

Mercy Housing, Inc.

**Consolidated Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

December 31, 2019 and 2018

Mercy Housing, Inc.

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Independent Auditor's Report

Board of Directors
Mercy Housing, Inc.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of consolidated 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 consolidated 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of certain subsidiaries and affiliates of Mercy Housing, Inc. were not audited in accordance with *Government Auditing Standards* as discussed at Note 1 in the Notes to Schedule of Expenditures of Federal Awards.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 50 to 277 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Requirements* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2020, on our consideration of Mercy Housing, Inc.'s internal control over financial reporting and on our tests of its 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 Mercy Housing, Inc.'s 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 Mercy Housing, Inc.'s internal control over financial reporting and compliance.



Charlotte, North Carolina
June 11, 2020

Mercy Housing, Inc.

**Consolidated Statements of Financial Position
December 31, 2019 and 2018**

	2019	2018
Assets		
Current assets		
Cash and cash equivalents	\$ 96,351,661	\$ 81,015,708
Cash, tenant security deposits	9,544,138	9,520,472
Cash, restricted	43,934,409	43,816,547
Investments	7,439,958	10,820,449
Investments, restricted	11,042	53,751
Accounts receivable, net	17,097,048	12,264,437
Pledges receivable, net	29,768,816	25,495,878
Grants receivable	710,298	190,295
Current portion of notes and interest receivable	17,250,230	22,877,020
Prepaid expenses and other assets	2,765,461	3,123,549
Assets held for sale	-	1,208,453
	224,873,061	210,386,559
Property and equipment, net	2,784,348,241	2,597,836,144
Other long-term assets		
Restricted property reserves	189,565,136	197,276,489
Investments	17,375,000	14,025,000
Investments, restricted	1,475,000	2,275,000
Pledges receivable, net	12,414,800	29,872,674
Investments in unconsolidated entities, net	1,404,932	1,535,454
Notes and interest receivable, net	46,043,521	43,086,451
Other assets, net	22,453,272	22,366,469
	290,731,661	310,437,537
Total assets	\$ 3,299,952,963	\$ 3,118,660,240

Mercy Housing, Inc.

**Consolidated Statements of Financial Position
December 31, 2019 and 2018**

	2019	2018
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ 92,400,589	\$ 96,386,559
Accrued interest	5,075,625	5,147,862
Notes payable - current	256,044,357	183,763,367
Deferred revenue and other liabilities	7,164,471	7,395,141
Tenant security deposits	9,436,612	9,310,023
	370,121,654	302,002,952
Long-term liabilities		
Accrued interest	130,591,365	119,491,228
Notes payable, non-current, net	1,636,226,424	1,617,052,302
Deferred revenue and other liabilities	39,576,204	33,404,066
	1,806,393,993	1,769,947,596
Total liabilities	2,176,515,647	2,071,950,548
Commitments	-	-
Net assets without donor restrictions		
Net assets without donor restrictions, controlling	336,330,359	312,065,300
Net assets without donor restrictions, noncontrolling	703,319,695	652,833,674
	1,039,650,054	964,898,974
Net assets with donor restrictions	83,787,262	81,810,718
Total net assets	1,123,437,316	1,046,709,692
Total liabilities and net assets	\$ 3,299,952,963	\$ 3,118,660,240

See Notes to Consolidated Financial Statements.

Mercy Housing, Inc.

**Consolidated Statements of Activities
Year Ended December 31, 2019**

	Programs					Total	Without donor Restrictions	With donor Restrictions
	Property Operations & Management	Resident Services	Housing Development	Mercy Community Capital	Corporate Operations			
Revenues								
Rent - net of vacancies	\$ 262,122,605	\$ -	\$ -	\$ -	\$ -	\$ 262,122,605	\$ 262,122,605	\$ -
Developer fees	-	-	18,065,675	-	-	18,065,675	18,065,675	-
Services fees	1,018,844	380,479	33,798	-	-	1,433,121	1,433,121	-
Philanthropy	434,530	9,937,683	7,415,716	5,444,986	865,967	24,098,882	9,227,355	14,871,527
Capital grants	1,011,472	1,000	5,099,380	-	-	6,111,852	6,111,852	-
Consulting	10,230	623,930	595,974	-	-	1,230,134	1,230,134	-
Interest	1,738,640	71,800	535,053	3,136,949	419,950	5,902,392	5,902,392	-
Other	16,677,509	11,109	5,980,272	419,977	168,984	23,257,851	23,257,851	-
Release of restricted assets	-	-	-	-	-	-	12,894,983	(12,894,983)
Total revenues	283,013,830	11,026,001	37,725,868	9,001,912	1,454,901	342,222,512	340,245,968	1,976,544
Expenses and losses								
Compensation	67,842,500	13,318,033	10,117,119	1,065,127	12,852,009	105,194,788	105,194,788	-
Administrative	15,395,078	2,568,888	2,822,212	71,790	12,700,757	33,558,725	33,558,725	-
Professional services	9,158,789	815,980	3,624,924	44,554	1,833,281	15,477,528	15,477,528	-
Depreciation and amortization	123,292,304	-	216,399	-	527,005	124,035,708	124,035,708	-
Grants	43,241	328,134	138,395	5,000	375,000	889,770	889,770	-
Facility	85,883,669	76,853	729,744	-	5,668,108	92,358,374	92,358,374	-
Interest and fees	49,776,737	164	44,342	1,265,061	902,441	51,988,745	51,988,745	-
Bad debts	2,054,804	39,192	9,350	236,222	950,629	3,290,197	3,290,197	-
Project expenses	-	-	794,992	-	-	794,992	794,992	-
Allocation	3,105,490	7,050,468	1,762,113	365,918	(12,283,989)	-	-	-
(Gain)/loss on sale of assets	(7,401,670)	-	-	-	-	(7,401,670)	(7,401,670)	-
(Gain)/loss on investment in unconsolidated entities, net	(6)	-	394,800	(9,375)	77,347	462,766	462,766	-
Total expenses and losses	349,150,936	24,197,712	20,654,390	3,044,297	23,602,588	420,649,923	420,649,923	-
Change in net assets								
Consolidated	(66,137,106)	(13,171,711)	17,071,478	5,957,615	(22,147,687)	(78,427,411)	(80,403,955)	1,976,544
Attributable to non-controlling interest	(81,996,937)	-	(1,026)	-	-	(81,997,963)	(81,997,963)	-
Change in net assets attributable to Mercy Housing, Inc.	\$ 15,859,831	\$ (13,171,711)	\$ 17,072,504	\$ 5,957,615	\$ (22,147,687)	\$ 3,570,552	\$ 1,594,008	\$ 1,976,544

Mercy Housing, Inc.

**Consolidated Statements of Activities
Year Ended December 31, 2018**

	Programs					Total	Without donor Restrictions	With donor Restrictions
	Property Operations & Management	Resident Services	Housing Development	Mercy Community Capital	Corporate Operations			
Revenues								
Rent - net of vacancies	\$ 245,836,287	\$ -	\$ -	\$ -	\$ -	\$ 245,836,287	\$ 245,836,287	\$ -
Developer fees	-	-	15,188,574	-	-	15,188,574	15,188,574	-
Services fees	881,296	152,016	11,517	-	99,143	1,143,972	1,143,972	-
Philanthropy	513,485	7,002,955	34,623,808	160,599	3,913,966	46,214,813	12,628,529	33,586,284
Capital grants	846,279	79,000	20,090,001	776,500	-	21,791,780	21,791,780	-
Consulting	2,039	556,965	273,152	-	-	832,156	832,156	-
Interest	1,852,142	6,236	548,658	2,775,931	291,024	5,473,991	5,473,991	-
Other	16,831,121	-	2,118,169	440,096	1,513,197	20,902,583	20,902,583	-
Release of restricted assets	-	-	-	-	-	-	3,898,189	(3,898,189)
Total revenues	<u>266,762,649</u>	<u>7,797,172</u>	<u>72,853,879</u>	<u>4,153,126</u>	<u>5,817,330</u>	<u>357,384,156</u>	<u>327,696,061</u>	<u>29,688,095</u>
Expenses and losses								
Compensation	64,696,611	11,066,939	9,560,771	1,039,136	12,167,843	98,531,300	98,531,300	-
Administrative	13,157,603	2,148,939	2,175,883	75,799	10,901,079	28,459,303	28,459,303	-
Professional services	7,412,459	676,455	1,170,151	29,719	2,348,283	11,637,067	11,637,067	-
Depreciation and amortization	115,491,842	-	159,068	-	65,907	115,716,817	115,716,817	-
Grants	34	245,553	385,650	-	17,171	648,408	648,408	-
Facility	80,247,606	20,415	857,696	-	4,775,749	85,901,466	85,901,466	-
Interest and fees	45,576,215	99	42,971	1,180,419	709,874	47,509,578	47,509,578	-
Bad debts	1,448,780	3,617	110,952	365,346	125,618	2,054,313	2,054,313	-
Project expenses	-	-	1,863,756	-	-	1,863,756	1,863,756	-
Allocation	3,124,419	3,424,839	4,453,667	356,887	(11,359,812)	-	-	-
(Gain)/loss on sale of assets	(726,746)	-	(102,120)	-	-	(828,866)	(828,866)	-
(Gain)/loss on investment in unconsolidated entities, net	-	-	208,391	-	5,346	213,737	213,737	-
Total expenses and losses	<u>330,428,823</u>	<u>17,586,856</u>	<u>20,886,836</u>	<u>3,047,306</u>	<u>19,757,058</u>	<u>391,706,879</u>	<u>391,706,879</u>	<u>-</u>
Change in net assets								
Consolidated	(63,666,174)	(9,789,684)	51,967,043	1,105,820	(13,939,728)	(34,322,723)	(64,010,818)	29,688,095
Attributable to non-controlling interest	(92,730,831)	-	(1,026)	-	-	(92,731,857)	(92,731,857)	-
Change in net assets attributable to Mercy Housing, Inc.	<u>\$ 29,064,657</u>	<u>\$ (9,789,684)</u>	<u>\$ 51,968,069</u>	<u>\$ 1,105,820</u>	<u>\$ (13,939,728)</u>	<u>\$ 58,409,134</u>	<u>\$ 28,721,039</u>	<u>\$ 29,688,095</u>

See Notes to Consolidated Financial Statements.

Mercy Housing, Inc.

**Consolidated Statements of Changes In Net Assets
Years Ended December 31, 2019 and 2018**

	Net Assets Without Donor Restrictions			Net Assets With Donor Restrictions	Total Net Assets
	Controlling	Noncontrolling	Total		
Balance, January 1, 2018	\$ 274,639,143	\$ 599,092,048	\$ 873,731,191	\$ 52,122,623	\$ 925,853,814
Contributions	-	147,691,354	147,691,354	-	147,691,354
Distributions	-	(531,654)	(531,654)	-	(531,654)
Syndication	(1,509,258)	(853,414)	(2,362,672)	-	(2,362,672)
Other transfers	10,214,376	167,197	10,381,573	-	10,381,573
Excess (deficiency) of revenues over expenses	<u>28,721,039</u>	<u>(92,731,857)</u>	<u>(64,010,818)</u>	<u>29,688,095</u>	<u>(34,322,723)</u>
Balance, December 31, 2018	312,065,300	652,833,674	964,898,974	81,810,718	1,046,709,692
Contributions	-	157,132,805	157,132,805	-	157,132,805
Distributions	-	(557,916)	(557,916)	-	(557,916)
Syndication	(213,593)	(1,040,120)	(1,253,713)	-	(1,253,713)
Other transfers	22,884,644	(23,050,785)	(166,141)	-	(166,141)
Excess (deficiency) of revenues over expenses	<u>1,594,008</u>	<u>(81,997,963)</u>	<u>(80,403,955)</u>	<u>1,976,544</u>	<u>(78,427,411)</u>
Balance, December 31, 2019	<u>\$ 336,330,359</u>	<u>\$ 703,319,695</u>	<u>\$ 1,039,650,054</u>	<u>\$ 83,787,262</u>	<u>\$ 1,123,437,316</u>

See Notes to Consolidated Financial Statements.

Mercy Housing, Inc.

Consolidated Statements of Cash Flows
Years Ended December 31, 2019 and 2018

	2019	2018
Operating activities		
Changes in net assets	\$ (78,427,411)	\$ (34,322,723)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Forgiveness of debt	(506,224)	(265,665)
(Gain) loss on sale of assets	(7,401,670)	(828,866)
Depreciation and amortization	124,035,708	115,716,817
Amortization of debt issuance costs	1,017,980	2,470,905
Provisions for loan losses and impaired assets	236,222	365,346
Equity in losses from investments in partnerships	462,766	213,737
(Gain) loss on interest rate swap contracts	717,595	(634,296)
Amortization of prepaid ground lease	357,719	123,947
Net changes in current assets and liabilities that provided (used) cash		
Accounts receivable, net	(4,832,611)	1,637,883
Grants receivable	(520,003)	278,784
Pledges receivable	13,184,936	(26,633,391)
Prepaid expenses and other assets	358,088	(425,864)
Accounts payable	(75,079,225)	(65,377,231)
Accrued interest payable	11,027,900	12,034,140
Deferred revenue	5,941,468	6,139,244
Tenant security deposits liability	126,589	429,682
Net cash provided by (used in) operating activities	(9,300,173)	10,922,449
Investing activities		
Net change in restricted cash and reserves	11,415,088	(4,449,489)
Net (Purchase) sale of stock	116,200	(286,300)
Purchases of property and equipment	(226,252,996)	(244,028,882)
Net change in investments in partnerships	(332,244)	3,633
Net change in notes receivable	2,433,498	(14,090,889)
Payment of tax credit fees	(1,251,391)	(1,113,590)
Net cash used in investing activities	(213,871,845)	(263,965,517)

Mercy Housing, Inc.

**Consolidated Statements of Cash Flows
Years Ended December 31, 2019 and 2018**

	2019	2018
Financing activities		
Proceeds from notes payable	383,242,369	340,222,786
Principal payments on notes payable	(290,359,683)	(204,360,040)
Debt issuance costs	(6,723,828)	(3,951,325)
Capital contributions from investor partners	157,132,805	147,691,354
Distributions paid to investor limited partners	(557,916)	(531,654)
Syndication costs	(1,253,713)	(2,362,672)
	<u>241,480,034</u>	<u>276,708,449</u>
Net cash provided by financing activities		
	<u>241,480,034</u>	<u>276,708,449</u>
Net increase in cash, cash equivalents, and restricted cash	18,308,016	23,665,381
Cash, cash equivalents, and restricted cash at beginning of year	<u>187,137,903</u>	<u>163,472,522</u>
Cash, cash equivalents, and restricted cash at end of year	<u>\$ 205,445,919</u>	<u>\$ 187,137,903</u>
Cash paid for interest, net of amounts capitalized of \$7,569,097 and \$5,948,477, respectively	<u>\$ 34,812,289</u>	<u>\$ 27,810,292</u>

Mercy Housing, Inc.

