

**DWELLING PLACE OF GRAND RAPIDS
NONPROFIT HOUSING CORPORATION
AND RELATED ENTITIES**

COMBINED FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION

Years Ended December 31, 2020 and 2019

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INDEPENDENT AUDITORS' REPORT ON COMBINED FINANCIAL STATEMENTS

Board of Directors
Dwelling Place of Grand Rapids Nonprofit Housing Corporation
Grand Rapids, Michigan

Report on the Financial Statements

We have audited the accompanying combined financial statements of Dwelling Place of Grand Rapids Nonprofit Housing Corporation and Related Entities, which comprise the combined balance sheets as of December 31, 2020 and 2019, and the related combined statements of changes in net assets and equity, operations, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Dwelling Place of Grand Rapids Nonprofit Housing Corporation and Related Entities at December 31, 2020 and 2019, and the results of operations and cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 26, 2021 on our consideration of Dwelling Place of Grand Rapids Nonprofit Housing Corporation and Related Entities' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dwelling Place of Grand Rapids Nonprofit Housing Corporation and Related Entities' internal control over financial reporting and compliance.



May 26, 2021
Grand Rapids, Michigan

COMBINED FINANCIAL STATEMENTS

	<u>2020</u>	<u>2019</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 7,340,757	\$ 5,443,225
Cash restricted for current construction	173,099	3,933,124
Trading securities	10,135,715	9,587,322
Promises to give	417,500	274,360
Accounts receivable, net of allowance of \$31,499 and \$0, respectively	933,788	235,230
Prepaid expenses and deposits	359,024	311,318
TOTAL CURRENT ASSETS	19,359,883	19,784,579
Property and Equipment	122,114,181	109,142,827
Other Assets		
Restricted cash	11,926,780	11,913,214
Promises to give, less current portion	25,000	290,000
Developer fee receivable	-	24,678
Investments	5,000	5,000
Beneficial interest	296,385	287,952
Intangibles	690,610	556,321
TOTAL OTHER ASSETS	12,943,775	13,077,165
 TOTAL ASSETS	 <u>\$ 154,417,839</u>	 <u>\$ 142,004,571</u>

**DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING
CORPORATION AND RELATED ENTITIES**

COMBINED BALANCE SHEETS

December 31, 2020 and 2019

	2020	2019
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current maturities of long-term debt	\$ 1,965,682	\$ 247,397
Accounts payable		
Trade	356,835	576,624
Construction	4,048,652	2,009,976
Accrued liabilities	472,024	343,936
Deferred rental revenue	136,555	128,612
TOTAL CURRENT LIABILITIES	6,979,748	3,306,545
Tenant Security Deposits	310,585	297,089
Long-Term Debt, net of current maturities (net of unamortized financing fees of \$466,658 and \$338,159)	26,729,592	26,024,016
Long-Term Accrued Interest	2,764,940	5,220,292
Deferred Revenue - Section 1602 Exchange Funds	3,097,429	3,097,429
TOTAL NON-CURRENT LIABILITIES	32,902,546	34,638,826
Net Assets and Equity - Controlling Interests		
Without donor restrictions	41,859,851	41,060,986
With donor restrictions	1,188,103	1,023,314
Deficit	(11,826,162)	(11,816,413)
	31,221,792	30,267,887
Equity - Noncontrolling Interests	83,313,753	73,791,313
TOTAL NET ASSETS AND EQUITY	114,535,545	104,059,200
TOTAL LIABILITIES, NET ASSETS AND EQUITY	\$ 154,417,839	\$ 142,004,571

See accompanying notes

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINED STATEMENTS OF CHANGES IN NET ASSETS AND EQUITY

Years Ended December 31, 2020 and 2019

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Controlling Interests - Deficit	Noncontrolling Interests - Equity	Total Net Assets and Equity
BALANCE - January 1, 2019	\$ 38,871,436	\$ 570,453	\$ (11,273,082)	\$ 60,366,423	\$ 88,535,230
Contributed capital, net of syndication costs	-	-	-	16,327,336	16,327,336
Distributions	-	-	-	(41,345)	(41,345)
Increase (decrease) in net assets and equity	2,189,550	452,861	(543,331)	(2,861,101)	(762,021)
BALANCE - December 31, 2019	41,060,986	1,023,314	(11,816,413)	73,791,313	104,059,200
Contributed capital, net of syndication costs	-	-	-	12,776,326	12,776,326
Distributions	-	-	-	(35,286)	(35,286)
Increase (decrease) in net assets and equity	798,865	164,789	(9,749)	(3,218,600)	(2,264,695)
BALANCE - December 31, 2020	\$ 41,859,851	\$ 1,188,103	\$ (11,826,162)	\$ 83,313,753	\$ 114,535,545

See accompanying notes

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINED STATEMENTS OF OPERATIONS

Years Ended December 31, 2020 and 2019

	2020	2019
Revenue and Support		
Rental income		
Market/Gross Residential Rent Potential	\$ 9,088,304	\$ 8,151,973
Rental Gain/Loss	(95,057)	(8,302)
Commercial income	943,062	842,317
Less: Vacancy loss	(887,012)	(331,841)
Less: Concessions	(54,979)	(8,039)
Net rental income	8,994,318	8,646,108
Interest income	387,254	497,073
Contributions/grants	1,604,335	2,891,751
Government funding	457,950	451,298
Developer and management fee income	392,192	263,199
Other	382,855	213,002
Satisfaction of donor restriction		
Expiration of time restriction on United Way funding	-	37,500
Expiration of donor imposed restrictions on contributions	515,032	131,299
TOTAL REVENUE AND SUPPORT	12,733,936	13,131,230
Operating Expenses		
Salaries and wages	3,393,205	3,065,497
Fringe benefits	556,605	533,996
Payroll taxes	290,274	276,445
Contract labor	911,632	945,298
Fees and services	902,062	845,519
Utilities	1,558,777	1,444,380
Maintenance and repairs	1,617,224	1,800,056
Mortgage interest	318,116	338,769
Rental of space	44,393	48,000
Insurance	596,021	523,550
Taxes	385,078	379,718
Administrative supplies	248,976	245,372
Employee development	47,958	101,215
Bad debt	117,110	89,596
Miscellaneous	45,581	34,651
TOTAL OPERATING EXPENSES	11,033,012	10,672,062
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE OTHER INCOME AND EXPENSES	1,700,924	2,459,168

See accompanying notes

**DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING
CORPORATION AND RELATED ENTITIES**

COMBINED STATEMENTS OF OPERATIONS (CONTINUED)

Years Ended December 31, 2020 and 2019

	2020	2019
Other Income and (Expenses)		
Deferred Interest Expense	\$ (431,370)	\$ (375,278)
Interest Expense - Amortization of Financing Fees	(12,526)	(11,896)
Unrealized Gain on Trading Securities	255,530	1,101,621
Gain on Sale of Investment/Trading Securities	209,411	50,440
Loss on Disposal of Assets	(406,618)	(77,000)
Forgiveness of Debt	1,723,036	585,316
Depreciation	(5,390,118)	(4,878,368)
Amortization	(77,753)	(68,885)
DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY	(2,429,484)	(1,214,882)
Changes in Net Assets With Donor Restrictions		
Contributions and grants	679,821	621,660
Satisfaction of donor restrictions		
Expiration of time restriction on United Way funding	-	(37,500)
Expiration of donor imposed restrictions on contributions	(515,032)	(131,299)
	164,789	452,861
NET (DECREASE) INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	164,789	452,861
DECREASE IN NET ASSETS AND EQUITY	\$ (2,264,695)	\$ (762,021)

See accompanying notes

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINED STATEMENTS OF CASH FLOWS

Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Change in net assets and equity	\$ (2,264,695)	\$ (762,021)
Adjustments to reconcile change in net assets and equity to net cash provided by operating activities:		
Depreciation and amortization	5,467,871	4,947,253
Amortization of financing fees	12,526	11,896
Forgiveness of debt	(1,723,036)	(585,316)
Contributions and grants restricted for construction	(629,696)	(485,000)
Gain on sale of investment	(209,411)	(50,440)
Unrealized gain on trading securities	(234,337)	(1,059,981)
Earnings on beneficial interest	(21,193)	(41,640)
Loss on disposal of assets	406,618	77,000
Write off of developer fee receivable	24,678	-
Changes in operating assets		
Promises to give	1,860	33,140
Accounts receivable	(368,862)	865,477
Prepaid expenses and deposits	(47,706)	(27,019)
Tenant security deposits	13,496	3,805
Accounts payable	(244,745)	170,818
Accrued liabilities	579,127	410,892
Deferred revenue	7,943	55,159
NET CASH PROVIDED BY OPERATING ACTIVITIES	770,438	3,564,023
Cash Flows from Investing Activities		
Purchase of property and equipment	(13,169,750)	(15,667,257)
Transfers from beneficial interest fund	12,760	12,585
Decrease in developer fee receivable	-	112,500
Net change in trading securities	(104,645)	(106,592)
Proceeds from the sale of property and equipment	-	35,000
NET CASH USED BY INVESTING ACTIVITIES	(13,261,635)	(15,613,764)

See accompanying notes

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Financing Activities		
Payments received on contributions for the acquisition and renovation of New Ferguson and grants restricted for construction	\$ 420,000	\$ 25,000
Payments on long-term debt	(245,707)	(235,226)
Cash paid for financing fees	(142,414)	-
Cash paid for other assets	(212,042)	(100,367)
Long-term borrowings	1,002,889	1,826,500
Partners' distributions	(35,286)	(41,345)
Contributed capital	9,854,830	16,327,336
	10,642,270	17,801,898
NET CASH PROVIDED BY FINANCING ACTIVITIES		
NET (DECREASE) INCREASE IN CASH AND RESTRICTED CASH	(1,848,927)	5,752,157
Cash and Restricted Cash at Beginning of Year	21,289,563	15,537,406
CASH AND RESTRICTED CASH AT END OF YEAR	\$ 19,440,636	\$ 21,289,563
Cash and cash equivalents	7,340,757	5,443,225
Cash restricted for current construction	173,099	3,933,124
Restricted cash	11,926,780	11,913,214
	\$ 19,440,636	\$ 21,289,563
Supplemental Disclosures		
Noncash Transactions		
Investing Activities		
Property and equipment purchases funded through accounts and construction payables	\$ 4,073,607	\$ 2,009,976
Property and equipment purchases funded through long-term debt	\$ 600,087	\$ 23,500
Property and equipment purchases funded through equity contributions	\$ 2,921,496	\$ -

See accompanying notes

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Dwelling Place of Grand Rapids Nonprofit Housing Corporation (“Dwelling Place” or “Organization”) was organized as a nonprofit corporation in 1980.

The mission of the Organization and its related entities is to improve the lives of people by creating quality affordable housing, providing essential support services, and serving as a catalyst for neighborhood revitalization.

Combination Policy - Common Control

The accompanying combined financial statements include the following entities:

The accounts of Dwelling Place of Grand Rapids Nonprofit Housing Corporation include general programs that provide affordable housing, commercial rental management and administrative services to affiliates and other managed properties. The general programs also provide for development of properties for low income housing residents, fund development for the Organization’s programs, support and case management services for tenants, neighborhood revitalization, and residential services for women and children.

Dwelling Place of Grand Rapids Nonprofit Housing Corporation is related to the following entities either through ownership or common control. Dwelling Place of Grand Rapids Nonprofit Housing Corporation has guaranteed certain obligations of the various affordable housing projects including operating deficits, development cost overruns and any reduction of tax benefits. Controlling interest on the combined financial statements consists of the net assets of Dwelling Place of Grand Rapids Nonprofit Housing Corporation, entities under common control and Dwelling Place’s ownership interest in the related entities (primarily the Limited Dividend Housing Associations (LDHAs). The noncontrolling interests consist of the outside ownership interests in the related entities (primarily the LDHAs).

Dwelling Place Foundation (“Foundation”)

Dwelling Place Foundation is a nonprofit corporation established to raise funds for Dwelling Place of Grand Rapids Nonprofit Housing Corporation and its related organizations.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Dwelling Place Regional Community Land Trust (“Community Land Trust”)

Community Land Trust is a not-for-profit corporation established as a community land trust to create and preserve a permanent supply of affordable homes for low-income households otherwise unable to afford to purchase and own a home in West Michigan. The Community Land Trust began operating in 2020.

Heartside Nonprofit Housing Corporation (“Heartside NPHC”)

The corporation is a wholly owned subsidiary of Dwelling Place. Heartside NPHC was organized exclusively for the purpose of providing housing facilities for persons of low and moderate income. Heartside Nonprofit Housing Corporation operates Martineau Holdings which owns Martineau Apartments.

Sheldon - Weston, Inc.

The corporation is a wholly owned subsidiary of Dwelling Place. Sheldon - Weston, Inc. was organized for the purpose of providing housing facilities for persons of low-income as the .49% nonmanaging general partner in Grand Pointe Limited Dividend Housing Association Limited Partnership II. Grand Pointe Limited Dividend Housing Association Limited Partnership II was organized for the purpose of providing 109 residential dwelling units at the Globe Apartments. In addition, the corporation owns 10% of Excel-Dwelling Place, LLC. Excel-Dwelling Place, LLC was organized for the purpose of providing 64 residential dwelling units at Emerald Creek Apartments as the .01% nonmanaging general partner in Excel - Dwelling Place Limited Dividend Housing Association Limited Partnership.

Bridge Street Nonprofit Housing Corporation (“NPHC”) and Bridge Street Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Bridge Street”

Bridge Street operates a 16-unit special needs low-income housing project in Grand Rapids, Michigan. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

Elmdale Apartments Nonprofit Housing Corporation (“Elmdale”)

Elmdale is a not-for-profit corporation that operates a rental housing project under Section 223(f) of the National Housing Act. The project is a 19-unit apartment complex for low to middle income individuals and families located in Grand Rapids, Michigan.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Ferguson-Heartside Nonprofit Housing Corporation (“NPHC”) and Ferguson-Heartside Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Ferguson-Heartside”

Ferguson-Heartside is comprised of 101 residential dwelling units and several commercial spaces in Grand Rapids, Michigan and operates under the name of Ferguson- Heartside. Dwelling Place owns and exercises complete control of the LDHA. The NPHC is the managing general partner of the LDHA. During 2020, Ferguson-Heartside underwent a HUD Rental Assistance Demonstration “RAD” Conversion to Ferguson Apartments (“New Ferguson”) Limited Dividend Housing Association LLC.

Goodrich Nonprofit Housing Corporation (“NPHC”) and Goodrich Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Goodrich”

Goodrich operates two buildings, including 14 units of low-income housing and four commercial spaces in Grand Rapids, Michigan. Dwelling Place, as sole stockholder of Goodrich NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

Grandville-Heartside Nonprofit Housing Corporation (“NPHC”) and Grandville-Heartside Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Grandville-Heartside”

Grandville-Heartside operates 10 residential dwelling units in Grand Rapids, Michigan. Dwelling Place owns and exercises complete control of the LDHA.

HPFH Nonprofit Housing Corporation (“NPHC”) and HPFH Limited Dividend Housing Association Limited Partnership (“LDHA”) – referred to as “Harrison Park”

Harrison Park was formed in 2016 to acquire, construct and operate 45 units of low-income housing in Grand Rapids, Michigan, and began operations in 2019. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Dwelling Place Rural Nonprofit Housing Corporation (“NPHC”) and Harvest Hill Limited Dividend Housing Association Limited Partnership (“LDHA”) – referred to as “Harvest Hill”

Harvest Hill consists of 46 residential dwelling units located in Rockford, Michigan. Dwelling Place owns and exercises complete control of the LDHA.

Herkimer Apartments Nonprofit Housing Corporation (“NPHC”) and Herkimer Apartments Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Herkimer Apartments”

Herkimer Apartments consists of a 55-unit homeless and special needs low-income housing project and eight commercial spaces in Grand Rapids, Michigan. Dwelling Place, as the sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

Herkimer Commerce Limited Dividend Housing Association Limited Partnership – referred to as “Herkimer Commerce”

Herkimer Commerce consists of a 67-unit homeless and/or special needs low-income housing project in Grand Rapids, Michigan. Dwelling Place, as the sole stockholder of the NPHC (Herkimer Apartments Nonprofit Housing Corporation), exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

Kelsey Nonprofit Housing Corporation (“NPHC”) and Kelsey Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Kelsey”

Kelsey consists of 12 residential dwelling units and 2 live/work spaces in Grand Rapids, Michigan. Dwelling Place owns and exercises complete control of the LDHA.

