

**EDEN HOUSING, INC.
AND AFFILIATES**

**COMBINED FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

YEARS ENDED DECEMBER 31, 2020 AND 2019

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

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Board of Directors
Eden Housing, Inc. and Affiliates
Hayward, California

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ALEXIS H. WONG
CHARLOTTE SIEW-KUN TAY
CATHY L. HWANG
RITA B. DELA CRUZ
STANLEY WOO
SCOTT K. SMITH

CRISANTO S. FRANCISCO
JOE F. HUIE

INDEPENDENT AUDITOR’S REPORT

Report on the Financial Statements

We have audited the accompanying combined financial statements of Eden Housing, Inc., a California nonprofit public benefit corporation, and Affiliates, which comprise the combined statements of financial position as of December 31, 2020 and 2019, and the related combined statements of activities, functional expenses, 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits 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 audits to obtain reasonable assurance about whether the combined 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 Eden Housing, Inc. and Affiliates’ preparation and fair presentation of the combined 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 Eden Housing, Inc. and Affiliates’ 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 Eden Housing, Inc. and Affiliates as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the basic combined financial statements taken as a whole. The accompanying supplementary information on pages 35 through 60 is presented for purposes of additional analysis rather than to present the financial position, changes in net assets, and cash flows of the individual entities, and is not a required part of the basic 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 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 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 combined financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 2021 on our consideration of Eden Housing, Inc. and Affiliates' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of 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 Eden Housing, Inc. and Affiliates' internal control over financial reporting and compliance.

Sindquist, von Husen and Joyce LLP

June 21, 2021

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 82,699,613	\$ 60,745,186
Investments in marketable securities (Note 3)	38,828,848	43,228,308
Impound deposits	2,229,479	1,874,988
Receivables, net – current portion (Note 5)	711,250	1,878,490
Prepaid expenses and other receivables	1,382,014	1,562,184
Total current assets	125,851,204	109,289,156
Restricted cash (Note 4)	119,784,442	108,607,060
Receivables, net – net of current portion (Note 5)	3,950,059	4,904,822
Notes and interest receivable, net (Note 6)	6,736,662	6,692,899
Grants and contributions receivable	176,777	101,416
Investments in other companies (Note 7)	1,773,257	601,672
Development in progress (Note 8)	123,557,274	68,412,716
Property and equipment, net (Note 9)	1,682,510,262	1,619,898,012
Deferred costs, net (Note 10)	4,241,001	4,167,359
Total assets	\$ 2,068,580,938	\$ 1,922,675,112
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 10,907,412	\$ 8,272,652
Deferred revenue	3,942,339	15,607,530
Line of credit (Note 11)	2,500,000	2,500,000
Interest payable – current portion (Note 12)	2,533,301	2,080,888
Notes payable – current portion (Note 12)	17,396,755	21,408,207
Total current liabilities	37,279,807	49,869,277
Accounts payable – development	23,290,066	13,986,518
Tenant security deposits	6,290,087	6,043,646
Interest rate swap liability	2,801,346	961,277
Interest payable – net of current portion (Note 12)	117,072,391	110,353,261
Notes payable – net of current portion (Note 12)	1,286,085,880	1,147,040,971
Total liabilities	1,472,819,577	1,328,254,950
Net assets:		
Without donor restrictions:		
Controlling interest	89,067,764	76,202,627
Controlling interest – board-designated funds (Note 13)	58,457,949	46,782,965
Non-controlling interest	448,235,648	468,648,850
Total without donor restrictions	595,761,361	591,634,442
With donor restrictions – controlling interest (Notes 13 and 14)	-	2,785,720
Total net assets	595,761,361	594,420,162
Total liabilities and net assets	\$ 2,068,580,938	\$ 1,922,675,112

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

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED STATEMENTS OF ACTIVITIES
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
Support and revenue:						
Rental income	\$ 147,919,415	\$ -	\$ 147,919,415	\$ 141,610,431	\$ -	\$ 141,610,431
Developer fees	-	-	-	299,696	-	299,696
Management and resident services fees	712,479	-	712,479	590,374	-	590,374
Ground lease income	127,393	-	127,393	123,675	-	123,675
Grants and contributions	23,562,136	-	23,562,136	12,376,566	-	12,376,566
Interest income and net investment return	2,141,657	-	2,141,657	3,064,265	-	3,064,265
Other income	2,386,708	-	2,386,708	2,532,270	-	2,532,270
Net assets released from restrictions	2,785,720	(2,785,720)	-	933,600	(933,600)	-
Total support and revenue	179,635,508	(2,785,720)	176,849,788	161,530,877	(933,600)	160,597,277
Expenses:						
Program expenses:						
Affordable housing ownership and operations	96,727,921	-	96,727,921	92,610,428	-	92,610,428
Affordable housing property management	8,106,829	-	8,106,829	7,290,987	-	7,290,987
Affordable housing resident services	4,920,371	-	4,920,371	4,617,600	-	4,617,600
Affordable housing development	373,292	-	373,292	2,260,689	-	2,260,689
Supporting services:						
Management and general	11,219,263	-	11,219,263	10,002,812	-	10,002,812
Total expenses	121,347,676	-	121,347,676	116,782,516	-	116,782,516
Change in net assets before other (income) expenses	58,287,832	(2,785,720)	55,502,112	44,748,361	(933,600)	43,814,761

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

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED STATEMENTS OF ACTIVITIES
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	<i>Without Donor</i>	<i>With Donor</i>	<i>Total</i>	<i>Without Donor</i>	<i>With Donor</i>	<i>Total</i>
	<i>Restrictions</i>	<i>Restrictions</i>		<i>Restrictions</i>	<i>Restrictions</i>	
Other (income) expenses:						
(Income from) adjustment to property acquisitions	-	-	-	2,925,641	-	2,925,641
Forgiveness of debt	(791,989)	-	(791,989)	(901,172)	-	(901,172)
Deferred interest expense	14,581,433	-	14,581,433	13,704,827	-	13,704,827
Depreciation and amortization	53,246,141	-	53,246,141	51,709,211	-	51,709,211
Loss on retirement of property and equipment	2,062,740	-	2,062,740	1,698,190	-	1,698,190
Total other (income) expenses	69,098,325	-	69,098,325	69,136,697	-	69,136,697
Change in net assets	(10,810,493)	(2,785,720)	(13,596,213)	(24,388,336)	(933,600)	(25,321,936)
Net assets, beginning of year	591,634,442	2,785,720	594,420,162	516,141,795	3,719,320	519,861,115
Capital contributions, net of distributions – non-controlling interest	14,646,641	-	14,646,641	103,458,525	-	103,458,525
Purchase/transfer of interest in projects	290,771	-	290,771	(3,577,542)	-	(3,577,542)
Net assets, end of year	\$ 595,761,361	\$ -	\$ 595,761,361	\$ 591,634,442	\$ 2,785,720	\$ 594,420,162

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

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020						
	<i>Affordable Housing Ownership and Operations</i>	<i>Affordable Housing Management</i>	<i>Affordable Housing Resident Services</i>	<i>Affordable Housing Development</i>	<i>Total Program Services</i>	<i>Management and General</i>	<i>Total</i>
Grants and other assistance to organizations	\$ 1,214,566	\$ 2,341	\$ 440	\$ 412,055	\$ 1,629,402	\$ -	\$ 1,629,402
Grants and other assistance to individuals	-	-	3,794	101,579	105,373	-	105,373
Salaries and wages	16,231,517	5,609,077	609,878	4,918,056	27,368,528	4,913,551	32,282,079
Pension plan accruals and contributions	529,421	217,208	22,747	184,569	953,945	174,103	1,128,048
Other employee benefits	2,277,649	883,431	67,052	488,361	3,716,493	751,373	4,467,866
Payroll taxes	1,172,591	439,257	46,648	339,132	1,997,628	319,886	2,317,514
Management fees	568,191	-	-	-	568,191	-	568,191
Legal fees	339,728	5,689	450	37,193	383,060	84,101	467,161
Accounting fees	190	4,500	4,500	-	9,190	1,541,633	1,550,823
Other fees for services	886,902	699,302	33,080	139,824	1,759,108	1,580,423	3,339,531
Advertising and promotion	295,390	33,342	-	-	328,732	-	328,732
Office expenses	2,189,310	12,308	230,331	12,055	2,444,004	837,372	3,281,376
Information technology	995,067	2,634	15,366	13,641	1,026,708	323,793	1,350,501
Occupancy: utilities	11,246,877	-	-	-	11,246,877	30,166	11,277,043
Occupancy: repairs and maintenance	18,980,233	31,255	25,215	1,484	19,038,187	179,853	19,218,040
Occupancy: real estate taxes	1,049,145	-	-	-	1,049,145	-	1,049,145
Occupancy: property and liability insurance	3,781,186	-	-	-	3,781,186	47,350	3,828,536
Travel	64,731	113,031	6,800	12,310	196,872	19,222	216,094
Conferences, conventions and meetings	10,160	10,439	9,491	19,499	49,589	25,782	75,371
Other insurance	1,095,021	39,239	1,452	17,798	1,153,510	15,616	1,169,126
Social services	(23,379)	-	3,842,898	-	3,819,519	-	3,819,519
Mortgage interest	28,987,061	-	-	150,051	29,137,112	168,730	29,305,842
Ground lease	561,201	-	-	-	561,201	-	561,201
Other	4,275,163	3,776	229	173,723	4,452,891	206,309	4,659,200
Capitalized salaries and project costs	-	-	-	(6,648,038)	(6,648,038)	-	(6,648,038)
Total expenses reported by function on the combined statement of activities	96,727,921	8,106,829	4,920,371	373,292	110,128,413	11,219,263	121,347,676
Other expenses:							
Deferred interest expense	14,581,433	-	-	-	14,581,433	-	14,581,433
Depreciation and amortization	52,724,526	5,416	1,220	-	52,731,162	514,979	53,246,141
Loss on retirement of property and equipment	2,062,740	-	-	-	2,062,740	-	2,062,740
Total expenses	\$ 166,096,620	\$ 8,112,245	\$ 4,921,591	\$ 373,292	\$ 179,503,748	\$ 11,734,242	\$ 191,237,990

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

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2019						Total
	<i>Affordable Housing Ownership and Operations</i>	<i>Affordable Housing Management</i>	<i>Affordable Housing Resident Services</i>	<i>Affordable Housing Development</i>	<i>Total Program Services</i>	<i>Management and General</i>	
Grants and other assistance to organizations	\$ 307,012	\$ -	\$ 13,140	\$ 221,418	\$ 541,570	\$ -	\$ 541,570
Grants and other assistance to individuals	-	-	10,336	63,611	73,947	-	73,947
Salaries and wages	15,128,457	5,050,558	2,004,991	4,094,041	26,278,047	4,503,818	30,781,865
Pension plan accruals and contributions	436,830	181,450	67,095	133,025	818,400	154,530	972,930
Other employee benefits	2,162,423	616,473	243,279	303,571	3,325,746	707,404	4,033,150
Payroll taxes	1,086,818	414,106	167,799	281,767	1,950,490	300,147	2,250,637
Management fees	747,122	-	-	5,962	753,084	-	753,084
Legal fees	630,655	7,378	-	28,353	666,386	196,639	863,025
Accounting fees	15,308	4,200	4,100	-	23,608	1,413,261	1,436,869
Other fees for services	650,232	608,350	1,673,168	146,953	3,078,703	1,265,804	4,344,507
Advertising and promotion	220,071	56,726	-	-	276,797	22	276,819
Office expenses	1,767,116	4,892	272,037	151,515	2,195,560	668,204	2,863,764
Information technology	934,738	12,911	23,508	5,414	976,571	155,171	1,131,742
Occupancy: utilities	10,548,882	-	-	-	10,548,882	38,490	10,587,372
Occupancy: repairs and maintenance	18,850,881	561	-	9,875	18,861,317	65,672	18,926,989
Occupancy: real estate taxes	1,093,383	-	-	-	1,093,383	666	1,094,049
Occupancy: property and liability insurance	3,114,337	-	-	-	3,114,337	9,460	3,123,797
Travel	104,106	249,330	73,933	55,841	483,210	101,748	584,958
Conferences, conventions and meetings	141,844	38,308	19,667	45,632	245,451	86,970	332,421
Other insurance	1,066,124	39,822	7,448	15,178	1,128,572	16,526	1,145,098
Social services	223,994	-	-	-	223,994	-	223,994
Mortgage interest	30,776,636	-	-	459,459	31,236,095	98,300	31,334,395
Ground lease	553,609	-	-	-	553,609	-	553,609
Other	2,049,852	5,920	37,100	36,891	2,129,763	219,980	2,349,743
Capitalized salaries and project costs	-	-	-	(3,797,818)	(3,797,818)	-	(3,797,818)
Total expenses reported by function on the combined statement of activities	92,610,430	7,290,985	4,617,601	2,260,688	106,779,704	10,002,812	116,782,516
Other expenses:							
Adjustment to property acquisitions	2,925,641	-	-	-	2,925,641	-	2,925,641
Deferred interest expense	13,704,827	-	-	-	13,704,827	-	13,704,827
Depreciation and amortization	51,352,920	8,170	3,379	344,742	51,709,211	-	51,709,211
Loss on retirement of property and equipment	1,494,173	-	-	204,017	1,698,190	-	1,698,190
Total expenses	\$ 162,087,991	\$ 7,299,155	\$ 4,620,980	\$ 2,809,447	\$ 176,817,573	\$ 10,002,812	\$ 186,820,385

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

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED STATEMENTS OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ (13,596,213)	\$ (25,321,936)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	53,246,141	51,709,211
Loss on retirement of property and equipment	2,062,740	1,698,190
Amortization of debt issuance costs	2,214,236	2,560,780
Net realized and unrealized loss on investments	3,999,494	3,014,862
Forgiveness of notes and interest payable	(632,000)	(901,172)
Forgiveness of related-party advances	(159,989)	-
(Increase) decrease in assets:		
Receivables	2,196,928	54,396
Grants and contributions receivable	(75,361)	1,451,220
Prepaid expenses and other receivables	180,170	(266,558)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	2,021,012	809,631
Deferred revenue	(11,479,929)	14,366,681
Tenant security deposits – liability	246,441	302,773
Interest payable	6,063,969	8,125,633
Net cash provided by operating activities	46,287,639	57,603,711
Cash flows from investing activities:		
Net (increase) decrease in investments in marketable securities	2,647,035	(7,326,047)
Net (increase) decrease in investments in other companies	83,837	(360,779)
Net increase in notes receivable	(118,688)	(790,801)
Purchase of property and equipment and net increase in development in progress	(147,309,818)	(121,618,440)
Net increase in deferred costs	(296,055)	(252,570)
Net cash used in investing activities	(144,993,689)	(130,348,637)

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

EDEN HOUSING, INC. AND AFFILIATES
 COMBINED STATEMENTS OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash flows from financing activities:		
Advances from line of credit	500,000	2,000,000
Payment of line of credit	(500,000)	(1,000,000)
Payment of development payables	(14,721,070)	(14,677,481)
Capital contributions, net of distributions – non-controlling interest	14,312,292	100,063,331
Payment of syndication costs	(271,989)	(182,348)
Payment of debt issuance costs	(836,229)	(2,841,178)
Payment of mortgages and notes payable	(53,001,626)	(237,734,657)
Proceeds from long-term debt	186,710,972	227,451,564
	132,192,350	73,079,231
Net increase in cash, cash equivalents, and restricted cash	33,486,300	334,305
Cash, cash equivalents, and restricted cash, beginning of year	171,227,234	170,892,929
Cash, cash equivalents, and restricted cash, end of year	\$ 204,713,534	\$ 171,227,234
Supplementary information:		
Cash paid for interest – net of capitalized portion	\$ 40,072,777	\$ 34,358,206
Noncash investing and financing activity:		
Purchase/transfer of interest in projects	\$ 290,771	\$ -
Cash and cash equivalents	\$ 82,699,613	\$ 60,745,186
Impound deposits	2,229,479	1,874,988
Restricted cash	119,784,442	108,607,060
Total cash, cash equivalents, and restricted cash shown in the combined statements of cash flows	\$ 204,713,534	\$ 171,227,234

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

EDEN HOUSING, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Eden Housing, Inc. (EHI) was formed as a California nonprofit public benefit corporation in 1968. Its mission is to create and sustain high-quality affordable housing communities that advance equity and opportunity for all. Affordable housing includes multi-family rental housing, co-ops and supportive housing. EHI has developed, rehabilitated or acquired over 150 affordable housing communities and 10,400 units for these purposes across 15 California counties.

