



**GRECCIO HOUSING UNLIMITED, INC.  
AND SUBSIDIARY  
dba GRECCIO HOUSING**

**Consolidated Financial Statements,  
Supplemental Information  
For the Year Ended July 31, 2022**

**And**

**Independent Auditors' Report**

# **GRECCIO HOUSING UNLIMITED, INC. AND SUBSIDIARY dba GRECCIO HOUSING**

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## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors  
Greccio Housing Unlimited, Inc. and Subsidiary  
dba Greccio Housing

We have audited the accompanying financial statements of Greccio Housing Unlimited, Inc. and Subsidiary dba Greccio Housing (Greccio) which comprise the statements of financial position as of July 31, 2022 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greccio as of July 31, 2022 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Greccio and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Greccio's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditors' Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing

standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Greccio's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Greccio's ability to continue as a going concern for a reasonable period of time.

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

#### **Report on Summarized Comparative Information**

We have previously audited Greccio's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 27, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### **Report on Supplemental Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of comparative information and of notes payable and conditional grants 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 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 information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Stockman Kast Ryan + Co. LLP*

November 1, 2022

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
JULY 31, 2022 (with comparative totals for 2021)**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,095,171	\$ 1,116,762
Accounts receivable, net	111,237	154,709
Receivables from related parties		54,011
Pledges receivable	35,102	22,500
Prepaid expenses	<u>99,531</u>	<u>102,429</u>
Total current assets	1,341,041	1,511,605
NOTES RECEIVABLE FROM RELATED PARTY	1,600,000	
PROPERTY AND EQUIPMENT, NET	15,470,546	15,572,015
INVESTMENTS IN COLLABORATIVE ENTITIES	<u>104,950</u>	<u>183,075</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 18,156,537</u></b>	<b><u>\$ 17,205,501</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES		
Accounts payable	\$ 233,542	\$ 158,699
Payables to related parties	11,934	
Accrued expenses	131,142	137,140
Deferred revenue	81,269	62,085
Current portion of notes payable – serviceable	340,284	773,542
Security deposits	<u>170,470</u>	<u>177,420</u>
Total current liabilities	968,641	1,308,886
NOTES PAYABLE – SERVICEABLE	5,855,587	5,787,667
NOTES PAYABLE – FORGIVABLE AND NON-SERVICEABLE	5,454,033	4,948,908
CONDITIONAL GRANTS	<u>4,984,533</u>	<u>4,193,989</u>
Total liabilities	<u>17,262,794</u>	<u>16,239,450</u>
NET ASSETS		
Without donor restrictions	1,194,481	864,936
With donor restrictions	<u>59,262</u>	<u>101,115</u>
Total net assets	<u>1,253,743</u>	<u>966,051</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 18,516,537</u></b>	<b><u>\$ 17,205,501</u></b>

See notes to consolidated financial statements.

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JULY 31, 2022 (with comparative totals for 2021)**

	<b>2022</b>			<b>2021 Total</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	
<b>REVENUES AND SUPPORT</b>				
Rental property management revenue	\$ 3,075,055		\$ 3,075,055	\$ 2,838,905
Contributions	862,379	\$ 214,416	1,076,795	1,308,394
Developer fees	183,203		183,203	73,798
Other income	175,617		175,617	155,185
Net assets released from restrictions:				
Satisfaction of program restriction	256,269	(256,269)		
Satisfaction of time restriction				
Total revenues and support	<u>4,552,523</u>	<u>(41,853)</u>	<u>4,510,670</u>	<u>4,376,282</u>
<b>EXPENSES</b>				
Program services:				
Rental and property management	3,070,994		3,070,994	2,761,779
Resource and Opportunity Center	637,417		637,417	715,005
Purchase and rehabilitation	<u>218,296</u>		<u>218,296</u>	<u>210,210</u>
Total program services	<u>3,926,707</u>	<u>—</u>	<u>3,926,707</u>	<u>3,686,994</u>
Supporting services:				
General and administrative	187,569		187,569	137,633
Fundraising	<u>108,702</u>		<u>108,702</u>	<u>134,730</u>
Total supporting services	<u>296,271</u>	<u>—</u>	<u>296,271</u>	<u>272,363</u>
Total expenses	<u>4,222,978</u>	<u>—</u>	<u>4,222,978</u>	<u>3,959,387</u>
CHANGE IN NET ASSETS	329,545	(41,853)	287,692	416,925
NET ASSETS, Beginning of year	<u>864,936</u>	<u>101,115</u>	<u>966,051</u>	<u>549,126</u>
NET ASSETS, End of year	<u>\$ 1,194,481</u>	<u>\$ 59,262</u>	<u>\$ 1,253,743</u>	<u>\$ 966,051</u>

See notes to consolidated financial statements.

