Abode Housing Development

Consolidated Financial Statements
and Supplementary Information

June 30, 2023
(With Comparative Totals for 2022)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Abode Housing Development
Fremont, California

Opinion

We have audited the accompanying consolidated financial statements of Abode Housing Development (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities, functional expenses, changes in net assets and cash flows for the year then ended and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Abode Housing Development as of June 30, 2023, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The information on pages 43 - 47 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Armanino LLP

Armanino[LLP]
San Jose, California

February 2, 2024

Abode Housing Development
Consolidated Statement of Financial Position
June 30, 2023
(With Comparative Totals for 2022)

	2023	2022
ASSETS		
Current assets		
Cash	$ 12,107,528	$ 9,343,836
Grants receivable	14,079	28,091
Accounts receivable, net	1,514,679	2,623,861
Tenant security deposits	254,442	220,646
Related party receivables	1,660,339	2,274,955
Prepaid expenses	244,726	72,561
Other current assets	108,606	-
Total current assets	15,904,399	14,563,950
Property and equipment, net	147,743,437	107,592,845
Other assets		
Deferred costs, net	201,920	126,123
Replacement reserves	416,771	307,666
Operating reserves	856,126	419,343
Other reserves	5,604,759	245,001
Capitalized operating subsidy reserve	797,242	625,119
Project reserve	3,004,174	3,236,024
Investment in partnerships	3,904,193	3,966,667
Development in progress	172,871,310	83,828,650
Total other assets	187,656,495	92,754,593
Total assets	$ 351,304,331	$ 214,911,388

The accompanying notes are an integral part of these consolidated financial statements.

Abode Housing Development
Consolidated Statement of Financial Position
June 30, 2023
(With Comparative Totals for 2022)

	2023	2022
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	$ 1,511,608	$ 776,487
Construction accounts payable	23,815,828	20,892,480
Related party payables, current portion	4,296,728	1,674,760
Deferred revenue	171,357	296,731
Line of credit	-	1,450,000
Notes payable, current portion	32,415,765	43,818,969
Total current liabilities	62,211,286	68,909,427
Long-term liabilities		
Accrued interest	8,952,662	5,597,111
Notes payable, net of current portion	223,315,949	102,634,578
Related party payables, net of current portion	900,000	916,200
Tenant security deposits	236,419	212,242
Total long-term liabilities	233,405,030	109,360,131
Total liabilities	295,616,316	178,269,558
Net assets		
Without donor restrictions		
Controlling interest	7,229,949	4,337,868
Non-controlling interest	42,458,066	26,303,962
Total without donor restrictions	49,688,015	30,641,830
With donor restrictions	6,000,000	6,000,000
Total net assets	55,688,015	36,641,830
Total liabilities and net assets	$ 351,304,331	$ 214,911,388

The accompanying notes are an integral part of these consolidated financial statements.

Abode Housing Development
Consolidated Statement of Activities
For the Year Ended June 30, 2023
(With Comparative Totals for 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
Revenue and support				
Rental income				
Gross potential rent	$ 6,808,845	$ -	$ 6,808,845	$ 6,356,483
Vacancy loss	(900,717)	-	(900,717)	(1,214,758)
Total rental income	5,908,128	-	5,908,128	5,141,725
Gain on sale of state tax credit	6,256,052	-	6,256,052	-
Developer fees	533,750	-	533,750	220,000
Miscellaneous revenue	198,327	-	198,327	385,446
Interest income	19,037	-	19,037	8,906
Income (loss) on investment in partnerships	(46,644)	-	(46,644)	75,367
Grants revenue	-	-	-	160,000
Total revenue and support	12,868,650	-	12,868,650	5,991,444
Functional expenses				
Program services				
Rental operations	11,928,221	-	11,928,221	9,416,867
Total program services	11,928,221	-	11,928,221	9,416,867
Support services				
Management and general	1,531,967	-	1,531,967	1,224,201
Fundraising	10,573	-	10,573	56,316
Total support services	1,542,540	-	1,542,540	1,280,517
Total functional expenses	13,470,761	-	13,470,761	10,697,384
Change in net assets	(602,111)	-	(602,111)	(4,705,940)
Net assets, beginning of year	30,641,830	6,000,000	36,641,830	13,489,113
Net change in capital	19,648,296	-	19,648,296	21,603,664
Equity transfer - Sisters-Opportunity Fund	-	-	-	6,254,993
Net assets, end of year	$ 49,688,015	$ 6,000,000	$ 55,688,015	$ 36,641,830

The accompanying notes are an integral part of these consolidated financial statements.

Abode Housing Development
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2023
(With Comparative Totals for 2022)

	Program Services		Support Services			
	Rental Operations	Project Development	Management and General	Fundraising	2023 Total	2022 Total
Operating expenses						
Salaries and wages	$ 1,141,273	$ 554,530	$ 751,699	$ 8,896	$ 2,456,398	$ 2,404,185
Interest	3,193,237	94,970	-	-	3,288,207	1,939,814
Depreciation and amortization	2,961,082	-	-	-	2,961,082	2,214,612
Management and support services fees	714,102	-	268,928	-	983,030	679,405
Utilities	830,578	-	-	-	830,578	545,047
Security contract	789,840	-	-	-	789,840	902,805
Repairs and maintenance	685,773	-	-	-	685,773	587,005
Legal and professional fees	194,358	5,439	232,075	-	431,872	325,513
Real estate taxes	342,371	-	-	-	342,371	266,675
Employee benefits	170,805	92,334	73,518	1,090	337,747	279,807
Insurance	179,255	-	54,203	-	233,458	130,132
Office expenses	135,626	5,215	85,022	-	225,863	213,753
Payroll taxes	97,786	55,600	42,920	587	196,893	148,904
Bad debt	168,153	-	-	-	168,153	4,435
Advertising	142,622	-	-	-	142,622	393,817
Telephone	64,960	1,575	4,730	-	71,265	51,998
Administrative rent free unit	52,027	-	-	-	52,027	156,811
Licenses and fees	27,978	-	17,050	-	45,028	15,873
Project development write off	-	26,765	-	-	26,765	-
Rent	5,907	17,720	-	-	23,627	-
Miscellaneous	20,008	-	112	-	20,120	17,473
Travel	10,480	1,191	1,710	-	13,381	14,012
Activity expense	-	-	-	-	-	189,192
Total operating expenses	11,928,221	855,339	1,531,967	10,573	14,326,100	11,481,268
Capitalized project costs	-	(855,339)	-	-	(855,339)	(783,884)
Total functional expenses	$ 11,928,221	$ -	$ 1,531,967	$ 10,573	$ 13,470,761	$ 10,697,384
Percentage of total	88.5 %	- %	11.4 %	0.1 %	100.0 %	

The accompanying notes are an integral part of these consolidated financial statements.

Abode Housing Development
Consolidated Statement of Changes in Net Assets
For the Year Ended June 30, 2023
(With Comparative Totals for 2022)

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total Controlling Net Assets	Non-Controlling Interest	Total
Balance, June 30, 2021	$ 4,955,115	$ -	$ 4,955,115	$ 8,533,998	$ 13,489,113
Capital contributions	-	-	-	21,703,224	21,703,224
Syndication costs	-	-	-	(99,560)	(99,560)
Capital transfer	(94,350)	-	(94,350)	94,350	-
Equity transfer - Sisters-Opportunity Fund (Note 16)	254,993	6,000,000	6,254,993	-	6,254,993
Change in net assets	(777,890)	-	(777,890)	(3,928,050)	(4,705,940)
Balance, June 30, 2022	4,337,868	6,000,000	10,337,868	26,303,962	36,641,830
Capital contributions	-	-	-	22,903,499	22,903,499
Capital transfer	(743,253)	-	(743,253)	(2,511,950)	(3,255,203)
Change in net assets	3,635,334	-	3,635,334	(4,237,445)	(602,111)
Balance, June 30, 2023	$ 7,229,949	$ 6,000,000	$ 13,229,949	$ 42,458,066	$ 55,688,015

The accompanying notes are an integral part of these consolidated financial statements.