LCH36 Nonprofit Housing Corporation (“NPHC”) and LCH36 Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “LCH36”

LCH36 consists of 49 residential dwelling units in Grand Rapids, Michigan. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Martineau Holdings Limited Dividend Housing Association – referred to as “Martineau Holdings” or “Martineau”, respectively

The Martineau project consists of 23 residential and two commercial spaces in two buildings in Grand Rapids, Michigan. The residential space is owned and operated by Martineau Holdings through Heartside NPHC and the two commercial spaces are owned and operated by Dwelling Place.

Midtown Village officially known as Liberty Nonprofit Housing Corporation (“NPHC”) and Liberty Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Midtown”

Midtown Village consists of 30 senior residential dwelling units in Holland, Michigan. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

New Ferguson LLC and Ferguson Apartments Limited Dividend Housing Association LLC “LDHA” – collectively referred to as “New Ferguson”

New Ferguson is comprised of 119 residential dwelling units and several commercial spaces in Grand Rapids, Michigan and operates under the name of Ferguson Apartments. Dwelling Place, as sole member of New Ferguson LLC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The LLC is the managing general partner of the LDHA. Construction is on-going as of December 31, 2020 and limited operations began in June 2020.

New Hope Homes Nonprofit Housing Corporation (“NPHC”) and New Hope Homes Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “New Hope Homes”

New Hope Homes operates six buildings consisting of 12 units of low-income housing in Grand Rapids, Michigan. Heartside NPHC owns and exercises complete control of the LDHA.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Pine Avenue Nonprofit Housing Corporation (“NPHC”) and Pine Avenue Limited Dividend Housing Association Limited Partnership (“LDHA”) – referred to as “Pine Avenue”

Pine Avenue was formed in 2017 to acquire, construct and operate 23 units of low-income housing in Grand Rapids, Michigan and began partial operations in 2019. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

DP Franklin LLC “LLC” and Plaza Franklin Limited Dividend Housing Association LLC (“LDHA”) – referred to as “Plaza Franklin”

Plaza Franklin was formed in 2019 to acquire, construct and operate 24 units of low-income housing in Grand Rapids, Michigan. Dwelling Place, as sole member of the LLC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The LLC is the managing member of the LDHA.

DP Grandville LLC “LLC” and Plaza Grandville Limited Dividend Housing Association LLC (“LDHA”) – referred to as “Plaza Grandville”

Plaza Grandville was formed in 2019 to acquire, construct and operate 24 units of low-income housing and a commercial space in Grand Rapids, Michigan. Dwelling Place, as sole member of the LLC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The LLC is the managing member of the LDHA.

Reflections Apartments officially known as Hall Street Nonprofit Housing Corporation (“NPHC”) and Hall Street Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Reflections”

Reflections operates a 60-unit senior housing project in Grand Rapids, Michigan. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Roosevelt Nonprofit Housing Corporation (“NPHC”) and Roosevelt Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Roosevelt”

Roosevelt consists of a 50 unit low-income housing project in Muskegon, Michigan. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

Verne Barry Apartments officially known as KBC Nonprofit Housing Corporation (“NPHC”) and KBC Limited Dividend Housing Association Limited Partnership (“LDHA”) – collectively referred to as “Verne Barry”

Verne Barry operates a 116 unit permanent supportive low-income subsidized housing facility for homeless and special needs individuals and ten commercial spaces in Grand Rapids, Michigan. Dwelling Place, as sole stockholder of the NPHC, exercises complete administrative control of the LDHA. However, approval of the limited partner is required to refinance debt or dispose of the project. The NPHC is the managing general partner of the LDHA.

Villa Esperanza officially known as Sawkaw, Inc.

Villa Esperanza is a not-for-profit corporation that operates a rental housing project under Section 223(f) of the National Housing Act. The project is a 40-unit apartment complex for low to middle income elderly or physically disabled individuals located in Wyoming, Michigan.

West Shore Apartments officially known as Whitehall DP Limited Partnership (“LP”)

West Shore consists of 48 residential dwelling units located in Whitehall, Michigan. Dwelling Place owns and exercises complete control of the LP.

Weston Apartments officially known as 44 Ionia Limited Dividend Housing Association Limited Partnership (“Weston”)

Weston operates two buildings consisting of 190 units of low-income subsidized housing and three commercial spaces in Grand Rapids, Michigan. Heartside Nonprofit Housing Corporation exercises complete administrative control as managing general partner, but approval of the limited partners is required to refinance debt or dispose of the project.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

White River Estates officially known as Dwelling Place Rural Limited Dividend Housing Association Limited Partnership

White River Estates consists of 31 residential dwelling units located in Hesperia, Michigan. Dwelling Place owns and exercises complete control of the LDHA.

Material intercompany transactions and balances have been eliminated in combination. All equity interests in the combined entities that are not owned by Dwelling Place of Grand Rapids Nonprofit Housing Corporation or one of the entities under its management have been shown as equity - noncontrolling interests on the basic combined financial statements.

Method of Accounting

The Organization maintains its records on the accrual basis of accounting.

Cash and Cash Equivalents

The Organization maintains its cash accounts at several financial institutions. Cash is insured by the Federal Deposit Insurance Corporation. From time to time, the Organization may have cash on deposit in excess of the federally insured limit. The Organization considers money market funds and other temporary investments purchased with an original maturity date of three months or less to be cash equivalents.

The cash restricted for current construction consists of funds held for the purposes of construction and renovation of New Ferguson in 2020, Plaza Franklin and Plaza Grandville in 2020 and 2019, and Harrison Park LDHA and Pine Avenue LDHA projects in 2019.

Trading Securities

The Organization has the intention to sell its securities in the near term with profit or loss being determined on short-term differences in price. Therefore, the Organization has classified all of its securities as "trading" securities. Trading securities are carried at fair value. Fair value is primarily determined using the specific identification method. Unrealized holding gains and losses, interest, and dividends are included in the combined statements of operations.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Promises to Give

Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Promises to give are stated at the amount management expects to collect from balances outstanding. Management has reviewed the balances that comprise the various categories of promises to give and has determined such balances to be fully collectible. Accordingly, no provision for uncollectible promises to give is included in the accompanying financial statements. If amounts become uncollectible, a provision for the potential loss will be charged to operations when that determination is made. Promises to give restricted for use on long-term assets are considered long term in the combined balance sheets. The discount to present value for long-term pledges receivable is not material to record for the years ended December 31, 2020 and 2019.

Receivables

Accounts receivable, including developer fee receivable, consist of amounts due from tenants, funding sources, third parties and related parties for services related to residential and commercial rental property management and development. These receivables are stated at the amounts management expects to collect. Management has reviewed the balances that comprise the various categories of accounts receivable and has determined certain balances to be uncollectible. Accordingly, a provision of \$31,499 and \$0 for uncollectible accounts is included in the accompanying financial statements at December 31, 2020 and 2019.

Property and Equipment

Property and equipment are stated at cost, if purchased. Donations of property and equipment are recorded as support at estimated fair value at the time received. Fair value is measured in accordance with GAAP guidance relating to "Fair Value Measurements."

Donations of property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. The Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization follows the policy of capitalizing, at cost, all expenditures for property and equipment in excess of \$5,000. The Organization follows the policy of capitalizing interest as a component of the cost of property constructed for its own use. Depreciation is recorded on the straight-line method at rates based on the estimated useful lives of assets.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the expected future cash flow from the use of the asset and its eventual disposition is less than the carrying amount of the asset, an impairment loss is recognized and measured using the asset's fair value. No such losses were recognized during 2020 or 2019.

Investments

The Organization has generally recorded investments in partnerships at cost because the Organization does not exercise significant influence over operating and financial activities. Certain investments have been recorded using the equity method of accounting. The Organization has guaranteed certain obligations of these entities limited to approximately \$4,962,000 and \$1,560,000 as of December 31, 2020 and 2019.

Intangibles

Intangible assets include costs associated with the construction and development of the projects. These intangible costs include compliance and tax credit fees. These fees are being amortized over the compliance period of 15 years. All intangibles are being amortized using straight-line methods. Accumulated amortization was approximately \$835,000 and \$757,000 for December 31, 2020 and 2019, respectively.

Deferred Rental Revenue

Deferred rental revenue consists of rent received in advance.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor or grantor restrictions. Net assets with donor restriction are subject to donor-imposed or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the resources are maintained in perpetuity. Gifts restricted for acquisition of long-lived assets are released from restriction when the assets are placed in service.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Revenue Recognition

Various entities are lessors of apartments to individuals who meet income requirements of certain regulatory bodies, including the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture (USDA), and various low-income housing tax credit authorities. HUD also provides rental assistance payments to the entities. The leases are operating leases with terms of one year or less. Rental income is recognized for apartment and commercial rentals as it accrues. Advance receipts of rental income are deferred and classified as liabilities until earned. Rental income is shown at its maximum gross rent potential. Vacancy loss is shown as a reduction in rental income.

Contributions

Contributions received are recorded as donations with donor restriction or without donor restriction depending on the existence and/or nature of any donor restrictions.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. If the restriction will be met in the same reporting period, the support will be recorded as without donor restriction. See Note 13 regarding significant contributions.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been reported on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited as detailed in Note 4.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Income Taxes

Dwelling Place of Grand Rapids Nonprofit Housing Corporation, Dwelling Place Foundation, Heartside Nonprofit Housing Corporation and Elmdale Apartments Nonprofit Housing Corporation are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Sawkaw Inc. is exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code. In addition, the Organizations (except for the Foundation) qualify for the charitable contribution deduction and have been classified as organizations that are not private foundations under Section 509(a)(2). The Foundation has been classified as an organization that is a public charity under Section 509(a)(1) and 170(b)(1)(A)(vi). Martineau Holding is a single member LLC of which Heartside NPHC is the sole member. Therefore, Martineau is a disregarded entity for tax purposes. Dwelling Place Regional Community Land Trust's 501(c)(3) application is currently pending with the IRS.

All of the limited dividend housing associations (LDHA) are partnership entities or have elected to be treated as a partnership entity; therefore, income taxes on the net earnings are payable personally by the partners and, accordingly, are not reflected in the combined financial statements. The remaining entities reflected in the combined financial statements are taxable entities under the Internal Revenue Code. A provision for income taxes has not been provided due to operating loss carryovers and permanent differences between book income and taxable income.

Deferred tax assets that might result from such losses are considered immaterial to the combined financial statements.

Tax positions taken are assessed for uncertainty and a provision may be recorded if a tax position is not likely to be sustained upon examination.

Subsequent Events

Management has evaluated significant events or transactions occurring subsequent to December 31, 2020, for potential recognition or disclosure in these financial statements. The evaluation was performed through May 26, 2021, the date the financial statements were available for issuance.

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING
CORPORATION AND RELATED ENTITIES**

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

NOTE 2 - LIQUIDITY

The Organization's financial assets which are available within one year of the balance sheet date for general expenditures are as follows for December 31:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 7,340,757	\$ 5,443,225
Accounts receivable	604,092	235,230
Promises to give	2,500	2,500
Trading securities	10,135,715	9,587,322
	<u>\$ 18,083,064</u>	<u>\$ 15,268,277</u>

As part of Dwelling Place's liquidity management, Dwelling Place has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Dwelling Place of Grand Rapids NPHC shall maintain a minimum balance in cash and/or trading securities and other liquid assets sufficient to fund 100% of operational costs for 12 months. This amount will be based on documented operational expenses (non-capital) for all properties and programs in the most recent fiscal year for which there are audited combined financial statements. Exceptions to the 12-month threshold may be granted by the Dwelling Place Board or Executive Committee.

In addition, Dwelling Place has access to a secured line of credit with a bank in the event that liquid balances prove insufficient. See Note 7 for further information on the line of credit.

Cash expenditures and/or financial commitments outside of approved budgets and not related to real estate transactions shall be limited to \$250,000 without formal approval from one of the following: Dwelling Place Board, Executive Committee, or Finance Committee.

Expenditures for real estate development transactions over \$250,000 shall be determined on a case by case basis with authorizations granted through one of the following: Dwelling Place Board, Executive Committee, or Real Estate Development Committee.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Certain nonprofit and limited dividend housing association limited partnership entities affiliated with Dwelling Place have limitations on liquidity based on government regulatory requirements. Government regulatory bodies also may control access to available funds set aside for repairs, replacement or cash flow funding.

NOTE 3 – FAIR VALUE MEASUREMENT

Trading securities are recorded at fair value. A framework is used to establish fair value of investments that is based on a hierarchy which prioritizes the use of inputs to various valuation techniques.

The three levels of the fair value hierarchy, with Level 1 given the highest priority, are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Investments held by others where Dwelling Place has no ability to liquidate or redeem the investments.

The fair value measurement level of an investment within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs.

Dwelling Place's primary investment objectives are to preserve and grow the value of its securities by limiting credit and default risk and to earn a reasonable and stable income to support the operations of Dwelling Place and its related entities. Current investments are held primarily at one institution; the majority of securities being in municipal and corporate bonds and equity securities. The levels within the fair value hierarchy at which Dwelling Place's investments are valued at December 31, 2020 are as follows:

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Equity securities	\$ 5,416,387	\$ -	\$ -	\$ 5,416,387
Fixed income				
Corporate/Government	4,572,285	-	-	4,572,285
Other bonds	147,043	-	-	147,043
Beneficial interest	-	-	296,385	296,385
	<u>\$ 10,135,715</u>	<u>\$ -</u>	<u>\$ 296,385</u>	<u>\$ 10,432,100</u>

The levels within the fair value hierarchy at which Dwelling Place's investments are valued at December 31, 2019 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Equity securities	\$ 5,115,518	\$ -	\$ -	\$ 5,115,518
Fixed income				
Corporate/Government	4,332,539	-	-	4,332,539
Other bonds	139,265	-	-	139,265
Beneficial interest	-	-	287,952	287,952
	<u>\$ 9,587,322</u>	<u>\$ -</u>	<u>\$ 287,952</u>	<u>\$ 9,875,274</u>

For the valuation of the beneficial interest in net assets, Dwelling Place used the fair value of the underlying investments. The underlying assets cannot be liquidated or redeemed by Dwelling Place. As such, no quoted prices or active markets are available for this asset (Level 3). Management reviewed the values provided by the Grand Rapids Community Foundation, the holder of the assets.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Following is a reconciliation of activity for the year ended December 31, 2020 for assets measured at fair value based on significant unobservable (Level 3) information:

Balance at December 31, 2018	\$ 258,897
Gain on investments	41,640
Spendable distribution	<u>(12,585)</u>
Balance at December 31, 2019	\$ 287,952
Gain on investments	21,193
Spendable distribution	<u>(12,760)</u>
Balance at December 31, 2020	<u>\$ 296,385</u>

The investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the Organization.

NOTE 4 - FUNCTIONAL EXPENSE ALLOCATION

Dwelling Place, Heartside NPHC, Foundation, Community Land Trust, Elmdale, and Villa Esperanza's expenses are allocated on a functional basis. The expenses that are allocated include the following:

- Based on square footage
 - depreciation and amortization
 - insurance
 - office and occupancy
- Based on estimates of time and effort
 - salaries and benefits
- Based on estimates of time and costs utilized
 - Technology

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Expenses have been allocated for the not-for-profit entities as follows for the years ended December 31:

	2020			
	Program Services	Management and General	Fundraising	Total Expenses
Payroll, benefits, and taxes	\$ 1,611,364	\$ 1,143,166	\$ 74,625	\$ 2,829,155
Management, legal, and other professional fees	148,935	280,117	1,185	430,237
Office expenses	114,365	75,589	1,102	191,056
Occupancy	617,083	72,512	780	690,375
Conferences and travel	8,767	25,312	124	34,203
Contract and consulting	18,005	42,966	797	61,768
Depreciation and amortization	532,036	108,705	-	640,741
Repairs and maintenance	221,186	37,952	-	259,138
Grants	295,177	-	114,227	409,404
Project expenses	12,602	-	-	12,602
Miscellaneous	154,991	22,008	1,013	178,012
Total expenses	\$ 3,734,511	\$ 1,808,327	\$ 193,853	\$ 5,736,691
	2019			
	Program Services	Management and General	Fundraising	Total Expenses
Payroll, benefits, and taxes	\$ 1,362,184	\$ 1,085,755	\$ 76,786	\$ 2,524,725
Management, legal, and other professional fees	142,798	230,106	887	373,791
Office expenses	128,774	86,524	5,193	220,491
Occupancy	652,177	73,337	483	725,997
Conferences and travel	38,830	35,341	134	74,305
Contract and consulting	21,771	28,863	386	51,020
Depreciation and amortization	510,770	104,479	-	615,249
Repairs and maintenance	297,195	7,164	-	304,359
Grants	363,906	-	-	363,906
Project expenses	14,529	-	-	14,529
Miscellaneous	129,339	28,280	-	157,619
Total expenses	\$ 3,662,273	\$ 1,679,849	\$ 107,075	\$ 5,449,197

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consists primarily of assets held for rent as follows:

	2020	2019
Land and improvements	\$ 13,353,420	\$ 12,686,696
Buildings and building improvements	131,957,064	134,614,141
Furniture, fixtures and equipment	8,997,977	7,622,004
Construction-in-progress	16,098,997	7,788,886
	170,407,458	162,711,727
Accumulated depreciation and amortization	(48,293,277)	(53,568,900)
	\$ 122,114,181	\$ 109,142,827

Depreciation expense for the years ended December 31, 2020 and 2019 was approximately \$5,390,000 and \$4,878,000, respectively.

