Columbus Housing Partnership, Inc. and Affiliates dba Homeport

Consolidated Financial Statements and Supplementary Information

with Independent Auditors' Report

December 31, 2019 and 2018

CLARK SCHAEFER HACKETT
CPAS & ADVISORS

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CLARK SCHAEFER HACKETT
CPAs & Advisors

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Columbus Housing Partnership, Inc. dba Homeport
Columbus, Ohio

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Columbus Housing Partnership, Inc. and Affiliates dba Homeport, which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of activities, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Columbus Housing Partnership, Inc. and Affiliates as of December 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual affiliates, and it is not a required part of the consolidated financial statements. The NeighborWorks America Capital Fund schedules requested by NeighborWorks America are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 25, 2020

Assets

	2019	2018
Current assets:		
Cash	$ 7,290,219	7,434,834
Receivables:		
Fees receivable, net (Note 4)	160,000	550,000
Grants receivable	475,452	635,330
Other receivables (Note 4)	727,174	955,971
Prepaid expenses	812,023	841,695
Total current assets	9,464,868	10,417,830
Property and equipment:		
Office buildings, net (Note 3)	2,716,737	2,625,991
Rental properties, net (Note 3)	22,711,111	23,647,105
Properties held for sale (Note 3)	6,938,706	4,574,054
Construction in progress (Note 3)	1,422,753	747,001
Total property and equipment	33,789,307	31,594,151
Noncurrent assets:		
Restricted cash (Note 7)	8,791,365	8,425,667
Fees receivable, net (Note 4)	375,698	155,709
Notes receivable, net (Note 6)	11,585,852	12,806,032
Related party receivables, net (Note 5)	114,826	119,767
Investments	146,234	122,884
Deposits	1,429	1,429
Investment in unconsolidated entities (Note 8)	10,143,314	9,955,101
Total noncurrent assets	31,158,718	31,586,589
Total assets	$ 74,412,893	73,598,570

Liabilities and Net Assets

	2019	2018
Current liabilities:		
Conditional notes payable, current (Note 10)	$ 605,517	776,186
Long-term debt, current (Note 11)	4,300,941	4,443,963
Accounts payable	1,167,427	862,520
Accrued expenses	1,301,530	1,211,512
Accrued interest payable (Note 12)	106,667	105,708
Deferred grant advances	160,000	67,500
Deferred revenue	345,363	418,109
Total current liabilities	7,987,445	7,885,498
Long-term liabilities:		
Security and warranty deposits	419,793	394,661
Accrued interest payable (Note 12)	6,154,248	5,354,458
Deferred grant advances, State of Ohio (Note 13)	468,662	513,329
Line of credit (Note 9)	183,294	1,017,916
Conditional notes payable (Note 10)	12,977,934	13,807,970
Long-term debt (Note 11)	29,303,900	28,027,239
Less: unamortized debt issuance costs	(794,007)	(815,648)
Obligation under interest rate swaps (Note 14)	65,364	12,181
Total long-term liabilities	48,779,188	48,312,106
Total liabilities	56,766,633	56,197,604
Net assets:		
Without donor restrictions	10,277,951	9,458,380
With donor restrictions (Note 15)	7,368,309	7,942,586
Total net assets	17,646,260	17,400,966
Total liabilities and net assets	$ 74,412,893	73,598,570

See accompanying notes to the financial statements.

Change in net assets without donor restrictions:	2019	2018
Support:		
Government grants	$ 645,048	845,384
Contributions (Note 17)	1,317,346	1,272,926
	1,962,394	2,118,310
Homeownership and lease purchase: (Note 18)		
Government grants	724,142	545,958
Development fees	266,472	237,556
Loss on sale of properties held for sale	(875,693)	(527,950)
	114,921	255,564
Revenues:		
Development fees	930,088	1,301,576
Rental	9,990,930	8,985,064
Fees and other revenue	290,036	458,954
Investment income	231,198	232,085
	11,442,252	10,977,679
Total support and revenues	13,519,567	13,351,553
Expenses:		
Program, administration and other	4,579,231	5,042,400
Rental	6,816,118	6,378,597
Total expenses	11,395,349	11,420,997
Change in net assets from operations before interest and depreciation expense	2,124,218	1,930,556
Less interest expense	1,332,542	1,331,386
Less depreciation expense	1,470,368	1,415,769
Change in net assets from operations before other operating income (expense)	(678,692)	(816,599)
Other operating income (expense):		
Gain on sale	-	6,875
Unrealized (loss) gain on interest rate swap (Note 14)	(53,183)	52,728
Fair value of net assets acquired over (under) carrying value, net (Note 25)	1,501,805	183,063
Interest expense on conditional notes payable	(135,203)	(179,160)
Equity in income (losses) of unconsolidated entities (Note 8)	(990)	(9,347)
Excess distributions from unconsolidated entities	37,373	63,247
Provision for uncollectible accounts	(615,816)	-
Total other operating income (expense), net	733,986	117,406
Change in net assets from operations	55,294	(699,193)
Grant income passed through to tax credit projects	-	811,250
Purpose restricted contributions, released from restrictions	571,519	878,989
Time restricted grants, released from restrictions	192,758	192,758
Change in net assets without donor restrictions	$ 819,571	1,183,804

See accompanying notes to the financial statements.

		2019	2018
Change in net assets without donor restrictions:			
Net assets without donor restrictions, beginning of year	$	9,458,380	8,274,576
Change in net assets without donor restrictions		819,571	1,183,804
Net assets without donor restrictions, end of year	$	10,277,951	9,458,380
Change in net assets with donor restrictions:			
Net assets with donor restrictions, beginning of year	$	7,942,586	8,821,151
NeighborWorks America grant, purpose restricted (Note 15)		190,000	193,182
Net assets released from restrictions		(764,277)	(1,071,747)
Change in net assets with donor restrictions		(574,277)	(878,565)
Net assets with donor restrictions, end of year	$	7,368,309	7,942,586
Change in total net assets:			
Total net assets, beginning of year	$	17,400,966	17,095,727
Change in net assets without donor restrictions		819,571	1,183,804
Change in net assets with donor restrictions		(574,277)	(878,565)
Change in total net assets		245,294	305,239
Total net assets, end of year	$	17,646,260	17,400,966

		2019	2018
Cash flows from operating activities:			
Change in total net assets	$	245,294	305,239
Adjustment to reconcile change in net assets to net cash from operating activities:			
Depreciation		1,470,368	1,415,769
Amortization of debt issuance costs		53,346	45,407
Gain on consolidation		(1,501,805)	(183,063)
Loss on properties held for sale		875,693	527,950
Gain on sale		-	(6,875)
Provision for losses on receivables		615,816	137,657
Equity in loss of unconsolidated entities		5,926	9,347
Restricted funding		(190,000)	(1,004,432)
Deferred grant advances loan forgiveness		(44,667)	(44,667)
Effect of changes in operating assets and liabilities:			
Receivables		(44,765)	306,089
Prepaid expenses and deposits		29,672	48,134
Accounts payable and accrued expenses		367,842	490,689
Security and warranty deposits		(6,274)	(2,014)
Accrued interest payable		98,568	(109,084)
Deferred revenue and grant advances		19,754	259,055
Interest rate swap obligation		53,183	(52,728)
Net cash from operating activities		2,047,951	2,142,473
Cash flows from investing activities:			
Cash received in consolidation		608,768	918,387
Cash removed in deconsolidation		-	(69,914)
Change in investments		(23,350)	4,302
Investment in unconsolidated entities		(2,892)	(767,484)
Proceeds from the sale of properties held for sale		857,419	971,168
Purchase of real estate and rehabilitation costs		(1,200,464)	(2,104,350)
Advances on notes receivable		(100,000)	(1,092,730)
Proceeds from repayment of notes receivable		112,295	433,901
Purchase of property and equipment		(1,148,442)	(917,729)
Net cash from investing activities		(896,666)	(2,624,449)
Cash flows from financing activities:			
Purchase of financing costs		(64,445)	(156,675)
Net (repayment) proceeds on lines of credit		(834,622)	653,861
Proceeds from restricted funding		190,000	1,004,432
Net repayment of conditional notes payable		(110,705)	(184,427)
Proceeds from long-term debt		2,899,586	2,294,000
Repayment of long-term debt		(3,010,016)	(2,457,160)
Net cash from financing activities		(930,202)	1,154,031
Net increase in cash and restricted cash		221,083	672,055
Cash and restricted cash, beginning of year		15,860,501	15,188,446
Cash and restricted cash, end of year	$	16,081,584	15,860,501
Reconciliation of cash and restricted cash within the Statements of Financial Position			
Cash	$	7,290,219	7,434,834
Restricted cash		8,791,365	8,425,667
Cash and restricted cash in the Statement of Cash Flows	$	16,081,584	15,860,501
Supplemental Disclosure of Cash Flow Information			
Conversion of note receivable to investment in unconsolidated entity	$	190,000	-

See accompanying notes to the financial statements.

1. ORGANIZATION:

Columbus Housing Partnership, Inc. dba Homeport (Homeport, Organization) is a private, nonprofit 501(c)(3) organization focused on providing homes, education and social services to low-income individuals and families so they can succeed where they live. Homeport is “Building Vibrant Communities” in Central Ohio, one neighborhood, one person at a time.

Homeport was established in 1987 with the assistance of Enterprise Community Partners, Inc. (Enterprise), a not-for-profit organization, which promotes these goals and objectives on a national level, and became a member of NeighborWorks America, a national organization, in 2003. Homeport focuses on holistic affordable housing solutions including providing rental homes, revitalizing central city neighborhoods, providing homes for sale, and providing housing-related education. Residents have access to supportive services including one-on-one counseling and an array of place-based programs for youth and adults designed to stabilize families right at home, such as after-school programs, summer camps, health and resource fairs, and through partnerships with the food bank and others to provide groceries and prepared meals. Education programs include financial fitness, homebuyer education, and foreclosure prevention programming to the public, as well as to residents of Homeport rental communities, to enable people to achieve financial stability. Because Homeport residents have homes they can afford, they have more income remaining for the rest of life’s necessities.

Program descriptions
Homeport is reported as two divisions, Homeport Division (HP Division) and Homeport’s Home Ownership Division (HHO). The HP Division includes Learning and Engagement, which is comprised of Housing Advisory Services, Community Partners and Community Engagement; and Real Estate Development, which is comprised of Asset Management and Rental Development. HHO is the sales division committed to providing quality homes at an affordable price.

Measure of operations
In its consolidated statements of activities, the Organization includes in its definition of operations all direct revenue and expenses that are provided as part of its programs and supporting services. Funding that is passed through to related tax credit projects, eliminated earnings from subsidiaries and permanently restricted capital funding from NeighborWorks America has been reported after the change in net assets from operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of Homeport are set forth to facilitate the understanding of data presented in the consolidated financial statements.

Principles of consolidation
The consolidated financial statements include the accounts of Homeport’s wholly and majority owned subsidiaries and the accounts of entities for which Homeport is considered to exercise significant control. All significant intercompany transactions and balances have been eliminated in the consolidation. The consolidated financial statements include the accounts of the following entities:

Homeport
CHP Homeport Homes, LLC is a wholly owned limited liability company which holds single family homes and other real estate used by HHO.

CHP Agler Road Office, LLC is a wholly owned limited liability company that owns and leases a corporate office facility in Columbus, Ohio.

Metro City Homes, Inc., a non-profit organization formed under the laws of the State of Ohio, is a wholly owned subsidiary of Columbus Housing Partnership, Inc. formed to further the mission statement of Homeport on a not-for-profit basis. Metro City Homes, Inc. has an 11.76% interest in Central City Development Fund I, LLC (CCDF). CCDF's mission is to make loans to facilitate the formation, development and growth of new and expandable affordable housing opportunities in the Columbus, Ohio metropolitan area.

CHP Equity Housing, LLC, *CHP Equity New Salem Housing, LLC, CHP Equity Kimcourt II, LLC, CHP Equity Tussing, LLC, CHP Equity Framingham Housing, LLC, and CHP Equity Lease Option Homes, LLC* are wholly owned limited liability companies that hold limited partnership interests in affordable housing projects.

CHP Barrett Single Family, LLC is a wholly owned limited liability company that maintains an ownership interest in legal entities that redeveloped a former middle school in Columbus, Ohio into housing.

Elim Senior Housing, Inc., a non-profit organization formed under the laws of the State of Ohio, is a wholly owned subsidiary of Columbus Housing Partnership, Inc. for the purpose of providing financing to Elim Manor Homes, Limited Partnership.

Corporations which maintain ownership in affordable housing projects - the consolidated financial statements also include the accounts of the following entities for which Homeport is considered to exercise significant control.

Corporations	Ownership %
Agler Elderly Housing, LLC	51
Agler Family Housing, LLC	51
Blacklick Crossing Housing, Inc.	100
CHP Arrowleaf Housing, Inc.	100
CHP Homeport Graceland, LLC	100
CHP Housing, Inc.	100
City View Housing, Inc.	76
Dunrobin Housing, Inc.	100
Duxberry Landing Housing, Inc.	76
East Mound Housing, Inc.	75
East Side Housing, Inc.	25
Eastway Village Housing, Inc.	76
Elim Estates Housing, Inc.	76
Elim Manor Elderly Facilities, Inc.	24
Emerald Glen Housing, Inc.	100
Enclave at Hilliard Run Housing, Inc.	100
Fairview Housing, Inc.	100
Fieldstone Court Housing, Inc.	76
Fourth Street Housing, Inc.	100
Gender Road Housing, Inc.	100
Grace Walk Housing, Inc.	100
Homes on the Hill, Inc.	100

Corporations	Ownership %
Indianola Housing, Inc.	100
Joyce Avenue Housing, Inc.	100
Kenlawn Place Housing, Inc.	100
Kingsford Housing, Inc.	75
Linden Housing, Inc.	100
Luke's Crossing Project Corp.	75
Main Street Housing, Inc.	100
Maplegreen Housing, Inc.	100
Mariemont Housing, Inc.	100
Milo-Grogan Housing, Inc.	100
New Salem Homes, Inc.	51
Parkmead Apartments, Inc.	100
Por Los Ninos, Inc.	100
South East Housing, Inc.	100
Southside Housing, Inc.	100
Spruce Bough Housing, Inc.	100
Summerfield Housing, Inc.	100
Trabue Crossing Housing, Inc.	100
Tussing Road Housing, Inc.	100
Urbancrest Affordable Housing Partners, Inc.	76
Victorian Heritage Housing, Inc.	100
Whittier Landing Housing, Inc.	76
Whitehall Elderly Housing Facilities, Inc.	100

The corporations listed are general partners (managing members for real estate entities formed as limited liability companies) in real estate limited partnerships (limited liability companies) which own multifamily rental and scattered site projects for low-income residents. The general partner interests in these Partnerships are generally up to 1%. As of December 31, 2019, Homeport had investments in 22 unconsolidated operating real estate entities, with a total of 1,383 housing units.