In addition to providing services as a real estate developer, EHI directly owns three affordable housing properties known as Del Nido, Grove Way, and 10th & D, which provide housing for low- and moderate-income individuals and families. Del Nido is owned by Eden Del Nido LLC, of which EHI is the sole member.

EHI also holds managing member interests in LLCs holding title to land. EHI holds a 60% managing member interest in Light Tree Land LLC, which owned a parcel of land in East Palo Alto, CA leased to an affiliate that provides affordable housing. In 2020, the land was sold to affiliates, Light Tree Two, L.P. and Light Tree Three, L.P. EHI holds a 75% managing member interest in Eden Pratt Development LLC, which owns a parcel of land in Mountain View, CA that is anticipated to be developed into affordable housing.

EHI is affiliated with and under common board control with other not-for-profit corporations which have been formed either as supporting entities to EHI, or as instruments to further EHI’s organizational objectives. These entities, which are included in the combined financial statements of EHI in accordance with accounting principles generally accepted in the United States of America (GAAP), are:

- **Eden Housing Management, Inc. (EHMI)** provides property management services in connection with the operations of affordable housing projects. EHMI currently provides property management services for over 9,700 units.
- **Eden Housing Resident Services, Inc. (EHRSI)** develops and supports viable social services to the projects’ residents. EHRSI provides social services to over 10,000 residents annually.
- **Eden Investments, Inc. (EII)** forms and controls limited partnerships that own affordable housing properties. Most of the limited partnerships participate in the Low-Income Housing Tax Credit program described in Section 42 of the Internal Revenue Code. EII is the managing general partner or member of the limited partnerships or LLCs, respectively. Since EII controls each entity as defined by GAAP, the entities are consolidated in these financial statements and include:

<i>General Partner (If LLC, controlled by EII)</i>	<i>Limited Partnership</i>	<i>Property Name</i>
Antioch Eden Rivertown LLC	Antioch Eden Rivertown, L.P.	Rivertown Place
Brentwood Senior Housing LLC	Brentwood Senior Commons, L.P.	Brentwood Senior
Catalonia Two LLC	Catalonia Two, L.P.	Catalonia
CHHP LLC	CHHP, L.P.	Cypress Glen/Harris Court/Huntwood Commons
Connell Apartments LLC	Connell Apartments, L.P.	Connell
CRWC LLC	CRWC, L.P.	Corona Ranch/Washington Creek
Downtown River LLC	Downtown River Associates, L.P.	Downtown River
DTLM LLC	DTLM, L.P.	N/A
Dublin Senior LLC	Dublin Senior Limited Partnership	Wicklow Square
Eden 819 North Rengstorff Studios LLC	819 North Rengstorff Studio Apartments, L.P.	819 North Rengstorff Studios
Eden Altenheim I LLC	Historic Altenheim Partners, L.P.	Altenheim I
Eden Arroyo Vista LLC	Eden Arroyo Vista Associates, L.P.	Arroyo Vista
Eden Baywood Apartments LLC	Eden Baywood Apartments, L.P.	Eden Baywood
Eden Brookwood LLC	N/A	N/A

EDEN HOUSING, INC. AND AFFILIATES
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<i>General Partner (If LLC, controlled by EII)</i>	<i>Limited Partnership</i>	<i>Property Name</i>
Eden Coronado Terrace GP LLC	Eden Coronado Terrace LP	N/A
Eden Coronado Terrace GP LLC	Eden Coronado Terrace 2, L.P.	Coronado Terrace
Eden Cril LLC	EHP EC Magnolia, L.P.	EC Magnolia
Eden Cril LLC	EHP Olive Tree Plaza, L.P.	Olive Tree Plaza
Eden Cril LLC	EHP Redwood Lodge, L.P.	Redwood Lodge
Eden Dougherty LLC	Eden Dougherty, L.P.	Wexford Way/Carlow Court
Eden Faith Manor LLC	N/A	N/A
Eden Ford Family LLC	Ford Road Family Housing, L.P.	Ford Road Plaza
Eden Freedom, LLC	Eden Freedom Investors, L.P.	Land under development
Eden Harbour Point, LLC	Maritime Apartments Investors, L.P.	Land under development
Eden Investments, Inc.	Ashland Village Apartments, L.P.	Ashland Village
Eden Investments, Inc.	Eden Rivertown Limited Partnership	West Rivertown
Eden Investments, Inc.	Eden Victoria Limited Partnership	Victoria Green
Eden Investments, Inc.	Eden Woodside Court, L.P.	Woodside Court
Eden Investments, Inc.	EHP Fuller Lodge, L.P.	Fuller Lodge
Eden Investments, Inc.	EHP Issei Terrace, L.P.	Eden Issei
Eden Investments, Inc.	EHP Sequoia Manor, L.P.	Sequoia Manor
Eden Investments, Inc.	Fireside Affordable Housing Associates	Fireside
Eden Investments, Inc.	Lafayette Senior, L.P.	Belle Terre
Eden Investments, Inc.	New Altheim Partners, L.P.	Altheim II
Eden Investments, Inc.	Palo Alto Family, L.P.	801 Alma
Eden Investments, Inc.	Quail Run Alameda County L.P.	Quail Run 2
Eden Investments, Inc.	Southport Yolo L.P.	Savannah at Southport
Eden Investments, Inc.	Warner Creek Senior Housing, L.P.	Warner Creek
Eden Lodge LLC	Eden Lodge, L.P.	Eden Lodge
Eden Oak Grove, LLC	Eden Oak Grove Investors, L.P.	Land under development
Eden Orvieto, LLC	N/A	N/A
Eden Sequoia, LLC	Granite Ridge Investors, L.P.	Land under development
Eden Sereno LLC	Sereno Village Associates	Sereno Village
Eden South Hayward LLC	Eden South Hayward, L.P.	Alta Mira
Eden Surf LLC	Eden Surf Associates, L.P.	Surf Apartments
Eden-Sycamore LLC	Eden-Sycamore, L.P.	Samara Terrace
Eden Timber, LLC	Timber Street Investors, L.P.	Land under development
Eden Vista Terrace GP LLC	Eden Vista Terrace 2, L.P.	Vista Terrace
Eden Windscape LLC	Reseda Boulevard Associates	Windscape
Gallup and Mesa LLC	Gallup and Mesa, L.P.	N/A
GBGEH LLC	GBGEH, L.P.	Glen Berry/Glen Eden
Grand/C LLC	Grand/C Limited Partnership	Hayward Senior
Healdsburg Family LLC	Healdsburg Family, L.P.	Foss Creek
Leidig Court LLC	N/A	Leidig Court
LPSL LLC	LPSL, L.P.	Las Palmas
Mission Court MGP LLC	Mission Court Four, L.P.	Pauline Weaver
	Mission Court Nine, L.P.	
	Santa Rosa Housing Partners Limited Partnership	N/A
Quail Run Eden, LLC	Redwoods Wheeler, L.P.	Redwoods/Wheeler Manor
Redwoods Wheeler LLC	Ridge View Commons II Associates, L.P.	N/A
Ridgeview Commons LLC	Saklan Avenue Limited Partnership	Walker Landing
Saklan Avenue LLC	Sara Conner Court, L.P.	Sara Conner Court
Sara Conner Court LLC	SJ Auzerais, L.P.	Land under development
SJ Auzerais LLC		

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<i>General Partner (If LLC, controlled by EII)</i>	<i>Limited Partnership</i>	<i>Property Name</i>
Stone Pine Meadow Two LLC	Stone Pine Meadow Two, L.P.	Stone Pine Meadow
Stoney Creek Two LLC	Stoney Creek Two, L.P.	Stoney Creek
Tennyson Gardens, LLC	Tennyson Preservation Limited Partnership	N/A
Tienda Drive Senior Apartments LLC	Tienda Drive Senior Apartments, L.P.	Cranes Landing
Villa Springs LLC	Villa Springs Apartments, L.P.	Villa Springs
Warm Springs Village Four GP, LLC	Warm Springs Village Four, L.P.	Canyon Flats
Warm Springs Village Nine GP, LLC	Warm Springs Village Nine, L.P.	Reily Station

- **Eden Development, Inc. (EDI)** is a multi-county Community Housing Development Organization (CHDO) serving Alameda, Contra Costa, San Joaquin, and San Mateo Counties. A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. In order to qualify for the designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organization structure, capacity, and experience. EDI is the managing general partner or member of limited partnerships or LLCs, respectively, that are consolidated in these financial statements:

<i>General Partner (If LLC, controlled by EDI)</i>	<i>Limited Partnership</i>	<i>Property Name</i>
Alameda Point Family LLC	Alameda Point Family, L.P.	The Starling
Alameda Point Senior LLC	Alameda Point Senior, L.P.	Corsair Flats
Dublin Family LLC	Dublin Family, L.P.	Valor Crossing
EB LLC	EB, L.P.	East Bluff
El Cerrito Senior LLC	El Cerrito Senior, L.P.	Hana Gardens
Eden Development, Inc.	B Grand, L.P.	Weinreb Place
Eden Development, Inc.	Estabrook Senior Housing, L.P.	Estabrook Place
Eden Development, Inc.	Hillview Glen Housing Partners, L.P.	Hillview Glen
Eden Development, Inc.	Peralta Seniors, L.P.	Cottonwood
Eden Development, Inc.	Union Court Limited Partnership	Union Court
Gotta Have Faith LLC	Gotta Have Faith LP	Faith Manor/Tennyson Gardens
Irwin Way LLC	Irwin Way Limited Partnership	Monteverde Senior
Light Tree Two LLC	Light Tree Two, L.P.	Light Tree Two
Light Tree Three LLC	Light Tree Three, L.P.	Light Tree Three
Montgomery Plaza LLC	Montgomery Plaza, L.P.	Montgomery Plaza
New Del Nido LLC	New Del Nido, L.P.	N/A
Ruby Street LLC	Ruby Street, L.P.	Land under development
San Leandro Parrott LLC	San Leandro Parrott, L.P.	Loro Landing
San Rafael Senior LLC	San Rafael Senior, L.P.	N/A
Santa Rosa Quail Run LLC	Santa Rosa Quail Run, L.P.	Quail Run
Vallejo PSH LLC	Vallejo PSH, L.P.	N/A
VL LLC	VL, L.P.	Virginia Lane

EDEN HOUSING, INC. AND AFFILIATES
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- **Eden South Bay, Inc. (ESBI)** is a state CHDO formed pursuant to an agreement between EHI and South County Housing Corporation (SCHC) to preserve SCHC’s rental portfolio and to continue to have a community-based presence in Monterey, San Benito, Santa Clara, and Santa Cruz Counties. ESBI is the managing general partner or member of limited partnerships or LLCs, respectively, that are consolidated in these financial statements:

<i>General Partner/Owner (If LLC, controlled by ESBI)</i>	<i>Limited Partnership</i>	<i>Property Name</i>
Camphora LLC	Camphora Associates, L.P.	Camphora
Corralitos Creek Apartments LLC	Corralitos Creek Associates	Corralitos Creek
Crest Avenue Housing LLC	Crest Avenue Associates, L.P.	Crest Avenue
Depot Commons LLC	N/A	Depot Commons
Depot Willows LLC	Depot Willows, L.P.	N/A
Gateway Palms LLC	Gateway Palms Associates, L.P.	Gateway Palms
Gilroy Sobrato Studios LLC	N/A	Gilroy Sobrato
Jasmine Square LLC	Church & Monterey Road Associates	Jasmine Square
MRW GP LLC	MRW, L.P.	Monterra Village
Pacific Terrace Apartments LLC	Pacific Terrace Associates	Pacific Terrace
Royal Court Housing LLC	Royal Court Associates	Royal Court
Skeels Hotel LLC	N/A	Skeels Hotel
Skeels Villa LLC	Skeels Villa, L.P.	N/A
Sobrato Transitional LLC	Gilroy Transitional Housing Center Associates	Sobrato Family
University Village LLC	University Village Associates	University Village
Villa Ciolino LLC	Villa Ciolino Associates	Villa Ciolino
Vista Point LLC	Jewell Avenue Associates	Vista Point
Vista Verde LLC	Vista Verde Housing Associates	Vista Verde

- **Eden South County, Inc. (ESCI)** was formed pursuant to an agreement between EHI and South County Housing Corporation (SCHC) to preserve SCHC’s rental portfolio. ESCI is the managing general partner or member of limited partnerships or LLCs, respectively, that are consolidated in these financial statements:

<i>General Partner/Owner (If LLC, controlled by ESCI)</i>	<i>Limited Partnership</i>	<i>Property Name</i>
Aspen Grove Apartments LLC	N/A	Aspen Grove
Aspen Maple Trees LLC	N/A	N/A
Charles Cypress LLC	Charles Cypress, L.P.	Charles Apartments/Cypress Gardens
Cypress Gardens LLC	N/A	N/A
Jardines LLC	N/A	Jardines de Boronda
Lincoln Meadows LLC	N/A	Lincoln Square
Maple Gardens Apartments LLC	N/A	Maple Gardens
Monticelli LLC	Monticelli Housing Associates	Monticelli
Nuevo Amanecer LLC	Salinas Road Associates	Nuevo Amanecer
Nuevo Sol LLC	N/A	Nuevo Sol/Barson Street
Pacific Family MHP LLC	N/A	Pacific Family Mobile Home Park
Pajaro Court LLC	N/A	Pajaro Court
Pleasant Acres MHP LLC	N/A	Pleasant Acres Mobile Home Park
Rancho Rustic LLC	Rancho Rustic, L.P.	Rancho Park/Rustic Gardens
Riverside MHP LLC	N/A	Riverside Mobile Home Park
Seacliff Highlands Apartments LLC	Seacliff Highlands Associates	Seacliff Highlands
The Trees Apartments LLC	N/A	The Trees
Tierra Linda LLC	Tierra Linda Associates	Tierra Linda
Vista Verde Childcare LLC	N/A	Vista Verde Childcare
Westside Terrace Housing LLC	N/A	Westside Terrace
Willows LLC	Edmundson Associates	The Willows

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- **Eden Vacaville Housing, Inc. (EVHI)** was formed pursuant to an agreement between EHI and Vacaville Community Housing, Inc. (VCH) to take over the ownership of VCH’s rental portfolio and to continue to have a community-based presence in the region served by VCH. EVHI is the managing general partner or member of the following limited partnerships or LLCs, respectively, that are consolidated in these financial statements:

<i>General Partner (If LLC, controlled by EVHI)</i>	<i>Limited Partnership</i>	<i>Property Name</i>
Eden Meadows Holly LLC	N/A	N/A
Eden VCH LLC	N/A	Willows/ Highlands/ Hillside/ Orchard Maples
Eden Trower Housing LLC	N/A	N/A

- **Baywood Apartments, Inc. (BAI)**, serves as limited partner when a buy out of a third-party investor limited partner occurs. It also serves as a managing general partner of Livermore Housing Associates, which owns an affordable housing community known as Owl’s Landing. BAI is the limited partner of the following limited partnerships that are controlled by other EHI affiliates and consolidated in these financial statements:

<i>Limited Partnerships</i>	
Church & Monterey Road Associates	Monticelli Housing Associates
Chynoweth Housing Associates	New Del Nido, L.P.
Corralitos Creek Associates	Pacific Terrace Associates
Depot Willows, L.P.	Reseda Boulevard Associates
Downtown River Associates, L.P.	Ridge View Commons Associates
DTLM, L.P.	Ridge View Commons II Associates, L.P.
Dublin Senior Limited Partnership LP	Riverhouse Associates
Eden Arroyo Vista Associates, L.P.	Ruby Street, L.P.
Eden Coronado Terrace, L.P.	Salinas Road Associates
Eden Freedom Investors, L.P.	San Rafael Senior, L.P.
Eden Oak Grove Investors, L.P.	Santa Rosa Housing Partners Limited Partnership
Eden Palms Associates	Seacliff Highlands Associates
Eden Rivertown Limited Partnership	Sereno Village Associates
Eden Surf Associates, L.P.	SJ Auzerais, L.P.
Eden Victoria Limited Partnership	Skeels Villa, L.P.
Eden-Sycamore, L.P.	SPM Housing Associates
Edmundson Associates	Tennyson Preservation Limited Partnership
Gallup and Mesa, L.P.	Tierra Linda Associates
Gilroy Transitional Housing Center Associates	Timber Street Investors, L.P.
Granite Ridge Investors, L.P.	Union Court Limited Partnership
Hillview Glen Housing Partners, L.P.	Vallejo PSH, L.P.
Jewell Avenue Associates	Villa Ciolino Associates
Light Tree Housing Partners	Vista Verde Housing Associates
Maritime Apartments Investors, L.P.	

