sums payable under Note or any other Loan document, performance of obligations to cure failure in cure period provided, recording of any claim of lien on property (for more than 20 days), failure of any representation or warranty of Borrower in any of the Loan documents and continuation of failure for 10 days, material adverse change in financial condition of Borrower, voluntary bankruptcy, insolvency or dissolution, involuntary bankruptcy, material management or organization change in Borrower which Lender determines has a material adverse effect on the loan, the failure of the Deed of Trust to be a valid first lien upon property, discovery of any significant hazards materials on property, unsecured indemnity agreement</p> <p>Borrower fails to pay obligations under note when due within 10 days of due date, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with note, loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, may lead to Lender declaring all unpaid balance due immediately or foreclose by notice and sale on the property</p>			
Taylor Home	7.00 %	2029	Monthly	Deed of Trust		Not applicable	N/A	\$ 24,897
Ashcreek Commons	0.04	2034	Monthly	Deed of Trust		Not applicable	If Borrower fails to pay when due any sums payable or a Default occurs Lender may declare all sums owing immediately due and payable	1,266,376
Ainsworth Court	-	2052	Cash Flow	Subordination agreement to be secured by certain liens and encumbrances against the property, Lien on the land		Not applicable	N/A	978,453

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Ainsworth Court	4.77 %	2034	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing	If an event of default has occurred, the entire unpaid principal balance of the mortgage loan, any accrued interest, interest accruing at the default rate, the prepayment premium (if applicable) at the option of Lender shall be immediately due and payable without notice to Borrower. In addition Lender shall have rights and remediate including foreclosure on and/or the power of sale of the property. The following events are events of default: failure by Borrower to pay or deposit when due amounts required the Note or any other Loan document, failure of Borrower to maintain insurance coverage, failure by Borrower to maintain property as single asset status, any warranty or representation is false or inaccurate, fraud, gross negligence or will misconduct or material misrepresentation (including on financial statements, rent rolls or other report information, request from Lender in regards to disbursements from Replacement Account Funds), occurrence of any transfer not permitted by Loan Document, occurrence of a bankruptcy event, commencement of forfeiture action (whether civil or criminal) which could lead to forfeiture of the property or impair the lien on the property, any failure by Borrower to compete any repair related to fire, life or safety issues within terms of Loan agreement, and any exercise by the holder of any debt instrument secured by mortgage or deed on the property of a right to declare all amounts due immediately	Not applicable	If an event of default has occurred and is continuing the entire unpaid principal balance of the loan, any accrued interest, interest accruing at the default rate or prepayment premium (if applicable) and all other indebtedness at the option of Lender is immediately due and payable without prior written consent to Borrower.	\$ 1,622,742

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Madrona Apartments	5.31 %	2034	Monthly	Multifamily deed of trust, assignment of leases and rents, security agreement and fixture filing	If default has occurred, the unpaid principal balance of the mortgage loan, accrued int, int accruing at the default rate, prepayment premium (if applicable) at the option of Lender shall be immediately due & payable without notice. Lender shall have rights and remediate including foreclosure on and/or the power of sale of the property. The events of default are: failure by Borrower to pay or deposit when due amounts required the Note or any other Loan document, failure of Borrower to maintain insurance coverage, failure by Borrower to maintain property as single asset status, any warranty or representation is false or inaccurate, fraud, gross negligence or will misconduct or material misrepresentation (including on financial statements, rent rolls or other report information, request from Lender in regards to disbursements from Replacement Account Funds), occurrence of any transfer not permitted by Loan Document, occurrence of a bankruptcy event, commencement of forfeiture action (civil or criminal) leading to forfeiture of the property or impair the lien on the property, any failure by Borrower to complete any repair related to fire, life or safety issues within terms of Loan agreement, a right to declare all amounts due immediately. Failure to perform the covenants and conditions in trust deed shall give the option to declare the unpaid balance due on the Note immediately. If any material fact is not disclosed all indebtedness can be due and payable and the trust deed may be foreclosed on including the recouping of reasonable expenses such as attorney fees.	Not applicable	If an event of default has occurred and is continuing the entire unpaid principal balance of the loan, any accrued interest, interest accruing at the default rate or prepayment premium (if applicable) and all other indebtedness at the option of Lender is immediately due and payable without prior written consent to Borrower.	\$ 964,333
Kelly Place (Multnomah)	-	2046	Maturity Date	Trust deed	Events of default include: failure to pay any of the obligations of the loan before due date, the occurrence of a breach of covenant, agreement, condition, provision, representation or warranty contained in Trust Deed or any Loan documents, or a writ of execution or any similar process shall be issued against or any part or interest in the estate or any judgement involving monetary damages that become a lien on the property. In the case of these acceleration of all debt occurs and is immediately due and payable, lender can take possession of all or any part of the property, lender can foreclose the property and sale under applicable law. Lender can take over management, rents and revenues of the property	Not applicable	N/A	350,456
Rockwood Landing	-	2058	Maturity Date	Trust deed, security agreement, and fixture filing		Not applicable	N/A	150,000

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Gretchen Kafoury	3.00 %	2031	Maturity Date	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rent	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	\$ 2,664,000
Stephens Creek Crossing	-	2014	Converts to Grant	Pledge Agreement of Assets	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans results may lead to Lender declaring all unpaid balance due immediately	Not applicable	N/A	1,798,318
Hamilton West	3.00	2031	Monthly	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rent	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans , default by guarantors or failure to replace guarantor may lead to Lender declaring all unpaid balance due immediately	Not applicable	N/A	381,607
Hamilton West	-	Sale of Property	Cash Flow	Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rent	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan, agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans , default by guarantors or failure to replace guarantor may lead to Lender declaring all unpaid balance due immediately	Not applicable	N/A	2,039,641
Helen Swindells (Mpower)	6.00	2024	Monthly	Security interest in the Efficiency Measures, Memo of ESA	Events of default constitute: Non payment of debt payment, other non compliance of any other covenant under agreement or other loan documents (30 days to satisfy covenant), non compliance with governmental regulations, (30 days to cure), untruth of representations and warranties, default under other financing, bankruptcy, reorganization or dissolution, attachment (levied against all or part of the property), transfer of the project property without written consent of Lender can lead to Lender declaring all sums of note and other loan documents due and payable.	Not applicable	Lender may declare note due and payable in full if the following occur: sale or transfer by Borrower not approve by Lender, Borrower's failure to make any payment within 10 days of due date of payment, and other default or breach of any term in the Note or other Loan documents	7,954

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Rockwood Landing (Mpower)	6.00 %	2025	Monthly	Security interest in the Efficiency Measures, Memo of ESA	Events of default constitute: Non payment of debt payment, other non compliance of any other covenant under agreement or other loan documents (30 days to satisfy covenant), non compliance with governmental regulations, (30 days to cure), untruth of representations and warranties, default under other financing, bankruptcy, reorganization or dissolution, attachment (levied against all or part of the property), transfer of the project property without written consent of Lender can lead to Lender declaring all sums of note and other loan documents due and payable.	Not applicable	Lender may declare note due and payable in full if the following occur: sale or transfer by Borrower not approved by Lender, Borrower's failure to make any payment within 10 days of due date of payment, and other default or breach of any term in the Note or other Loan documents	\$ 11,918
Rockwood Landing	3.05	2029	Monthly	Deed of Trust, Security Agreement and Fixture Filing, Assignment of Leases and Rents	In any event representation or warranty shall be found untrue or performance of any obligation, term, covenant or warranty shall constitute default under the Note and Deed of Trust can declare all sums secured immediately due and payable Events of default: Monetary Default (failure to pay sums when due required under the Note), fraud or material misrepresentation in regards to i) loan application, ii) financial statement or rent, iii) the commencement of a forfeiture action or proceeding, iv) any material failure to perform or comply with any of its obligation under Security Instrument, v) failure to perform any HUD obligations under the Regulatory Agreement can lead to the immediate payment of unpaid principal and accrued interest Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	198,593
St. Francis LLC	3.38	2050	Monthly	Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing	Events of default: Monetary Default (failure to pay sums when due required under the Note), fraud or material misrepresentation in regards to i) loan application, ii) financial statement or rent, iii) the commencement of a forfeiture action or proceeding, iv) any material failure to perform or comply with any of its obligation under Security Instrument, v) failure to perform any HUD obligations under the Regulatory Agreement can lead to the immediate payment of unpaid principal and accrued interest Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	If a Monetary Event of Default occurs (and continues for 30 days) the entire unpaid principal balance, any accrued interest will become due & payable.	3,357,586
St Francis LLC	-	Sale of Property	Cash Flow	Trust Deed and Assignment of Leases	Events of default: Monetary Default (failure to pay sums when due required under the Note), fraud or material misrepresentation in regards to i) loan application, ii) financial statement or rent, iii) the commencement of a forfeiture action or proceeding, iv) any material failure to perform or comply with any of its obligation under Security Instrument, v) failure to perform any HUD obligations under the Regulatory Agreement can lead to the immediate payment of unpaid principal and accrued interest Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	5,194,028

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NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Sequoia Square	8.08 %	2031	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	\$ 444,971
Sequoia Square	3.99	2031	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	267,425
Sequoia Square	-	Sale of Property	Cash Flow	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	514,486
Lovejoy Station	3.00	2032	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Borrower fails to pay obligations under note when due within 10 days, failure to comply with covenants (cure within 30 days), fails to obtain lender's consent to transaction, failure to comply with loan agreement or trust deed, failure to pay general debts when due, failure to disclose material facts, default under other loans, default by guarantor or to replace guarantor, filing of bankruptcy, commencement of action against Borrower in regards to insolvency, bankruptcy, reorganization or liquidation results may lead to Lender declaring all unpaid balance due immediately or foreclose on the property	Not applicable	N/A	1,420,734

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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
The Alexis	2.78 %	2040	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Events of default include: failure to pay principal or interest on debt when (within 5 days of due date), the trust estate or any portion is transferred in violation of sale or increase in interest rate on sale, failure to perform or comply with any other covenant in Deed of Trust (fails to cure within 30 days), writ of execution or attachment is levied against the property or any judgement involving monetary damages against property and a lien is placed on the property, event of default within the Loan agreement occurs, breach or default under any mortgage, trust deed or lien on the property that is either senior or subordinate to the Trust Deed can lead to entire indebtedness becoming immediately due and payable or the right to foreclose by judicial foreclosure on the property or a trustee will be designated to sell property. Default includes: Default in the performance of any of its covenants or agreements in any loan document, any representation to current or historical information in regards to certificate, notice report or financial statement that is incorrect in any material respect, any authorization now or hereafter necessary to enable Borrower to comply with obligations under the Trust Deed or Note fails to be timely issued or granted, Borrower becomes bankrupt, insolvent, winding up or reorganization, Borrower receives a proceeding in court for liquidation, dissolution or the readjustment of debts, Borrower effects a change of ownership or transfers any interest without prior written consent, Borrower fails to terminate Property management agreement after request of Lender or makes new satisfactory arrangements for a new management agent which allows Lender to declare all or any portion of debt immediately due and payable, the Lender can take possession of the property and collect rents, the Lender will be empowered to foreclose on Property and sell the Property.	Not applicable	N/A	\$ 4,866,533
Gateway Park	5.10	2033	Monthly	Trust Deed, security agreement, assignment of leases and rents and fixture filing	Event of default: maker fails to pay all or any other portion due within 10 days after written notice, makers fails to pay the outstanding balance on maturity date, event of default defined under deed of trust.	Not applicable	N/A	3,898,497
4720 North Maryland	-	2026	Monthly	Deed of trust	Event of default: maker fails to pay all or any other portion due within 10 days after written notice, makers fails to pay the outstanding balance on maturity date, event of default defined under deed of trust.	Not applicable	N/A	3,847,685