Homeport also owns a noncontrolling interest and does not exercise significant control in the following corporations that maintain an interest in affordable housing projects. As of and during the years ended December 31, 2019 and 2018 Homeport had no investment in or activity related to these entities.

Corporations	Ownership %	Controlling Owner
Briggsdale Apartments, Inc.	21	Community Housing Network, Inc.
Briggsdale Apartments II, Inc.	21	Community Housing Network, Inc.
CHN Preservation, Inc.	21	Community Housing Network, Inc.
Hawthorn Grove, Inc.	21	Community Housing Network, Inc.
Jefferson Avenue Apartments, Inc.	21	Community Housing Network, Inc.
Laurel Green Apts, Inc.	21	Community Housing Network, Inc.
Southpoint Apartments, Inc.	21	Community Housing Network, Inc.
Terrace Place, Inc.	21	Community Housing Network, Inc.
Jenkins Terrace Inc.	25	Columbus Metropolitan Housing Authority
Worley Terrace, Inc.	21	Columbus Metropolitan Housing Authority

Lease Purchase For Sale

HKS Associates, LLC was formed June 2005, under the laws of the State of Ohio, for the purpose of acquiring real estate for Homeport. The final two single-family condominiums were sold during 2015. Homeport is the sole member of the limited liability company.

Greater Linden Homes Limited Partnership was formed in February 1999, under the laws of the State of Ohio, for the purpose of constructing and operating 39 housing units located in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner and Linden Housing, Inc. the general partner. The previous limited partners transferred their interest to Homeport on July 31, 2016.

Kingsford Homes Limited Partnership was formed in February 2000, under the laws of the State of Ohio, for the purpose of constructing and operating 33 housing units located in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner and Kingsford Housing, Inc. the general partner. The previous limited partners transferred their interest to Homeport on December 31, 2016.

Joyce Avenue Homes Limited Partnership was formed in March 2001, under the laws of the State of Ohio, for the purpose of constructing and operating 31 units of single-family affordable housing on scattered sites in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner, and Joyce Avenue Housing, Inc., the general partner. The previous limited partners transferred their interest to Homeport on December 31, 2017.

South East Columbus Homes Limited Partnership was formed in February 2000, under the laws of the State of Ohio, for the purpose of constructing and operating 37 units of single-family affordable housing on scattered sites in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner, and South East Housing, Inc., the general partner. The previous limited partners transferred their interest to Homeport on December 31, 2017.

Mariemont Homes Limited Partnership was formed in March 2001, under the laws of the State of Ohio, for the purpose of constructing and operating 32 units of single-family affordable housing located in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner, and Mariemont Housing, Inc., the general partner. The previous limited partners transferred their interest to Homeport on December 31, 2018.

Fairview Homes Limited Partnership was formed in March 2002, under the laws of the State of Ohio, for the purpose of constructing and operating 32 units of single-family affordable housing on scattered sites in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner, and Fairview Housing, Inc., the general partner. The previous limited partners transferred their interest to Homeport on December 31, 2018.

Southside Homes Limited Partnership was formed in March 2001, under the laws of the State of Ohio, for the purpose of constructing and operating 32 units of single-family affordable housing on scattered sites in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner, and Southside Housing, Inc., the general partner. The previous limited partners transferred their interest to Homeport on December 31, 2018.

Maplegreen Homes Limited Partnership was formed in May 2004, under the laws of the State of Ohio, for the purpose of acquiring, owning and operating two housing projects, Mapleside Homes, LLC, 24-units of single-family affordable housing on scattered sites, and Levelgreen Homes, LLC, 32-units of single-family affordable housing on scattered sites, both located in Columbus, Ohio. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Lease Option Homes, LLC, the limited partner, and Maplegreen Housing, Inc., the general partner. The previous limited partners transferred their interest to Homeport on December 31, 2019.

Rental Properties

Obetz Village Limited Partnership was formed in August 1990, under the laws of the State of Ohio, for the purpose of constructing and operating a 100-unit apartment community located in Columbus, Ohio. The apartment community, known as Indian Mound Apartments, began operations in August 1990. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Housing, LLC, the limited partner, and Por Los Ninos, Inc., the general partner.

Kimcourt Limited Partnership was formed in June 1991, under the laws of the State of Ohio, for the purpose of constructing and operating a 100-unit apartment community located in Columbus, Ohio. The apartment community, known as Raspberry Glen Apartments, began operations in September 1993. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Housing, LLC, the limited partner, and Por Los Ninos, Inc., the general partner.

Parkmead Apartments Limited Partnership was formed in December 1991, under the laws of the State of Ohio, for the purpose of constructing and operating a 72-unit affordable housing complex located in Grove City, Ohio. The apartment community, doing business as Parkmead Apartments, began operations in 1992. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Housing, LLC, the limited partner, and Parkmead Apartments, Inc., the general partner.

Emerald Glen Housing Limited Partnership was formed September 1993, under the laws of the State of Ohio, for the purpose of constructing and operating a 130-unit affordable housing complex located in Columbus, Ohio. The apartment community, doing business as Emerald Glen Apartments, began operations in 1995. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Housing, LLC, the limited partner, and Emerald Glen Housing, Inc., the general partner.

George's Creek Limited Partnership was formed September 1994, under the laws of the State of Ohio, for the purpose of constructing and operating a 120-unit multi-family apartment project located in Columbus, Ohio. The apartment community, doing business as George's Creek Apartments, began operations in 1995. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Housing, LLC, the limited partner, and Gender Road Housing, Inc., the general partner.

CHP Kimberly, Inc., a non-profit organization, is a wholly owned subsidiary of Columbus Housing Partnership, Inc. formed to develop, construct, own, maintain and operate a multi-family rental housing project. The rental property, doing business as Marsh Run Apartments, is a 184-unit apartment located in Columbus, Ohio.

Friends/VVA Apartments, Inc. is a non-profit organization that owns and operates 16 units of affordable rental housing for the elderly and handicapped in Columbus, Ohio. As of July 4, 2014, the amended and restated code of regulations names Columbus Housing Partnership, Inc. as the sole member.

Kimcourt II Limited Partnership was formed April 1994, under the laws of the State of Ohio, for the purpose of constructing and operating a 78-unit apartment building. The apartment community, doing business as Kimberly Meadows, began operations in 1997. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Kimcourt II, LLC, the limited partner, and Por Los Ninos, Inc., the general partner.

Tussing Road Homes Limited Partnership was formed February 1998, under the laws of the State of Ohio, for the purpose of constructing and operating a 136-unit apartment building. The apartment community, doing business as Pheasant Run, began operations in 2000. Homeport has controlling ownership in this partnership through its subsidiaries CHP Equity Tussing, LLC, the limited partner, and Tussing Road Housing, Inc., the general partner.

Other Controlled Entities

Other controlled entities are wholly owned subsidiaries of Columbus Housing Partnership, Inc. formed to construct real estate through the federal Low-Income Housing Tax Credit program. Other controlled entities were Kenlawn Place Homes, LLC during 2019 and Arrowleaf Apartments L.P. during 2018.

Basis of accounting

The financial statements of Homeport have been prepared on the accrual basis of accounting.

Financial statement presentation

In accordance with the Not-for-Profit Entities Topic 958 of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Homeport is required to report information regarding its financial position and activities according to the existence or absence of donor-imposed restrictions. When a donor-imposed restriction is met in the same reporting period, the support is recorded as net assets without donor restrictions.

Net assets without donor restrictions represent funds available for grants and expenses which are not otherwise limited by donor restrictions. Net assets without donor restrictions includes designated cash reserves by the Board of Directors which were established to ensure that the Organization has the funds available to pay any possible future obligations that may arise from commitments and contingencies. The board designated $250,000 as of December 31, 2019 and 2018.

Net assets with donor restrictions consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event, a specific passage of time, or must be maintained in perpetuity. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in either the consolidated statements of activities or the consolidated statements of changes in net assets as net assets released from restrictions. Net assets with donor restrictions are described in Note 15.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of new accounting standards
On January 1, 2019, the Organization adopted FASB Accounting Standards Update (ASU) 2014-09 *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, "ASC 606"), which (i) creates a single framework for recognizing revenue from contracts with customers that fall within its scope and (ii) revises when it is appropriate to recognize a gain (loss) from the transfer of nonfinancial assets. As part of the adoption of the ASU, Homeport elected the following transition practical expedients: (i) to reflect the aggregate of all contract modifications that occurred prior to the date of initial application when identifying satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price; and (ii) to apply the standard only to contracts that are not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients. Homeport adopted ASC 606 using the modified retrospective method applied to all contracts not completed as of January 1, 2019. Results for reporting periods beginning after January 1, 2019 are presented under ASC 606 while prior period amounts continue to be reported in accordance with legacy generally accepted accounting principles. The adoption of ASC 606 did not result in a change to the accounting for any of the in-scope revenue streams; as such, no cumulative effect adjustment was recorded.

During 2019, Homeport adopted FASB ASU 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The standard assists entities in determining whether transactions should be recorded as a contribution (nonreciprocal transaction) or as an exchange (reciprocal transaction). The standard also provides expanded guidance on determining whether or not a contribution is conditional. The Organization has applied this standard on a modified prospective basis for the period beginning January 1, 2019. There was no material impact to the financial statements presented upon adoption of this ASU.

During 2019, Homeport also adopted, FASB ASU 2016-18, *Statement of Cash Flows – Restricted Cash*, which requires that the statement of cash flows reconcile the change during the period in total cash, cash equivalents and restricted cash. The Organization adopted this guidance on January 1, 2019 and prior periods were retrospectively adjusted. The adoption of this standard did not have an impact on the Organization's results of operations or statement of financial position.

Cash flow disclosures
For the purpose of determining cash flows, management deems cash to be all amounts on hand, in demand deposits and highly liquid investments that have an original maturity of three months or less. Cash paid for interest during 2019 and 2018 amounted to $1,463,022 and $1,526,580, respectively.

Restricted cash
Restricted cash includes advanced loan funds for the security deposits, replacement, working capital, operating and operating deficit reserve accounts that are restricted by entity agreements or permanent loan documents. Restricted cash also includes cash limited to long-term purposes by NeighborWorks America and cash held as a fiscal agent.

Property and equipment and depreciation
Property and equipment are stated at cost when purchased and at fair value when donated. Major expenditures for property and equipment and expenditures, which substantially increase useful lives, are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. Depreciation is calculated over the estimated useful lives of the assets, ranging from 3 to 40 years, using the straight-line method.

Homeport reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flows expected to be generated by the rental property including any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds fair value of such property. No impairment loss was recognized during 2019 and 2018.

Real estate development costs
Costs that clearly relate to real estate development projects are capitalized. Costs are allocated to project components by the specific identification method whenever possible. Interest costs are capitalized while development is in progress.

Purchase price allocation
The purchase price of acquired properties (businesses as defined in the accounting guidance related to business combinations) is allocated to tangible and identified intangible assets and liabilities based on their respective fair values at the date of the transaction. Such tangible and intangible assets include land, building, acquired above market and below market leases (if any), in-place lease value, customer relationships (if any), and any assumed financing that is determined to be above or below market terms. Any additional amounts are allocated to goodwill as required, based on the remaining purchase price in excess of fair value of the tangible and intangible assets acquired and liabilities assumed. Any excess of the value assigned to the net identifiable assets acquired over the purchase price is recognized in earnings as a contribution (bargain purchase gain).

The allocation of the purchase price is an area that requires judgment and significant estimates. The allocation to tangible assets (building and land) is based upon Homeport’s determination of the value of the property as if it were to be replaced and vacant and by analyzing the anticipated income from the property and converting it into an estimate of present value using an industry acceptable capitalization rate. The allocation between land and building considers factors such as county tax records and other acceptable industry practices. Homeport determines whether any financing assumed is above or below market based upon comparison to similar financing terms for similar investment properties. These allocations are subject to change based on information received within one year of the purchase related to one or more events identified at the time of purchase which confirm the value of an asset or liability received in an acquisition of property.

Homeport expenses acquisition costs of all transactions as incurred. All costs of finding, analyzing and negotiating a transaction and settlement charges are expensed as incurred, whether or not the acquisition is completed.

Notes receivable and interest income
Notes receivable are recorded at unpaid principal balances less an allowance for loan losses. The allowance is established, as losses are estimated to have occurred and notes receivable are charged against the allowance, when management believes the uncollectability of a note balance is confirmed. Payments on the notes are to be made out of available cash flow by the borrower, as defined, with principal plus accrued but unpaid interest being deferred until the earlier of (a) the note’s maturity date, (b) the date the properties cease to be qualified low-income projects, or (c) the date the properties are refinanced or sold. Due to the uncertainty of repayment and the deferral of interest, the Organization recognizes interest income on notes receivable from affiliates as received.

The note's principal is evaluated for collectability to determine whether it is impaired. A note is considered impaired when, based on current information and events, it is probable that Homeport will be unable to collect all amounts due according to the existing contractual terms. When a note is considered to be impaired, the amount of the allowance is calculated by comparing the recorded investment to either the value determined by discounting the expected future cash flows using the note's effective interest rate or to the fair value of the collateral if the note is collateral dependent. Impaired loans are classified as nonperforming and, consequently, interest income is only recognized on these loans when actually received from the borrower. Partial payments of contractual amounts due on impaired loans are treated as interest income on a cash basis until such time as the loan is restored to performing status.