Abode Housing Development
Consolidated Statement of Cash Flows
For the Year Ended June 30, 2023
(With Comparative Totals for 2022)

	2023	2022
Cash flows from operating activities		
Change in net assets	$ (602,111)	$ (4,705,940)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	2,961,082	2,214,612
Gain on sale of state tax credit	(6,256,052)	-
(Income) loss on investment in partnerships	46,644	(75,367)
Changes in operating assets and liabilities		
Grants receivable	14,012	37,514
Accounts receivable, net	1,125,012	(1,945,734)
Related party receivables	614,616	(1,438,245)
Prepaid expenses	(172,165)	(41,306)
Other current assets	(108,606)	-
Accounts payable and accrued expenses	181,489	75,993
Related party payables	2,621,968	302,846
Deferred revenue	(125,374)	154,515
Accrued interest	3,355,551	2,123,187
Tenant security deposits	24,177	160,683
Net cash provided by (used in) operating activities	3,680,243	(3,137,242)
Cash flows from investing activities		
Purchase of property and equipment	(42,989,130)	(21,810)
Development in progress	(85,688,224)	(71,063,914)
Payments on deferred costs	(75,797)	(126,123)
Net cash used in investing activities	(128,753,151)	(71,211,847)
Cash flows from financing activities		
Proceeds from notes payable, net	112,279,016	53,599,932
Net change on line of credit	(1,450,000)	1,450,000
Net change on related party payables - notes payables	(16,200)	1,420,748
Capital contributions, net	22,903,499	21,703,224
Payments on syndication costs	-	(99,560)
Net cash provided by financing activities	133,716,315	78,074,344
Net increase in cash and restricted cash	8,643,407	3,725,255
Cash and restricted cash, beginning of year	14,397,635	10,672,380
Cash and restricted cash, end of year	$ 23,041,042	$ 14,397,635

The accompanying notes are an integral part of these consolidated financial statements.

Abode Housing Development
Consolidated Statement of Cash Flows
For the Year Ended June 30, 2023
(With Comparative Totals for 2022)

	2023	2022
Cash and restricted cash consisted of the following:		
Cash	$ 12,107,528	$ 9,343,836
Tenant security deposits	254,442	220,646
Replacement reserves	416,771	307,666
Operating reserves	856,126	419,343
Other reserves	5,604,759	245,001
Capitalized operating subsidy reserve	797,242	625,119
Project reserve	3,004,174	3,236,024
	$ 23,041,042	$ 14,397,635

Supplemental disclosure of cash flow information

	2023	2022
Cash paid during the year for interest	$ 992,392	$ 1,131,356

Supplemental schedule of noncash investing and financing activities

	2023	2022
Development in progress included in construction accounts payable	$ 23,815,828	$ 20,892,480

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS

Abode Housing Development (formerly known as Allied Housing, Inc.; also "AHD" or the "Organization") is a non-profit public benefit corporation incorporated in the State of California in March 1994. AHD is a supportive housing development organization focused on developing projects in Northern California. The mission of AHD is to provide affordable housing linked to support services for low-income individuals and families. On July 7, 2023, the Organization filed a Restated Articles of Incorporation with the California Secretary of State, changing its legal name from Allied Housing, Inc. to Abode Housing Development (see Note 17).

Abode Housing Development and Management Affiliates

- *Abode Housing Development* - AHD's purpose is to house extremely and very low-income families and individuals. This purpose is accomplished by developing supportive housing.
- *Management Affiliates* - Consist of limited liability companies (LLCs) that serve as general partners for tax credit housing partnerships providing affordable housing or as the direct owner of non tax credit affordable housing developments. The LLCs, of which Abode Housing Development is the sole member, are California limited liability companies operated exclusively to further the tax exempt charitable purposes of the sole member.

The following entities are included in the Management Affiliates:

Allied 2904 Corvin LLC	Allied 2595 Depot LLC
Allied 4038 Irvington LLC	Allied 38631 Fremont LLC
Allied 34320 Fremont LLC	Allied 3335 Kifer LLC
Allied 801 Pine LLC	Allied 2201 Brush LLC
Allied 2095 Evans LLC	Mission Bell Supportive Housing LLC
Allied 39802 Cedar LLC	Allied 2600 International LLC
Allied 1875 California LLC	Allied 934 East Santa Clara LLC
Allied 1510 Parkmoor LLC	Allied 1510 Parkmoor Hub LLC
Allied 4145 Bay LLC	Allied Bennett Valley LLC
Allied 1135 East Santa Clara LLC	Allied 2188 The Alameda LLC
Allied 8452 Edes LLC	Allied 5629 Hoffman LLC

1. NATURE OF OPERATIONS (continued)

AHD carries both initial predevelopment costs and certain rehabilitation costs on its books under development in progress. Over time these costs move to the 100% owned properties category as property and equipment or to the tax credit partnerships category as development in progress.

Properties in Pre-development:

- *Evans Lane* - This AHD project has been discontinued. All of AHD's predevelopment costs for the project have been covered by a predevelopment loan from the City of San Jose that will be forgiven in 2024 if AHD is not involved in the future development of the project. AHD does not have a lease or any purchase option from the City of San Jose.

- Minority Ownership Partnerships - AHD is a minority general partner in several projects that are in pre-development with either a for-profit or non-profit partnership. Allied 801 Pine LLC is a partner in the 100-unit Phoenix project in west Oakland with East Bay Local Asian Development Company. Allied 2201 Brush LLC is a partner in the 58-unit West Grand and Brush project in downtown Oakland with East Bay Local Asian Development Company. Allied 1875 California LLC is a partner in the 68-unit affordable housing project in Burlingame with CRP Affordable Housing and Community Development. Allied 934 East Santa Clara LLC is a partner in the 103-unit Milestone Arts Community project in San Jose with Milestone Housing Group. Allied Bennett Valley LLC is a partner in the 62-unit affordable housing project in Santa Rosa with Freebird Development.

100% Owned Properties

AHD and affiliates own or lease the following properties that are in operation:

Properties in Operation:

- *Mission Bell Apartments* - Mission Bell Apartments is an apartment complex with 25 residential rental units and 6 commercial rental units purchased May 5, 2006. The property is maintained as affordable rental housing for low-income and very low-income households. The property is subject to terms and conditions of a regulatory agreement with the City of San Leandro.

1. NATURE OF OPERATIONS (continued)

- *Casa de Novo* - Casa de Novo, a former San Jose motel, provides permanent supportive housing and temporary interim housing for individuals who are homeless. The 54-unit site has 27 units used as long-term supportive housing for persons who are homeless. The site also has 27 converted motel rooms providing interim housing to people experiencing homelessness. In December 2020, AHD sold this property to the County of Santa Clara with a subsequent long term lease back to AHD in conjunction with receiving Homekey funding from the State of California Housing and Community Development department. AHD is working through land use approvals with the City of San Jose to redevelop all of the site to be a new permanent supportive housing development and will be applying for various funding sources with a target construction start time of November 2024.

- *Fruitvale Studios* - This AHD project was purchased in February 2017 and has 24 studio apartments. As of June 30, 2022, the rehabilitation is complete and all units have been leased. The permanent financing closed in June 2023 and consists of funding from the City of Oakland, County of Alameda Measure A1, California HCD No Place Like Home, and a small permanent loan from Community Vision.

- *Bluebell* - This AHD project was purchased in September 2016 and is 5 units of shared housing in a single family home in San Jose. It was purchased with a Silicon Valley Housing Trust acquisition loan and was refinanced in January 2018 by a long-term loan from the County of Santa Clara. It serves people with mental health disabilities.

- *Rotary Bridgeway* - Allied 4145 Bay LLC purchased this property in September 2021 from the former Limited Partnership with Mid-Pen and Abode Services as general partners as part of the 15-year investor buyout. Allied 4145 Bay LLC now owns it outright. It is an 18-unit supportive housing apartment building in Fremont.

- *Cedar Community Apartments* - This AHD project in Newark was purchased in October 2022 using Newark, Alameda County, State HCD Homekey fundings, and is supported with Housing Authority Vouchers. It was converted from an extended stay hotel into a 125-unit Permanent Supportive Housing Project. Rehabilitation was completed in June 2023 and it is anticipated to be fully leased up by October 2023.

1. NATURE OF OPERATIONS (continued)

Tax Credit Partnerships:

The following entities included in tax credit partnerships are in operation, in pre-development or under construction:

Partnerships in Operation:

- Allied 2904 Corvin, L.P. *(Calabazas Community Apartments, formerly Corvin)* - This project has funding from the City of Santa Clara, County of Santa Clara Measure A, Project Based Vouchers from the Housing Authority of the County of Santa Clara, services funding from the county of Santa Clara Office of Supportive Housing, and 4% Tax Credits. This development of 145 units of micro studios provides supportive housing for very low-income, formerly homeless individuals and small families. Construction began in December 2019 and was completed in November 2021 and was fully occupied by March 2022. Allied 2904 Corvin LLC is the managing general partner for the Limited Partnership. Tax credit financing for the project included a total reservation of California State tax credits in the amount of $7,811,182. Equity was generated from sale proceeds of the credits at the agreed-upon sales price of 0.85 cents for every 1.00 dollar of credits. The final sale amount was reduced, however, due to late delivery of the tax credits and per the terms of the Purchase and Sale Agreement dated December 5, 2019. The final purchase price was adjusted to $6,256,052 with $4,639,505 of the State credit sale proceeds being contributed to the project as a loan from the sponsor, AHD. The balance of the proceeds, $1,616,547, was contributed as a general partner capital contribution (see Note 12).