**Consolidated Statements of Cash Flows
Years Ended December 31, 2019 and 2018**

	2019	2018
Noncash investing and financing activities:		
Net noncash net assets of transferred entities to (from) MHI	\$ 166,141	\$ (10,381,573)
Transfers of net assets of non-controlling interests	(23,050,785)	167,197
Property and equipment and other assets transferred to MHI	22,884,644	10,214,376
(Increase) decrease in property and equipment in payables	(71,093,255)	(76,551,917)
Increase (decrease) in accounts payable from property equipment purchases (disposals)	71,093,255	76,551,917
Increase in property and equipment from notes payable	562,354	-
Increase in notes payable from property and equipment	(562,354)	-
Increase in property and equipment from capitalized amortization	(2,280,397)	1,312,823
Capitalized amortization in property and equipment	2,280,397	(1,312,823)
Increase in other assets from prepaid expenses	112,858	162,283
Decrease in prepaid expenses from other assets	(112,858)	(162,283)
Increase in accounts payable from financing fees	(888,761)	-
Increase in financing fees in accounts payable	888,761	-
Decrease in notes payable from accrued interest	723,123	(459,460)
Increase in accrued interest from notes payable	(723,123)	459,460
	<u>\$ -</u>	<u>\$ -</u>
Total noncash investing and financing activities	<u>\$ -</u>	<u>\$ -</u>

See Notes to Consolidated Financial Statements.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Note 1 - Organization and summary of significant accounting policies

Mercy Housing, Inc. (MHI or the Company) is a nonprofit Nebraska corporation formed in 1981 by eight congregations of women religious. MHI's mission is to create vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe housing opportunities. These activities are considered to comprise the major programs of the Company. Accordingly, the consolidated statements of activities include four separate programs and corporate operations, as follows: property operations and management; resident services; housing development and Mercy Loan Fund (MLF). On January 1, 2020, Mercy Loan Fund changed its legal name to Mercy Community Capital (MCC) to emphasize its priorities at the community level by making capital available to the most vulnerable communities.

MHI and its affiliates receive significant funding from federal, state, and local government subsidies in various forms, including low-income housing tax credits, low-interest rate loans, grants, and rent subsidies for qualifying very low, low and moderate-income tenants.

MCC is certified by the U.S. Treasury's Community Development Financial Institutions Fund (CDFI Fund) as a Community Development Entity (CDE) and has entered into an allocation agreement with the CDFI Fund as an Allocatee under Section 45D of the Internal Revenue Code.

The Company, through a subsidiary, holds an investment in Housing Partnership Equity Trust LLC (HPET). HPET was formed by twelve mission focused non-profit organizations and is operated by Housing Partnership Network. HPET is a social-purpose Real Estate Investment Trust that provides a ready source of long-term capital enabling its members and partners to quickly and efficiently acquire affordable multifamily properties.

Principles of consolidation

The accompanying consolidated financial statements include the accounts of MHI and all of its controlled affiliates. This includes corporations, limited partnerships and limited liability companies in which MHI has a controlling interest. These entities are included in the consolidation according to accounting principles generally accepted in the United States of America (US GAAP) which require that partnership accounts be consolidated for all limited partnerships or limited liability companies which are deemed to be controlled by the Company. All intercompany transactions have been eliminated in consolidation.

The following entities are included in the consolidated financial statements of MHI:

- Mercy Housing, Inc.
- Mercy Community Capital (MCC)
- Mercy Housing Management Group (MHM)
- Mercy Housing Mountain Plains
 - Stapleton II Mercy, LLC
 - Bluff Mercy, LLC (Bluff Lake)
 - Mercy Housing Colorado GP, LLC
 - Mercy Housing Colorado III, LTD. (Springfield Court)
 - MHMP GP, LLC
 - Mercy Housing Colorado VI, LTD. (Merced de las Animas)
 - MHMP CO GP, Inc.
 - Mercy Bond Properties Colorado I (Franconia LLC)
 - MHMP 12 Holly Park East and West GP

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

MHMP 12 Holly Park East and West LP (Holly Park)
Mercy Housing Midwest
 Mercy House
 Mercy Bond Properties Nebraska I (Mercy Timbercreek, LLC)
 Mercy Village Joplin, Inc.
 Mercy Housing Midwest Nebraska, LLC
 Northglen, LP
 Mercy Crestview Village Housing, LP
 Western Manor, LP
Mercy Housing Southwest (MHSW)
 Avondale Senior Village
 Camelot Casitas
 Casa de Merced
 Casa de Shanti, Inc.
 Decatur Place
 El Mirage Senior Village
 Mesa Senior Meadows
 Guadalupe Senior Village
 Peoria Place
 Plazas de Merced
 Vista Alegre
 Willow Street Apartments
Mercy Housing California (MHC)
 Affordable Housing Initiatives
 All Hallows Community
 Marin Homes for Independent Living (Camino Alto)
 Cantebria Senior Homes
 Mercy Senior Housing Oxnard (Casa Merced)
 Francis of Assisi Community
 Gault Street Senior Housing
 John W. King Senior Community
 Maria B. Freitas Senior Housing Corporation
 Marin Housing Corporation (Martinelli House)
 Mercy Family Plaza Limited Partnership (Mercy Family Plaza)
 Mercy Gardens
 Notre Dame Senior Housing Corporation
 Oceana Senior Housing Corporation (Oceana Terrace)
 Presentation Senior Housing Community
 Russell Manor
 Tierra Del Sol, Inc.
 Garden Park Apartment Community
 Mercy Oaks Village
 Mercy Commercial California
 MPCAL, LLC
 MCC 1360 LLC
 Central Coast Housing
 Mercy Housing California 58, LP (Neary Lagoon Apts.)
 Sycamore Street Consolidated
 Mercy Housing California Family Properties
 Mercy Housing California 51, LP (Bill Sorro Community)
 Mercy Housing California Special Needs

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Mercy Housing California 57, LP (1500 Page)
Mercy Midtown Inc.
Florin Housing Corporation GP
Mercy Housing California 77, LP (Crossroad Gardens)
Mercy Housing California 80, LP, Consolidated
3425 Orange Grove, LLC
Mercy Housing California 81, LP (Courtyard Inn)
Mercy Mather Veterans 3 LLC
Mercy Housing California 79, LP (Mather Phase 3)
Mercy Housing California Senior Properties (MHCSP)
 Bennett House, LP
 Dorothy Day Community, LP
 Junipero Serra, LP
 Monsignor Lyne, LP
 St. Andrew Community, LP
 Villa Columba Mercy Riverside, LP
Mercy Housing Calwest (MHCW)
 Mercy Housing California XXXIX, LP (Gleason Park)
 Mercy Housing California XL, LP (Arlington Hotel)
 Mercy Housing California XXXVIII, LP (East Leland Courts)
 Mercy Housing California XLII, LP (Boulevard Court)
 Mercy Housing California XLIV, LP (1180 Fourth Street)
 Third and LeConte Associates LP (Bayview Hill Gardens)
 Caroline Severance LLC
 Mercy Housing California XLIII, LP (Caroline Severance Manor)
 7th & H GP, LLC
 Mercy Housing California 47, LP (7th & H Street)
 Madonna Senior Housing LLC
 Mercy Housing California 53, LP (Madonna Residences)
 Mercy Housing California 52, LP (School House Station-Vista Grande)
 1100 Ocean Avenue Limited Partnership (1100 Ocean Avenue Apts.)
 55 Laguna, LP (Open House Community at 55 Laguna)
 Esparto Family Apartments, LLC
 Mercy Housing California 54, LP (Esperanza Crossing)
 Sunset Lane Apartments LLC
 Mercy Housing California 55, LP (Trailside Terrace)
 Mercy Housing California 56, LP (Jefferson Park Terrace)
 Coastside Senior Housing Limited Partners, LP
 El Monte Veterans Apartments LLC
 El Monte Veterans Apartments, LP
 1028 Howard Street, LLC
 Mercy Housing California 60, LP (Quinn Cottages)
 Mercy Housing California XI, LP (Madison Place)
 Mercy Eden House LLC
 Eden House, L.P.
 Transbay Block 6, LLC
 Mercy Housing California 62, LP (280 Beale)
 Sunset Valley Duplexes, LLC
 Mercy Housing California 63, LP (Sunset Valley Duplexes)
 345 Arguello, LP
 Land Park Woods, LLC

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**Notes to Consolidated Financial Statements
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Mercy Housing California 68, LP (Land Park Woods)
1880 Pine, LP
Transbay Block 7, LLC
Mercy Housing California 64, LP (Transbay Block 7)
Mercy Mather Veterans, LLC
Mercy Housing California 61, LP (Mather Veterans Village)
Mercy Housing California 65, LLC
Mercy Housing California 65, LP (15888 Hesperion)
Plaza Maria, LLC
Mercy Laguna LLC, GP
Laguna Senior Housing, LP (95 Laguna)
JFK Tower, LP
2698 California, LP
Mercy Housing California 66, LP (Colma Veterans Village)
455 Fell, LP (Parcel O)
Mercy Housing California 67, LP (Columbia Park)
Historic Live Oak (Odd Fellows)
Mercy Housing Camino, LLC
Mercy Housing La Cienega GP, LLC
New Dana Strand IV, LP (Camino Del Mar)
St Mary's Tower, LLC
Mercy Housing California 71, LP (St Mary's Tower)
Francis of Assisi, LLC
Mercy Housing California 69, LP (Francis of Assisi)
3001 24th Street LLC
Mercy Housing California 59, LP (Casa de la Mission)
0623 Vernon, LLC
Mercy Housing California 48, LP (Roseville)
Esperanza Crossing II, LLC
Mercy Housing California 76, LP (Esperanza Crossing Phase II)
Mercy Transformation, LLC
Sunnydale Parcel Q Housing Partners, LP
Candlestick Pointe 11a, a California Limited Partnership (Candlestick)
20 North Cottonwood LLC
Mercy New Hope, LP (Woodland/180 West Beamer)
Mercy Housing California 74, LP (Britton Street)
Pico Robertson LLC, GP
Mercy Housing California 73, LP (Pico Robertson)
Baldwin Rose LLC, GP
Baldwin Rose LP
Mercy Housing California 78, LP (Mission Bay Block 6)
Mercy Housing California 75, LP (Dorothy Day)
Placentia Veterans Village, LLC
Placentia Veterans Village, LP
Mercy Housing California 82, LP (Treasure Island)
1064 Mission, LLC GP
1064 Mission Homeless Services Center LLC
833 Bryant, LLC GP
833 Bryant, LP (Tipping Point)
Villa de Vida GP LLC
Villa de Vida

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1721 West Capitol LLC
Mercy Housing California 87, LP (West Capitol)
Mercy Housing California 84, LP (Bennett House)
1121 9th Street LLC, GP
Mercy Housing California 94 LLC, GP
Mercy Housing California 94, LP (Sherman Oaks)
Mercy Housing California 83, LP (Bermuda Gardens)
Sunnydale Block 6 Development CO LLC GP
Sunnydale Block 6 Housing Partnership, LP
Mercy Properties California
The Haven*
Leland House*
Osocales (McIntosh Mobile Homes)*
Richmond Hills*
Sycamore Center (Red Bluff)*
San Juan Housing Corporation
Kennedy Estates Housing Associates, LP (Kennedy Estates)
Tahoe Valley Townhomes Associates, LP (Tahoe Valley Townhomes)
Mercy Housing Northwest-Idaho, Inc. (MHNWID)
Eagle Senior Village, Inc.
Mercy Moscow, Inc. (Hawthorne)
Independence Hill, Inc.
Boise Senior 202 GP, LLC
Boise Senior 202 Owner, LP (12th Street Senior)
Mercy Housing Lakefront (MHLF)
Lavergne Courts, LLC
Washington Courts, LLC
Whitmore Apartments, LLC
111th & Wentworth Apartment Corporation
111th and Wentworth Limited Partnership (Wentworth Commons)
Belray Apartments Corporation
Belray Limited Partnership (Belray Apartments)
Harold Washington Apartments Corporation
Magnolia Limited Partnership (Carlton Apartments)
Red Door Limited Partnership (Major Jenkins Apartments)
4707 Malden Limited Partnership (Miriam Apartments)
Roseland Apartments Corporation
Roseland Limited Partnership (Holland Apartments)
South Loop Apartments Corporation
South Loop Limited Partnership (South Loop Apartments)
Winthrop Apartments Corporation
5042 Winthrop Apartments Limited Partnership (Delmar Apartments)
Near North Apartments Corporation, NFP
Near North Limited Partnership (Schiff Residences)
Malden Arms Corp. II, NFP
Malden Limited Partnership II (Malden Arms II)
Englewood Apartments, NFP
901 West 63rd Limited Partnership (Englewood Apartments)
Countryside Seniors, LLC

* Not a legal entity but is included as a reportable column in Supplementary Information.

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Countryside Seniors Apartments, LP (Countryside Apartments)
Johnston Center MM, LLC
Johnston Center Re-Use, LLC
HWA-850 Eastwood GP Corp., NFP
HWA-850 Eastwood Limited Partnership
Belvidere Place Corp. I, NFP
Grayslake Senior Housing Limited Partnership
104th Street MM, LLC
104th Street Limited Partnership (Pullman Wheelworks)
MHL Holdings, LLC
MHL Keating MM, LLC
2000 Illinois Aurora MM, LLC
2000 Illinois Aurora, LLC
St. Catherine Residence, Inc.
SC Residence MM, LLC
SC Residence, LLC (McAuley Apartments)
Roseland Place Inc., NFP
Roseland Place Limited Partnership
Mercy River West Commons Elgin LLC
Danville Veterans Housing MM, LLC
Danville Veterans Housing, LLC (Canon Place)
Greenwich Park Apartments MM, LLC
Greenwich Park Apartments, LLC
Mercy Sterling NFP
New Sterling Park MM, LLC
New Sterling Park, LLC (The Lofts at Arthington)
Kankakee Station Senior Housing MM GP, LLC
Kankakee Station Street Senior Housing, LLC
Roseland Village
MHL Miriam Apartments GP LLC
Miriam Apartments, LP
Mercy Housing South East (MHSE)
Mercy Place Belmont, Inc.
Mercy Housing Pembroke, Inc. (McFadden Place)
Mercy Housing Georgia Holdings, LLC (1826 Florance Street)
Marshside Village, Inc.
Allegre Point Senior Residences, Inc.
MHSE Adamsville Green Senior Partners, LLC
Adamsville Green Limited Partnership
Dublin Manor, Inc.
McAuley Manor, Inc.
Mercy Manor, Inc.
Riverview - St. Mary's Inc. (St. Mary's Riverview I)
St. Mary's Villa at Riverview II, Inc. (St. Mary's Riverview II)
St. Mary's Villa, Inc.
Sacred Heart Village I, Inc.
Sacred Heart Village II, Inc.
Sacred Heart Village III, Inc.
St. Theresa Village, Inc.