Prepaid expenses
The Organization reports amounts paid in advance for property taxes and insurance as prepaid expenses.

Investments
Investments include various types of pooled investments held and invested by the Columbus Foundation on behalf of the Organization. The investments are valued at their fair values in the consolidated statements of financial position and unrealized gains and losses are included in the consolidated statements of activities. Donated investments are recorded at the fair value at the time received.

Homeport maintains an investment account for NeighborWorks capital funds with Key Bank holding Treasury Bills for amounts exceeding FDIC insurance.

Investment in unconsolidated entities
Homeport accounts for its investment in entities, for which it does not exercise significant control, under the equity method of accounting, where the investment is initially recorded at cost, and Homeport's share of earnings is reflected in income as earned and distributions are credited against the investment when received. Amounts invested are generally not available for use by Homeport.

Homeport evaluates the carrying amount of investments on a periodic basis and recognizes impairment when the carrying amount exceeds the fair value for other than on a temporary basis. It is reasonably possible that Homeport's estimate of investments' fair value may change in the near term by a material amount.

Conditional notes payable
Notes payable that contain a provision for the forgiveness of debt are recorded as conditional notes payable until the contingency becomes remote. Conditional notes payable must be repaid in full with interest upon an event of default during the loan term or upon Homeport receiving repayment on the corresponding note receivable.

Advertising costs
Advertising costs are expensed as incurred. Advertising expense was $76,393 and $84,024 for the years ended December 31, 2019 and 2018, respectively.

Debt issuance costs
Debt issuance costs are amortized over the period of the related loan using the straight-line method and reported net of related accumulated amortization at December 31, 2019 and 2018 of $182,686 and $129,339, respectively.

Derivative financial instruments
Homeport's strategy in entering into interest rate swap agreements is to add stability to interest expense and to manage exposure to interest rate movement by converting variable rate debt to a fixed rate. The interest rate swap is recognized as either an asset or liability and measured at fair value. The change in the fair value of the interest rate swap is recognized in other operating income (expense) as unrealized gain or loss on interest rate swap in the period of change. The realized gain or loss on the interest rate swap currently adjusts interest expense when interest on the related debt is accrued.

Donated services
Volunteers have donated a significant number of hours in assisting Homeport in providing services and programs to the residents or purchasers of affordable homes sponsored by the Organization. Homeport received 2,507 volunteer hours during 2019 and 3,090 during 2018. The value of this contributed time is not reflected in the accompanying financial statements since they do not require specialized skills. Donated professional services are reflected in the accompanying financial statements at their fair value. Homeport recorded donated legal services in the amount of $34,495 and $33,929 for the years ended December 31, 2019 and 2018, respectively.

Federal income taxes
Homeport, Elim Senior Housing, Inc. Friends/VVA Apartments, Inc. and CHP Kimberly, Inc. are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The activities of Homeport's single member limited liability companies are included with the activity of Homeport for federal tax reporting purposes. The for-profit subsidiaries did not require a provision for income taxes.

Accounting for uncertainty in income taxes
Income from certain activities not directly related to Homeport's tax-exempt purpose is subject to taxation as unrelated business income. Homeport's reporting returns are subject to audit by federal and state taxing authorities. The Organization's policy with regard to interest and penalties is to recognize interest through interest expense and penalties through operating expenses. No income tax provision has been included in the financial statements as Homeport has determined it does not have unrelated business income subject to taxation.

Concentration of credit risk
Homeport maintains its cash in several regional financial institutions, which are insured by the Federal Deposit Insurance Corporation up to $250,000 in each institution. At various times during the year, Homeport had funds in excess of $250,000.

Reclassifications
Certain reclassifications have been made to the prior year consolidated financial statements to conform to the current year presentation.

Subsequent events
Management of Homeport evaluates events and transactions occurring subsequent to the date of the consolidated financial statements for matters requiring recognition or disclosure in the consolidated financial statements. The accompanying consolidated financial statements consider events through June 25, 2020, the date the consolidated financial statements were available to be issued.

3. PROPERTY AND EQUIPMENT:

The following summarizes Homeport's fixed assets at December 31:

Property and equipment:	2019	2018
Office buildings:		
Land and land improvements	$ 160,000	160,000
Buildings and improvements	2,844,341	2,685,483
Furniture, fixtures and equipment	437,368	396,628
Less accumulated depreciation	(724,972)	(616,120)
	2,716,737	2,625,991
Rental properties:		
Land and land improvements	3,564,193	3,506,784
Buildings and improvements	30,546,014	30,197,843
Less accumulated depreciation	(11,399,096)	(10,057,522)
	22,711,111	23,647,105
Properties held for sale	6,938,706	4,574,054
Construction in progress	1,422,753	747,001
Total property and equipment	$ 33,789,307	31,594,151

Properties held for sale at December 31, 2019 and 2018 consists of 173 and 103, respectively, housing units with an average carrying value of each housing unit of approximately $40,000 and $44,000, respectively.

4. RECEIVABLES:

Fees receivable, net consisted of the following at December 31:

	2019	2018
Development	$ 632,432	1,137,002
Asset management	375,862	182,344
Service coordinator	81,915	12,264
Real estate tax refund administration	153,449	83,127
Fees receivable	1,243,658	1,414,737
Less: allowance for receivable losses	(707,960)	(709,028)
Fees receivable, net	535,698	705,709
Less: current fees receivable, net	(160,000)	(550,000)
Noncurrent fees receivable, net	$ 375,698	155,709

	2019	2018
Allowance for receivable losses:		
Balance, beginning of year	$ 709,028	779,203
Charge-offs	(1,068)	(145,175)
Provision for losses	-	75,000
Balance, end of year	$ 707,960	709,028

Under the terms of the partnership or operating agreements for various real estate entities in which a subsidiary of Homeport is a general partner or managing member, Homeport is entitled to receive fees for development services. Based on the financial position of the real estate entities, certain development fees are deferred due to cash flow restraints of the entities and will be repaid as cash flow permits or upon termination of the entities. The development fee receivables are noninterest-bearing. Management makes an assessment of the ultimate realization of these receivables on an annual basis and estimates an allowance for doubtful accounts based upon the financial condition of the limited partnership as well as Homeport's historical evidence of collections. Because of these factors, it is reasonably possible that the estimated losses may change materially in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

Other receivables consist of the following at December 31:

	2019	2018
Delinquent tenant rent	$ 151,810	148,394
Central Ohio Housing Development Organization, Inc.	91,175	113,617
Pledges receivable	70,140	70,140
Proceeds from single family home sales	78,730	255,636
Employee advances	3,333	1,899
Lease receivables and other	331,986	366,285
	$ 727,174	955,971

5. RELATED PARTY RECEIVABLES, NET:

Homeport has advanced funds to entities in which subsidiaries of Homeport are a general partner or managing member. These funds generally represent expenses paid by Homeport on behalf of the entities and are repaid as cash flow permits. At December 31, 2019 and 2018 the amount owed totaled $159,166 and $164,107, respectively, reported net of an allowance of $44,340.

6. NOTES RECEIVABLE:

Notes receivable consists of the following at December 31:

	2019	2018
Notes receivable	$ 12,865,852	14,086,032
Less allowance for loan losses	(1,280,000)	(1,280,000)
	$ 11,585,852	12,806,032

Homeport has long-term notes receivable from various entities including unconsolidated subsidiaries of which Homeport has a general partner or managing member interest. The notes are generally secured by real estate and bear interest ranging from 1½% to 11%. The repayment terms of the notes either require no repayment until the first mortgages on the related partnership property are repaid or require repayment of interest and principal from cash flows of the entities, as defined. The notes have maturity dates through 2057. Homeport recognized interest income of $198,528 and $233,401 from cash received on impaired notes in 2019 and 2018, respectively. Total cumulative interest of approximately $1,925,000 and $3,300,000 at December 31, 2019 and 2018, respectively, has not been recorded or recognized as income on the notes receivable as management deems such interest to be contingent. Interest income on impaired loans will be recognized when the respective interest payments are received.

Management makes an assessment of the ultimate realization of notes receivable on an annual basis based upon the financial condition of the entities. This assessment includes consideration of conditional notes payable obtained through grant borrowings that have been deferred and require repayment only if the related note receivable is repaid to Homeport. Conditional notes payable relating to notes receivable amounted to $9,217,945 and $10,007,945 at December 31, 2019 and 2018, respectively.

Due to the financial uncertainty of the projects and maturity length of these notes, actual amounts received from these loans could differ from the amounts recorded in the consolidated statements of financial position. However, the amount of the change that is reasonably possible cannot be estimated. Management deems loans to properties that do not have sufficient cash flow available to pay interest currently to be impaired due to the uncertainty in cash flow of the borrower and the ultimate outcome and valuation of the transfer of the property at year fifteen. The entire allowance for notes receivable relates to impaired loans. At December 31, 2019 and 2018, the recorded investment in impaired loans amounted to $11,576,090 and $14,068,032, respectively. The average recorded investment in impaired loans at December 31, 2019 and 2018 was approximately $340,000 and $320,000, respectively.

7. RESTRICTED CASH:

Restricted cash included the following accounts at December 31:

		2019	2018
Homeport operating deficit reserves	$	1,126,049	1,151,870
NeighborWorks America		304,424	412,411
Capital held for development		92,914	73,555
Other restricted cash		45,797	32,650
Rental properties:			
Security deposits		419,971	384,592
Replacement reserve		5,755,209	5,529,149
Working capital reserve		156,333	210,203
Operating reserve		750,626	570,934
Repair escrow		140,042	60,303
	$	8,791,365	8,425,667

8. INVESTMENT IN UNCONSOLIDATED ENTITIES:

The following summarizes Homeport's investment in unconsolidated entities at December 31:

		2019	2018
Investment in tax credit projects	$	9,975,236	9,782,474
Investment in Central City Development Fund		168,078	172,627
	$	10,143,314	9,955,101

Investment in unconsolidated entities are recorded under the equity method of accounting. The investments are initially recorded at cost and adjusted upward or downward for Homeport's proportionate share of the earnings or losses. Homeport adjusted its carrying value for the proportionate share of losses in the amount of $990 and $9,347 for the years ended December 31, 2019 and 2018, respectively.

Homeport's carrying value of its investment in tax credit projects differs from its share of the equity based on the capital contributions required in the individual partnership or operating agreements that are not in proportion to the ownership percentages. Therefore, Homeport reviews its investment in tax credit projects for impairment by considering whether declines in the fair values of those investments, versus carrying values, may be other than temporary in nature.

A financial summary for the investment in tax credit projects that are actively managed as of December 31, 2019 and 2018 are as follows:

		2019	2018
Assets:			
Rental property, net	$	102,883,021	101,146,523
Other assets		18,506,443	13,899,450
Total assets	$	121,389,464	115,045,973
Liabilities and Equity:			
Mortgage debt	$	65,662,532	61,623,269
Other liabilities		6,309,397	3,576,342
Equity		49,417,535	49,846,362
Total liabilities and equity	$	121,389,464	115,045,973
Net rental income	$	8,359,422	8,069,474
Rental expenses		13,213,717	13,093,837
Net real estate loss		(4,854,295)	(5,024,363)
Interest income		115,008	93,287
Other comprehensive income (loss)		(397,188)	144,335
Net loss	$	(5,136,475)	(4,786,741)

A financial summary for the investment in Central City Development Fund I, LLC as of December 31, 2019 and 2018 are as follows:

		2019	2018
Total assets	$	1,776,442	1,780,421
Liabilities and equity:			
Total liabilities	$	342,400	307,400
Total equity		1,434,042	1,473,021
Total liabilities and equity	$	1,776,442	1,780,421
Net loss	$	(38,979)	(38,997)

9. LINES OF CREDIT:

Homeport has a secured line of credit with Community Housing Capital totaling $1,500,000 as of December 31, 2019 and 2018 to be drawn down for construction costs of single-family homes. The line of credit has an August 2021 maturity date and bears interest at 6.5%. The outstanding balance on the line of credit as of December 31, 2019 and 2018 was $183,294 and $1,017,916, respectively.

Homeport also has a secured line of credit with Huntington National Bank totaling $500,000. The line of credit has a maturity date of November 2020 and bears interest at LIBOR plus 3.00%. As of December 31, 2019 and 2018, no funds have been drawn on this line.

10. CONDITIONAL NOTES PAYABLE:

Homeport has the following conditional notes payable at December 31:

	2019	2018
Board of Franklin County Commissioners loans, secured by mortgage on real estate held by Urbancrest Affordable Housing, LLC (2016) or Elim Manor Homes, L.P., bearing interest at 0%. The loans are forgiven through January 15, 2028 (the fifteen-year compliance period) and upon compliance with the terms and conditions of the loans. (Homeport)	$ 200,000	200,000
One Mortgage Partners Corp. loans (Federal Home Loan Bank), bearing interest up to 3.00%, with principal and interest due annually out of excess cash in arrears through 2049 (Elim Estates) or forgiven after completion of the 15 year compliance period as defined and secured by real estate held by Eastway Village Homes, LLC or Duxberry Landing Homes, LLC. (Homeport for Elim Estates, Eastway and Duxberry)	788,360	788,360
City of Columbus and Franklin County advances, payable from sale proceeds of single family homes. (Homeport, HKS)	496,541	496,541
State of Ohio loans, collateralized by second and third mortgages on rental property, bearing interest at rates from 2% to 3% maturing through 2049. (Homeport)	8,321,585	9,211,585
City of Columbus loans, collateralized by mortgages on rental property, bearing interest at rates from 0% to 1.00% (Homeport, CHP Kimberly, Emerald Glen, Kimcourt II, Tussing Road)	3,776,965	3,887,670
Total	13,583,451	14,584,156
Less current portion	(605,517)	(776,186)
Long-term portion	$ 12,977,934	13,807,970

Homeport received proceeds from notes payable from the City of Columbus and the State of Ohio which were advanced to various tax credit entities in which a subsidiary of the Organization is a general partner or managing member. Under the terms of these notes, repayment of interest and/or principal may be required from available cash flow, as defined, from the related project. Subject to cash flow payments from the tax credit entities to Homeport, the conditional notes payable are not expected to be forgiven or repaid within the next five years. The current portion of conditional notes payable includes notes that have terms ending during 2020.