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JULY 31, 2022 (with comparative totals for 2021)**

	2022								2021 Total
	Program Services				Support Services			Total	
	Rental and Property Management	Resource and Opportunity Center	Purchase and Rehabilitation	Total	General and Administrative	Fundraising			
Salaries	\$ 623,787	\$ 146,395	\$ 184,970	\$ 955,152	\$ 101,991	\$ 60,831	\$ 1,117,974	\$ 934,897	
Depreciation and amortization	614,515	2,409	24,091	641,015	1,955	752	643,722	665,327	
Interest expense	282,799	6,502	65,023	354,324	21,132	8,128	383,584	340,745	
Utilities	371,394	602	6,016	378,012	158	61	378,231	349,003	
General maintenance	334,011	1,416	14,161	349,588			349,588	347,749	
Insurance	254,831	1,181	11,813	267,825	3,839	1,477	273,141	245,718	
Payroll taxes and fringes	131,400	30,838	38,964	201,202	25,912	12,814	239,928	192,286	
Direct assistance			140,449	140,449			140,449	298,140	
Contract services	115,113	5,973	7,547	128,633	4,161	2,482	135,276	73,602	
Donated goods			113,133	113,133			113,133	86,178	
Bad debts	89,076			89,076	1,344	801	91,221	77,965	
Property taxes	69,973	6	60	70,039	19	7	70,065	43,489	
Audit and accounting fees	38,418	9,016	11,392	58,826	6,281	3,746	68,853	53,048	
Trash	40,663	49	487	41,199	4,602	1,770	47,571	28,908	
Office expense	32,979	3,305	4,175	40,459	2,302	1,373	44,134	44,636	
Professional fees	22,386	1,712	2,163	26,261	1,193	711	28,165	8,390	
Telephone	13,337	2,947	3,724	20,008	2,053	1,225	23,286	27,664	
Travel	18,177	400	2,245	20,822	279	166	21,267	15,973	
Fundraising	2,086	490	619	3,195	341	8,048	11,584	28,443	
Printing	4,379	1,028	1,298	6,705	716	427	7,848	10,020	
Staff training	4,251	998	1,260	6,509	695	415	7,619	2,763	
Dues and subscriptions	3,280	770	973	5,023	536	320	5,879	6,256	
Miscellaneous	4,139	2,259	2,854	9,252	8,060	3,148	20,460	78,157	
<b>TOTAL</b>	<b>\$ 3,070,994</b>	<b>\$ 218,296</b>	<b>\$ 637,417</b>	<b>\$ 3,926,707</b>	<b>\$ 187,569</b>	<b>\$ 108,702</b>	<b>\$ 4,222,978</b>		
PERCENTAGE	73%	5%	15%	93%	5%	3%	100%		
<b>COMPARATIVE TOTALS FOR 2021</b>	<b>\$ 2,761,779</b>	<b>\$ 210,210</b>	<b>\$ 715,005</b>	<b>\$ 3,686,994</b>	<b>\$ 137,633</b>	<b>\$ 134,730</b>		<b>\$ 3,959,357</b>	
PERCENTAGE - 2021	70%	5%	18%	93%	4%	3%	100%		

See notes to financial statements.



**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JULY 31, 2022 (with comparative totals for 2021)**

	<b>2022</b>	<b>2021</b>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 287,692	\$ 416,925
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	643,722	665,327
Income on investments in collaborative entities	(6,063)	(92,507)
Forgiveness of note payable	(34,875)	(272,075)
Other		12,405
Changes in operating assets and liabilities:		
Accounts receivable	43,472	(58,768)
Receivables from related parties	54,011	10,766
Pledges receivable	(12,602)	(8,750)
Prepaid expenses	2,898	(31,345)
Accounts payable and accrued expenses	68,845	(39,465)
Accounts payable from related parties	11,934	
Deferred revenue	19,184	7,807
Security deposits	<u>(6,950)</u>	<u>10,448</u>
Net cash provided by operating activities	<u>1,071,268</u>	<u>620,768</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(542,253)	(385,817)
Distributions from investments in collaborative entities	73,500	34,725
Contributions to investments in collaborative entities	<u>10,688</u>	<u>(53,548)</u>
Net cash used in investing activities	<u>(458,065)</u>	<u>(404,640)</u>
<b>FINANCING ACTIVITIES</b>		
Principal payments on notes payable	(375,338)	(372,941)
Forgiveness of conditional grant	(259,456)	
Proceeds from notes payable	1,600,000	7,522
Issuance of note receivable	(1,600,000)	
Proceeds from line of credit		70,000
Repayments on line of credit		<u>(70,000)</u>
Net cash used in financing activities	<u>(634,794)</u>	<u>(365,419)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(21,591)	(149,291)
CASH AND CASH EQUIVALENTS, Beginning of year	<u>1,116,762</u>	<u>1,266,053</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 1,095,171</u>	<u>\$ 1,116,762</u>

(Continued)

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JULY 31, 2022 (with comparative totals for 2021)**

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	<b>2022</b>	<b>2021</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid for interest	\$ <u>228,140</u>	\$ <u>232,119</u>
<b>NON-CASH INVESTING ACTIVITIES</b>		
Property and equipment acquired under notes payable		144,421
Property and equipment acquired with contributions	<u>                    </u>	<u>53,762</u>
Total	\$ <u>          —</u>	\$ <u>198,183</u>

See notes to financial statements.