- **Eden Commercial, Inc. and Rengstorff Commercial, Inc.** (as member of Rengstorff Commercial LLC) operate commercial space developed in conjunction with affordable housing projects.
- **Stevenson Land Corporation** owns a 4.1 acre parcel of land in Fremont with a 99 year ground lease to Park Vista Apartments, an affordable housing complex owned by an unrelated third-party. Payments on the lease are returned to the City of Fremont to pay down the related land loan with the City.

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- **Peralta Mixed-Use Association**, a not-for-profit mutual benefit corporation, is a condominium management association providing management and maintenance of the common area owned by the members. The members of the common interest development include an affiliate providing affordable housing, and the other member is a third-party providing commercial health services.
- **Single-purpose not-for-profit corporations** are direct owners of affordable housing properties or hold a controlling general partner interest in their respective limited partnerships providing affordable housing. The properties receive financing from the U.S. Department of Housing and Urban Development (HUD), the Department of Housing and Community Development, the California Housing Finance Agency, or other sources, and include:

<i>General Partner/Owner</i>	<i>Limited Partnership</i>	<i>Property Name</i>
California Preservation, Inc.	Josephine Lum Lodge, L.P.	Josephine Lum Lodge
Catalonia, Inc./Eden Cambrian LLC	Eden Cambrian, L.P.	Cambrian Center
CDLA, Inc.	N/A	Casa De Los Amigos
Central Valley Senior Housing Corporation	N/A	Almond Court
Charles Apartments Housing Corporation	N/A	N/A
Chynoweth Housing, Inc.	Chynoweth Housing Associates	Ohlone Chynoweth
Contra Costa County Housing Corporation	N/A	Emerson Arms
Corona Crescent, Inc.	N/A	N/A
Corona/Ely Ranch, Inc.	N/A	N/A
EC Magnolia Court, Inc.	N/A	N/A
Eden Alvarado Niles, Inc.	N/A	Rosewood Terrace
Eden/Hope Villa Esperanza, Inc.	N/A	Villa Esperanza
Eden Issei Housing, Inc.	N/A	N/A
Eden Palms, Inc.	Eden Palms Associates	Eden Palms
Ellis Lake Townhomes, Inc.	Riverhouse Associates	Riverhouse Hotel
Ford Road Supportive Housing, Inc.	N/A	Ford Road Plaza
Fuller Lodge, Inc.	N/A	N/A
Gardella Plaza, Inc.	N/A	Vandenburgh Villa
Light Tree Housing Corporation	Light Tree Housing Partners	Light Tree
Manteca Senior Housing Corporation	N/A	Almond Terrace
Monterey Road Supportive Housing Corporation	N/A	Edenvale
Pacific Grove Supportive Housing, Inc.	N/A	Pacific Grove
Peace Grove, Inc.	N/A	Kirker Court
RVC Investments, Inc.	Ridge View Commons Associates	Ridgeview Commons
San Leandro Supportive Housing, Inc.	N/A	Fuller Gardens
SPM Affordable Housing Corporation	SPM Housing Associates	N/A
Stoney, Inc.	N/A	N/A
Sycamore Glen, Inc.	N/A	Sycamore Glen
Sycamore Glen Senior Housing, Inc.	N/A	N/A
Sycamore Square Housing Corporation	N/A	Sycamore Square Apartments
UC Independent, Inc.	N/A	Wisteria Place
Virginia Lane Housing, Inc.	N/A	N/A

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- The combined financial statements do not include single purpose not-for-profit corporations for which EHI’s officers and/or board are not deemed to have majority control, namely Redwood Lodge, Inc., Sequoia Manor, Inc., Sparks Way Commons, Inc., and MV Central Park, Inc.

The combined financial statements also do not consolidate certain affordable housing investments for which EHI and Affiliates are not deemed to have majority control, namely:

<i>Investment</i>	<i>Ownership Interest</i>
Chesley Avenue LLC ⁽¹⁾	50.00%
Miraflores Senior LLC	50.00%
Nugent Square LLC	50.00%
Gough Street Housing LLC	21.00%
John Street Housing LLC	21.00%
Trower Housing Partners, L.P.	0.0041%
Meadows Holly Partners, L.P.	0.0049%
Brookwood Terrace Family Apartments, L.P.	0.005%
Orvieto Family Apartments, L.P.	0.005%

⁽¹⁾ As of December 18, 2020, EHI and Affiliates fully withdrew as a member and as a manager of LLC and assigned all of its rights, titles and interest to Community Housing Development Corporation of North Richmond, a California nonprofit public benefit corporation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Combination

Not-for-Profit Corporations:

The combined financial statements include the accounts of EHI (Parent) and other not-for-profit entities that are commonly controlled by EHI’s Officers or Board of Directors, including those not-for-profit entities that are majority controlled by EHI. Other not-for-profit entities, over which EHI does not exercise majority control, are not included in the combined financial statements. All material intercompany balances and transactions have been eliminated in the combined financial statements.

Limited Partnerships:

Partnerships that are controlled by EHI or its affiliated not-for-profit entities are included in the combined financial statements. Partnerships over which EHI or its affiliates exercise significant influence are included in the financial statements using the equity method of accounting.

The controlling general partnership interests generally range from .01% to 1.0% with the remainder of the partnership’s equity held by a limited partner and shown as non-controlling interests in net assets without donor restrictions.

Limited Liability Companies:

Limited liability companies that are controlled by EHI or its affiliated not-for-profit entities are included in the combined financial statements.

EDEN HOUSING, INC. AND AFFILIATES
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Eliminations:

Material intercompany balances and transactions between controlled entities are eliminated in the combined financial statements. Examples include: elimination of developer fee revenue on EHI's books against the developer fee cost which is capitalized in the building cost on a partnership's books; elimination of partnership management, property management, accounting and other fees on the books of EHI, EHMI, EHRSI and Other Entities against the corresponding operating expenses on a partnership or property's books; elimination of receivables from partnerships and properties on EHI and certain affiliates' books against the corresponding payables on the partnerships and properties' books. Financial statements for each of the major business components, prior to eliminations, are available in the Supplementary Information: Combining Schedules.

Accounting Method

EHI and Affiliates use the accrual method of accounting, which recognizes income in the period earned and expenses when incurred, regardless of the timing of payments.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

EHI and Affiliates report information regarding its financial position and activities according to two classes of net assets, as applicable: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions include those assets over which the board of directors has discretionary control in carrying out the operations of EHI and Affiliates, together with board designated funds.

Net assets with donor restrictions include those assets subject to donor restrictions and for which the applicable restrictions were not met as of the end of the current reporting period. 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. When a donor restriction expires – that is, when a stipulated time restriction ends or purpose restriction is accomplished – net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity.

Business Combination/Asset Acquisition

EHI and Affiliates acquire interests in partnerships and limited liability companies that own real estate. At the time of acquisition, EHI and Affiliates consider whether the acquisition represents an acquisition of a business. EHI and Affiliates account for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. When the acquisition of partnerships and limited liability companies does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values.

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EHI and Affiliates account for each business combination by applying the acquisition method. EHI and Affiliates measure the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values. For each business combination, EHI and Affiliates measure any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. When a business combination involves an acquisition of affordable housing and related projects with long term restrictions on affordability and use, EHI and Affiliates measure the identifiable assets acquired, liabilities assumed and non-controlling interests, if any, at their acquisition-date carrying values when there is no readily available market information with similar terms and restrictions. When liabilities assumed exceed the acquisition-date carrying value, the identifiable assets acquired are measured at a value equal to the liabilities assumed.

Cash, Cash Equivalents, and Restricted Cash

Cash is defined as cash in demand deposit accounts as well as cash on hand. Restricted cash are funds restricted as to their use such as development cash, replacement reserves, operating reserves, tax and insurance impound accounts, other reserves, and tenant security deposits. EHI and Affiliates maintain cash on deposit at banks in excess of the Federal Deposit Insurance Corporation limit. The uninsured cash balance, including the restricted cash, was approximately \$77,000,000 as of December 31, 2020. EHI and Affiliates have not experienced any losses in such accounts.

Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash. Generally, money market accounts and investments with original maturities of three months or less qualify as cash equivalents.

Investments – Fair Value Measurements

Under GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date.

GAAP establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of EHI. Unobservable inputs, if any, reflects EHI's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that EHI has the ability to access at measurement date. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 – Valuations based on significant inputs that are observable, either directly or indirectly or quoted prices in markets that are not active, that is, markets in which there are few transactions, the prices are not current or price quotations vary substantially either over time or among market makers.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed.

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Investments in Other Companies

Investments in other companies, over which EHI's officers or board of directors are deemed to have 100% or majority control, are eliminated in the combined financial statements.

Investments in other companies, over which EHI's officers or board of directors are deemed not to have majority control but have significant influence, are accounted for using equity method of accounting. Under the equity method, investments are initially recorded at cost then adjusted for the proportionate share in undistributed earnings or losses.

Investments in other companies, over which EHI's officers and/or board are deemed not to have significant influence are accounted for using fair value. Since fair values of these equity securities are not readily determinable, the investments are estimated at cost, adjusted by any impairment and changes resulting from observable price changes in orderly transactions for identical or similar investments.

Revenue Recognition

Grants and Contributions:

Contributions are recognized as revenue when cash, securities or other assets, an unconditional promise to give or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Grants represent contributions if resource providers receive no value in exchange for the assets transferred. Government grants are treated as contributions. Contributions are recorded at their fair value as support without donor restrictions or support with donor restrictions, depending on the absence or existence of donor imposed restrictions as applicable. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. If donors' restrictions are satisfied in the same period that the contribution is received, the contribution is reported as support without donor restrictions.

A portion of EHI and Affiliates revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when EHI and Affiliates have incurred qualifying expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are recorded as deferred revenue. EHI received funds amounting to \$731,144 and \$12,476,562 prior to incurring qualifying expenditures and are included in deferred revenue in the combined statement of financial position as of December 31, 2020 and 2019, respectively. EHI cost-reimbursable grants totaling \$-0- and \$1,500,000 have not been recognized as of December 31, 2020 and 2019, respectively.

Revenue from Contracts with Customers

Rental Income:

Rental income for owned property is shown at its 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.

Revenue from resident fees, rents and services is recognized in the period rendered.

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Developer Fees:

Developer fees for development of multi-family rental projects that are in development or under construction are recognized under the percentage-of-completion method. Developer fees for projects that are in the predevelopment or preconstruction stage are generally recognized as revenue on the cash basis of accounting. Management believes that the amount of cash received during predevelopment stage is commensurate to the work performed during that period.

Developer fees recognized from combined affiliates or consolidated subsidiaries are eliminated as intercompany transactions. EHI estimates that 60% to 70% of its developer fees up to a certain maximum amount cover related project costs. Project costs include costs of development, such as consultants, allocated internal salaries and benefits, related overhead, and other non-reimbursed fees that are ordinarily capitalized. Real property costs have been reduced by \$86,758,905 and \$73,060,799, the remaining portion of developer fees exceeding project costs as of December 31, 2020 and 2019, respectively.

Management Fee Revenue and Related Accounts:

EHMI provides property management and bookkeeping services. EHI and certain affiliates provide asset and partnership management services. Income is earned in accordance with the terms of the agreements and recorded as revenue. Such intercompany revenue has been eliminated in the combined financial statements. EHMI also provides marketing and other services.

Allowances for Uncollectible Accounts

EHI and Affiliates record an allowance for doubtful collections based on a review of outstanding receivables, historical collection information, and existing economic conditions. A temporary change to the estimated allowance was made effective October 2020 based on the state level non-eviction rules and the uncertainty around the ability to collect unpaid rents, thereby recognizing allowance on receivables aged in excess of 30 days and 90 days for the years ended December 31, 2020 and 2019, respectively. The allowance for doubtful collections was \$1,513,841 and \$469,303 as of December 31, 2020 and 2019, respectively.

Development in Progress

EHI and Affiliates incur costs during the predevelopment phase of each affordable housing project undertaken. Such costs include governmental, legal, and consulting fees needed to investigate the feasibility and arrange for the financing of each project under construction, as well as construction costs. Any funds expended on a project that do not pass beyond the predevelopment stage are recorded as expenses when further activity on the project ceases. Development in progress includes costs of construction or rehabilitation of housing projects that have not been completed. Development in progress is not depreciated until the completion of the development.

Property and Equipment, and Deferred Costs

Property and equipment are stated at cost of acquisition or construction. Assets with an individual cost equal to \$2,500 or more are capitalized. The costs of maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Donated land is carried at estimated fair value at the date of donation.

Deferred costs are incurred in order to obtain tax credits and ground leases for the properties. Deferred costs are stated at cost and amortized on a straight-line basis. Organization costs are expensed as incurred.

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The useful lives of the assets are estimated as follows:

Buildings and improvements	15 to 40 years
Furniture, fixtures and equipment	5 to 10 years
Tax credit costs	10 years

In accordance with GAAP, EHI and Affiliates review their property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flows expected to be generated by the rental property, including the low-income housing tax credits and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There was no impairment loss recognized in 2020 and 2019.

Debt Issuance Costs

Costs incurred in order to obtain construction and permanent financing are stated at cost and amortized on a straight-line basis into interest expense over the term of the loans. Debt issuance costs are reported as a direct deduction from the face amount of the related debt.

Capitalized Interest

EHI and Affiliates capitalized interest incurred during development as a component of development in progress and building and improvement costs. EHI and Affiliates capitalized interest of approximately \$1,633,000 and \$1,156,000 in 2020 and 2019, respectively.