11. LONG-TERM DEBT:

Homeport has the following long-term debt at December 31:

	2019	2018
Huntington Bank loans secured by real estate, bearing interest at rates from 2.15% plus LIBOR to 7.33%. Principal and interest are due and payable on first of each month, maturing through January 2026. (CHP Agler, Kimcourt II, Southside Homes)	$ 3,395,948	3,507,977
Affordable Housing Trust for Columbus and Franklin County loans, collateralized by mortgages on real estate, bearing interest at rates from 2% and 2.5%, repayment payable in monthly payments of interest only, maturing through August 2026. (Homeport, CHP Kimberly)	786,658	830,888
Central City Development Fund I, LLC related party loan, unsecured, bearing no interest. Repayment is due no earlier than 2022. (CHP Homeport Homes)	1,500,000	1,500,000
Columbus Foundation, collateralized by the assignments of real estate, rents and security, bearing interest at 3%, payable in quarterly payments of principal and interest through August 30, 2026. (CHP Kimberly)	2,921,465	3,054,799
Lancaster Pollard Mortgage Co. (HUD insured) payable in monthly installments through March 2051 bearing interest from 3.58 to 4.12% fixed. Secured by real estate. (George’s Creek, Emerald Glen, Tussing Road)	7,753,869	7,889,729
United States Department of Housing and Urban Development (HUD), payable in monthly installments of $4,292 through May 2031 bearing interest at 8.375% fixed. Secured by real estate. (Friends/VVA)	377,775	396,754
NWSL 2012 AHMI Fund, LLC loan, bearing interest at a fixed rate of 5.25%. Interest payments are due and payable quarterly. The unpaid principal balance is due November 2019, secured by cash escrow of $375,000. (Homeport)	-	1,500,000
NWSL 2017 AHMI Fund, LLC loan, bearing interest at a fixed rate of 5.5%. Interest payments are due and payable quarterly. The unpaid principal balance is due October 29, 2024, secured by cash escrow of $500,000. (Homeport)	2,000,000	-
Ohio Affordable Housing Loan Fund I, LLC loan is secured by real estate and assignment of rents and security, bearing interest at 4%, maturing June 2020. (Arrowleaf)	-	255,000

	2019	2018
Red Mortgage Capital, Inc. loan, secured by first mortgage on rental property, bearing interest at 4.4% payable in monthly installments of principal and interest in the amount of $9,720 through April 2028. (Parkmead)	$ 1,889,276	1,920,865
Bellwether Enterprise Real Estate Capital, LLC loans secured by real estate, bearing interest at 3.5%. Principal and interest are due and payable on first of each month, maturing on September 1, 2045. (Obetz, Kimcourt)	5,079,594	5,199,132
Ohio Housing Finance Agency loans secured by real estate, bearing interest at 1.00%. Principal and interest are due annually based on available surplus cash of the project, maturing on September 1, 2025. (Emerald Glen, Kimcourt II, Tussing Road)	760,531	785,500
Park National Bank loan secured by real estate bearing interest at rates from 4.45% to 4.99%. Principal and interest are due and payable on first of each month, with maturity dates through June 2039. (Greater Linden, Kingsford, Mariemont Homes)	1,141,934	800,732
City of Columbus loans, collateralized by mortgages on rental property, bearing interest at rates from 5.48% to 6.50%. The loans are due and payable from the net proceeds received from the sale of the rental properties. (Kingsford, Greater Linden, Joyce Avenue, South East Columbus, Mariemont Homes, Southside Homes, Fairview Homes, Maplegreen Homes)	3,433,000	2,749,000
Community Housing Capital, Inc. loan secured by real estate and assignment of rents and security, bearing interest at 6.25%. Interest payments are due and payable monthly. The unpaid principal balance is due October 2020. (South East Columbus)	778,000	778,000
KeyBank loans, secured by real estate and assignment of rents and security, bearing interest at rates from 6.96% to 7.29%. Principal and interest are due and payable on the first of each month, maturity dates through June 2019. (Joyce Avenue, Mariemont Homes)	-	788,764
KeyBank loans, secured by real estate and assignment of rents and security, bearing interest at rates from 7.52% to 7.54%. Principal and interest are due and payable on the first of each month, maturity dates through April 2021. (Maplegreen Homes)	815,069	-

	2019	2018
Fifth Third Bank loan is secured by real estate and assignment of rents and security, bearing interest at 7.637%. Principal and interest are due and payable on first of each month, maturing February 2020. (Fairview Homes)	$ 499,368	514,062
Heartland Bank loan is secured by real estate, bearing interest at 6.75%. Principal and interest are due and payable on first of each month, maturing September 2029. (Joyce Avenue)	372,354	-
Central Ohio Community Improvement Corporation loan, bearing 0% interest for the first 6 months and then interest at 1.25%. Principal and interest due in annual installments, maturing October 2033. (Homeport)	100,000	-
Total	33,604,841	32,471,202
Less current portion	4,300,941	4,443,963
Long-term portion	$ 29,303,900	28,027,239

Obligations scheduled to mature within one year have been excluded from current liabilities when the Organization has the intent to refinance and a financing agreement is in place. A five-year summary of estimated future minimum payments required under the terms of the long-term debt is as follows:

	Homeport	Affiliates	Total
2020	$ 84,540	4,216,401	4,300,941
2021	1,589,580	1,995,528	3,585,108
2022	150,852	974,895	1,125,747
2023	100,320	614,073	714,393
2024	3,571,310	638,698	4,210,008
Thereafter	100,000	19,568,644	19,668,644
	$ 5,596,602	30,082,830	33,604,841

12. ACCRUED INTEREST PAYABLE:

Accrued interest payable, reported as a current liability, represents interest expected to be repaid within one year of the statement of financial position date using current assets of the Organization. Current accrued interest payable at December 31, 2019 and 2018 was $106,667 and $105,708, respectively.

Accrued interest payable, reported as a long-term liability includes interest usually up to 2% of the amount advanced with the State of Ohio or the City of Columbus as described in Note 10. The repayment of interest is conditional pending the repayment of the related note receivable from the unconsolidated tax credit entity or other conditions as defined in the loan agreements. In addition, consolidated real estate entities have conditional secondary mortgages with governmental entities that accrue interest based on the note agreements. Accordingly, accrued interest payable of $6,154,248 and $5,354,458 at December 31, 2019 and 2018, respectively, has been reported as a long-term liability as current assets of the Organization will not be used to satisfy these obligations.

13. DEFERRED GRANT ADVANCES – STATE OF OHIO:

Homeport received grant funding from the State of Ohio, which was loaned to affiliated entities to develop low-income housing. These entities must maintain safe, decent and sanitary housing for the entire affordability period (30 years). If the entities are in compliance, the grant advance subject to repayment is forgiven evenly over the compliance period. For the years ended December 31, 2019 and 2018, Homeport recognized loan forgiveness income of $44,667 which was reported as government grants in the consolidated statements of activities.

As of December 31, 2019 and 2018, the balance of the deferred grant advance subject to repayment to the State of Ohio for noncompliance are as follows:

Initial grant amount	Affordability period		2019	2018
$300,000	2030	$	90,000	100,000
$300,000	2031		100,000	110,000
$220,000	2032		80,672	88,005
$300,000	2032		110,000	120,000
$220,000	2033		87,990	95,324
		$	468,662	513,329

14. OBLIGATION UNDER INTEREST RATE SWAPS:

The derivative financial instrument is recorded in the accompanying consolidated statements of financial position as either an asset or liability measured at fair value. The fair value of Homeport's interest rate swap liability amounted to $65,364 and $12,181 as of December 31, 2019 and 2018, respectively. The effects on the consolidated statements of activities for the years ended December 31, 2019 and 2018 includes an unrealized loss of $53,183 and unrealized gain of $52,728, respectively.

The following tables presents information regarding the Organization's interest rate swap agreement, and summarizes the fair value of the Organization's interest rate swap liability at December 31, 2019 and 2018:

2019	Notional Amount	Index		Fair Value	Instrument	Maturity
	$ 957,654	US LIBOR	$	(47,287)	Swap	01/2026
	1,605,064	US LIBOR		(18,077)	Swap	12/2024
			$	(65,364)		

2018	Notional Amount	Index		Fair Value	Instrument	Maturity
	$ 976,035	US LIBOR	$	(2,702)	Swap	01/2026
	1,665,613	US LIBOR		(9,479)	Swap	12/2024
			$	(12,181)		

15. NET ASSETS WITH DONOR RESTRICTIONS:

Homeport maintains net assets with donor restrictions as follows at December 31 for the following purposes or periods:

	2019	2018
Subject to the passage of time:		
HUD Section 202 Capital Advances	$ 6,267,574	6,460,332
Subject to expenditure for specified purpose:		
NeighborWorks America Restricted Until First Use	6,608	114,595
Subject to grantor approval:		
NeighborWorks America Capital fund balance	1,094,127	1,367,659
	$ 7,368,309	7,942,586

HUD Section 202 Capital Advance

The Organization has recorded the proceeds from U.S Department of Housing and Urban Development (HUD) Section 202 capital advances as net assets with donor restrictions. The proceeds from the capital advances were invested in Elim Manor Homes, L.P. and Whitehall Elderly Facilities, L.P. The capital advances will be reclassified to net assets without donor restrictions evenly over the compliance periods. The terms of the Capital Advance Program require that the housing remain available for a period of not less than 40 years for very low-income elderly persons. At final maturity (December 1, 2050 for Elim Manor Homes, L.P. and December 16, 2053 for Whitehall Elderly Facilities, L.P.) the entire balance of the Capital Advances will be forgiven. The HUD Section 202 Capital Advances are secured by an “open-end” mortgage on the rental properties payable to HUD. The mortgages are noninterest-bearing and repayment of the principal balances are not required as long as the housing remains available to very low-income elderly persons.

The Organization must comply with the terms of the Capital Advance Program or it may be required to repay the entire Capital Advance of $7,710,300 plus an accrued interest penalty (calculated at the default rate of 5.25%) of $2,602,482 and $2,197,691 at December 31, 2019 and 2018, respectively. The Organization’s total potential liability for noncompliance with the terms of the Capital Advance Program is $10,312,782 and $9,907,991 at December 31, 2019 and 2018, respectively.

NeighborWorks America

In prior years, NeighborWorks America (NWA) has provided capital grants for making loans and for capital projects. This amount is restricted although proceeds on capital projects, or interest earned, over and above the corpus may be transferred to net assets without donor restrictions for furthering Homeport’s mission. However, should Homeport become defunct, all remaining grant funds, interest earnings, capital project proceeds, and the loan and capital projects portfolios representing the use of these funds will revert to NeighborWorks America. Homeport has $1,000,000 in fidelity bond coverage as of December 31, 2019 to cover any loss of funds provided by NWA. The federal grant activity under the NeighborWorks restricted revolving loan fund is summarized in the supplementary schedules accompanying the financial statements. In addition, Homeport received restricted funding of $190,000 and $193,182 during 2019 and 2018 that is restricted until first use. The grant funds are recorded as restricted until used in accordance with an eligible purpose.

For the years ended December 31, 2019 and 2018, $571,519 and $560,402, respectively, of capital funds were released by NWA to net assets without donor restrictions.

16. REVENUE FROM CONTRACTS WITH CUSTOMERS:

A significant portion of Homeport's revenue come from grants, contributions, rental and interest income that are outside the scope of ASC 606.

Performance obligations satisfied at a point in time
Homeport derecognizes real estate and recognizes a gain or loss when a contract exists, and control of the property has transferred to the buyer. Control of the property, including controlling financial interest, is generally considered to transfer upon closing through transfer of the legal title and possession of the property, at which point the Organization recognizes a gain or loss equal to the difference between the transaction price and the carrying amount of the property.

Performance obligations satisfied over time
Development fees have performance obligations occurring over time and are recognized as revenue during the development period based on a specific percentage relating to services performed and the remainder of the development fee recorded based on the percentage of completion method of accounting. Development services relate to activities associated with deal structure, obtaining financing sources, oversight of development and construction and other development related activities. The development fee agreement fixes the development fee to be earned by Homeport. The timing and uncertainty of revenue and cash flows for development fees is impacted by construction progress and deliverables to the outside investor. Payments are received based on the earnings benchmarks described in the development services agreement. A portion of the fee could be deferred as collection is contingent upon the availability of future cash flows of the rental property.

Fees and other revenue are typically recognized on a monthly basis as services are performed with payment due the following month.

Revenue recognized from contracts with customers

		2019	2018
Performance obligations satisfied at a point in time	$	(875,693)	(521,075)
Performance obligations satisfied over time		1,486,596	1,998,086
Revenue recognized from contracts with customers	$	610,903	1,477,011

As of December 31, 2019, the Organization had contract receivables of $1,322,388. The Organization had ending contract receivables of $1,670,373 at December 31, 2018 and beginning contract receivables at January 1, 2018 of $2,166,579.

Impairment losses on contracts with customers was $0 for the years ended December 31, 2019 and 2018.

17. CONTRIBUTIONS:

Contributions as reported in the consolidated statements of activities were received from the following sources for the years ended December 31:

		2019	2018
Individuals	$	70,957	36,206
Corporations		591,361	552,623
Foundations		655,028	684,097
	$	1,317,346	1,272,926

18. HOMEOWNERSHIP AND LEASE PURCHASE:

The Organization reports government grants used for gap subsidy funding, the loss on sale of single-family housing units and related development fees as Homeownership and Lease Purchase on the consolidated statements of activities.

19. OPERATING LEASES:

As of December 31, 2019 Homeport was obligated under a non-cancelable operating lease for equipment requiring payments of $198 in 2020.

Rental expense on non-cancelable leases at December 31, 2019 and 2018 was approximately $33,000 and $37,000, respectively.