(Concluded)

# GRECCIO HOUSING UNLIMITED, INC. AND SUBSIDIARY dba GRECCIO HOUSING

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Greccio Housing Unlimited, Inc. dba Greccio Housing (Greccio) provides stable, safe, affordable housing, offers resources for residents and achieve stability, and promotes solutions to the affordable housing needs of their community. Greccio's significant programs are temporary tenant support and guidance services, and the acquisition, rehabilitation and management of properties for the housing needs of individuals and families with lower incomes. GHU Atrium, LLC and GHU Ridge, LLC are wholly-owned subsidiaries of Greccio which were formed for the purpose of owning, investing in and developing real property.

**Principles of Consolidation** — The consolidated financial statements include the accounts of Greccio, GHU Atrium, LLC and GHU Ridge, LLC (collectively, the Organization). All significant intercompany accounts and transactions have been eliminated in consolidation.

**Basis of Presentation** — The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which represents the expendable resources that are available for operations at management's discretion; net assets with donor restrictions, which represents resources restricted by donors as to purpose or by the passage of time and resources whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

The accompanying consolidated financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended July 31, 2021, from which the summarized information was derived.

**Contributions** — Contributions received are recorded as net assets without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization reports gifts of property and equipment as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

**Conditional Grants** — The Organization receives grants from government organizations to acquire rental properties. These grants contain conditions requiring the property be used for a specified period of time for affordable housing. If the affordability period is not met, the grant conditions require the funds to be returned or transferred to another project or organization at the government agency's option. The Organization recognizes all conditional grants as a liability until all conditions are met. Historically, the Organization has met the affordability conditions of its conditional grants.

**Donated Services and Materials** — Donated services and materials are recorded as both a revenue and expenditure in the accompanying consolidated statements of activities and changes in net assets at their estimated values. Contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donations.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization, but are not recognized as contributions in the consolidated financial statements because they do not meet the aforementioned criteria. The Organization received approximately 1,274 and 1,290 volunteer hours during the fiscal years ended July 31, 2022 and 2021, respectively, with an estimated value of \$40,144 and \$39,100, respectively.

**Cash and Cash Equivalents** — For purposes of the consolidated statement of cash flows, cash is defined as all cash on hand, demand deposits and money market accounts.

**Accounts Receivable** — Accounts receivable are stated net of an allowance for doubtful accounts with the net balance representing the amount management expects to collect. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At July 31, 2022 and 2021, the valuation allowance was \$122,382 and \$65,124, respectively.

**Pledges Receivable** — Pledges receivable are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. All pledges receivable as of July 31, 2022 and 2021 are due in the subsequent year and accordingly are classified as a current asset. Management believes all pledges are fully collectible and accordingly, no allowance has been recorded as of July 31, 2022 and 2021.

**Investments in Collaborative Entities** — Investments in collaborative entities in which the Organization has at least a 20% interest or otherwise exercises significant influence, are accounted for under the equity method of accounting. Under the equity method of accounting investments are recorded at cost and are adjusted for the proportionate share of the undistributed earnings.

**Property and Equipment** — All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the

useful lives of assets are capitalized. Property and equipment are depreciated over the estimated useful lives of the assets (5-40 years) on a straight-line basis. Property and equipment are recorded at cost, and donated property is recorded at fair value at the date of the gift.

**Tax Status** — The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and qualifies for the charitable contribution deduction.

The Organization believes that it does not have any uncertain tax positions that are material to the consolidated financial statements.

**Use of Estimates** — The preparation of the consolidated 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 financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

**Revenue and Cost Recognition on Contracts** — The Organization recognizes revenues by applying the following steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract, if applicable; and (5) recognize revenue when (or as) the performance obligation is satisfied.

The Organization recognizes revenue from rental property management during the year in which the related services are provided to residents and property owners. The performance obligation of providing access to housing is satisfied ratably over the year in which the services are provided. Amounts received for subsequent periods are deferred and recognized as revenue in the applicable period. The performance obligation of providing property management is recognized as services are performed and the performance obligations are satisfied.

**Subsequent Events** — The Organization has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the consolidated financial statements were available for issuance.

## 2. LIQUIDITY AND AVAILABILITY

The following table reflects the Organization's financial assets as of July 31, 2022 and 2021, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal board designations. Amounts not available include net assets with donor restrictions and board designated funds that are intended to fund special board initiatives not considered in the annual operating budget. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. Amounts not available to meet general expenditures within one year also include net assets with donor restrictions.