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Siena Springs (Siena Springs I)
Siena Springs II
Charles Meadows Corporation
Charles Crest Corporation (Charles Crest I)
Charles Crest II, Corporation
Savannah Gardens Senior Residences, Inc.
MHSE Mauldin Center Apartments, LLC
Mercy Community Housing Georgia, Inc. (MCHGa)
 Mercy Housing Georgia I, L.L.L.P. (Heritage Place Apartments)
 Mercy Housing Georgia IV, L.P. (Heritage Corner/Heritage Row)
 Mercy Housing Georgia V, L.P. (Chamblee Senior)
 Mercy Housing Georgia VI, L.P. (The Atrium at College Town)
 MCHG Partners, Inc.
 Acquisition Properties Georgia I, LP (Magnolia Village)
 Mercy Housing Georgia X, L.P. (Savannah Gardens I)
 Mercy Lithonia Park View, Inc.
 Mercy Housing Georgia VIII L.P. (Terraces at Park View)
 MPI Highland Place, LLC
 MPI Highland Place Apartments, LP (The Hills at Fairington Apartments)
 Antioch II, LLC
 Antioch Villas, L.P.
 Mercy Housing Georgia XI GP, LLC
 Mercy Housing Georgia XI, LP (Etowah Terrace)
 MHSE Arbors, LLC
 The Arbors at Ellington, Ltd.
 MHSE Savannah Gardens Phase III GP, LLC
 Mercy Housing Georgia 12, LP (Savannah Gardens Phase III)
 MHSE Reynoldstown Senior GP, LLC
 MHSE Reynoldstown Senior, LP
 MHSE Savannah Gardens Phase IV GP, LLC
 MHSE Savannah Gardens Phase V GP, LLC
 Mercy Housing Georgia 13, LP (Savannah Gardens Phase IV)
 Mercy Housing Georgia 14, LP (Savannah Gardens Phase V)
 MHSE Renaissance Apartments, LLC
 MHSE Mercy Park GP, LLC
 Mercy Park Chamblee
Mercy Housing Northwest (MHNW)
 Intercommunity Housing Ferndale
 Sterling Senior Housing
 Appian Way Manager LLC
 Appian Way Mercy, LLC (Appian Way Apartments)
 New Tacoma Phase I GP LLC
 New Tacoma Phase I Owner, LP (New Tacoma Phase I)
 New Tacoma Phase II Mercy LLC
 New Tacoma Condominium Association
 Evergreen Vista 1 GP LLC
 Evergreen Vista 1 Owner, LP
 Rainer Vista Block 43 GP, LLC
 Rainer Vista Block 43 Owner, LP (Columbia City Station Apts.)
 Cobble Knoll I Mercy LLC
 Allegre Mercy Redevelopment LLLP

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Villa Kathleen Redevelopment LLLP
Impact Family Village GP LLC
Impact Family Village Limited Partnership (Emerald City Commons)
Family Tree & Lincoln Way GP, LLC
Family Tree & Lincoln Way LLLP
MHNW Othello Commercial, LLC
MHNW 9 Othello East GP, LLC
MHNW 9 Othello East, LP (Mercy Othello Plaza East)
MHNW 10 Othello West GP, LLC
MHNW 10 Othello West, LP (Mercy Othello Plaza West)
MHNW 12 Eleanor Apartments GP LLC
MHNW 12 Eleanor Apartments LLLP (Eleanor Apartments)
MHNW 11 Woodlakes LLC
MHNW 11 Woodlakes LLLP
MHNW 13 Building 9 South GP, LLC
MHNW 13 Building 9 South LP (Mercy Magnuson Place South)
MHNW 14 Building 9 North GP, LLC
MHNW 14 Building 9 North LP (Mercy Magnuson Place North)
Building 9 Condominium Association (Mercy Magnuson Place Condominium)
MHNW 16 Family Housing GP LLC
MHNW 16 Family Housing LLLP (Mount Baker)
MHNW 18 Vancouver Family Housing GP LLC
Mercy Properties Washington
 Mercy Housing Washington VIII, LP (Hillside Gardens)
 Mercy Housing Washington VI, LP (Lincoln Way II)
 Mercy Housing Washington V, LP (Sterling Meadows)
 Mercy Housing Washington VII, LP (Eliza McCabe Townhomes)
 Mercy Housing Washington IX, LP (Evergreen Vista II)
 Mercy Housing Washington X, LLC (Catalina Apartments)
Mercy Housing Ohio, Inc. (MHOH)
Mercy Properties Washington III, LLC (Cobble Knoll I)
Mercy Properties Washington II, LLC (Cobble Knoll II)
Padre Apartments Community
Mercy Properties, Inc. (MPI)
 111 Jones Street Associates, LP (111 Jones Street Apts.)
 Britton Street Associates, LP (Britton Street Apts.)
 Mercy Housing California VII, LP (Casa San Juan)
 Mercy Housing Colorado VIII, LP (Valle de Merced)
 Mercy Housing Colorado I, LTD (Grace)
 Marlton Affordable Housing Associates (Marlton Manor)
 Mercy Housing California V, LP (Mercy Village Folsom)
 Park Terrace Apartments, LP
 Mercy Housing California X, LP (The Rose Hotel)
 San Felipe Homes, LP
 2220 10th Avenue Associates, LP (Santana Apts.)
 Mercy Housing Iowa II, LP (Sherwood Place Apts.)
 Mercy Housing California I, LP (St. Francis Terrace)
 Mercy Housing Georgia II, LLLP (Orchard Grove Apts.)
 Mercy Housing Colorado IX, LLLP (Parkside Apartments)
 Mercy Housing Arizona II, LP (Page Commons)
 Parkside Terrace Apartments, LLC

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Parkside Terraces Limited Partnership
Mulberry Court LLC
Mercy Housing South Carolina I, LP (Mulberry Court Apts)
Savannah Rose of Sharon, LLC
Mercy Housing Georgia III, LP (Rose of Sharon)
Mercy Housing South Dakota I, LLC (Driftwood Estates)
Mercy Housing South Dakota II, LLC (Northern Heights)
Mercy Housing Colorado XI, LLC (Pinon Terrace)
Commons on Main GP, LLC
Aromor Mercy, LLC (Aromor Apts)
Mercy Galewood SLF, Inc.
FHD Holdings LLC
Mercy Properties II, Inc.
 Mercy Housing Utah I, LP (Francis Peak View)
 Mercy Housing Idaho V, LP (Sisters Villa)
2101 Telegraph Avenue Housing, Inc.
 2101 Telegraph Avenue Associates, LP (Hamilton Apts.)
McDermott Place
 Bishop's Block, LP
South of Market Mercy Housing
 1101 Howard Street Associates, LP (1101 Howard St. Apts.)
 Mercy Housing California VI, LP (205 Jones Street Apts.)
 1475 167th Avenue Associates, LP (Bermuda Gardens)
 Centro Partners, LP (El Centro Residential)
 Riverside/Leibrandt Partners, LP (La Playa Residential)
 West 28th Street, LP (Montclair/Tolton Court)
 16th & Church Street Associates, LP (Padre Palou)
Visitation Valley Affordable Housing Corporation
 Visitation Valley Family Housing Associates (Heritage Homes)
Mercy Housing West
 Mercy Housing California XIV, LP (10th & Mission Apartments)
 Mercy Housing California XV, LP (Nueva Vista)
 Mercy Housing California XVII, LP (Derek Silva Community)
 Mercy Housing California XXIV, LP (Carter Terrace Apartments)
 Mercy Housing California XVIII, LP (Polk Street Senior Community)
 Mercy Housing California XIII, LP (Linbrook Court)
 Mercy Housing California XX, LP (Mission Creek Sr.)
 Mercy Housing California XVI, LP (Villa Madera)
 Mercy Housing California XII, LP (Villa Amador)
 Village Park Housing Associates (Village Park Apts.)
 Mercy Housing California XXI, LP (White Rock Village)
 Mercy Housing California XIX, LP (Grand & Venice)
 Mercy Housing California XXV, LP (Casa Alegre)
 Pinewood Court Apartments, LP (Terracina Pinewood Court)
 Mercy Housing California XXII, LP (The Dudley)
 Mercy Housing California XXVI, LP (Martin Luther King Village)
 Mercy Housing California XLI, LP (Westbrook Plaza)
 Mercy Housing California XXXIV, LP (Edith Witt Sr Community)
 Mercy Housing California XXVII, LP (Serna Village)
 Mercy Housing California XXVIII, LP (The Vineyard Townhomes)
 Mercy Terrace, LLC

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Mercy Housing California XXIX, LP (Grizzly Hollow Phase III)
New Dana Strand Townhomes, LP (New Dana Strand Townhomes)
Mercy Housing California XXXII, LP (Creekview Manor)
Mercy Housing California XXXVI, LP (Kent Gardens)
Mercy Housing California XXXI, LP (Martinelli House)
Mercy Housing California XXXV, LP (Ardenaire Apartments)
Mercy Housing California XXXIII, LP (Casa Verde)
Colonia San Martin Associates, LP
Mercy Housing California 50, LP (Vera Haile Senior Housing)
Mercy Housing California 49, LP (McAuley Meadows)
Affordable Housing Corp.
Mercy Housing Washington III, L.P. (Tahoma View)
Mercy Housing Wheaton
Clare of Assisi Homes - Westminster, Inc.
Clare Gardens, Inc.
Francis Heights, Inc.
Villa Maria, Inc.
Paducah Ministries 1, Inc. (Loan Oak Manor)
Princeton Ministries 4, Inc. (Princeton Manor)
Assisi Homes of Illinois, Inc.
Mercy Housing Franciscan Campus, Inc. (Day Spring Villa)
Richardson Ministries, Inc. (Brandywine Apartments)
Lake Wale Ministries, Inc. (Lake Wales Gardens)
Assisi Homes - Batavia Apartments, Inc.
Assisi Homes - Constitution House, Inc.
Assisi Homes - Colony Park, Inc.
Assisi Homes - Jefferson Court, Inc. (Jefferson Court Apartments)
Assisi Homes - Kenosha, Inc.
Assisi Homes - La Salle Manor, Inc.
Assisi Homes of Gurnee, Inc.
Assisi Homes of Neenah, Inc.
Canticle Place, Inc.
Marian Housing Center, Inc.
Marian Park, Inc.
Alexandria Ministries, Inc. (Alexandria Manor)
Effingham Ministries, Inc. (Colonnade Apartments)
Indianapolis Ministries 1, Inc. (Cedar Commons)
Indianapolis Ministries 2, Inc. (Spruce Manor)
Kokomo Ministries, Inc. (Kokomo Manor)
Moline Ministries 1, Inc. (Highland Manor)
Moline Ministries 2, Inc. (Sanders Apartments)
Pendleton Ministries, Inc. (Edgewood Square Apartments)
Tucson Ministries, Inc. (Western Winds)
Phoenix Ministries 3, Inc. (Lemon Grove)
Davenport Ministries, Inc. (Westview Terrace)
Saxony Manor, MM LLC
Assisi Homes - Saxony Manor, Inc.

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Basis of presentation and net assets

US GAAP requires the organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Program service expenses must be segregated from management and general expenses. Contributions received are recorded as support without donor restrictions or with donor restrictions. Net assets without donor restrictions are those that have no external restrictions. Net assets with donor restrictions are those net assets for which use is limited by donors to a specific time period and/or purpose or for which use is restricted in perpetuity by donors.

New accounting standards

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("ASU 2014-09") providing new revenue recognition guidance that superseded existing revenue recognition guidance. The update, as amended, requires the recognition of revenue related to the transfer of goods or services to customers reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, as well as additional qualitative and quantitative disclosures about revenues. The Company adopted the new revenue recognition guidance as of January 1, 2019 using the modified retrospective method of transition for all contracts that were not completed as of that date. Most of the Company's revenue is generated from the lease of real estate to tenants. Leasing revenue is specifically excluded from the new revenue recognition guidance. Therefore, the new guidance only applies to the Company's revenues from developer fees and management fee contracts. Accordingly, adoption of the new guidance had no impact since substantially all the Company's contracts with customers, other than lease agreements, are for management fees and do not have more than one performance obligation. Adoption of the new revenue recognition guidance did not have a significant impact on the timing of the Company's revenue recognition nor the financial statement presentation thereof.

In November 2016, the Financial Accounting Standards Board issued Accounting Standards Update 2016-18 *Statement of Cash Flows (Topic 230) - Restricted Cash* ("ASU 2016-18") to address diversity in practice with respect to the cash flows presentation of changes in amounts described as restricted cash and cash equivalents. ASU 2016-18 requires a reporting entity to include amounts described as either restricted cash or restricted cash and cash equivalents (collectively referred to as "restricted cash" herein) when reconciling beginning and ending balances in its statement of cash flows. The update also amends Topic 230 to require disclosures about the nature of restricted cash and provide a reconciliation of cash, cash equivalents and restricted cash between the balance sheet and the statement of cash flows. ASU 2016-18 was adopted retrospectively during the year ended December 31, 2019.

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As a result of the adoption of ASU 2016-18 the following changes were made to the consolidated statements of cash flows for the year ended December 31, 2018:

	As previously reported	As revised
Net cash provided by operating activities	\$ 10,380,892	\$ 10,922,449
Net cash used in investing activities	\$ (263,001,380)	\$ (263,885,331)
Net increase in cash and cash equivalents	\$ 24,087,961	\$ 23,745,567
Cash, cash equivalents, and restricted cash at the beginning of the year	\$ 56,927,747	\$ 160,239,250
Cash and cash equivalents at end of year	\$ 81,015,708	\$ 183,984,817

In June 2018, FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958) - Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made ("ASU 2018-08"). This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. We have implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying consolidated financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with our implementation of ASU 2018-08. Due to the adoption of ASU 2018-08, certain transactions previously accounted for as exchange transactions are now accounted for as conditional contributions.

Revenue recognition

Rent revenue, principally from short-term leases on apartment units and commercial space, is recognized as rents become due.

MHI recognizes gifts of cash and other assets as revenue without donor restrictions unless they are received with donor restrictions. Gifts with restrictions are reported as revenue with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statements of Activities as net assets released from restrictions. Gifts of long-lived assets with restrictions and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenue with donor restrictions and are reclassified to net assets without donor restrictions when the long-lived asset is placed in service.

Unconditional and substantiated promises to give are recorded as revenue at estimated net realizable value. We recognize contributions when cash, securities or other assets, an unconditional promise to give, or 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 substantially met. Our federal and state contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Consequently, at December 31, 2019 and 2018 no conditional contributions have been received in advance, which would have not been recognized in the accompanying consolidated financial statements. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as revenue without donor restrictions in the period of receipt. Unconditional promises to give with payments due in future periods are discounted to present value and reported as revenue with donor restrictions.

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Special event revenues are recognized when the event is held. Contributions received at or related to a special event are recorded as philanthropy in the Consolidated Statements of Activities.

Revenue from developer fees, management fee and other contractual services is recognized when control of the promised service is transferred to MHI's customers, in an amount that depicts the consideration MHI expects to be entitled to in exchange for those services. Revenue is not recognized unless collectability under the contract is considered probable, the contract has commercial substance and the contract has been approved. Additionally, the contract must contain payment terms, as well as the rights and commitments of both parties. See Note 9 for a further discussion of the Company's revenues.

Revenue is recognized when control of the promised service is transferred to the Company's customers, in an amount that depicts the consideration the Company expects to be entitled to in exchange for those services.

Management service revenue

The Company provides property management services on a contractual basis for owners of residential rental real estate. These services include leasing, accounting, management and assistance with compliance with regulatory agreements. The Company is compensated for its services through a monthly management fee earned based on either a specified percentage of the monthly rental income, rental receipts generated from the property under management or a fixed fee. The Company is also often reimbursed for its administrative and payroll costs directly attributable to the properties under management. Property management services represent a series of distinct daily services rendered over time. Consistent with the transfer of control for distinct, daily services to the customer, revenue is recognized at the end of each period for the fees associated with the services performed.

Development fees

Development fees earned are paid from the project's equity and debt proceeds at the completion of the construction of the project. These fees are recognized over the development period beginning when the project is assured of being constructed, as evidenced by the admission of an equity partner, as units are delivered or based on the external construction costs incurred as a percentage of the total external construction costs expected, and concluding with the application for final allocation of tax credits. Any portion of the development fee not expected to be paid using contributions from the equity partner, such as out of cash flow from operations represents variable consideration.

The project estimates whether it will be entitled to variable consideration under the terms of the development agreement and includes its estimate of variable consideration in the total development fee amount when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur in accordance with the accounting guidance in ASC Topic 606, Revenue from Contracts with Customers, on constraining estimates of variable consideration, which typically includes the following factors:

- The susceptibility of the consideration amount to factors outside the project's influence.
- Including insufficient equity and debt proceeds at the completion of the construction of the project.
- Whether the uncertainty about the consideration amount is not expected to be resolved for a long period of time.
- The Company's experience with similar types of agreements.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

- Whether the Company expects to offer changes to payment terms.
- The range of possible consideration amounts.

The cumulative amount of development fees earned over the development agreement is updated at each reporting period based on the project's estimate of the variable consideration using available information at the reporting date. Any difference between the gross amount of the project's developer fee payable and the estimate of variable consideration to which the developer expects to be entitled is eliminated in consolidation.

Contract acquisition and fulfillment costs

Incremental costs of obtaining contracts with customers are capitalized to the extent the Organization expects to recover them. Fulfillment costs are those costs that directly relate to a contract or anticipated contract that can be specifically identified, generate or enhance resources that will be used in satisfying or continuing to satisfy performance obligations in the future and are expected to be recovered.

MHI generally does not incur significant costs to acquire and fulfill contracts. When significant costs are incurred, they are capitalized and amortized over the duration of the respective contracts in proportion to the amount of revenue recognized. For the year ended December 31, 2019, MHI did not capitalize any contract acquisition or fulfillment costs.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, deposits in money market accounts and certificates of deposit. All highly liquid instruments with maturities of three months or less when purchased are considered to be cash equivalents. All significant balances are insured by the Federal Deposit Insurance Corporation (FDIC).