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
4720 North Maryland	5.25 %	2023	Monthly	Deed of trust	Events of default include: Non Payment- Failure to pay any installment, other non-compliance (failure to comply with any other covenant of Agreement or other Loan Documents, non compliance with governmental regulations, other material breach, seizure of collateral, untruth of representations and warranties, changed financial condition, bankruptcy, reorganization or dissolution, attachment, transfer, failure to comply with timeline). Under the occurrence of default, entire loan may due or exercise of any other remedy permitted in agreement. Events of default include: failure to pay any amount within 15 days of due date, other non-compliance (failure to comply with any other covenant of Agreement or other Loan Documents, non compliance with governmental regulations, other material breach, material portion of the property is condemned or seized). Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	\$ 495,000
Haven	3.93	2036	Monthly	Deed of Trust with assignment of leases and rents, security agreement, and fixture filing	Events of default include but are not limited to: failure to pay any sum of money in accordance with the Note, failure to comply with any covenants, executing an assignment for the benefit of creditors or take any action in furtherance thereof or admit in writing an inability to pay debts generally as they become due, default under or acceleration of any indebtedness secured by any other trust deed, security interest, or assignment which covers or affects any part of the property. a levy which is not permanently dismissed or discharged within thirty days, discovery that any representation or warranty made in any of the loan documents is false, misleading, erroneous, or breached in any material respect, and failure to commence construction within ninety days of the loan agreement. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	708,426
Cecelia	3.00	2059	Maturity Date	Trust Deed	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, all or any material portion of the property is condemned, seized, or appropriated by any governmental agency, or a material adverse change in the financial condition of the borrower or its general partner. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	527,726
Woolsey	2.75	2038	Monthly	Deed of Trust	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, all or any material portion of the property is condemned, seized, or appropriated by any governmental agency, or a material adverse change in the financial condition of the borrower or its general partner. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	584,239

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 11 NOTES PAYABLE (CONTINUED)

Property	Interest Rate	Final Maturity Date*	Payment Terms	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Woolsey	3.18 %	2038	Monthly	Deed of Trust	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, all or any material portion of the property is condemned, seized, or appropriated by any governmental agency, or a material adverse change in the financial condition of the borrower or its general partner. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	\$ 611,089
Woolsey	6.75	2038	Monthly	Deed of Trust	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, all or any material portion of the property is condemned, seized, or appropriated by any governmental agency, or a material adverse change in the financial condition of the borrower or its general partner. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	387,858
The Jeffrey	-	2068	Maturity Date	Trust Deed	Events of default include: failure to pay any obligations under note when due, failure to comply with covenants, failure to obtain lender's consent to transaction, failure to disclose material facts, default under other loans, or discontinued construction. Default may result in the lender declaring the note immediately due and payable, or in foreclosure.	Not applicable	N/A	8,601,712
New Market West	6.35	2038	Monthly	Deed of Trust	Events of default include: failure to make any payment when due, making false or misleading statements, default in favor of any third party which may materially affect ability to perform under this Deed of Trust, and insolvency. Default may result in the lender declaring the note immediately due and payable.	Not applicable	N/A	2,474,920
								<u>83,270,066</u>
								Less: Current Portion of Notes Payable
								<u>(6,218,504)</u>
								Total Notes Payable - Long-Term
								<u>\$ 77,051,563</u>

(*) Note: Calendar Year of Final Maturity Date

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 11 NOTES PAYABLE (CONTINUED)

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

A summary of activity of Home Forward's notes payable for the year ended December 31, 2023 is as follows:

	Balance January 1, 2023	Increase	Decrease	Balance December 31, 2023
Notes Payable	<u>\$ 72,363,055</u>	<u>\$ 14,515,760</u>	<u>\$ (3,608,748)</u>	<u>\$ 83,270,067</u>

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 6,218,504	\$ 25,672
2025	3,298,763	24,515
2026	5,488,038	23,276
2027	2,269,099	21,952
2028	2,250,387	20,535
2029 - 2033	15,086,961	4,468,402
2034 - 2038	6,567,615	2,674,051
2039 - 2043	7,648,045	1,520,657
2044 - 2048	3,695,959	266,007
2049 - 2053	1,316,636	8,761
2054 - 2058	150,000	-
2059	527,726	-
Total	<u>54,517,733</u>	<u>9,053,828</u>
Notes With No Set Maturity	28,752,334	-
Total	<u>\$ 83,270,067</u>	<u>\$ 9,053,828</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 12 BONDS PAYABLE

Bonds payable of Home Forward, which are secured by mortgages on the respective properties, consist of the following as of December 31, 2023:

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Dawson Park 2012	Fixed	3.37%	2027	Pledge of all legal available revenues of the Project, b) moneys on deposit in a loan reserve fund, c) moneys on deposit in a debt service reserve fund, d) general revenues of Home Forward not previously or subsequently pledge to a specific purpose and legally available. Deed of trust with a security interest in the land and improvement which encompasses the Project.	Events of default include: default in the due debt payment, failure of the Property to perform any other covenant, agreement or obligation under Loan agreement or regulatory agreement, event of default under the Deed of Trust, filing of a petition in voluntary bankruptcy or reorganization, insolvency, involuntary bankruptcy, dissolution or liquidation which can lead to the Authority to declare the entire balance due and payable immediately, the Authority may foreclose the Deed of Trust and Authority may recover monetary damages caused by such violation.	Not applicable	Not applicable	\$ 508,654
Pearl Court	Fixed	4.50	2037	Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	1,700,000
Gretchen Kafoury	Fixed	4.00	2035	Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	3,275,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 12 BONDS PAYABLE (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Hamilton West	Fixed	4.00%	2031	Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents. Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	\$ 2,815,000
Yards at Union Station	Fixed	4.85	2040	Leasehold Trust Deed, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents. Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	2,405,000
Lovejoy Station	Fixed	1.45	2052	Leasehold Trust Deed, Assignment of Rents and Leases, Security Agreement and Fixture Filing	Events of default include: failure to make any payment when due under the Loan documents (10 days to cure), failure to perform any covenant, agreement or obligation under any of the Loan documents (not cured within 60 days), filing of the Borrower of a petition of bankruptcy can lead to the declaration any or all indebtedness secured by the Trust Deed to be due and payable immediately, bring court action to enforce the provisions of Trust Deed or any of the indebtedness or obligations secured by the Trust Deed, foreclose the Trust Deed as a mortgage, cause any or all of the property to be sold under power of sale, elect its rights with respect to Leases and Rents.	Not applicable	Not applicable	6,195,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 12 BONDS PAYABLE (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
					Events of default include the following: default in the due and punctual payment of the principal or premium or interest on any Bond when due, failure to pay the purchase price of any variable rate bond tendered when such payment is due, default by the Authority in the observance of any other covenants, agreements (including ground lease and mixed finance amendment) or conditions in the indenture, loan agreement or the bonds (not cured within 60 days) can lead to the acceleration of the bonds including principal and interest accrued due immediately, foreclosure of the deed of trust and power sale.		If any Event of Default occurs the Trustee shall be entitled to upon written notice to the Authority, the Bank, the Remarketing agent and the partnership or the owners of a majority in aggregate principal of the bonds at the time outstanding is entitled to declare the principal of all of the bonds then outstanding and the interest accrued due payable and immediately.	
Cecelia	Variable	- %	2037	Line of Credit Commercial Deed of Trust, Assignment, Security Agreement and Fixture filing		Not applicable		\$ 2,770,000
					Events of default include the following: default in the due and punctual payment of the principal or premium or interest on any Bond when due, failure to pay the purchase price of any variable rate bond tendered when such payment is due, default by the Authority in the observance of any other covenants, agreements or conditions in the indenture, loan agreement or the bonds (not cured within 60 days) can lead to the acceleration of the bonds including principal and interest accrued due immediately.		If any Event of Default occurs the Trustee shall be entitled to upon written notice to the Authority, the Bank, the Remarketing agent and the partnership or the owners of a majority in aggregate principal of the bonds at the time outstanding is entitled to declare the principal of all of the bonds then outstanding and the interest accrued due payable and immediately.	
Trouton	Variable	-	2035	Line of Credit Commercial Deed of Trust, Assignment, Security Agreement and Fixture filing		Not applicable		4,210,000

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 12 BONDS PAYABLE (CONTINUED)

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Termination Events with Finance Related Consequences	Subjective Acceleration Clauses	Balance
					Events of default include the following: default in the due and punctual payment of the principal or premium or interest on any Bond when due, failure to pay the purchase price of any variable rate bond tendered when such payment is due, default by the Authority in the observance of any other covenants, agreements or conditions in the indenture, loan agreement or the bonds (not cured within 60 days) can lead to the acceleration of the bonds including principal and interest accrued due immediately.		If any Event of Default occurs the Issuer shall have the right to direct the Trustee to declare all outstanding bonds immediately due and payable.	
Humboldt Gardens	Fixed	6.17%	2039	Trust Indenture		Not applicable		\$ 735,000
					Total			24,613,654
					Less: Current Portion of Bonds Payable			(1,829,181)
					Total			22,784,473
					Plus Unamortized Premiums			181,853
					Less: Unamortized Discounts			(67,182)
					Total Long-Term Bonds Payable			<u>\$ 22,899,144</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 12 BONDS PAYABLE (CONTINUED)

A summary of activity of Home Forward's bonds payable for the year ended December 31, 2023 is as follows:

	Balance January 1, 2023	Draws	Repayments	Balance December 31, 2023
Bonds Payable	<u>\$ 28,223,260</u>	<u>\$ 735,000</u>	<u>\$ (4,344,606)</u>	<u>\$ 24,613,654</u>

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

<u>Year Ending December 31,</u>	Principal	Interest
2024	\$ 1,829,181	\$ 723,109
2025	1,913,911	630,480
2026	1,993,802	553,973
2027	2,001,268	482,342
2028	1,545,492	414,163
2029-2033	6,725,000	1,370,601
2034-2038	8,540,000	180,594
2039	65,000	2,141
Total	<u>\$ 24,613,654</u>	<u>\$ 4,357,403</u>