	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 1,095,171	\$ 1,116,762
Accounts receivable, net	111,237	154,709
Receivables from related parties		54,011
Pledges receivable	<u>35,102</u>	<u>22,500</u>
Total financial assets	<u>1,241,510</u>	<u>1,347,982</u>
Less amounts unavailable for general expenditures within one year, due to:		
Security deposits	(170,470)	(177,420)
Restricted by donors with purpose restrictions	<u>(24,160)</u>	<u>(78,615)</u>
Total amounts unavailable for general expenditures within one year	<u>(194,630)</u>	<u>(256,035)</u>
Total financial assets available to management to meet cash needs for general expenditures within one year	<u>\$ 1,046,800</u>	<u>\$ 1,091,947</u>

The Organization provides affordable housing to its tenants and the rent revenues from this activity provides the funds needed to sustain its daily activities. In the event of any shortfall, the Organization has a \$500,000 line of credit with a financial institution. The programs provided for residents are supported for the most part by donations and grants.

### **3. FUNCTIONAL EXPENSES ALLOCATION METHODS**

Expenses are summarized and categorized based on their functional classification. The functional classifications are: Rent and Property Management which includes expenses associated with the Organization's primary mission of providing affordable housing, Purchase and Rehabilitation includes expenses incurred in the search for new housing and renovation or construction of a new property, Resource and Opportunity Center which are the expenses associated with supportive services for the residents, General and Administrative are those expenses related to the day to day operation of the business and Fundraising which includes expenses soliciting donations and applying for grants. Some expenses that are readily identifiable to a single classification are charged directly to that that function, other expenses that are attributable to more than one classification are allocated on a reasonable basis, and consistently applied to the appropriate functions. Payroll expenses are allocated based on the functions each individual performs. Most of the other expenses are allocated based on the percentage of the overall payroll. The corporate office expenses are allocated on a square footage basis and the expenses of an individual property are allocated 100% to Rental.

#### 4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at July 31:

	<b>2022</b>	<b>2021</b>
Land	\$ 2,022,296	\$ 2,022,296
Buildings and improvements	21,619,704	21,131,392
Furniture and equipment	242,622	210,431
Construction in progress	<u>27,136</u>	<u>5,732</u>
Total	23,911,758	23,369,851
Less accumulated depreciation	<u>8,441,212</u>	<u>7,797,836</u>
Total	<u>\$ 15,470,546</u>	<u>\$ 15,572,015</u>

#### 5. NOTES PAYABLE

The Organization has entered into multiple note agreements in order to purchase and rehabilitate or construct real property for purposes of fulfilling its mission, which consist of the following as of July 31:

	<b>2022</b>	<b>2021</b>
Twenty-two individual promissory notes payable with outstanding principal balances of \$16,000 to \$2,024,000 as of July 31, 2022, bearing interest rates at 1% to 6.5% with monthly principal and interest payments ranging from \$163 to \$7,401, due at various dates through January 2049 or upon the sale or transfer of property if earlier, secured by its real property. Certain promissory notes require the Organization to meet certain financial covenants related to financial ratios and other matters. At July 31, 2022 the Organization is in compliance with the covenants.	\$ 6,195,871	\$ 6,561,209
Twenty individual forgivable and non-serviceable promissory notes payable with outstanding principal balances of \$127,153 to \$650,000 at zero percent interest, with no principal payment due unless sale or transfer of property, secured by its real property.	<u>5,454,033</u>	<u>4,948,908</u>
Total	<u>\$ 11,649,904</u>	<u>\$ 11,510,117</u>

Required annual minimum principal payments are as follows as of July 31, 2022:

2023	\$ 340,284
2024	843,920
2025	266,662
2026	276,600
2027	446,581
Thereafter	<u>4,021,824</u>
Total – serviceable	6,195,871
Note payable – forgivable and non-serviceable	<u>5,454,033</u>
Total	<u>\$ 11,649,904</u>

Interest was calculated at 3.22% and 2.07% during the years ended July 31, 2022 and 2021, respectively, of the outstanding zero percent interest notes and recognized as an expense and a related in-kind contribution. The amount recognized as an expense and revenue was \$163,541 and \$105,856 as of July 31, 2022 and 2021, respectively.

**6. CONDITIONAL GRANTS**

Conditional grants consist of the following at July 31:

	<b>2022</b>	<b>2021</b>
Conditional grants from the State of Colorado Division of Housing requiring the property be used for affordable housing for thirty years, expiring at various dates through 2044. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option.	\$ 4,984,533	\$ 3,934,533
Conditional grant from the Federal Home Loan Bank of Topeka for rehab of five of the Organization's properties. The grant requires the properties be used for affordable housing for fifteen years, expiring August 24, 2021. The affordability period was met in 2021.	<u>                    </u>	<u>259,456</u>
Total	<u>\$ 4,984,533</u>	<u>\$ 4,193,989</u>

**7. LINE OF CREDIT**

The Organization had one line of credit which expires in December 2025 in the amount of \$500,000 with interest at the prime rate plus 1%. There are no compensating balance arrangements with the bank. There are no outstanding balances at July 31, 2022 and 2021.