Construction in progress mainly consists of construction relating to New Ferguson and Plaza Grandville properties.

The Organization has entered into several contracts for construction and architectural services. At December 31, 2020, approximately \$18,200,000 of costs had been incurred, with an additional \$8,600,000 of commitments specific to such contracts.

NOTE 6 - RESTRICTED CASH

Restricted cash consists of the following:

Designated Accounts and Escrow	2020	2019
Designated accounts		
Tenant security deposits	\$ 320,525	\$ 266,022
Reserves for replacement	4,180,279	3,834,527
Residual receipts	7,740	7,735
Tax and insurance escrow deposits	114,953	180,769
Operating deficit escrows	6,374,128	6,659,766
Other reserves and donor restricted cash	929,155	964,395
	\$ 11,926,780	\$ 11,913,214

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Certain of the above designated accounts have been established in accordance with HUD, MSHDA and Rural Development. Withdrawals from the accounts can be made only for project purposes and must be approved by the respective agency. Certain restricted cash accounts may be payable to the regulatory agency when the projects are sold or the mortgages are paid in full or refinanced.

The operating deficit escrow consists of escrow accounts held for the purpose of funding operating deficits of Bridge Street, Goodrich, Herkimer Apartments, Herkimer Commerce, LCH36, Midtown, New Ferguson, Pine, Reflections, Roosevelt, Verne Barry, and Weston.

NOTE 7 - DEBT

Debt consists of the following at December 31:

	Rate	Required Monthly Payment	Due Date	2020	2019
Dwelling Place of Grand Rapids, Inc.					
Note payable to Grand Rapids Community Foundation	4%	\$ 7,106	January 2024	\$ 260,385	\$ 333,378
Heartside					
Note payable to a bank (AHP) for Ferguson renovations	1%	none	Forgiven 2020	-	272,397
Bridge Street					
HOME note payable to the City of Grand Rapids	none	none	June 2044	415,000	415,000
Elmdale					
HUD insured mortgage note payable to Love Funding	4.27%	\$ 3,393	August 2042	574,824	590,623
Ferguson-Heartside					
HOME mortgage note payable to MSHDA	6.75%	none	Paid in full	-	2,000,000
Ferguson Apartments					
Mortgage note payable to MSHDA	6.20%	none	May 2060	141,853	-
HTF mortgage note	1.00%	none	June 2070	5,061,000	-
MHCDF mortgage note	1.00%	none	June 2070	239,000	-
Goodrich					
TCAP note payable to MSHDA	0% - 3%	none	February 2060	666,697	666,697
HOME note payable to City of Grand Rapids	none	Payable with surplus cash	February 2045	700,000	700,000
Grandville-Heartside					
HOME loans payable to the City of Grand Rapids	.5% - 6.75%	none	Forgiven in 2020	-	470,000
Harvest Hill					
Mortgage note payable to Rural Development	3.50%	\$ 1,703	Paid in full	-	951
Herkimer Apartments					
HOME loan payable to the City of Grand Rapids	none	none	December 2029	130,000	130,000
HOME loan payable to MSHDA	3%	To begin in 2030	December 2062	2,699,950	2,699,950
Herkimer Commerce					
HOME loan payable to the City of Grand Rapids	none	none	December 2032	527,089	527,089
Kelsey					
Mortgage note payable to PNC	5.12%	\$ 1,899	December 2023	214,834	226,147
HOME note payable to City of Grand Rapids	5.36%	none	November 2040	310,285	310,285
LCH36					
HOME loan payable to the City of Grand Rapids	none	none	June 2061	300,000	300,000

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

	Rate	Required Monthly Payment	Due Date	2020	2019
Midtown					
Note payable to MSHDA	6.75%	\$ 1,291	September 2045	\$ 193,283	\$ 195,643
TCAP note payable to MSHDA	0% - 3%	Payable with surplus cash	August 2060	2,150,599	2,150,599
New Hope Homes					
HOME note payable to the City of Grand Rapids	none	none	October 2026	300,000	300,000
Pine Avenue					
HOME note payable to the City of Grand Rapids	none	none	June 2054	250,000	150,000
Plaza Franklin					
Construction loan payable to Huntington Bank	Libor + 1.75%	none	October 2021	850,000	850,000
Plaza Grandville					
Construction loan payable to Huntington Bank	Libor + 1.75%	none	October 2021	850,000	850,000
Reflections					
Note payable to MSHDA	9%	\$ 2,425	March 2048	293,680	296,218
NSP note payable to City of Grand Rapids	none	none	June 2051	750,000	750,000
NSP mortgage to MSHDA	none	none	June 2051	4,127,849	4,127,849
Verne Barry Place					
HOME mortgage note payable to MSHDA	5.29%	none	July 2026	2,000,000	2,000,000
HOME note payable to City of Grand Rapids	5.29%	none	July 2026	400,000	400,000
Villa Esperanza					
HUD insured mortgage note payable to Love Funding	4%	\$ 6,548	August 2042	1,137,425	1,169,795
Weston					
HUD insured mortgage note payable to Pillar	4%	\$ 16,083	September 2050	2,824,364	2,898,468
West Shore					
Mortgage note payable to Fifth Third	7.1%	\$ 1,161	April 2021 refinanced	211,515	225,447
Mortgage note payable to Rural Development	3.75%	\$ 1,746	February 2024	1,112	553
White River Estates					
Mortgage note payable to Rural Development	10.75%	\$ 5,992	March 2033	581,188	602,482
				29,161,932	26,609,571
Less: unamortized financing fees				(466,658)	(338,158)
				28,695,274	26,271,413
Less: current maturities				(1,965,682)	(247,397)
				\$ 26,729,592	\$ 26,024,016

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

The loans above are payable to various banks, corporations, and governmental agencies as indicated. The interest rates range from zero to 10.75%. Several of the loans bear interest based on a variant of LIBOR or the Applicable Federal Rate. The notes are collateralized by substantially all assets of the combined entities. Certain notes payable accrue interest until the conversion to term notes or until the due date of the notes payable. The accrued interest related to these notes is presented as a long term liability on the combined balance sheet.

Net book value of collateral for the respective properties as of December 31, 2020, is as follows:

Dwelling Place of Grand Rapids NPHC, Inc.	\$ 5,378,237
Bridge Street	1,249,762
Elmdale	136,397
Goodrich	1,452,065
Grandville-Heartside	213,000
Harrison Park	11,002,219
Herkimer Apartments	9,862,082
Herkimer Commerce	8,745,738
Kelsey	1,802,463
LCH 36 LDHA	8,117,666
Martineau Holding	3,704,172
Midtown	5,021,300
New Ferguson	10,576,538
New Hope Homes	206,127
Pine Avenue	6,358,768
Plaza Franklin	7,381,083
Plaza Grandville	6,706,676
Reflections	5,985,870
Roosevelt LDHA	9,397,297
Verne Barry Place	7,987,192
Villa Esperanza	565,344
Weston	7,628,870
West Shore	1,133,865
White River Estates	638,640
	<u><u>\$ 121,251,371</u></u>

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

The Tax Credit Assistance Program (TCAP) mortgage notes for Goodrich and Midtown, and the Neighborhood Stabilization Program (NSP) mortgage notes for Reflections are subject to certain provisions in the debt agreements. On the maturity dates, interest is payable at the lesser of the net estimated value of the property as defined by the partnership agreements or three percent simple interest on the outstanding principal balance. Goodrich, Midtown and Reflections are also required to establish a subordinate debt payment reserve at the earliest of the full repayment of the developer fee or the 13th year following the date the mortgage notes commence. The reserves will be funded annually with no less than 25% of surplus cash, as determined by the certified audit conducted in accordance with MSHDA audit guidelines. The deposits to the reserves must equal the monthly installments previously made on the respective mortgage notes.

The annual maturities of debt are as follows:

Years ending December 31:

2020	\$ 1,965,682
2021	321,040
2022	505,574
2023	267,954
2024	238,723
Thereafter	<u>25,862,959</u>
	<u>\$ 29,161,932</u>

Cash paid for interest for the years ended December 31, 2020 and 2019 was approximately \$736,000. Capitalized interest for the years ended December 31, 2020 and 2019 was approximately \$61,100 and \$10,200, respectively.

The Organization has available a secured line of credit with a capacity of \$1,500,000 that matures on December 5, 2022. Outstanding borrowings bear interest based on a prime based rate as defined in the agreement or a factor of LIBOR (0.08% at December 31, 2020) plus 2.75% at the borrower's option. There were no borrowings as of December 31, 2020 or 2019.

During 2020, the Organization obtained a note payable with a bank and the U.S. Small Business Administration for \$758,087. The note was obtained pursuant to the Paycheck Protection Program (PPP) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Proceeds from the loan are to be used for qualifying expenses as defined by the CARES Act. The Organization applied for forgiveness under the Payroll Protection Program with the U.S. Small Business Administration and received forgiveness of \$758,087 on the note. Accordingly, the Organization recorded forgiveness of debt as a component of other income (expense) within the statement of operations.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

NOTE 8 - DEFERRED REVENUE - SECTION 1602 EXCHANGE FUNDS

In accordance with Section 1602 of the American Recovery and Reinvestment Act, MSHDA has provided a sub-award grant of Section 1602 funds in the aggregate amount of \$3,097,429 for the construction of Midtown, as evidenced by a Section 1602 mortgage note in the same amount. Principal and interest are not due on this mortgage note provided a default does not occur. The partnership, however, may be subject to repayment of the Section 1602 exchange funds if Midtown fails to meet certain requirements of the Grant Agreement during the compliance period. Under the terms of the mortgage note, at such time as MSHDA determines all provisions of the regulatory agreement and 1602 regulations have been complied with and that a recapture obligation cannot arise, the obligations under the 1602 mortgage note payable will be released and fully satisfied. Midtown may be subject to compliance for up to 50 years.

NOTE 9 - RESTRICTIONS ON ASSETS

Net assets with donor restrictions consist of the following:

	<u>2020</u>	<u>2019</u>
NeighborWorks America Capital Grant restricted for capitalizable real estate activities	\$ 50,000	\$ 100,000
Cash restricted for donor specified purposes	115,907	108,954
Promises to give granted for a specified purpose or future time period	772,196	564,360
Beneficial interest in assets held by community foundation	250,000	250,000
	<u>\$ 1,188,103</u>	<u>\$ 1,023,314</u>

NOTE 10 - EQUITY

Equity reflects capital contributions received from investors plus accumulated earnings (deficits) in various projects held by entities included in these financial statements. During 2020, approximately \$3,681,000 from New Ferguson, \$3,335,000 from Pine Avenue, \$2,866,000 from Plaza Franklin, \$2,805,000 from Plaza Grandville, and \$139,000 from Harrison Park of contributed capital was received from the limited partners, respectively, net of \$50,000 of syndication fees.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

During 2019, approximately \$9,499,000 from Harrison Park, \$2,942,000 from Pine Avenue, \$1,439,000 from Plaza Grandville, \$1,433,000 from Plaza Franklin, \$518,000 from Roosevelt, and \$606,000 from LCH36 of contributed capital was received from the limited partners, respectively, net of \$110,000 of syndication fees.

Additional capital has been committed from the limited partners as follows:

Plaza Franklin	\$ 3,223,401
Plaza Grandville	\$ 3,118,684
Pine Avenue	\$ 141,393
Harrison Park	\$ 825,020
Ferguson Apartments	\$ 11,044,370

Such contributions are subject to certain terms and conditions specified in the partnership agreement.

NOTE 11 - RETIREMENT PLAN

The Organization has a 403(b) retirement plan that covers substantially all employees. Employees are immediately eligible to make elective deferrals to the plan. Upon completion of one year of service and reaching age 21, employees are eligible to receive matching contributions. Contributions for the year ended December 31, 2020 and 2019 totaled approximately \$98,000 and \$83,000, respectively.

NOTE 12 - LEASES

The Organization leases multiple commercial spaces throughout the Grand Rapids area under noncancelable operating lease agreements. Gross rent potential income under these agreements for the years ended December 31, 2020 and 2019 totaled approximately \$943,000 and \$842,000, respectively. Approximate future minimum lease receipts expected under noncancelable operating leases are:

Years Ended December 31:

2021	\$ 495,151
2022	366,664
2023	286,724
2024	66,706
2025	23,250
Thereafter	116,250
	<u>\$ 1,354,745</u>

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

NOTE 13 - CONCENTRATIONS

The Organization and its related entities operate in an environment dependent upon financial support from governmental agencies, private investors, and philanthropists. Economic conditions that impact the vulnerable populations served by the Organization have a significant impact on the operating results of the housing projects held by the related entities. Certain of the related entities are susceptible to the regulated multi-family housing industry constraints and the limited resources of the governmental agencies that typically fund the projects. These entities are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies.

Management has focused efforts in recent years to secure long-term funding alternatives and to partner with appropriate community resources. Significant effort is expended to develop unique solutions to operational and funding challenges.

HUD and the USDA have committed to make rental assistance payments, either directly or through the Michigan State Housing Development Authority or the Grand Rapids Housing Commission, on behalf of qualified tenants of Bridge Street, Elmdale, Goodrich, Harrison Park, Herkimer Apartments, Herkimer Commerce, LCH36, Midtown, New Ferguson, Pine Avenue, Reflections, Roosevelt, Verne Barry, Villa Esperanza, Weston, West Shore and White River Estates. Annual payments are limited to specified amounts pursuant to individual contracts. Rental assistance and grants originating from the US Department of Housing and Urban Development represent approximately 38% and 32% of total revenue and unrestricted support for the years ended December 31, 2020 and 2019, respectively.

NOTE 14 - CONTINGENCIES

Dwelling Place of Grand Rapids Nonprofit Housing Corporation and related entities participate in federal grant programs. The programs are subject to program compliance audits. The audits of the programs for the year ended December 31, 2020 have been conducted and various program and Single Audit Reports have been issued. However, the compliance audit reports have not yet been accepted by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although Dwelling Place of Grand Rapids Nonprofit Housing Corporation and related entities expect such amounts, if any, to be immaterial.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

The Organization has received the proceeds of direct pay subsidies and grants under the Affordable Housing Program of the Federal Home Loan Bank of Indianapolis, the HOME Investment Partnerships Program of HUD, and the Supportive Housing Program of HUD. This funding was provided in the form of repayable grants that were fully recognized as revenue in the years that the funds were received. Such funding is subject to certain requirements and conditions as set forth in the subsidy repayment agreements. Specifically, these agreements require that the grantees agree to the placing of liens on the premises being renovated. The liens are required in order to provide security for the repayment of the grants in the event that the properties are sold to a for-profit entity and/or the units become unaffordable to low-income persons, so as not to violate the intent of the grants.

Specific terms of these grants are as follows:

Date Received	Property Funded	Amount	Compliance Period
2020	Ferguson Apartments (AHP Funds)	\$ 329,696	15 years
2018	Roosevelt Apartments (AHP Funds)	662,500	15 years
2014	Herkimer Apartments (AHP Funds)	369,258	15 years
2014	Herkimer Commerce (AHP Funds)	484,403	15 years
2012	Herkimer Commerce (SHP Funds)	50,771	20 years
2009	Bridge Street (AHP Funds)	320,000	15 years
2007	Verne Barry (SHP Funds)	250,000	20 years
2006	Verne Barry (SHP Funds)	150,000	20 years
2006	Verne Barry (AHP Funds)	500,000	15 years
2005	West Shore (AHP Funds)	335,000	15 years
2005	Kelsey (HOME Funds)	250,000	15 years
2004	Martineau (HOME funds)	620,000	20 years
2004	Martineau (HOME funds)	394,225	15 years

The Organization used the proceeds of these grants to cover development and construction costs not paid by other sources of funding.