NOTE 13 BONDS PAYABLE AND NOTES RECEIVABLE – PARTNERSHIPS

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

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

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Civic Redevelopment Limited Partnership	Variable	0.09%	2038	Multifamily Mortgage, Assignment of Rents and Security Agreement	Events of default: failure to pay the principal or purchase price or, premium if any or interest on any bond when due, failure by the credit facility provider to make when due a requirement payment under the credit facility, failure to overserve or perform any of the covenants, agreements or conditions on the part of the Authority in the indenture or in the bonds and continues for 30 days can lead to the acceleration of the declaration the principal of all bonds then outstanding and interest accrued immediately due and payable. Events of default: payment obligation failure, transfer of any or all part of property not included in the trust deed, failure to perform or comply with any obligations in trust deed (and not cured for 30 days), an event of default under the note or loan agreement, change in zoning or public restriction in regards to the use of the property if it would be in violation of zoning ordinance or regulation, default under any lease, default under any other mortgage, deed of trust or security agreement covering the property or an execution or attachment is levied against the property and is not discharged or stayed within 30 days of being levied can lead to acceleration of all obligations becoming due and payable without notice of default or acceleration, the property can be foreclosed upon and the power of sale can be enacted. A judicial action can be submitted for foreclosure of the Deed of Trust. In the event of default, collection of rents can be assumed by Lender.	In the event of default, the entire unpaid principal balance, accrued int and all other amounts payable shall be at once become due and payable at the option of the Lender, without prior notice to the Borrower	\$ 7,800,000
Stephens Creek Crossing North LP	Fixed	4.56	2031	Line of Credit Construction Leasehold Deed of Trust, Assignment, Security Agreement and Fixture Filing		In the event of default all obligations shall become due and payable without notice of default, notice of acceleration or intention to accelerate. The property can be foreclosed upon and the power of sale can be enacted. A judicial action can be submitted for foreclosure of the Deed of Trust and collection of rents can be assumed by Lender.	2,590,754

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Subjective Acceleration Clauses	Balance
West's Limited Partnership	Fixed	4.18%	2052	Revenues and receipts therefrom and the security therefore (including the Security Instrument) and the amounts on deposit from time to time in any and all funds established under the Funding Loan Agreement	Events of default: failure by the Borrower to pay any Borrower Loan Payment on the date such payment is due, failure by or behalf of Borrower to pay when due any amount required to be paid under any of the other funding loan documents, an Event of Default as defined by any other Funding Loan Document, any representation made by Borrower, the General Partner or Guarantor in any Funding Loan Document or in any report, certificate, financial statement or other instrument, agreement or document by the Borrower that is false or misleading in any material respect, the Borrower makes a general assignment for the benefit of credits or shall generally not be paying its debt as they become due, bankruptcy, any portion of the Borrower required equity to be made by the Equity investor is not received, failure to comply with ERISA, any material litigation or proceeding against the Borrower, the General Partner or the Guarantor or the property, if a final judgement is issued for monetary damages in excess of \$50,000 is not paid and discharged prior to completion date, a failure to pay when due any monetary obligation to any Person in excess of \$100,000 and such failure continues beyond the expiration of any grace period, a final and un-appealable and uninsured money judgment in favor of any other person other than a governmental authority in the aggregate sum of \$50,000 or more against Borrower, the general partner or the guarantor that is not paid prior to completion date, the inability of the Borrower to satisfy any condition for the receipt of a Disbursement and failure to resolve, construction or rehabilitation is abandoned or halted prior to the completion date (as long as not caused by unforeseeable conditions such as acts fire, strikes, disruption of shipping acts of terrorism), Borrower fails to keep in force and effect any material permit, license, consent or approval required under the loan agreement, failure to substantially complete the construction or rehab on or prior to the substantial completion date, failure of Borrower to satisfy conditions to conversion or before the conversion date, failure by any subordinate lender to disburse the proceeds of its subordinate loan, an Event of Default occurs under any of subordinate loan documents, any failure by the Borrower to perform or comply with any of its obligations under the loan agreement (and continues for 30 days), a seizure or forfeiture of the property can lead to declaring the borrower payment obligations to be immediately due and payable including prepayment	Event of default can make all borrower payment obligations immediately due and payable including the prepayment premium	\$ 12,211,242

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Woods East Limited Partnership	Fixed	4.18%	2052	Revenues and receipts therefrom and the security therefore (including the Security Instrument) and the amounts on deposit from time to time in any and all funds established under the Funding Loan Agreement	Events of default: failure by the Borrower to pay any Borrower Loan Payment on the date such payment is due, failure by or behalf of Borrower to pay when due any amount required to be paid by Borrower under any of the other funding loan documents, an Event of Default as defined by the Borrower note, the Security Instrument or any other Funding Loan Document, any representation made by Borrower, the General Partner or Guarantor in any Funding Loan Document or in any report, certificate, financial statement or other instrument, agreement or document by the Borrower that is false or misleading in any material respect, the Borrower makes a general assignment for the benefit of credits or shall generally not be paying its debt as they become due, bankruptcy, any portion of the Borrower required equity to be made by the Equity investor is not received, failure to comply with ERISA, any material litigation or proceeding against the Borrower, the General Partner or the Guarantor or the property, if a final judgement is issued for monetary damages in excess of \$50,000 is not paid and discharged prior to completion date, a failure to pay when due any monetary obligation to any Person in excess of \$100,000 and such failure continues beyond the expiration of any grace period, a final and un-appealable and uninsured money judgment in favor of any other person other than a governmental authority in the aggregate sum of \$50,000 or more against Borrower, the general partner or the guarantor that is not paid prior to completion date, the inability of the Borrower to satisfy any condition for the receipt of a Disbursement and failure to resolve, construction or rehabilitation is abandoned or halter prior to the completion date (as long as not caused by unforeseeable conditions such as acts fire, strikes, disruption of shipping acts of terrorism), Borrower fails to keep in force and effect any material permit, license, consent or approval required under the loan agreement, failure to substantially complete the construction or rehab on or prior to the substantial completion date, , failure of Borrower to satisfy conditions to conversion or before the conversion date, failure by any subordinate lender to disburse the proceeds of its subordinate loan, an Event of Default occurs under any of subordinate loan documents, any failure by the Borrower to perform or comply with any of its obligations under the loan agreement (and continues for 30 days), a seizure or forfeiture of the property can lead to declaring the borrower payment obligations to be immediately due and payable including prepayment premium	Event of default can make all borrower payment obligations immediately due and payable including the prepayment premium	\$ 14,459,387

HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

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

Property	Bond Type	Interest Rate	Final Maturity Year	Assets Pledged as Collateral	Events of Default with Finance Related Consequences	Subjective Acceleration Clauses	Balance
Square Manor Limited Partnership	Fixed	4.25%	2035	Leasehold Trust Deed, Security Agreement, Assignment of Leases and Rents and Fixture Filing	Events of default: borrower fails to make any payment within 10 days when due, borrower fails to comply with or perform when due any other term, obligation, covenant, or condition contained in the note, borrower makes representation that is false or misleading in any material way, borrower dissolves or becomes insolvent or bankrupt, any creditor tries to take any of property on or in which lender has a lien or security interest, any guarantor of the note seeks to limit/modify/ revoke such guarantor's guaranty with Lender can lead interest rate increase of 4% per annum in excess of the interest rate otherwise than in effect of 18% per annum whichever is greater and lead to the balance of unpaid principal and accrued interest immediately due and payable. Event of default of one or more of the following: failure to pay an installment of interest or principal within 30 days of due date; any of the covenants, provisions, terms and conditions of the loan document not fully cured within the period of time therein. In the event of default, the entire unpaid balance of principal shall bear the interest rate of 12% per annum until paid in full.	Not applicable	\$ 3,900,161
3000 Powell	Fixed	2.20	2025	Secured by leasehold interest in the property	Events of default include any representation made by the borrower is incorrect; failure to pay any amounts due; borrower fails to observe or perform any other term, covenant, condition or agreement set forth in the Project Loan Agreement. Default rate as applicable 5% per annum or the maximum interest rate allowable by law. If principal and accrued interest are not paid in full on maturity date, unpaid balances shall accrue at the default rate.	Not applicable	29,043,211
Dekum Court	Fixed	7.08	2024	Leasehold Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing	Events of default include any representation made by the borrower is incorrect; failure to pay any amounts due; borrower fails to observe or perform any other term, covenant, condition or agreement set forth in the Project Loan Agreement. Default rate as applicable 5% per annum or the maximum interest rate allowable by law. If principal and accrued interest are not paid in full on maturity date, unpaid balances shall accrue at the default rate.	Default may result in the lender declaring the Project Loans to be immediately due and payable.	14,335,000
Dekum Court	Fixed	7.18	2026	Leasehold Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing	Events of default include any representation made by the borrower is incorrect; failure to pay any amounts due; borrower fails to observe or perform any other term, covenant, condition or agreement set forth in the Project Loan Agreement. Default rate as applicable 5% per annum or the maximum interest rate allowable by law. If principal and accrued interest are not paid in full on maturity date, unpaid balances shall accrue at the default rate.	Default may result in the lender declaring the Project Loans to be immediately due and payable.	1,582,574
GPT Limited Partnership	Variable	-	2027	Security Instrument, the Pledged Security and other security provided by it for the Project Loans	Events of default include any representation made by the borrower is incorrect; failure to pay any amounts due; borrower fails to observe or perform any other term, covenant, condition or agreement set forth in the Project Loan Agreement.	Default may result in the lender declaring the Project Loans to be immediately due and payable.	16,160,210
Total							102,082,539
Less: Current Portion of Bonds Payable							(14,961,694)
Total Bonds Payable and Notes Receivable - Partnerships							<u>\$ 87,120,845</u>

*For the variable rate debt, the December 31, 2023, interest rate, as provided above, was used for the future interest calculation.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

A summary activity of Home Forward's bonds payable at December 31, 2023 is as follows:

	Balance January 1, 2023	Draws	Repayments	Balance December 31, 2023
Bonds Payable	<u>\$ 52,227,175</u>	<u>\$ 50,456,133</u>	<u>\$ (600,769)</u>	<u>\$ 102,082,539</u>

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 14,961,694	\$ 1,396,173
2025	29,696,950	1,368,686
2026	2,264,526	1,340,009
2027	16,871,597	1,310,088
2028	742,087	1,278,871
2029 - 2033	5,888,733	5,684,794
2034 - 2038	7,141,920	4,120,883
2039 - 2043	12,764,629	3,001,317
2044 - 2048	6,116,410	1,849,526
2049 - 2053	5,633,993	473,211
Total	<u>\$ 102,082,539</u>	<u>\$ 21,823,558</u>

NOTE 14 RETIREMENT PLANS

Plan Descriptions

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

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 14 RETIREMENT PLANS (CONTINUED)

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

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

The total pension and OPEB liabilities based on the December 31, 2021 actuarial valuation were determined using the following actuarial assumptions:

Valuation Date:	December 31, 2021
Measurement Date:	June 30, 2023
Experience Study Report:	2020, published July 20, 2021
Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Inflation	2.40%
Long-term expected rate of return	6.90%
Discount Rate	6.90%
Projected Salary Increases	3.40%
Cost-of-living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality:	<p>Health Retirees and Beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled Retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 14 RETIREMENT PLANS (CONTINUED)

Long-Term Expected Rate of Return

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

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

NOTE 15 PENSION

PERS Pension (Defined Benefits)

Home Forward is a participant of the PERS pension program. PERS benefits, as described by the PERS 2023 Comprehensive Annual Financial Report are as follows:

Pension Benefits

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 15 PENSION (CONTINUED)

PERS Pension (Defined Benefits) (Continued)

Pension Benefits (Continued)

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

Death Benefits

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

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

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

Disability Benefits

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

Benefit Changes after Retirement

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 15 PENSION (CONTINUED)

OPSRP Pension Programs

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

OPSRP Pension Benefits (Defined Benefit)

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

General Service

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

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

Death Benefits

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

Disability Benefits

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

OPSRP Individual Account Program (Defined Contribution)

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 15 PENSION (CONTINUED)

OPSRP Pension Programs (Continued)

Death Benefits

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

Risk Pooling

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

Funding Status

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

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

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

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

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

The amount contributed by Home Forward for the year ended December 31, 2023 was approximately \$6,269,444 which represents the required contributions for both the employee and the employer for the year presented.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 15 PENSION (CONTINUED)

Net Pension Assets and Liabilities

At December 31, 2023, Home Forward reported a liability of \$35,290,351 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. Home Forward's proportion of the net pension liability was based on a projection Home Forward's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, Home Forward's proportion was 0.18840928%, which increased from its proportion of 0.18449827% measured as of June 30, 2022.