## 8. LEASE AGREEMENT

The Organization has a building for which a portion of the building is being leased to others under an operating lease extended for an additional five years expiring in February 2026. The building has a cost of \$1,564,147 and accumulated depreciation of \$242,562 as of July 31, 2022.

Minimum future rentals to be received under this lease as of July 31, 2022 are as follows:

2023	\$	108,000
2024		111,240
2025		114,583
2026		<u>63,068</u>
Total	\$	<u>396,891</u>

## 9. NET ASSETS WITH DONOR RESTRICTIONS

As of July 31, net assets with donor restrictions are available for the following purposes:

	2022	2021
Time restricted	\$ 35,102	\$ 22,500
Program:		
Capital improvements	750	12,417
Eviction prevention	5,645	21,605
Single Parent Advancing Career and Education	8,838	8,988
Forrest Rogers scholarship	2,785	2,785
Other	<u>6,142</u>	<u>32,820</u>
Total	<u>\$ 59,262</u>	<u>\$ 101,115</u>

## 10. RELATED PARTY TRANSACTIONS

The Organization has a collaborative arrangement with an entity, Atrium Apartments, LLLP (Atrium Apartments) where the Organization serves as the administrative and managing general partner. The purpose of Atrium Apartments is owning, developing, and leasing real property. At July 31, 2021, the Organization has a receivable from Atrium Apartments, in the amount of \$54,011, for predevelopment expenses incurred on behalf of Atrium Apartments. At July 31, 2022 the Organization has a payable to Atrium Apartments, in the amount of \$11,934. The Organization also received \$147,287 during the year ended July 31, 2022 as part of the reimbursement arrangement related to the Atrium Apartments.

As of July 31, 2022, the Organization has a note receivable from Atrium Apartments in the amount of \$1,050,000, with funds made available by the State of Colorado, Department of Local Affairs for the benefit of the Division of Housing ("CDOH") from the HOME Investment Partnership Program ("HOME"). The note bears interest at 0.5% compounded annually. The loan is due in full on December 31, 2060.

As of July 31, 2022, the Organization has an additional note receivable from Atrium Apartments in the amount of \$550,000, with funds made available by the City of Colorado Springs through the "HOME". The note bears interest at 1.00% compounded annually. The loan is due in full on December 31, 2050.

#### **11. EMPLOYEE BENEFIT PLAN**

The Organization has established a qualified 401(k) profit sharing plan (the Plan) covering all employees who have completed three months of service. The employees may make elective contributions of up to 100% of compensation, subject to statutory limitations. Greccio may make discretionary contributions to the Plan. The Plan provides for full vesting of discretionary contributions after five years of service. Contributions to the Plan were \$26,184 and \$26,396 for the years ended July 31, 2022 and 2021, respectively.

#### **12. CONTINGENCIES**

The Organization has received several governmental grants to purchase rental properties. The grants contain conditions requiring the property be used for affordable housing for a specified period. If the affordability period is not met, the grant conditions require the funds be returned or transferred to another project or organization at the government agency's option. Such grants are recorded as liabilities until the affordability period is met.

#### **13. COMMITMENTS**

The Organization has a collaborative arrangement with an entity, Atrium Apartments, LLP (Atrium Apartments) where the Organization acts as the guarantor. The Organization guarantees payment and performance of all the duties and obligations of the General Partner under the Partnership Agreement, including, without limitation, the following:

**Completion of Development** – Guarantees the due and punctual payment and performance of all the obligations to complete construction, free and clear of any liens or claims of liens and with all construction related actions, claims, litigation, or proceedings resolved in a manner acceptable to the limited partner.

**Operating Deficit Guaranty** – In the event that, at any time, or from time to time, there exists an operating deficit, the amount by which Atrium expenses plus any required funding of the replacement reserve exceed the sum of collected gross receipts from the project, for which the general partner is liable, the guarantor shall advance funds to Atrium as a loan in the amount of the required operating deficit advances. The obligation to advance funds shall be limited to the maximum cumulative amount of \$225,457, which amount shall include any prior operating deficit advances made.

**Development Fee Guaranty** – In the event that, at any time, or from time to time, to the extent that all or any part of the development fee is not paid by the date of payment of the final capital installment, the guarantor shall advance funds to Atrium in an amount equal to the required unpaid development fee.

**Credit Adjuster Guaranty** – In the event that, at any time, or from time to time, a credit adjuster advance is required, the guarantor shall advance funds to the limited partner or state credit limited partner in the amount of the required adjuster advance.

**Guaranty of Obligation to Purchase Interest of Limited Partner and State Credit Limited Partner** – In the event that, at any time, or from time to time, the general partner is obligated to purchase the limited partner's and/or state credit limited partner's respective interest and fails to do so, the guarantor shall advance funds to Atrium in the amount required to purchase the limited partner's and/or state credit limited partner's interest.