20. FUTURE MINIMUM RENTAL INCOME:

The Organization rents office space under multi-year leases. The lessees have payment obligations through 2022. Many of the leases provide for escalations over the terms of the lease. Minimum lease payments to be received under long-term commercial leases assuming no expiring leases are renewed as of December 31, 2019 were as follows:

2020	$	250,306
2021		240,442
2022		116,870
Total	$	607,618

21. DEFERRED COMPENSATION PLAN:

Homeport maintains a 403(b) deferred compensation plan (the Plan) for all employees who have met the minimum age and service requirements. Homeport matches eligible employee deferrals. Employees may contribute to the Plan the lesser of up to 15% of their salary or the statutory maximum. Homeport’s profit-sharing contributions to the Plan are discretionary. Homeport contributed $32,780 and $36,655 to the Plan in 2019 and 2018, respectively.

22. RELATED PARTY TRANSACTIONS:

Homeport earned income of $1,305,949 and $1,773,911 for the years ended December 31, 2019 and 2018, respectively, to related tax credit projects of which Homeport has an ownership interest. Fees receivable from these entities as detailed in Note 4 and 5 was $1,447,164 and $1,578,844 as of December 31, 2019 and 2018, respectively. As disclosed in Note 11, Homeport has an unsecured loan from Central City Development, Fund I, LLC of which Homeport maintains a noncontrolling ownership interest.

23. FUNCTIONAL CLASSIFICATIONS:

Following is a schedule of expenses by function for the year ended December 31, 2019:

	Real Estate Development	Community Life	Housing Advisory	Total Program	Administration	Fundraising	Total
Salaries	$ 2,195,652	416,792	495,561	3,108,005	487,999	194,380	3,790,384
Benefits and payroll taxes	554,904	100,657	92,756	748,317	120,347	39,848	908,512
Office	550,555	42,467	53,850	646,872	27,608	-	674,480
Client assistance	131,239	100,652	67,319	299,210	-	-	299,210
Professional and other contracts	235,575	25,219	27,984	288,778	37,923	-	326,701
Occupancy	2,914,068	6,059	5,275	2,925,402	11,195	-	2,936,597
Insurance	522,681	15,376	18,255	556,312	17,381	-	573,693
Travel, conferences and training	57,020	27,072	20,368	104,460	9,431	-	113,891
Advertising and marketing	49,528	7,326	22,053	78,907	56,298	79,286	214,491
Interest expense	1,320,174	3,755	5,748	1,329,677	16,302	-	1,345,979
Depreciation	1,452,374	2,623	3,731	1,458,728	12,067	-	1,470,795
Real estate taxes	765,652	-	-	765,652	-	-	765,652
Property management fees	652,494	-	-	652,494	-	-	652,494
Miscellaneous	83,622	34,650	5,536	123,808	1,572	-	125,380
Interest expense on conditional notes	135,203	-	-	135,203	-	-	135,203
Total	$ 11,620,741	782,648	818,436	13,221,825	798,123	313,514	14,333,462

Following is a schedule of expenses by function for the year ended December 31, 2018:

	Real Estate Development	Community Life	Housing Advisory	Total Program	Administration	Fundraising	Total
Salaries	$ 2,017,951	491,244	441,172	2,950,367	646,871	191,148	3,788,386
Benefits and payroll taxes	551,440	113,704	86,607	751,751	131,210	39,185	922,146
Office	378,040	35,067	36,722	449,829	35,993	-	485,822
Client assistance	231,701	130,347	47,215	409,263	-	-	409,263
Professional and other contracts	259,996	23,610	17,741	301,347	37,809	-	339,156
Occupancy	3,093,837	6,384	4,385	3,104,606	10,369	-	3,114,975
Insurance	434,276	13,296	10,461	458,033	16,971	-	475,004
Travel, conferences and training	53,566	27,989	16,249	97,804	19,994	-	117,798
Advertising and marketing	47,094	15,768	23,315	86,177	65,210	62,268	213,655
Interest expense	1,301,456	4,454	5,977	1,311,887	19,499	-	1,331,386
Depreciation	1,402,632	1,973	2,284	1,406,889	8,880	-	1,415,769
Real estate taxes	665,345	-	-	665,345	-	-	665,345
Property management fees	568,066	-	-	568,066	-	-	568,066
Miscellaneous	307,951	2,060	8,805	318,816	2,565	-	321,381
Interest expense on conditional notes	179,160	-	-	179,160	-	-	179,160
Total	$ 11,492,511	865,896	700,933	13,059,340	995,371	292,601	14,347,312

The costs of providing the various programs and activities have been summarized on a functional basis above. Occupancy related expenses are allocated based on the square footage of each department. All other expenses, including those allocated based on square footage are then re-allocated based on employee hours. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

24. COMMITMENTS AND CONTINGENCIES:

Homeport issues a variety of guarantees in the course of developing tax credit properties. The guarantees are generally issued in favor of entity investors or lenders. If Homeport was required to honor the guarantees, generally it would be entitled to treat the advances as loans to the respective entities. There is currently no recorded liability for potential losses under these guarantees, nor is there any liability for the Organization's obligation to "stand ready" to fund such guarantees. Based on information gathered as part of its monitoring of risks, the Organization believes there is only a remote possibility that the Organization will be required to perform under these guarantees.

Operating deficit guarantees

Homeport has entered into various operating deficit guarantee agreements, whereby it will advance funds to certain affiliated limited partnerships' business. Total amounts guaranteed under operating deficit guarantee and pledge reserve agreements at December 31, 2019 and 2018 amounted to approximately $3,177,000.

Construction loan repayment and completion guarantees

Homeport has provided repayment guarantees for construction loans used for the development of tax credit properties. Homeport has also provided construction completion guarantees. There are no significant completion delays in current Homeport developments. To date, Homeport has not experienced non-completion of a project, nor has it been called on for any loan repayment guarantee. Construction loan repayment and completion guarantees as of December 31, 2019 and 2018 were approximately $14,417,000 and $12,092,000 respectively.

Tax benefit guarantees

As the sponsor or developer of certain properties financed in part by federal tax credit allocations, Homeport has made certain guarantees to investors as to the tax credits and other benefits to be derived from the properties. These guarantees generally cover the tax compliance periods of fifteen years after initial lease up. In the opinion of management, compliance with tax regulations and careful monitoring of the properties should preclude these contingent liabilities from materializing. To date, Homeport has not experienced any calls on these guarantees. Tax benefit guarantees as of December 31, 2019 and 2018 were approximately $58,791,000 and $51,311,000, respectively.

Contingencies

Certain rental properties of Homeport have deferred first and second mortgage notes from the City of Columbus and the State of Ohio. The terms of the mortgage notes provide for repayment of $4,695,500 in principal and $11,295,925 in deferred and unpaid interest at December 31, 2019. The terms of the mortgage notes provide for repayment of $4,011,500 in principal and $9,677,699 in deferred and unpaid interest at December 31, 2018. The mortgage notes were assumed through business combinations and valued at the debts' fair value at the time of acquisition. The fair value of the debt was determined based on cash flow projections of the property, management's intent on holding the property and the collaterals' fair value. The carrying value of these mortgage notes at December 31, 2019 and 2018 was $8,340,563 and $6,726,084, respectively.

Under the terms of Homeport's grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, would not have a material effect on Homeport's consolidated financial statements.

25. BUSINESS COMBINATIONS:

During 2019, Homeport acquired the limited partner interest in Maplegreen Homes Limited Partnership. The acquisition was accounted for in accordance with accounting guidance regarding *Business Combinations* and Homeport recorded the acquired tangible and identified intangible assets and liabilities, if any, based on their estimated fair values. Homeport recognized a net gain of $1,501,805 relating to the acquisition of the limited partnership as the net assets acquired exceeded the carrying value. The following summarizes the estimated fair value of the net assets acquired at the date of acquisition with reconciliation to net gain.

	Maplegreen Homes
Land	$ 70,370
Building as vacant	3,258,911
Cash and restricted cash	608,768
Other assets	7,565
Liabilities assumed	(2,528,461)
Net assets acquired	1,417,153
Acquisition date carrying value	(84,652)
Fair value of net assets acquired over carrying value	$ 1,501,805

During 2018, Homeport acquired the limited partner interests in Fairview Homes Limited Partnership, Southside Homes Limited Partnership, and Mariemont Homes Limited Partnership. The acquisitions were accounted for in accordance with accounting guidance regarding *Business Combinations* and Homeport recorded the acquired tangible and identified intangible assets and liabilities, if any, based on their estimated fair values. Homeport recognized a net gain of $183,063 relating to the acquisition of the limited partnerships as the net assets acquired exceeded the carrying value. The following summarizes the estimated fair value of the net assets acquired at the date of acquisition with reconciliation to net gain.

		Fairview Homes	Southside Homes	Mariemont Homes	Total
Land	$	26,738	32,759	26,156	85,653
Building as vacant		1,304,226	1,476,101	1,263,336	4,043,663
Cash and restricted cash		209,251	247,756	461,380	918,387
Other assets		11,113	6,702	37,201	55,016
Liabilities assumed		(1,393,343)	(1,567,322)	(1,332,125)	(4,292,790)
Net assets acquired		157,985	195,996	455,948	809,929
Acquisition date carrying value		283,718	423,612	(80,464)	626,866
Fair value of net assets acquired over carrying value, net	$	(125,733)	(227,616)	536,412	183,063

26. SUBSEQUENT EVENT:

Subsequent to the date of the financial statements, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the United States (U.S.). On March 13, 2020, the U.S. declared the COVID-19 outbreak as a national emergency. The extent of the impact of COVID-19 on the operational and financial performance of the Organization will depend on certain developments, including the duration and spread of the outbreak. Impact on operations cannot be predicted, and the extent to which COVID-19 may impact the financial condition or results of operations is uncertain at this time.

27. FAIR VALUE MEASUREMENTS:

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs utilize quoted prices in active markets for identical assets or liabilities.
Level 2 inputs are based on significant other observable inputs.
Level 3 inputs are based on significant unobservable inputs.

	Fair Value Measurements at Reporting Date Using			
Recurring fair value measurements	12/31/2019	(Level 1)	(Level 2)	(Level 3)
Assets:				
Investments held by Columbus Foundation	$ 146,234	146,234	-	-
Liabilities:				
Interest rate swaps	$ 65,364	-	65,364	-
	12/31/2018	(Level 1)	(Level 2)	(Level 3)
Assets:				
Investments held by Columbus Foundation	$ 122,884	122,884	-	-
Liabilities:				
Interest rate swaps	$ 12,181	-	12,181	-

Investments have been valued using a market approach (Level 1). The valuation of interest rate swaps are measured using the income approach with significant other observable inputs (Level 2). The fair value is determined by comparing the estimated present value of the future fixed rate interest payments expected to be paid by Homeport to the bank versus the present value of the future variable rate interest payments expected to be paid by the bank to Homeport over the life of the swap agreements. The estimate of the future variable rates was derived from the interest rate futures market as of December 31, 2019 by taking the observable values of LIBOR futures contracts. The valuations are calculated on a basis different from those which would be used to calculate amounts payable upon a voluntary or involuntary early termination or assignment.

Nonrecurring fair value measurements	12/31/2019	(Level 1)	(Level 2)	(Level 3)
Assets:				
Acquired property	$ 3,329,281	-	3,329,281	-
	12/31/2018			
Assets:				
Acquired property	$ 4,129,316	-	4,129,316	-

Housing units acquired that are classified as held for sale are valued based on the estimated selling price less anticipated selling costs. There were no changes in valuation techniques during 2019 and 2018.

28. AVAILABILITY OF FINANCIAL ASSETS:

Homeport is substantially supported by grants and income from fees. As part of Homeport's liquidity management it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

2019		Less Amounts Unavailable for	
Homeport	Gross	General Cash Needs	Available
Cash	$ 5,236,621	(250,000)	4,986,621
Receivables	1,319,722	(506,883)	812,839
Restricted cash	1,681,614	(1,681,614)	-
Notes receivable	11,585,852	(11,585,852)	-
Investments	146,234	-	146,234
			5,945,694
Affiliates			
Cash	2,053,598	-	2,053,598
Receivables	533,428	-	533,428
Restricted cash	7,109,751	(7,109,751)	-
			2,587,026
Financial assets available to meet cash needs for general expenditures within one year			$ 8,532,720

2018		Less Amounts Unavailable for	
Homeport	Gross	General Cash Needs	Available
Cash	$ 5,845,075	(250,000)	5,595,075
Receivables	1,849,102	(275,476)	1,573,626
Restricted cash	1,753,341	(1,753,341)	-
Notes receivable	12,806,032	(12,806,032)	-
Investments	122,884	-	122,884
			7,291,585
Affiliates			
Cash	1,589,759	-	1,589,759
Receivables	567,675	-	567,675
Restricted cash	6,672,326	(5,973,030)	699,296
			2,856,730
Financial assets available to meet cash needs for general expenditures within one year			$ 10,148,315

Cash is unavailable due to donor or board-imposed restrictions. Receivables and notes receivable are unavailable due to scheduled repayment dates greater than one year from the consolidated statements of financial position date. Restricted cash is unavailable due to lender or entity-imposed restrictions.