Income Taxes

EHI and the other not-for-profit corporations are tax-exempt pursuant to the Internal Revenue Code Section 501(c)(3) and related California code sections. Stevenson Land Corporation is tax-exempt pursuant to the Internal Revenue Code Section 501(c)(2) and related California code sections. The income or loss from the partnerships is reported by the partners on their income tax returns. The combined financial statements also include certain corporations that are not tax-exempt.

No income tax provision has been included in the combined financial statements for the single member limited liability companies which are generally considered disregarded entities. The income or loss of the LLCs is included in the tax returns of their respective sole members. Only the annual California limited liability company minimum tax and the annual fee appear as expense in the combined financial statements.

EHI and Affiliates believe that they have appropriate support for any tax positions taken, and as such, do not have any uncertain tax positions that are material to the financial statements. EHI and Affiliates' federal and state income tax and information returns for the fiscal years ended 2016 through 2019 are subject to examination by regulatory agencies, generally for three years and four years after they were filed for federal and state, respectively.

Guarantees

GAAP requires a liability to be recorded for the fair value of the stand ready obligation associated with a guarantee issued. Guarantees issued between entities under common control or on behalf of an entity under common control are excluded. Consequently, no liabilities have been recorded as all guarantees are considered to be issued to entities under common control (see Note 17).

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Allocation of Partnership Income/Loss and Tax Credits

The affiliated partnerships are generally expected to generate low-income housing tax credits, which will be allocated in the same manner as the income or loss of each partnership. Because the limited partners' losses are limited to their investments, the limited partners' equity will not be reduced below zero unless future capital contributions will be made in an amount sufficient to absorb the losses. All remaining losses are allocated to the general partners. Any subsequent income allocable to the limited partners is allocated to the general partners first until the general partners' share of that income offsets the losses not previously recognized by the limited partners.

Related-Party Transactions

Most related-party transactions have been eliminated in the combined financial statements. The remaining related-party transactions are not material.

Functional Expenses

The costs of providing program services and supporting services are summarized on a functional basis in the statements of activities. Accordingly, certain costs are allocated among program expenses and supporting services based on estimates of employees' time incurred and on usage of resources. Program expenses include all expenses relating to development, management of properties, and resident services. Supporting services consist of management and general purposes. Fundraising expenses are not significant and are included in supporting services.

Subsequent Events

Management has evaluated subsequent events through June 21, 2021, the date on which the combined financial statements were available to be issued.

NOTE 3 – INVESTMENTS IN MARKETABLE SECURITIES

The following tables present information about EHI's investments measured at fair value on a recurring basis as of December 31, 2020 and 2019, and indicate the fair value hierarchy of the valuation techniques utilized to determine the fair values:

	2020		2019	
	<i>Quoted Prices in Active Markets for Identical Assets (Level 1)</i>	<i>Cost</i>	<i>Quoted Prices in Active Markets for Identical Assets (Level 1)</i>	<i>Cost</i>
U.S. treasuries	\$ 4,999,583	\$ 4,997,743	\$ 10,731,860	\$ 10,618,581
Certificates of deposit	3,888,683	3,863,776	3,802,547	3,791,294
Money market instruments	2,000,731	1,999,645	2,739,073	2,710,095
Government securities	1,079,708	1,073,797	6,235,765	6,192,500
Mutual funds	16,953,525	16,727,187	13,455,196	13,374,267
Exchange traded funds	9,653,392	7,574,738	6,121,892	4,945,912
Private equity funds	253,226	253,226	141,975	-
	\$ 38,828,848	\$ 36,490,112	\$ 43,228,308	\$ 41,632,649

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NOTE 4 – RESTRICTED CASH

Restricted cash as of December 31, 2020 and 2019 consists of the following:

	2020	2019
Development cash	\$ 35,437,545	\$ 30,034,548
Replacement reserves	31,234,375	28,136,020
Operating reserves	23,285,511	24,698,989
Subsidy transition reserves	7,926,336	7,918,257
Tenant security deposits	6,288,341	6,134,292
Residual receipts	3,609,998	1,887,606
Services reserves	3,377,952	3,445,698
NOI reserves	3,258,379	1,519,671
Bond and loan fee reserves	2,759,558	2,621,422
Other	2,606,447	2,210,557
	\$ 119,784,442	\$ 108,607,060

Development Cash

EHI and certain affiliates hold development cash that is earmarked for the rehabilitation of various properties, or for repayment of construction loans at the time of permanent loan conversion.

Replacement and Operating Reserves

EHI and Affiliates are required to maintain replacement and repair reserves for property and equipment as well as operating reserves in accordance with partnership and other lenders' regulatory agreements.

Subsidy Transition Reserves

Certain affiliates are required to maintain subsidy transition reserves to protect against the potential loss of rental subsidy contracts in accordance with partnership and other lenders' regulatory agreements.

Tenant Security Deposits

EHI and Affiliates are required to hold security deposits in separate bank accounts in the name of the properties.

Residual Receipts

Certain affiliates are required to deposit excess cash, as defined by HUD, into separate bank accounts in accordance with the HUD regulatory agreements.

Services Reserves

Certain affiliates are required to maintain services reserves to subsidize the cost of providing supportive services to the property residents in accordance with partnership and other lenders' regulatory agreements.

NOI Reserves

Certain affiliates are required to maintain NOI reserves to pay for rehabilitation costs or for repayment of construction loans in accordance with partnership and other lenders' regulatory agreements.

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Bond and Loan Fee Reserves

Certain affiliates are required to maintain reserves to pay for bond and loan fees in accordance with partnership and other lenders' regulatory agreements.

Other

Certain affiliates are required to maintain other reserves specifically identified by investors or lenders in partnerships.

NOTE 5 – RECEIVABLES

Receivables as of December 31, 2020 and 2019 consist of the following:

	2020	2019
Tenant and rent subsidy	\$ 2,195,416	\$ 1,947,735
Ground lease	1,690,503	1,637,768
Developer fees	733,592	1,705,529
Property taxes	529,933	424,506
Incentive, asset and partnership management fees	397,269	523,454
Escrow and other deposits	217,549	296,094
Other	335,963	717,529
Total	6,100,225	7,252,615
Less: allowance for doubtful collections	(1,438,916)	(469,303)
	4,661,309	6,783,312
Less: current portion	(711,250)	(1,878,490)
Non-current portion	\$ 3,950,059	\$ 4,904,822

NOTE 6 – NOTES AND INTEREST RECEIVABLE

Notes and interest receivable are summarized as follows:

	2020	2019
Notes receivable from buyers of units in the La Solanita and La Solana projects, due only upon sale of the property to persons not qualifying as low-income families, with interest ranging from 8% to 10% per annum. In 2020, an amount of \$1,425 was written off and an allowance for doubtful collections of \$23,925 was recognized.	\$ 23,925	\$ 25,350
Notes receivable from buyers of units in the Tyrrell Gardens project, due only upon sale of the property to persons not qualifying as low-income families, with interest at 8% per annum. In 2020, an amount of \$9,200 was written off and an allowance for doubtful collections of \$51,000 was recognized.	51,000	60,200
Note receivable from Cal-Livermore, Inc., with interest at 5% per annum. Principal and interest are repayable at some future date.	100,000	100,000

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	2020	2019
Note receivable from Miraflores Senior, L.P., in the maximum amount of \$4,365,496, bears no interest. Annual payments are to be made from excess/distributable cash, with the entire principal and interest due in the earlier of February 2074 or 55 years from the close of permanent financing.	4,365,496	4,365,496
Note receivable from Meadows Holly Partners, L.P., with interest at 6.25% compounded. Annual payments are to be made from excess/distributable cash, with the entire principal and interest due in August 2057.	1,705,210	1,705,210
Total notes receivable	6,245,631	6,256,256
Accrued interest on notes receivable	565,956	436,643
Total notes and interest receivable	6,811,587	6,692,899
Less: allowance for doubtful collections	(74,925)	-
Total notes and interest receivable, net	\$ 6,736,662	\$ 6,692,899

In 2019, a note receivable from San Pablo Associates amounting to \$60,000 was paid in full. The note receivable was originally due in May 2021 and required annual payments from excess/distributable cash.

NOTE 7 – INVESTMENTS IN OTHER COMPANIES

EHI and Affiliates have investments in other companies accounted for under the fair value method in the amount of \$650,000 as of December 31, 2020 and 2019.

EHI and Affiliates also have investments in housing properties for which EHI and Affiliates are not deemed to have majority control and therefore not consolidated. These investments (deficit) are accounted for under the equity method and approximate \$1,120,000 and (\$48,000) as of December 31, 2020 and 2019, respectively. The financial position and activity are summarized below:

	2020	2019
Total assets	\$ 139,366,829	\$ 143,713,651
Total liabilities	103,490,565	111,116,295
Partners' capital	39,567,648	32,597,356
Net income (loss)	(3,691,384)	218,817

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NOTE 8 – DEVELOPMENT IN PROGRESS

Development in progress consists of the following as of December 31, 2020 and 2019:

<i>Property</i>	<i>Owner</i>	<i>Type</i>	<i>Expected Completion Date</i>	<i>2020</i>	<i>2019</i>
Canyon Flats	Warm Springs Village Four, L.P.	New construction	2021	\$ 37,518,885	\$ 12,004,678
Alameda Point Family	Alameda Point Family, L.P.	New construction	2021	20,173,936	-
Quail Run Apartments	Santa Rosa Quail Run, L.P.	Rehabilitation	2021	18,968,027	-
Parrott Street	San Leandro Parrott, L.P.	New construction	2021	12,980,573	1,681,066
Light Tree	Light Tree Two, L.P.	New construction	2022 to 2023	11,952,491	1,766,016
Predevelopment and site control	Eden Housing, Inc.	New construction	2023 to 2025	4,512,459	2,991,626
Light Tree	Light Tree Three, L.P.	Rehabilitation	2021 to 2022	4,007,692	1,036,989
Portfolio rehabilitation	Eden Housing, Inc.	Rehabilitation	2023 to 2025	3,704,914	4,962,376
Sycamore Glen	Sycamore Glen, Inc.	Moderate rehabilitation	2021	2,391,119	-
San Jose Land	SJ Auzerais, L.P.	New construction	2023 to 2025	1,657,459	413,550
Granite Ridge	Granite Ridge Investors, L.P.	New construction	2022	1,091,780	140,229
Vallejo PSH	Vallejo PSH, L.P.	New construction	2023 to 2025	1,021,129	-
Castro Valley Land	Ruby Street, L.P.	New construction	2023 to 2025	985,511	599,592
Mountain View Land	Eden Pratt Development LLC	New construction	2023 to 2025	838,119	560,741
Vacaville Land	Eden Oak Grove Investors, L.P.	New construction	2023 to 2025	543,042	-
Timber Street Land	Timber Street Investors LP	New construction	2023 to 2025	277,287	-
Watsonville Land	Eden Freedom Investors LP	New construction	2023 to 2025	236,543	-
Elk Grove Land	Maritime Apartments Investors, L.P.	New construction	2023 to 2025	188,502	96,802
Reilly Station	Warm Springs Village Nine, L.P.	New construction	2020	-	13,212,594
Corsair Flats	Alameda Point Senior, L.P.	New construction	2020	-	20,667,459
Faith Manor and Tennyson Gardens	Gotta Have Faith, L.P.	Rehabilitation	2020	-	5,899,893
Charles Apartments and Cypress Gardens	Charles Cypress, L.P.	Rehabilitation	2020	-	2,069,195
Other	Various	Other capital projects	2020 to 2021	507,806	309,910
Total development in progress				<u>\$ 123,557,274</u>	<u>\$ 68,412,716</u>

NOTE 9 – PROPERTY AND EQUIPMENT

Property and equipment is summarized as follows:

	2020	2019
Land	\$ 260,511,935	\$ 252,099,740
Building and improvements	1,824,691,363	1,732,968,972
Furniture and equipment	41,531,768	41,493,619
	<u>2,126,735,066</u>	<u>2,026,562,331</u>
Less: accumulated depreciation	(444,224,804)	(406,664,319)
Total property and equipment	<u>\$1,682,510,262</u>	<u>\$1,619,898,012</u>

Depreciation expense was \$52,932,843 and \$51,403,129 in 2020 and 2019, respectively.

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NOTE 10 – DEFERRED COSTS

Deferred costs are summarized as follows:

	2020	2019
Tax credit fees	\$ 3,416,828	\$ 3,825,621
Ground lease costs	2,385,435	2,385,435
Other	476,071	309,565
	6,278,334	6,520,621
Less: accumulated amortization	(2,037,333)	(2,353,262)
Total deferred costs	\$ 4,241,001	\$ 4,167,359

Amortization expense was \$313,298 and \$306,082 in 2020 and 2019, respectively.

NOTE 11 – LINE OF CREDIT

EHI has a \$3,500,000 unsecured revolving line of credit with Wells Fargo Bank, of which \$2,500,000 was outstanding as of December 31, 2020 and 2019. Bank advances on the credit line bear interest at a variable rate based on 1-month LIBOR, and are due on maturity, October 27, 2021. As a sub-feature of the line of credit, the bank agrees to issue standby letters of credit, where requested, not to exceed an aggregate of \$3,500,000. Any amount of drawn letters of credit shall proportionately reduce the amount available to borrow on the line of credit. EHI is also required to maintain at all times net unencumbered liquid assets of not less than \$3,500,000. Accrued interest was \$-0- and \$9,566 as of December 31, 2020 and 2019, respectively. Interest expense was \$72,551 and \$90,021 in 2020 and 2019, respectively.

NOTE 12 – NOTES PAYABLE

Notes payable are generally secured by the respective properties and consist of the following:

	2020		2019	
	<i>Interest Payable</i>	<i>Principal</i>	<i>Interest Payable</i>	<i>Principal</i>
Construction loans, bearing variable interest rates, with interest only payments due monthly, to be repaid in full or partially converted to permanent loans through 2023. ⁽¹⁾ Interest expense was \$2,762,009 and \$6,957,760 in 2020 and 2019, respectively.	\$ 331,418	\$ 237,392,599	\$ 169,538	\$ 81,622,640
Bond and permanent loans, bearing interest from 1% to 9%, generally with principal and interest due monthly, to be repaid in full through 2050. Bond principal payments may be accumulated in a principal fund held by a trustee. Interest expense was \$24,105,709 and \$21,815,856 in 2020 and 2019, respectively.	4,750,965	467,109,998	4,271,559	504,364,743

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	2020		2019	
	<i>Interest Payable</i>	<i>Principal</i>	<i>Interest Payable</i>	<i>Principal</i>
Federal loans, generally non-interest bearing, with principal payments generally deferred through 2075, at which time all outstanding principal is due or will be forgiven. Interest expense was \$-0- in 2020 and 2019.	-	40,002,000	-	39,374,000
State loans, bearing 3% interest, generally with principal and interest due annually out of excess cash in arrears, to be repaid in full through 2075. Interest expense was \$4,514,639 and \$4,361,022 in 2020 and 2019, respectively.	33,470,559	174,264,677	30,602,591	174,326,626
County loans, bearing interest from 0% to 6%, generally with principal and interest due annually out of excess cash in arrears, to be repaid in full through 2081. Interest expense was \$2,201,746 and \$2,180,704 in 2020 and 2019, respectively.	19,622,059	122,032,540	19,007,724	100,871,612
Local loans, bearing interest from 0% to 5.5%, generally payable out of excess cash, to be repaid in full through 2075. Interest expense was \$5,330,832 and \$5,144,740 in 2020 and 2019, respectively.	58,965,880	233,890,280	56,180,374	232,697,328
Land loans, bearing variable interest, generally with interest-only payments due monthly from an interest reserve, to be repaid in full through 2022, subject to applicable extension terms, non-recourse and secured by the underlying land. Interest expense was \$1,108,818 and \$1,231,318 in 2020 and 2019, respectively.	99,916	23,508,000	45,160	30,050,000
Other loans, bearing interest from 0% to 6.5%, generally payable out of excess cash, to be repaid in full through 2078. Interest expense was \$1,649,286 and \$787,042 in 2020 and 2019, respectively.	2,364,895	17,741,517	2,157,203	18,979,209
Total	119,605,692	1,315,941,611	112,434,149	1,182,286,158
Less:				
Unamortized debt issuance costs ⁽²⁾	-	(12,458,976)	-	(13,836,980)
Current portion	(2,533,301)	(17,396,755)	(2,080,888)	(21,408,207)
Long-term portion	\$ 117,072,391	\$ 1,286,085,880	\$ 110,353,261	\$ 1,147,040,971

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- (1) Construction loans will be extended or repaid using funds from permanent lenders, limited partners or other sources.
- (2) Costs incurred to obtain construction and permanent financing were \$22,147,089 and \$23,205,635 as of December 31, 2020 and 2019, respectively, and are amortized on a straight-line basis into interest expense over the term of the respective loans. Interest expense for amortization of debt issuance costs was \$2,214,236 and \$2,560,780 in 2020 and 2019, respectively.