**Additional Guarantees** – In the event that, at any time, or from time to time, the general partner is required to satisfy its indemnification obligations and fails to timely perform and pay such obligations as and when so required, the guarantor shall commence to perform such obligations and to advance funds to Atrium in an amount sufficient to satisfy such obligations.

**Covenants** – The guarantor shall at all times maintain a positive net worth and shall maintain unencumbered and unrestricted liquid assets in excess of \$315,000.

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**SUPPLEMENTAL SCHEDULES**

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**SCHEDULE OF FINANCIAL POSITION  
FIVE YEAR COMPARISON AS OF JULY 31**

	2022	2021	2020	2019	2018
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,095,171	\$ 1,116,762	\$ 1,266,253	\$ 737,027	\$ 661,188
Accounts receivable, net	111,237	154,709	95,941	54,204	23,622
Receivables from related parties		54,011	64,777		
Pledges receivable	35,102	22,500	13,750	9,167	54,313
Prepaid expenses	99,531	102,429	71,084	31,802	55,048
Other current assets					8,099
Notes receivable	1,600,000				
Property and equipment, net	15,470,546	15,572,015	15,665,747	14,482,534	14,711,472
Investments in collaborative entities	104,950	183,075	71,545	38,198	36,526
<b>TOTAL ASSETS</b>	<b>\$ 18,516,537</b>	<b>\$ 17,205,501</b>	<b>\$ 17,249,097</b>	<b>\$ 15,352,932</b>	<b>\$ 15,550,268</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 233,542	\$ 158,699	\$ 194,862	\$ 114,607	\$ 159,380
Payables to related parties	11,934				
Accrued expenses	131,142	137,140	140,442	101,957	57,390
Deferred revenue	81,269	62,085	54,278	54,777	53,062
Notes payable - serviceable	6,195,871	6,561,209	7,145,495	6,608,003	6,977,983
Notes payable - forgivable and non-serviceable	6,504,033	4,948,908	4,857,695	4,358,633	4,218,106
Bonds payable					
Conditional grants	3,934,533	4,193,989	4,140,227	3,644,989	3,659,489
Security deposits	170,470	177,420	166,972	158,506	154,368
Interest rate swap agreement					
<b>Total liabilities</b>	<b>17,262,794</b>	<b>16,239,450</b>	<b>16,699,971</b>	<b>15,041,472</b>	<b>15,279,778</b>
<b>NET ASSETS</b>					
Without donor restrictions	1,207,083	864,936	458,402	235,230	239,400
With donor restrictions	46,660	101,115	90,724	76,230	31,090
<b>Total net assets</b>	<b>1,253,743</b>	<b>966,051</b>	<b>549,126</b>	<b>311,460</b>	<b>270,490</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 18,516,537</b>	<b>\$ 17,205,501</b>	<b>\$ 17,249,097</b>	<b>\$ 15,352,932</b>	<b>\$ 15,550,268</b>

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**SCHEDULE OF ACTIVITIES  
FIVE YEAR COMPARISON FOR THE YEARS ENDED JULY 31**

	2022	2021	2020	2019	2018
<b>REVENUE AND SUPPORT</b>					
Rental property management revenue	\$ 3,075,055	\$ 2,838,905	\$ 2,770,858	\$ 2,744,324	\$ 2,607,897
Contributions	1,076,795	1,308,394	642,452	600,365	492,955
Developer fees	183,203	73,798	29,984	29,246	
Other income (loss)	175,617	155,185	163,048	28,623	33,423
Total revenues and support	<u>4,510,670</u>	<u>4,376,282</u>	<u>3,606,342</u>	<u>3,402,558</u>	<u>3,134,275</u>
<b>EXPENSES</b>					
Program services:					
Rental and property management	3,070,994	2,761,779	2,386,465	2,443,889	2,460,299
Resource and Opportunity Center	637,417	715,005	562,285	501,972	409,421
Purchase and rehabilitation	218,296	210,210	174,298	172,002	94,484
General and administrative	187,569	137,633	127,619	126,130	124,780
Fundraising	108,702	134,730	118,009	117,595	110,311
Total expenses	<u>4,222,978</u>	<u>3,959,357</u>	<u>3,368,676</u>	<u>3,361,588</u>	<u>3,199,295</u>
Gain on interest rate swap agreement					41,275
Change in net assets	287,692	416,925	237,666	40,970	(23,745)
Beginning net assets	966,051	549,126	311,460	270,490	294,235
Ending net assets	<u>\$ 1,253,743</u>	<u>\$ 966,051</u>	<u>\$ 549,126</u>	<u>\$ 311,460</u>	<u>\$ 270,490</u>