Supplementary Information

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Financial Position
December 31, 2019

		Homeport			Lease Purchase	Rental	Other controlled		
Current assets:		HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Cash	$	4,065,967	1,071,553	99,101	621,556	1,432,042	-	-	7,290,219
Receivables:									
Fees receivable, net		160,000	-	-	-	-	-	-	160,000
Grants receivable		74,053	30,000	-	371,399	-	-	-	475,452
Other receivables		276,802	78,730	209,613	39,532	122,497	-	-	727,174
Intercompany receivable		-	1,071,007	7,109	-	-	-	(1,078,116)	-
Prepaid expenses		4,691	-	27,509	126,738	653,085	-	-	812,023
Total current assets		4,581,513	2,251,290	343,332	1,159,225	2,207,624	-	(1,078,116)	9,464,868
Property and equipment:									
Office buildings, net		50,042	-	2,666,695	-	-	-	-	2,716,737
Rental properties, net		-	-	-	5,048,420	17,258,476	404,215	-	22,711,111
Properties held for sale		-	-	-	6,938,706	-	-	-	6,938,706
Construction in progress		463,601	959,152	-	-	-	-	-	1,422,753
Total property and equipment		513,643	959,152	2,666,695	11,987,126	17,258,476	404,215	-	33,789,307
Noncurrent assets:									
Restricted cash		1,525,277	43,907	112,430	2,053,403	5,056,348	-	-	8,791,365
Fees receivable, net		368,425	-	-	-	-	-	7,273	375,698
Notes receivable, net		11,993,007	1,184,293	-	-	-	-	(1,591,448)	11,585,852
Related party receivables, net		1,745,693	77,500	-	-	-	-	(1,708,367)	114,826
Investments		146,234	-	-	-	-	-	-	146,234
Deposits		-	1,429	-	-	-	-	-	1,429
Investment in unconsolidated entities		10,309,842	-	-	-	-	-	(166,528)	10,143,314
Total noncurrent assets		26,088,478	1,307,129	112,430	2,053,403	5,056,348	-	(3,459,070)	31,158,718
Total assets	$	31,183,634	4,517,571	3,122,457	15,199,754	24,522,448	404,215	(4,537,186)	74,412,893

	Homeport			Lease Purchase	Rental	Other controlled		
	HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Current liabilities:								
Conditional notes payable, current	$ 300,000	-	-	305,517	-	-	-	605,517
Long-term debt, current	-	-	84,540	3,708,084	508,317	-	-	4,300,941
Accounts payable	140,579	231,679	115,794	147,561	522,429	2,112	7,273	1,167,427
Intercompany payable	1,091,931	80,387	1,020,716	77,959	113,412	402,078	(2,786,483)	-
Accrued expenses	200,370	159,457	19,607	278,455	643,551	90	-	1,301,530
Accrued interest payable	-	-	9,039	18,798	78,830	-	-	106,667
Deferred grant advances	-	160,000	-	-	-	-	-	160,000
Deferred revenue	304,724	40,639	-	-	-	-	-	345,363
Total current liabilities	2,037,604	672,162	1,249,696	4,536,374	1,866,539	404,280	(2,779,210)	7,987,445
Long-term liabilities:								
Security and warranty deposits	-	1,250	13,085	171,966	233,492	-	-	419,793
Accrued interest payable	934,107	-	-	3,676,405	1,543,736	-	-	6,154,248
Deferred grant advances, State of Ohio	468,662	-	-	-	-	-	-	468,662
Line of credit	-	183,294	-	-	-	-	-	183,294
Conditional notes payable	9,660,969	-	-	-	3,316,965	-	-	12,977,934
Long-term debt	1,964,896	1,980,953	1,856,142	3,880,632	21,212,725	-	(1,591,448)	29,303,900
Less: unamortized debt issuance costs	(8,075)	(13,881)	(8,081)	(34,568)	(729,402)	-	-	(794,007)
Obligation under interest rate swap	-	-	18,077	-	47,287	-	-	65,364
Total long-term liabilities	13,020,559	2,151,616	1,879,223	7,694,435	25,624,803	-	(1,591,448)	48,779,188
Total liabilities	15,058,163	2,823,778	3,128,919	12,230,809	27,491,342	404,280	(4,370,658)	56,766,633
Net assets (deficit):								
Without donor restrictions	8,757,162	1,693,793	(6,462)	2,968,945	(2,968,894)	(65)	(166,528)	10,277,951
With donor restrictions	7,368,309	-	-	-	-	-	-	7,368,309
Total net assets (deficit)	16,125,471	1,693,793	(6,462)	2,968,945	(2,968,894)	(65)	(166,528)	17,646,260
Total liabilities and net assets	$ 31,183,634	4,517,571	3,122,457	15,199,754	24,522,448	404,215	(4,537,186)	74,412,893

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Activities
Year Ended December 31, 2019

	Homeport HP Division	Homeport HHO	Homeport CHP Agler	Lease Purchase For Sale	Rental Properties	Other controlled entities	Eliminations	Consolidated
Change in net assets without donor restrictions:								
Support:								
Government grants	$ 494,921	150,127	-	-	-	-	-	645,048
Contributions	1,279,380	37,966	-	-	-	-	-	1,317,346
	1,774,301	188,093	-	-	-	-	-	1,962,394
Homeownership and lease purchase:								
Government grants	-	724,142	-	-	-	-	-	724,142
Development fees	5,000	261,472	-	-	-	-	-	266,472
Loss on sale of properties held for sale	-	(876,827)	-	1,134	-	-	-	(875,693)
	5,000	108,787	-	1,134	-	-	-	114,921
Revenues:								
Development fees	930,088	-	-	-	-	-	-	930,088
Rental	-	-	377,365	1,769,618	8,056,862	-	(212,915)	9,990,930
Fees and other revenue	699,516	-	57	-	-	-	(409,537)	290,036
Investment income	738,717	-	-	135	8	-	(507,662)	231,198
	2,368,321	-	377,422	1,769,753	8,056,870	-	(1,130,114)	11,442,252
Total support and revenues	4,147,622	296,880	377,422	1,770,887	8,056,870	-	(1,130,114)	13,519,567
Expenses:								
Program, administration and other	4,165,735	426,959	199,387	-	-	65	(212,915)	4,579,231
Rental	-	-	-	1,265,494	5,550,624	-	-	6,816,118
Total expenses	4,165,735	426,959	199,387	1,265,494	5,550,624	65	(212,915)	11,395,349
Change in net assets from operations before interest & depreciation expense	(18,113)	(130,079)	178,035	505,393	2,506,246	(65)	(917,199)	2,124,218
Less interest expense	35,332	2,468	161,959	258,388	1,382,057	-	(507,662)	1,332,542
Less depreciation expense	23,173	1,824	103,797	84,548	1,257,026	-	-	1,470,368
Change in net assets before other operating income (expense)	(76,618)	(134,371)	(87,721)	162,457	(132,837)	(65)	(409,537)	(678,692)
Other operating income (expense):								
Unrealized gain/loss on interest rate swap	-	-	(8,598)	-	(44,585)	-	-	(53,183)
Fair value of net assets acquired over carrying value, net	1,501,805	-	-	-	-	-	-	1,501,805
Interest expense on conditional notes payable	(113,499)	-	-	-	(21,704)	-	-	(135,203)
Interorganizational fees	-	-	-	(45,624)	(363,913)	-	409,537	-
Equity in losses of unconsolidated entities	(990)	-	-	-	-	-	-	(990)
Excess distributions from unconsolidated entities	37,373	-	-	-	-	-	-	37,373
Provision for uncollectible accounts	(615,816)	-	-	-	-	-	-	(615,816)
Total other operating income (expense), net	808,873	-	(8,598)	(45,624)	(430,202)	-	409,537	733,986
Change in net assets from operations	732,255	(134,371)	(96,319)	116,833	(563,039)	(65)	-	55,294
Purpose restricted contributions, released from restrictions	571,519	-	-	-	-	-	-	571,519
Time restricted grants, released from restrictions	192,758	-	-	-	-	-	-	192,758
Change in net assets without donor restrictions	$ 1,496,532	(134,371)	(96,319)	116,833	(563,039)	(65)	-	819,571

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Changes in Net Assets
Year Ended December 31, 2019

		Homeport							
		HP Division	HHO	CHP Agler	Lease Purchase For Sale	Rental Properties	Other controlled entities	Eliminations	Consolidated
Change in net assets without donor restrictions:									
Net assets without donor restrictions, beginning of year	$	7,898,135	1,828,164	89,857	1,436,051	(2,397,450)	-	603,623	9,458,380
Change in net assets without donor restrictions		1,496,532	(134,371)	(96,319)	116,833	(563,039)	(65)	-	819,571
Earnings on consolidated entities		(637,505)	-	-	1,416,061	-	-	(778,556)	-
Change in net assets without donor restrictions		859,027	(134,371)	(96,319)	1,532,894	(563,039)	(65)	(778,556)	819,571
Net assets without donor restrictions, end of year	$	8,757,162	1,693,793	(6,462)	2,968,945	(2,960,489)	(65)	(174,933)	10,277,951
Change in net assets with donor restrictions:									
Net assets with donor restrictions, beginning of year	$	7,942,586	-	-	-	-	-	-	7,942,586
NeighborWorks America grant, purpose restricted		190,000	-	-	-	-	-	-	190,000
Net assets released from restrictions		(764,277)	-	-	-	-	-	-	(764,277)
Change in net assets with donor restrictions		(574,277)	-	-	-	-	-	-	(574,277)
Net assets with donor restrictions, end of year	$	7,368,309	-	-	-	-	-	-	7,368,309
Change in total net assets:									
Total net assets, beginning of year	$	15,840,721	1,828,164	89,857	1,436,051	(2,397,450)	-	603,623	17,400,966
Distributions		-	-	-	-	(8,405)	-	8,405	-
Change in net assets without donor restrictions		859,027	(134,371)	(96,319)	1,532,894	(563,039)	(65)	(778,556)	819,571
Change in net assets with donor restrictions		(574,277)	-	-	-	-	-	-	(574,277)
Change in total net assets		284,750	(134,371)	(96,319)	1,532,894	(571,444)	(65)	(770,151)	245,294
Total net assets, end of year	$	16,125,471	1,693,793	(6,462)	2,968,945	(2,968,894)	(65)	(166,528)	17,646,260

		Homeport			Lease	Rental	Other controlled		
		HP Division	HHO	CHP Agler	Purchase For Sale	Properties	entities	Eliminations	Consolidated
Cash flows from operating activities:									
Change in total net assets	$	284,750	(134,371)	(96,319)	1,532,894	(563,039)	(65)	(778,556)	245,294
Adjustment to reconcile change in net assets to net cash from operating activities:									
Depreciation		23,173	1,824	103,797	84,548	1,257,026	-	-	1,470,368
Amortization of debt issuance costs		425	8,766	1,616	1,823	40,716	-	-	53,346
(Gain) loss on consolidation		(1,501,805)	-	-	(1,416,061)	-	-	1,416,061	(1,501,805)
Loss on properties held for sale		-	876,827	-	(1,134)	-	-	-	875,693
Provision for losses on receivables		615,816	-	-	-	-	-	-	615,816
Equity in losses of unconsolidated entities		638,495	-	-	-	-	-	(632,569)	5,926
Restricted funding		(190,000)	-	-	-	-	-	-	(190,000)
Deferred grant advances loan forgiveness		(44,667)	-	-	-	-	-	-	(44,667)
Effect of changes in operating assets and liabilities:									
Receivables		(725,069)	266,906	83,210	29,575	12,096	-	288,517	(44,765)
Prepaid expenses and deposits		(3,328)	-	19,942	(31,523)	44,581	-	-	29,672
Accounts payable and accrued expenses		(38,229)	34,859	(69,703)	(5,987)	105,060	2,202	339,640	367,842
Intercompany receivable		-	13,572	6,241	-	-	-	(19,813)	-
Distribution to Homeport		-	-	-	-	(8,405)	-	8,405	-
Intercompany payable		(19,813)	(16,011)	238,007	(20,530)	24,613	402,078	(608,344)	-
Security and warranty deposits		-	(2,500)	(4,361)	1,293	(706)	-	-	(6,274)
Accrued interest payable		(98,883)	-	(546)	23,456	(37,841)	-	212,382	98,568
Deferred revenue and grant advances		(91,103)	110,857	-	-	-	-	-	19,754
Interest rate swap obligation		-	-	8,598	-	44,585	-	-	53,183
Net cash from operating activities		(1,150,238)	1,160,729	290,482	198,354	918,686	404,215	225,723	2,047,951
Cash flows from investing activities:									
Cash received in consolidation		-	-	-	608,768	-	-	-	608,768
Change in investments		(23,350)	-	-	-	-	-	-	(23,350)
Investment in unconsolidated entities		(95,054)	-	-	-	-	-	92,162	(2,892)
Proceeds from the sale of properties held for sale		-	785,551	-	71,868	-	-	-	857,419
Purchase of real estate and rehabilitation costs		-	(1,200,464)	-	-	-	-	-	(1,200,464)
Advance on note receivable		(100,000)	-	-	-	-	-	-	(100,000)
Proceeds from repayment of notes receivable		1,229,449	90,731	-	-	-	-	(1,207,885)	112,295
Purchase of property and equipment		(339,788)	-	(178,800)	-	(225,639)	(404,215)	-	(1,148,442)
Net cash from investing activities	$	671,257	(324,182)	(178,800)	680,636	(225,639)	(404,215)	(1,115,723)	(896,666)

		Homeport				Rental	Other controlled		
		HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Cash flows from financing activities:									
Purchase of financing costs	$	(8,500)	-	-	(26,545)	(29,400)	-	-	(64,445)
Proceeds (repayment) on lines of credit		-	(834,622)	-	-	-	-	-	(834,622)
Proceeds from restricted funding		190,000	-	-	-	-	-	-	190,000
Repayment of conditional notes payable		(698,976)	(301,729)	-	-	-	-	890,000	(110,705)
Proceeds from long-term debt		2,100,000	-	-	799,586	-	-	-	2,899,586
Repayment of long-term debt		(1,710,285)	191,024	(76,341)	(903,797)	(510,617)	-	-	(3,010,016)
Net cash from financing activities		(127,761)	(945,327)	(76,341)	(130,756)	(540,017)	-	890,000	(930,202)
Net increase (decrease) in cash and restricted cash		(606,742)	(108,780)	35,341	748,234	153,030	-	-	221,083
Cash and restricted cash, beginning of year		6,197,986	1,224,240	176,190	1,926,725	6,335,360	-	-	15,860,501
Cash and restricted cash, end of year	$	5,591,244	1,115,460	211,531	2,674,959	6,488,390	-	-	16,081,584
Reconciliation of cash and restricted cash within the Balance Sheet									
Cash	$	4,065,967	1,071,553	99,101	621,556	1,432,042	-	-	7,290,219
Restricted cash		1,525,277	43,907	112,430	2,053,403	5,056,348	-	-	8,791,365
Cash and restricted cash in the Statement of Cash Flow	$	5,591,244	1,115,460	211,531	2,674,959	6,488,390	-	-	16,081,584