Principal payments toward notes payable for the next five years are subject to changes in net cash flow, which is a contingency that cannot be reasonably estimated. Minimum required payments on amortizing loans are estimated as follows:

<i>Year Ended December 31,</i>	<i>Principal Payments</i>
2021	\$ 17,396,755
2022	18,640,052
2023	15,504,541
2024	32,133,855
2024	28,663,981

NOTE 13 – NET ASSETS

Reconciliation of Net Assets

	2020		
	<i>Controlling Interest</i>	<i>Non-controlling Interest</i>	<i>Total</i>
Balance, beginning of year	\$ 125,771,312	\$ 468,648,850	\$ 594,420,162
Capital contributions, net of distributions	-	14,646,641	14,646,641
Purchase/transfer of interest in projects	897,109	(606,338)	290,771
Change in net assets	20,857,292	(34,453,505)	(13,596,213)
Balance, end of year	\$ 147,525,713	\$ 448,235,648	\$ 595,761,361
	2019		
	<i>Controlling Interest</i>	<i>Non-controlling Interest</i>	<i>Total</i>
Balance, beginning of year	\$ 115,065,783	\$ 404,795,332	\$ 519,861,115
Capital contributions, net of distributions	-	103,458,525	103,458,525
Purchase of non-controlling interest in projects	-	(3,577,542)	(3,577,542)
Non-controlling interest in projects transferred from non-affiliate	6,292,156	(6,292,156)	-
Change in net assets	4,413,373	(29,735,309)	(25,321,936)
Balance, end of year	\$ 125,771,312	\$ 468,648,850	\$ 594,420,162

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Net Assets without Donor Restrictions – Board-Designated Funds

EHI established a revolving Program Fund to be utilized for Board-designated mission purpose investments. Program funds are available for investments in new programs, acquisitions, predevelopment costs, infrastructure or capital improvements. Of the total Program Fund balance as of December 31, 2020 and 2019, \$30,149,248 and \$19,514,896, respectively, was unspent and included in cash and cash equivalents and investments. These funds are not available for general operations without EHI Board approval. Activities of the fund are as follows:

	2020			
			<i>Non-recoverable</i>	
	<i>December 31,</i>	<i>Additions and</i>	<i>Expenditures for</i>	<i>December 31,</i>
	<i>2019</i>	<i>Earnings</i>	<i>Special Projects</i>	<i>2020</i>
Program Fund	\$ 46,782,965	\$ 11,674,984	\$ -	\$ 58,457,949
	2019			
			<i>Non-recoverable</i>	
	<i>December 31,</i>	<i>Additions and</i>	<i>Expenditures for</i>	<i>December 31,</i>
	<i>2018</i>	<i>Earnings</i>	<i>Special Projects</i>	<i>2019</i>
Program Fund	\$ 39,575,769	\$ 7,207,196	\$ -	\$ 46,782,965

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of capital grants from NeighborWorks America totaling \$0- and \$2,785,720 as of December 31, 2020 and 2019, respectively (see Note 14).

NOTE 14 – NEIGHBORWORKS AMERICA (NWA) GRANTS

EHI received the following NWA grants:

Support without Donor Restrictions

NWA provided \$570,000 and \$557,500 of grants without donor restrictions in 2020 and 2019, respectively, to support program activities and operations.

Support with Donor Restrictions

NWA provided capital grants totaling \$3,719,320 to EHI, a portion of which was assigned from another non-profit housing developer. This amount had donor restrictions which were released by NWA over time to funds without donor restrictions. NWA approved \$2,785,720 and \$933,600 to be released from restrictions in 2020 and 2019, respectively.

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The NWA capital funds have been disbursed for development of the following affordable housing projects as of December 31, 2020 and 2019:

<i>Funds Held by/Used by</i>	<i>Purpose</i>	2020		2019	
		<i>Amount</i>	<i>Releases from Restrictions</i>	<i>Amount</i>	<i>Releases from Restrictions</i>
Camphora Associates, L.P.	Camphora Apartments	\$ -	\$ (100,000)	\$ 100,000	\$ -
Connell Apartments, L.P.	Connell Apartments	-	-	-	(98,507)
Corralitos Creek Associates	Corralitos Creek Apartments	-	-	-	(492,000)
Crest Avenue Associates	Crest Avenue Apartments	-	(320,000)	320,000	-
Gilroy Transitional Housing Center Associates	Gilroy Transitional Apartments	-	(625,000)	625,000	-
Church & Monterey Road Associates	Jasmine Square Apartments	-	(295,000)	295,000	-
MRW, L.P.	Monterra Village Apartments	-	-	-	(61,370)
Salinas Road Associates	Nuevo Amanecer	-	(143,000)	143,000	-
Pacific Family MHP LLC	Pacific Family MHP	-	(100,000)	100,000	-
Pleasant Acres MHP LLC	Pleasant Acres MHP	-	(115,720)	115,720	-
Riverside MHP LLC	Riverside MHP	-	(100,000)	100,000	-
Royal Court Associates	Royal Court Apartments	-	(200,000)	200,000	-
Seacliff Highlands Associates	Seacliff Highlands Apartments	-	-	-	(100,000)
Villa Ciolino Associates	Villa Ciolino	-	-	-	(181,723)
VL, L.P.	Virginia Lane	-	(125,000)	125,000	-
Jewell Avenue Associates	Vista Point at Pacific Grove	-	(462,000)	462,000	-
Vista Verde Housing Associates	Vista Verde	-	(100,000)	100,000	-
Vista Verde Childcare LLC	Vista Verde Childcare	-	(100,000)	100,000	-
Total		\$ -	\$ (2,785,720)	\$ 2,785,720	\$ (933,600)

NOTE 15 – LIQUIDITY AND AVAILABILITY

Financial assets as of December 31, 2020 and 2019 consist of the following:

	2020		
	<i>Eden Housing, Inc. and Other Supporting Entities</i>	<i>Affordable Housing Properties</i>	<i>Total</i>
Cash and cash equivalents	\$ 41,072,113	\$ 41,627,500	\$ 82,699,613
Investments in marketable securities	38,828,848	-	38,828,848
Impound deposits	-	2,229,479	2,229,479
Receivables, net – current portion	-	711,250	711,250
Total	\$ 79,900,961	\$ 44,568,229	\$ 124,469,190

EDEN HOUSING, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2019		
	<i>Eden Housing, Inc. and Other Supporting Entities</i>	<i>Affordable Housing Properties</i>	<i>Total</i>
Cash and cash equivalents	\$ 19,938,720	\$ 40,806,466	\$ 60,745,186
Investments in marketable securities	43,228,308	-	43,228,308
Impound deposits	39,732	1,835,256	1,874,988
Receivables, net – current portion	400,059	1,478,431	1,878,490
Total	\$ 63,606,819	\$ 44,120,153	\$ 107,726,972

EHI and Affiliates have \$124,469,190 and \$107,726,972 of financial assets available within one year of the combined statements of financial position dates consisting of the amounts described above. Financial assets include amounts that will be used to pay accounts payable, accrued expenses and other distributions from operating cash flow, if any, in the subsequent year. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the combined statements of financial position dates. As part of its liquidity management, EHI establishes and maintains a short-term, mid-term and long-term reserve at levels approved by the board of directors annually. In addition, the affordable housing properties maintain reserve accounts as described in Note 4, a portion of which may be available to cover debt service, capital expenditures and performance of resident services within one year of combined statements of financial position dates upon approval from regulatory agencies. In addition, the affordable housing properties can defer payment of property management fees, or receive advances from the management agent, in the event of an unanticipated liquidity need.

NOTE 16 – EMPLOYEE BENEFIT PLANS

EHI established a 401(k) plan effective January 1, 1999. Employees are eligible to participate in the plan after completing one month of service. Participants can contribute a percentage of their compensation annually to the plan, subject to certain annual limits set forth by the Internal Revenue Service. The 401(k) plan also provides for an annual discretionary employer contribution after one year of service for employees who work more than 1,000 hours per year and are at least 18 years of age or older. Employer contributions of \$1,185,091 and \$960,040 was equal to 5% of eligible compensation annually in 2020 and 2019, respectively, as determined by the board of directors. Employer contributions are fully vested after three years of service.

EHI also sponsors a 403(b) plan for highly compensated employees in order to assist in planning for retirement. Contributions to the 403(b) plan are 100% employee contributions.

NOTE 17 – COMMITMENTS, CONTINGENCIES AND OTHER MATTERS

Operating Deficit Guaranty

EHI has provided operating deficit guarantees for its various affiliates and projects. EHI will cover operating deficits as required up to a stated limit. EHI does not require any collateral or other security from its affiliates and projects related to the operating deficit guarantees. A reasonable estimate of the outstanding operating deficit guarantees as of December 31, 2020 amounted to approximately \$26,000,000. Management believes that the likelihood of funding a material amount of any of the operating deficit guarantees is remote.

EDEN HOUSING, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Loan Guaranty

EHI has provided loan guarantees for its various affiliates and projects. EHI will be responsible for repaying a loan if, when the loan becomes due, the respective affiliate or project does not make payment on the loan. EHI does not require any collateral or other security from its affiliates and projects related to the loan guarantees. A reasonable estimate of the outstanding loan guarantees as of December 31, 2020 amounted to approximately \$234,500,000. Management believes that the likelihood of funding a material amount of any of the loan guarantees is remote.

Tax Credit Indemnification

EHI has provided indemnifications with regard to tax benefits projected for its various affiliates and projects. EHI has guaranteed an aggregate amount of approximately \$291,100,000 to the limited partner investors for tax credits and other tax benefits for various affiliated limited partnerships as of December 31, 2020. Management believes that the likelihood of funding a material amount of any of the tax credit guarantees is remote.

Grants and Loans

In connection with various federal, state and city grants and loan programs, EHI and Affiliates are obligated to operate in accordance with those grant and loan requirements and is subject to audit by those agencies. In cases of noncompliance, the agencies involved may require that EHI and Affiliates refund payment of grant or loan funds. Management believes the likelihood of funding a repayment of grant or loan funds is remote.

Purchase Option

In connection with the development of affordable housing projects which are owned by limited partnerships, affiliates of EHI have acquired the options to purchase the projects at the close of the projects' 15-year compliance period.

COVID-10 Pandemic

The emergence and spread of the coronavirus (COVID-19) during 2020 has affected businesses and economic activities in the U.S. and beyond. The extent of the impact of COVID-19 on EHI and Affiliates' operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, the effects on residents, supply chains, service providers, and business partners, and changes in business practices, all of which are uncertain and cannot be determined at this time.

PPP Loan

Due to the uncertainty of the current economic conditions, EHI and Affiliates requested and received loan funds totaling \$6,358,600 from the Paycheck Protection Program (PPP), administered by Citibank, N.A., a program authorized under the CARES Act and the PPP Flexibility Act, to support ongoing operations and to retain workers and maintain payroll. Loan funds were fully guaranteed by the Small Business Administration and eligible for forgiveness if used on eligible costs for a covered period of 24-weeks, including the requirement to maintain staff and compensation levels. Any unforgiven funds were due by April 2022 or renegotiated to extend the maturity date to April 2025. EHI and Affiliates have substantially met the conditions for the forgiveness of the PPP loans. In 2020, an amount of \$389,900 was forgiven and the remaining \$5,968,700 was deemed forgiven, and the PPP loans were recognized as grants in the books of EHI and Affiliates.

**SUPPLEMENTARY INFORMATION:
COMBINING SCHEDULES**

EDEN HOUSING, INC. AND AFFILIATES
COMBINING SCHEDULES OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 36,177,395	\$ 2,643,443	\$ 247,275	\$ 41,627,500	\$ 2,004,000	\$ 82,699,613	\$ -	\$ 82,699,613
Investments in marketable securities	38,828,848	-	-	-	-	38,828,848	-	38,828,848
Impound deposits	-	-	-	2,229,479	-	2,229,479	-	2,229,479
Receivables, net – current portion	26,963,060	187,923	115,449	757,715	20	28,024,167	(27,312,917)	711,250
Notes and interest receivable, net – current portion	3,863,626	-	-	-	-	3,863,626	(3,863,626)	-
Prepaid expenses and other receivables	59,378	-	-	1,567,033	-	1,626,411	(244,397)	1,382,014
Total current assets	105,892,307	2,831,366	362,724	46,181,727	2,004,020	157,272,144	(31,420,940)	125,851,204
Restricted cash	21,734,543	-	-	97,957,203	92,696	119,784,442	-	119,784,442
Receivables, net – net of current portion	58,264,001	340,642	84,475	1,982,623	8,287,981	68,959,722	(65,009,663)	3,950,059
Notes and interest receivable, net – net of current portion	138,592,342	-	-	89,190,835	79,400,010	307,183,187	(300,446,525)	6,736,662
Grants and contributions receivable	176,777	-	-	-	-	176,777	-	176,777
Investments in related parties and other companies	405,057	-	-	-	(138,333,714)	(137,928,657)	139,701,914	1,773,257
Development in progress	8,829,958	-	-	115,337,364	-	124,167,322	(610,048)	123,557,274
Property and equipment, net	2,772,642	1,226	200	1,760,611,524	5,883,575	1,769,269,167	(86,758,905)	1,682,510,262
Deferred costs, net	-	-	-	4,241,001	-	4,241,001	-	4,241,001
Total assets	\$ 336,667,627	\$ 3,173,234	\$ 447,399	\$ 2,115,502,277	\$ (42,665,432)	\$ 2,413,125,105	\$ (344,544,167)	\$ 2,068,580,938