**GRECCIO HOUSING UNLIMITED, INC. AND  
SUBSIDIARY dba GRECCIO HOUSING**

**SCHEDULE OF EXPENSES  
FIVE YEAR COMPARISON FOR THE YEARS ENDED JULY 31**

	2022	2021	2020	2019	2018
Salaries	\$ 1,117,974	\$ 934,897	\$ 921,072	\$ 927,905	\$ 805,359
Depreciation and amortization	643,722	665,327	612,489	620,467	614,450
Interest expense	383,584	340,745	251,096	305,159	336,722
Utilities	378,231	349,003	323,300	334,801	312,013
General maintenance	349,588	347,749	203,905	225,369	174,605
Insurance	273,141	245,718	194,971	173,698	165,546
Payroll taxes and fringes	239,928	192,286	200,242	201,786	188,823
Direct assistance	140,449	298,140	114,827	62,720	36,323
Contract services	135,276	73,602	33,680	32,714	31,657
Donated goods	113,133	86,178	98,782	97,767	112,997
Bad debts	91,221	77,965	45,823	32,592	35,663
Property taxes	70,065	43,489	40,954	39,616	38,672
Audit and accounting fees	68,853	53,048	45,431	43,396	44,290
Trash	47,571	28,908	22,686	23,740	22,149
Office expense	44,134	44,636	36,795	38,394	52,674
Professional fees	28,165	8,390	11,992	21,344	23,119
Telephone	23,286	27,664	25,675	26,458	28,591
Travel	21,267	15,973	14,772	17,165	19,357
Fundraising	11,584	28,443	4,862	6,696	4,264
Printing	7,848	10,020	9,347	8,790	6,782
Staff training	7,619	2,763	3,067	3,725	3,694
Dues and subscriptions	5,879	6,256	9,113	7,987	6,552
Mailing costs	2,520	6,190	5,163	5,181	5,153
Miscellaneous	17,940	71,967	138,632	104,118	129,840
<b>TOTAL</b>	<b>\$ 4,222,978</b>	<b>\$ 3,959,357</b>	<b>\$ 3,368,676</b>	<b>\$ 3,361,588</b>	<b>\$ 3,199,295</b>

**GRECCIO HOUSING UNLIMITED, INC.**  
**dba GRECCIO HOUSING**

**SCHEDULE OF NOTES PAYABLE AND CONDITIONAL GRANTS**  
**AS OF JULY 31, 2022**

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**1224 – 1228 Delaware Drive (Santa Fe)**

Note payable — ENT Federal Credit Union, monthly payments of \$3,359 which includes principal and interest at 3.5%, due January 16, 2032, collateralized by a deed of trust.	\$ 566,023
Note payable— El Paso County Housing Authority, monthly payments of \$2,213 which include principal and interest at 3%, due July 1, 2044, collateralized by a deed of trust.	426,243
Note payable— City of Colorado Springs, monthly payments of \$2,024 which includes principal and interest at 1%, due July 1, 2034, collateralized by a deed of trust.	279,852
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust. Note is being forgiven over twenty years.	283,500
Conditional grant— State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2044. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option.	<u>560,000</u>
	<u>2,115,618</u>

**3010 North Hancock Avenue (Enfield)**

Note payable— El Paso County Housing Authority, monthly payments of \$1,476 which includes principal and interest at 3%, due September 1, 2038, collateralized by a deed of trust.	226,611
Note payable — ENT Federal Credit Union, monthly payments of \$8,731, which includes principal and interest at 3.75%, due February 1, 2028 collateralized by a deed in trust.	1,257,214
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	600,000
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>52,394</u>
	<u>2,136,219</u>

(Continued)



**2525 and 2531 East Uintah Street (Uintah Park & Uintah Terrace)**

Note payable — ENT Federal Credit Union, monthly payments of \$2,352 which includes principal and interest at 3.5%, due January 15, 2032, collateralized by a deed of trust.	396,443
Note payable— El Paso County Housing Authority, monthly payments of \$1,476 which includes principal and interest at 3%, due September 1, 2042, collateralized by a deed of trust.	263,632
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	400,000
Conditional grant— State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2043. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option.	<u>398,958</u>
	<u>1,459,033</u>

**2020 East Bijou Street (Woodbine)**

Note payable— City of Colorado Springs, monthly payments of \$3,827 which includes principal and interest at 2.5%, due January 18, 2032, collateralized by a deed of trust.	7,628
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust. Note is being forgiven over fifteen years.	154,890
Conditional grant — State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2043. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option.	<u>1,126,075</u>
	<u>1,288,593</u>

**2508 Platte Avenue (Plaza on Platte)**

Note payable— City of Colorado Springs, monthly payments of \$1,572 which includes principal and interest at 2.5%, due by February 1, 2038, collateralized by a deed of trust.	245,446
Note payable— State of Colorado Division of Housing, no interest, principal due on sale, collateralized by a deed of trust.	305,000
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust. Note is being forgiven over twenty years.	118,125
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>300,000</u>
	<u>968,571</u>

(Continued)

**2914 North Arcadia Street (Kittyhawk)**

Note payable — El Paso County Housing Authority, monthly payments of \$738 which includes principal and interest at 3%, due July 1, 2034, collateralized by a deed of trust. 89,130

