

**HOME FORWARD
SINGLE AUDIT REPORT
YEAR ENDED DECEMBER 31, 2025**



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

Board of Commissioners
Home Forward
Portland, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of Home Forward, as of December 31, 2025, and the related notes to the financial statements, which collectively comprise Home Forward's basic financial statements, and have issued our report thereon dated June 26, 2026. Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units as described in our report on Home Forward's financial statements. The audits of the aggregate discretely presented component units were not performed in accordance with *Government Auditing Standards* and, accordingly, this report does not include the results of the other auditors' testing of internal control over financial reporting or instances of reportable noncompliance that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

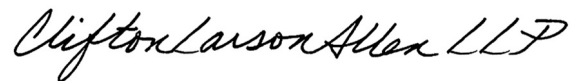
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Portland, Oregon
June 26, 2026



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

Board of Commissioners
Home Forward
Portland, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Home Forward's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Home Forward's major federal programs for the year ended December 31, 2025. Home Forward's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Home Forward complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Other Matter – Federal Expenditures Not included in the Compliance Audit

Home Forward's basic financial statements include the operations of discretely presented component units which may have received federal awards which are not included in the schedule of expenditures of federal awards for the year ended December 31, 2025. Our compliance audit, described in the Opinion on Each Major Federal Program, did not include the operations of the aggregate discretely presented component units because other auditors were engaged to perform audits of compliance, if applicable.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Home Forward's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Home Forward's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Home Forward's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

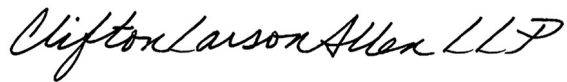
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

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

We have audited the financial statements of the business-type activities and aggregate discretely presented component units of Home Forward as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Home Forward's basic financial statements. We have issued our report thereon, dated June 26, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Portland, Oregon
June 26, 2026

**HOME FORWARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025**

Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development				
Direct:				
Multifamily Housing Service Coordinators	14.191	Not applicable	\$ -	\$ 448,831
Section 8 Project-Based Cluster:				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	Not applicable	-	185,878
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	Not applicable	-	195,966
Subtotal Section 8 Project-Based Cluster			-	381,844
Continuum of Care Program	14.267	Not applicable	-	8,446,545
Demolition and Revitalization of Severely Distressed Public Housing	14.866	Not applicable	-	140,232
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	Not applicable	-	59,999,331
Emergency Housing Vouchers	14.871	Not applicable	-	9,445,079
Section 8 Mainstream Vouchers	14.879	Not applicable	-	3,692,116
Subtotal Housing Voucher Cluster			-	73,136,526
Moving to Work Demonstration Program	14.881	Not applicable	-	167,792,141
Family Self-Sufficiency Program	14.896	Not applicable	-	933,544
Subtotal Direct Programs			-	251,279,663
Total U.S. Department of Housing and Urban Development			-	251,279,663
U.S. Department of the Treasury				
Pass-through from the City of Portland:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not available	-	654,374
Total U.S. Department of the Treasury			-	654,374
U.S. Department of Homeland Security				
Direct:				
Emergency Food and Shelter National Board Program	97.024	Not applicable	-	67,676
Total U.S. Department of Homeland Security			-	67,676
Department of Health and Human Services				
Direct:				
Grants to States for Medicaid	93.778	Not applicable	-	1,960,236
Total Department of Health and Human Services			-	1,960,236
Total Expenditures of Federal Awards			\$ -	\$ 253,961,949

See accompanying Notes to Schedule of Expenditures of Federal Awards.

HOME FORWARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2025

NOTE 1 BASIS OF PRESENTATION

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

Home Forward's reporting entity includes the operations of discretely presented component units which may have expended federal awards that are not included in the schedule of expenditures of federal awards for the year ended December 31, 2025.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the Schedule are reported on the accrual basis of accounting and include capitalized expenditures. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

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

NOTE 4 LOANS OUTSTANDING

Home Forward participates in federal award programs that sponsor revolving loan programs, which are administrated by Home Forward and the city of Portland, Oregon (City). The City contracts Home Forward to collect loan repayments for these programs through servicing and trust arrangements. The funds are returned to the City upon repayment of the principal and interest. The federal government has imposed certain significant continuing compliance requirements with respect to the loans rendered under the Home Investment Partnerships (HOME) Program (assistance listing number 14.239). The City is responsible to administer the continuing compliance requirements and report the outstanding loan balances. During the year ended December 31, 2025, Home Forward did not incur expenditures related to new loans under the HOME program.

**HOME FORWARD
SCHEDULES OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025**

Section I – Summary of Auditors' Results

Financial Statements

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

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x no
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Numbers

14.881
93.778

Name of Federal Program or Cluster

Moving to Work Demonstration
Grants to States for Medicaid

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

\$3,000,000

Auditee qualified as low-risk auditee?

_____ yes x no

**HOME FORWARD
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