Restricted cash

The Company is subject to restrictions on certain funds received by MHI and certain subsidiaries. These funds are included in the restricted cash balance.

Many MHI subsidiaries are required to make monthly deposits for replacement of project assets, which are controlled by the Department of Housing and Urban Development (HUD) or other financing authorities. These subsidiaries are also required to make yearly deposits of surplus cash, if any, to residual receipts accounts. Use of residual receipt funds is contingent upon the prior written approval of HUD.

Certain subsidiaries make required monthly escrow deposits for taxes and insurance in separate bank accounts. The mortgagor for the subsidiary controls these escrow deposits. These funds are included in the restricted cash balance on our Consolidated Statements of Financial Position.

Amounts received by MHI subsidiaries from HUD and other financing authorities for construction of low-income housing projects are included in the restricted cash balance.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Investments

MHI invests cash in individual certificates of deposits, treasury instruments and government agency notes. Securities with maturities greater than 90 days are recorded as investments. Debt instruments are recorded at fair value, and realized and unrealized gains and losses are recorded as unrestricted operating income or loss. MHI's policy is to hold the investments to maturity.

Accounts receivable and bad debts

Tenant receivables are charged to bad debt expense when determined to be uncollectible based upon a periodic review of the accounts by management. US GAAP requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method. Non-tenant receivables are reported net of an allowance for doubtful accounts.

Property and equipment

Property and equipment have been stated at cost. The provision for depreciation is computed using the straight-line method based on estimated useful lives of the related assets. Buildings are depreciated over 27.5 to 40 years, furniture and equipment is depreciated over 3 to 10 years, and land improvements are depreciated over 15 to 20 years.

Impairment of long-lived assets

In accordance with US GAAP, management continually monitors events and changes in circumstances, which could indicate that the carrying value of real estate may not be recoverable. If events or changes in circumstances are present, management assesses the recoverability of real estate by determining whether the carrying value will be recovered through the undiscounted future cash flows expected to be generated from its uses and eventual disposition. If the carrying amount of the real estate exceeds its estimated undiscounted cash flows, the impairment to be recognized is measured by the amount of carrying value of real estate that exceeds its fair value. No impairment loss has been recognized for the years ended December 31, 2019 and 2018, respectively. Losses, when recognized, are included in the provision for impaired assets in the Consolidated Statements of Activities.

Predevelopment project costs

The Company incurs costs in connection with properties it is considering for development as well as costs associated with properties in the initial stages of development. These costs include such items as market and environmental studies, purchase options, and legal and accounting costs. Predevelopment costs are capitalized until such time as the project is either abandoned or becomes an approved project with independent funding sources. Predevelopment project costs are charged to operations at the time a potential project is no longer considered desirable or feasible.

Allowance for loan losses

The Company allows for loans, notes receivable and accrued interest that may not be ultimately collected. The allowance for uncollectible loans is based upon prior experience and management's assessment of the collectability of existing specific loans. Individual loans are written off against the allowance when they are deemed uncollectible, and increases to the allowance are charged to provision for loan losses.

Debt issuance costs

Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the mortgage and notes payable to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related loan.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Tax credit fees and related amortization

Tax credit monitoring fees are amortized using the straight-line method over the fifteen-year tax credit compliance period.

Amortization expense for the years ended December 31, 2019 and 2018 was \$803,530 and \$783,864, respectively. Estimated amortization expense for each of the ensuing years through December 31, 2024 is as follows:

2020	\$	820,687
2021		782,821
2022		715,062
2023		618,378
2024		555,208

Investment in unconsolidated entities

MHI and its subsidiaries hold non-controlling interests ranging from 0.005 percent to 50 percent in limited partnerships and other entities that are not consolidated. For the years ended December 31, 2019 and 2018, the investment in unconsolidated entities was \$1,404,932 and \$1,535,454, respectively. See Note 7 for additional information.

Functional allocation of expenses

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of MHI are reported as expenses of those functional areas. A portion of shared general and administrative expenses that benefit multiple functional areas (indirect costs) are allocated across programs and corporate operations using a percentage method. Periodically, this methodology and the underlying assumptions are reviewed by management to ascertain continued relevancy and accuracy.

Non-controlling interest in limited partnerships

This represents the aggregate balance of third party Limited Partner or Investor Member equity interests in the limited partnerships or limited liability companies that are included in the consolidated financial statements. The aggregate negative balances, if any, of Limited Partner or Investor Member interests prior to January 1, 2010 remain in MHI's net assets.

Net assets without donor restrictions

Net Assets without donor restrictions are available for use at the discretion of the board of trustees and/or management for general operating purposes. From time to time the board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. See Note 9 for more information on the composition of net assets without donor restrictions.

Net assets with donor restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

MHI reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting MHI to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board approved spending policy.

See Note 10 for more information on the composition of net assets with donor restrictions.

Transfers of net assets

During the year ended December 31, 2019, one entity was added and no entities were removed from the consolidated financial statements. During the year ended December 31, 2018, three entities were added and no entities were removed from the consolidated financial statements. The net effect of the changes to net assets for the years ended December 31, 2019 and 2018 was a decrease of \$166,141 and an increase of \$10,381,573, respectively. The following is a summary of the changes of other transfers for the years ended December 31, 2019 and 2018:

2019 Addition of entities:	
Jefferson Court Apartments	<u>\$ (166,141)</u>
Total transfers	<u><u>\$ (166,141)</u></u>
2018 Addition of entities:	
Phoenix Ministries 3, Inc. (Lemon Grove)	\$ 4,151,677
Davenport Ministries, Inc. (Westview Terrace)	1,863,304
Assisi Homes - Saxony Manor, Inc.	<u>4,366,592</u>
Total transfers	<u><u>\$ 10,381,573</u></u>

Strategic health care partnerships

Historically, many strategic partners have pledged contributions to MHI for up to five years. MHI has eight Strategic Health Care Partners (Strategic Partners) as follows:

- Ascension Health (AH)
- Bon Secours Health System (BSH)
- Catholic Health Initiatives (CHI)
- Mercy Health Partners
- Dignity Health (DH)
- Presence Health
- St. Joseph Health System (SJH)
- Trinity Health Corporation (TH)

CHI and DH provided MHI with a \$5,000,000 non-interest bearing loan and a \$3,000,000, 3 percent interest bearing loan, respectively. The loans provide working capital to support MHI's mission. The CHI loan of \$5,000,000 matured on April 1, 2020 and the DH loan of \$3,000,000 matures on July 1, 2020. The Company is actively negotiating extensions on both of these loans.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

BSH, CHI, SJH, DH and TH provided MCC with loans ranging from \$1,000,000 to \$4,800,000. Proceeds from these loans are invested in communities supported by MCC. Interest rates range from 2 to 2.5 percent.

Tenant subsidy payments

A portion of our rental income is in the form of subsidy payments from HUD under Section 8 of the National Housing Act. Tenants are subsidized based upon their level of income. Rent increases require HUD approval. Tenants also receive subsidy payments from US Department of Agriculture, Rural Development.

Income taxes

MHI and its consolidated nonprofit corporations are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state statutes. During 2019 Section 512(a)(7) of the Internal Revenue Code of 1986 (the "Code") was repealed. This Code section was added as part of the Tax Cuts and Jobs Act of 2017 (the "TCJA") and resulted in an unrelated business income tax (UBIT) liability when a tax-exempt entity provides qualified transportation benefits to employees. The repeal is effective retroactively to December 22, 2017, the date the TCJA was enacted. As a result of the repeal Mercy Housing will receive a refund of previously paid UBIT of \$19,136. All nonprofit corporations are required to file tax returns with the IRS and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and there are no other tax positions which must be considered for disclosure. For the years ended December 31, 2019 and 2018, the Company did not identify any uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

As of December 31, 2019, the following entities are corporate subsidiaries of MHI that are not exempt from federal and state taxes:

- 104th Street MM, LLC
- 111th & Wentworth Apartments Corporation
- Affordable Housing Corporation
- Affordable Housing Initiatives
- Antioch II, LLC
- Belray Apartments Corporation
- Belvidere Place Corporation I, NFP
- Countryside Seniors LLC
- Danville Veterans Housing MM LLC
- Englewood Apartments, NFP
- Esperanza Crossing II, LLC
- Greenwich Park Apartments MM, LLC
- Harold Washington Apartments Corporation
- HWA-850 Eastwood GP Corporation NFP
- Impact Family Village Condominium Association
- Impact Family Village GP, LLC
- Kankakee Station Street Senior Housing MM LLC
- Malden Arms Corp. II, NFP
- McDermott Place
- MCHG Partners, Inc.
- Mercy Affordable Housing, Inc.
- Mercy Commercial California
- Mercy Eden House, LLC
- Mercy Galewood SLF, Inc.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Mercy Housing Georgia XI GP, LLC
 Mercy Lithonia Park View, Inc.
 Mercy Sterling NFP
 MHL Keating MM, LLC
 MHMP 12 Holly Park East and West GP
 MHMP CO GP, Inc.
 MHSE Adamsville Green Senior Partners, LLC
 MHSE Arbors LLC
 MHSE Mercy Park GP LLC
 MHSE Savannah Gardens IV GP
 MHSE Savannah Gardens Phase III GP, LLC
 MHSE Savannah Gardens V GP
 MPI Highland Place LLC
 Near North Apartments Corp., NFP
 New Sterling Park MM, LLC
 Roseland Apartments Corporation
 Savannah Rose of Sharon LLC
 South Loop Apartments Corporation
 Stapleton II Mercy, LLC
 Winthrop Apartments Corporation
 New Tacoma Condominium Association
 MHNW 16 Family Housing GP, LLC

The Company accounts for income taxes related to the taxable corporate subsidiaries under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

The limited partnerships and limited liability companies in which the Company has a partnership interest have elected to be treated as a pass-through entity for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The partnerships' federal tax statuses are based on their legal status as a partnership. Accordingly, the partnerships are not required to take any tax positions in order to qualify as a pass-through entity. The partnerships are required to file and do file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the partnerships have no other tax positions which must be considered for disclosure. Income tax returns filed by the entities are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2016 remain open.

Fair value

The carrying amounts of the Company's cash and cash equivalents, receivables, payables and accrued expenses approximate fair value due to the short-term nature of these instruments. The fair value of the Company's long-term notes receivable and notes payable is assessed by management based on analysis of underlying investments and historical trends. It is impracticable to estimate the fair value of the Company's financial guarantees because there are no quoted market prices for transactions that are similar in nature. See Note 15.

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Use of estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in these financial statements and the accompanying notes. Actual results could differ from those estimates.

Derivative instruments and hedging activities

During each of the years ended December 31, 2019 and 2018, the Company had eight interest rate swap contracts outstanding that were used to mitigate the economic impact of changes in interest rates. The swaps are designated as cash flow hedges and are used to offset the risk of changes in cash flows associated with benchmark interest payments on its variable rate mortgage loans. MHI reassesses the hedge on an ongoing basis to determine if it continues to be effective. Changes in the fair value of the interest rate swap contracts are recorded in the Consolidated Statement of Activities. As of December 31, 2019 and 2018, there was no hedge ineffectiveness. The swaps are reported in notes payable at fair value on the Consolidated Statements of Financial Position. See Note 15 for additional information on derivative instruments and hedging activities.

Reclassifications

Reclassifications have been made to the prior year balances to conform to the current year presentation.

Note 2 - Cash and investments

Cash and investments are categorized as unrestricted, which include board-designated amounts for a specific purpose, or restricted. Unrestricted cash held by the properties is generally not available for corporate purposes but is instead limited for use within the individual properties.

At December 31, 2019 and 2018, cash and investments were as follows:

Unrestricted Cash and Investments:	2019	2018
Cash and cash equivalents - Properties	\$ 67,557,833	\$ 59,916,364
Cash and cash equivalents - MCC	2,397,944	380,580
Cash and cash equivalents - Corporate Operating Entities	26,395,884	20,718,764
Investments, current	4,125,000	7,130,449
Investments, current - Board Designated	3,314,958	3,690,000
Investments, non-current	14,690,000	8,316,000
Investments, non-current - Board Designated	2,685,000	5,709,000
 Total Unrestricted and Designated Cash/Investments	 121,166,619	 105,861,157
 Restricted Cash and Investments:		
Cash, tenant Security Deposits	9,544,138	9,520,472
Cash, restricted - Corporate Entities (including MCC)	24,744,619	21,055,908
Cash, restricted - Properties	19,189,790	22,760,639
Investments, current	11,042	53,751
Restricted Property Reserves	189,565,136	197,276,489
Investments, non-current	1,475,000	2,275,000
 Total cash and investments	 \$ 365,696,344	 \$ 358,803,416

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
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MHI invests in certificates of deposit which are carried at par value as they are held to maturity. Maturity dates range from January 2020 to September 2023. The approximate market value of the investments was \$122,994,769 and \$107,140,532 as of December 31, 2019 and 2018 as follows:

	2019	2018
Certificates of deposit	\$ 89,992,543	\$ 90,167,697
Money market accounts	32,991,184	16,969,084
Equities (1)	11,042	3,751
 Total certificates of deposit, money market accounts, and equities	 \$ 122,994,769	 \$ 107,140,532

(1) Represents donated equity investments.

Realized and unrealized gains and losses are recorded in the Consolidated Statements of Activities as other income. MHI recorded investment income of \$2,765,442 and \$2,698,061 during the years ended December 31, 2019 and 2018, respectively.

Liquidity and availability of resources

MHI's financial assets available within one year of the consolidated statements of financial position date for general expenditures are as follows:

	2019	2018
Cash and cash equivalents, properties and corporate Investments	\$ 96,351,661	\$ 81,015,708
Accounts receivable, net	7,439,958	24,845,449
Pledges receivable, net	17,097,048	12,274,976
Grants receivable	29,768,816	25,495,878
Restricted deposits and funded reserves	710,298	190,295
Current portion of notes and interest receivable	12,027,668	9,850,835
	17,250,230	22,877,020
Total financial assets available within one year	180,645,679	176,550,161
Less:		
Amounts unavailable to management without board approval		
Amounts in pledges receivable intended for capital expenditure	29,323,608	19,432,044
Board designated, property improvements	2,685,000	5,709,000
Board designated, software implementation	3,314,958	3,690,000
Net assets with donor restrictions	83,787,262	81,810,718
Total financial assets available to management for general expenditures within one year	\$ 61,534,851	\$ 65,908,399

MHI maintains policy of structuring its financial assets to be available as general expenditures, liabilities, and other obligations come due. In addition, MHI invests cash that exceeds short-term requirements in liquid short-term investments including brokered certificates of deposit, United States treasury & agency securities, and commercial paper.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Amounts related to restricted deposits and funded reserves anticipated to be used more than one year after the statement of financial position date have been excluded from the above amounts.

To help mitigate unanticipated liquidity needs, MHI has committed operating lines of credit totaling \$7,500,000, which can be drawn upon at any time. In addition, MHI has board designated net assets without donor restrictions that, with board approval, could be made available for current operations.

Note 3 - Pledges

Pledges and unconditional promises to give are recorded as revenue at estimated net realizable value based on historical trends. Pledges with payments due in future periods are discounted to present value and are reported as revenue with donor restrictions.

As of December 31, 2019, future pledge payments are as follows:

For the year ended December 31, 2019	\$ 29,768,816
2020	12,750,000
2021	-
2022	-
2023	-
	<hr/>
Total Pledges Receivable	42,518,816
Discount and allowance	<u>(335,200)</u>
	<hr/>
Total pledges receivable, net	<u>\$ 42,183,616</u>

The amount of pledges written off was \$10,862 and \$25,556 for the years ended December 31, 2019 and 2018, respectively.

Note 4 - Grants receivable

Grants receivable consist of amounts due under grant awards for which revenue has been recognized with or without donor restrictions.