EDEN HOUSING, INC. AND AFFILIATES
COMBINING SCHEDULES OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
LIABILITIES AND NET ASSETS								
Current liabilities:								
Accounts payable and accrued expenses	\$ 2,215,125	\$ 943,659	\$ 294,435	\$ 7,375,984	\$ 153,720	\$ 10,982,923	\$ (75,511)	\$ 10,907,412
Related-party payable – current portion	76,777	2,199,266	88,759	-	7,845,371	10,210,173	(10,210,173)	-
Deferred revenue	-	-	-	3,211,195	731,144	3,942,339	-	3,942,339
Line of credit	2,500,000	-	-	-	-	2,500,000	-	2,500,000
Interest payable – current portion	19,375	-	-	2,513,811	115	2,533,301	-	2,533,301
Notes payable – current portion	67,558	-	-	17,329,197	-	17,396,755	-	17,396,755
Total current liabilities	4,878,835	3,142,925	383,194	30,430,187	8,730,350	47,565,491	(10,285,684)	37,279,807
Accounts payable – development	1,543	-	-	23,288,523	-	23,290,066	-	23,290,066
Related-party payable – net of current portion	-	-	-	77,050,893	6,328,794	83,379,687	(83,379,687)	-
Tenant security deposits	-	-	-	6,281,061	9,026	6,290,087	-	6,290,087
Interest rate swap liability	-	-	-	2,801,346	-	2,801,346	-	2,801,346
Interest payable – net of current portion	15,980	-	-	134,958,471	-	134,974,451	(17,902,060)	117,072,391
Notes payable – net of current portion	4,613,016	-	-	1,537,795,131	30,085,823	1,572,493,970	(286,408,090)	1,286,085,880
Total liabilities	9,509,374	3,142,925	383,194	1,812,605,612	45,153,993	1,870,795,098	(397,975,521)	1,472,819,577
Net assets:								
Controlling interest	327,158,253	30,309	64,205	(145,622,465)	(87,535,943)	94,094,359	53,431,354	147,525,713
Non-controlling interest	-	-	-	448,519,130	(283,482)	448,235,648	-	448,235,648
Total net assets	327,158,253	30,309	64,205	302,896,665	(87,819,425)	542,330,007	53,431,354	595,761,361
Total liabilities and net assets	\$ 336,667,627	\$ 3,173,234	\$ 447,399	\$ 2,115,502,277	\$ (42,665,432)	\$ 2,413,125,105	\$ (344,544,167)	\$ 2,068,580,938

EDEN HOUSING, INC. AND AFFILIATES
COMBINING SCHEDULES OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2019							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 17,260,993	\$ 700,246	\$ 145,545	\$ 40,806,466	\$ 1,831,936	\$ 60,745,186	\$ -	\$ 60,745,186
Investments in marketable securities	43,228,308	-	-	-	-	43,228,308	-	43,228,308
Impound deposits	-	-	-	1,835,256	39,732	1,874,988	-	1,874,988
Receivables, net – current portion	32,190,361	1,240,623	98,514	1,478,431	-	35,007,929	(33,129,439)	1,878,490
Notes and interest receivable – current portion	5,526,171	-	-	-	-	5,526,171	(5,526,171)	-
Prepaid expenses and other receivables	52,205	-	-	1,729,382	4,415	1,786,002	(223,818)	1,562,184
Total current assets	98,258,038	1,940,869	244,059	45,849,535	1,876,083	148,168,584	(38,879,428)	109,289,156
Restricted cash	12,203,433	-	-	96,025,412	378,215	108,607,060	-	108,607,060
Receivables, net – net of current portion	53,005,912	60,816	-	1,194,126	7,617,269	61,878,123	(56,973,301)	4,904,822
Notes and interest receivable – net of current portion	131,755,932	-	-	-	138,756,267	270,512,199	(263,819,300)	6,692,899
Grants and contributions receivable	101,416	-	-	-	-	101,416	-	101,416
Investments in related parties and other companies	24,385	-	-	-	(114,353,508)	(114,329,123)	114,930,795	601,672
Development in progress	8,436,437	-	-	61,014,292	-	69,450,729	(1,038,013)	68,412,716
Property and equipment, net	3,271,627	6,642	1,421	1,682,103,136	7,575,985	1,692,958,811	(73,060,799)	1,619,898,012
Deferred costs, net	-	-	-	4,167,359	-	4,167,359	-	4,167,359
Total assets	\$ 307,057,180	\$ 2,008,327	\$ 245,480	\$ 1,890,353,860	\$ 41,850,311	\$ 2,241,515,158	\$ (318,840,046)	\$ 1,922,675,112

EDEN HOUSING, INC. AND AFFILIATES
COMBINING SCHEDULES OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2019							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
LIABILITIES AND NET ASSETS								
Current liabilities:								
Accounts payable and accrued expenses	\$ 1,728,454	\$ 779,664	\$ 178,994	\$ 6,046,014	\$ 170,647	\$ 8,903,773	\$ (631,121)	\$ 8,272,652
Related-party payable – current portion	7,736	1,201,354	295	-	-	1,209,385	(1,209,385)	-
Deferred revenue	-	-	-	3,124,465	12,476,566	15,601,031	6,499	15,607,530
Line of credit	2,500,000	-	-	-	-	2,500,000	-	2,500,000
Interest payable – current portion	64,125	-	-	2,016,763	-	2,080,888	-	2,080,888
Notes payable – current portion	5,501,366	-	-	15,906,841	-	21,408,207	-	21,408,207
Total current liabilities	9,801,681	1,981,018	179,289	27,094,083	12,647,213	51,703,284	(1,834,007)	49,869,277
Accounts payable – development	139,665	-	-	13,846,853	-	13,986,518	-	13,986,518
Related-party payable – net of current portion	-	-	3,985	67,294,026	22,488,353	89,786,364	(89,786,364)	-
Tenant security deposits	-	-	-	6,006,053	37,593	6,043,646	-	6,043,646
Interest rate swap liability	-	-	-	961,277	-	961,277	-	961,277
Interest payable – net of current portion	-	-	-	124,484,265	261,600	124,745,865	(14,392,604)	110,353,261
Notes payable – net of current portion	4,306,100	-	-	1,366,953,470	30,734,268	1,401,993,838	(254,952,867)	1,147,040,971
Total liabilities	14,247,446	1,981,018	183,274	1,606,640,027	66,169,027	1,689,220,792	(360,965,842)	1,328,254,950
Net assets:								
Controlling interest	292,809,734	27,309	62,206	(184,612,546)	(24,641,187)	83,645,516	42,125,796	125,771,312
Non-controlling interest	-	-	-	468,326,379	322,471	468,648,850	-	468,648,850
Total net assets	292,809,734	27,309	62,206	283,713,833	(24,318,716)	552,294,366	42,125,796	594,420,162
Total liabilities and net assets	\$ 307,057,180	\$ 2,008,327	\$ 245,480	\$ 1,890,353,860	\$ 41,850,311	\$ 2,241,515,158	\$ (318,840,046)	\$ 1,922,675,112

EDEN HOUSING, INC. AND AFFILIATES
 COMBINING SCHEDULES OF ACTIVITIES
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Support and revenue:								
Rental income	\$ -	\$ -	\$ -	\$ 148,261,451	\$ -	\$ 148,261,451	\$ (342,036)	\$ 147,919,415
Developer fees, including interest	23,082,193	-	-	-	-	23,082,193	(23,082,193)	-
Management and resident services fees	3,850,223	9,691,823	4,819,933	118,078	3,447,473	21,927,530	(21,215,051)	712,479
Ground lease income	555,086	-	-	112,500	127,400	794,986	(667,593)	127,393
Grants and contributions	6,339,314	3,079,100	376,243	59,277	13,708,202	23,562,136	-	23,562,136
Interest income and net investment return	5,349,537	-	-	2,636,450	822,425	8,808,412	(6,666,755)	2,141,657
Pass-through loss from equity method investments	197,624	-	-	-	(14,072,454)	(13,874,830)	13,874,830	-
Other income	30,923	28,949	267	2,325,273	1,296	2,386,708	-	2,386,708
Total support and revenue	<u>39,404,900</u>	<u>12,799,872</u>	<u>5,196,443</u>	<u>153,513,029</u>	<u>4,034,342</u>	<u>214,948,586</u>	<u>(38,098,798)</u>	<u>176,849,788</u>
Expenses:								
Program expenses:								
Affordable housing ownership and operations	-	-	-	113,964,738	4,992,661	118,957,399	(22,229,478)	96,727,921
Affordable housing property management	-	8,106,829	-	-	-	8,106,829	-	8,106,829
Affordable housing resident services	-	-	4,920,371	-	-	4,920,371	-	4,920,371
Affordable housing development	7,021,330	-	-	-	-	7,021,330	(6,648,038)	373,292
Supporting services:								
Management and general	6,496,526	2,752,635	355,181	1,357,058	257,863	11,219,263	-	11,219,263
Total expenses	<u>13,517,856</u>	<u>10,859,464</u>	<u>5,275,552</u>	<u>115,321,796</u>	<u>5,250,524</u>	<u>150,225,192</u>	<u>(28,877,516)</u>	<u>121,347,676</u>
Change in net assets before other (income) expenses	<u>25,887,044</u>	<u>1,940,408</u>	<u>(79,109)</u>	<u>38,191,233</u>	<u>(1,216,182)</u>	<u>64,723,394</u>	<u>(9,221,282)</u>	<u>55,502,112</u>
Other (income) expenses:								
Forgiveness of debt	-	-	-	(791,989)	-	(791,989)	-	(791,989)
Deferred interest expense	-	-	-	20,601,844	115	20,601,959	(6,020,526)	14,581,433
Depreciation and amortization	514,979	5,416	1,220	54,714,859	181,895	55,418,369	(2,172,228)	53,246,141
Loss on retirement of property and equipment	-	-	-	2,062,740	-	2,062,740	-	2,062,740
Contributions from related parties	(11,915,556)	(1,147,108)	(507,405)	(2,848,637)	(2,009,999)	(18,428,705)	18,428,705	-
Contributions to related parties	2,939,102	3,079,100	425,077	9,289,759	3,371,676	19,104,714	(19,104,714)	-
Total other (income) expenses	<u>(8,461,475)</u>	<u>1,937,408</u>	<u>(81,108)</u>	<u>83,028,576</u>	<u>1,543,687</u>	<u>77,967,088</u>	<u>(8,868,763)</u>	<u>69,098,325</u>
Change in net assets	<u>34,348,519</u>	<u>3,000</u>	<u>1,999</u>	<u>(44,837,343)</u>	<u>(2,759,869)</u>	<u>(13,243,694)</u>	<u>(352,519)</u>	<u>(13,596,213)</u>
Net assets, beginning of year	292,809,734	27,309	62,206	283,713,833	(24,318,716)	552,294,366	42,125,796	594,420,162
Transfer to other consolidating column	-	-	-	63,125,123	(63,125,123)	-	-	-
Capital contributions, net of distributions	-	-	-	1,253,365	1,128,861	2,382,226	12,264,415	14,646,641
Purchase/transfer of interest in projects	-	-	-	(358,313)	1,255,422	897,109	(606,338)	290,771
Net assets, end of year	<u>\$ 327,158,253</u>	<u>\$ 30,309</u>	<u>\$ 64,205</u>	<u>\$ 302,896,665</u>	<u>\$ (87,819,425)</u>	<u>\$ 542,330,007</u>	<u>\$ 53,431,354</u>	<u>\$ 595,761,361</u>

EDEN HOUSING, INC. AND AFFILIATES
COMBINING SCHEDULES OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2019							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Support and revenue:								
Rental income	\$ -	\$ -	\$ -	\$ 141,623,578	\$ 325,377	\$ 141,948,955	\$ (338,524)	\$ 141,610,431
Developer fees, including interest	20,667,078	-	-	-	299,696	20,966,774	(20,667,078)	299,696
Management and resident services fees	3,417,624	8,758,180	4,384,259	-	3,008,224	19,568,287	(18,977,913)	590,374
Ground lease income	525,796	-	-	-	273,675	799,471	(675,796)	123,675
Grants and contributions	2,548,462	4,450	20,890	142,946	9,659,818	12,376,566	-	12,376,566
Interest income and net investment return	5,226,655	-	-	672,481	2,961,031	8,860,167	(5,795,902)	3,064,265
Pass-through loss from equity method investments	(807,122)	-	-	-	(19,426,050)	(20,233,172)	20,233,172	-
Other income	184,170	3,008	4,176	2,049,935	290,981	2,532,270	-	2,532,270
Total support and revenue	31,762,663	8,765,638	4,409,325	144,488,940	(2,607,248)	186,819,318	(26,222,041)	160,597,277
Expenses:								
Program expenses:								
Affordable housing ownership and operations	-	-	-	108,435,298	4,032,255	112,467,553	(19,857,125)	92,610,428
Affordable housing property management	-	7,290,987	-	-	-	7,290,987	-	7,290,987
Affordable housing resident services	-	-	4,617,600	-	-	4,617,600	-	4,617,600
Affordable housing development	6,058,507	-	-	-	-	6,058,507	(3,797,818)	2,260,689
Supporting services:								
Management and general	5,660,591	2,572,827	285,870	1,254,190	229,334	10,002,812	-	10,002,812
Total expenses	11,719,098	9,863,814	4,903,470	109,689,488	4,261,589	140,437,459	(23,654,943)	116,782,516
Change in net assets before other (income) expenses	20,043,565	(1,098,176)	(494,145)	34,799,452	(6,868,837)	46,381,859	(2,567,098)	43,814,761
Other (income) expenses:								
Adjustment to property acquisitions	-	-	-	2,925,641	-	2,925,641	-	2,925,641
Forgiveness of debt	-	-	-	(901,172)	-	(901,172)	-	(901,172)
Deferred interest expense	-	-	-	18,859,861	13,080	18,872,941	(5,168,114)	13,704,827
Depreciation and amortization	344,742	8,170	3,379	52,790,336	181,895	53,328,522	(1,619,311)	51,709,211
Loss on retirement of property and equipment	204,017	-	-	1,494,173	-	1,698,190	-	1,698,190
Contributions from related parties	(13,825,584)	(1,100,047)	(351,650)	(57,407)	(7,802,630)	(23,137,318)	23,137,318	-
Contributions to related parties	9,290,653	6,700	15,000	365,701	13,446,429	23,124,483	(23,124,483)	-
Total other (income) expenses	(3,986,172)	(1,085,177)	(333,271)	75,477,133	5,838,774	75,911,287	(6,774,590)	69,136,697
Change in net assets	24,029,737	(12,999)	(160,874)	(40,677,681)	(12,707,611)	(29,529,428)	4,207,492	(25,321,936)
Net assets, beginning of year	268,779,997	40,308	223,080	218,337,641	(24,239,554)	463,141,472	56,719,643	519,861,115
Capital contributions, net of distributions	-	-	-	106,053,873	6,336,293	112,390,166	(8,931,641)	103,458,525
Purchase of non-controlling interest in projects	-	-	-	-	-	-	(3,577,542)	(3,577,542)
Non-controlling interest in projects transferred from non-affiliate	-	-	-	-	6,292,156	6,292,156	(6,292,156)	-
Net assets, end of year	\$ 292,809,734	\$ 27,309	\$ 62,206	\$ 283,713,833	\$ (24,318,716)	\$ 552,294,366	\$ 42,125,796	\$ 594,420,162

EDEN HOUSING, INC. AND AFFILIATES
 COMBINING SCHEDULES OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Cash flows from operating activities:								
Change in net assets	\$ 34,348,519	\$ 3,000	\$ 1,999	\$ (44,837,343)	\$ (2,759,869)	\$ (13,243,694)	\$ (352,519)	\$ (13,596,213)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:								
Depreciation and amortization	514,979	5,416	1,220	54,714,859	181,895	55,418,369	(2,172,228)	53,246,141
Loss on retirement of property and equipment	-	-	-	2,062,740	-	2,062,740	-	2,062,740
Amortization of debt issuance costs	51,510	-	-	2,162,726	-	2,214,236	-	2,214,236
Net realized and unrealized loss on investments	1,752,425	-	-	2,247,069	-	3,999,494	-	3,999,494
Forgiveness of notes and interest payable	-	-	-	(632,000)	-	(632,000)	-	(632,000)
Forgiveness of related-party advances	-	-	-	(159,989)	-	(159,989)	-	(159,989)
Contribution of sale proceeds from related parties	(7,410,880)	-	-	-	7,410,880	-	-	-
Loss from investment in partnerships and other companies	(197,624)	-	-	-	14,072,454	13,874,830	(13,874,830)	-
(Increase) decrease in assets:								
Receivables	898,386	107,667	(76,536)	(67,781)	(670,732)	191,004	2,005,924	2,196,928
Interest receivable	640,036	-	-	-	-	640,036	(640,036)	-
Grants and contributions receivable	(75,361)	-	-	-	-	(75,361)	-	(75,361)
Prepaid expenses and other receivables	(6,923)	666,302	(24,873)	162,349	4,415	801,270	(621,100)	180,170
Increase (decrease) in liabilities:								
Accounts payable and accrued expenses	332,909	163,622	115,441	1,064,606	(16,927)	1,659,651	361,361	2,021,012
Related-party payable	60,207	997,190	84,479	(11,406,429)	-	(10,264,553)	10,264,553	-
Deferred revenue	178,763	-	-	86,730	(11,745,422)	(11,479,929)	-	(11,479,929)
Tenant security deposits – liability	-	-	-	275,008	(28,567)	246,441	-	246,441
Interest payable	(28,771)	-	-	9,863,680	(261,485)	9,573,424	(3,509,455)	6,063,969
Net cash provided by operating activities	31,058,175	1,943,197	101,730	15,536,225	6,186,642	54,825,969	(8,538,330)	46,287,639