- Allied 38631 Fremont, L.P. *(City Center Apartments)* - This AHD project was a new construction and consists of 60 studio and one bedroom units and will provide supportive housing for low-income, formerly homeless, disabled veterans, and people with disabilities. The project received funding from the City of Fremont including CDBG funding, Alameda County Measure A1, California HCD No Place Like Home and Veterans Homeless Housing Program, VASH vouchers from the Housing Authority of the County of Alameda and the United States Veterans Administration, and Tax Credits. Construction began in April 2020 and was completed in October 2021 and was fully occupied by January 2022. Allied 38631 Fremont LLC is the managing general partner for the Limited Partnership.

Partnerships in Pre-Development:

- Allied 1510 Parkmoor, L.P. (*Parkmoor Community Apartments*) - AHD was selected to be the developer of a mixed use affordable housing and community services office project in San Jose on xjufn1835746

1. NATURE OF OPERATIONS (continued)

- a property that the County of Santa Clara currently owns. The project will have 81 affordable housing units of which half will be for Transition Age Youth and will have about 17,000 square feet of a Transition Age Youth focused community service area where several local nonprofits and county programs will assist youth find housing. As of June 30, 2023, this project was in pre-development. Construction started in November 2023. The project is funded by the City of San Jose, the County of Santa Clara Measure A, a permanent loan from Capital One, and 4% tax credits. Allied 1510 Parkmoor LLC is the managing general partner for the Limited Partnership that will own the housing portion of this site.

- Algarve Apartments, L.P. (*Algarve Community Apartments*) - This project applied for funding from the Department of Toxic Substances Control ("DTSC") in 2023, and will apply for funding from the Affordable Housing and Sustainable Communities ("AHSC") program and the California Debt Limit Allocation Committee ("CDLAC") in 2024. The project will have 91 affordable housing units. As of June 30, 2023, this project is in pre-development and will start construction in 2025. Allied 2095 Evans LLC is the managing general partner for the Limited Partnership.

- Allied 2188 The Alameda, L.P. - This project has Homekey funding from the State of California Housing and Community Development department, and has applied for Multifamily Housing Program ("MPH") funding in July 2023. The project will provide affordable rental housing development for low-income persons. As of June 30, 2023, this project is in predevelopment. Allied 2188 The Alameda LLC is the managing general partner for the Limited Partnership.

<u>Partnerships in Construction</u>:

- Allied 3335 Kifer, L.P. (*Kifer Senior Apartments)* - This project is adjacent to Calabazas in the City of Santa Clara and was acquired in December 2019 and will contain 80 units of very low-income apartments for seniors including 54 formerly homeless seniors. The project is funded by the County of Santa Clara Measure A, City of Santa Clara, State HCD HHC, and 4% Tax Credits. Construction started in June 2022 and should be complete in early 2024. Allied 3335 Kifer LLC is the managing general partner for the Limited Partnership.

1. NATURE OF OPERATIONS (continued)

- Allied 2595 Depot, L.P. (*Depot Community Apartments*) - This AHD project will be a new construction of 125 units of micro studio supportive and affordable apartments on about 1.75 acres of land in Hayward. The project secured its entitlements in March 2020. The project is funded by the City of Hayward, Alameda County Measure A1, the California HCD Multifamily Housing Program, and 4% Tax Credits. It closed construction financing and started construction in October 2021. The construction was completed in November 2023. Allied 2595 Depot LLC is the managing general partner for the Limited Partnership.

- Allied 34320 Fremont, L.P. (*Fremont Family Apartments*) - AHD purchased the property in June 2020 and is building 54 units of supportive and affordable housing for low-income and formerly homeless families. The project is funded by the City of Fremont, Alameda County Measure A1, California HCD No Place Like Home, and 9% Tax Credits. Construction started May of 2022 and will be completed in August 2024. Allied 34320 Fremont LLC is the managing general partner for the Limited Partnership.

- Allied 4038 Irvington, L.P. (*Doug Ford Community Apartments formerly Irvington Senior Apartments)* - This AHD project is new construction of 90 supportive senior housing units in one four story building on 1.38 acres of land in Fremont. The project has funding from the City of Fremont, County of Alameda A1, California HCD No Place Like Home and 9% Tax Credits. Construction began in April of 2021 and was completed in September 2023. The project became fully occupied in December 2023. Allied 4038 Irvington LLC is the managing general partner for the Limited Partnership.

Strategic Alliances:

Effective October 1, 2005, Abode Housing Development and Abode Services ("Abode") formed a strategic alliance. While having retained their separate 501(c)(3) nonprofit identities, missions and activities, the organizations currently share a common Board of Directors and Executive Director. However, as of January 1, 2024, the boards will have different board members with any overlap with other strategically aligned organizations limited to non-controlling interest. Abode Services entered into an agreement with AHD to provide administrative and staffing to support the operations of AHD. Abode Services provides supportive services at many AHD properties.

Effective January 1, 2012, AHD and Abode Property Management ("APM", formerly known as Housing for Independent People, Inc.) entered into a strategic alliance. While having retained their separate 501(c)(3) nonprofit identities, missions and activities, AHD and APM share a common Board of Directors and Executive Director. However, as of January 1, 2024, the boards will have different board members with any overlap with other strategically aligned organizations limited to non-controlling interest. APM manages several of the AHD properties.

1. NATURE OF OPERATIONS (continued)

Effective April 1, 2017, Abode, AHD, and Community Working Group, Inc. ("CWG") entered into a strategic alliance. The organizations have retained separate 501(c)(3) nonprofit identities, missions and activities. Abode Services and CWG share a common Board of Directors and Executive Director. CWG functions as the entity assigned to generate and manage new programs and projects on the San Francisco Peninsula.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidation of financial statements

Organizations that: 1) have a majority of voting interest; 2) have economic interest; and 3) exercise economic control over a related company, are required to consolidate their financial statements. Allied 2904 Corvin LLC, Allied 2595 Depot LLC, Allied 4038 Irvington LLC, Allied 34320 Fremont LLC, Allied 38631 Fremont LLC, Allied 3335 Kifer LLC, Allied 801 Pine LLC, Allied 2201 Brush LLC, Allied 2095 Evans LLC, Allied 39802 Cedar LLC, Allied 1875 California LLC, Allied 1510 Parkmoor LLC, Allied 1510 Parkmoor Hub LLC, Allied 4145 Bay LLC, Mission Bell Supportive Housing LLC, Allied 2600 International LLC, Allied 934 East Santa Clara LLC, Allied Bennett Valley LLC, Allied 1135 East Santa Clara LLC, Allied 2188 The Alameda LLC, Allied 8452 Edes LLC, and Allied 5629 Hoffman LLC meet the above criteria and therefore are consolidated into AHD's financial statements. All significant intercompany transactions have been eliminated.

The consolidated financial statements include the accounts of nine limited partnerships (see Note 1) in which AHD exercises economic control and/or has the right to buy the properties after a certain number of years. These entities are included in the consolidation. All significant intercompany balances and transactions have been eliminated in the consolidated financial statements. Partnership interests of investor limited partners are shown as non-controlling interests in the consolidated financial statements.

Basis of accounting and financial statement presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Organization reports its financial position and operating activities in two classes of net assets.

- *Net assets without donor restrictions* - represents the portion of net assets not subject to donor imposed stipulations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of accounting and financial statement presentation (continued)

- *Net assets with donor restrictions* - include contributions received from donors that are restricted for specific purposes or for subsequent periods. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restriction. Net assets held in perpetuity include those assets which are subject to a non-expiring donor restriction, such as endowments.

Adoption of accounting standards updated

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. ASU 2016-02 aims to increase transparency and comparability among organizations by requiring lessees to recognize leases with a term greater than 12 months as right-of-use ("ROU") assets and corresponding lease liabilities on the consolidated statement of financial position, regardless of lease classification, and requiring disclosure of key information about leasing arrangements. The lease liabilities should be initially measured at the present value of the remaining contractual lease payments. Subsequently, the ROU assets will be amortized generally on a straight-line basis over the lease term, and the lease liabilities will bear interest expense and be reduced for lease payments.

ASU 2016-02 is effective for the fiscal year beginning after December 15, 2021. The Organization adopted ASU 2016-02 on July 1, 2022, using the modified retrospective approach.

The adoption of the new lease accounting standard had no impact on the Organization's consolidated statement of financial position, operating results and cash flows.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue, support and expenses during the period. Accordingly, actual results could differ from those estimates.

Funded reserves

The Organization is required to maintain operating and replacement reserves in accordance with various regulatory agreements (see Note 5).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tenant security deposits

Tenant security deposits are not available for operating purposes. The Organization maintains funds equal to or greater than the related liability and holds the funds in separate, interest bearing accounts in the name of the Organization.

Fair value measurements

Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

A hierarchy has been established to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3).

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- *Level 1* - Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- *Level 2* - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.
- *Level 3* - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date. Investments that are included in this category generally include partnership interests.