Grants receivable as of December 31, 2019 were \$710,298. Of this, \$349,756 relates to a local operating subsidy program grant.

Grants receivable as of December 31, 2018 were \$190,295. Of this, \$53,183 relates to a broadband infrastructure grant.

Note 5 - Notes and interest receivable, net

Notes receivable and interest receivable

As of December 31, 2019 and 2018, MHI has total notes and interest receivable outstanding of \$63,293,751 and \$65,963,471, respectively. MCC holds \$53,264,091 and \$55,725,977 of notes and interest receivable, net allowance for doubtful accounts as of December 31, 2019 and 2018, respectively, in connection with 61 and 53 loans, respectively. MCC offers loan products of varying terms and maturities to socially responsible developers to finance the development of multifamily homes for rent. MCC offers acquisition, construction and rehabilitation financing, bridge loans and secured predevelopment loans for affordable housing projects.

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Risk management

MCC conducts an annual risk rating analysis on its loan portfolio by reviewing the following criteria: primary source of repayments, financial condition, property performance, development plan, real estate development staff capacity and experience, strong sponsor/guarantor, payment of taxes and insurance, and low-income housing tax credit takeout. The following table summarizes the risk ratings of MCC's loan portfolio:

<u>Risk Ratings</u>		
<u>Level</u>	<u>Labeled</u>	<u>Assessment</u>
1-3	Pass	Collectible loan
4	Special Mention	Added to watch-list and monitored closely
5	Sub-Standard	Loan loss is recorded if determinable
6	Doubtful	Partially or fully uncollectible

As part of MCC's risk rating analysis, a corresponding loss reserve is allocated to each sub-standard and doubtful loan. MCC had loan loss reserves of \$2,629,305 (3.4% of the loan portfolio) and \$2,393,083 (4.5% of the loan portfolio), for the years ended December 31, 2019 and 2018 respectively.

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

The table below details MCC's loans according to their risk rating categories for the years ended December 31, 2019 and 2018:

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u> (Special mention)	<u>5</u> (Sub-standard)	<u>6</u> (Doubtful)	<u>Total</u>
December 31, 2019	\$ 7,172,658	\$ 21,474,468	\$ 22,334,076	\$ 2,188,676	\$ 94,213	\$ -	\$ 53,264,091
December 31, 2018	\$ 11,145,349	\$ 25,580,135	\$ 17,207,158	\$ 1,675,000	\$ 118,335	\$ -	\$ 55,725,977

Total allowances at December 31, 2019 and 2018 consisted of the following:

	<u>MCC</u>	<u>MHSW</u>	<u>MHC</u>	<u>Central Coast Housing</u>	<u>MPI</u>	<u>MHI (1)</u>	<u>Total</u>
Balance at January 1, 2018	\$ 2,027,737	\$ 501,503	\$ 21,976	\$ 80,706	\$ 428,667	\$ 34,147	\$ 3,094,736
Increase/(Decrease) to allowance due to:							
Bad debts	365,346	-	-	-	-	-	365,346
Write-offs	-	(55,104)	(607)	-	-	-	(55,711)
Recoveries	-	-	-	-	-	-	-
Balance at December 31, 2018	2,393,083	446,399	21,369	80,706	428,667	34,147	3,404,371
Increase/(Decrease) to allowance due to:							
Bad debts	236,222	-	-	-	-	-	236,222
Write-offs	-	(55,104)	(21,369)	-	-	-	(76,473)
Recoveries	-	-	-	-	-	-	-
Balance at December 31, 2019	<u>\$ 2,629,305</u>	<u>\$ 391,295</u>	<u>\$ -</u>	<u>\$ 80,706</u>	<u>\$ 428,667</u>	<u>\$ 34,147</u>	<u>\$ 3,564,120</u>

(1) Includes notes held by the Mercy Housing Inc. parent organization.

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Note 6 - Property and equipment and assets held for sale

Property and equipment

Property and equipment at December 31, 2019 and 2018 consisted of the following:

	2019	2018
Land and land improvements	\$ 385,543,671	\$ 348,024,050
Buildings	3,249,384,792	2,906,135,289
Furniture and equipment	122,496,556	114,198,732
Predevelopment project costs	17,845,599	10,325,436
Construction in progress	145,218,527	243,011,537
Total property and equipment	3,920,489,145	3,621,695,044
Less accumulated depreciation	(1,136,140,904)	(1,023,858,900)
Property and equipment, net	\$ 2,784,348,241	\$ 2,597,836,144

For the years ended December 31, 2019 and 2018, depreciation expense was \$123,232,178 and \$114,932,953, respectively.

During 2018, the ownership of three entities was transferred to the Company. In conjunction with this transfer, property and equipment increased by \$18,108,561 and assumed property mortgages increased by \$11,115,763.

Assets held for sale

In accordance with GAAP, the results of operations for properties classified as held for sale at the end of the current period are required to be classified as held for sale in the current and prior periods. Real estate assets held for sale are measured at the lower of the carrying amount or the fair value less costs to sell. Once an asset is classified as held for sale no further depreciation is recorded. At December 31, 2019, the company had no assets held for sale. At December 31, 2018, the Company considered the assets of Brandywine, Inc. as held for sale. Management believes that the fair value less costs to sell exceeds the carrying amount of this project, therefore no loss has been charged to operations for 2018.

Following is summarized information regarding assets classified as held for sale:

	2019	2018
Total assets	\$ -	\$ 1,482,248
Total liabilities	-	1,145,590
Discontinued operations	-	30,527

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Note 7 - Investments in unconsolidated entities

MHI and its subsidiaries hold investments in limited partnerships and other entities that are not consolidated. As of December 31, 2019 and 2018, MHI is invested in the following non-consolidating entities:

- Housing Partnership Equity Trust, LLC
- Housing Partnership Network, Inc.
- Mercy Loan Fund Sub-CDE 1, LLC
- Sunnydale Development Company LLC
- Galewood SLF Associates, LP
- Brentwood Green Valley Apartments, Inc.
- 1064 Mission, LP
- Global Partnerships
- Truckee Riverview Housing Associates

The Company's investment in unconsolidated entities is as follows:

Investment in unconsolidated entities as of January 1, 2018	\$ 1,752,824
Other transfers	(1,818)
Distributions from cash flow	(1,815)
Equity in project earnings (loss)	<u>(213,737)</u>
Investment in unconsolidated entities as of December 31, 2018	1,535,454
Other transfers	(124,900)
Capital contributed	500,000
Distributions from cash flow	(42,856)
Equity in project earnings (loss)	<u>(462,766)</u>
Investment in unconsolidated entities as of December 31, 2019	<u><u>\$ 1,404,932</u></u>

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Note 8 - Notes payable

Notes payable as of December 31, 2019 and 2018 include both secured and unsecured borrowings and consist of the following:

	2019	2018
Unsecured Corporate Operating and Predevelopment Loans:		
US Bank - Revolving loan bearing interest at thirty day LIBOR plus 2.10% and 3.00% as of December 31, 2019 and 2018, respectively; payable monthly. The allowable borrowing under this line is \$7,500,000. The rate at December 31, 2019 and 2018 is 3.80% and 5.52%, respectively. Commitment expires December 31, 2022. (1)	\$ -	\$ -
California Bank & Trust - Revolving predevelopment line of credit agreement with ZB, N.A., dba California Bank & Trust. The agreement provides for borrowing up to \$8,000,000 at thirty day LIBOR plus 2.10%, payable monthly. The rate at December 31, 2019 and 2018 is 3.80% and 4.45%, respectively. The maturity date of the line of credit is December 31, 2021. On February 5, 2020 MHI entered into an amendment to increase the predevelopment line of credit borrowing capacity to \$10,000,000 and extended the maturity date to December 31, 2022.	7,714,247	4,718,702
Investor Loans to Mercy Community Capital. Notes bearing interest from 0% to 5% and maturing through 2029. Available balances under these notes were \$14,771,690 and \$10,322,504 as of December 31, 2019 and 2018, respectively.	45,409,508	47,840,481
Other Notes Payable, bearing interest from 0% to 3% and maturing through October 2023. Available capacity was \$1,500,000 as of December 31, 2019 and 2018.	15,173,151	16,018,470
Subtotal - Unsecured corporate operating and predevelopment Loans	68,296,906	68,577,653

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

	2019	2018
Loans secured by the respective properties:		
Construction loans, bearing interest from 0% to 5.52%, with both fixed and variable interest rates, to be repaid in full or converted to permanent loans through 2021. Available capacity was \$824,050,158 and \$317,685,915 as of December 31, 2019 and 2018, respectively.	482,926,291	527,627,952
Permanent loans, bearing interest from 0% to 10.00%, generally with principal and interest due monthly, to be repaid in full through 2079. Notes are fully drawn as of December 31, 2019 and 2018, respectively.	1,376,793,360	1,237,118,652
Total notes payable	1,928,016,557	1,833,324,257
Less debt issuance costs, net	(35,745,776)	(32,508,588)
Total	1,892,270,781	1,800,815,669
Less notes payable, current (2)	(256,044,357)	(183,763,367)
Notes payable, non-current	\$ 1,636,226,424	\$ 1,617,052,302

(1) As of December 31, 2019 and 2018, the Company had standby letters of credit of \$250,000 issued under the operating sub-limit.

(2) As of December 31, 2019 and 2018 notes payable, current include construction debt totaling \$212,802,334 and \$154,230,394 respectively, with committed sources of repayment including proceeds from permanent debt and/or low income housing tax credit equity.

For the years ended December 31, 2019 and 2018, \$45,840,188 and \$42,315,337 of interest expense was incurred and is included in interest and fees on the consolidated statement of activities.

Future minimum principal maturities of notes payable are as follows:

For the year ending December 31, 2020	\$ 256,044,357
2021	40,106,138
2022	21,864,567
2023	29,246,875
2024	36,319,266
Thereafter	1,544,435,354
Total maturities	\$ 1,928,016,557

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Note 9 - Net assets without donor restrictions

MHI's net assets without donor restrictions are comprised of undesignated amounts for the following purposes at:

	December 31, 2019	December 31, 2018
Net assets without donor restrictions - controlling		
Undesignated	\$ 330,330,401	\$ 302,666,300
Board designated, property improvements	2,685,000	5,709,000
Board designated, software implementation	3,314,958	3,690,000
 Total net assets without donor restrictions - controlling	 336,330,359	 312,065,300
 Net assets without donor restrictions - noncontrolling	 703,319,695	 652,833,674
	 \$ 1,039,650,054	 \$ 964,898,974

Board designated for property improvements

MHI's board has designated funds be set aside to perform essential property improvements including but not limited to repairs, improvements, replacements, alterations, and additions to existing properties.

Board designated for software implementation

MHI's board has designated funds to be set aside for a comprehensive software implementation program which includes property and disbursements management as well as accounting and data systems.

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Note 10 - Net assets with donor restrictions

MHI's net assets with donor restrictions are restricted for the following purposes or periods, as follows:

	December 31, 2019	December 31, 2018
Subject to expenditure for specified purpose:		
Construction of affordable housing	\$ 73,957,569	\$ 75,106,804
Resident services	3,515,443	1,958,233
Total subject to expenditure for specified purpose	<u>77,473,012</u>	<u>77,065,037</u>
Subject to expenditure for a specified time:		
Land lease for use in affordable housing	1,317,840	1,343,681
Total subject to expenditure for a specified time	<u>1,317,840</u>	<u>1,343,681</u>
With donor restrictions in perpetuity:		
Land for use in affordable housing	4,996,410	3,402,000
Total with donor restrictions in perpetuity	<u>4,996,410</u>	<u>3,402,000</u>
Total net assets with donor restrictions	<u>\$ 83,787,262</u>	<u>\$ 81,810,718</u>

Note 11 - Lease commitments

The Company leases land, office space and equipment under non-cancelable operating lease agreements that expire through 2118. Future minimum lease payments are as follows:

	Office and Equipment	Property Land	Total Operating
For the year ending December 31,			
2020	\$ 1,929,078	\$ 732,476	\$ 2,661,554
2021	1,738,449	789,336	2,527,785
2022	1,536,780	807,451	2,344,231
2023	1,553,326	808,823	2,362,149
2024	1,469,786	810,238	2,280,024
Thereafter	<u>6,939,481</u>	<u>35,685,424</u>	<u>42,624,905</u>
Total future minimum lease payments	<u>\$15,166,900</u>	<u>\$39,633,748</u>	<u>\$54,800,648</u>

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Lease expense for operating leases was approximately \$3,328,641 and \$2,849,133 for the years ended December 31, 2019 and 2018, respectively, and is included in facilities expense. As of December 31, 2019 and 2018 ground leases at ten and nine projects, respectively, have been prepaid and are amortizing over the related lives through 2115. Prepaid lease expense as of December 31, 2019 and 2018 was \$14,693,410 and \$14,859,954, respectively, and is included in prepaid expenses and other assets, net on the statements of financial position.

Note 12 - Related party transactions

The Company has significant related party transactions with affiliates. It provides a considerable amount of funding in connection with the development of projects. It also provides development services, fundraising assistance, property management, resident services and administrative services. In certain cases, the Company pays operating expenses on behalf of and provides management services to affiliates. These costs are reimbursed to the Company on a monthly basis. In certain instances, such as when individual properties may be experiencing cash flow difficulties, repayment may be delayed, providing the property with an informal source of funds.

Notes and interest receivable, affiliates

The amounts loaned by the Company primarily represent predevelopment and development loans to consolidated affiliates. These loans are generally collateralized with real estate of the funded property. Many of these loans do not require payments until after the scheduled maturity of the related first mortgages. The loans with subsidiaries are eliminated in consolidation. Interest payments are generally subject to available cash flow. In some cases, loans are required to be repaid earlier. This usually occurs in situations where the underlying source of the loan is required to be repaid earlier as well.

Development fee income

Generally, all development fee income is earned in connection with affiliated entities. Development fees which are paid from operating cash flows from affiliated entities are eliminated in consolidation. Many of these fees are required to be deferred and paid from cash flows of the related property.

Other fee income

Substantially all of the property management, data processing, and bookkeeping fee income earned by MHM is related to services provided to consolidated affiliates. In addition, the general partners earn partnership management fees for oversight of the properties. Property management fees, data processing fees, bookkeeping fees, and partnership management fees associated with controlled entities are eliminated in consolidation. Such fee income is included in service fees. The elimination of these fees is allocated to the controlling interest.

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

Note 13 - Consolidated statements of cash flows

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statements of financial position that sum to the total of the same such amounts in the statements of cash flows.

		December 31, 2019
Cash and cash equivalents		\$ 96,351,661
Cash, tenant security deposits		9,544,138
Cash, restricted	\$ 43,934,409	
Less: non-qualified restricted cash	<u>(12,042,402)</u>	
		31,892,007
Investments		7,439,958
Investments, restricted		11,042
Restricted property reserves	189,565,136	
Less: non-qualified restricted cash	<u>(148,208,023)</u>	
		41,357,113
Long-term investments		17,375,000
Long-term investments, restricted		<u>1,475,000</u>
Total cash, cash equivalents, and restricted cash shown in the consolidated statements of cash flows		<u><u>\$ 205,445,919</u></u>
		December 31, 2018
Cash and cash equivalents		\$ 81,015,708
Cash, tenant security deposits		9,520,472
Cash, restricted	\$ 43,816,547	
Less: non-qualified restricted cash	<u>(10,994,476)</u>	
		32,822,071
Investments		10,820,449
Investments, restricted		53,751
Restricted property reserves	197,276,489	
Less: non-qualified restricted cash	<u>(160,671,037)</u>	
		36,605,452
Long-term investments		14,025,000
Long-term investments, restricted		<u>2,275,000</u>
Total cash, cash equivalents, and restricted cash shown in the consolidated statements of cash flows		<u><u>\$ 187,137,903</u></u>

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
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Amounts included in restricted cash are comprised of security deposits held in trust for the future benefit of tenants upon moving out of the property and other reserves as required by regulatory authority and the partnership and/or operating agreements.