Note payable— ENT Federal Credit Union, monthly payments of \$4,729 which include principal and interest at 3.75% due February 1, 2028, collateralized by a deed in trust. 681,137

Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust. 230,000

Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust. 80,568

Conditional grant— State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2034. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option. 250,000

1,330,835

**3631 Marion Drive (Citadel Arms)**

Conditional grant— State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2039. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option. 738,000

**2631 West Pikes Peak**

Note payable — El Paso County Housing Authority, monthly payments of \$278 which includes principal and interest at 3%, due August 1, 2030, collateralized by a deed of trust. 23,944

Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust. 195,000

Conditional grant— State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2030. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option. 175,000

393,944

(Continued)

**833 West Colorado**

Note payable — El Paso County Housing Authority, monthly payments of \$211 plus interest at 3%, due August 1, 2028, collateralized by a deed of trust.	14,071
Note payable— CDBG and HOME, no interest, principal due on sale, collateralized by a deed of trust.	250,000
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>22,185</u>
	<u>286,256</u>

**1022 Alexander Road**

Note payable — El Paso County Housing Authority, monthly payments of \$738 which includes principal and interest at 3%, due December 1, 2037, collateralized by a deed of trust.	109,182
Conditional grant— State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2037. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option.	<u>137,500</u>
	<u>246,682</u>

**817-841 South Cedar Street**

Note payable— CHFA, monthly payments of \$1,896 which includes principal and interest at 6.5%, due August 1, 2032, collateralized by a deed of trust.	139,465
Note payable — CHFA, monthly payments of \$354 which includes principal and interest at 1%, due August 1, 2032, collateralized by a deed of trust.	40,682
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>150,000</u>
	<u>330,147</u>

**218-232 Fountain (Clark Mellen)**

Note payable— El Paso County Housing Authority, monthly payments of \$211 which includes principal and interest at 3%, due July 1, 2030, collateralized by a deed of trust.	17,972
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	200,000
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>21,818</u>
	<u>239,790</u>

(Continued)

**2516 Concorde Street (Pines)**

Note payable— El Paso County Housing Authority, monthly payments of \$940 which includes principal and interest at 3%, due August 1, 2029, collateralized by a deed of trust.	71,866
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	195,000
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>25,000</u>
	<u>291,866</u>

**1030 West Moreno**

Note payable — El Paso County Housing Authority, monthly payments of \$211 which includes principal and interest at 3%, due January 1, 2030, collateralized by a deed of trust.	16,947
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	195,000
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>14,968</u>
	<u>226,915</u>

**320 East Bijou**

Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	151,164
Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>40,000</u>
	<u>191,164</u>

**321 North Weber**

Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	<u>25,000</u>
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**3124 Arcadia Street**

Note payable— City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust.	100,000
Note payable—City CDBG, no interest, principal due on sale, collateralized by deed in trust.	144,421
Note payable— ENT Federal Credit Union, 36 monthly payments of principal and interest of \$1,086 at 3%, 36 monthly payments of principal and interest of \$1,183 at 3.875%, 47 monthly payments of principal and interest of \$1,247 at 4.5%, one final payment of remaining principal and interest due December 22, 2026, collateralized by a deed of trust.	<u>196,100</u>
	<u>440,521</u>

(Continued)

**Administrative**

Note payable— ENT Federal Credit Union, monthly payments of interest at 4.75%, with principal due June 1, 2024, collateralized by a deed of trust. 89,720

**2812 E. Bijou (Rocky Mountain Apts.)**

Note payable — El Paso County Housing Authority, monthly payments of \$690 which include principal and interest at 1.5%, due January 1, 2049 collateralized by a deed of trust. 181,028

Note payable — ENT Federal Credit Union, 39 monthly payments of principal and interest at \$4,196 at 3.75%, 48 monthly payments of principal and interest of \$4,438 at 4.25%, 32 monthly payments of \$4,600 at 4.625%, due April 1, 2029, collateralized by a deed of trust. 855,535

Note payable — City Home, no interest, principal due on sale, collateralized by deed in trust. 650,000

Conditional grant— State of Colorado Division of Housing requiring the property to be used for affordable housing for forty-five years. 549,000

2,235,563

**Atrium of Austin Bluffs**

Note payable — City of Colorado Springs, no interest, principal due on sale, collateralized by a deed of trust. 550,000

Conditional grant — State of Colorado Division of Housing requiring the property to be used for affordable housing for thirty years, expiring 2051. If the affordability period is not met, the funds must be returned or transferred to another project or organization at the Division of Housing's option. 1,050,000

1,600,000

\$ 16,634,437

**BALANCE SHEET RECONCILIATION**

Notes payable - serviceable \$ 6,195,871

Notes payable - forgivable 5,454,033

Conditional grants 4,984,533

Total \$ 16,634,437

(Concluded)