A majority of the housing projects were allocated and qualified for low income housing tax credits. Internal Revenue Code Section 42 requires a project to maintain compliance with occupant eligibility and unit gross rent, among other items, or to correct noncompliance within a reasonable time period. Failure to correct noncompliance could result in the recapture of previously claimed tax credits plus interest. Compliance with the regulations is required for each of the fifteen years following the year the project is placed in service.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Due to Dwelling Place's involvement in the development of properties financed with low-income housing tax credits, Dwelling Place is subject to certain contingencies related to various requirements over the compliance periods. Exposure associated with these funds is as follows for the year ended December 31, 2020:

Property Funded	Amount	Period End Date
Bridge Street Place	\$ 590,000	December 2025
Goodrich Apartments	417,000	December 2025
Harrison Park	446,000	December 2035
Herkimer Commerce	1,112,000	December 2029
Herkimer Apartments	1,105,000	December 2029
Kelsey Apartments	206,000	December 2021
LCH36	327,000	December 2033
Midtown Village	497,000	December 2027
New Ferguson	506,000	December 2036
Plaza Franklin	342,000	December 2036
Plaza Grandville	322,000	December 2036
Pine	267,000	December 2034
Reflections	1,970,000	December 2027
Roosevelt	251,000	December 2033
Verne Barry Place	1,000,000	December 2023
West Shore Apartments	30,000	December 2020
Weston Apartments	872,000	December 2022

Compliance with regulations for the TCAP, 1602 and NSP provisions are for the longer of the extended use period, as defined by the agreements, or fifty years. Failure to maintain compliance could cause the TCAP mortgage note payable, the Section 1602 exchange funds, and the NSP mortgage note payable to become subject to a Recapture Obligation.

NOTE 15 - INVOLVEMENT IN THE MICHIGAN NONPROFIT HOUSING CORPORATION

Dwelling Place has been the recipient of limited dividend payments from several unrelated housing entities. During 2015, several of these housing entities were sold and restructured under the low-income housing tax credit program. Dwelling Place received distributions from the nonprofit entity that sponsored the housing entities. The contributions were a result of the proceeds from the sale of the properties. Dwelling Place received \$172,457 and 2,157,607 in 2020 and 2019, respectively as contributions related to the sale of the properties.

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020 and 2019

Dwelling Place also is a 30% owner of the .01% general partner of the new housing developments. The general partner is entitled to receive a portion of the developer fees and future limited dividend payments. Management of Dwelling Place anticipates future distributions from the general partner in proportion to their ownership interest. Dwelling Place received distributions of approximately \$333,000 and \$135,000 during the years ended December 31 2020 and 2019.

NOTE 16 - RISKS AND UNCERTAINTIES

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic has significantly impacted the economic conditions in the U.S and globally. While the disruption is currently expected to be temporary, there is uncertainty with respect to the duration. Management does not anticipate significant disruptions in the Organization's operations; however, given the uncertainty of the lasting effect of this outbreak, the financial impact to the Organization cannot be determined.

ADDITIONAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

Board of Directors
Dwelling Place of Grand Rapids Nonprofit Housing Corporation
Grand Rapids, Michigan

We have audited the combined financial statements of Dwelling Place of Grand Rapids Nonprofit Housing Corporation and Related Entities as of and for the years ended December 31, 2020 and 2019, and our report thereon dated May 26, 2021, which expresses an unmodified opinion on those combined financial statements, appears on page one. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining balance sheets and combining statements of operations are presented for purposes of additional analysis of the combined financial statements rather than to present the financial position and results of operations of the individual entities and are not a required part of the combined 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 combined financial statements. The combining information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the combining information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Beene Garter LLP

May 26, 2021
Grand Rapids, Michigan

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET

December 31, 2020

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	Dwelling Place NPHC	Dwelling Place Foundation	Heartside NPHC	Sheldon- Weston, Inc.	Bridge Street	Elmdale	Goodrich
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 5,155,936	\$ 14,946	\$ 102,562	\$ -	\$ 8,805	\$ 11,730	\$ 40,265
Cash restricted for current construction	-	-	-	-	-	-	-
Trading securities	8,681,939	1,453,776	-	-	-	-	-
Promises to give	417,500	-	-	-	-	-	-
Accounts receivable							
Related parties	1,567,066	-	30,187	-	-	-	-
Other	517,573	-	-	-	2,544	297	4,302
Developer fee receivable	1,679,522	-	-	-	-	-	-
Prepaid expenses and deposits	32,767	-	72	-	5,779	6,948	10,919
TOTAL CURRENT ASSETS	18,052,303	1,468,722	132,821	-	17,128	18,975	55,486
Property and Equipment							
Land and land improvements	1,131,010	-	-	-	179,520	62,379	301,270
Buildings and building improvements	7,427,905	-	-	-	2,407,674	722,668	2,418,107
Furniture, fixtures and equipment	566,319	-	-	-	558,626	29,193	65,118
Construction-in-progress	845,295	-	-	-	-	-	-
	9,970,529	-	-	-	3,145,820	814,240	2,784,495
Accumulated depreciation	(3,950,731)	-	-	-	(1,614,277)	(666,005)	(1,021,774)
	6,019,798	-	-	-	1,531,543	148,235	1,762,721
Other Assets							
Restricted cash	436,963	-	-	-	208,969	173,383	389,811
Promises to give, less current portion	25,000	-	-	-	-	-	-
Developer fee receivable	1,694,000	-	-	-	-	-	-
Interest receivable	1,623,417	-	1,140,296	-	-	-	-
Accounts receivable - related party	578,351	-	-	-	-	-	-
Notes receivable - related party	13,223,042	-	9,088,935	-	-	-	-
Investments	8,350,553	-	6,854,143	100	-	-	-
Beneficial interest	296,385	-	-	-	-	-	-
Intangibles	-	-	-	-	8,145	-	5,845
	26,227,711	-	17,083,374	100	217,114	173,383	395,656
	\$ 50,299,812	\$ 1,468,722	\$ 17,216,195	\$ 100	\$ 1,765,785	\$ 340,593	\$ 2,213,863

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2020

	Grandville- Heartside	Harrison Park	Harvest Hill	Herkimer Apartments	Herkimer Commerce	Kelsey	LCH 36
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 27,532	\$ 127,835	\$ 101,191	\$ 42,647	\$ 311,941	\$ 91,663	\$ 164,751
Cash restricted for current construction	-	-	-	-	-	-	-
Trading securities	-	-	-	-	-	-	-
Promises to give	-	-	-	-	-	-	-
Accounts receivable							
Related parties	-	267	49	-	-	-	-
Other	971	13,095	14,472	2,073	16,812	6,729	15,571
Developer fee receivable	-	-	-	-	-	-	-
Prepaid expenses and deposits	1,393	-	4,103	33,202	2,782	2,260	14,749
TOTAL CURRENT ASSETS	29,896	141,197	119,815	77,922	331,535	100,652	195,071
Property and Equipment							
Land and land improvements	1,763	1,913,392	171,663	1,093,353	694,517	80,352	2,080,470
Buildings and building improvements	1,338,998	9,918,118	2,476,461	15,167,254	11,840,817	3,965,347	9,311,513
Furniture, fixtures and equipment	51,103	1,226,288	12,875	398,595	914,970	89,913	145,761
Construction-in-progress	-	-	-	-	-	-	-
	1,391,864	13,057,798	2,660,999	16,659,202	13,450,304	4,135,612	11,537,744
Accumulated depreciation	(1,036,182)	(659,274)	(1,717,874)	(4,403,897)	(4,033,655)	(2,078,471)	(1,365,284)
	355,682	12,398,524	943,125	12,255,305	9,416,649	2,057,141	10,172,460
Other Assets							
Restricted cash	6,112	15,391	18,061	1,259,126	1,065,931	12,905	264,447
Promises to give, less current portion	-	-	-	-	-	-	-
Developer fee receivable	-	-	-	-	-	-	-
Interest receivable	75,954	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Notes receivable - related party	363,058	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Beneficial interest	-	-	-	-	-	-	-
Intangibles	-	93,116	-	52,206	61,831	5,467	46,984
	445,124	108,507	18,061	1,311,332	1,127,762	18,372	311,431
	\$ 830,702	\$ 12,648,228	\$ 1,081,001	\$ 13,644,559	\$ 10,875,946	\$ 2,176,165	\$ 10,678,962

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2020

	Martineau Holdings	Midtown	New Ferguson	New Hope Homes	Pine Avenue	Plaza Franklin	Plaza Grandville	Reflections
ASSETS								
Current Assets								
Cash and cash equivalents	\$ 101,277	\$ 56,851	\$ 128,355	\$ 53,492	\$ 72,728	\$ -	\$ -	\$ 113,760
Cash restricted for current construction	-	-	154,909	-	-	6,400	11,790	-
Trading securities	-	-	-	-	-	-	-	-
Promises to give	-	-	-	-	-	-	-	-
Accounts receivable								
Related parties	-	-	1,108	-	-	-	-	-
Other	8,962	3	37,331	6,229	8,036	-	-	20,059
Developer fee receivable	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	11,215	17,772	11,567	6,961	5,642	4,401	-	6,629
TOTAL CURRENT ASSETS	121,454	74,626	333,270	66,682	86,406	10,801	11,790	140,448
Property and Equipment								
Land and land improvements	252,644	591,382	459,000	9,500	395,810	831,360	323,231	514,830
Buildings and building improvements	7,455,738	8,382,045	1,900,909	1,054,047	6,419,064	6,649,079	-	9,922,125
Furniture, fixtures and equipment	82,512	201,016	-	92,650	454,275	947,910	-	1,420,306
Construction-in-progress	-	-	9,662,023	-	-	-	6,957,643	-
	7,790,894	9,174,443	12,021,932	1,156,197	7,269,149	8,428,349	7,280,874	11,857,261
Accumulated depreciation	(3,286,895)	(3,189,674)	(31,682)	(950,070)	(256,632)	-	-	(4,731,426)
	4,503,999	5,984,769	11,990,250	206,127	7,012,517	8,428,349	7,280,874	7,125,835
Other Assets								
Restricted cash	17,887	716,148	734,581	7,397	106,746	-	-	2,414,658
Promises to give, less current portion	-	-	-	-	-	-	-	-
Developer fee receivable	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-	-
Notes receivable - related party	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Beneficial interest	-	-	-	-	-	-	-	-
Intangibles	-	68,100	91,816	-	52,695	62,977	-	44,872
	17,887	784,248	826,397	7,397	159,441	62,977	-	2,459,530
	\$ 4,643,340	\$ 6,843,643	\$ 13,149,917	\$ 280,206	\$ 7,258,364	\$ 8,502,127	\$ 7,292,664	\$ 9,725,813

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2020

	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
ASSETS								
Current Assets								
Cash and cash equivalents	\$ 18,276	\$ 123,553	\$ 11,921	\$ 78,932	\$ 320,440	\$ 59,368	\$ -	\$ 7,340,757
Cash restricted for current construction	-	-	-	-	-	-	-	173,099
Trading securities	-	-	-	-	-	-	-	10,135,715
Promises to give	-	-	-	-	-	-	-	417,500
Accounts receivable								
Related parties	-	-	-	330	790	-	(1,599,797)	-
Other	5,721	230,991	1,488	1,424	16,638	2,467	-	933,788
Developer fee receivable	-	-	-	-	-	-	(1,679,522)	-
Prepaid expenses and deposits	8,767	29,725	8,348	5,223	118,712	9,088	-	359,024
TOTAL CURRENT ASSETS	32,764	384,269	21,757	85,909	456,580	70,923	(3,279,319)	19,359,883
Property and Equipment								
Land and land improvements	214,086	1,167,922	202,862	219,861	1,104,750	118,004	(761,511)	13,353,420
Buildings and building improvements	11,912,492	16,164,833	1,210,890	2,556,716	15,236,836	1,783,995	(25,686,569)	131,957,062
Furniture, fixtures and equipment	344,075	147,307	279,820	299,436	668,894	1,015	-	8,997,977
Construction-in-progress	-	-	-	-	-	-	(1,365,964)	16,098,997
	12,470,653	17,480,062	1,693,572	3,076,013	17,010,480	1,903,014	(27,814,044)	170,407,456
Accumulated depreciation	(1,717,477)	(8,180,734)	(1,128,228)	(1,787,296)	(5,894,146)	(1,172,533)	6,580,942	(48,293,275)
	10,753,176	9,299,328	565,344	1,288,717	11,116,334	730,481	(21,233,102)	122,114,181
Other Assets								
Restricted cash	238,020	1,966,338	410,465	61,482	1,169,386	232,573	-	11,926,780
Promises to give, less current portion	-	-	-	-	-	-	-	25,000
Developer fee receivable	-	-	-	-	-	-	(1,694,000)	-
Interest receivable	-	-	-	-	-	-	(2,839,667)	-
Accounts receivable - related party	-	-	-	-	-	-	(578,351)	-
Notes receivable - related party	-	-	-	-	-	-	(22,675,035)	-
Investments	-	-	-	-	-	-	(15,199,796)	5,000
Beneficial interest	-	-	-	-	-	-	-	296,385
Intangibles	63,033	27,451	-	-	6,072	-	-	690,610
	301,053	1,993,789	410,465	61,482	1,175,458	232,573	(42,986,849)	12,943,775
	\$ 11,086,993	\$ 11,677,386	\$ 997,566	\$ 1,436,108	\$ 12,748,372	\$ 1,033,977	\$ (67,499,270)	\$ 154,417,839

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2020

	Dwelling Place NPHC	Dwelling Place Foundation	Heartside NPHC	Sheldon- Weston, Inc.	Bridge Street	Elmdale	Goodrich
LIABILITIES AND NET ASSETS AND EQUITY							
Current Liabilities							
Current maturities of long-term debt							
Related party	\$ -	\$ -	\$ 30,187	\$ -	\$ -	\$ -	\$ -
Other	75,994	-	-	-	-	16,488	-
Accounts payable							
Related party	2,530	4,875	-	-	10,733	1,041	875
Trade	64,832	-	-	-	4,153	7,399	4,742
Construction	149,880	-	-	-	-	-	-
Accrued liabilities	447,305	-	-	-	-	2,045	-
Developer fee payable	-	-	-	-	-	-	-
Deferred rental revenue	54,294	-	-	-	429	1,994	133
TOTAL CURRENT LIABILITIES	794,835	4,875	30,187	-	15,315	28,967	5,750
Tenant security deposits	34,332	-	-	-	700	4,557	6,423
Related party notes	904,432	-	1,071,196	-	621,974	-	23,009
Long-term debt, net of current maturities	180,060	-	-	-	415,000	558,335	1,354,820
Accrued interest							
Related party	-	-	2,753	-	-	-	-
Nonrelated party	-	-	-	-	-	-	-
Deferred revenue - Section 1602 exchange funds	-	-	-	-	-	-	-
Developer fee payable	-	-	-	-	-	-	-
TOTAL NON-CURRENT LIABILITIES	1,118,824	-	1,073,949	-	1,037,674	562,892	1,384,252
Net Assets and Equity							
Without donor restrictions	47,198,050	1,463,847	16,112,059	-	-	(251,266)	-
With donor restrictions	1,188,103	-	-	-	-	-	-
Equity - controlling interest	-	-	-	100	17,943	-	92,818
Equity - noncontrolling interest	-	-	-	-	694,853	-	731,043
	48,386,153	1,463,847	16,112,059	100	712,796	(251,266)	823,861
	\$ 50,299,812	\$ 1,468,722	\$ 17,216,195	\$ 100	\$ 1,765,785	\$ 340,593	\$ 2,213,863