Investments in partnerships

AHD has investments in several partnerships. AHD has non-controlling interests in these partnerships where it exerts significant influence and, accordingly, records its investments using the equity method of accounting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Grants and accounts receivable

Grants receivable represent amounts billed for subsidy but not collected. Accounts receivable represent tenant accounts receivable billed but not yet collected. AHD provides an allowance for doubtful accounts based on management's evaluation of a current aging of the accounts. Management has estimated an allowance for accounts receivable of $123,251 and $32,815 as of June 30, 2023 and 2022 , respectively. It is the Organization's policy to write-off delinquent amounts when management determines the receivable to be uncollectible.

Property and equipment

All property and equipment are stated at cost. Major improvements or additions over $2,500 are charged to the property accounts. Maintenance and repairs which do not extend the life of the respective assets are expensed as incurred. Property and equipment are depreciated using the straight-line method over useful lives ranging from 5 to 39 years. Leasehold improvements are amortized over the shorter of the life of the lease or the useful life of the improvements.

Deferred revenue

Revenue related to most grants and contracts is recognized as the related expenses are incurred. Deposits received in advance of program services being provided are reflected as deferred revenue. Rental income received in advance of the rental period is recorded as deferred revenue.

Revenue recognition

Rental income is shown at maximum gross potential. Vacancy loss is shown as a reduction in rental income. Rental units occupied by employees are included in rental income and as an expense of operations. Miscellaneous revenue includes fees for late payments, cleaning, damages, laundry facilities and other charges and is recorded when earned.

Contributions, including unconditional promises to give, are recognized as support in the period received. Contributions, including unconditional promises to give, are recorded with donor restrictions depending on the existence and/or nature of any restrictions and are then reclassified to net assets without donor restrictions upon satisfaction of any restrictions through the net assets released from restriction.

Contributions that are considered conditional promises to give which contain barriers and a right of return or right of release are not recognized until the conditions on which they depend are met, at which time, the gift is recognized as contribution revenue with or without restrictions. There were no cost reimbursable grants recognized for the year ended June 30, 2023 and there were no conditional grants as of June 30, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

The Organization generates some revenue through cost reimbursement local grants. The revenue generated from these services is recorded as grants in the consolidated statement of activities. These grants meet the criteria to be classified as conditional contributions under GAAP revenue recognition for nonprofit organizations as they contain barriers related to incurrence of qualifying expenditures and a right of return or release. The Organization has elected a simultaneous release option to account for these grants. Therefore, they are recorded as grants without donor restrictions upon satisfaction of the barriers. There were no conditional grants as of June 30, 2023.

AHD recognizes the developer fee income by applying the following steps, unless specifically outlined in the development agreement as to how the revenue must be recognized by the developer:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when (or as) the entity satisfies a performance obligation

Developer fees earned from related parties were eliminated in the consolidated financial statements.

Income tax

AHD is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and exempt from state income taxes under Section 23701d of the California Revenue Taxation Code. Any income from activities not directly related to AHD's tax exempt purpose is subject to taxation as unrelated business income. In addition, AHD qualifies for the charitable contribution deduction under Section 170(b)(1)(a) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

The Organization files information returns in the U.S. federal jurisdiction and state of California. The Organization's federal returns for the years ended June 30, 2020 and beyond remain subject to possible examination by the Internal Revenue Service. The Organization's California returns of the tax years ended June 30, 2019 and beyond remain subject to possible examination by the Franchise Tax Board.

Functional expenses

Costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and support services benefited. Direct expenses are charged directly to the program and/or the contract. Indirect cost are allocated either by volume of transactions, square footage utilized, gross wages or based on time worked.

Comparative financial information

The financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense categories. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with AHD's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Reclassifications

Certain prior year balances have been reclassified to conform to current year presentation. The reclassifications had no impact to previously reported net assets or changes in net assets.

Subsequent events

Management of the Organization has evaluated events and transactions subsequent to June 30, 2023 for potential recognition or disclosure in the consolidated financial statements. Such events were evaluated through February 2, 2024, the date the consolidated financial statements were available to be issued. Based upon this evaluation, see Note 17 for subsequent events that require recognition or additional disclosure in the consolidated financial statements.

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	2023	2022
Calabazas Community Apartments	$ 58,474,759	$ 58,501,008
Cedar Community Apartments	42,566,479	-
City Center Apartments	35,039,713	34,775,578
Fruitvale Studios	9,356,681	9,339,661
Mission Bell Apartments	4,326,117	4,272,705
Rotary Bridgeway	3,914,416	3,864,480
Bluebell	891,528	772,698
Casa de Novo	73,245	21,810
	154,642,938	111,547,940
Accumulated depreciation and amortization	(6,899,501)	(3,955,095)
	$ 147,743,437	$ 107,592,845

Depreciation and amortization expense for the years ended June 30, 2023 and 2022 was $2,944,407 and $2,214,612, respectively.

Abode Housing Development
Notes to Consolidated Financial Statements
June 30, 2023
(With Comparative Totals for 2022)

4. DEVELOPMENT IN PROGRESS

Development in progress consisted of the following:

	2023	2022
Abode Housing Development properties		
Evans Lane *	$ 736,891	$ 736,891
Comfort	171,494	-
Miscellaneous projects	125,951	-
Cedar Community Apartments	-	518,991
West Grand & Brush (Brush)	-	450,804
Casa de Novo Phase II	-	203,659
Casa de Novo Phase I	-	44,265
	1,034,336	1,954,610
Tax credit partnerships		
Depot Community Apartments	57,075,442	28,741,422
Doug Ford Community Apartments (formerly Irvington Senior Apartments)	56,969,002	36,202,154
Fremont Family Apartments	26,596,379	8,873,855
Kifer Senior Apartments	26,533,171	5,822,720
Parkmoor Community Apartments	3,278,266	1,764,454
Casa de Novo Phase I & II	1,298,324	-
Algarve Community Apartments	86,390	-
Calabazas Community Apartments	-	469,435
	171,836,974	81,874,040
	$ 172,871,310	$ 83,828,650

* This project has been discontinued. All of AHD's predevelopment costs for the project have been covered by a predevelopment loan from the City of San Jose that will be forgiven in 2024 if AHD is not involved in the future development of the project.

5. FUNDED RESERVES

Operating reserves

The Organization is required to set aside cash for operating deficit in separate operating reserve accounts per the loan agreements on some properties.

5. FUNDED RESERVES (continued)

Operating reserves (continued)

Operating reserves activity consisted of the following:

	Balance at June 30, 2022	Funding	Interest	Withdrawals	Balance at June 30, 2023
100% Owned Properties					
Casa de Novo	$ 293,140	$ -	$ 494	$ (65,668)	$ 227,966
Cedar Community Apartments	-	321	-	-	321
Mission Bell Apartments	90,137	-	58	(66,654)	23,541
Bluebell	20,889	-	27	-	20,916
Fruitvale Studios	803	-	-	-	803
Plaza Hotel	14,374	-	-	(14,374)	-
	419,343	321	579	(146,696)	273,547
Tax Credit Partnerships					
City Center Apartments	-	332,132	433	-	332,565
Calabazas Community Apartments	-	250,000	14	-	250,014
	-	582,132	447	-	582,579
	$ 419,343	$ 582,453	$ 1,026	$ (146,696)	$ 856,126

Replacement reserves

The Organization is required to set aside cash for capital improvements in separate replacement reserve accounts per the loan agreements on some properties.

5. FUNDED RESERVES (continued)

Replacement reserves (continued)

Replacement reserves activity consisted of the following:

	Balance at June 30, 2022	Funding	Interest	Withdrawals	Balance at June 30, 2023
100% Owned Properties					
Mission Bell Apartments	$ 104,404	$ -	$ 187	$ -	$ 104,591
Bluebell	93,054	-	120	-	93,174
Casa de Novo	66,001	-	85	-	66,086
Rotary Bridgeway	-	13,500	-	-	13,500
Fruitvale Studios	1,800	-	-	-	1,800
Plaza Hotel	42,407	-	-	(42,407)	-
	307,666	13,500	392	(42,407)	279,151
Tax Credit Partnerships					
Calabazas Community Apartments	-	107,591	-	-	107,591
City Center Apartments	-	30,000	29	-	30,029
	-	137,591	29	-	137,620
	$ 307,666	$ 151,091	$ 421	$ (42,407)	$ 416,771

Capitalized operating subsidy reserve

In connection with sale of Casa de Novo in December 2020, the Organization received a capitalized operating subsidy reserve from the California State Homekey program. The balance as of June 30, 2023 and 2022 was $626,083 and $625,119, respectively.

In connection with purchase of Cedar Community Apartments in October 2022, the Organization received a capitalized operating subsidy reserve. The balance as of June 30, 2023 was $171,159.