Note 14 - Guarantees

MHI enters into agreements with certain limited partnerships or their affiliated general partners whereby the Company guarantees to loan funds to the partnerships in the event that the partnerships incur operating deficits as defined in the respective partnership agreements or fail to meet their current financial obligations. These agreements expire at various times from 2020 through the terms of the underlying partnership or debt agreements. Loans made pursuant to these guarantees are generally interest-free and unsecured. The maximum potential amount of future payments under these guarantees is equal to the amount guaranteed to the partnerships under the tax indemnification agreements discussed below.

MHI also enters into agreements with certain limited partnerships and limited liability companies or their affiliated general partners or members whereby MHI offers tax indemnification in the event of low-income housing tax credit recapture. MHI's potential liability under these agreements is dependent upon IRS audits and final letters of determination of the limited partnerships' qualified basis in tax credit properties. Similarly, MHI has entered into agreements with state and local governments who have provided loans to certain limited partnerships for the development of affordable housing whereby MHI has guaranteed any recapture of the loans resulting from non-compliance with affordable housing requirements. Management is not aware of any known liability for tax credit or loan recapture. The maximum potential liability under these guarantees as of December 31, 2019 is \$1,143,153,095 relating to 120 limited partnerships. MHI has not been required to fund any amounts under these guarantees and has not recorded any liabilities associated with these guarantees.

MHI provides guarantees to certain lenders who provide financing for the acquisition and construction of low-income housing projects developed by certain limited partnerships. Under these guarantees, MHI provides assurance of project completion and provides repayment guarantees for the associated loans. The guarantees terminate when construction is complete and permanent financing repays the construction loans. As of December 31, 2019, MHI had provided guarantees on 21 acquisition and construction loans of \$582,430,270 of which \$299,250,345 was outstanding. As of December 31, 2018, MHI had provided guarantees on 26 acquisition and construction loans of \$558,539,402 of which \$302,902,308 was outstanding.

MHI also issues other guarantees to secure financing on various projects. As of December 31, 2019, \$6,268,132 was outstanding. MHI has not been required to fund any amounts under these guarantees.

MHI also guarantees certain surety bonds covering construction and utilities deposits. As of December 31, 2019, \$2,876,240 was outstanding under such guarantees.

Note 15 - Fair value

The accounting standard for fair value measurement and disclosures defines fair value, establishes a framework for measuring fair value, and provides for expanded disclosure about fair value measurements. Fair value is defined by the accounting standard for fair value measurement and disclosures as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly

Mercy Housing, Inc.

**Notes to Consolidated Financial Statements
December 31, 2019 and 2018**

transaction between market participants on the measurement date. It also establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three levels. The following summarizes the three levels of inputs and hierarchy of fair value the Company uses when measuring fair value:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access;
- Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as interest rates and yield curves that are observable at commonly quoted intervals; and
- Level 3 inputs are unobservable inputs for the asset or liability that are typically based on an entity's own assumptions as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the fair value measurement will fall within the lowest level input that is significant to the fair value measurement in its entirety.

The net unrealized gain/(loss) on interest rate swap contracts during 2019 and 2018 of \$717,595 and \$634,295, respectively, is classified within level 2 of the fair value hierarchy. The unrealized gain/(loss) on certificates of deposit during 2019 and 2018 of \$482,543 and \$(1,467,303), respectively, is classified within level 1 of the fair value hierarchy. No other assets or liabilities are measured at fair value as of December 31, 2019 and 2018.

The following table presents the financial assets and liabilities that the Company measured at fair value on a recurring basis as of December 31, 2019:

	Level 1	Level 2	Level 3	Total
Net interest rate swap-asset/(liability)	\$ -	\$ (2,713,478)	\$ -	\$ (2,713,478)
Certificates of deposit	89,992,543	-	-	89,992,543
Money market accounts	32,991,184	-	-	32,991,184
Equities	11,042	-	-	11,042

The following table presents the financial assets and liabilities that the Company measured at fair value on a recurring basis as of December 31, 2018:

	Level 1	Level 2	Level 3	Total
Net interest rate swap-asset/(liability)	\$ -	\$ (1,995,883)	\$ -	\$ (1,995,883)
Certificates of deposit	90,167,697	-	-	90,167,697
Money market accounts	16,969,084	-	-	16,969,084
Equities	3,751	-	-	3,751

On a recurring basis, the Company measures its interest rate swap contracts at their estimated fair value. In determining the fair value of the interest rate swap contracts, the Company uses the present value of expected cash flows based on observable market interest rate yield curve commensurate with the term of the instrument. In determining the fair value of the certificates of deposit, the Company uses quoted market prices and other relevant information generated by market transactions. See "Derivative Instruments and Hedging Activities" in Note 1 for additional information regarding the swaps.

Mercy Housing, Inc.

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Note 16 - Employee retirement plan

The Company has a defined contribution employee 403(b) retirement plan covering eligible employees. Generally, employee contributions to the plan consist of a percentage based on eligible employees' compensation. MHI matches dollar for dollar an employee's contribution up to 4 percent commencing on the employee's second year of service. Additionally, at the completion of three and seven years of service, MHI makes additional contributions equal to 1 percent and 1 percent, respectively, of the employee's gross earnings regardless of whether or not the employee participates in the plan. Contribution costs of property site staff are passed through to the managed projects. The Company contributed \$2,642,806 and \$2,404,936 for the years ended December 31, 2019 and 2018, respectively.

Note 17 - Insurance

The Company uses a combination of insurance and risk retention to manage a number of risks, including, but not limited to, general liability, property and the Company's obligation for employee related health care benefits. Liabilities relating to these claims associated with these risks are estimated by considering historical claims experience, including frequency, severity, demographic factors, and other actuarial assumptions. In estimating the liability for such claims, the Company periodically analyzes historical trends, including loss development, and applies appropriate loss development factors to the incurred costs associated with the claims. Additionally, the Company retains some of the risk related to workers compensation.

Reserves relating to retained risk were \$4,478,596 and \$6,267,817 as of December 31, 2019 and 2018, respectively. As of December 31, 2019 and 2018, \$2,895,596 and \$4,020,818, respectively are outstanding and included in accounts payable and accrued expenses.

The Company maintains a restricted cash balance to pay future claims related to all areas of retained risk. As of December 31, 2019 and 2018, the Company held \$7,887,777 and \$9,877,782, respectively, in restricted cash to pay future insurance claims.

Note 18 - Commitments and contingencies

Property management agreements

MHM, a subsidiary corporation of MHI, serves under contract as the management agent for several affiliated corporations and partnerships of MHI. In addition, MHM provides management services to unaffiliated affordable housing projects at competitive rates.

Grant and property use restrictions

Many properties owned and operated by MHI and its subsidiaries were developed using grants and restrictive, low interest rate loans. The terms of these loans restrict the use of the property and generally require it be rented to qualified low-income tenants for the period of the grant or related loan term. MHI and its subsidiaries also receive grants with restrictions other than property use. Failure to comply with the terms of the grant or the loans would result in a requirement to repay a portion or all of the proceeds received.

Rental assistance contracts

Many properties owned by or affiliated with the Company have entered into rental assistance contracts with HUD. These contracts have various terms and require the affiliate projects to operate as low-income housing properties and to obtain HUD approval of all rent increases.

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Construction contracts

The Company has entered into construction contracts with various third party contractors to construct and rehabilitate projects in the original amount of \$746,541,434 and \$590,867,922 as of December 31, 2019 and 2018, respectively. During 2019 and 2018, change orders totaled \$51,029,069 and \$42,300,359, respectively. As of December 31, 2019 and 2018, \$43,205,067 and \$48,240,430 remains payable, respectively, which includes retainage payable of \$24,600,025 and \$21,673,148, respectively, and is included in accounts payable and accrued expenses.

Surplus cash and residual receipts

Many properties owned by MHI and its subsidiaries are subject to HUD regulatory agreements, which restrict the use of the property and limit the use of project cash. Under these regulatory agreements, many of the subsidiaries are precluded from receiving any distributions of operating cash. A surplus cash calculation is required to be prepared annually and any surplus cash, as defined, is required to be deposited in a residual receipts account controlled by HUD.

Letters of credit

In connection with certain project developments, MHI is contingently liable on several letters of credit, expiring on various dates (see Note 8).

Litigation

MHI and its subsidiaries are named in claims and legal actions in the normal course of its business. Based upon the opinion of counsel, management believes the outcome of such matters will not have a material adverse effect on the financial position or changes in the net assets of the Company.

Other

As general partners in various partnerships, the Company and other consolidated entities may be subject to other liabilities, should an affected partnership's assets become insufficient to meet its obligations.

Note 19 - Risks and uncertainties

The following important factors could adversely impact the Company. These factors could cause actual results to differ materially from any forward-looking and other statements that were made in periodic reports, news releases, annual reports and other written reports or communication.

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity which could result in a loss of lease revenue and other material adverse effects to the Company's financial position, results of operations, and cash flows. Mercy Housing is not able to estimate the length or severity of this outbreak and the related financial impact. The future impact of the outbreak is highly uncertain and cannot be predicted and there is no assurance that the outbreak will not have a material adverse impact on the financial health of Mercy Housing. The extent of the impact, if any, will depend on future developments, including actions taken to contain the coronavirus. Management plans to adjust its operations accordingly and will continue to assess and monitor the situation as it evolves. If the length of the outbreak and related effects on our operations continue for an extended period of time, we may have to seek alternative measures to finance our operations. There is no assurance these measures will be successful.

MHI obtains and employs substantial capital and operating subsidies from various federal, state and local governmental agencies, including the federal departments of HUD, USDA and the Veterans

Mercy Housing, Inc.

Notes to Consolidated Financial Statements December 31, 2019 and 2018

Administration. Legislative or regulatory changes in the operations or funding of federal, state and local programs could have a material impact on future results. In addition, MHI obtains funding from private equity groups including national, state and local banks and financial institutions. This funding is also based on a number of government programs, including the Low Income Housing Tax Credit (LIHTC) and the Community Reinvestment Act (CRA). Legislative changes (including changes to Federal Income Tax laws) could impact the level of funding received from these groups and could have a material impact on future results.

Changes in the current economic and credit market (e.g., a rise in inflation and/or interest rates) environment could increase the cost of capital or limit the ability to access capital. Failure to comply with covenants and conditions imposed by the agreements governing the Company's indebtedness could restrict future borrowing or cause debt to become immediately due and payable. Failure to renew existing loans could impact working capital, capital expenditures, acquisitions, debt service or other business needs.

The Company and its subsidiaries invest in assets consisting of Bank Certificates of Deposits (CDs) and money market funds which invest in CDs, commercial paper, US Treasury bills, US Agency bonds, notes, and repurchase agreements. Investment policy and guidelines are established by the Finance Committee of the board of trustees. These investments are exposed to various risks, such as interest rate, market and credit. Due to the level of uncertainty related to changes in interest rates, market volatility and credit risks, it is at least reasonably possible that changes in these risks could materially affect the fair value of investments reported in the consolidated statements of financial position as of December 31, 2019. The investment policy and guidelines consider liquidity and risk for each entity and each pool of assets and attempt to diversify asset classes to mitigate risks over the applicable time horizons.

Increased development costs, supply and labor shortages, entitlement delays, uninsured losses from natural disasters and other factors may negatively affect the future results of the Company. Property operations and development are subject to warranty and liability claims that can be significant.

Note 20 - Subsequent events

Events that occur after the statement of financial position date but before the consolidated financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying consolidated financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of the Company through June 11, 2020 (the date the consolidated financial statements were available to be issued) and concluded that no subsequent events have occurred that would require disclosure in the notes to the consolidated financial statements other than as discussed in Note 19.

Supplementary Information

Mercy Housing, Inc.

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Mercy Housing, Inc.
Consolidating Statement of Financial Position
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			Consolidated Mercy		Consolidated Mercy			
	Mercy Housing, Inc.	Mercy Community Capital	Mercy Housing Management Group	Housing Mountain Plains	Consolidated Mercy Housing California	Housing Northwest - Idaho, Inc.	Consolidated Mercy Housing Lakefront	Consolidated Mercy Housing South East
Assets								
Current assets								
Cash and cash equivalents	\$ 11,346,385	\$ 2,551,938	\$ -	\$ 1,760,146	\$ 40,187,466	\$ 124,409	\$ 6,695,695	\$ 1,299,010
Cash, tenant security deposits	-	-	-	348,847	3,205,429	48,244	701,623	650,626
Cash, restricted	18,830,177	4,074,606	-	600,250	16,402,160	-	568,818	504,843
Investments	4,125,000	-	-	-	3,314,958	-	-	-
Investments, restricted	11,042	2,319,349	-	-	-	-	-	-
Accounts receivable, net	2,504,173	17,079	7,978,321	456,439	4,940,077	51,556	1,889,172	533,356
Due from affiliate, net	191,873,584	1,603	67,786,546	9,060,905	86,267,008	1,526,222	19,796,521	817,558
Pledges receivable, net	43,585	-	-	-	12,259,450	-	367,225	-
Grants receivable	-	-	-	-	53,182	-	222,360	-
Current portion of notes and interest receivable	-	17,769,967	-	-	204,167	-	-	-
Current portion of notes and interest receivable, affiliates	14,724,319	-	-	256,457	292,439	37,204	-	249,114
Prepaid expenses and other assets	2,643,433	28,959	197,578	315,184	2,367,988	24,856	718,246	530,269
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	246,101,698	26,763,501	75,962,445	12,798,228	169,494,324	1,812,491	30,959,660	4,584,776
Property and equipment								
Land and land improvements	855,000	-	-	9,960,802	160,016,198	1,720,491	30,328,946	31,749,865
Buildings	75,401	-	-	113,279,628	1,342,842,989	14,276,869	333,295,767	223,583,917
Furniture and equipment	7,404,018	-	11,330	3,726,096	39,875,887	699,713	9,378,014	9,197,001
Predevelopment project costs	-	-	-	186,382	15,660,743	-	993,580	958,995
Construction in progress	-	-	-	-	102,215,769	-	9,262,390	54,701
Accumulated depreciation	(4,418,708)	-	(11,330)	(53,203,490)	(263,597,692)	(6,453,280)	(118,822,566)	(91,822,861)
Net property and equipment	3,915,711	-	-	73,949,418	1,397,013,894	10,243,793	264,436,131	173,721,618
Other long-term assets								
Restricted property reserves	-	-	-	7,447,636	79,695,176	1,101,419	23,914,708	12,214,254
Long-term investments	5,190,000	-	-	-	12,185,000	-	-	-
Long-term investments, restricted	-	-	-	-	525,000	-	-	800,000
Due from affiliates	775,972	-	-	-	(684,325)	-	-	-
Pledges receivable, net	-	-	-	-	12,414,800	-	-	-
Investments in limited partnerships, net	777,615	259,475	-	-	(7,707,380)	-	(2,345,697)	-
Notes and interest receivable, net	8,884,065	58,075,043	-	-	2,145,849	56,604	75,000	-
Notes and interest receivable, affiliates	4,304,855	-	-	8,651,861	6,962,601	-	-	88,096
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	351,600	-	263,434	16,184,483	26,356	1,258,190	1,059,181
Total other long-term assets	19,932,507	58,686,118	-	16,362,931	121,721,204	1,184,379	22,902,201	14,161,531
Total assets	\$ 269,949,916	\$ 85,449,619	\$ 75,962,445	\$ 103,110,577	\$ 1,688,229,422	\$ 13,240,663	\$ 318,297,992	\$ 192,467,925