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2020

	Grandville- Heartside	Harrison Park	Harvest Hill	Herkimer Apartments	Herkimer Commerce	Kelsey	LCH 36
LIABILITIES AND NET ASSETS AND EQUITY							
Current Liabilities							
Current maturities of long-term debt							
Related party	\$ -	\$ -	\$ 55,442	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-	11,917	-
Accounts payable							
Related party	236,716	3,875	104,829	3,973	4,437	19,884	87,422
Trade	264	19,905	11,012	12,519	13,677	1,652	16,155
Construction	-	-	-	-	-	-	-
Accrued liabilities	-	-	1,446	-	-	490	-
Developer fee payable	-	583,686	-	-	-	-	42,648
Deferred rental revenue	845	2,124	3,645	6,630	4,294	171	2,910
TOTAL CURRENT LIABILITIES	237,825	609,590	176,374	23,122	22,408	34,114	149,135
Tenant security deposits	5,444	14,700	17,676	9,109	10,088	11,101	20,195
Related party notes	165,947	1,170,038	726,024	-	1,082,655	350,000	2,444,547
Long-term debt, net of current maturities	-	-	-	2,776,787	527,089	509,580	300,000
Accrued interest							
Related party	2,972	68,151	41,494	-	-	186,904	448,340
Nonrelated party	-	-	-	558,635	-	232,542	-
Deferred revenue - Section 1602 exchange funds	-	-	-	-	-	-	-
Developer fee payable	-	444,096	-	-	-	-	94,191
TOTAL NON-CURRENT LIABILITIES	174,363	1,696,985	785,194	3,344,531	1,619,832	1,290,127	3,307,273
Net Assets and Equity							
Without donor restrictions	-	-	-	-	-	-	-
With donor restrictions	-	-	-	-	-	-	-
Equity - controlling interest	418,514	38	119,433	2,165,542	(22,031)	851,924	(53)
Equity - noncontrolling interest	-	10,341,615	-	8,111,364	9,255,737	-	7,222,607
	418,514	10,341,653	119,433	10,276,906	9,233,706	851,924	7,222,554
	\$ 830,702	\$ 12,648,228	\$ 1,081,001	\$ 13,644,559	\$ 10,875,946	\$ 2,176,165	\$ 10,678,962

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2020

	Martineau Holdings	Midtown	New Ferguson	New Hope Homes	Pine Avenue	Plaza Franklin	Plaza Grandville	Reflections
LIABILITIES AND NET ASSETS AND EQUITY								
Current Liabilities								
Current maturities of long-term debt								
Related party	\$ 30,187	\$ -	\$ 300,000	\$ -	\$ 50,000	\$ 779,669	\$ 47,142	\$ -
Other	-	2,525	-	-	-	850,000	850,000	2,776
Accounts payable								
Related party	7,067	3,322	8,913	140,985	20,005	2,849	2,535	4,502
Trade	25,581	8,659	8,552	498	7,848	1,550	-	36,347
Construction	-	-	1,903,183	-	-	1,033,730	961,859	-
Accrued liabilities	-	1,087	-	-	-	-	-	2,203
Developer fee payable	-	-	131,160	-	52,465	542,055	317,375	-
Deferred rental revenue	5,403	4,586	8,218	290	4,113	-	-	2,242
TOTAL CURRENT LIABILITIES	68,238	20,179	2,360,026	141,773	134,431	3,209,853	2,178,911	48,070
Tenant security deposits	16,164	17,273	11,461	6,713	8,153	-	-	16,775
Related party notes	1,246,196	252,816	1,813,661	155,410	568,260	801,733	901,641	-
Long-term debt, net of current maturities	-	2,251,774	5,300,829	300,000	250,000	-	-	5,155,470
Accrued interest								
Related party	265,318	-	29,217	76,310	17,383	18,703	23,196	-
Nonrelated party	-	-	20,110	-	-	-	-	-
Deferred revenue - Section 1602 exchange funds	-	3,097,429	-	-	-	-	-	-
Developer fee payable	-	-	-	-	329,292	233,580	-	-
TOTAL NON-CURRENT LIABILITIES	1,527,678	5,619,292	7,175,278	538,433	1,173,088	1,054,016	924,837	5,172,245
Net Assets and Equity								
Without donor restrictions	3,047,424	-	-	-	-	-	-	-
With donor restrictions	-	-	-	-	-	-	-	-
Equity - controlling interest	-	1,569,848	32,471	(400,000)	62	-	-	(125,240)
Equity - noncontrolling interest	-	(365,676)	3,582,142	-	5,950,783	4,238,258	4,188,916	4,630,738
	3,047,424	1,204,172	3,614,613	(400,000)	5,950,845	4,238,258	4,188,916	4,505,498
	\$ 4,643,340	\$ 6,843,643	\$ 13,149,917	\$ 280,206	\$ 7,258,364	\$ 8,502,127	\$ 7,292,664	\$ 9,725,813

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2020

	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
LIABILITIES AND NET ASSETS AND EQUITY								
Current Liabilities								
Current maturities of long-term debt								
Related party	\$ -	\$ -	\$ -	\$ 15,550	\$ -	\$ -	\$ (1,308,177)	\$ -
Other	-	-	33,689	20,829	77,238	24,226	-	1,965,682
Accounts payable								
Related party	142,417	4,210	15,023	18,258	13,845	4,852	(869,973)	-
Trade	26,467	50,279	3,279	5,273	23,558	2,634	-	356,835
Construction	-	-	-	-	-	-	-	4,048,652
Accrued liabilities	-	-	3,792	1,260	9,769	4,071	(1,444)	472,024
Developer fee payable	-	-	-	-	-	-	(1,669,389)	-
Deferred rental revenue	8,262	3,931	2,736	1,586	15,801	1,918	-	136,555
TOTAL CURRENT LIABILITIES	177,146	58,420	58,519	62,756	140,211	37,701	(3,848,983)	6,979,748
Tenant security deposits	18,190	10,249	9,401	15,087	39,138	7,656	-	310,585
Related party notes	1,916,047	1,450,000	-	341,479	4,465,664	202,303	(22,675,032)	-
Long-term debt, net of current maturities	-	2,400,000	1,103,736	191,798	2,597,352	556,962	-	26,729,592
Accrued interest								
Related party	229,199	1,010,235	-	104,967	279,633	33,446	(2,838,221)	-
Nonrelated party	-	1,953,653	-	-	-	-	-	2,764,940
Deferred revenue - Section 1602 exchange funds	-	-	-	-	-	-	-	3,097,429
Developer fee payable	602,973	-	-	-	-	-	(1,704,132)	-
TOTAL NON-CURRENT LIABILITIES	2,766,409	6,824,137	1,113,137	653,331	7,381,787	800,367	(27,217,385)	32,902,546
Net Assets and Equity								
Without donor restrictions	-	-	(174,090)	-	-	-	(25,536,173)	41,859,851
With donor restrictions	-	-	-	-	-	-	-	1,188,103
Equity - controlling interest	(135)	930,357	-	720,021	2,018,542	195,909	(20,412,225)	(11,826,162)
Equity - noncontrolling interest	8,143,573	3,864,472	-	-	3,207,832	-	9,515,496	83,313,753
	8,143,438	4,794,829	(174,090)	720,021	5,226,374	195,909	(36,432,902)	114,535,545
	\$ 11,086,993	\$ 11,677,386	\$ 997,566	\$ 1,436,108	\$ 12,748,372	\$ 1,033,977	\$ (67,499,270)	\$ 154,417,839

BeeneGarter LLP

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS

Year Ended December 31, 2020

	General Admin	Affordable Management	Housing Development	Fund Development	Supportive Services	Neighborhood Revitalization	DP Owned Residential	Eliminations	Dwelling Place NPHC Total
Revenue and Support									
Rental income									
Market/Gross Residential Rent Potential	\$ 168,324	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,026	\$ (168,324)	\$ 60,026
Rental Gain/Loss	-	-	-	-	-	-	726	-	726
Commercial income	-	-	-	-	-	993,841	23,653	(95,363)	922,131
Less: Vacancy loss	-	-	-	-	-	(253,415)	(3,209)	-	(256,624)
Less: Concessions	-	-	-	-	-	(53,727)	-	-	(53,727)
Net rental income	168,324	-	-	-	-	686,699	81,196	(263,687)	672,532
ut l									
Interest income	440,990	-	-	-	-	-	-	-	440,990
Contributions/grants	1,342,460	215,562	-	1,407,003	120,000	320,159	-	(1,800,846)	1,604,338
Government funding	-	-	-	-	78,040	-	-	-	78,040
Developer and management fee income	-	1,116,722	2,823,913	-	378,742	37,642	1,687	(24,297)	4,334,409
Other income	367,464	6,000	-	1,011	-	4,275	-	(1,200)	377,550
Transfer of net assets	-	-	-	-	-	-	-	-	-
Satisfaction of donor restrictions									
Expiration of time restriction on United Way funding	-	-	-	-	-	-	-	-	-
Expiration of donor imposed restriction on contributions	20,200	-	50,000	421,860	8,968	14,004	-	-	515,032
Total Revenue and Support	2,339,438	1,338,284	2,873,913	1,829,874	585,750	1,062,779	82,883	(2,090,030)	8,022,891

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2020

	Dwelling Place Foundation	Community Land Trust	Heartside NPHC	Bridge Street	Elmdale	Ferguson- Heartside	Goodrich	Grandville- Heartside	Harrison Park	Harvest Hill
Revenue and Support										
Rental income										
Market/Gross Residential Rent Potential	\$ -	\$ -	\$ -	\$ 154,672	\$ 157,460	\$ 80,497	\$ 123,528	\$ 87,300	\$ 573,204	\$ 376,680
Rental Gain/Loss	-	-	-	(98)	-	-	(261)	(5,014)	-	(81,844)
Commercial income	-	-	-	-	-	100,002	27,427	-	16,524	-
Less: Vacancy loss	-	-	-	(9,528)	-	(5)	(3,378)	(9,324)	(220,435)	(26,681)
Less: Concessions	-	-	-	-	-	-	(56)	(569)	(82)	-
Net rental income	-	-	-	145,046	157,460	180,494	147,260	72,393	369,211	268,155
Interest income	24,902	-	33,446	235	70	4,380	8,861	3	-	94
Contributions/grants	-	132,755	7,000	-	-	-	-	-	-	-
Government funding	-	-	457,950	-	-	-	-	-	-	-
Developer and management fee income	-	-	-	406	1,238	2,795	360	345	1,140	3,651
Other income	108	-	-	-	-	741	-	-	5,673	-
Transfer of net assets	-	-	-	-	-	-	-	-	-	-
Satisfaction of donor restrictions										
Expiration of time restriction on United Way funding	-	-	-	-	-	-	-	-	-	-
Expiration of donor imposed restriction on contributions	-	-	-	-	-	-	-	-	-	-
Total Revenue and Support	25,010	132,755	498,396	145,687	158,768	188,410	156,481	72,741	376,024	271,900

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2020

	Herkimer Apartments	Herkimer Commerce	Kelsey	LCH36	Martineau Holdings	Midtown	New Ferguson	New Hope Homes	Pine Avenue	Plaza Franklin
Revenue and Support										
Rental income										
Market/Gross Residential Rent Potential	\$ 477,620	\$ 687,000	\$ 118,800	\$ 455,040	\$ 213,704	\$ 258,264	\$ 199,983	\$ 100,968	\$ 247,456	\$ 6,372
Rental Gain/Loss	-	-	(604)	9,023	(3,926)	(1,514)	(7,686)	(3,802)	-	-
Commercial income	77,343	17,612	20,931	39,261	18,660	-	-	-	-	-
Less: Vacancy loss	(25,269)	(48,799)	(17,492)	(23,571)	(1,968)	(5,186)	-	(909)	(78,799)	(6,372)
Less: Concessions	-	-	-	-	-	-	-	-	-	-
Net rental income	529,694	655,813	121,635	479,753	226,470	251,564	192,297	96,257	168,657	-
Interest income	30,908	3,776	127	194	129	17,008	9,344	44	1	-
Contributions/grants	-	-	-	-	-	-	-	-	-	-
Government funding	-	240,670	-	-	-	-	-	-	-	-
Developer and management fee income	1,249	1,964	1,128	4,454	9,015	195	2,642	1,005	420	-
Other income	-	-	840	1,846	-	-	231	-	-	-
Transfer of net assets	-	-	-	-	-	-	-	-	-	-
Satisfaction of donor restrictions										
Expiration of time restriction on United Way funding	-	-	-	-	-	-	-	-	-	-
Expiration of donor imposed restriction on contributions	-	-	-	-	-	-	-	-	-	-
Total Revenue and Support	561,851	902,223	123,730	486,247	235,614	268,767	204,514	97,306	169,078	-

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2020

	Reflections	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
Revenue and Support									
Rental income									
Market/Gross Residential Rent Potential	\$ 615,960	\$ 414,681	\$ 864,552	\$ 355,040	\$ 349,920	\$ 1,848,264	\$ 303,408	\$ (42,095)	\$ 9,088,304
Rental Gain/Loss	(90)	33	-	-	-	-	-	-	(95,057)
Commercial income	-	-	57,688	-	-	46,423	-	(400,940)	943,062
Less: Vacancy loss	(9,967)	(19,027)	(37,270)	(3,951)	(23,446)	(54,007)	(5,004)	-	(887,012)
Less: Concessions	-	-	(31)	-	(514)	-	-	-	(54,979)
Net rental income	605,903	395,687	884,939	351,089	325,960	1,840,680	298,404	(443,035)	8,994,318
Interest income	58,267	148	51,274	171	94	10,318	134	(307,664)	387,254
Contributions/grants	-	-	-	-	-	-	-	(139,758)	1,604,335
Government funding	-	-	139,240	-	-	-	-	(457,950)	457,950
Developer and management fee income	6,075	525	1,907	1,169	2,651	16,493	1,005	(4,004,049)	392,192
Other income	-	200	80	-	100	286	-	(4,800)	382,855
Transfer of net assets	-								
Satisfaction of donor restrictions									
Expiration of time restriction on United Way funding	-	-	-	-	-	-	-	-	-
Expiration of donor imposed restriction on contributions	-	-	-	-	-	-	-	-	515,032
Total Revenue and Support	670,245	396,560	1,077,440	352,429	328,805	1,867,777	299,543	(5,357,256)	12,733,936

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2020

	General Admin	Affordable Management	Housing Development	Fund Development	Supportive Services	Neighborhood Revitalization	DP Owned Residential	Eliminations	Dwelling Place NPHC Total
Operating Expenses									
Salaries and wages	\$ 244,105	\$ 805,625	\$ 324,324	\$ 72,890	\$ 483,010	\$ 229,162	\$ 9,104	\$ -	\$ 2,168,220
Fringe benefits	26,051	97,413	42,499	7,709	95,201	46,670	2,210	-	317,753
Payroll taxes	18,032	67,335	28,597	6,318	38,763	20,961	771	-	180,777
Contract labor	8,400	262	-	-	-	28,529	584	-	37,775
Fees and services	170,818	16,281	72,295	2,126	1,812	81,550	3,830	(25,497)	323,215
Dwelling Place subsidy	12,602	-	-	-	-	-	-	-	12,602
Utilities	23,915	5,208	2,117	841	5,462	49,195	3,331	-	90,069
Maintenance and repairs	37,676	62	21	1	7	66,116	16,705	-	120,588
Mortgage interest	-	-	-	-	-	12,035	-	-	12,035
Rental of space	44,393	69,891	37,906	18,545	17,922	479,852	40,510	(263,687)	445,332
Insurance	15,490	-	-	-	-	14,635	1,633	-	31,758
Taxes	1,368	-	-	-	-	54,010	3,264	-	58,642
Administrative supplies	32,551	15,239	4,829	1,307	6,051	47,859	756	-	108,592
Employee development	22,168	7,946	509	143	1,290	6,959	65	-	39,080
Event expense	-	-	-	-	-	-	-	-	-
Bad debt	24,678	-	-	-	-	3,794	1,552	-	30,024
Other expenses	264,000	29,494	19,071	1,657,313	-	217	-	(1,800,846)	169,249
Miscellaneous	11,644	451	14	1,014	51	9,940	-	-	23,114
Total Operating Expenses	957,891	1,115,207	532,182	1,768,207	649,569	1,151,484	84,315	(2,090,030)	4,168,825
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE									
OTHER INCOME AND EXPENSES	1,381,547	223,077	2,341,731	61,667	(63,819)	(88,705)	(1,432)	-	3,854,066
Construction Loan Interest	-	-	-	-	-	-	-	-	-
Restricted Funds Remitted to MSHDA	-	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	233,640	-	-	-	-	-	-	-	233,640
Financing Fees - Accumulated Interest	-	-	-	-	-	(1,388)	-	-	(1,388)
Unrealized Gain (Loss) on Investments	250,893	-	-	-	-	-	-	-	250,893
Gain (Loss) on Sale of Investment	(1,018,385)	-	-	-	-	-	-	-	(1,018,385)
Gain (Loss) on Disposal of Assets	200	-	-	-	-	(406,817)	-	-	(406,617)
Forgiveness of Debt	(601,019)	153,834	74,088	12,990	92,770	49,126	3,037	-	(215,174)
Depreciation	(108,705)	(8,336)	-	-	-	(243,187)	(8,436)	-	(368,664)
Amortization	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	138,171	368,575	2,415,819	74,657	28,951	(690,971)	(6,831)	-	2,328,371
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	359,496	50	(50,000)	(121,860)	(8,968)	(13,929)	-	-	164,789
CHANGES IN NET ASSETS AND EQUITY	\$ 497,667	\$ 368,625	\$ 2,365,819	\$ (47,203)	\$ 19,983	\$ (704,900)	\$ (6,831)	\$ -	\$ 2,493,160