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

For the year ended December 31, 2023, Home Forward recognized pension expense of \$1,689,549 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 3,269,724	\$ -
Net Differences Between Expected and Actual Experience	1,725,806	139,929
Changes in Assumptions	3,134,986	23,375
Net Differences Between Projected and Actual Earnings on Plan Investments	634,312	-
Changes in Proportion	4,490,341	-
Difference Between the Employer's Contributions and the Employer's Proportion Share of Contributions	40,768	2,613,936
Total	<u>\$ 13,295,937</u>	<u>\$ 2,777,240</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 15 PENSION (CONTINUED)

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

The amount of \$3,269,724 reported as of the year ended December 31, 2023 as deferred outflow of resources related to pensions resulting from Home Forward contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	Deferred Outflows (Inflows) of Resources
2024	\$ 1,462,825
2025	(168,517)
2026	4,253,747
2027	1,571,975
2028	128,943
Total	<u>\$ 7,248,973</u>

Discount Rate

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

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Net Pension Liability (Asset)	<u>\$ 58,293,015</u>	<u>\$ 35,290,351</u>	<u>\$ 16,039,559</u>

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

The balance of PERS payable as of the year ended December 31, 2023 was \$266,944. This balance is recorded in other accrued liabilities on the statement of net position.

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Retirement Health Insurance Account (RHIA)

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

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

Employer contributions are advance funded on an actuarially determined basis and amounted to \$27,301 for the year ended December 31, 2023. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in health care costs. Participating employees are contractually required to contribute to RHIA at a rate assessed each year by PERS, currently 0.50% of annual covered PERS payroll and 0.00% of OPSRP payroll. The PERS board sets the employer contribution rate based on creditable compensation for active members reported by employers. Effective March 31, 2018, Home Forward adopted GASB Statement No. 75 where Home Forward recognizes a liability as the employees earn benefits by providing services. Changes to OPEB liability are recognized immediately as OPEB expenses or deferred outflows/inflows of resources.

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

At December 31, 2023, Home Forward reported an asset of \$508,268 for its proportionate share of the collective net OPEB asset. The collective net OPEB asset was measured as of June 30, 2023, and the total OPEB asset used to calculate the collective net OPEB asset was determined by an actuarial valuation as of December 31, 2021, rolled forward to June 30, 2023. Home Forward's proportion of the collective net OPEB assets was based on a projection of Home Forward's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At the June 30, 2023 measurement date, Home Forward's proportion was 0.15691889%, which increased from its proportion measured as of June 30, 2022 (0.11964643%).

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

For the year ended December 31, 2023, Home Forward recognized a decrease in OPEB expense of \$58,827 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contribution Subsequent to Measurement Date	\$ 23,570	\$ -
Differences Between Expected and Actual Experience	-	12,760
Changes in Assumptions	-	5,480
Net Differences Between Projected and Actual Earning on Plan Investments	1,441	-
Changes in Proportionate Share	31,687	18,926
Total	<u>\$ 56,698</u>	<u>\$ 37,166</u>

The amount of \$23,570 reported for the year ended December 31, 2023 as deferred inflow of resources related to OPEB resulting from Home Forward contributions subsequent to the measurement date will be recognized as an increase in the net OPEB asset in the year ended December 31, 2024. Other amounts reported as deferred outflow and inflow of resources related to OPEB will be recognized in Home Forward's OPEB expense as follows:

<u>Year Ending December 31,</u>	Deferred Outflows (Inflows) of Resources
2024	\$ (17,757)
2025	(11,800)
2026	18,784
2027	6,735
Total	<u>\$ (4,038)</u>

Discount Rate

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

The following presents Home Forward's proportionate share of the collective net OPEB asset, as well as what Home Forward's proportionate share of the collective net OPEB asset at the measurement date June 30, 2023 would be if it were calculated using a discount rate that is 1% lower (5.90%) or 1% higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Rate (6.90%)	1% Increase (7.90%)
Net OPEB Asset	<u>\$ (462,016)</u>	<u>\$ (508,268)</u>	<u>\$ (547,951)</u>

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

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

As Home Forward pays none of the premiums of health insurance coverage for retirees from age 58 to 65, Home Forward has not established and does not intend to establish a trust fund to supplement the costs for other post-employment benefit obligation related to this implicit benefit. Home Forward's regular health care benefit providers underwrite the retirees' policies. Retirees may not convert the benefit into an in lieu of payment to secure coverage under independent plans. At December 31, 2023 there were nine retirees and/or surviving spouses receiving the post-employment implicit healthcare benefits.

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

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

As of the year ended December 31, 2023, Home Forward reported a total OPEB liability of \$945,360 for its implicit benefit subsidy based on a measurement date of December 31, 2023.

HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

The following table shows the changes in the total OPEB liability for the year ended December 31, 2023:

	Total OPEB Liability
Balance - Beginning of Year	\$ 890,571
Benefit Payments	(44,322)
Service Cost	66,813
Interest on Total OPEB Liability	32,298
Change in Assumptions	-
Experience (Gain) Loss	-
Balance - End of Year	<u>\$ 945,360</u>

For the year ended December 31, 2023, Home Forward recognized OPEB revenue of \$36,974 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 33,268	\$ 128,907
Changes of Assumptions or Other Inputs	80,105	423,294
Total	<u>\$ 113,373</u>	<u>\$ 552,201</u>

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

<u>Year Ending December 31,</u>	Deferred Inflows of Resources - OPEB HBRP
2024	\$ (91,770)
2025	(91,770)
2026	(91,163)
2027	(61,708)
2028	(46,924)
All Subsequent Years	(55,493)
Total	<u>\$ (438,828)</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Actuarial Methods and Assumptions for Implicit Benefit Subsidy

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

Valuation Date:	December 31, 2022
Measurement Date:	December 31, 2022
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market value of assets
Interest Discount Rate:	3.72% per year
Kaiser Medical Cost Annual Trend Rate:	5% in all future years.
Providence Medical Cost Annual Trend Rate:	6% initial increase, reducing to 5% over 2 years.
Dental Cost Annual Trend Rate:	3% in all future years.
Mortality Rates:	Rates of mortality for active male employees are 75% of the male generational rates and rate of mortality for active female employees are 60% of the female generational rates.
Inflation Rate:	2.5% in all future years.
Salary Scale:	3.5% in all future years.

Long-Term Expected Rate of Return

The 3.72% discount rate assumption is the December 31, 2022 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer. This discount rate represents the long-term investment yield on Home Forward's assets.

Sensitivity of Total OPEB Liability to Changes in the Discount Rates

The following presents what Home Forward's total OPEB liability at December 31, 2023 would be if it were calculated using a discount rate that is 1% lower (2.72%) or 1% higher (4.72%) than the current rate:

	1% Decrease (2.72%)	Current Rate (3.72%)	1% Increase (4.72%)
OPEB Liability	<u>\$ 1,019,233</u>	<u>\$ 945,360</u>	<u>\$ 877,043</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 16 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

The following presents what Home Forward's total OPEB liability at December 31, 2023 would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current health care cost trend rates.

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
OPEB Liability	<u>\$ 844,504</u>	<u>\$ 945,360</u>	<u>\$ 1,064,403</u>

NOTE 17 DEFERRED COMPENSATION PLAN

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 18 BLENDED COMPONENT UNITS

The condensed statements of net position of the blended component units are as follows as of December 31, 2023:

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	Eliminations	Total
Assets													
Current Assets	\$ 4,950,677	\$ 2,653,288	\$ 596,604	\$ 1,066,572	\$ 310,129	\$ 4,800	\$ -	\$ 1,579,279	\$ 1,876,090	\$ 2,917,433	\$ 1,199,578	\$ 24,430	\$ 17,178,880
Noncurrent Assets	37,030,272	1,000,000	-	-	-	-	-	-	-	-	-	-	38,030,272
Capital Assets	-	-	-	6,819,608	3,310,039	-	-	6,435,085	6,757,631	15,690,470	15,362,126	3	54,374,962
Total Assets	<u>\$ 41,980,949</u>	<u>\$ 3,653,288</u>	<u>\$ 596,604</u>	<u>\$ 7,886,180</u>	<u>\$ 3,620,168</u>	<u>\$ 4,800</u>	<u>\$ -</u>	<u>\$ 8,014,364</u>	<u>\$ 8,633,721</u>	<u>\$ 18,607,903</u>	<u>\$ 16,561,704</u>	<u>\$ 24,433</u>	<u>\$ 109,584,114</u>
Liabilities													
Current Liabilities	\$ 739,244	\$ 1,434,248	\$ -	\$ 274,561	\$ 715,382	\$ 4,800	\$ -	\$ 439,340	\$ 267,336	\$ 453,634	\$ 190,968	\$ 2,468,825	\$ 6,988,338
Noncurrent Liabilities	-	-	-	8,473,399	3,588,441	-	-	3,297,726	1,501,696	4,010,000	705,000	-	21,576,262
Total Liabilities	<u>739,244</u>	<u>1,434,248</u>	<u>-</u>	<u>8,747,960</u>	<u>4,303,823</u>	<u>4,800</u>	<u>-</u>	<u>3,737,066</u>	<u>1,769,032</u>	<u>4,463,634</u>	<u>895,968</u>	<u>2,468,825</u>	<u>28,564,600</u>
Net Position													
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted	41,241,705	2,219,040	596,604	(861,780)	(683,655)	-	-	4,277,298	6,864,689	14,144,269	15,665,736	(2,444,392)	81,019,514
Total Net Position	<u>41,241,705</u>	<u>2,219,040</u>	<u>596,604</u>	<u>(861,780)</u>	<u>(683,655)</u>	<u>-</u>	<u>-</u>	<u>4,277,298</u>	<u>6,864,689</u>	<u>14,144,269</u>	<u>15,665,736</u>	<u>(2,444,392)</u>	<u>81,019,514</u>
Total Liabilities and Net Position	<u>\$ 41,980,949</u>	<u>\$ 3,653,288</u>	<u>\$ 596,604</u>	<u>\$ 7,886,180</u>	<u>\$ 3,620,168</u>	<u>\$ 4,800</u>	<u>\$ -</u>	<u>\$ 8,014,364</u>	<u>\$ 8,633,721</u>	<u>\$ 18,607,903</u>	<u>\$ 16,561,704</u>	<u>\$ 24,433</u>	<u>\$ 109,584,114</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 18 BLENDED COMPONENT UNITS (CONTINUED)

The condensed statements of revenues, expenses, and changes in net position of the blended component units are as follows for the year ended December 31, 2023:

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	Eliminations	Total
Operating Revenues													
Dwelling Rental	\$ -	\$ -	\$ -	\$ 930,521	\$ 1,625,532	\$ -	\$ -	\$ 1,689,866	\$ 1,164,356	\$ 3,436,425	\$ 126,521	\$ -	\$ 8,973,221
Nondwelling Rental	-	-	-	136,465	2,687	-	-	-	-	-	671	-	139,823
HUD operating subsidies	-	-	-	449	-	-	-	-	-	-	-	-	449
Other	-	998,299	133,457	15,767	11,589	28,800	-	41,157	5,105	40,219	425	-	1,274,818
Total Operating Revenues	-	998,299	133,457	1,083,202	1,639,808	28,800	-	1,731,023	1,169,461	3,476,644	127,617	-	10,388,311
Operating Expenses													
Administration	484,163	348,388	23,970	119,709	244,555	-	-	469,448	298,870	680,111	7,021	-	2,676,235
Tenant Services	-	-	-	-	21,192	-	-	10	3	10	-	-	21,215
Program Expense	-	-	-	161,950	122,113	-	-	91,497	68,783	135,645	16,848	-	596,836
Utilities	-	-	-	178,999	442,697	-	-	345,703	232,276	757,898	31,250	-	1,988,823
Maintenance	-	1,548,000	-	249,949	518,594	-	-	310,817	214,547	599,166	44,612	-	3,485,685
Depreciation	-	-	-	188,768	339,820	-	-	725,594	676,090	1,610,044	1,094,142	-	4,634,458
General and Other	-	1,232	448	125,794	184,654	28,800	-	227,799	170,729	456,091	32,097	-	1,227,644
Total Operating Expenses	484,163	1,897,620	24,418	1,025,169	1,873,625	28,800	-	2,170,868	1,661,298	4,238,965	1,225,970	-	14,630,896
Operating Income (Loss)	(484,163)	(899,321)	109,039	58,033	(233,817)	-	-	(439,845)	(491,837)	(762,321)	(1,098,353)	-	(4,242,585)
Nonoperating Revenues (Expenses)													
Investment Income	103,391	2,090,091	7,225	2,672	2,374	-	-	33,117	6,967	58,037	6,601	(1,207,490)	1,102,985
Interest Expense	-	-	-	(123,296)	(206,381)	-	-	(15,230)	(47,473)	(133,410)	(3,779)	-	(529,569)
Investment in partnership valuation change	-	-	-	-	-	-	-	-	7,389,993	-	16,754,488	-	24,144,481
Total Nonoperating Revenues (Expenses)	103,391	2,090,091	7,225	(120,624)	(204,007)	-	-	17,887	7,349,487	(75,373)	16,757,310	(1,207,490)	24,717,897
Income/Loss Before Capital Contributions	(380,772)	1,190,770	116,264	(62,591)	(437,824)	-	-	(421,958)	6,857,650	(837,694)	15,658,957	(1,207,490)	20,475,312
Capital Contributions	-	-	-	-	-	-	-	-	7,039	-	6,779	-	13,818
Partner Contributions	-	-	-	-	(107)	-	-	-	-	-	-	-	(107)
Transfer of Component Unit	(3,053,085)	-	-	-	-	-	(2,087,247)	-	-	-	-	-	(5,140,332)
Increase (Decrease) in Net Position	(3,433,857)	1,190,770	116,264	(62,591)	(437,931)	-	(2,087,247)	(421,958)	6,864,689	(837,694)	15,665,736	(1,207,490)	15,348,691
Net Position - Beginning of Year	44,675,562	1,028,270	480,340	(799,189)	(245,724)	-	2,087,247	4,699,256	-	14,981,963	-	(1,236,902)	65,670,823
Net Position - End of Year	\$ 41,241,705	\$ 2,219,040	\$ 596,604	\$ (861,780)	\$ (683,655)	\$ -	\$ -	\$ 4,277,298	\$ 6,864,689	\$ 14,144,269	\$ 15,665,736	\$ (2,444,392)	\$ 81,019,514

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 18 BLENDED COMPONENT UNITS (CONTINUED)

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

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	Eliminations	Total
Cash Flows from Operating Activities													
Receipts from Tenants and Landlords	\$ -	\$ -	\$ -	\$ 911,581	\$ 1,622,090	\$ -	\$ -	\$ 1,645,273	\$ 1,199,702	\$ 3,341,622	\$ 95,380	\$ 162,097	\$ 8,977,745
Receipts from Others	(3,053,085)	1,950,178	140,681	(495,100)	14,276	(28,800)	-	41,157	12,144	40,219	(3,749)	(1,207,480)	(2,589,559)
Payments to and on Behalf of Employees	-	-	-	(289,849)	(240,657)	-	-	(212,887)	(159,657)	(361,209)	(28,790)	-	(1,293,049)
Payments to Vendors, Contractors, and Others	(499,150)	(2,060,336)	(24,416)	(510,607)	(1,115,151)	28,800	-	(1,243,739)	(709,032)	(2,310,347)	12,837	-	(8,431,141)
Total Cash Provided (Used) by Operating Activities	(3,552,235)	(110,158)	116,265	(383,975)	280,558	-	-	229,804	343,157	710,285	75,678	(1,045,383)	(3,336,004)
Cash Flows from Capital and Related Financing Activities													
Interest Paid on Notes and Bonds Payable	-	-	-	(114,878)	(207,027)	-	-	1,393	(42,083)	(130,742)	-	-	(493,337)
Principal Payments on Notes Payable	-	-	-	(75,619)	(294,672)	-	-	-	1,583,186	(195,000)	735,000	-	1,752,895
Acquisition and Construction of Capital Assets	-	-	-	(280,771)	213	-	-	-	(7,433,721)	-	(16,456,268)	-	(24,170,547)
Change in Investment in Partnership	-	-	-	-	(107)	-	(412,110)	-	7,387,090	-	16,754,488	-	23,729,361
Total Cash Provided (Used) by Capital and Related Financing Activities	-	-	-	(471,268)	(501,593)	-	(412,110)	1,393	1,494,472	(325,742)	1,033,220	-	818,372

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 18 BLENDED COMPONENT UNITS (CONTINUED)

	Home Forward Development Enterprises	Home Forward Insurance Group	Home Forward Community Partnerships	St. Francis, LLC	Gateway LP	New Market West Management Services LLC	Haven	Cecelia	Woolsey	Trouton	Humboldt	Eliminations	Total
Cash Flows from Investing Activities													
Decrease in Notes Receivable	\$ 2,615,998	\$ -	\$ -	\$ 642,815	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,258,813
Change in Due from Partnerships	2,500,000	-	472,945	24,732	188,372	-	-	149,008	3,804	232,163	535,896	1,853,650	5,960,570
Investment Income	103,391	142,170	-	2,672	2,373	-	-	33,117	6,967	58,037	6,601	-	355,328
Total Cash Provided (Used) by Investing Activities	5,219,389	142,170	472,945	670,219	190,745	-	-	182,125	10,771	290,200	542,497	1,853,650	9,574,711
Net Increase (Decrease) in Cash and Cash Equivalents	1,667,154	32,012	589,210	(185,024)	(30,290)	-	(412,110)	413,322	1,848,400	674,743	1,651,395	808,267	7,057,080
Cash and Cash Equivalents - Beginning of Year	2,183,473	2,617,186	6,894	1,242,800	475,615	-	412,110	1,325,295	-	2,282,690	-	(781,579)	9,764,485
Cash and Cash Equivalents - End of Year	<u>\$ 3,850,627</u>	<u>\$ 2,649,198</u>	<u>\$ 596,104</u>	<u>\$ 1,057,776</u>	<u>\$ 445,325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,738,617</u>	<u>\$ 1,848,400</u>	<u>\$ 2,957,433</u>	<u>\$ 1,651,395</u>	<u>\$ 26,688</u>	<u>\$ 16,821,565</u>

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 19 DISCRETELY PRESENTED COMPONENT UNITS CONDENSED FINANCIAL INFORMATION

Home Forward is the General Partner and holds a 0.01% to 1% interest in each of the following limited partnerships (see Note 2 and Note 7). Summarized partnership information as of and for the year ended December 31, 2023 is as follows:

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

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

HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

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

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

HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

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

Summarized Capital Assets – Discretely Presented Component Units

Land, structures, and equipment activity of the discretely presented component units was as follows for the year ended December 31, 2023:

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

Summarized Notes Payable – Discretely Presented Component Units

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

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

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

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

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 20 COMMITMENTS AND CONTINGENCIES

Leases

At December 31, 2023, Home Forward has approximately 11,482 dwelling units under lease to Section 8 landlords. The terms of these leases extend up to one year. Housing assistance payments under these leases, including FSS program contributions, for the year ended December 31, 2023 was approximately \$125,332,184. These leases are not subject to GASB 87, *Leases*.

Construction Commitments

As of December 31, 2023, Home Forward had construction commitments of approximately \$1,780,621.

Contingent Liabilities

Home Forward has entered into long-term use agreements with the City of Portland, Multnomah County, and the state of Oregon in exchange for development funds for group homes and other projects. These agreements expire between 2024 and 2065. Repayment of an amortized portion of these funds is required if Home Forward does not use the properties according to their intended purposes. Home Forward has not and does not intend to violate those agreements. The exposure, if recorded, would be approximately \$3,091,104.

General Partner Operating Deficit Guarantees

In relation to the performance of the tax credit partnerships for which Home Forward is the general partner, Home Forward has agreed to provide certain levels of funding in the event of partnership operating deficits that exceed operating reserves. The maximum amount required to fund excess operating deficits ranges from zero to the total amount of the excess operating deficit for a single partnership. As of December 31, 2023, no additional liability existed relating to excess operating deficits for any of the partnerships.

NOTE 21 RISK MANAGEMENT

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

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

**HOME FORWARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 21 RISK MANAGEMENT (CONTINUED)

Marsh's comprehensive insurance provides coverage for 3,499 affordable units, which include 93.9 Blended Component Units, 1 New Market West property, 388 public housing units, 219 special needs units, 1 parcel of land being held for future development, and 48 vehicles. It also includes actions by Home Forward employees, directors, officers, and departments. This does not include the 414 units Home Forward's Asset Management manages as part of our inter-governmental agreement with the City of Portland.

Marsh coverage as of December 31, 2023 includes:

Liabilities	Deductible	Coverage
Property/Earthquake/Flood/Business Interruption	\$ 100,000	\$ 100,000,000
Boiler/Machinery/Equipment	5,000	100,000,000
General Liability	250,000	2,000,000
Automobile	250,000	2,000,000
Professional Liability	250,000	2,000,000
Umbrella Liability	-	10,000,000
Public Officials Liability	100,000	2,000,000
Fidelity and Crime	25,000	1,000,000
Special Risks	-	1,000,000
Cyber Liability	50,000	1,000,000
Lloyds/Roanoke Property Terrorism	10,000	50,000,000

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

Settlements have not exceeded coverage during the last three years. Home Forward has two liability claims as of December 31, 2023.