5. FUNDED RESERVES (continued)

Project reserve

In connection with sale of Casa de Novo in December 2020, the Organization has set aside funds to be used in the construction of Casa de Novo Phase II, a 118-unit supportive housing development. The balance as of June 30, 2023 and 2022 was $3,004,174 and $3,236,024, respectively.

Other reserves

Tax credit partnerships are required to set aside cash for lease-up, resident services, social services, contingency and transition in separate reserve accounts per the loan or regulatory agreements. The balance of other reserves as of June 30, 2023 and 2022 was $5,604,759 and $245,001, respectively.

6. INVESTMENTS IN PARTNERSHIPS

Investments in partnerships consisted of the following:

	2023	2022
Investment on Main Street Village, L.P.	$ 2,689,401	$ 2,428,962
Investment in Housing Alliance Partnerships	1,014,091	1,173,735
Investment in 2891 Carmen Street, L.P	200,433	363,677
Investment in Laguna Commons, LLC	268	293
	$ 3,904,193	$ 3,966,667

Income (loss) on investments in partnerships consisted of the following:

	2023	2022
Investment on Main Street Village, L.P.	$ 276,269	$ 290,479
Investment in Laguna Commons, LLC	(25)	(22)
Investment in Housing Alliance Partnerships	(159,644)	(129,422)
Investment in 2891 Carmen Street, L.P	(163,244)	(85,668)
	$ (46,644)	$ 75,367

7. LINE OF CREDIT

On May 3, 2022, the Organization established a revolving line of credit with Wells Fargo Bank to meet short-term working capital borrowing needs. Borrowings under the line of credit were limited to a maximum of $1,800,000. Interest on outstanding funds was payable monthly at the variable rate. The maturity date of the line of credit was May 1, 2023 and was not renewed. The credit line was secured by rents and certain assets owned by the Organization. The balance on the line of credit amounting to $1,450,000 as of June 30, 2022 was paid off as of June 30, 2023.

8. NOTES PAYABLE

Notes payable are summarized as follows:

	2023	2022
Abode Housing Development - Development Activities		
Note payable for predevelopment costs to the City of San Jose, bearing interest of 0% per annum. Unpaid principal was due May 21, 2023. The note is secured by a deed of trust on the Evans Lane property located in San Jose and is subject to a regulatory agreement. The Organization is in process of applying for forgiveness.	$ 707,686	$ 707,686
Note payable to the Community Supportive Housing Fund, bearing interest of 2% per annum. Unpaid principal and interest were due November 30, 2022. The note was secured by a deed of trust on the West Grand Brush property and is subject to a regulatory agreement. The note was paid off during the year ended June 30, 2023.	-	1,477,500
Total Abode Housing Development Activities	707,686	2,185,186
Abode Housing Development - Operating Properties		
Note payable to Fremont Bank dated May 1, 2006, payable in monthly payments of $2,832 which include interest of 4.72% per annum with final payment and accrued interest due December 3, 2025. The note is secured by a deed of trust on the Mission Bell Apartments property located in San Leandro.	390,025	401,850
Note payable to the County of Alameda dated May 9, 2009 bearing interest rate of 3% due May 9, 2067. The note is secured by a deed of trust on the Mission Bell Apartments property located in San Leandro and is subject to a regulatory agreement.	1,795,976	1,795,976

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to the City of San Leandro dated April 26, 2006, payable in annual payments from residual receipts commencing May 1, 2011. Unpaid principal and interest at 3% on the outstanding balance is due April 2061. The note is secured by a deed of trust on the Mission Bell Apartments property located in San Leandro and is subject to a regulatory agreement.	1,500,001	1,500,001
Note payable to the City of San Leandro dated April 26, 2006, bearing interest of 3% per annum. Unpaid principal and accrued interest is due April 26, 2031. The note is secured by a deed of trust on the Mission Bell Apartments property located in San Leandro and is subject to a regulatory agreement.	538,067	538,067
Note payable to the City of Fremont bearing interest at 0% per annum. Unpaid principal is due February 2059. The note is secured by a deed of trust on the Rotary Bridgeway property located in Fremont and is subject to a regulatory agreement.	2,226,862	2,226,862
Note payable to the City of Fremont Supportive Housing Program/HOME Program (City) bearing interest at 3% per annum. Unpaid principal is due February 2059. The note is secured by a deed of trust on the Rotary Bridgeway property located in Fremont and is subject to a regulatory agreement.	754,232	754,232
Note payable to the County of Alameda Housing and Community Development CDBG/HOME Programs (County) bearing interest at 3% per annum. Unpaid principal is due February 2059. The note is secured by a deed of trust on the Rotary Bridgeway property located in Fremont and is subject to a regulatory agreement.	858,763	858,763
Note payable to the County of Santa Clara dated January 26, 2018, bearing interest of 3%. Annual interest and principal payments are to be paid contingent on available residual receipts. Unpaid principal is due January 26, 2073. The note is secured by a deed of trust on the Bluebell property located in San Jose and is subject to a regulatory agreement.	1,200,000	1,200,000

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to the County of Santa Clara, bearing interest of 0% per annum. Annual interest and principal payments are to be paid contingent on available residual receipts. Unpaid principal is due March l, 2026. The note is secured by a deed of trust on the Casa de Novo property located in San Jose and is subject to a regulatory agreement.	624,000	624,000
Note payable to the City of Oakland, bearing interest of 3% per annum. Repayment of principal and interest shall be made annually based on available of surplus cash. Unpaid principal and interest is due June 2075. The note is secured by a deed of trust on Fruitvale Studios property located in Oakland and is subject to a regulatory agreement.	3,450,000	3,450,000
Note payable to the County of Alameda, bearing interest of 3% per annum. Repayment of principal and interest shall be made annually based on available of surplus cash. Unpaid principal and interest is due May 2077. The note is secured by a deed of trust on Fruitvale Studios property located in Oakland and is subject to a regulatory agreement.	3,238,776	1,932,232
Note payable to Community Vision Capital & Consulting (formerly Northern California Community Loan Fund) bearing interest at 3.56% per annum. Unpaid principal was due June 1, 2021 but was extended to April 1, 2023. The note was paid down to $833,000 in May 2023. The interest is at 5% per annum. Monthly payment for principal and interest is required starting from July 2023. Unpaid principal will be due May 29, 2035. The note is secured by a deed of trust on the Fruitvale Studios property located in Oakland.	833,000	2,672,142
Note payable to California HCD, bearing interest of 3% per annum. Repayment of the loan is equal to the HCD loan Pro Rata Percentage of the Lenders' Share of Residual Receipts. Unpaid principal will be due June 13, 2078. The note is secured by a deed of trust on Fruitvale Studios property located in Oakland and is subject to a regulatory agreement.	2,160,862	-

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to City of Newark (HCD Homekey), bearing interest of 0% per annum. Repayment of the loan is equal to the City loan Pro Rata Percentage of the Lenders' Share of Residual Receipts. Unpaid principal will be due June 16, 2037. The note is secured by a deed of trust on Cedar Community Apartments property located in Newark and is subject to a regulatory agreement.	36,916,293	-
Note payable to City of Newark (ARPA), bearing interest of 3% per annum. Repayment of the loan is equal to the City loan Pro Rata Percentage of the Lenders' Share of Residual Receipts. Unpaid principal will be due March 31, 2026. The note is secured by a deed of trust on Cedar Community Apartments property located in Newark and is subject to a regulatory agreement.	2,731,471	-
Note payable to County of Alameda, bearing interest of 3% per annum. Repayment of the loan is equal to the County loan Pro Rata Percentage of the Lenders' Share of Residual Receipts. Unpaid principal will be due September 30, 2077. The note is secured by a deed of trust on Cedar Community Apartments property located in Newark and is subject to a regulatory agreement.	3,950,000	-
Cedar Community Apartments obtained unsecured loan from Corporation for Supportive Housing (CSH), bearing interest of 4% per annum for 36 months and blended interest rate at 1.49% and at 6%. Unpaid principal will be due March 31, 2026.	565,403	-
Total Abode Housing Development - Operating Properties	63,733,731	17,954,125
Tax Credit Partnerships		
Note payable to Community Housing Fund, LLC., bearing interest of 2% per annum. Unpaid principal and interest is due the earlier of construction closing or January 2024. The note is secured by a deed of Trust on the Parkmoor Community Apartments property.	345,916	338,915
Note payable to Destination: Home, bearing simple interest of 2% per annum. Unpaid principal and interest is due March 10, 2024. The note is secured by a deed of Trust on the Parkmoor Community Apartments property.	1,000,000	635,930