BeeneGarter LLP

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2020

	Dwelling Place Foundation	Community Land Trust	Heartside NPHC	Bridge Street	Elmdale	Ferguson- Heartside	Goodrich	Grandville- Heartside	Harrison Park	Harvest Hill
Operating Expenses										
Salaries and wages	\$ -	\$ 47,353	\$ -	\$ 18,920	\$ 13,823	\$ 34,969	\$ 19,397	\$ 10,112	\$ 42,151	\$ 35,474
Fringe benefits	-	2,975	-	3,137	2,270	10,056	3,870	2,648	4,565	5,547
Payroll taxes	-	4,378	-	1,721	1,313	3,365	1,872	931	4,050	3,344
Contract labor	-	-	-	4,540	4,856	57,308	3,613	-	3,930	18,526
Fees and services	1,337	77,245	7,018	40,394	16,986	25,306	32,763	11,805	54,953	40,747
Dwelling Place subsidy	-	-	-	-	-	-	-	-	-	-
Utilities	-	400	-	37,547	15,045	93,750	19,857	9,047	66,167	37,626
Maintenance and repairs	-	-	-	37,650	35,994	36,302	26,402	23,795	27,722	74,480
Mortgage interest	-	-	33,446	-	24,857	-	-	-	63,500	18,067
Rental of space	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	38	22,200	9,036	17,440	10,521	5,507	19,369	18,671
Taxes	-	-	-	3,554	-	-	4,868	2,321	43	36,198
Administrative supplies	-	155	-	213	1,846	5,375	2,046	688	17,034	3,551
Employee development	-	249	-	73	481	164	109	72	240	429
Event expense	-	-	-	-	-	-	-	-	-	-
Bad debt	-	-	-	600	73	1,174	-	1,129	1,506	8,612
Other expenses	-	-	457,953	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	1,676	-	-	-	180	-
Total Operating Expenses	1,337	132,755	498,455	170,549	128,256	285,209	125,318	68,055	305,410	301,272
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE										
OTHER INCOME AND EXPENSES	23,673	-	(59)	(24,862)	30,512	(96,799)	31,163	4,686	70,614	(29,372)
Construction Loan Interest	-	-	-	-	-	-	-	-	-	-
Restricted Funds Remitted to MSHDA	-	-	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	-	-	136,225	-	-	(64,636)	-	9,951	(118)	(2,266)
Financing Fees - Accumulated Interest	-	-	-	-	-	-	(290)	-	-	-
Unrealized Gain (Loss) on Investments	4,637	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Investment	71,985	-	(1,098,154)	-	-	1,315,014	-	-	-	-
Gain (Loss) on Disposal of Assets	-	-	-	-	-	557,226	-	-	-	-
Forgiveness of Debt	-	-	-	4,318	3,376	991,287	5,827	693,847	7,589	8,599
Depreciation	-	-	-	(96,513)	(6,014)	(271,685)	(92,415)	(49,537)	(607,525)	(94,383)
Amortization	-	-	-	(1,995)	-	-	(1,253)	-	(6,411)	-
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	100,295	-	(961,988)	(119,052)	27,874	2,430,407	(56,968)	658,947	(535,851)	(117,422)
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	-	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS AND EQUITY	\$ 100,295	\$ -	\$ (961,988)	\$ (119,052)	\$ 27,874	\$ 2,430,407	\$ (56,968)	\$ 658,947	\$ (535,851)	\$ (117,422)

BeeneGarter LLP

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2020

	Herkimer Apartments	Herkimer Commerce	Kelsey	LCH36	Martineau Holdings	Midtown	New Ferguson	New Hope Homes	Pine Avenue	Plaza Franklin
Operating Expenses										
Salaries and wages	\$ 68,818	\$ 69,291	\$ 13,384	\$ 60,587	\$ 25,492	\$ 66,640	\$ 57,203	\$ 16,860	\$ 22,032	\$ 566
Fringe benefits	17,964	20,874	3,594	16,145	6,569	2,368	5,819	3,878	2,327	-
Payroll taxes	6,073	6,008	1,223	5,245	2,347	6,460	5,557	1,625	2,134	55
Contract labor	74,770	111,600	4,251	30,872	5,653	9,284	61,237	773	262	-
Fees and services	119,645	213,707	22,975	78,917	21,817	42,433	15,938	13,933	39,887	335
Dwelling Place subsidy	-	-	-	-	-	-	-	-	-	-
Utilities	113,217	157,981	17,335	66,908	24,949	32,325	15,106	10,613	32,835	1,550
Maintenance and repairs	89,958	110,160	17,532	75,813	32,171	51,052	40,257	28,066	18,052	27
Mortgage interest	-	-	11,485	-	33,446	13,108	-	-	-	-
Rental of space	-	-	-	-	-	-	-	-	-	-
Insurance	38,593	30,845	8,934	34,584	14,604	19,830	5,694	6,832	16,369	554
Taxes	14,448	2,405	3,846	17,302	9,852	8,719	-	19,380	3,159	35
Administrative supplies	4,835	5,926	1,972	8,016	3,258	5,726	10,047	910	4,646	972
Employee development	270	287	94	338	181	757	102	105	121	-
Event expense	-	-	-	-	-	-	-	-	-	-
Bad debt	5,337	21,459	-	7,285	748	-	2,599	674	398	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	107	-	-	-	-	-	6,946	13
Total Operating Expenses	553,928	750,543	106,732	402,012	181,087	258,702	219,559	103,649	149,168	4,107
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE OTHER INCOME AND EXPENSES	7,923	151,680	16,998	84,235	54,527	10,065	(15,045)	(6,343)	19,910	(4,107)
Construction Loan Interest	-	-	-	-	-	-	-	-	(120,368)	(1,430)
Restricted Funds Remitted to MSHDA	-	-	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	(80,999)	-	(28,323)	(98,580)	-	-	(8,170)	(792)	(17,824)	-
Financing Fees - Accumulated Interest	(1,195)	-	(630)	-	-	(3,468)	-	-	-	-
Unrealized Gain (Loss) on Investments	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Investment	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Disposal of Assets	-	-	-	-	-	-	1,120	-	-	-
Forgiveness of Debt	16,290	10,447	3,326	14,102	6,242	14,005	4,458	4,010	4,732	-
Depreciation	(572,312)	(449,898)	(140,350)	(370,118)	(231,499)	(326,654)	(31,682)	(4,572)	(256,632)	-
Amortization	(6,629)	(7,729)	(3,259)	(6,939)	-	(6,767)	-	-	(4,550)	-
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(636,922)	(295,500)	(152,238)	(377,300)	(170,730)	(312,819)	(49,319)	(7,697)	(374,732)	(5,537)
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	-	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS AND EQUITY	\$ (636,922)	\$ (295,500)	\$ (152,238)	\$ (377,300)	\$ (170,730)	\$ (312,819)	\$ (49,319)	\$ (7,697)	\$ (374,732)	\$ (5,537)

BeeneGarter LLP

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2020

	Reflections	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
Operating Expenses									
Salaries and wages	\$ 82,766	\$ 74,596	\$ 107,899	\$ 44,104	\$ 58,592	\$ 194,168	\$ 39,788	\$ -	\$ 3,393,205
Fringe benefits	18,470	15,040	22,035	7,717	12,501	44,089	4,394	-	556,605
Payroll taxes	5,286	6,888	8,393	4,068	5,804	17,300	4,057	-	290,274
Contract labor	71,704	29,906	152,391	4,739	-	223,642	-	-	911,632
Fees and services	163,285	77,380	408,073	43,992	45,810	242,938	38,641	(1,319,413)	902,062
Dwelling Place subsidy	-	-	-	-	-	-	-	(12,602)	-
Utilities	66,057	78,794	223,224	30,832	34,227	260,933	22,383	-	1,558,777
Maintenance and repairs	116,599	54,383	194,438	70,383	55,847	235,851	43,702	-	1,617,224
Mortgage interest	26,520	-	-	46,095	15,628	118,631	49,747	(148,449)	318,116
Rental of space	-	-	-	-	-	-	-	(400,939)	44,393
Insurance	38,256	32,000	33,459	20,400	29,789	113,220	17,518	-	596,021
Taxes	20,938	13,166	7,078	-	43,417	90,639	25,068	-	385,078
Administrative supplies	6,322	7,114	18,511	3,051	7,163	18,139	2,868	-	248,976
Employee development	503	352	222	496	502	2,009	722	-	47,958
Event expense	-	-	-	-	-	-	-	-	-
Bad debt	8,966	2,304	2,740	417	3,602	14,314	3,149	-	117,110
Other expenses	-	-	-	-	-	-	-	(627,202)	-
Miscellaneous	35	8,208	-	5,275	20	-	7	-	45,581
Total Operating Expenses	625,707	400,131	1,178,463	281,569	312,902	1,575,873	252,044	(2,508,605)	11,033,012
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE									
OTHER INCOME AND EXPENSES	44,538	(3,571)	(101,023)	70,860	15,903	291,904	47,499	(2,848,651)	1,700,924
Construction Loan Interest	-	-	-	-	-	-	-	121,798	-
Restricted Funds Remitted to MSHDA	-	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	-	(56,432)	(336,934)	-	(6,700)	(44,657)	(1,810)	(62,945)	(431,370)
Financing Fees - Accumulated Interest	(506)	-	-	-	-	(5,049)	-	-	(12,526)
Unrealized Gain (Loss) on Investments	-	-	-	-	-	-	-	-	255,530
Gain (Loss) on Sale of Investment	-	-	-	-	-	-	-	938,951	209,411
Gain (Loss) on Disposal of Assets	-	-	-	-	-	-	-	(558,347)	(406,618)
Forgiveness of Debt	19,602	18,026	29,391	9,795	13,865	45,543	9,533	-	1,723,036
Depreciation	(379,089)	(515,170)	(620,554)	(33,176)	(96,636)	(408,748)	(68,657)	702,365	(5,390,118)
Amortization	(7,180)	(9,188)	(9,153)	-	(628)	(6,072)	-	-	(77,753)
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(322,635)	(566,335)	(1,038,273)	47,479	(74,196)	(127,079)	(13,435)	(1,706,829)	(2,429,484)
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	-	-	-	-	-	-	-	-	164,789
CHANGES IN NET ASSETS AND EQUITY	\$ (322,635)	\$ (566,335)	\$ (1,038,273)	\$ 47,479	\$ (74,196)	\$ (127,079)	\$ (13,435)	\$ (1,706,829)	\$ (2,264,695)

BeeneGarter LLP

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET

December 31, 2019

	Dwelling Place NPHC	Dwelling Place Foundation	Heartside NPHC	Sheldon- Weston, Inc.	Bridge Street	Elmdale	Ferguson- Heartside
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 3,755,487	\$ 16,349	\$ 2,826	\$ -	\$ 5,962	\$ 6,012	\$ 53,521
Cash restricted for current construction	-	-	-	-	-	-	-
Trading securities	8,236,579	1,350,743	-	-	-	-	-
Promises to give	274,360	-	-	-	-	-	-
Accounts receivable							
Related parties	2,805,043	-	29,296	-	-	-	-
Other	45,197	-	-	-	540	137	4,446
Developer fee receivable	675,112	-	-	-	-	-	-
Prepaid expenses and deposits	4,229	-	110	-	5,062	6,539	13,534
TOTAL CURRENT ASSETS	15,796,007	1,367,092	32,232	-	11,564	12,688	71,501
Property and Equipment							
Land and land improvements	1,070,010	-	-	-	179,520	62,379	471,641
Buildings and building improvements	7,252,658	-	-	-	2,407,674	722,668	16,651,036
Furniture, fixtures and equipment	533,403	-	-	-	558,626	29,193	145,250
Construction-in-progress	1,069,991	-	-	-	-	-	-
	9,926,062	-	-	-	3,145,820	814,240	17,267,927
Accumulated depreciation	(3,778,320)	-	-	-	(1,517,764)	(659,991)	(10,766,964)
	6,147,742	-	-	-	1,628,056	154,249	6,500,963
Other Assets							
Restricted cash	980,914	-	-	-	245,315	168,102	344,447
Promise to give, less current portion	290,000	-	-	-	-	-	-
Developer fee receivable	746,761	-	-	-	-	-	-
Interest receivable	1,326,478	-	1,153,087	-	-	-	-
Accounts receivable - related party	599,148	-	-	-	-	-	-
Note receivable - related party	12,100,592	-	9,391,518	-	-	-	-
Investments	9,580,616	-	7,952,300	100	-	-	-
Beneficial interest	287,952	-	-	-	-	-	-
Intangibles	-	-	-	-	10,140	-	-
	25,912,461	-	18,496,905	100	255,455	168,102	344,447
	\$ 47,856,210	\$ 1,367,092	\$ 18,529,137	\$ 100	\$ 1,895,075	\$ 335,039	\$ 6,916,911

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2019

	Goodrich	Grandville- Heartside	Harrison Park	Harvest Hill	Herkimer Apartments	Herkimer Commerce	Kelsey
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 169,144	\$ 3,646	\$ 570	\$ 37,454	\$ 32,046	\$ 206,164	\$ 77,503
Cash restricted for current construction	-	-	1,030,490	-	-	-	-
Trading securities	-	-	-	-	-	-	-
Promises to give	-	-	-	-	-	-	-
Accounts receivable							
Related parties	42	-	-	-	-	547	-
Other	45	3,078	9,901	16,652	3,872	8,310	2,820
Developer fee receivable	-	-	-	-	-	-	-
Prepaid expenses and deposits	9,516	1,658	11,555	3,416	33,442	2,973	1,555
TOTAL CURRENT ASSETS	178,747	8,382	1,052,516	57,522	69,360	217,994	81,878
Property and Equipment							
Land and land improvements	301,270	1,763	1,896,341	171,663	1,093,353	694,517	80,352
Buildings and building improvements	2,418,108	1,295,421	9,250,844	2,476,461	15,167,255	11,840,817	3,965,347
Furniture, fixtures and equipment	65,118	51,103	1,185,322	12,875	398,595	914,970	89,913
Construction-in-progress	-	-	-	-	-	-	-
	2,784,496	1,348,287	12,332,507	2,660,999	16,659,203	13,450,304	4,135,612
Accumulated depreciation	(929,359)	(986,645)	(51,749)	(1,623,491)	(3,831,585)	(3,583,757)	(1,938,122)
	1,855,137	361,642	12,280,758	1,037,508	12,827,618	9,866,547	2,197,490
Other Assets							
Restricted cash	377,478	5,909	1,736	87,063	1,272,487	1,041,689	12,014
Promise to give, less current portion	-	-	-	-	-	-	-
Developer fee receivable	-	-	-	-	-	-	-
Interest receivable	-	59,253	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Note receivable - related party	-	363,058	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Beneficial interest	-	-	-	-	-	-	-
Intangibles	7,098	-	99,527	-	58,835	69,560	8,725
	384,576	428,220	101,263	87,063	1,331,322	1,111,249	20,739
	\$ 2,418,460	\$ 798,244	\$ 13,434,537	\$ 1,182,093	\$ 14,228,300	\$ 11,195,790	\$ 2,300,107

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2019

	LCH36	Martineau Holdings	Midtown	New Hope Homes	Pine Avenue	Plaza Franklin	Plaza Grandville	Reflections
ASSETS								
Current Assets								
Cash and cash equivalents	\$ 123,104	\$ 104,817	\$ 45,308	\$ 24,517	\$ 1,130	\$ -	\$ -	\$ 109,393
Cash restricted for current construction	-	-	-	-	1,002,047	884,114	1,016,473	-
Trading securities	-	-	-	-	-	-	-	-
Promises to give	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-
Related parties	-	-	-	-	-	-	-	-
Other	5,734	2,731	1,754	3,982	5,982	-	-	9,147
Developer fee receivable	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	12,928	8,947	16,437	6,632	-	-	-	5,943
TOTAL CURRENT ASSETS	141,766	116,495	63,499	35,131	1,009,159	884,114	1,016,473	124,483
Property and Equipment								
Land and land improvements	2,080,470	221,873	591,382	9,500	260,000	358,193	323,231	514,830
Buildings and building improvements	9,311,513	7,403,082	8,382,045	1,033,317	-	-	-	9,922,125
Furniture, fixtures and equipment	145,761	57,556	201,016	72,450	-	-	-	1,420,306
Construction-in-progress	-	-	-	-	4,892,861	1,311,663	1,108,550	-
	11,537,744	7,682,511	9,174,443	1,115,267	5,152,861	1,669,856	1,431,781	11,857,261
Accumulated depreciation	(995,165)	(3,055,397)	(2,863,021)	(1,000,177)	-	-	-	(4,352,337)
	10,542,579	4,627,114	6,311,422	115,090	5,152,861	1,669,856	1,431,781	7,504,924
Other Assets								
Restricted cash	244,300	17,210	699,902	5,774	1,350	-	-	2,354,074
Promise to give, less current portion	-	-	-	-	-	-	-	-
Developer fee receivable	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-	-
Note receivable - related party	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Beneficial interest	-	-	-	-	-	-	-	-
Intangibles	53,921	-	74,867	-	-	-	-	52,052
	298,221	17,210	774,769	5,774	1,350	-	-	2,406,126
	\$ 10,982,566	\$ 4,760,819	\$ 7,149,690	\$ 155,995	\$ 6,163,370	\$ 2,553,970	\$ 2,448,254	\$ 10,035,533