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

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

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Measurement Date	(a) Home Forward's Proportion of the Net Pension Liability (Asset)	(b) Home Forward's Proportionate Share of the Net Pension Liability (Asset)	(c) Home Forward's Covered Payroll	(b/c) Home Forward's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2023	0.18840928 %	\$ 35,290,351	\$ 30,125,434	117.14%	81.70 %
June 30, 2022	0.18449827	28,250,387	26,324,526	107.32	84.50
June 30, 2021	0.15246390	18,244,562	23,403,663	77.96	87.60
June 30, 2020	0.14600007	31,862,281	22,943,155	138.87	75.80
June 30, 2019	0.14322567	24,774,611	18,423,720	134.47	80.20
June 30, 2018	0.14164116	21,456,770	17,367,082	123.55	82.10
June 30, 2017	0.15329650	20,664,424	17,227,380	119.95	83.10
June 30, 2016	0.15888919	23,852,957	17,299,181	137.88	80.50
June 30, 2015	0.15526214	8,914,316	17,560,069	50.76	91.90
June 30, 2014	0.16124152	(3,654,885)	16,954,319	(21.56)	103.60

SCHEDULE OF PENSION CONTRIBUTIONS

Year Ended	(a) Statutorily Required Contribution	(b) Contributions in Relation to the Statutorily Required Contribution	(a-b) Contribution Deficiency (Excess)	(c) Home Forward's Covered Payroll	(b/c) Contributions as a Percent of Covered Payroll
December 31, 2023	\$ 4,463,479	\$ 4,463,479	-	\$ 30,125,434	14.82%
December 31, 2022	3,641,714	3,641,714	-	26,324,526	13.83
December 31, 2021	3,387,161	3,387,161	-	23,403,663	14.47
December 31, 2020	2,758,006	2,758,006	-	22,943,155	12.02
December 31, 2019	2,044,769	2,044,769	-	18,423,720	11.10
December 31, 2018**	1,846,617	1,846,617	-	17,367,082	10.63
March 31, 2018	1,755,769	1,755,769	-	17,227,380	10.19
March 31, 2017	1,476,588	1,476,588	-	17,299,181	8.54
March 31, 2016	1,465,817	1,465,817	-	17,560,069	8.35
March 31, 2015	1,565,938	1,565,938	-	16,954,319	9.24

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

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

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

OTHER POST EMPLOYMENT BENEFITS

Retirement Health Insurance Account (RHIA)

Schedule of Changes in Net OPEB Asset and Related Ratios*

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

Schedule of OPEB Contributions*

Year Ended	(a) Contractually Required Contribution**	(b) Contributions in Relation to the Contractually Required Contribution	(a-b) Contribution Deficiency (Excess)	(c) Covered Payroll	(b/c) Percentage of Covered Payroll
December 31, 2023	\$ 58,827	\$ 58,827	\$ -	\$ 30,125,434	0.002 %
December 31, 2022	27,301	27,301	-	26,324,526	0.26
December 31, 2021	67,196	67,196	-	23,403,663	0.29
December 31, 2020	61,211	61,211	-	22,943,155	0.27
December 31, 2019	73,049	73,049	-	18,423,720	0.40
December 31, 2018***	66,536	66,536	-	17,367,082	0.38
March 31, 2018	109,892	109,892	-	17,227,380	0.64

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

**Based on the actuarial report.

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

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

OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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

Schedule of Changes in Total Liability and Related Ratios*

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

**Based on the actuarial report.

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

OTHER SUPPLEMENTARY INFORMATION

HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – AFFORDABLE HOUSING
DECEMBER 31, 2023

	Grace Peck Terrace	Madrona	Rosenbaum Plaza	Unthank Plaza	Fenwick Apts	Helen Swindells	Dawson Park	Pearl Court	Gretchen Kafoury	Ainsworth Court	Fairviews
ASSETS AND DEFERRED OUTFLOWS											
CURRENT ASSETS											
Cash and Cash Equivalents	\$ 14,716,225	\$ 914,771	\$ 334,350	\$ 2,085,215	\$ 19,560	\$ 11,373	\$ 58,997	\$ 343,318	\$ 96,511	\$ 175,638	8,081,432
Cash and Cash Equivalents - Restricted	-	253,725	13,134	76,025	193,892	616,478	574,040	1,731,059	1,235,199	912,463	2,618,637
Accounts Receivable, Net	-	5,850	1,658,400	1,659,438	30,806	31,474	43,961	28,356	91,903	507,568	147,263
Prepaid Expenses	-	-	6,255	3,840	-	6,065	6,647	5,970	1,000	2,389	15,500
Total Current Assets	14,716,225	1,174,346	2,012,139	3,824,518	244,258	665,390	683,645	2,108,703	1,424,613	1,598,058	10,862,832
NONCURRENT ASSETS											
Due from Partnerships, Net	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable and Accrued Interest Receivable	-	-	25,510	-	-	1,195,106	-	-	-	-	52,621
Capital Assets not being Depreciated	-	579,600	72,826	307,811	292,240	432,880	138,456	952,468	662,059	1,115,635	951,874
Capital Assets being Depreciated, Net	-	1,649,816	1,794,298	359,401	1,435,952	1,506,413	126,620	664,748	1,303,352	693,521	8,858,294
Total Noncurrent Assets	-	2,229,416	1,892,634	667,212	1,728,192	3,134,399	265,076	1,617,216	1,965,411	1,809,156	9,862,789
Total Assets	\$ 14,716,225	\$ 3,403,762	\$ 3,904,773	\$ 4,491,730	\$ 1,972,450	\$ 3,799,789	\$ 948,721	\$ 3,725,919	\$ 3,390,024	\$ 3,407,214	20,725,621
LIABILITIES AND NET POSITION											
CURRENT LIABILITIES											
Accounts Payable	\$ -	\$ 28,065	\$ 120,215	\$ 31,736	\$ 75,458	\$ 440,519	\$ 404,995	\$ 273,430	\$ 105,252	\$ 3,259	1,859,106
Accrued Interest Payable	-	4,409	-	-	2,854	40	2,854	362,110	1,756,410	6,665	24,589
Other Accrued Liabilities	-	37,907	66,104	76,162	36,459	17,673	3,900	19,614	30,688	11,945	39,284
Deferred Revenue	-	5,030	45,522	72,789	9,844	20,773	35,098	68,983	43,081	12,886	54,820
Deposits, Payable from Restricted Assets	-	6,231	13,134	16,252	12,194	21,986	17,981	64,859	57,000	37,436	226,634
Current Portion of Notes and Bonds Payable	-	67,117	-	-	67,844	7,954	139,181	477,711	100,000	117,306	290,405
Total Current Liabilities	-	148,759	244,975	196,939	204,653	508,945	604,009	1,266,707	2,092,431	189,497	2,494,838
NONCURRENT LIABILITIES											
Notes Payable	-	899,416	-	-	1,996,072	3,833,672	-	142,720	2,664,000	2,483,890	9,383,993
Bonds Payable	-	-	-	-	-	-	369,473	1,305,000	3,175,000	-	-
Total Noncurrent Liabilities	-	899,416	-	-	1,996,072	3,833,672	369,473	1,447,720	5,839,000	2,483,890	9,383,993
Total Liabilities	-	1,048,175	244,975	196,939	2,200,725	4,342,617	973,482	2,714,427	7,931,431	2,673,387	11,878,831
Deferred Inflows of Resources - Leases	-	-	24,896	-	-	1,169,824	-	-	-	-	49,754
NET POSITION	14,716,225	2,355,587	3,634,902	4,294,791	(228,275)	(1,712,652)	(24,761)	1,011,492	(4,541,407)	733,827	8,797,036
Total Liabilities and Net Position	\$ 14,716,225	\$ 3,403,762	\$ 3,904,773	\$ 4,491,730	\$ 1,972,450	\$ 3,799,789	\$ 948,721	\$ 3,725,919	\$ 3,390,024	\$ 3,407,214	20,725,621

HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – AFFORDABLE HOUSING (CONTINUED)
DECEMBER 31, 2023

	Rockwood Station	Willow Tree	The Alexis	Ash Creek	Schiller Way	Peter Paulson	Kelly Place	Trouton Commercial	Commercial Space at Lloyd Housing	Yards at Union Station	Rockwood Landing
ASSETS AND DEFERRED OUTFLOWS											
CURRENT ASSETS											
Cash and Cash Equivalents	\$ 2,618,849	\$ 54,335	\$ 6,656	\$ 215,280	\$ 252,429	\$ 140,867	\$ 96,347	\$ 18,316	\$ 145	\$ 381,048	\$ 188,365
Cash and Cash Equivalents - Restricted	1,511,252	254,719	190,359	146,887	126,348	191,943	145,112	-	-	1,077,670	195,909
Accounts Receivable, Net	244,519	4,267	80,518	6,209	122,455	47,231	8,825	-	176	117,919	11,897
Prepaid Expenses	15,000	188	534	4,355	600	-	85	158	-	1,000	2,300
Total Current Assets	4,389,620	313,509	278,067	372,731	501,832	380,041	250,369	18,474	321	1,577,637	398,471
NONCURRENT ASSETS											
Due from Partnerships, Net	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable and Accrued Interest Receivable	-	24,425	-	-	248,919	-	-	333,000	-	3,610	-
Capital Assets not being Depreciated	702,000	162,767	465,000	363,581	118,153	512,804	188,664	-	-	671,000	225,000
Capital Assets being Depreciated, Net	2,711,762	628,114	6,452,510	648,371	1,991,447	1,344,479	571,505	15,576	2,196,840	836,812	718,667
Total Noncurrent Assets	3,413,762	815,306	6,917,510	1,011,952	2,358,519	1,857,283	760,169	348,576	2,196,840	1,511,422	943,667
Total Assets	<u>\$ 7,803,382</u>	<u>\$ 1,128,815</u>	<u>\$ 7,195,577</u>	<u>\$ 1,384,683</u>	<u>\$ 2,860,351</u>	<u>\$ 2,237,324</u>	<u>\$ 1,010,538</u>	<u>\$ 367,050</u>	<u>\$ 2,197,161</u>	<u>\$ 3,089,059</u>	<u>\$ 1,342,138</u>
LIABILITIES AND NET POSITION											
CURRENT LIABILITIES											
Accounts Payable	\$ 1,283,350	\$ 6,841	\$ 251,703	\$ 60,881	\$ 557,674	\$ 611,171	\$ 21,551	\$ 37,496	\$ 36,071	\$ 391,902	\$ 52,871
Accrued Interest Payable	10,064	1,614	11,650	4,299	313	2,131,059	583	-	-	19,796	702
Other Accrued Liabilities	8,990	4,178	9,392	6,238	36,383	6,192	5,551	22,130	-	19,592	42,016
Deferred Revenue	110,438	900	4,561	581	15,064	18,042	3,097	-	-	38,411	15,427
Deposits, Payable from Restricted Assets	105,728	5,200	15,892	7,836	9,148	34,221	5,250	-	-	65,930	15,153
Current Portion of Notes and Bonds Payable	139,413	27,569	101,169	1,266,376	37,433	1,960,936	30,998	-	-	451,875	41,131
Total Current Liabilities	1,657,983	46,302	394,367	1,346,211	656,015	4,761,621	67,030	59,626	36,071	987,506	167,300
NONCURRENT LIABILITIES											
Notes Payable	3,794,984	527,178	4,765,363	-	718,162	-	465,194	-	-	329,762	319,380
Bonds Payable	-	-	-	-	-	-	-	-	-	2,050,000	-
Total Noncurrent Liabilities	3,794,984	527,178	4,765,363	-	718,162	-	465,194	-	-	2,379,762	319,380
Total Liabilities	5,452,967	573,480	5,159,730	1,346,211	1,374,177	4,761,621	532,224	59,626	36,071	3,367,268	486,680
Deferred Inflows of Resources - Leases	-	23,702	-	-	244,383	-	-	326,773	-	-	-
NET POSITION	<u>2,350,415</u>	<u>531,633</u>	<u>2,035,847</u>	<u>38,472</u>	<u>1,241,791</u>	<u>(2,524,297)</u>	<u>478,314</u>	<u>(19,349)</u>	<u>2,161,090</u>	<u>(278,209)</u>	<u>855,458</u>
Total Liabilities and Net Position	<u>\$ 7,803,382</u>	<u>\$ 1,128,815</u>	<u>\$ 7,195,577</u>	<u>\$ 1,384,683</u>	<u>\$ 2,860,351</u>	<u>\$ 2,237,324</u>	<u>\$ 1,010,538</u>	<u>\$ 367,050</u>	<u>\$ 2,197,161</u>	<u>\$ 3,089,059</u>	<u>\$ 1,342,138</u>

HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – AFFORDABLE HOUSING (CONTINUED)
DECEMBER 31, 2023

	Hamilton West	Sequoia Square	Interstate Crossing	Lovejoy Station	Baldwin Interstate	Dekum Court	The Jeffrey	Cora Park Apartments	Chateau Apartments	The Apartments at Bud Clark Commons	East Area A Scattered Sites	Totals
ASSETS AND DEFERRED OUTFLOWS												
CURRENT ASSETS												
Cash and Cash Equivalents	\$ 63,729	\$ 7,204	\$ 158,896	\$ 371,209	\$ -	\$ -	\$ 1,310	\$ -	\$ 392,723	\$ 213,643	\$ 314,868	\$ 32,333,609
Cash and Cash Equivalents - Restricted	1,203,564	213,499	89,876	1,566,331	-	-	785,107	-	-	1,043,981	-	16,967,209
Accounts Receivable, Net	72,598	66,124	5,831	2,045	-	-	35,947	-	208	52,264	-	5,084,052
Prepaid Expenses	9,088	3,551	318	21,063	-	-	5,530	-	-	3,416	-	114,852
Total Current Assets	1,348,979	290,378	254,921	1,960,648	-	-	827,894	-	392,931	1,313,303	314,868	54,499,721
NONCURRENT ASSETS												
Due from Partnerships, Net	-	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable and Accrued Interest Receivable	83,665	-	-	975,375	-	-	-	-	-	-	-	2,942,231
Capital Assets not being Depreciated	665,352	488,448	90,000	1,997,915	-	-	2,314,480	-	-	7,098	103,231	14,581,342
Capital Assets being Depreciated, Net	3,023,636	1,709,339	745,113	7,451,178	-	-	5,891,087	-	24,770	19,224,698	69,889	74,648,208
Total Noncurrent Assets	3,772,653	2,197,787	835,113	10,424,468	-	-	8,205,567	-	24,770	19,231,796	173,120	92,171,781
Total Assets	<u>\$ 5,121,632</u>	<u>\$ 2,488,165</u>	<u>\$ 1,090,034</u>	<u>\$ 12,385,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,033,461</u>	<u>\$ -</u>	<u>\$ 417,701</u>	<u>\$ 20,545,098</u>	<u>\$ 487,988</u>	<u>\$ 146,671,501</u>
LIABILITIES AND NET POSITION												
CURRENT LIABILITIES												
Accounts Payable	\$ 23,539	\$ 259,866	\$ 439,619	\$ 141,683	\$ 231	\$ 6,069	\$ 49,229	\$ 491	\$ 6,601	\$ 1,788,065	\$ 15,663	\$ 9,384,602
Accrued Interest Payable	59,296	4,796	1,091	109,656	-	-	-	-	-	-	-	4,514,850
Other Accrued Liabilities	274,863	35,403	1,779	29,341	842,640	23,968	65,726	1,662	649	191,842	509	1,968,780
Deferred Revenue	52,950	3,841	4,321	42,490	-	-	5,357	-	3	118,275	2	802,586
Deposits, Payable from Restricted Assets	47,059	12,124	775	92,428	-	-	16,715	-	1,314	-	1,210	909,690
Current Portion of Notes and Bonds Payable	137,233	68,860	24,577	769,270	-	-	-	-	-	-	-	6,324,358
Total Current Liabilities	594,940	384,890	472,162	1,184,868	842,871	30,037	137,027	2,153	8,567	2,098,183	17,384	23,904,867
NONCURRENT LIABILITIES												
Notes Payable	2,369,015	1,158,021	1,177,367	1,176,464	-	-	8,601,712	-	-	-	-	46,806,365
Bonds Payable	2,730,000	-	-	5,784,671	-	-	-	-	-	-	-	15,414,144
Total Noncurrent Liabilities	5,099,015	1,158,021	1,177,367	6,961,135	-	-	8,601,712	-	-	-	-	62,220,509
Total Liabilities	5,693,955	1,542,911	1,649,529	8,146,003	842,871	30,037	8,738,739	2,153	8,567	2,098,183	17,384	86,125,376
Deferred Inflows of Resources - Leases	81,476	-	-	961,195	-	-	-	-	-	-	-	2,882,003
NET POSITION	<u>(653,799)</u>	<u>945,254</u>	<u>(559,495)</u>	<u>3,277,918</u>	<u>(842,871)</u>	<u>(30,037)</u>	<u>294,722</u>	<u>(2,153)</u>	<u>409,134</u>	<u>18,446,916</u>	<u>470,604</u>	<u>57,664,123</u>
Total Liabilities and Net Position	<u>\$ 5,121,632</u>	<u>\$ 2,488,165</u>	<u>\$ 1,090,034</u>	<u>\$ 12,385,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,033,461</u>	<u>\$ -</u>	<u>\$ 417,701</u>	<u>\$ 20,545,098</u>	<u>\$ 487,988</u>	<u>\$ 146,671,501</u>

HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – AFFORDABLE HOUSING
YEAR ENDED DECEMBER 31, 2023

	Grace Peck Terrace	Madrona	Rosenbaum Plaza	Unthank Plaza	Fenwick Apts	Helen Swindells	Dawson Park	Pearl Court	Gretchen Kafoury	Ainsworth Court	Fairviews
OPERATING REVENUES											
Dwelling Rental	\$ 420,798	\$ 418,022	\$ 845,116	\$ 695,058	\$ 300,471	\$ 327,546	\$ 673,604	\$ 1,789,092	\$ 1,132,490	\$ 918,071	\$ 4,624,590
Nondwelling Rental	10,683	-	72,894	-	360	141,192	1,191	22,380	7,720	1,173	30,264
HUD Operating Subsidies	-	489,393	832	187,956	-	-	-	-	-	-	-
HUD grants	-	7,886	1,796	-	-	3,592	449	-	-	-	31,152
State, Local, and Other Grants	-	-	-	-	-	-	-	-	-	-	-
Other	642	11,486	343	10,555	905	26,830	11,009	28,296	34,909	15,678	27,228
Total Operating Revenues	432,123	926,787	920,981	893,569	301,736	499,160	686,253	1,839,768	1,175,119	934,922	4,713,234
OPERATING EXPENSES											
Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-
Administration	66,853	112,829	305,743	226,203	65,502	302,263	196,363	380,629	428,007	139,632	517,684
Financing Costs	1,600	-	-	-	-	-	-	-	-	-	-
Program Expense	-	78,930	8,942	49,400	-	-	-	-	26,065	-	-
Tenant Services	-	794	-	5,182	3,600	6,300	16,200	-	-	-	-
Utilities	30,341	102,612	199,088	112,441	84,303	118,828	85,431	333,301	217,131	112,157	476,651
Maintenance	62,220	295,329	331,796	241,240	52,128	281,653	245,053	741,801	321,208	295,862	1,003,764
Depreciation	7,555	186,815	111,811	64,696	71,614	108,063	34,061	390,363	312,959	158,618	890,332
General and Other	22,576	63,401	65,413	80,828	39,069	87,945	56,570	308,916	226,521	61,495	418,910
Total Operating Expenses	191,145	840,710	1,022,793	779,990	316,216	905,052	633,678	2,155,010	1,531,891	767,764	3,307,341
OPERATING INCOME (LOSS)	240,978	86,077	(101,812)	113,579	(14,480)	(405,892)	52,575	(315,242)	(356,772)	167,158	1,405,893
NONOPERATING REVENUES (EXPENSES)											
Investment income	714	16,189	3,520	47,974	1,138	10,551	13,410	29,669	20,807	7,944	150,553
Interest expense	-	(53,457)	-	-	(35,355)	(841)	(20,062)	(86,208)	(215,850)	(102,379)	(299,029)
Investment in partnership valuation charge	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	14,416,885	-	-	-	-	(1,343)	-	-	-	-	(12,636)
Total Nonoperating Revenues (Expenses)	14,417,599	(37,268)	3,520	47,974	(34,217)	8,367	(6,652)	(56,539)	(195,043)	(94,435)	(161,112)
CAPITAL CONTRIBUTIONS											
HUD Nonoperating Contributions	-	-	-	-	-	-	-	-	67,578	-	-
Other Nonoperating Contributions	(5,898,391)	-	-	-	-	-	-	-	-	-	(1,000,000)
Total Capital Contributions	(5,898,391)	-	-	-	-	-	-	-	67,578	-	(1,000,000)
INCREASE (DECREASE) IN NET POSITION	8,760,186	48,809	(98,292)	161,553	(48,697)	(397,525)	45,923	(371,781)	(484,237)	72,723	244,781
Net Position - Beginning of Year	5,956,039	2,306,778	3,733,194	4,133,238	(179,578)	(1,315,127)	(374,134)	1,282,273	(4,057,170)	661,104	8,552,255
Adjustments to Net Position (as previously reported)	-	-	-	-	-	-	303,450	101,000	-	-	-
NET POSITION - END OF YEAR	<u>\$ 14,716,225</u>	<u>\$ 2,355,587</u>	<u>\$ 3,634,902</u>	<u>\$ 4,294,791</u>	<u>\$ (228,275)</u>	<u>\$ (1,712,652)</u>	<u>\$ (24,761)</u>	<u>\$ 1,011,492</u>	<u>\$ (4,541,407)</u>	<u>\$ 733,827</u>	<u>\$ 8,797,036</u>

HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – AFFORDABLE HOUSING (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Rockwood Station	Willow Tree	The Alexis	Ash Creek	Schiller Way	Peter Paulson	Kelly Place	Trouton Commercial	Commercial Space at Lloyd Housing	Yards at Union Station	Rockwood Landing
OPERATING REVENUES											
Dwelling Rental	\$ 2,414,521	\$ 215,063	\$ 519,418	\$ 436,028	\$ 237,576	\$ 500,337	\$ 193,386	\$ -	\$ -	\$ 1,424,295	\$ 269,926
Nondwelling Rental	25,293	11,980	4,600	-	46,180	1,240	267	57,110	-	-	880
HUD Operating Subsidies	-	-	-	-	-	-	-	-	-	-	-
HUD grants	42,185	-	-	-	-	3,343	-	-	-	-	11,682
State, Local, and Other Grants	-	-	-	-	-	-	-	-	-	-	-
Other	35,058	2,110	39,333	70	103	17,476	72	66,110	-	21,844	(1,580)
Total Operating Revenues	2,517,057	229,153	563,351	436,098	283,859	522,396	193,725	123,220	-	1,446,139	280,908
OPERATING EXPENSES											
Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-
Administration	962,930	38,652	83,317	62,139	30,447	208,066	26,256	8,474	-	351,266	67,564
Financing Costs	-	-	-	-	-	-	-	-	-	-	-
Program Expense	-	-	-	-	33,423	36,072	-	-	-	-	-
Tenant Services	2,183	-	-	-	-	-	-	-	-	300	-
Utilities	269,927	29,316	126,039	95,125	120,856	168,543	39,234	61,622	-	222,869	80,520
Maintenance	1,574,520	43,725	78,126	57,917	88,099	205,136	59,187	86,369	-	311,814	(671)
Depreciation	405,867	111,654	185,318	112,401	112,297	131,490	58,442	1,492	59,696	402,174	164,298
General and Other	315,408	21,515	168,708	30,745	818,321	129,559	28,168	2,281	-	245,527	25,635
Total Operating Expenses	3,530,835	244,862	641,508	358,327	1,203,443	878,866	211,287	160,238	59,696	1,533,950	337,346
OPERATING INCOME (LOSS)	(1,013,778)	(15,709)	(78,157)	77,771	(919,584)	(356,470)	(17,562)	(37,018)	(59,696)	(87,811)	(56,438)
NONOPERATING REVENUES (EXPENSES)											
Investment income	107,437	1,508	1,692	1,965	11	1,121	27	-	2	27,097	176
Interest expense	(128,570)	(19,903)	(138,426)	(51,577)	(4,008)	(82,657)	(7,651)	-	-	(126,796)	(7,993)
Investment in partnership valuation charge	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-	(186,466)	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	(21,133)	(18,395)	(136,734)	(49,612)	(190,463)	(81,536)	(7,624)	-	2	(99,699)	(7,817)
CAPITAL CONTRIBUTIONS											
HUD Nonoperating Contributions	-	-	-	-	1,000,306	-	-	-	-	-	-
Other Nonoperating Contributions	(875,000)	-	-	-	19,783	-	-	-	590,441	-	-
Total Capital Contributions	(875,000)	-	-	-	1,020,089	-	-	-	590,441	-	-
INCREASE (DECREASE) IN NET POSITION	(1,909,911)	(34,104)	(214,891)	28,159	(89,958)	(438,006)	(25,186)	(37,018)	530,747	(187,510)	(64,255)
Net Position - Beginning of Year	4,260,326	565,737	2,250,738	10,313	221,450	(2,211,291)	503,500	17,669	1,630,343	(90,699)	919,713
Adjustments to Net Position (as previously reported)					1,110,299	125,000					
NET POSITION - END OF YEAR	<u>\$ 2,350,415</u>	<u>\$ 531,633</u>	<u>\$ 2,035,847</u>	<u>\$ 38,472</u>	<u>\$ 1,241,791</u>	<u>\$ (2,524,297)</u>	<u>\$ 478,314</u>	<u>\$ (19,349)</u>	<u>\$ 2,161,090</u>	<u>\$ (278,209)</u>	<u>\$ 855,458</u>

HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – AFFORDABLE HOUSING (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Hamilton West	Sequoia Square	Interstate Crossing	Lovejoy Station	Baldwin Interstate	The Jeffrey	Dekum Court	Cora Park Apartments	Chateau Apartments	East Area A Scattered Sites	The Apartments at Bud Clark Commons	Totals
OPERATING REVENUES												
Dwelling Rental	\$ 1,334,677	\$ 564,025	\$ 141,673	\$ 1,990,627	\$ -	\$ 691,774	\$ 146,148	\$ 62,486	\$ 102,550	\$ 127,737	\$ 800,455	\$ 24,317,560
Nondwelling Rental	51,335	2	160	262,315	-	56,808	-	-	-	-	19,270	825,297
HUD Operating Subsidies	-	-	-	-	-	-	-	-	-	-	619,358	1,297,539
HUD grants	449	-	-	-	-	-	-	-	-	-	449	102,983
State, Local, and Other Grants	-	-	-	-	-	-	-	-	-	-	-	-
Other	15,234	166,528	2,440	62,203	-	23,050	3,171	731	6,018	86	173,443	801,381
Total Operating Revenues	1,401,695	730,555	144,273	2,315,145	-	771,632	149,319	63,217	108,568	127,823	1,612,975	27,344,760
OPERATING EXPENSES												
Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-	-	-
Administration	436,791	123,709	38,157	438,087	-	344,115	9,179	7,735	1,377	(671)	190,395	6,169,693
Financing Costs	-	152	-	-	-	-	-	-	-	-	-	1,752
Program Expense	-	15,189	-	-	-	-	60,605	5,886	9,633	6,519	309,815	640,479
Tenant Services	-	-	171	20	-	-	(3,066)	23,527	6,912	7,468	690,936	760,527
Utilities	262,000	148,326	22,993	289,842	-	111,697	86,705	20,775	15,540	14,987	290,987	4,350,187
Maintenance	300,561	164,538	36,746	349,400	231	307,471	95,282	31,072	46,655	16,417	573,805	8,298,454
Depreciation	213,012	56,457	44,472	279,358	-	141,187	-	-	22,964	7,919	460,833	5,308,218
General and Other	179,124	69,772	13,797	352,399	-	80,557	(5,602)	6,901	8,225	7,703	178,436	4,108,823
Total Operating Expenses	1,391,488	578,143	156,336	1,709,106	231	985,027	243,103	95,896	111,306	60,342	2,695,207	29,638,133
OPERATING INCOME (LOSS)	10,207	152,412	(12,063)	606,039	(231)	(213,395)	(93,784)	(32,679)	(2,738)	67,481	(1,082,232)	(2,293,373)
NONOPERATING REVENUES (EXPENSES)												
Investment income	17,987	1,289	313	67,976	-	10,419	-	-	-	-	-	541,489
Interest expense	(128,834)	(60,973)	(14,853)	(270,287)	-	-	-	-	-	-	-	(1,855,709)
Investment in partnership valuation charge	-	-	-	-	-	497,698	-	-	-	-	19,529,148	20,026,846
Gain (Loss) on Sale of Assets	-	-	(15,347)	-	-	-	(1,352)	-	-	-	-	14,199,741
Total Nonoperating Revenues (Expenses)	(110,847)	(59,684)	(29,887)	(202,311)	-	508,117	(1,352)	-	-	-	19,529,148	32,912,367
CAPITAL CONTRIBUTIONS												
HUD Nonoperating Contributions	-	49,458	-	-	-	-	-	-	-	-	-	1,117,342
Other Nonoperating Contributions	-	-	-	-	-	-	-	-	-	-	-	(7,163,167)
Total Capital Contributions	-	49,458	-	-	-	-	-	-	-	-	-	(6,045,825)
INCREASE (DECREASE) IN NET POSITION	(100,640)	142,186	(41,950)	403,728	(231)	294,722	(95,136)	(32,679)	(2,738)	67,481	18,446,916	24,573,169
Net Position - Beginning of Year	(553,159)	803,068	(517,545)	2,874,190	(842,640)	-	(124,675)	106,155	98,490	93,679	-	30,714,234
Adjustments to Net Position (as previously reported)	-	-	-	-	-	-	189,774	(75,629)	313,382	309,444	-	2,376,720
NET POSITION - END OF YEAR	<u>\$ (653,799)</u>	<u>\$ 945,254</u>	<u>\$ (559,495)</u>	<u>\$ 3,277,918</u>	<u>\$ (842,871)</u>	<u>\$ 294,722</u>	<u>\$ (30,037)</u>	<u>\$ (2,153)</u>	<u>\$ 409,134</u>	<u>\$ 470,604</u>	<u>\$ 18,446,916</u>	<u>\$ 57,664,123</u>

**HOME FORWARD
COMBINING SCHEDULE OF NET POSITION – SPECIAL NEEDS HOUSING
DECEMBER 31, 2023**

	Carriage Hill	Project Open Door	Total
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 7,106	\$ 16,937	\$ 24,043
Cash and Cash Equivalents - Restricted	10,401	70,896	81,297
Accounts Receivable Net	215	5,649	5,864
Total Current Assets	<u>17,722</u>	<u>93,482</u>	<u>111,204</u>
NONCURRENT ASSETS			
Capital Assets not being Depreciated	75,424	71,104	146,528
Capital Assets being Depreciated, Net	189,130	272,676	461,806
Total Noncurrent Assets	<u>264,554</u>	<u>343,780</u>	<u>608,334</u>
Total Assets	<u>\$ 282,276</u>	<u>\$ 437,262</u>	<u>\$ 719,538</u>
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable	\$ 12,164	\$ 56,574	\$ 68,738
Accrued Interest Payable	-	58	58
Other Accrued Liabilities	25,524	68,142	93,666
Unearned Revenue	406	1,135	1,541
Deposits, Payable from Restricted Assets	175	882	1,057
Current Portion of Notes and Bond Payable	-	17,552	17,552
Total Current Liabilities	<u>38,269</u>	<u>144,343</u>	<u>182,612</u>
NONCURRENT LIABILITIES			
Notes Payable	<u>178,241</u>	<u>52,206</u>	<u>230,447</u>
Total Liabilities	216,510	196,549	413,059
NET POSITION	<u>65,766</u>	<u>240,713</u>	<u>306,479</u>
Total Liabilities and Net Position	<u>\$ 282,276</u>	<u>\$ 437,262</u>	<u>\$ 719,538</u>

HOME FORWARD
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION – SPECIAL NEEDS HOUSING
YEAR ENDED DECEMBER 31, 2023

	Carriage Hill	Project Open Door	Total
OPERATING REVENUES			
Dwelling Rental	\$ 32,952	\$ 76,981	\$ 109,933
Other	20,799	-	20,799
Total Operating Revenues	<u>53,751</u>	<u>76,981</u>	<u>130,732</u>
OPERATING EXPENSES			
Administration	83	6,456	6,539
Program Expense	3,690	10,917	14,607
Tenant Services	-	1,464	1,464
Utilities	11,017	30,237	41,254
Maintenance	11,896	62,334	74,230
Depreciation	12,433	21,777	34,210
General and Other	4,361	5,344	9,705
Total Operating Expenses	<u>43,480</u>	<u>138,529</u>	<u>182,009</u>
OPERATING LOSS	10,271	(61,548)	(51,277)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	749	1,538	2,287
Interest Expense	(419)	(778)	(1,197)
Gain (Loss) on Sale of Assets	-	(4,837)	(4,837)
Total Nonoperating Revenues (Expenses)	<u>330</u>	<u>(4,077)</u>	<u>(3,747)</u>
DECREASE IN NET POSITION	10,601	(65,625)	(55,024)
Net Position - Beginning of Year	<u>55,165</u>	<u>306,338</u>	<u>361,503</u>
NET POSITION - END OF YEAR	<u><u>\$ 65,766</u></u>	<u><u>\$ 240,713</u></u>	<u><u>\$ 306,479</u></u>