Mercy Housing, Inc.
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	Mercy Housing, Inc.	Consolidated Mercy			Consolidated Mercy			
		Mercy Community Capital	Mercy Housing Management Group	Housing Mountain Plains	Consolidated Mercy Housing California	Housing Northwest - Idaho, Inc.	Consolidated Mercy Housing Lakefront	Consolidated Mercy Housing South East
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 9,499,142	\$ 173,183	\$ 4,582,134	\$ 1,627,299	\$ 54,607,067	\$ 215,604	\$ 7,688,211	\$ 5,586,968
Due to affiliates	193,995,693	-	72,965,864	13,723,419	35,031,464	2,665,854	20,615,009	22,302,493
Accrued interest	169,021	176,028	-	102,174	2,721,552	-	564,838	125,590
Accrued interest, affiliates	21,231	-	-	37,676	13,186	2,167	2,907	-
Current portion of notes payable	11,097,523	6,009,300	-	528,376	182,824,996	-	1,404,514	969,179
Current portion of notes payable, affiliates	3,906,991	79,372	-	420,929	8,752,625	6,547	4,159,457	1,305,881
Deferred revenue and other liabilities	8,217,578	-	37,417	163,994	3,136,646	21,191	339,392	177,259
Tenant security deposits	-	-	-	335,385	3,282,496	46,846	647,375	636,319
Total current liabilities	226,907,179	6,437,883	77,585,415	16,939,252	290,370,032	2,958,209	35,421,703	31,103,689
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	2,357,200	-
Accrued interest	82,462	-	-	799,721	54,677,678	40,352	6,102,774	569,962
Accrued interest, affiliates	-	-	-	28,364	175,770	-	3,603	-
Notes payable, less current portion, net	11,642,709	38,847,014	-	29,425,386	804,639,804	1,125,651	146,256,862	61,859,360
Notes payable, less current portion, affiliates	451,740	473,462	-	9,299,004	4,418,312	426,895	2,017,105	-
Deferred revenue and other liabilities	1,350,675	8,500,000	-	41,578	19,302,885	-	1,283,593	1,388,158
Total long-term liabilities	13,527,586	47,820,476	-	39,594,053	883,214,449	1,592,898	158,021,137	63,817,480
Total liabilities	240,434,765	54,258,359	77,585,415	56,533,305	1,173,584,481	4,551,107	193,442,840	94,921,169
Net assets								
Net assets without donor restrictions, controlling	27,701,500	27,492,260	(1,622,970)	45,744,351	476,570,145	8,645,907	120,787,207	96,234,988
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	27,701,500	27,492,260	(1,622,970)	45,744,351	476,570,145	8,645,907	120,787,207	96,234,988
Net assets with donor restrictions	1,813,651	3,699,000	-	832,921	38,074,796	43,649	4,067,945	1,311,768
Total net assets	29,515,151	31,191,260	(1,622,970)	46,577,272	514,644,941	8,689,556	124,855,152	97,546,756
Total liabilities and net assets	\$ 269,949,916	\$ 85,449,619	\$ 75,962,445	\$ 103,110,577	\$ 1,688,229,422	\$ 13,240,663	\$ 318,297,992	\$ 192,467,925

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	Consolidated Mercy Housing Northwest	Mercy Housing Ohio, Inc.	Mercy Properties Washington III, LLC (Cobble Knoll I)	Mercy Properties Washington II (Cobble Knoll II)	Padre Apartments Community	Consolidated General Partners	Eliminations	Consolidated Mercy Housing, Inc.
Assets								
Current assets								
Cash and cash equivalents	\$ 3,496,678	\$ -	\$ 262,441	\$ 127,124	\$ 120,882	\$ 28,506,426	\$ (126,939)	\$ 96,351,661
Cash, tenant security deposits	723,840	-	157,277	109,437	17,919	3,580,896	-	9,544,138
Cash, restricted	3,572,235	-	-	128,001	-	305,619	(1,052,300)	43,934,409
Investments	-	-	-	-	-	-	-	7,439,958
Investments, restricted	-	-	-	-	-	-	(2,319,349)	11,042
Accounts receivable, net	536,624	-	73,097	105,326	159	3,239,991	(5,228,322)	17,097,048
Due from affiliate, net	10,926,666	522,212	24,461	10,590	-	128,493	(388,742,369)	-
Pledges receivable, net	17,098,556	-	-	-	-	-	-	29,768,816
Grants receivable	85,000	-	-	-	-	349,756	-	710,298
Current portion of notes and interest receivable	-	-	-	-	-	-	(723,904)	17,250,230
Current portion of notes and interest receivable, affiliates	56,415	-	-	-	-	-	(15,615,948)	-
Prepaid expenses and other assets	505,934	-	38,410	68,285	16,302	2,135,074	(6,825,057)	2,765,461
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	37,001,948	522,212	555,686	548,763	155,262	38,246,255	(420,634,188)	224,873,061
Property and equipment								
Land and land improvements	36,609,767	-	2,957,750	1,804,734	118,488	110,717,838	(1,296,208)	385,543,671
Buildings	276,401,400	-	13,683,821	12,305,635	4,399,790	939,434,065	(24,194,490)	3,249,384,792
Furniture and equipment	7,060,836	-	178,515	145,508	141,489	44,678,149	-	122,496,556
Predevelopment project costs	777,665	-	-	-	-	-	(731,766)	17,845,599
Construction in progress	33,951,939	-	-	-	-	-	(266,272)	145,218,527
Accumulated depreciation	(66,599,933)	-	(7,460,723)	(6,338,372)	(2,859,638)	(522,665,025)	8,112,714	(1,136,140,904)
Net property and equipment	288,201,674	-	9,359,363	7,917,505	1,800,129	572,165,027	(18,376,022)	2,784,348,241
Other long-term assets								
Restricted property reserves	10,374,103	-	1,185,100	1,773,003	617,231	51,223,594	18,912	189,565,136
Long-term investments	-	-	-	-	-	-	-	17,375,000
Long-term investments, restricted	150,000	-	-	-	-	-	-	1,475,000
Due from affiliates	-	-	-	-	-	-	(91,647)	-
Pledges receivable, net	-	-	-	-	-	-	-	12,414,800
Investments in limited partnerships, net	461,908	-	-	-	-	(5,435,909)	15,394,920	1,404,932
Notes and interest receivable, net	-	-	-	-	-	1,293,280	(24,486,320)	46,043,521
Notes and interest receivable, affiliates	65,606	-	-	-	-	1,197,412	(21,270,431)	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	818,265	-	-	-	-	2,491,763	-	22,453,272
Total other long-term assets	11,869,882	-	1,185,100	1,773,003	617,231	50,770,140	(30,434,566)	290,731,661
Total assets	\$ 337,073,504	\$ 522,212	\$ 11,100,149	\$ 10,239,271	\$ 2,572,622	\$ 661,181,422	\$ (469,444,776)	\$ 3,299,952,963

Mercy Housing, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Consolidated Mercy Housing Northwest	Mercy Housing Ohio, Inc.	Mercy Properties Washington III, LLC (Cobble Knoll I)	Mercy Properties Washington II (Cobble Knoll II)	Padre Apartments Community	Consolidated General Partners	Eliminations	Consolidated Mercy Housing, Inc.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 5,457,697	\$ 5,095	\$ 416,640	\$ 650,151	\$ 63,656	\$ 10,790,169	\$ (8,962,427)	\$ 92,400,589
Due to affiliates	7,757,291	3,621,970	167,024	29,058	-	8,095,335	(380,970,474)	-
Accrued interest	281,525	-	47,975	16,698	3,825	866,687	(288)	5,075,625
Accrued interest, affiliates	-	-	-	-	-	50,709	(127,876)	-
Current portion of notes payable	47,672,675	-	547,843	359,679	267,896	4,362,376	-	256,044,357
Current portion of notes payable, affiliates	777,665	-	-	-	-	324,499	(19,733,966)	-
Deferred revenue and other liabilities	222,951	-	7,400	66,971	1,865	1,077,535	(6,305,728)	7,164,471
Tenant security deposits	707,094	-	151,854	106,121	17,373	3,505,749	-	9,436,612
Total current liabilities	62,876,898	3,627,065	1,338,736	1,228,678	354,615	29,073,059	(416,100,759)	370,121,654
Long-term liabilities								
Due to affiliates	-	-	-	-	-	1,512,039	(3,869,239)	-
Accrued interest	2,064,681	-	-	-	258,572	65,995,163	-	130,591,365
Accrued interest, affiliates	-	-	-	-	-	7,849,535	(8,057,272)	-
Notes payable, less current portion, net	118,456,640	-	8,678,730	8,876,850	832,662	408,518,575	(2,933,819)	1,636,226,424
Notes payable, less current portion, affiliates	411,469	-	-	-	-	41,296,290	(58,794,277)	-
Deferred revenue and other liabilities	1,871,186	-	-	-	1,305	7,161,940	(1,325,116)	39,576,204
Total long-term liabilities	122,803,976	-	8,678,730	8,876,850	1,092,539	532,333,542	(74,979,723)	1,806,393,993
Total liabilities	185,680,874	3,627,065	10,017,466	10,105,528	1,447,154	561,406,601	(491,080,482)	2,176,515,647
Net assets								
Net assets without donor restrictions, controlling	119,989,217	(3,104,853)	1,082,683	133,743	1,125,468	97,235,143	(681,684,430)	336,330,359
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	703,319,695	703,319,695
Total net assets without donor restrictions	119,989,217	(3,104,853)	1,082,683	133,743	1,125,468	97,235,143	21,635,265	1,039,650,054
Net assets with donor restrictions	31,403,413	-	-	-	-	2,539,678	441	83,787,262
Total net assets	151,392,630	(3,104,853)	1,082,683	133,743	1,125,468	99,774,821	21,635,706	1,123,437,316
Total liabilities and net assets	\$ 337,073,504	\$ 522,212	\$ 11,100,149	\$ 10,239,271	\$ 2,572,622	\$ 661,181,422	\$ (469,444,776)	\$ 3,299,952,963

Mercy Housing, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

				Consolidated Mercy		Consolidated Mercy			
	Mercy Housing, Inc.	Mercy Community Capital	Mercy Housing Management Group	Housing Mountain Plains	Consolidated Mercy Housing California	Housing Northwest - Idaho, Inc.	Consolidated Mercy Housing Lakefront	Consolidated Mercy Housing South East	
Revenues									
Rent - net of vacancies	\$ -	\$ -	\$ -	\$ 13,305,371	\$ 75,435,830	\$ 1,086,099	\$ 27,879,937	\$ 22,994,811	
Developer fees	-	-	-	234,091	15,769,807	-	552,299	-	
Services fees	6,866,961	-	18,753,815	1,190,197	3,648,324	-	2,927,847	138,955	
Philanthropy	1,668,296	5,444,986	-	1,453,210	4,400,068	75,808	6,272,356	693,246	
Capital grants	-	-	-	1,000	1,210,305	-	1,439,547	-	
Consulting	-	-	24,840	113,877	1,106,027	-	-	-	
Interest	2,058,684	4,325,196	-	661,239	2,102,239	5,602	221,154	81,321	
Other	12,431,587	516,067	2,218,991	336,317	15,393,539	17,443	2,815,172	1,196,340	
Total revenues	23,025,528	10,286,249	20,997,646	17,295,302	119,066,139	1,184,952	42,108,312	25,104,673	
Expenses and losses									
Compensation	16,079,993	1,099,389	10,906,281	5,182,633	27,908,225	339,871	11,325,398	6,799,404	
Administrative	13,064,064	94,260	1,041,919	2,324,475	15,384,688	253,940	4,460,312	3,901,703	
Professional services	2,143,037	44,554	2,123,350	549,262	3,272,316	58,175	1,367,124	843,881	
Depreciation and amortization	527,005	-	-	4,940,357	46,120,579	662,910	12,988,967	9,453,455	
Grants	1,769,449	5,000	-	20,000	1,712,897	-	701,310	217,627	
Facility	5,686,360	127	2,705	4,511,452	24,807,638	372,202	13,743,118	9,469,950	
Interest and fees	1,917,280	1,265,099	58,507	2,139,659	21,647,733	68,497	5,317,581	3,830,446	
Bad debts	1,206,240	236,222	181,079	766,713	458,388	8,523	391,430	279,639	
Provision for impaired assets	-	-	-	-	-	-	-	-	
Project expenses	-	-	-	-	649,650	-	145,342	49,395	
Allocation	(14,722,883)	365,918	5,157,631	902,533	4,880,164	30,764	1,777,538	590,472	
(Gain) loss on sale of assets	-	-	-	-	-	-	(3,897,175)	(152,715)	
(Gain) loss on investment in limited partnership	248,017	(9,375)	-	-	(3,778,390)	-	74,187	-	
Total expenses and losses	27,918,562	3,101,194	19,471,472	21,337,084	143,063,888	1,794,882	48,395,132	35,283,257	
Excess (deficiency) of revenues over expenses	(4,893,034)	7,185,055	1,526,174	(4,041,782)	(23,997,749)	(609,930)	(6,286,820)	(10,178,584)	
Net assets at beginning of year	34,408,185	24,006,205	(3,149,144)	46,835,087	413,674,537	9,299,486	117,984,723	99,915,234	
Other transfers to (from) net assets	-	-	-	3,783,967	124,968,153	-	13,157,249	7,810,106	
Net assets at end of year	\$ 29,515,151	\$ 31,191,260	\$ (1,622,970)	\$ 46,577,272	\$ 514,644,941	\$ 8,689,556	\$ 124,855,152	\$ 97,546,756	

Mercy Housing, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Consolidated Mercy Housing Northwest	Mercy Housing Ohio, Inc.	Mercy Properties Washington III, LLC (Cobble Knoll I)	Mercy Properties Washington II (Cobble Knoll II)	Padre Apartments Community	Consolidated General Partners	Eliminations	Consolidated Mercy Housing, Inc.
Revenues								
Rent - net of vacancies	\$ 15,671,250	\$ -	\$ 2,731,996	\$ 2,451,325	\$ 850,793	\$ 99,903,243	\$ (188,050)	\$ 262,122,605
Developer fees	1,509,478	-	-	-	-	-	-	18,065,675
Services fees	100,500	-	-	-	-	131,083	(32,324,561)	1,433,121
Philanthropy	4,673,929	-	-	-	-	353,048	(936,065)	24,098,882
Capital grants	3,451,000	-	-	-	-	20,000	(10,000)	6,111,852
Consulting	-	-	-	-	-	-	(14,610)	1,230,134
Interest	119,054	-	61,491	1,060	7,674	539,801	(4,282,123)	5,902,392
Other	1,560,706	-	64,448	79,530	16,999	6,441,011	(19,830,299)	23,257,851
Total revenues	27,085,917	-	2,857,935	2,531,915	875,466	107,388,186	(57,585,708)	342,222,512
Expenses and losses								
Compensation	6,182,378	-	656,725	701,819	108,971	20,821,826	(2,918,125)	105,194,788
Administrative	2,697,156	81	332,057	355,765	94,734	20,027,194	(30,473,623)	33,558,725
Professional services	551,366	12,692	38,531	39,075	15,325	7,442,135	(3,023,295)	15,477,528
Depreciation and amortization	9,628,916	-	554,758	527,451	169,377	39,328,826	(866,893)	124,035,708
Grants	3,600	-	-	-	-	3,556,957	(7,097,070)	889,770
Facility	5,138,571	-	1,083,504	940,506	247,720	34,676,020	(8,321,499)	92,358,374
Interest and fees	2,760,356	88,714	178,005	258,154	100,396	16,363,064	(4,004,746)	51,988,745
Bad debts	186,545	-	24,153	40,490	35	542,705	(1,031,965)	3,290,197
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	(49,395)	794,992
Allocation	1,015,560	2,303	-	-	-	-	-	-
(Gain) loss on sale of assets	(657)	-	-	-	-	615,605	(3,966,728)	(7,401,670)
(Gain) loss on investment in limited partnership	170,473	-	-	-	-	2,969,520	788,334	462,766
Total expenses and losses	28,334,264	103,790	2,867,733	2,863,260	736,558	146,343,852	(60,965,005)	420,649,923
Excess (deficiency) of revenues over expenses	(1,248,347)	(103,790)	(9,798)	(331,345)	138,908	(38,955,666)	3,379,297	(78,427,411)
Net assets at beginning of year	151,110,200	(3,001,063)	1,092,481	465,088	986,560	133,446,736	19,635,377	1,046,709,692
Other transfers to (from) net assets	1,530,777	-	-	-	-	5,283,751	(1,378,968)	155,155,035
Net assets at end of year	\$ 151,392,630	\$ (3,104,853)	\$ 1,082,683	\$ 133,743	\$ 1,125,468	\$ 99,774,821	\$ 21,635,706	\$ 1,123,437,316