BeeneGarter LLP

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2019

	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
ASSETS								
Current Assets								
Cash and cash equivalents	\$ 21,981	\$ 321,981	\$ 5,669	\$ 71,023	\$ 198,949	\$ 48,669	\$ -	\$ 5,443,225
Cash restricted for current construction	-	-	-	-	-	-	-	3,933,124
Trading securities	-	-	-	-	-	-	-	9,587,322
Promises to give	-	-	-	-	-	-	-	274,360
Accounts receivable								
Related parties	-	-	-	-	-	-	(2,766,709)	68,219
Other	3,157	4,542	833	14,357	19,508	286	-	167,011
Developer fee receivable	-	-	-	-	-	-	(675,112)	-
Prepaid expenses and deposits	5,440	27,922	7,846	2,456	121,666	1,512	-	311,318
TOTAL CURRENT ASSETS	30,578	354,445	14,348	87,836	340,123	50,467	(3,441,821)	19,784,579
Property and Equipment								
Land and land improvements	214,086	1,167,922	202,862	219,861	1,104,750	118,004	(723,077)	12,686,696
Buildings and building improvements	11,912,492	16,164,833	1,199,006	2,556,715	15,236,836	1,783,995	(23,740,107)	134,614,141
Furniture, fixtures and equipment	344,075	147,307	279,820	299,436	668,894	1,015	-	7,622,004
Construction-in-progress	-	-	-	-	-	-	(594,179)	7,788,886
	12,470,653	17,480,062	1,681,688	3,076,012	17,010,480	1,903,014	(25,057,363)	162,711,727
Accumulated depreciation	(1,202,307)	(7,560,180)	(1,095,051)	(1,690,660)	(5,485,398)	(1,103,876)	6,502,416	(53,568,900)
	11,268,346	9,919,882	586,637	1,385,352	11,525,082	799,138	(18,554,947)	109,142,827
Other Assets								
Restricted cash	215,138	2,074,301	386,525	47,370	1,114,621	215,495	-	11,913,214
Promise to give, less current portion	-	-	-	-	-	-	-	290,000
Developer fee receivable	-	-	-	-	-	-	(722,083)	24,678
Interest receivable	-	-	-	-	-	-	(2,538,818)	-
Accounts receivable - related party	-	-	-	-	-	-	(599,148)	-
Note receivable - related party	-	-	-	-	-	-	(21,855,168)	-
Investments	-	-	-	-	-	-	(17,528,016)	5,000
Beneficial interest	-	-	-	-	-	-	-	287,952
Intangibles	72,220	36,604	-	628	12,144	-	-	556,321
	287,358	2,110,905	386,525	47,998	1,126,765	215,495	(43,243,233)	13,077,165
	\$ 11,586,282	\$ 12,385,232	\$ 987,510	\$ 1,521,186	\$ 12,991,970	\$ 1,065,100	\$ (65,240,001)	\$ 142,004,571

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2019

	Dwelling Place NPHC	Dwelling Place Foundation	Heartside NPHC	Sheldon- Weston, Inc.	Bridge Street	Elmdale	Ferguson- Heartside
LIABILITIES AND NET ASSETS AND EQUITY							
Current Liabilities							
Current maturities of long-term debt							
Related party	\$ -	\$ -	\$ 29,296	\$ -	\$ -	\$ -	\$ -
Other	72,993	-	-	-	-	15,800	-
Accounts payable							
Related party	42	3,540	-	-	20,978	11,587	441,212
Trade	325,776	-	-	-	3,633	2,741	6,502
Construction	37,411	-	-	-	-	-	-
Accrued liabilities	282,852	-	-	-	574	3,286	2,320
Developer fee payable	-	-	-	-	-	-	-
Deferred rental revenue	41,069	-	-	-	318	1,392	44,810
TOTAL CURRENT LIABILITIES	760,143	3,540	29,296	-	25,503	34,806	494,844
Tenant security deposits	43,977	-	-	-	750	4,550	10,739
Related party notes	904,432	-	1,101,382	-	621,974	-	2,906,370
Long-Term Debt, net of current maturities	254,665	-	272,397	-	415,000	574,823	2,000,000
Accrued interest							
Related party	-	-	2,827	-	-	-	49,188
Nonrelated party	-	-	49,188	-	-	-	2,571,163
Deferred revenue - Section 1602 exchange funds	-	-	-	-	-	-	-
Developer fee payable	-	-	-	-	16,495	-	-
TOTAL NON-CURRENT LIABILITIES	1,203,074	-	1,425,794	-	1,054,219	579,373	7,537,460
Net Assets and Equity							
Without donor restrictions	44,869,679	1,363,552	17,074,047	-	-	(279,140)	-
With donor restrictions	1,023,314	-	-	-	-	-	-
Equity - controlling interest	-	-	-	100	1,459	-	(1,115,393)
Equity - noncontrolling interest	-	-	-	-	813,894	-	-
	45,892,993	1,363,552	17,074,047	100	815,353	(279,140)	(1,115,393)
	\$ 47,856,210	\$ 1,367,092	\$ 18,529,137	\$ 100	\$ 1,895,075	\$ 335,039	\$ 6,916,911

BeeneGarter^{LLP}

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2019

	Goodrich	Grandville- Heartside	Harrison Park	Harvest Hill	Herkimer Apartments	Herkimer Commerce	Kelsey
LIABILITIES AND NET ASSETS AND EQUITY							
Current Liabilities							
Current maturities of long-term debt							
Related party	\$ -	\$ -	\$ -	\$ 53,886	\$ -	\$ -	\$ -
Other	-	-	-	88	-	-	11,320
Accounts payable							
Related party	777	249,899	273,058	35,623	1,844	2,478	7,678
Trade	351	10,638	24,389	12,344	44,492	14,218	2,590
Construction	-	-	637,354	-	-	-	-
Accrued liabilities	412	285	759	2,807	1,948	2,112	856
Developer fee payable	-	-	599,979	-	-	-	-
Deferred rental revenue	485	160	-	1,556	3,266	4,362	15
TOTAL CURRENT LIABILITIES	2,025	260,982	1,535,539	106,304	51,550	23,170	22,459
Tenant security deposits	7,471	5,444	1,736	17,377	9,693	10,631	11,503
Related party notes	168,786	-	1,154,538	781,466	-	1,082,655	350,000
Other long-term debt	1,354,530	470,000	-	863	2,775,592	527,089	520,860
Accrued interest							
Related party	-	-	4,534	39,228	-	-	174,654
Nonrelated party	-	217,626	-	-	477,637	-	216,469
Deferred revenue - Section 1602 exchange funds	-	-	-	-	-	-	-
Developer fee payable	-	-	-	-	-	-	-
TOTAL NON-CURRENT LIABILITIES	1,530,787	693,070	1,160,808	838,934	3,262,922	1,620,375	1,273,486
Net Assets and Equity							
Without donor restrictions	-	-	-	-	-	-	-
With donor restrictions	-	-	-	-	-	-	-
Equity - controlling interest	95,230	(155,808)	92	236,855	2,165,607	(3,571)	1,004,162
Equity - noncontrolling interest	790,418	-	10,738,098	-	8,748,221	9,555,816	-
	885,648	(155,808)	10,738,190	236,855	10,913,828	9,552,245	1,004,162
	\$ 2,418,460	\$ 798,244	\$ 13,434,537	\$ 1,182,093	\$ 14,228,300	\$ 11,195,790	\$ 2,300,107

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2019

	LCH36	Martineau Holdings	Midtown	New Hope Homes	Pine Avenue	Plaza Franklin	Plaza Grandville	Reflections
LIABILITIES AND NET ASSETS AND EQUITY								
Current Liabilities								
Current maturities of long-term debt								
Related party	\$ -	\$ 29,296	\$ -	\$ -	\$ 1,797,736	\$ -	\$ -	\$ -
Other	-	-	2,360	-	-	-	-	2,538
Accounts payable								
Related party	64,102	707	1,149	106,700	38,091	-	-	1,253
Trade	20,900	1,191	7,325	217	636	-	-	17,669
Construction	-	-	-	-	794,707	326,015	214,140	-
Accrued liabilities	1,727	707	3,019	470	719	-	-	4,850
Developer fee payable	65,000	-	-	-	-	-	-	-
Deferred rental revenue	2,399	2,414	643	494	-	-	-	738
TOTAL CURRENT LIABILITIES	154,128	34,315	14,496	107,881	2,631,889	326,015	214,140	27,048
Tenant security deposits	21,530	16,576	17,126	5,100	2,041	-	-	15,631
Related party notes	2,444,547	1,226,382	252,816	80,000	388,777	-	-	-
Other long-term debt	300,000	-	2,250,832	300,000	150,000	850,000	850,000	5,157,740
Accrued interest								
Related party	349,759	265,392	-	75,518	-	-	-	-
Nonrelated party	-	-	-	-	-	-	-	-
Deferred revenue - Section 1602 exchange funds	-	-	3,097,429	-	-	-	-	-
Developer fee payable	112,748	-	-	-	-	-	-	-
TOTAL NON-CURRENT LIABILITIES	3,228,584	1,508,350	5,618,203	460,618	540,818	850,000	850,000	5,173,371
Net Assets and Equity								
Without donor restrictions	-	3,218,154	-	-	-	-	-	-
With donor restrictions	-	-	-	-	-	-	-	-
Equity - controlling interest	(12)	-	1,569,875	(412,504)	100	-	-	(119,623)
Equity - noncontrolling interest	7,599,866	-	(52,884)	-	2,990,563	1,377,955	1,384,114	4,954,737
	<u>7,599,854</u>	<u>3,218,154</u>	<u>1,516,991</u>	<u>(412,504)</u>	<u>2,990,663</u>	<u>1,377,955</u>	<u>1,384,114</u>	<u>4,835,114</u>
	<u>\$ 10,982,566</u>	<u>\$ 4,760,819</u>	<u>\$ 7,149,690</u>	<u>\$ 155,995</u>	<u>\$ 6,163,370</u>	<u>\$ 2,553,970</u>	<u>\$ 2,448,254</u>	<u>\$ 10,035,533</u>

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2019

	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
LIABILITIES AND NET ASSETS AND EQUITY								
Current Liabilities								
Current maturities of long-term debt								
Related party	\$ -	\$ -	\$ -	\$ 15,550	\$ -	\$ -	\$ (1,925,764)	\$ -
Other	-	-	32,370	14,057	74,104	21,767	-	247,397
Accounts payable								
Related party	139,263	3,410	20,619	6,901	7,538	1,644	(1,440,093)	-
Trade	24,236	27,590	1,890	5,981	18,597	2,718	-	576,624
Construction	349	-	-	-	-	-	-	2,009,976
Accrued liabilities	2,130	4,538	5,087	3,093	15,470	5,488	(1,573)	343,936
Developer fee payable	10,133	-	-	-	-	-	(675,112)	-
Deferred rental revenue	1,491	3,326	2,114	758	14,950	1,852	-	128,612
TOTAL CURRENT LIABILITIES	177,602	38,864	62,080	46,340	130,659	33,469	(4,042,542)	3,306,545
Tenant security deposits	17,253	9,441	9,574	13,391	37,921	7,634	-	297,089
Related party notes	1,916,047	1,450,000	-	357,028	4,465,664	202,303	(21,855,167)	-
Other long-term debt	-	2,400,000	1,137,425	211,943	2,669,542	580,715	-	26,024,016
Accrued interest								
Related party	172,767	938,745	-	98,267	334,731	31,635	(2,537,245)	-
Nonrelated party	-	1,688,209	-	-	-	-	-	5,220,292
Deferred revenue - Section 1602 exchange funds	-	-	-	-	-	-	-	3,097,429
Developer fee payable	592,840	-	-	-	-	-	(722,083)	-
TOTAL NON-CURRENT LIABILITIES	2,698,907	6,486,395	1,146,999	680,629	7,507,858	822,287	(25,114,495)	34,638,826
Net Assets and Equity								
Without donor restrictions	-	-	(221,569)	-	-	-	(24,963,737)	41,060,986
With donor restrictions	-	-	-	-	-	-	-	1,023,314
Equity - controlling interest	(77)	930,464	-	794,217	2,018,567	209,344	(19,035,497)	(11,816,413)
Equity - noncontrolling interest	8,709,850	4,929,509	-	-	3,334,886	-	7,916,270	73,791,313
	8,709,773	5,859,973	(221,569)	794,217	5,353,453	209,344	(36,082,964)	104,059,200
	\$ 11,586,282	\$ 12,385,232	\$ 987,510	\$ 1,521,186	\$ 12,991,970	\$ 1,065,100	\$ (65,240,001)	\$ 142,004,571

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS

Year Ended December 31, 2019

	General Admin	Affordable Management	Housing Development	Fund Development	Supportive Services	Neighborhood Revitalization	DP Owned Residential	Eliminations	Dwelling Place NPHC Total
Revenue and Support									
Rental income									
Market/Gross Residential Rent Potential	\$ 194,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,006	\$ (194,900)	\$ 120,006
Rental Gain/Loss	-	-	-	-	-	227	674	-	901
Commercial income	-	-	-	-	-	930,824	22,964	(131,440)	822,348
Less: Vacancy loss	-	-	-	-	-	(86,882)	(4,990)	-	(91,872)
Less: Concessions	-	-	-	-	-	(5,274)	-	-	(5,274)
Net rental income	194,900	-	-	-	-	838,895	138,654	(326,340)	846,109
Interest income	500,783	-	-	-	-	-	-	-	500,783
Contributions/grants	2,551,826	40,464	50,349	868,445	218,360	474,189	-	(1,197,041)	3,006,592
Government funding	-	-	-	-	87,392	-	-	-	87,392
Developer and management fee income	-	1,062,077	1,007,651	-	301,531	33,063	110	(24,315)	2,380,117
Other income	169,565	6,000	-	2,309	-	3,445	-	(1,200)	180,119
Satisfaction of donor restrictions									
Expiration of time restriction on									
United Way funding	-	-	-	-	37,500	-	-	-	37,500
Expiration of donor imposed restriction on contributions	12,413	300	22,895	25,000	1,849	68,842	-	-	131,299
Total Revenue and Support	3,429,487	1,108,841	1,080,895	895,754	646,632	1,418,434	138,764	(1,548,896)	7,169,911

BeeneGarter^{LLP}

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2019

	Dwelling Place								
	Foundation	Heartside NPHC	Bridge Street	Elmdale	Ferguson- Heartside	Goodrich	Grandville- Heartside	Harrison Park	Harvest Hill
Revenue and Support									
Rental income									
Market/Gross Residential Rent Potential	\$ -	\$ -	\$ 129,728	\$ 154,892	\$ 381,202	\$ 117,684	\$ 86,460	\$ 18,785	\$ 357,360
Rental Gain/Loss	-	-	-	108	-	(1,691)	(5,080)	-	-
Commercial income	-	-	-	-	200,004	26,889	-	-	-
Less: Vacancy loss	-	-	(2,857)	(1,482)	(14,872)	(2,517)	(12,662)	(16,840)	(10,289)
Less: Concessions	-	-	-	-	-	-	(542)	-	(1,174)
Net rental income	-	-	126,871	153,518	566,334	140,365	68,176	1,945	345,897
Interest income	30,154	34,313	714	135	9,084	10,707	5	-	415
Contributions/grants	150	6,705	-	300	-	-	-	-	-
Government funding	-	451,298	-	-	-	-	-	-	-
Developer and management fee income	-	-	679	2,056	8,050	405	390	-	4,878
Other income	518	-	-	-	1,685	-	-	-	18,735
Satisfaction of donor restrictions									
Expiration of time restriction on United Way funding	-	-	-	-	-	-	-	-	-
Expiration of donor imposed restriction on contributions	-	-	-	-	-	-	-	-	-
Total Revenue and Support	30,822	492,316	128,264	156,009	585,153	151,477	68,571	1,945	369,925