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to the County of Santa Clara, bearing interest of 0% per annum. Unpaid principal and interest is due March 2024. The note is secured by a deed of Trust on the Parkmoor Community Apartments property.	1,503,129	853,760
Note payable to the County of Santa Clara, bearing interest of 3% per annum. Unpaid principal is due June 14, 2074. The note is secured by a deed of trust on the Calabazas Community Apartments property located in Santa Clara.	19,500,000	19,500,000
Note payable to Capital One, bearing interest of 3.87% per annum. Unpaid principal was due October 6, 2022. The note was secured by a deed of trust on the Calabazas Community Apartments property located in Santa Clara. The note was paid off on December 22, 2022.	-	34,500,000
Note payable to the City of Santa Clara, bearing interest of 3% per annum. Unpaid principal is due December 2077. The note is secured by a deed of trust on the Calabazas Community Apartments property located in Santa Clara.	5,000,000	-
Note payable to Capital One, bearing interest of 3.99% per annum. Payments of principal and interest are due monthly until maturity on December 1, 2042. The note is secured by a deed of trust on the Calabazas Community Apartments property located in Santa Clara.	9,538,638	-
Note payable to JPMorgan Chase, bearing interest per annum equal to LIBOR Rate plus the Applicable Margin (6.53% as of June 30, 2023), adjusted monthly on a 360 day basis, paid at maturity. Unpaid principal was due January 14, 2024 but was extended to July 14, 2024. The note is secured by a deed of Trust on the Depot Community Apartments property.	25,881,480	4,275,286
Note payable to the County of Alameda, bearing interest at rate of 1% per annum. Annual payments commencing on May 1, 2024 and on May 1st of each calendar year thereafter through the end of the term. Repayment should be from Residual Receipts. Unpaid principal is due October 1, 2078. The note is secured by a deed of Trust on the Depot Community Apartments property.	18,143,465	5,144,655

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to the City of Hayward, bearing interest at rate of 1% per annum. Annual payments commencing on May 1, 2024 and on May 1st of each calendar year thereafter through the end of the term. Repayment should be from Residual Receipts. Unpaid principal is due October 1, 2078. The note is secured by a deed of Trust on the Depot Community Apartments property.	5,229,000	5,229,000
Note payable to the City of Fremont bearing interest at 3% per annum. Unpaid principal is due March 1, 2075. The note is secured by a deed of trust on the Fremont Family Apartments property located in Fremont and is subject to a regulatory agreement.	5,268,311	5,268,311
Note payable to the County of Alameda, bearing interest at 3% per annum. Annual payments commencing May 1, 2025 and on May 1st of each calendar year thereafter through the end of the term. Repayment should be from Residual Receipts. Unpaid principal is due April 2079. The note is secured by a deed of trust on the Fremont Family Apartments property located in Fremont.	7,457,813	-
Note payable to the Silicon Valley Bank, bearing interest at 4.15% per annum. Monthly interest payments in arrears on the first day of each month beginning on June 1, 2022. Unpaid principal is due July 1, 2024. The note is secured by a deed of trust on the Fremont Family Apartments property located in Fremont.	6,723,034	-
Note payable to the City of Fremont, bearing interest at 3% per annum. Principal payments are due beginning June 1, 2022, with any residual receipts. The total outstanding principal will be due March 1, 2077. The loan is secured by a deed of trust on the City Center Apartments property located in Fremont.	7,545,000	7,545,000
Note payable to the County of Alameda, bearing interest at 3% per annum. Principal payments are due beginning May 1, 2022 and on May 1st of each calendar year thereafter through the end of the Term. Repayment of the loan equal to the County loan Pro Rata Percentage of the Lenders' Share of Residual Receipts. Unpaid Principal will be due March 17, 2077. The note is secured by a deed of trust on City Center Apartments property located in Fremont.	6,757,321	6,705,544

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to JP Morgan Chase, bearing interest at 3.48% as of June 30, 2022, maturity date was on October 31, 2022. The note is secured by a deed of trust on City Center Apartments property located in Fremont. The note was paid off on October 26, 2022.	-	4,461,641
Note payable to HCD (VHHP), bearing interest at 3% with annual payments of $16,059 (0.42% of the unpaid principal) for 29 years commencing December 31, 2022. Thereafter, annual payments are to be made in the amount equal to the lesser of the accrued and unpaid interest for the previous year or an amount determined by HCD. Additional payments are to be made from Residual Receipts. Unpaid principal and interest is due October 2077. The note is secured by a deed of trust on City Center Apartments property located in Fremont.	3,823,522	-
Note payable to HCD, consisting of a conditional loan from No Place Like Home (NPLH) and Capitalized Operating Subsidy Reserve (COSR), bearing interest at 3%, with annual monitoring fee payments of $9,646 (0.42% of the unpaid principal from NPLH) for 29 years commencing December 31, 2022. Thereafter, annual monitoring fee payments are to be made in an amount determined by HCD. Additional payments are to be made from Residual Receipts. Unpaid principal and interest is due October 2077. The note is secured by a deed of trust on City Center Apartments property located in Fremont.	2,618,239	-
Note payable to Capital One, bearing interest at Adjusted ABR Rate. Unpaid principal and accrued interest is due and payable in full on January 1, 2041. The loan is secured by a deed of trust on the Kifer Senior Apartments property located in Santa Clara.	3,125,714	55,000
Note payable to the City of Santa Clara, bearing interest at 3% per annum. Unpaid principal and accrued interest is due fifty-five (55) years from Conversion. The loan is secured by a deed of trust on the Kifer Senior Apartments property located in Santa Clara.	4,000,000	4,000,000

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to the County of Santa Clara, bearing interest at 3% per annum. Unpaid principal and accrued interest is due fifty-five (55) years after the Projects receives its Certificate of Occupancy; but in no event later than December 31, 2079. The loan is secured by a deed of trust on the Kifer Senior Apartments property located in Santa Clara.	2,700,000	2,140,000
Note payable to the County of Santa Clara (NPLH), bearing interest of 3% per annum. Unpaid principal and accrued interest is due fifty-five (55) years after the Projects receives its Certificate of Occupancy; but in no event later than December 31, 2079. The loan is secured by a deed of trust on the Kifer Senior Apartments property located in Santa Clara.	6,600,000	-
Equity advance note, bearing interest of 8% per annum. Unpaid principal and accrued interest is due December 31, 2023. The loan is secured by a deed of trust on the Kifer Senior Apartments property located in Santa Clara.	2,397,200	-
Note payable to the City of Fremont, bearing interest of 3% per annum. Unpaid principal is due in April 2078. This note has an option to extend for an additional 24 months or to convert to a permanent loan. The note is secured by a deed of trust on the Doug Ford Community Apartments property located in Fremont and is subject to a regulatory agreement.	6,200,000	6,200,000
Note payable to the City of Fremont, bearing interest of 0% per annum. Unpaid principal is due in April 2078. This note has an option to extend for additional 24 months or to convert to a permanent loan. The note is secured by a deed of trust on the Doug Ford Community Apartments property located in Fremont and is subject to a regulatory agreement.	2,750,000	2,750,000
Note payable to the County of Alameda, bearing interest of 3% per annum. Unpaid principal is due in April 2078. This note has an option to extend for additional 24 months or to convert to a permanent loan. The note is secured by a deed of trust on the Doug Ford Community Apartments property located in Fremont and is subject to a regulatory agreement.	9,038,450	9,038,450

8. NOTES PAYABLE (continued)

	2023	2022
Note payable to JP Morgan Chase, bearing interest of CB Floating Rate, Prime Rate shall never be less than the LIBOR Rate plus 2.5% and LIBOR rate shall never less than 0% (6.93% as of June 30, 2023). Unpaid principal and interest was due August 22, 2023. In November 2023, $21,550,000 was paid towards the total outstanding balance and the remaining balance was extended to February 22, 2024. The note is secured by a deed of trust on the Doug Ford Community Apartments property located in Fremont.	28,859,034	8,204,676
Total tax credit Partnerships	192,005,266	126,846,168
	256,446,683	146,985,479
Less unamortized debt issuance costs	(714,969)	(531,932)
	255,731,714	146,453,547
Current portion	(32,415,765)	(43,818,969)
	$ 223,315,949	$ 102,634,578

The future maturities of the notes payable are as follows:

Year ending June 30,	
2024	$ 32,415,765
2025	32,994,539
2026	3,920,874
2027	-
2028	-
Thereafter	187,115,505
	$ 256,446,683

9. INTEREST EXPENSE

Interest expense consisted of the following:

	2023	2022
Abode Housing Development - Development Activities		
AHD	$ 94,971	$ 59,924
Abode Housing Development - Operating Properties		
Mission Bell Apartments	143,974	134,703
Fruitvale Studios	298,097	181,333
Rotary Bridgeway	90,245	-
Bluebell	36,000	36,000
Cedar Community Apartments	10,904	-
	579,220	352,036
Tax credit partnerships		
Calabazas Community Apartments	2,055,800	790,197
City Center Apartments	558,216	737,657
	2,614,016	1,527,854
	$ 3,288,207	$ 1,939,814

10. ACCRUED INTEREST

Accrued interest consisted of the following:

	2023	2022
Abode Housing Development - Operating Properties		
Mission Bell Apartments	$ 1,782,584	$ 1,667,562
Fruitvale Studios	405,555	214,243
Bluebell	170,592	134,592
Cedar Community Apartments	143,182	-
Rotary Bridgeway	88,715	-
	2,590,628	2,016,397
Tax Credit Partnerships		
Calabazas Community Apartments	1,893,602	1,241,620
City Center Apartments	1,581,143	1,098,390
Doug Ford Community Apartments	1,505,614	896,637
Fremont Family Apartments	591,100	268,716
Depot Community Apartments	400,373	64,339
Kifer Senior Apartments	371,049	7,731
Parkmoor Community Apartments	19,153	3,281
	6,362,034	3,580,714
	$ 8,952,662	$ 5,597,111

11. RELATED PARTY TRANSACTIONS

As described in Note 1, Abode, AHD, APM, and CWG, have common management and provide services to one another.