EDEN HOUSING, INC. AND AFFILIATES
 COMBINING SCHEDULES OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Cash flows from investing activities:								
Net decrease in investments								
in marketable securities	2,647,035	-	-	-	-	2,647,035	-	2,647,035
Net (increase) decrease in investments								
in related-parties and other companies	(183,048)	-	-	-	11,163,174	10,980,126	(10,896,289)	83,837
Net increase in related-party advances	-	-	-	-	-	-	-	-
Net (increase) decrease in notes receivable	651,392	-	-	7,414,081	(9,669,231)	(1,603,758)	1,485,070	(118,688)
Reimbursement of predevelopment expenditures	2,031,419	-	-	-	-	2,031,419	(2,031,419)	-
Purchase of property and equipment and								
net increase in development in progress	(2,579,059)	-	-	(142,689,892)	-	(145,268,951)	(2,040,867)	(147,309,818)
Net increase in deferred costs	-	-	-	(321,055)	-	(321,055)	25,000	(296,055)
Net cash provided by (used in)								
investing activities	2,567,739	-	-	(135,596,866)	1,493,943	(131,535,184)	(13,458,505)	(144,993,689)
Cash flows from financing activities:								
Advances from line of credit	500,000	-	-	-	-	500,000	-	500,000
Payment of line of credit	(500,000)	-	-	-	-	(500,000)	-	(500,000)
Payment of development payables	-	-	-	(14,721,070)	-	(14,721,070)	-	(14,721,070)
Proceeds from related-party advances	-	-	-	-	(8,314,188)	(8,314,188)	8,314,188	-
Capital contributions, net of distributions	-	-	-	1,525,354	1,128,861	2,654,215	11,658,077	14,312,292
Payment of syndication costs	-	-	-	(271,989)	-	(271,989)	-	(271,989)
Payment of debt issuance costs	-	-	-	(836,229)	-	(836,229)	-	(836,229)
Payment of mortgages and notes payable	(8,195,091)	-	-	(44,994,319)	(648,445)	(53,837,855)	836,229	(53,001,626)
Proceeds from long-term debt	3,016,689	-	-	182,505,942	-	185,522,631	1,188,341	186,710,972
Net cash provided by (used in)								
financing activities	(5,178,402)	-	-	123,207,689	(7,833,772)	110,195,515	21,996,835	132,192,350
Net increase (decrease) in cash, cash equivalents,								
and restricted cash	28,447,512	1,943,197	101,730	3,147,048	(153,187)	33,486,300	-	33,486,300
Cash, cash equivalents, and restricted cash, beginning of year	29,464,426	700,246	145,545	138,667,134	2,249,883	171,227,234	-	171,227,234
Cash, cash equivalents, and restricted cash, end of year	\$ 57,911,938	\$ 2,643,443	\$ 247,275	\$ 141,814,182	\$ 2,096,696	\$ 204,713,534	\$ -	\$ 204,713,534

EDEN HOUSING, INC. AND AFFILIATES
 COMBINING SCHEDULES OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Supplementary information:								
Cash paid for interest – net of capitalized portion	\$ 347,552	\$ -	\$ -	\$ 39,725,225	\$ -	\$ 40,072,777	\$ -	\$ 40,072,777
Noncash investing and financing activity:								
Transfer (to) from other consolidating column	\$ -	\$ -	\$ -	\$ 63,125,123	\$ (63,125,123)	\$ -	\$ -	\$ -
Assets acquired by assuming liabilities	\$ -	\$ -	\$ -	\$ 79,654,584	\$ -	\$ 79,654,584	\$ (79,654,584)	\$ -
Purchase/transfer of interest in projects	\$ -	\$ -	\$ -	\$ (358,313)	\$ 1,255,422	\$ 897,109	\$ (606,338)	\$ 290,771
Transfer of assets and liabilities to affiliates	\$ -	\$ -	\$ -	\$ -	\$ (7,410,880)	\$ (7,410,880)	\$ 7,410,880	\$ -
Cash and cash equivalents	\$ 36,177,395	\$ 2,643,443	\$ 247,275	\$ 41,627,500	\$ 2,004,000	\$ 82,699,613	\$ -	\$ 82,699,613
Impound deposits	-	-	-	2,229,479	-	2,229,479	-	2,229,479
Restricted cash	21,734,543	-	-	97,957,203	92,696	119,784,442	-	119,784,442
Total cash, cash equivalents, and restricted cash shown in the combining statements of cash flows	\$ 57,911,938	\$ 2,643,443	\$ 247,275	\$ 141,814,182	\$ 2,096,696	\$ 204,713,534	\$ -	\$ 204,713,534

EDEN HOUSING, INC. AND AFFILIATES
 COMBINING SCHEDULES OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2019							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Cash flows from operating activities:								
Change in net assets	\$ 24,029,737	\$ (12,999)	\$ (160,874)	\$ (40,677,681)	\$ (12,707,611)	\$ (29,529,428)	\$ 4,207,492	\$ (25,321,936)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:								
Depreciation and amortization	344,742	8,170	3,379	52,790,336	181,895	53,328,522	(1,619,311)	51,709,211
Loss on retirement of property and equipment	204,017	-	-	1,494,173	-	1,698,190	-	1,698,190
Amortization of debt issuance costs	51,490	-	-	2,509,290	-	2,560,780	-	2,560,780
Net realized and unrealized loss on investments	2,195,375	-	-	819,487	-	3,014,862	-	3,014,862
Forgiveness of notes and interest payable	-	-	-	(901,172)	-	(901,172)	-	(901,172)
Forgiveness of related-party advances	-	(1,100,000)	(279,000)	-	-	(1,379,000)	1,379,000	-
Contribution of sale proceeds from related parties	(11,799,226)	-	-	-	11,799,226	-	-	-
Loss from investment in partnerships and other companies	807,122	-	-	-	19,426,050	20,233,172	(20,233,172)	-
(Increase) decrease in assets:								
Receivables	(7,000,470)	(229,422)	(38,913)	185,991	(792,620)	(7,875,434)	7,929,830	54,396
Interest receivable	(275,527)	-	-	-	-	(275,527)	275,527	-
Grants and contributions receivable	1,451,220	-	-	-	-	1,451,220	-	1,451,220
Prepaid expenses and other receivables	(25,205)	4,571	96,560	(330,252)	34,918	(219,408)	(47,150)	(266,558)
Increase (decrease) in liabilities:								
Accounts payable and accrued expenses	57,165	189,742	(11,621)	1,173,172	(24,952)	1,383,506	(573,875)	809,631
Related-party payable	(111,380)	793,300	230,113	(11,609,591)	-	(10,697,558)	10,697,558	-
Deferred revenue	123,317	-	-	2,032,455	12,210,909	14,366,681	-	14,366,681
Tenant security deposits – liability	-	-	-	301,392	1,381	302,773	-	302,773
Interest payable	44,743	-	-	12,463,496	26,160	12,534,399	(4,408,766)	8,125,633
Net cash provided by (used in) operating activities	10,097,120	(346,638)	(160,356)	20,251,096	30,155,356	59,996,578	(2,392,867)	57,603,711

EDEN HOUSING, INC. AND AFFILIATES
 COMBINING SCHEDULES OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2019							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Cash flows from investing activities:								
Net increase in investments								
in marketable securities	(7,326,047)	-	-	-	-	(7,326,047)	-	(7,326,047)
Net increase in investments								
in related-parties and other companies	(194,736)	-	-	-	(14,122,968)	(14,317,704)	13,956,925	(360,779)
Net increase in related-party advances	(8,124,907)	-	-	-	-	(8,124,907)	8,124,907	-
Net increase in notes receivable	(9,059,384)	-	-	-	(25,984,713)	(35,044,097)	34,253,296	(790,801)
Reimbursement of predevelopment expenditures	5,557,364	-	-	-	-	5,557,364	(5,557,364)	-
Purchase of property and equipment and net increase in development in progress	(7,229,391)	-	-	(111,796,806)	(4,547,365)	(123,573,562)	1,955,122	(121,618,440)
Net increase in deferred costs	-	-	-	(252,570)	-	(252,570)	-	(252,570)
Net cash used in investing activities	(26,377,101)	-	-	(112,049,376)	(44,655,046)	(183,081,523)	52,732,886	(130,348,637)
Cash flows from financing activities:								
Advances from line of credit	2,000,000	-	-	-	-	2,000,000	-	2,000,000
Payment of line of credit	(1,000,000)	-	-	-	-	(1,000,000)	-	(1,000,000)
Payment of development payables	-	-	-	(14,677,481)	-	(14,677,481)	-	(14,677,481)
Proceeds from related-party advances	-	-	-	-	6,404,755	6,404,755	(6,404,755)	-
Capital contributions, net of distributions	-	-	-	106,236,221	6,336,293	112,572,514	(12,509,183)	100,063,331
Payment of syndication costs	-	-	-	(182,348)	-	(182,348)	-	(182,348)
Payment of debt issuance costs	-	-	-	(2,841,178)	-	(2,841,178)	-	(2,841,178)
Payment of mortgages and notes payable	(208,180)	-	-	(238,354,600)	(13,055)	(238,575,835)	841,178	(237,734,657)
Proceeds from long-term debt	5,200,000	-	-	254,518,823	-	259,718,823	(32,267,259)	227,451,564
Net cash provided by financing activities	5,991,820	-	-	104,699,437	12,727,993	123,419,250	(50,340,019)	73,079,231
Net increase (decrease) in cash, cash equivalents, and restricted cash	(10,288,161)	(346,638)	(160,356)	12,901,157	(1,771,697)	334,305	-	334,305
Cash, cash equivalents, and restricted cash, beginning of year	39,752,587	1,046,884	305,901	125,765,977	4,021,580	170,892,929	-	170,892,929
Cash, cash equivalents, and restricted cash, end of year	\$ 29,464,426	\$ 700,246	\$ 145,545	\$ 138,667,134	\$ 2,249,883	\$ 171,227,234	\$ -	\$ 171,227,234

EDEN HOUSING, INC. AND AFFILIATES
 COMBINING SCHEDULES OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2020 AND 2019

	2019							
	<i>Eden Housing, Inc.</i>	<i>Eden Housing Management, Inc.</i>	<i>Eden Housing Resident Services, Inc.</i>	<i>Affordable Housing Properties</i>	<i>Other Entities</i>	<i>Pre-combined Total</i>	<i>Eliminations</i>	<i>Combined Total</i>
Supplementary information:								
Cash paid for interest – net of capitalized portion	\$ 522,582	\$ -	\$ -	\$ 33,835,624	\$ -	\$ 34,358,206	\$ -	\$ 34,358,206
Noncash investing and financing activity:								
Non-controlling interest in projects transferred from non-affiliate	\$ -	\$ -	\$ -	\$ -	\$ 6,292,156	\$ 6,292,156	\$ (6,292,156)	\$ -
Transfer of assets and liabilities to affiliates	\$ 11,779,226	\$ -	\$ -	\$ -	\$ (11,779,226)	\$ -	\$ -	\$ -
Cash and cash equivalents	\$ 17,260,993	\$ 700,246	\$ 145,545	\$ 40,806,466	\$ 1,831,936	\$ 60,745,186	\$ -	\$ 60,745,186
Impound deposits	-	-	-	1,835,256	39,732	1,874,988	-	1,874,988
Restricted cash	12,203,433	-	-	96,025,412	378,215	108,607,060	-	108,607,060
Total cash, cash equivalents, and restricted cash shown in the combining statements of cash flows	\$ 29,464,426	\$ 700,246	\$ 145,545	\$ 138,667,134	\$ 2,249,883	\$ 171,227,234	\$ -	\$ 171,227,234

**SUPPLEMENTARY INFORMATION:
NEIGHBORWORKS AMERICA CAPITAL FUND**

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF FINANCIAL POSITION AND ACTIVITIES –
NEIGHBORWORKS AMERICA CAPITAL FUND
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Notes receivable:		
Assumed from another nonprofit developer	\$ 3,544,320	\$ 3,544,320
Awarded to EHI	175,000	175,000
Total assets	\$ 3,719,320	\$ 3,719,320
NET ASSETS		
Net assets:		
Without donor restrictions:		
Net assets, beginning of year	\$ 933,600	\$ -
Change in net assets – capital grants from NeighborWorks America	-	-
Net assets released from restrictions	2,785,720	933,600
Total net assets without donor restrictions, end of year	3,719,320	933,600
With donor restrictions:		
Net assets, beginning of year	2,785,720	3,719,320
Change in net assets – capital grants from NeighborWorks America	-	-
Net assets released from restrictions	(2,785,720)	(933,600)
Total net assets with donor restrictions, end of year	-	2,785,720
Net assets, end of year	\$ 3,719,320	\$ 3,719,320

**SUPPLEMENTARY INFORMATION:
EDEN HOUSING, INC. ONLY**

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF FINANCIAL POSITION – EDEN HOUSING, INC. ONLY
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 36,177,395	\$ 17,260,993
Investments in marketable securities	38,828,848	43,228,308
Related-party receivables, net – current portion	26,963,060	32,190,361
Notes and interest receivable, net – current portion	3,863,626	5,526,171
Prepaid expenses and other receivables	59,378	52,205
Total current assets	105,892,307	98,258,038
Restricted cash	21,734,543	12,203,433
Related-party receivables, net – net of current portion	58,264,001	53,005,912
Notes and interest receivable, net – net of current portion	138,592,342	131,755,932
Grants and contributions receivable	176,777	101,416
Investments in related parties and other companies	405,057	24,385
Development in progress	8,829,958	8,436,437
Property and equipment, net	2,772,642	3,271,627
Total assets	\$ 336,667,627	\$ 307,057,180
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,215,125	\$ 1,728,454
Related-party payable	76,777	7,736
Line of credit	2,500,000	2,500,000
Interest payable	35,355	64,125
Notes payable – current portion	67,558	5,501,366
Total current liabilities	4,894,815	9,801,681
Accounts payable – development	1,543	139,665
Notes payable – net of current portion	4,613,016	4,306,100
Total liabilities	9,509,374	14,247,446
Net assets:		
Without donor restrictions:		
Undesignated	268,700,304	243,241,049
Board-designated funds	58,457,949	46,782,965
Total without donor restrictions	327,158,253	290,024,014
With donor restrictions	-	2,785,720
Total net assets	327,158,253	292,809,734
Total liabilities and net assets	\$ 336,667,627	\$ 307,057,180

Amounts do not include EHI's controlled LLCs, Eden Del Nido LLC, Light Tree Land LLC, and Eden Pratt Development LLC, and directly-owned project, Grove Way and 10th & D.