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Expenses
Year Ended December 31, 2019
With Comparative Total for the Year Ended December 31, 2018

	Homeport			Lease Purchase	Rental	Other controlled		2019	2018
Program, administration and other:	HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated	Total
Salaries	$ 2,504,557	217,928	-	-	-	-	-	2,722,485	2,828,077
Payroll taxes	154,665	43,418	-	-	-	-	-	198,083	178,035
Fringe benefits	351,992	-	-	-	-	-	-	351,992	392,440
	3,011,214	261,346	-	-	-	-	-	3,272,560	3,398,552
Program related expenses	173,659	80,738	-	-	-	-	-	254,397	390,831
Office	47,795	3,178	33,553	-	-	65	-	84,591	118,282
Repairs and maintenance	513	3,049	61,751	-	-	-	-	65,313	85,470
Occupancy	227,399	18,866	52,186	-	-	-	(212,915)	85,536	107,147
Minor equipment	32,173	1,626	-	-	-	-	-	33,799	38,718
Dues and publications	38,136	3,406	-	-	-	-	-	41,542	38,496
Professional fees	34,415	2,276	6,303	-	-	-	-	42,994	35,538
Accounting and legal	121,165	9,151	1,211	-	-	-	-	131,527	99,129
Printing and postage	6,852	451	-	-	-	-	-	7,303	3,558
Insurance	74,321	7,114	5,117	-	-	-	-	86,552	66,547
Other expenses	68,472	3,969	39,266	-	-	-	-	111,707	76,648
Marketing and advertising	209,736	10,217	-	-	-	-	-	219,953	186,398
Development costs	20,114	4,090	-	-	-	-	-	24,204	125,783
Loan fees	4,844	9,019	-	-	-	-	-	13,863	24,418
Travel, conferences and training	86,680	8,046	-	-	-	-	-	94,726	100,760
Bad debt expense	-	-	-	-	-	-	-	-	137,657
Fundraising related expenses	4,865	417	-	-	-	-	-	5,282	4,856
In-kind expenses	3,382	-	-	-	-	-	-	3,382	3,612
Total program, admin & other	4,165,735	426,959	199,387	-	-	65	(212,915)	4,579,231	5,042,400
Rental:									
Maintenance	-	-	-	508,586	2,093,817	-	-	2,602,403	2,542,448
Utilities	-	-	-	14,881	931,981	-	-	946,862	1,011,056
Real estate taxes	-	-	-	158,359	587,568	-	-	745,927	646,691
Administrative and other	-	-	-	471,674	1,562,112	-	-	2,033,786	1,769,634
Insurance	-	-	-	111,994	375,146	-	-	487,140	408,768
Total rental	-	-	-	1,265,494	5,550,624	-	-	6,816,118	6,378,597
Interest expense	35,332	2,468	161,959	258,388	1,382,057	-	(507,662)	1,332,542	1,331,386
Depreciation expense	23,173	1,824	103,797	84,548	1,257,026	-	-	1,470,368	1,415,769
Other operating expense:									
Interest expense on conditional notes payable	113,499	-	-	-	21,704	-	-	135,203	179,160
Interorganizational fees	-	-	-	45,624	363,913	-	(409,537)	-	-
Equity in losses of unconsolidated entities	990	-	-	-	-	-	-	990	9,347
Fair value of net assets acquired (over) under carrying value, net	(1,501,805)	-	-	-	-	-	-	(1,501,805)	(183,063)
Bad debt expense	615,816	-	-	-	-	-	-	615,816	-
Total other operating expense	(771,500)	-	-	45,624	385,617	-	(409,537)	(749,796)	5,444
Total expense	$ 3,452,740	431,251	465,143	1,654,054	8,575,324	65	(1,130,114)	13,448,463	14,173,596

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Financial Position
December 31, 2018

		Homeport			Lease Purchase	Rental	Other controlled		
Current assets:		HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Cash	$	4,558,260	1,193,480	93,335	396,530	1,193,229	-	-	7,434,834
Receivables:									
Fees receivable, net		550,000	-	-	-	-	-	-	550,000
Grants receivable		143,931	120,000	-	371,399	-	-	-	635,330
Other receivables		211,236	255,636	292,823	61,683	134,593	-	-	955,971
Intercompany receivable		-	1,084,579	13,350	-	-	-	(1,097,929)	-
Prepaid expenses		1,363	-	47,451	95,215	697,666	-	-	841,695
Total current assets		5,464,790	2,653,695	446,959	924,827	2,025,488	-	(1,097,929)	10,417,830
Property and equipment:									
Office buildings, net		34,299	-	2,591,692	-	-	-	-	2,625,991
Rental properties, net		-	-	-	5,077,691	18,289,863	279,551	-	23,647,105
Properties held for sale		-	838,618	-	3,735,436	-	-	-	4,574,054
Construction in progress		162,729	584,272	-	-	-	-	-	747,001
Total property and equipment		197,028	1,422,890	2,591,692	8,813,127	18,289,863	279,551	-	31,594,151
Noncurrent assets:									
Restricted cash		1,639,726	30,760	82,855	1,530,195	5,142,131	-	-	8,425,667
Fees receivable, net		454,438	-	-	-	-	-	(298,729)	155,709
Notes receivable, net		13,122,456	1,275,024	-	-	-	-	(1,591,448)	12,806,032
Related party receivables, net		1,156,115	77,500	-	-	-	-	(1,113,848)	119,767
Investments		122,884	-	-	-	-	-	-	122,884
Deposits		-	1,429	-	-	-	-	-	1,429
Investment in unconsolidated entities		9,351,478	-	-	-	-	-	603,623	9,955,101
Total noncurrent assets		25,847,097	1,384,713	82,855	1,530,195	5,142,131	-	(2,400,402)	31,586,589
Total assets	$	31,508,915	5,461,298	3,121,506	11,268,149	25,457,482	279,551	(3,498,331)	73,598,570

	Homeport			Lease Purchase	Rental	Other controlled		
	HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Current liabilities:								
Conditional notes payable, current	168,940	301,729	-	305,517	-	-	-	776,186
Long-term debt, current	1,500,000	-	76,341	2,411,793	455,829	-	-	4,443,963
Accounts payable	211,929	186,439	185,559	109,916	460,184	7,222	(298,729)	862,520
Intercompany payable	1,111,744	96,398	782,709	98,489	88,799	33,638	(2,211,777)	-
Accrued expenses	167,249	169,838	19,545	242,813	600,736	11,331	-	1,211,512
Accrued interest payable	-	-	9,585	14,855	81,268	-	-	105,708
Deferred grant advances	-	67,500	-	-	-	-	-	67,500
Deferred revenue	395,827	22,282	-	-	-	-	-	418,109
Total current liabilities	3,555,689	844,186	1,073,739	3,183,383	1,686,816	52,191	(2,510,506)	7,885,498
Long-term liabilities:								
Security and warranty deposits	-	3,750	17,446	139,267	234,198	-	-	394,661
Accrued interest payable	1,032,990	-	-	2,737,229	1,579,139	5,100	-	5,354,458
Deferred grant advances, State of Ohio	513,329	-	-	-	-	-	-	513,329
Line of credit	-	1,017,916	-	-	-	-	-	1,017,916
Conditional notes payable	10,491,005	-	-	-	3,316,965	-	-	13,807,970
Long-term debt	75,181	1,789,929	1,940,682	3,782,065	21,775,830	255,000	(1,591,448)	28,027,239
Less: unamortized debt issuance costs	-	(22,647)	(9,697)	(9,846)	(740,718)	(32,740)	-	(815,648)
Obligation under interest rate swap	-	-	9,479	-	2,702	-	-	12,181
Total long-term liabilities	12,112,505	2,788,948	1,957,910	6,648,715	26,168,116	227,360	(1,591,448)	48,312,106
Total liabilities	15,668,194	3,633,134	3,031,649	9,832,098	27,854,932	279,551	(4,101,954)	56,197,604
Net assets (deficit):								
Without donor restrictions	7,898,135	1,828,164	89,857	1,436,051	(2,397,450)	-	603,623	9,458,380
With donor restrictions	7,942,586	-	-	-	-	-	-	7,942,586
Total net assets (deficit)	15,840,721	1,828,164	89,857	1,436,051	(2,397,450)	-	603,623	17,400,966
Total liabilities and net assets	$ 31,508,915	5,461,298	3,121,506	11,268,149	25,457,482	279,551	(3,498,331)	73,598,570

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Activities
Year Ended December 31, 2018

	Homeport			Lease				
	HP Division	HHO	CHP Agler	Purchase For Sale	Rental Properties	Other controlled entities	Eliminations	Consolidated
Change in net assets without donor restrictions:								
Support:								
Government grants	$ 765,134	80,250	-	-	-	-	-	845,384
Contributions	1,058,969	213,957	-	-	-	-	-	1,272,926
	1,824,103	294,207	-	-	-	-	-	2,118,310
Homeownership and lease purchase:								
Government grants	-	545,958	-	-	-	-	-	545,958
Development fees	10,000	227,556	-	-	-	-	-	237,556
Loss on sale of properties held for sale	-	(551,609)	-	23,659	-	-	-	(527,950)
	10,000	221,905	-	23,659	-	-	-	255,564
Revenues:								
Development fees	1,301,576	-	-	-	-	-	-	1,301,576
Rental	-	-	460,568	969,863	7,823,503	-	(268,870)	8,985,064
Fees and other revenue	869,378	1,000	1,450	-	-	-	(412,874)	458,954
Investment income	655,308	-	-	-	22	-	(423,245)	232,085
	2,826,262	1,000	462,018	969,863	7,823,525	-	(1,104,989)	10,977,679
Total support and revenues	4,660,365	517,112	462,018	993,522	7,823,525	-	(1,104,989)	13,351,553
Expenses:								
Program, administration and other	4,443,014	603,170	265,086	-	-	-	(268,870)	5,042,400
Rental	-	-	-	780,613	5,597,984	-	-	6,378,597
Total expenses	4,443,014	603,170	265,086	780,613	5,597,984	-	(268,870)	11,420,997
Change in net assets from operations before interest & depreciation expense	217,351	(86,058)	196,932	212,909	2,225,541	-	(836,119)	1,930,556
Less interest expense	172,163	3,080	151,115	120,151	884,877	-	-	1,331,386
Less depreciation expense	15,993	1,188	81,352	46,003	1,271,233	-	-	1,415,769
Change in net assets before other operating income (expense)	29,195	(90,326)	(35,535)	46,755	69,431	-	(836,119)	(816,599)
Other operating income (expense):								
Gain on sale	6,875	-	-	-	-	-	-	6,875
Unrealized gain on interest rate swap	-	-	33,935	-	18,793	-	-	52,728
Fair value of net assets acquired under carrying value, net	183,063	-	-	-	-	-	-	183,063
Interest expense on conditional notes payable	-	-	-	(59,704)	(542,701)	-	423,245	(179,160)
Interorganizational fees	-	-	-	(42,112)	(370,762)	-	412,874	-
Equity in losses of unconsolidated entities	(9,347)	-	-	-	-	-	-	(9,347)
Excess distributions from unconsolidated entities	63,247	-	-	-	-	-	-	63,247
Total other operating income (expense), net	243,838	-	33,935	(101,816)	(894,670)	-	836,119	117,406
Change in net assets from operations	273,033	(90,326)	(1,600)	(55,061)	(825,239)	-	-	(699,193)
Grant income passed through to tax credit projects	811,250	-	-	-	-	-	-	811,250
Purpose restricted contributions, released from restrictions	878,989	-	-	-	-	-	-	878,989
Time restricted grants, released from restrictions	192,758	-	-	-	-	-	-	192,758
Change in net assets without donor restrictions	$ 2,156,030	(90,326)	(1,600)	(55,061)	(825,239)	-	-	1,183,804

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Changes in Net Assets
Year Ended December 31, 2018

		Homeport			Lease Purchase	Rental	Other controlled		
		HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Change in net assets without donor restrictions:									
Net assets without donor restrictions, beginning of year	$	6,497,047	1,918,490	91,457	681,183	(1,345,992)	-	432,391	8,274,576
Change in net assets without donor restrictions		2,156,030	(90,326)	(1,600)	(55,061)	(825,239)	-	-	1,183,804
Earnings on consolidated entities		(754,942)	-	-	809,929	-	-	(54,987)	-
Change in net assets without donor restrictions		1,401,088	(90,326)	(1,600)	754,868	(825,239)	-	(54,987)	1,183,804
Net assets without donor restrictions, end of year	$	7,898,135	1,828,164	89,857	1,436,051	(2,171,231)	-	377,404	9,458,380
Change in net assets with donor restrictions:									
Net assets with donor restrictions, beginning of year	$	8,821,151	-	-	-	-	-	-	8,821,151
NeighborWorks America grant, purpose restricted		193,182	-	-	-	-	-	-	193,182
Net assets released from restrictions		(1,071,747)	-	-	-	-	-	-	(1,071,747)
Change in net assets with donor restrictions		(878,565)	-	-	-	-	-	-	(878,565)
Temporarily restricted net assets, end of year	$	7,942,586	-	-	-	-	-	-	7,942,586
Change in total net assets:									
Total net assets, beginning of year	$	15,318,198	1,918,490	91,457	681,183	(1,345,992)	-	432,391	17,095,727
Distributions		-	-	-	-	(226,219)	-	226,219	-
Change in unrestricted net assets		1,401,088	(90,326)	(1,600)	754,868	(825,239)	-	(54,987)	1,183,804
Change in temporarily restricted net assets		(878,565)	-	-	-	-	-	-	(878,565)
Change in total net assets		522,523	(90,326)	(1,600)	754,868	(1,051,458)	-	171,232	305,239
Total net assets, end of year	$	15,840,721	1,828,164	89,857	1,436,051	(2,397,450)	-	603,623	17,400,966

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Cash Flows
Year Ended December 31, 2018