Administrative services fees

The agreement between Abode Services and AHD to provide administrative services and staffing to support AHD's operations states that Abode Services will provide: staff appropriate to AHD's operating activities, office space to conduct its business, and administrative services. For the year ended June 30, 2023, AHD incurred administrative and staffing services to Abode Services in the amount of $1,440,324 and had payables due in the amount of $2,639,030 as of June 30, 2023. For the year ended June 30, 2022, AHD paid service contract fees to Abode Services in the amount of $1,307,477 and had payables due in the amount of $755,260 as of June 30, 2022.

11. RELATED PARTY TRANSACTIONS (continued)

Property management services

Abode Property Management provides property management services for six of AHD's properties. Management fees incurred to APM totaled $158,517 and $168,913 for the years ended June 30, 2023 and 2022 , respectively. AHD owed APM a total of $1,554,086 and $861,730 as of June 30, 2023 and 2022, respectively. APM had $956,281 and $1,258,321 cash in trust for the AHD properties it manages as of June 30, 2023 and 2022, respectively.

AHD provides partnership management services for Opportunity Center HDC, Inc. AHD had partnership management fees receivables due in the amount of $20,185 and $15,681 from Opportunity Center HDC, Inc. as of June 30, 2023 and 2022, respectively.

Property guarantee

Abode Services has guaranteed AHD's note payable of $401,850 on the Mission Bell Property.

Related party transactions

Related party receivables consisted of the following:

	2023	2022
Cash - held in trust by APM for property operations	$ 956,281	$ 1,258,321
Related party receivable, APM	631,999	-
Related party receivable, Opportunity Center Associates, L.P.	50,896	-
Related party receivable, Opportunity Center HDC Inc.	20,185	15,681
Abode Services - other	978	978
Related party receivable, West Grand & Brush (Brush)	-	999,975
	$ 1,660,339	$ 2,274,955

11. RELATED PARTY TRANSACTIONS (continued)

Related party transactions (continued)

Related party payables consisted of the following:

	2023	2022
Current		
Staffing services - Abode	$ 2,639,030	$ 755,260
Property management services - APM	1,554,086	861,730
Miscellaneous related party payable - City Center	52,716	57,770
Related party payable, Opportunity Center Associates, L.P.	50,896	-
	4,296,728	1,674,760
Non-current		
CWG - Notes payable	900,000	916,200
	$ 5,196,728	$ 2,590,960

12. GAIN ON SALE OF STATE TAX CREDIT

During the year ended June 30, 2023, the Organization sold the California state tax credit of Allied 2904 Corvin, L.P. for $6,256,052 and had a gain of $6,256,052 on the sale. Part of the State credit sale proceeds, $4,639,505, were contributed to Allied 2904 Corvin, L.P. as a loan from AHD. The balance of the proceeds, $1,616,547, was contributed as a general partner capital contribution.

13. CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

These statements summarize the balances and activities in the Net Assets section by categories. The controlling interests represent the portion of net assets owned by Abode Housing Development and Management Affiliates and 100% Owned Properties, and the non-controlling interests represent the portion of net assets owned by the different Limited Partners in the Tax Credit Partnerships. Generally, the Limited Partners own 99.9% of the interest in the Tax Credit Partnerships and Abode Housing Development and Management Affiliates own the remaining 0.1%. The agreements between the Limited Partnerships and Abode Housing Development and Management Affiliates include guarantees by Abode Housing Development and 100% owned affiliates for both tax credits and yearly partnership losses on a tax basis, over a 15-year tax credit compliance period.

14. LIQUIDITY AND FUNDS AVAILABLE

The amounts shown below represent financial assets under the control of AHD, the Management affiliates and the 100% Owned Properties. The amounts do not include financial assets held by the tax credit limited partnerships since they are subject to significant partnership, lender and regulatory restrictions.

14. LIQUIDITY AND FUNDS AVAILABLE (continued)

The following is a quantitative disclosure describing financial assets that are available within one year of June 30, 2023 to fund general expenditures and other obligations when they become due:

Financial assets	
Cash	$ 4,438,358
Grants receivable	14,079
Accounts receivable, net	721,009
Related party receivables	21,545,168
	26,718,614
Less: net assets with donor restrictions - Sister-Opportunity Fund	(6,000,000)
	$ 20,718,614

15. COMMITMENTS AND CONTINGENCIES

On December 1, 2019, Allied 2904 Corvin, L.P. entered into a ground lease agreement with the County of Santa Clara for construction, development, operation and leasing of Calabazas Community Apartments. The lease is effective for 79 years. An annual lease payment of $1 is due until end of the lease term. The County owns the land. The L.P. has the long term lease and will own the building.

On June 1, 2022, Allied 3335 Kifer, L.P. entered into a ground lease agreement with the County of Santa Clara for construction, development, operation and leasing of Calabazas Community Apartments. The lease is effective for 79 years. An annual lease payment of $1 is due until end of the lease term. The County owns the land. The L.P. has the long term lease and owns the building.

Casa de Novo was purchased by Abode Housing Development in 2016 with the intent to operate it as interim supportive housing and permanent supportive housing for several years while a redevelopment proposal was designed, permitted, and funded. In December 2020, AHD sold the property to the County of Santa Clara who subsequently leased it back to AHD with a 55 year lease for $1 a year using State of California Homekey funds for the acquisition. The intent is still to redevelop the property into approximately 118 units of affordable and supportive housing. The difference in sale price and the outstanding loans against the property will be used for the redevelopment of this property.

Grant awards require the fulfillment of certain conditions as set forth in the instruments of the grants. Failure to fulfill the conditions could result in the return of the funds to the grantors. AHD deems this contingency remote. Management is of the opinion that AHD has complied with the terms of all grants.

15. COMMITMENTS AND CONTINGENCIES (continued)

Pursuant to the first amended and restated agreements of limited partnership of Allied 2904 Corvin, L.P. dated December 6, 2019, and Allied 38631 Fremont, L.P. dated March 31, 2020, and Allied 4038 Irvington, L.P. dated April 22, 2021, and Allied 2595 Depot L.P. dated October 15, 2021, and Allied 34320 Fremont, L.P. dated April 27, 2022, and Allied 3335 Kifer, L.P dated June 23, 2022 (the "Partnership Agreements"), Abode Services and related entities Abode Housing Development, Abode Property Management. and Community Working Group, Inc. (the "Guarantors") have entered into a Guaranty Agreement. Under the terms of this agreement, the Guarantors are obligated for the due and punctual performance by the general partners and the developer of all of their obligations under the Partnership Agreements, which includes maintaining sufficient funds to be able to satisfy obligations under the Partnership Agreements.

16. SISTERS-OPPORTUNITY FUND

In 2016, Abode Services received a $6,000,000 grant to be used to fund housing projects. The fund was a revolving fund that was used to help fund housing projects until they are in operation and then the funding will be repaid and used for future housing projects. This fund was recognized as held in perpetuity since this asset was subject to non-expiring donor restriction. In November 2021, the Memorandum of Understanding (the "MOU") with the donor was amended wherein Abode Services assigned, and Abode Housing Development assumed, all of Abode Services' rights and obligations under the MOU with respect to the Fund and its administration in accordance with the MOU. The transaction was reported as an equity transfer on the consolidated statements of activities and changes in net assets.

17. SUBSEQUENT EVENTS

On July 7, 2023, the Organization filed a Restated Articles of Incorporation with the California Secretary of State, changing its legal name from Allied Housing, Inc. to Abode Housing Development.