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF ACTIVITIES – EDEN HOUSING, INC. ONLY
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
Support and revenue:						
Developer fees, including interest	\$ 23,082,193	\$ -	\$ 23,082,193	\$ 20,667,078	\$ -	\$ 20,667,078
Management fees	3,850,223	-	3,850,223	3,417,624	-	3,417,624
Ground lease income	555,086	-	555,086	525,796	-	525,796
Grants and contributions	6,339,314	-	6,339,314	2,548,462	-	2,548,462
Interest income and net investment return	5,349,537	-	5,349,537	5,226,655	-	5,226,655
Pass-through gain (loss) from equity method investments	197,624	-	197,624	(807,122)	-	(807,122)
Other income	30,923	-	30,923	184,170	-	184,170
Net assets released from restrictions	2,785,720	(2,785,720)	-	933,600	(933,600)	-
Total support and revenue	42,190,620	(2,785,720)	39,404,900	32,696,263	(933,600)	31,762,663
Expenses:						
Program expenses:						
Affordable housing development	7,021,330	-	7,021,330	6,058,507	-	6,058,507
Supporting services:						
Management and general	6,496,526	-	6,496,526	5,660,591	-	5,660,591
Total expenses	13,517,856	-	13,517,856	11,719,098	-	11,719,098
Change in net assets before other (income) expenses	28,672,764	(2,785,720)	25,887,044	20,977,165	(933,600)	20,043,565
Other (income) expenses:						
Depreciation and amortization	514,979	-	514,979	344,742	-	344,742
Loss on retirement of property and equipment	-	-	-	204,017	-	204,017
Contributions from related parties	(11,915,556)	-	(11,915,556)	(13,825,584)	-	(13,825,584)
Contributions to related parties	2,939,102	-	2,939,102	9,290,653	-	9,290,653
Total other (income) expenses	(8,461,475)	-	(8,461,475)	(3,986,172)	-	(3,986,172)
Change in net assets	37,134,239	(2,785,720)	34,348,519	24,963,337	(933,600)	24,029,737
Net assets, beginning of year	290,024,014	2,785,720	292,809,734	265,060,677	3,719,320	268,779,997
Net assets, end of year	\$ 327,158,253	\$ -	\$ 327,158,253	\$ 290,024,014	\$ 2,785,720	\$ 292,809,734

Amounts do not include EHI's controlled LLCs, Eden Del Nido LLC, Light Tree Land LLC, and Eden Pratt Development LLC, and directly-owned project, Grove Way and 10th & D.

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF FUNCTIONAL EXPENSES – EDEN HOUSING, INC. ONLY
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	<i>Program Services</i>	<i>Management and General</i>	<i>Total</i>	<i>Program Services</i>	<i>Management and General</i>	<i>Total</i>
Grants and other assistance to organizations	\$ 412,055	\$ -	\$ 412,055	\$ 221,418	\$ -	\$ 221,418
Grants and other assistance to individuals	101,579	-	101,579	63,611	-	63,611
Salaries and wages	4,918,056	3,386,224	8,304,280	4,094,041	3,140,804	7,234,845
Pension plan accruals and contributions	184,569	125,144	309,713	133,025	114,084	247,109
Other employee benefits	488,361	392,474	880,835	303,571	387,095	690,666
Payroll taxes	339,132	208,100	547,232	281,767	201,506	483,273
Management fees	-	-	-	5,962	-	5,962
Legal fees	37,193	38,473	75,666	28,353	86,150	114,503
Accounting fees	-	116,675	116,675	-	113,096	113,096
Other fees for services	139,824	1,239,693	1,379,517	146,953	876,407	1,023,360
Advertising and promotion	-	-	-	-	9	9
Office expenses	12,055	426,991	439,046	151,515	323,031	474,546
Information technology	13,641	206,877	220,518	5,414	74,473	79,887
Occupancy: utilities	-	12,421	12,421	-	15,396	15,396
Occupancy: repairs and maintenance	1,484	74,876	76,360	9,875	26,269	36,144
Occupancy: real estate taxes	-	-	-	-	666	666
Occupancy: property and liability insurance	-	47,350	47,350	-	9,460	9,460
Travel	12,310	16,142	28,452	55,841	83,866	139,707
Conferences, conventions and meetings	19,499	19,780	39,279	45,632	71,489	117,121
Other insurance	17,798	11,365	29,163	15,178	11,670	26,848
Mortgage interest	150,051	168,730	318,781	459,459	98,300	557,759
Other	173,723	5,211	178,934	36,892	26,820	63,712
Total expenses reported by function on the combining schedules of activities	7,021,330	6,496,526	13,517,856	6,058,507	5,660,591	11,719,098
Other expenses:						
Depreciation and amortization	514,979	-	514,979	344,742	-	344,742
Loss on retirement of property and equipment	-	-	-	204,017	-	204,017
Contributions to related parties	2,939,102	-	2,939,102	9,290,653	-	9,290,653
Total expenses	\$ 10,475,411	\$ 6,496,526	\$ 16,971,937	\$ 15,897,919	\$ 5,660,591	\$ 21,558,510

Amounts do not include EHI's controlled LLCs, Eden Del Nido LLC, Light Tree Land LLC, and Eden Pratt Development LLC, and directly-owned project, Grove Way and 10th & D.

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF CASH FLOWS – EDEN HOUSING, INC. ONLY
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 34,348,519	\$ 24,029,737
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	514,979	344,742
Loss on retirement of property and equipment	-	204,017
Amortization of debt issuance costs	51,510	51,490
Net realized and unrealized loss on investments	1,752,425	2,195,375
Contribution of sale proceeds from related parties	(7,410,880)	(11,799,226)
(Gain) loss from investment in partnerships and other companies	(197,624)	807,122
(Increase) decrease in assets:		
Receivables	898,386	(7,000,470)
Interest receivable	640,036	(275,527)
Grants and contributions receivable	(75,361)	1,451,220
Prepaid expenses and other receivables	(6,923)	(25,205)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	332,909	57,165
Related-party payable	60,207	(111,380)
Deferred revenue	178,763	123,317
Interest payable	(28,771)	44,743
	31,058,175	10,097,120

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF CASH FLOWS – EDEN HOUSING, INC. ONLY
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash flows from investing activities:		
Net (increase) decrease in investments in marketable securities	2,647,035	(7,326,047)
Net (increase) decrease in investments in related-parties and other companies	(183,048)	(194,736)
Net increase in related-party advances	-	(8,124,907)
Net (increase) decrease in notes receivable	651,392	(9,059,384)
Reimbursement of predevelopment expenditures	2,031,419	5,557,364
Purchase of property and equipment and net increase in development in progress	(2,579,059)	(7,229,391)
Net cash provided by (used in) investing activities	2,567,739	(26,377,101)
Cash flows from financing activities:		
Advances from line of credit	500,000	2,000,000
Payment of line of credit	(500,000)	(1,000,000)
Payment of mortgages and notes payable	(8,195,091)	(208,180)
Proceeds from long-term debt	3,016,689	5,200,000
Net cash provided by (used in) financing activities	(5,178,402)	5,991,820
Net increase (decrease) in cash, cash equivalents, and restricted cash	28,447,512	(10,288,161)
Cash, cash equivalents, and restricted cash, beginning of year	29,464,426	39,752,587
Cash, cash equivalents, and restricted cash, end of year	\$ 57,911,938	\$ 29,464,426
Supplementary information:		
Cash paid for interest – net of capitalized portion	\$ 347,552	\$ 522,582
Noncash investing and financing activity:		
Transfer of assets from affiliates	\$ -	\$ 11,779,226
Cash and cash equivalents	\$ 36,177,395	\$ 17,260,993
Restricted cash	21,734,543	12,203,433
Total cash, cash equivalents, and restricted cash shown in the schedules of cash flows – Eden Housing, Inc. only	\$ 57,911,938	\$ 29,464,426

Amounts do not include EHI's controlled LLCs, Eden Del Nido LLC, Light Tree Land LLC, and Eden Pratt Development LLC, and directly-owned project, Grove Way and 10th & D.

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF RELATED-PARTY RECEIVABLES –
EDEN HOUSING, INC. ONLY
DECEMBER 31, 2020 AND 2019

Related-party receivables as of December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Receivable:		
Developer fees	\$ 56,550,291	\$ 54,335,298
Advances for development costs	10,757,322	6,002,114
Advances for general partner equity and other long-term purposes	7,950,645	16,983,764
Incentive, asset and partnership management fees	7,240,407	6,192,178
Advances for operations and other short-term purposes	2,362,382	1,403,869
Ground leases	1,714,410	1,496,875
Other	151,604	282,175
Total	<u>86,727,061</u>	<u>86,696,273</u>
Less: allowance for doubtful collections	<u>(1,500,000)</u>	<u>(1,500,000)</u>
	85,227,061	85,196,273
Less: current portion	<u>(26,963,060)</u>	<u>(32,190,361)</u>
Long-term portion	<u>\$ 58,264,001</u>	<u>\$ 53,005,912</u>

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF NOTES RECEIVABLE –
EDEN HOUSING, INC. ONLY
DECEMBER 31, 2020 AND 2019

Notes receivable as of December 31, 2020 and 2019 from related parties unless otherwise noted are as follows:

	2020	2019
Seller carryback notes	\$ 70,647,642	\$ 67,569,951
Sponsor notes	53,428,888	50,298,533
NWA project notes	3,544,320	3,544,320
Equity funding note	1,310,000	1,310,000
Reserve funding note	87,798	1,572,881
Solar project notes	13,552	47,094
Other project notes ⁽¹⁾	792,040	1,497,611
Other project notes from third parties	174,925	185,550
Total notes receivable	129,999,165	126,025,940
Interest receivable	12,359,637	11,089,075
Interest receivable from third parties	172,091	167,087
Total notes and interest receivable	142,530,893	137,282,103
Less: allowance for doubtful collections	(74,925)	-
Total notes and interest receivable, net	142,455,968	137,282,103
Less: current portion	(3,863,626)	(5,526,171)
Long-term portion, net	<u>\$ 138,592,342</u>	<u>\$ 131,755,932</u>

⁽¹⁾ These pertain to financing provided by EHI to other affiliates for development and other project-specific purposes.

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF NOTES PAYABLE – EDEN HOUSING, INC. ONLY
DECEMBER 31, 2020 AND 2019

Notes payable of Eden Housing, Inc. are as follows:

	2020		2019	
	<i>Interest Payable</i>	<i>Principal</i>	<i>Interest Payable</i>	<i>Principal</i>
<u><i>Equity Equivalent Investment Notes</i></u>				
Wells Fargo Community Development Corporation, bears simple interest at 2%, interest-only paid quarterly until February 2, 2022, and thereafter, principal and interest payments due quarterly to fully amortize by maturity, February 2, 2024.	\$ 10,000	\$ 2,000,000	\$ 10,000	\$ 2,000,000
Union Bank, in an original amount of \$1,500,000, bears simple interest at 2.5%, interest paid quarterly with principal and any unpaid interest due in full on maturity. In February 2021, the maturity date of the loan was extended to April 1, 2022.	9,375	1,500,000	9,375	1,500,000
Total equity equivalent investment notes	19,375	3,500,000	19,375	3,500,000
<u><i>Amortizing / Interest-Only Notes</i></u>				
<u><i>Grand C Office Building</i></u>				
California Community Reinvestment Corporation, in an original amount of \$700,000, with monthly installments of principal and interest of \$4,517, bears simple interest at 6.7%, and is due on June 20, 2022, at which point a balloon payment estimated at \$539,436 is required.	3,240	563,259	3,241	580,418
<u><i>Grand/C L.P.</i></u>				
City of Hayward, for the development of affordable rental housing, maximum amount \$507,000, with monthly payments of principal and interest in the amount of \$4,452, bears simple interest at 5.1% per annum, and due on the earliest of a transfer of the development or any portion thereof other than a transfer as permitted or approved by the Agency, or occurrence of a default, or February 1, 2022.	531	72,868	531	125,152

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF NOTES PAYABLE – EDEN HOUSING, INC. ONLY
DECEMBER 31, 2020 AND 2019

	2020		2019	
	<i>Interest Payable</i>	<i>Principal</i>	<i>Interest Payable</i>	<i>Principal</i>
<u>Arroyo Vista</u>				
Enterprise Community Loan Fund, Inc., for predevelopment costs, in an original amount of \$160,000, with monthly payments of principal and interest in the amount of \$1,741, bore simple interest at 7.5% per annum, and due December 31, 2020. The loan was repaid in full in 2020.	-	-	-	19,412
Enterprise Community Partners, Inc., for predevelopment costs, with monthly payments of interest only in the amount of \$344, bore simple interest at 2% per annum and due December 31, 2020. The loan was repaid in full in 2020.	-	-	-	200,000
<u>Solar Project</u>				
The San Francisco Foundation, in an original amount of \$500,000, with semi-annual payments of principal and interest in the amount of \$17,234, bore compounded interest at 5%, and is due on July 1, 2020. The loan was repaid in full in 2020.	-	-	-	16,636
<u>Quail Run</u>				
Housing Trust Silicon Valley, with monthly payments of interest only, bears simple interest at 6% per annum and due January 25, 2021. The loan was paid off in March 2020.	-	-	25,834	5,000,000
Total amortizing / interest-only notes	3,771	636,127	29,606	5,941,618

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF NOTES PAYABLE – EDEN HOUSING, INC. ONLY
DECEMBER 31, 2020 AND 2019

	2020		2019	
	<i>Interest Payable</i>	<i>Principal</i>	<i>Interest Payable</i>	<i>Principal</i>
<u>Deferred Notes</u>				
<u>Tyrell Gardens</u>				
Funds due to the City of Hayward upon collection from homeowners.	-	217,358	-	217,358
<u>Gallup and Mesa</u>				
City of San Jose, for predevelopment costs, bears simple interest at 4% per annum and due September 29, 2020. In September 2020, the maturity date was extended through September 2021. In April 2021, the loan was subsequently transferred to an affiliated limited partnership in conjunction with the construction closing.	10,853	200,000	5,578	200,000
<u>Livermore Village Site</u>				
City of Livermore, for predevelopment costs, bears simple interest at 3% per annum and due November 27, 2073.	1,356	127,089	-	-
Total deferred notes	12,209	544,447	5,578	417,358
Total	35,355	4,680,574	54,559	9,858,976
Less:				
Unamortized debt issuance costs ⁽¹⁾	-	-	-	(51,510)
Current portion	(35,355)	(1,567,560)	(54,559)	(5,501,366)
Non-current portion	\$ -	\$ 3,113,014	\$ -	\$ 4,306,100

⁽¹⁾ Costs incurred in order to obtain construction financing were \$103,000 and are amortized on a straight-line basis into interest expense over the term of the loan. Interest expense for amortization of debt issuance costs was \$51,510 and \$51,490 in 2020 and 2019, respectively.

EDEN HOUSING, INC. AND AFFILIATES
SCHEDULES OF CONTROLLING INTEREST – BOARD-DESIGNATED
FUNDS – EDEN HOUSING, INC. ONLY
DECEMBER 31, 2020 AND 2019

Board-designated funds consist of the following as of December 31, 2020 and 2019:

	2020	2019
Unrestricted cash and investments – program funds	\$ 30,128,845	\$ 19,514,896
Development in progress	11,048,885	4,846,777
Related-party receivables	7,750,263	12,664,934
Notes receivable	6,203,108	6,512,253
Investments in related parties and other companies	3,326,848	3,244,105
Total board-designated net assets	\$ 58,457,949	\$ 46,782,965