	Homeport			Lease Purchase	Rental	Other controlled		
	HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Cash flows from operating activities:								
Change in total net assets	$ 522,523	(90,326)	(1,600)	754,868	(825,239)	-	(54,987)	305,239
Adjustment to reconcile change in net assets to net cash from operating activities:								
Depreciation	15,993	1,188	81,352	46,003	1,271,233	-	-	1,415,769
Amortization of debt issuance costs	-	3,903	1,616	532	39,356	-	-	45,407
(Gain) loss on consolidation	(183,063)	-	-	(809,929)	-	-	809,929	(183,063)
Loss on properties held for sale	-	551,609	-	(23,659)	-	-	-	527,950
Gain on sale	(6,875)	-	-	-	-	-	-	(6,875)
Provision for losses on receivables	75,000	53,875	8,782	-	-	-	-	137,657
Equity in losses of unconsolidated entities	764,289	-	-	-	-	-	(754,942)	9,347
Restricted funding	(1,004,432)	-	-	-	-	-	-	(1,004,432)
Deferred grant advances loan forgiveness	(44,667)	-	-	-	-	-	-	(44,667)
Effect of changes in operating assets and liabilities:								
Receivables	257,671	(151,409)	(55,152)	91,279	(26,107)	-	189,807	306,089
Prepaid expenses and deposits	9,514	13,500	-	(1,856)	26,976	-	-	48,134
Accounts payable and accrued expenses	106,344	79,401	190,213	45,187	68,018	25,167	(23,641)	490,689
Intercompany receivable	-	(95,779)	17,231	-	-	-	78,548	-
Distribution to Homeport	-	-	-	-	(226,219)	-	226,219	-
Intercompany payable	-	(19,669)	-	5,530	42,022	33,638	(61,521)	-
Security and warranty deposits	-	2,000	-	(6,988)	2,974	-	-	(2,014)
Accrued interest payable	(77,334)	-	296	(87,760)	50,614	4,277	823	(109,084)
Deferred revenue and grant advances	214,912	44,143	-	-	-	-	-	259,055
Interest rate swap obligation	-	-	(33,935)	-	(18,793)	-	-	(52,728)
Net cash from operating activities	649,875	392,436	208,803	13,207	404,835	63,082	410,235	2,142,473
Cash flows from investing activities:								
Cash received in consolidation	-	-	-	918,387	-	-	-	918,387
Cash removed in deconsolidation	-	-	-	-	-	-	(69,914)	(69,914)
Change in investments	4,302	-	-	-	-	-	-	4,302
Investment in unconsolidated entities	(809,116)	-	-	-	-	-	41,632	(767,484)
Proceeds from the sale of properties held for sale	-	581,546	-	389,622	-	-	-	971,168
Purchase of real estate and rehabilitation costs	-	(2,104,350)	-	-	-	-	-	(2,104,350)
Advances on notes receivable	(1,046,038)	28,308	-	-	-	-	(75,000)	(1,092,730)
Proceeds from repayment of notes receivable	1,425,528	191,031	-	-	-	-	(1,182,658)	433,901
Purchase of property and equipment	(134,577)	151,412	(197,074)	(8,648)	(449,291)	249,404	(528,955)	(917,729)
Net cash from investing activities	$ (559,901)	(1,152,053)	(197,074)	1,299,361	(449,291)	249,404	(1,814,895)	(2,624,449)

		Homeport			For	Rental	Other controlled		
		HP Division	HHO	CHP Agler	Sale	Properties	entities	Eliminations	Consolidated
Cash flows from financing activities:									
Purchase of financing costs	$	-	(26,550)	(848)	-	(96,537)	(20,400)	(12,340)	(156,675)
Proceeds (repayment) on lines of credit		(25,000)	678,861	-	-	-	-	-	653,861
Proceeds from restricted funding		1,004,432	-	-	-	-	-	-	1,004,432
Repayment of conditional notes payable		(1,045,276)	128,182	-	(67,333)	-	-	800,000	(184,427)
Proceeds from long-term debt		-	-	98,000	-	1,941,000	255,000	-	2,294,000
Repayment of long-term debt		173,699	(191,024)	(72,123)	(323,871)	(2,043,841)	(617,000)	617,000	(2,457,160)
Net cash from financing activities		107,855	589,469	25,029	(391,204)	(199,378)	(382,400)	1,404,660	1,154,031
Net increase (decrease) in cash and restricted cash		197,829	(170,148)	36,758	921,364	(243,834)	(69,914)	-	672,055
Cash and restricted cash, beginning of year		6,000,157	1,394,388	139,432	1,005,361	6,579,194	69,914	-	15,188,446
Cash and restricted cash, end of year	$	6,197,986	1,224,240	176,190	1,926,725	6,335,360	-	-	15,860,501
Reconciliation of cash and restricted cash within the Balance Sheet									
Cash	$	4,558,260	1,193,480	93,335	396,530	1,193,229	-	-	7,434,834
Restricted cash		1,639,726	30,760	82,855	1,530,195	5,142,131	-	-	8,425,667
Cash and restricted cash in the Statement of Cash Flow	$	6,197,986	1,224,240	176,190	1,926,725	6,335,360	-	-	15,860,501

Columbus Housing Partnership, Inc. and Affiliates
dba Homeport
Consolidating Schedule of Expenses
Year Ended December 31, 2018

	Homeport			Lease Purchase	Rental	Other controlled		
Program, administration and other:	HP Division	HHO	CHP Agler	For Sale	Properties	entities	Eliminations	Consolidated
Salaries	$ 2,619,904	208,173	-	-	-	-	-	2,828,077
Payroll taxes	125,604	52,431	-	-	-	-	-	178,035
Fringe benefits	392,440	-	-	-	-	-	-	392,440
	3,137,948	260,604	-	-	-	-	-	3,398,552
Program related expenses	190,424	200,407	-	-	-	-	-	390,831
Office	72,892	4,756	40,634	-	-	-	-	118,282
Repairs and maintenance	-	-	85,470	-	-	-	-	85,470
Occupancy	277,574	23,857	74,586	-	-	-	(268,870)	107,147
Minor equipment	36,865	1,853	-	-	-	-	-	38,718
Dues and publications	35,560	2,936	-	-	-	-	-	38,496
Professional fees	29,450	2,646	3,442	-	-	-	-	35,538
Accounting and legal	83,769	7,960	7,400	-	-	-	-	99,129
Printing and postage	3,359	199	-	-	-	-	-	3,558
Insurance	55,173	5,594	5,780	-	-	-	-	66,547
Other expenses	35,009	2,647	38,992	-	-	-	-	76,648
Marketing and advertising	179,072	7,326	-	-	-	-	-	186,398
Development costs	125,762	21	-	-	-	-	-	125,783
Loan fees	2,773	21,645	-	-	-	-	-	24,418
Travel, conferences and training	94,291	6,469	-	-	-	-	-	100,760
Bad debt expense	75,000	53,875	8,782	-	-	-	-	137,657
Fundraising related expenses	4,481	375	-	-	-	-	-	4,856
In-kind expenses	3,612	-	-	-	-	-	-	3,612
Total program, admin & other	4,443,014	603,170	265,086	-	-	-	(268,870)	5,042,400
Rental:								
Maintenance	-	-	-	353,714	2,188,734	-	-	2,542,448
Utilities	-	-	-	8,201	1,002,855	-	-	1,011,056
Real estate taxes	-	-	-	91,100	555,591	-	-	646,691
Administrative and other	-	-	-	249,510	1,520,124	-	-	1,769,634
Insurance	-	-	-	78,088	330,680	-	-	408,768
Total rental	-	-	-	780,613	5,597,984	-	-	6,378,597
Interest expense	172,163	3,080	151,115	120,151	884,877	-	-	1,331,386
Depreciation expense	15,993	1,188	81,352	46,003	1,271,233	-	-	1,415,769
Other operating expense:								
Interest expense on conditional notes payable	-	-	-	59,704	542,701	-	(423,245)	179,160
Interorganizational fees	-	-	-	42,112	370,762	-	(412,874)	-
Equity in losses of unconsolidated entities	9,347	-	-	-	-	-	-	9,347
Fair value of net assets acquired under carrying value, net	(183,063)	-	-	-	-	-	-	(183,063)
Total other operating expense	(173,716)	-	-	101,816	913,463	-	(836,119)	5,444
Total expense	$ 4,457,454	607,438	497,553	1,048,583	8,667,557	-	(1,104,989)	14,173,596

Schedule of Financial Position - NeighborWorks America Capital Fund
December 31, 2019

Assets		With Donor Restrictions		
		Temporarily Restricted	Restricted in Perpetuity	Total
Cash in bank	$	6,608	297,816	304,424
Notes receivable:				
Loans		-	665,391	665,391
Investment Central City Development Fund I, LLC		-	130,920	130,920
Total assets	$	6,608	1,094,127	1,100,735
Liabilities and Net Assets				
Net assets	$	6,608	1,094,127	1,100,735
Total liabilities and net assets	$	6,608	1,094,127	1,100,735

Schedule of Activities - NeighborWorks America Capital Fund
Year Ended December 31, 2019

		With Donor Restrictions		
		Temporarily Restricted	Restricted in Perpetuity	Total
Grants - NeighborWorks America	$	190,000	-	190,000
Net assets released from restrictions		(297,987)	(273,532)	(571,519)
Total Revenues		(107,987)	(273,532)	(381,519)
Change in net assets		(107,987)	(273,532)	(381,519)
Net assets - at beginning of year		114,595	1,367,659	1,482,254
Net assets - at end of year	$	6,608	1,094,127	1,100,735

Columbus Housing Partnership, Inc. and Affiliates dba Homeport

Office of Management and Budget

Uniform Guidance Required Reports

December 31, 2019

CLARK SCHAEFER HACKETT
CPAS & ADVISORS

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CLARK SCHAEFER HACKETT
CPAS & ADVISORS

14 East Main Street, Suite 500, Springfield, Ohio 45502
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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 Directors
Columbus Housing Partnership, Inc. and Affiliates
Columbus, Ohio

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 of America, the consolidated financial statements of Columbus Housing Partnership, Inc. and Affiliates (a non profit organization), which comprise the consolidated statement of financial position as of December 31, 2019, and the consolidated statements of activities, changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 25, 2020. The consolidated financial statements of Columbus Housing Partnership, Inc. includes for-profit subsidiaries that were not audited in accordance with *Government Auditing Standards.*

Internal Control Over Financial Reporting
In planning and performing our audit of the consolidated financial statements, we considered Columbus Housing Partnership, Inc. and Affiliates' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Columbus Housing Partnership, Inc. and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of the Columbus Housing Partnership, Inc. and Affiliates' 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 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 may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Columbus Housing Partnership, Inc. and Affiliates' consolidated 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 determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. 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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Columbus Housing Partnership, Inc. and Affiliates' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 25, 2020

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Columbus Housing Partnership, Inc. and Affiliates
Columbus, Ohio

Report on Compliance for Each Major Federal Program
We have audited Columbus Housing Partnership, Inc. and Affiliates' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Columbus Housing Partnership, Inc. and Affiliates' major federal programs for the year ended December 31, 2019. Columbus Housing Partnership, Inc. and Affiliates' major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility
Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility
Our responsibility is to express an opinion on compliance for Columbus Housing Partnership, Inc. and Affiliates' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Columbus Housing Partnership, Inc. and Affiliates' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Columbus Housing Partnership, Inc. and Affiliates' compliance.

Opinion on Each Major Federal Program
In our opinion, Columbus Housing Partnership, Inc. and Affiliates complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on their major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance
Management of Columbus Housing Partnership, Inc. and Affiliates is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Columbus Housing

Partnership, Inc. and Affiliates' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Columbus Housing Partnership, Inc. and Affiliates' 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 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 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 the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

We have audited the consolidated financial statements of Columbus Housing Partnership, Inc. and Affiliates as of and for the year ended December 31, 2019, and have issued our report thereon dated June 25, 2020, which expressed an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Uniform Guidance is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

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 our testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 25, 2020

Federal Grantor *Pass-Through Grantor* Program Title	Federal CFDA Number	Total Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Housing and Urban Development			
Direct			
Section 202 Mortgage - Supportive Housing for the Elderly	14.157	$ 8,107,054	7,710,300
Section 8 Housing Assistance Payments Program	14.195	142,549	-
Pass-through			
Franklin County			
HOME Investment Partnerships Program	14.239	75,643	-
Total U.S. Department of Housing and Urban Development		8,325,246	7,710,300
Congressional Appropriation			
Pass-through			
NeighborWorks America			
NeighborWorks System Program	21.000	404,711	-
Total Congressional Appropriation		404,711	-
Total		$ 8,729,957	7,710,300

See accompanying notes to Schedule of Expenditures of Federal Awards

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Columbus Housing Partnership, Inc. ("Homeport"), Elim Senior Housing, Inc. and Friends/VVA Apartments, Inc. under programs of the federal government for the year ended December 31, 2019.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") 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 Homeport and Affiliates, it is not intended to and does not present Homeport and Affiliates' financial position, changes in net assets, or cash flows.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(b) Homeport has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

(c) Pass-through entity identifying numbers are presented when available.

(d) The outstanding balance of loan and loan guarantee programs at December 31, 2019 with continuing compliance requirements which are reported as federal expenditures on the accompanying schedule of expenditures of federal awards was $8,088,075.

(e) The Section 202 Capital Advances received by Homeport and Elim Senior Housing, Inc. are reported as net assets with donor restrictions at December 31, 2019.

(f) The public law number is presented in place of the federal CFDA number when appropriate.

1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: *unmodified*

Internal control over financial reporting:

Material weakness identified?	____ Yes	X No
Significant deficiency identified not considered to be material weaknesses?	____ Yes	X No
Noncompliance material to financial statements noted?	____ Yes	X No

Federal Awards

Type of auditors' report issued on compliance for major programs: *unmodified*

Internal control over compliance:

Material weakness identified?	____ Yes	X No
Significant deficiency identified not considered to be material weaknesses?	____ Yes	X No
Any audit findings disclosed that are required to be reported in accordance with CFR Section 200.516(a)?	____ Yes	X No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
14.157	Supportive Housing for the Elderly
21.000	NeighborWorks System Program

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee?	X Yes	____ No

2. Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS

None

3. Findings and Questioned Costs for Federal Awards

None

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; **Explain**:
None			