SUPPLEMENTARY INFORMATION

Abode Housing Development
Consolidating Statement of Financial Position
June 30, 2023

ASSETS

	AHD and Management Affiliates	100% Owned Properties	Eliminating Entries	Total	Tax Credit Partnerships	Eliminating Entries	Total
Current assets							
Cash	$ 1,789,175	$ 2,649,183	$ -	$ 4,438,358	$ 7,669,170	$ -	$ 12,107,528
Grants receivable	14,079	-	-	14,079	-	-	14,079
Accounts receivable, net	(6,218)	727,227	-	721,009	793,670	-	1,514,679
Tenant security deposits	-	125,725	-	125,725	128,717	-	254,442
Related party receivables	22,571,500	2,391,882	(3,418,214)	21,545,168	2,521,615	(22,406,444)	1,660,339
Prepaid expenses	1,103	63,240	-	64,343	180,383	-	244,726
Other current assets	-	-	-	-	108,606	-	108,606
Total current assets	24,369,639	5,957,257	(3,418,214)	26,908,682	11,402,161	(22,406,444)	15,904,399
Property and equipment, net	-	58,842,252	(44,365)	58,797,887	92,811,157	(3,865,607)	147,743,437
Other assets							
Interest receivable	34,990	-	-	34,990	-	(34,990)	-
Deferred costs, net	-	-	-	-	201,920	-	201,920
Replacement reserves	-	279,151	-	279,151	137,620	-	416,771
Operating reserves	-	273,547	-	273,547	582,579	-	856,126
Other reserves	-	-	-	-	5,604,759	-	5,604,759
Capitalized operating subsidy reserve	-	797,242	-	797,242	-	-	797,242
Project reserve	-	3,004,174	-	3,004,174	-	-	3,004,174
Investment in partnerships	6,171,740	-	-	6,171,740	-	(2,267,547)	3,904,193
Development in progress	1,034,336	-	-	1,034,336	178,147,545	(6,310,571)	172,871,310
Total other assets	7,241,066	4,354,114	-	11,595,180	184,674,423	(8,613,108)	187,656,495
Total assets	$ 31,610,705	$ 69,153,623	$ (3,462,579)	$ 97,301,749	$288,887,741	$ (34,885,159)	$351,304,331

Abode Housing Development
Consolidating Statement of Financial Position
June 30, 2023

LIABILITIES AND NET ASSETS

	AHD and Management Affiliates	100% Owned Properties	Eliminating Entries	Total	Tax Credit Partnerships	Eliminating Entries	Total
Current liabilities							
Accounts payable and accrued expenses	$ 114,148	$ 843,828	$ -	$ 957,976	$ 553,632	$ -	$ 1,511,608
Construction accounts payable	-	240,102	-	240,102	23,575,726	-	23,815,828
Related party payables, current portion	5,531,480	3,413,030	(3,418,214)	5,526,296	16,537,371	(17,766,939)	4,296,728
Deferred revenue	-	87,662	-	87,662	83,695	-	171,357
Notes payable, current portion	707,686	-	-	707,686	31,708,079	-	32,415,765
Total current liabilities	6,353,314	4,584,622	(3,418,214)	7,519,722	72,458,503	(17,766,939)	62,211,286
Long-term liabilities							
Accrued interest	-	2,590,628	-	2,590,628	6,397,024	(34,990)	8,952,662
Notes payable, net of current portion	-	63,675,939	-	63,675,939	159,640,010	-	223,315,949
Related party payables, net of current	-	-	-	-	5,539,505	(4,639,505)	900,000
Tenant security deposits	-	108,502	-	108,502	127,917	-	236,419
Total long-term liabilities	-	66,375,069	-	66,375,069	171,704,456	(4,674,495)	233,405,030
Total liabilities	6,353,314	70,959,691	(3,418,214)	73,894,791	244,162,959	(22,441,434)	295,616,316
Net assets							
Without donor restrictions							
Controlling interest	19,257,391	(1,806,068)	(44,365)	17,406,958	2,266,716	(12,443,725)	7,229,949
Non-controlling interest	-	-	-	-	42,458,066	-	42,458,066
Total without donor restrictions	19,257,391	(1,806,068)	(44,365)	17,406,958	44,724,782	(12,443,725)	49,688,015
With donor restrictions	6,000,000	-	-	6,000,000	-	-	6,000,000
Total net assets	25,257,391	(1,806,068)	(44,365)	23,406,958	44,724,782	(12,443,725)	55,688,015
Total liabilities and net assets	$ 31,610,705	$ 69,153,623	$ (3,462,579)	$ 97,301,749	$288,887,741	$ (34,885,159)	$351,304,331

Abode Housing Development
Consolidating Statement of Activities
For The Year Ended June 30, 2023

	AHD and Management Affiliates	100% Owned Properties	Eliminating Entries	Total	Tax Credit Partnerships	Eliminating Entries	Total
Revenue and support							
Rental income							
Gross potential rent	$ 37,879	$ 2,973,899	$ -	$ 3,011,778	$ 3,797,067	$ -	$ 6,808,845
Vacancy loss	-	(814,422)	-	(814,422)	(86,295)	-	(900,717)
Total rental income	37,879	2,159,477	-	2,197,356	3,710,772	-	5,908,128
Gain on sale of state tax credit	6,256,052	-	-	6,256,052	-	-	6,256,052
Developer fees	5,002,399	-	-	5,002,399	-	(4,468,649)	533,750
Miscellaneous revenue	109,102	39,780	-	148,882	49,445	-	198,327
Interest income	34,990	11,765	-	46,755	7,272	(34,990)	19,037
Income (loss) on investment in partnerships	(46,644)	-	-	(46,644)	-	-	(46,644)
Total revenue and support	11,393,778	2,211,022	-	13,604,800	3,767,489	(4,503,639)	12,868,650
Functional expenses							
Program services							
Rental operations	106,091	3,851,762	-	3,957,853	8,005,358	(34,990)	11,928,221
Project development	855,339	-	-	855,339	-	(855,339)	-
Total program services	961,430	3,851,762	-	4,813,192	8,005,358	(890,329)	11,928,221
Support services							
Management and general	1,531,967	-	-	1,531,967	-	-	1,531,967
Fundraising	10,573	-	-	10,573	-	-	10,573
Total support services	1,542,540	-	-	1,542,540	-	-	1,542,540
Total functional expenses	2,503,970	3,851,762	-	6,355,732	8,005,358	890,329	13,470,761
Change in net assets	8,889,808	(1,640,740)	-	7,249,068	(4,237,869)	(3,613,310)	(602,111)
Net assets beginning of year	16,252,833	692,675	(44,365)	16,901,143	26,604,555	(6,863,868)	36,641,830
Net change in capital	114,750	(858,003)	-	(743,253)	22,358,096	(1,966,547)	19,648,296
Net assets end of year	$ 25,257,391	$ (1,806,068)	$ (44,365)	$ 23,406,958	$ 44,724,782	$ (12,443,725)	$ 55,688,015

Abode Housing Development
Statement of Revenue and Expenses - Properties with City of San Jose and County of Alameda
Reporting Requirements
For The Year Ended June 30, 2023

	Casa De Novo	Mission Bell	Total
Revenue and support			
Rental income			
Gross potential rent	$ 1,797,220	$ 336,126	$ 2,133,346
Vacancy loss	(738,015)	(14,070)	(752,085)
Total rental income	1,059,205	322,056	1,381,261
Miscellaneous revenue	13,487	1,641	15,128
Interest income	7,922	340	8,262
Total revenue and support	1,080,614	324,037	1,404,651
Operating expenses			
Salaries and wages	296,776	115,055	411,831
Security contract	218,693	2,325	221,018
Real estate taxes	82,960	18,653	101,613
Utilities	89,243	87,072	176,315
Legal and professional fees	97,021	53,842	150,863
Interest	-	143,974	143,974
Repairs and maintenance	73,986	45,029	119,015
Depreciation and amortization	-	102,197	102,197
Employee benefits	41,517	18,826	60,343
Bad debt	43,776	9,156	52,932
Payroll taxes	23,418	14,950	38,368
Insurance	14,465	12,918	27,383
Office expenses	14,429	9,362	23,791
Telephone	14,205	1,292	15,497
Licenses and fees	7,563	3,386	10,949
Travel	578	5,588	6,166
Miscellaneous	343	-	343
Total operating expenses	1,018,973	643,625	1,662,598
Change in net assets	61,641	(319,588)	(257,947)
Net assets, beginning of year	4,225,056	(2,991,413)	1,233,643
Net assets, end of year	$ 4,286,697	$ (3,311,001)	$ 975,696

Abode Housing Development
Statement of Net Cash Flows - County of Alameda Loan - Mission Bell
For The Year Ended June 30, 2023

Revenue	
Tenant portion	$ 128,570
Subsidy	162,004
Commercial	45,552
Gross potential rent	336,126
Vacancy loss	(14,070)
Net rental revenue	322,056
Operating expenses	
Administrative expenses	(180,946)
Utilities	(87,072)
Operating and maintenance	(45,029)
Taxes	(36,989)
Management fee	(25,344)
Insurance	(12,918)
Total operating expenses	(388,298)
Net operating loss	(66,242)
Financial expenses/debt payments	(24,927)
Operating reserves, net activity	66,596
Replacement reserves, net activity	(187)
Net cash flow	$ (24,760)