BeeneGarter^{LLP}

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2019

BeeneGarter^{LLP}

	Herkimer Apartments	Herkimer Commerce	Kelsey	LCH36	Martineau Holdings	Midtown	New Hope Homes	Pine Avenue	Reflections
Revenue and Support									
Rental income									
Market/Gross Residential Rent Potential	\$ 457,930	\$ 580,812	\$ 113,784	\$ 438,456	\$ 211,548	\$ 248,934	\$ 91,608	\$ 6,217	\$ 601,560
Rental Gain/Loss	-	-	748	2,876	(1,125)	(2,002)	(3,578)	-	(416)
Commercial income	75,912	17,371	19,968	38,491	11,316	-	-	-	-
Less: Vacancy loss	(3,575)	(18,360)	(4,747)	(20,603)	(5,510)	(3,590)	(3,648)	(4,754)	(7,698)
Less: Concessions	-	-	(77)	-	-	-	-	(3)	-
Net rental income	530,267	579,823	129,676	459,220	216,229	243,342	84,382	1,460	593,446
Interest income	37,076	17,235	767	324	689	20,066	224	-	66,402
Contributions/grants	-	-	-	-	-	-	-	-	-
Government funding	-	234,356	-	-	-	-	-	-	-
Developer and management fee income	4,164	1,398	1,829	4,644	9,049	355	870	-	2,612
Other income	-	-	1,680	-	-	-	-	-	-
Satisfaction of donor restrictions									
Expiration of time restriction on United Way funding	-	-	-	-	-	-	-	-	-
Expiration of donor imposed restriction on contributions	-	-	-	-	-	-	-	-	-
Total Revenue and Support	571,507	832,812	133,952	464,188	225,967	263,763	85,476	1,460	662,460

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2019

	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
Revenue and Support								
Rental income								
Market/Gross Residential Rent Potential	\$ 402,112	\$ 843,888	\$ 348,640	\$ 347,040	\$ 1,810,400	\$ 297,456	\$ (14,529)	\$ 8,151,973
Rental Gain/Loss	957	-	-	-	-	-	-	(8,302)
Commercial income	-	56,557	-	-	46,304	-	(472,843)	842,317
Less: Vacancy loss	(21,783)	(18,673)	(3,377)	(20,229)	(35,348)	(6,555)	-	(331,841)
Less: Concessions	-	(173)	-	(796)	-	-	-	(8,039)
Net rental income	381,286	881,599	345,263	326,015	1,821,356	290,901	(487,372)	8,646,108
Interest income	187	64,481	214	857	7,005	999	(305,763)	497,073
Contributions/grants	-	-	-	-	-	-	(121,996)	2,891,751
Government funding	-	129,550	-	-	-	-	(451,298)	451,298
Developer and management fee income	1,180	3,100	1,693	3,265	22,658	2,007	(2,192,200)	263,199
Other income	-	288	-	13,966	811	-	(4,800)	213,002
Satisfaction of donor restrictions								
Expiration of time restriction on United Way funding	-	-	-	-	-	-	-	37,500
Expiration of donor imposed restriction on contributions	-	-	-	-	-	-	-	131,299
Total Revenue and Support	382,653	1,079,018	347,170	344,103	1,851,830	293,907	(3,563,429)	13,131,230

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2019

	General Admin	Affordable Management	Housing Development	Fund Development	Supportive Services	Neighborhood Revitalization	DP Owned Residential	Eliminations	Dwelling Place NPHC Total
Operating Expenses									
Salaries and wages	\$ 192,773	\$ 693,366	\$ 305,169	\$ 72,537	\$ 429,994	\$ 214,552	\$ 17,600	\$ -	\$ 1,925,991
Fringe benefits	24,740	112,526	44,354	10,119	99,689	38,267	4,346	-	334,041
Payroll taxes	4,778	60,038	28,018	5,502	37,635	19,996	1,604	-	157,571
Contract labor	9,286	-	-	-	-	13,765	2,164	-	25,215
Fees and services	156,530	36,044	80,185	9,437	2,516	79,487	4,869	(24,915)	344,153
Dwelling Place subsidy	14,529	-	-	-	-	-	-	-	14,529
Utilities	22,340	2,399	1,685	494	1,644	19,301	3,591	-	51,454
Maintenance and repairs	7,085	559	521	1	6	141,401	13,377	-	162,950
Mortgage and construction interest	7,473	-	-	-	-	14,856	-	-	22,329
Rental of space	46,785	70,948	35,451	20,248	17,758	569,786	86,807	(326,940)	520,843
Insurance	11,527	3	28	6	3	11,468	1,411	-	24,446
Taxes	2,723	-	-	-	-	53,020	3,220	-	58,963
Administrative supplies	42,181	25,641	4,175	8,454	14,047	53,587	1,439	-	149,524
Employee development	23,088	18,620	3,594	11,119	4,492	22,280	536	-	83,729
Event expense	-	-	-	-	-	-	-	-	-
Bad debt	-	-	-	-	-	270	880	-	1,150
Grants to others	6,700	-	466,003	731,039	-	-	-	(1,197,041)	6,701
Miscellaneous	9,301	390	-	2,944	-	2,942	-	-	15,577
Total Operating Expenses	581,839	1,020,534	969,183	871,900	607,784	1,254,978	141,844	(1,548,896)	3,899,166
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE OTHER INCOME AND EXPENSES	2,847,648	88,307	111,712	23,854	38,848	163,456	(3,080)	-	3,270,745
Construction Loan Interest	-	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	146,586	-	-	-	-	-	-	-	146,586
Financing Fees - Accumulated Interest	-	-	-	-	-	(1,388)	-	-	(1,388)
Unrealized Gain (Loss) on Investments	970,860	-	-	-	-	-	-	-	970,860
Gain (Loss) on Sale of Investment	22,753	-	-	-	-	-	-	-	22,753
Gain (Loss) on Disposal of Assets	(77,000)	-	-	-	-	-	-	-	(77,000)
Forgiveness of Debt	-	-	-	-	-	-	-	-	-
Depreciation	(104,479)	(7,440)	-	-	-	(218,328)	(8,843)	-	(339,090)
Amortization	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	3,806,368	80,867	111,712	23,854	38,848	(56,260)	(11,923)	-	3,993,466
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	(12,413)	(300)	77,105	464,359	(38,848)	(37,042)	-	-	452,861
CHANGES IN NET ASSETS AND EQUITY	\$ 3,793,955	\$ 80,567	\$ 188,817	\$ 488,213	\$ -	\$ (93,302)	\$ (11,923)	\$ -	\$ 4,446,327

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DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2019

	Dwelling Place Foundation	Heartside NPHC	Bridge Street	Elmdale	Ferguson- Heartside	Goodrich	Grandville- Heartside	Harrison Park	Harvest Hill
Operating Expenses									
Salaries and wages	\$ -	\$ -	\$ 16,674	\$ 14,758	\$ 93,883	\$ 17,447	\$ 9,219	\$ 8,219	\$ 33,862
Fringe benefits	-	-	3,676	2,445	21,046	4,052	2,805	773	5,940
Payroll taxes	-	-	1,771	1,484	9,951	1,898	965	605	3,432
Contract labor	-	-	5,606	4,407	164,208	4,187	1,148	-	18,094
Fees and services	1,251	6,720	38,296	23,750	67,070	41,129	11,314	4,071	47,909
Dwelling Place subsidy	-	-	-	-	-	-	-	-	-
Utilities	-	-	36,415	15,210	189,579	19,434	8,968	512	39,415
Maintenance and repairs	-	-	58,057	38,963	118,901	37,880	23,429	3,828	79,909
Mortgage and construction interest	-	34,313	-	25,518	-	-	-	-	20,087
Rental of space	-	-	-	-	-	-	-	-	-
Insurance	-	43	19,506	8,770	35,484	9,937	7,663	-	18,867
Taxes	-	-	3,549	-	-	4,766	2,554	-	35,013
Administrative supplies	-	-	879	1,953	9,259	1,044	576	5,382	4,098
Employee development	-	-	263	485	1,362	136	89	245	835
Event expense	-	-	-	-	-	-	-	-	-
Bad debt	-	-	1,601	1,843	3,849	420	1,172	-	8,347
Grants to others	40,000	526,594	-	-	-	-	-	-	-
Miscellaneous	-	-	-	3,231	205	-	-	1,942	-
Total Operating Expenses	41,251	567,670	186,293	142,817	714,797	142,330	69,902	25,577	315,808
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE OTHER INCOME AND EXPENSES	(10,429)	(75,354)	(58,029)	13,192	(129,644)	9,147	(1,331)	(23,632)	54,117
Construction Loan Interest	-	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	-	136,689	-	-	(141,474)	-	6,851	(4,534)	(2,266)
Financing Fees - Accumulated Interest	-	-	-	-	-	(290)	-	-	-
Unrealized Gain (Loss) on Investments	130,761	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Investment	27,687	-	-	-	-	-	-	-	-
Gain (Loss) on Disposal of Assets	-	-	-	-	-	-	-	-	-
Forgiveness of Debt	-	360	-	-	584,956	-	-	-	-
Depreciation	-	-	(96,719)	(11,595)	(586,776)	(92,616)	(44,094)	(51,749)	(94,355)
Amortization	-	-	(1,995)	-	-	(1,253)	-	(838)	-
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	148,019	61,695	(156,743)	1,597	(272,938)	(85,012)	(38,574)	(80,753)	(42,504)
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS AND EQUITY	\$ 148,019	\$ 61,695	\$ (156,743)	\$ 1,597	\$ (272,938)	\$ (85,012)	\$ (38,574)	\$ (80,753)	\$ (42,504)

BeeneGarter LLP

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2019

	Herkimer Apartments	Herkimer Commerce	Kelsey	LCH36	Martineau Holdings	Midtown	New Hope Homes	Pine Avenue	Reflections
Operating Expenses									
Salaries and wages	\$ 67,935	\$ 70,849	\$ 12,552	\$ 57,837	\$ 23,224	\$ 59,494	\$ 14,598	\$ 1,693	\$ 77,751
Fringe benefits	10,322	11,078	3,801	16,869	6,861	2,835	3,866	148	22,999
Payroll taxes	6,661	7,017	1,321	5,938	2,437	6,182	1,566	190	7,791
Contract labor	71,856	116,089	3,076	33,179	6,344	6,582	2,206	-	73,375
Fees and services	115,519	198,673	23,464	79,598	19,429	39,462	13,990	96	157,518
Dwelling Place subsidy	-	-	-	-	-	-	-	-	-
Utilities	112,633	141,930	14,517	59,955	24,893	32,894	9,258	742	64,943
Maintenance and repairs	148,401	112,092	17,965	104,155	51,623	41,340	21,186	625	106,844
Mortgage and construction interest	-	-	12,021	-	34,313	13,287	-	-	26,774
Rental of space	-	-	-	-	-	-	-	-	-
Insurance	36,751	31,421	8,083	30,222	11,523	17,885	6,375	-	34,081
Taxes	14,251	2,434	4,447	17,151	10,311	8,405	20,735	-	20,620
Administrative supplies	5,178	6,736	828	3,631	2,760	2,398	928	121	6,818
Employee development	1,385	1,192	119	768	225	564	117	11	1,818
Event expense	-	-	-	-	-	-	-	-	-
Bad debt	1,193	12,182	-	16,834	-	-	-	-	5,048
Grants to others	-	-	-	-	-	-	-	-	-
Miscellaneous	10	-	-	316	-	-	-	-	-
Total Operating Expenses	592,095	711,693	102,194	426,453	193,943	231,328	94,825	3,626	606,380
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE OTHER INCOME AND EXPENSES	(20,588)	121,119	31,758	37,735	32,024	32,435	(9,349)	(2,166)	56,080
Construction Loan Interest	-	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	(80,999)	-	(28,953)	(98,581)	-	-	(1,256)	-	-
Financing Fees - Accumulated Interest	(1,195)	-	-	-	-	(3,468)	-	-	(506)
Unrealized Gain (Loss) on Investments	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Investment	-	-	-	-	-	-	-	-	-
Gain (Loss) on Disposal of Assets	-	-	-	-	-	-	-	-	-
Forgiveness of Debt	-	-	-	-	-	-	-	-	-
Depreciation	(575,654)	(449,898)	(140,715)	(370,117)	(231,850)	(325,995)	(4,001)	-	(378,327)
Amortization	(6,629)	(7,729)	(3,259)	(6,939)	-	(6,767)	-	-	(7,180)
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(685,065)	(336,508)	(141,169)	(437,902)	(199,826)	(303,795)	(14,606)	(2,166)	(329,933)
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS AND EQUITY	\$ (685,065)	\$ (336,508)	\$ (141,169)	\$ (437,902)	\$ (199,826)	\$ (303,795)	\$ (14,606)	\$ (2,166)	\$ (329,933)

BeeneGarter^{LLP}

DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION AND RELATED ENTITIES

COMBINING STATEMENT OF OPERATIONS (CONTINUED)

Year Ended December 31, 2019

	Roosevelt	Verne Barry	Villa Esperanza	West Shore	Weston	White River Estates	Eliminations	Combined Totals
Operating Expenses								
Salaries and wages	\$ 68,783	\$ 148,236	\$ 42,649	\$ 58,482	\$ 202,485	\$ 38,876	\$ -	\$ 3,065,497
Fringe benefits	13,401	14,558	8,813	9,656	30,457	3,554	-	533,996
Payroll taxes	6,864	15,772	4,450	6,450	21,810	4,319	-	276,445
Contract labor	58,783	117,236	6,402	-	227,305	-	-	945,298
Fees and services	92,174	366,262	47,819	43,915	212,472	38,815	(1,189,350)	845,519
Dwelling place subsidy	-	-	-	-	-	-	(14,529)	-
Utilities	95,354	229,210	29,442	32,755	213,433	21,434	-	1,444,380
Maintenance and repairs	62,052	176,219	59,619	59,208	272,551	42,259	-	1,800,056
Mortgage and construction interest	-	-	47,366	17,297	121,649	51,996	(88,181)	338,769
Rental of space	-	-	-	-	-	-	(472,843)	48,000
Insurance	28,765	31,639	20,012	26,132	100,585	15,360	-	523,550
Taxes	12,507	7,091	-	45,244	87,235	24,442	-	379,718
Administrative supplies	8,510	9,631	2,117	5,025	14,379	3,597	-	245,372
Employee development	719	1,136	1,049	934	2,746	1,288	-	101,215
Event expense	-	-	-	-	-	-	-	-
Bad debt	11,587	2,656	699	1,501	18,240	1,274	-	89,596
Grants to others	-	-	-	-	-	-	(573,295)	-
Miscellaneous	8,213	-	5,107	-	50	-	-	34,651
Total Operating Expenses	467,712	1,119,646	275,544	306,599	1,525,397	247,214	(2,338,198)	10,672,062
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS AND EQUITY BEFORE OTHER INCOME AND EXPENSES	(85,059)	(40,628)	71,626	37,504	326,433	46,693	(1,225,231)	2,459,168
Construction Loan Interest	-	-	-	-	-	-	-	-
Deferred Interest Income (Expense)	(56,432)	(197,742)	-	(6,700)	(44,657)	(1,810)	-	(375,278)
Financing Fees - Accumulated Interest	-	-	-	-	(5,049)	-	-	(11,896)
Unrealized Gain (Loss) on Investments	-	-	-	-	-	-	-	1,101,621
Gain (Loss) on Sale of Investment	-	-	-	-	-	-	-	50,440
Gain (Loss) on Disposal of Assets	-	-	-	-	-	-	-	(77,000)
Forgiveness of Debt	-	-	-	-	-	-	-	585,316
Depreciation	(515,374)	(620,605)	(32,715)	(99,271)	(402,692)	(68,551)	654,391	(4,878,368)
Amortization	(9,188)	(9,153)	-	(1,883)	(6,072)	-	-	(68,885)
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(666,053)	(868,128)	38,911	(70,350)	(132,037)	(23,668)	(570,840)	(1,214,882)
Net Changes in Net Assets with Donor Restrictions Contributions, and Grants,	-	-	-	-	-	-	-	452,861
CHANGES IN NET ASSETS AND EQUITY	\$ (666,053)	\$ (868,128)	\$ 38,911	\$ (70,350)	\$ (132,037)	\$ (23,668)	\$ (570,840)	\$ (762,021)