**Mercy Housing Mountain Plains
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Mountain Plains	Stapleton II Mercy, LLC	Bluff Mercy, LLC (Bluff Lake)	Mercy Housing Colorado GP, LLC	Mercy Housing Colorado III, LTD. (Springfield Court)	MHMP GP, LLC	Mercy Housing Colorado VI, LTD. (Merced de las Animas)	MHMP CO GP, Inc.
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ -	\$ 217,163	\$ -	\$ 220,703	\$ -	\$ 162,295	\$ -
Cash, tenant security deposits	-	-	15,013	-	24,122	-	23,062	-
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	111,686	-	86,031	-	133	-	17,867	-
Due from affiliate, net	4,516,055	61,493	-	35,550	-	76,855	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	298,633	-	-	-	-	-	-	-
Prepaid expenses and other assets	39,758	-	17,372	-	11,810	-	7,836	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	4,966,132	61,493	335,579	35,550	256,768	76,855	211,060	-
Property and equipment								
Land and land improvements	-	-	2,148,342	-	868,115	-	1,282,955	-
Buildings	-	-	12,177,733	-	4,585,981	-	5,244,474	-
Furniture and equipment	-	-	479,689	-	326,581	-	292,090	-
Predevelopment project costs	186,382	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	(4,189,099)	-	(4,369,260)	-	(4,875,784)	-
Net property and equipment	186,382	-	10,616,665	-	1,411,417	-	1,943,735	-
Other long-term assets								
Restricted property reserves	-	-	950,241	-	757,053	-	85,222	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	1,881,865	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	100	1,379,883	-	(1,879)	-	(20,457)	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	9,501,416	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	48,353	-	-	-	13,565	-
Total other long-term assets	11,383,381	1,379,883	998,594	(1,879)	757,053	(20,457)	98,787	-
Total assets	\$ 16,535,895	\$ 1,441,376	\$ 11,950,838	\$ 33,671	\$ 2,425,238	\$ 56,398	\$ 2,253,582	\$ -

**Mercy Housing Mountain Plains
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Mountain Plains	Stapleton II Mercy, LLC	Bluff Mercy, LLC (Bluff Lake)	Mercy Housing Colorado GP, LLC	Mercy Housing Colorado III, LTD. (Springfield Court)	MHMP GP, LLC	Mercy Housing Colorado VI, LTD. (Merced de las Animas)	MHMP CO GP, Inc.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 155,213	\$ 1,675	\$ 44,902	\$ -	\$ 19,593	\$ -	\$ 35,553	\$ 1,675
Due to affiliates	3,072,230	(36,075)	61,493	53,333	13,572	34,192	35,077	13,347
Accrued interest	-	-	10,660	-	12,434	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	9,306	-
Current portion of notes payable	8,303	-	50,215	-	25,391	-	-	-
Current portion of notes payable, affiliates	248,435	-	-	-	-	-	51,244	-
Deferred revenue and other liabilities	-	-	28,734	-	415	-	7,226	-
Tenant security deposits	-	-	14,469	-	22,744	-	22,589	-
Total current liabilities	3,484,181	(34,400)	210,473	53,333	94,149	34,192	160,995	15,022
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	555,773	-	473,207	-	933,170	-
Notes payable, less current portion, net	14,026	-	1,538,900	-	2,850,844	-	-	-
Notes payable, less current portion, affiliates	-	-	2,249,000	-	576,653	-	2,321,085	-
Deferred revenue and other liabilities	-	-	-	-	2,615	-	1,344	-
Total long-term liabilities	14,026	-	4,343,673	-	3,903,319	-	3,255,599	-
Total liabilities	3,498,207	(34,400)	4,554,146	53,333	3,997,468	34,192	3,416,594	15,022
Net assets								
Net assets without donor restrictions, controlling	12,423,597	1,475,776	7,396,692	(19,662)	(1,572,230)	22,206	(1,163,012)	(15,022)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	12,423,597	1,475,776	7,396,692	(19,662)	(1,572,230)	22,206	(1,163,012)	(15,022)
Net assets with donor restrictions	614,091	-	-	-	-	-	-	-
Total net assets	13,037,688	1,475,776	7,396,692	(19,662)	(1,572,230)	22,206	(1,163,012)	(15,022)
Total liabilities and net assets	\$ 16,535,895	\$ 1,441,376	\$ 11,950,838	\$ 33,671	\$ 2,425,238	\$ 56,398	\$ 2,253,582	\$ -

Mercy Housing Mountain Plains
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Bond Properties Colorado I (Franconia LLC)	MHMP 12 Holly Park East and West GP	MHMP 12 Holly Park East and West LP (Holly Park)	Consolidated Mercy Housing Midwest	Consolidated Mercy Housing Southwest	Eliminations	Consolidated Mercy Housing Mountain Plains
Assets							
Current assets							
Cash and cash equivalents	\$ 267,283	\$ -	\$ 3,001	\$ 712,430	\$ 177,271	\$ -	\$ 1,760,146
Cash, tenant security deposits	12,062	-	38,397	121,852	114,339	-	348,847
Cash, restricted	-	-	567,112	32,538	600	-	600,250
Investments	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-
Accounts receivable, net	4,059	-	132,686	121,281	63,446	(80,750)	456,439
Due from affiliate, net	-	-	-	3,089,361	2,107,546	(825,955)	9,060,905
Pledges receivable, net	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	19,877	-	(62,053)	256,457
Prepaid expenses and other assets	7,365	-	34,018	96,448	100,577	-	315,184
Inventory	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-
Total current assets	290,769	-	775,214	4,193,787	2,563,779	(968,758)	12,798,228
Property and equipment							
Land and land improvements	622,232	-	823,495	2,626,786	1,588,877	-	9,960,802
Buildings	2,446,412	-	27,670,237	33,302,963	29,989,712	(2,137,884)	113,279,628
Furniture and equipment	184,861	-	309,305	558,120	1,575,450	-	3,726,096
Predevelopment project costs	-	-	-	-	-	-	186,382
Construction in progress	-	-	-	-	-	-	-
Accumulated depreciation	(1,091,988)	-	(2,077,682)	(14,954,727)	(21,809,297)	164,347	(53,203,490)
Net property and equipment	2,161,517	-	26,725,355	21,533,142	11,344,742	(1,973,537)	73,949,418
Other long-term assets							
Restricted property reserves	149,258	-	1,154,165	2,193,984	2,157,713	-	7,447,636
Long-term investments	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	(1,881,865)	-
Pledges receivable, net	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	(768,506)	-	-	-	(589,141)	-
Notes and interest receivable, net	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	(849,555)	8,651,861
Allowance for impaired assets	-	-	-	-	-	-	-
Other assets, net	-	-	140,137	61,379	-	-	263,434
Total other long-term assets	149,258	(768,506)	1,294,302	2,255,363	2,157,713	(3,320,561)	16,362,931
Total assets	\$ 2,601,544	\$ (768,506)	\$ 28,794,871	\$ 27,982,292	\$ 16,066,234	\$ (6,262,856)	\$ 103,110,577

**Mercy Housing Mountain Plains
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Bond Properties Colorado I (Franconia LLC)	MHMP 12 Holly Park East and West GP	MHMP 12 Holly Park East and West LP (Holly Park)	Consolidated Mercy Housing Midwest	Consolidated Mercy Housing Southwest	Eliminations	Consolidated Mercy Housing Mountain Plains
Liabilities							
Current liabilities							
Accounts payable and accrued expenses	\$ 25,815	\$ -	\$ 263,111	\$ 727,291	\$ 430,346	\$ (77,875)	\$ 1,627,299
Due to affiliates	-	7,668	716,699	5,082,175	5,496,549	(826,841)	13,723,419
Accrued interest	-	-	49,861	29,219	-	-	102,174
Accrued interest, affiliates	10,486	-	-	-	19,805	(1,921)	37,676
Current portion of notes payable	-	-	218,779	225,688	-	-	528,376
Current portion of notes payable, affiliates	44,947	-	62,053	-	86,395	(72,145)	420,929
Deferred revenue and other liabilities	5,043	-	43,725	20,831	58,020	-	163,994
Tenant security deposits	11,458	-	37,857	118,106	108,162	-	335,385
Total current liabilities	97,749	7,668	1,392,085	6,203,310	6,199,277	(978,782)	16,939,252
Long-term liabilities							
Due to affiliates	-	-	-	-	4,959	(4,959)	-
Accrued interest	-	-	-	799,721	-	-	799,721
Accrued interest, affiliates	-	-	-	-	-	(1,933,786)	28,364
Notes payable, less current portion, net	-	-	14,174,859	10,974,512	(127,755)	-	29,425,386
Notes payable, less current portion, affiliates	2,242,880	-	-	285,000	4,666,800	(3,042,414)	9,299,004
Deferred revenue and other liabilities	932	-	1,881,865	356	36,331	(1,881,865)	41,578
Total long-term liabilities	2,243,812	-	16,056,724	12,059,589	4,580,335	(6,863,024)	39,594,053
Total liabilities	2,341,561	7,668	17,448,809	18,262,899	10,779,612	(7,841,806)	56,533,305
Net assets							
Net assets without donor restrictions, controlling	259,983	(776,174)	11,346,062	9,581,809	5,205,376	1,578,950	45,744,351
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-
Total net assets without donor restrictions	259,983	(776,174)	11,346,062	9,581,809	5,205,376	1,578,950	45,744,351
Net assets with donor restrictions	-	-	-	137,584	81,246	-	832,921
Total net assets	259,983	(776,174)	11,346,062	9,719,393	5,286,622	1,578,950	46,577,272
Total liabilities and net assets	\$ 2,601,544	\$ (768,506)	\$ 28,794,871	\$ 27,982,292	\$ 16,066,234	\$ (6,262,856)	\$ 103,110,577

**Mercy Housing Mountain Plains
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Mountain Plains	Stapleton II Mercy, LLC	Bluff Mercy, LLC (Bluff Lake)	Mercy Housing Colorado GP, LLC	Mercy Housing Colorado III, LTD. (Springfield Court)	MHMP GP, LLC	Mercy Housing Colorado VI, LTD. (Merced de las Animas)	MHMP CO GP, Inc.
Revenues								
Rent - net of vacancies	\$ -	\$ -	\$ 934,567	\$ -	\$ 637,436	\$ -	\$ 490,274	\$ -
Developer fees	388,879	-	-	-	-	-	-	-
Services fees	1,354,537	121,195	-	10,000	-	11,403	-	-
Philanthropy	1,034,715	-	-	-	-	-	-	-
Capital grants	1,000	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	850,021	-	507	-	20,091	-	532	-
Other	101,064	-	34,835	-	17,709	-	23,775	-
Total revenues	3,730,216	121,195	969,909	10,000	675,236	11,403	514,581	-
Expenses and losses								
Compensation	1,592,542	-	147,244	-	109,183	-	131,243	-
Administrative	254,050	61,575	215,019	20,055	67,571	11,623	59,766	110
Professional services	191,403	4,734	28,285	934	7,731	934	7,042	2,834
Depreciation and amortization	-	-	543,440	-	190,681	-	248,838	-
Grants	20,000	-	-	-	-	-	-	-
Facility	451	-	313,923	-	231,012	-	112,710	-
Interest and fees	1,995	-	238,138	-	176,327	-	163,773	-
Bad debts	850,021	-	11,599	-	1,438	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	599,899	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	26	-	109	-	209	-	-
Total expenses and losses	3,510,361	66,335	1,497,648	21,098	783,943	12,766	723,372	2,944
Excess (deficiency) of revenues over expenses	219,855	54,860	(527,739)	(11,098)	(108,707)	(1,363)	(208,791)	(2,944)
Net assets at beginning of year	12,271,950	1,420,916	7,924,431	(8,564)	(1,463,523)	23,569	(954,221)	(12,078)
Other transfers to (from) net assets	545,883	-	-	-	-	-	-	-
Net assets at end of year	\$ 13,037,688	\$ 1,475,776	\$ 7,396,692	\$ (19,662)	\$ (1,572,230)	\$ 22,206	\$ (1,163,012)	\$ (15,022)

**Mercy Housing Mountain Plains
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Bond Properties Colorado I (Franconia LLC)	MHMP 12 Holly Park East and West GP	MHMP 12 Holly Park East and West LP (Holly Park)	Consolidated Mercy Housing Midwest	Consolidated Mercy Housing Southwest	Eliminations	Consolidated Mercy Housing Mountain Plains
Revenues							
Rent - net of vacancies	\$ 555,640	\$ -	\$ 2,367,884	\$ 4,325,337	\$ 3,994,233	\$ -	\$ 13,305,371
Developer fees	-	-	-	-	-	(154,788)	234,091
Services fees	-	-	-	56,442	86,593	(449,973)	1,190,197
Philanthropy	-	-	-	269,917	148,578	-	1,453,210
Capital grants	-	-	-	-	-	-	1,000
Consulting	-	-	-	113,877	-	-	113,877
Interest	555	-	18,121	10,773	8,918	(248,279)	661,239
Other	15,905	-	71,643	138,310	38,039	(104,963)	336,317
Total revenues	<u>572,100</u>	<u>-</u>	<u>2,457,648</u>	<u>4,914,656</u>	<u>4,276,361</u>	<u>(958,003)</u>	<u>17,295,302</u>
Expenses and losses							
Compensation	69,691	-	284,011	1,385,947	1,462,772	-	5,182,633
Administrative	78,189	-	261,929	719,853	658,079	(83,344)	2,324,475
Professional services	17,792	6,634	197,870	88,551	299,018	(304,500)	549,262
Depreciation and amortization	119,002	-	1,278,939	1,388,002	1,272,507	(101,052)	4,940,357
Grants	-	-	-	-	-	-	20,000
Facility	124,843	-	668,046	1,754,578	1,305,889	-	4,511,452
Interest and fees	132,100	-	850,749	427,269	349,529	(200,221)	2,139,659
Bad debts	10,135	-	18,379	77,095	46,325	(248,279)	766,713
Provision for impaired assets	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-
Allocation	-	-	-	191,410	111,224	-	902,533
(Gain) loss on sale of assets	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	110	-	-	-	(454)	-
Total expenses and losses	<u>551,752</u>	<u>6,744</u>	<u>3,559,923</u>	<u>6,032,705</u>	<u>5,505,343</u>	<u>(937,850)</u>	<u>21,337,084</u>
Excess (deficiency) of revenues over expenses	20,348	(6,744)	(1,102,275)	(1,118,049)	(1,228,982)	(20,153)	(4,041,782)
Net assets at beginning of year	326,268	(769,430)	9,189,193	10,858,502	6,515,604	1,512,470	46,835,087
Other transfers to (from) net assets	(86,633)	-	3,259,144	(21,060)	-	86,633	3,783,967
Net assets at end of year	<u>\$ 259,983</u>	<u>\$ (776,174)</u>	<u>\$ 11,346,062</u>	<u>\$ 9,719,393</u>	<u>\$ 5,286,622</u>	<u>\$ 1,578,950</u>	<u>\$ 46,577,272</u>

**Mercy Housing Midwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing		Mercy Bond Properties	Mercy Village	Mercy Housing	Mercy Crestview		
	Midwest	Mercy House	Nebraska I (Mercy Timbercreek, LLC)	Joplin, Inc.	Midwest Nebraska, LLC	Northglen, LP	Village Housing, LP	Western Manor, LP
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 2,356	\$ 10,972	\$ 4,460	\$ -	\$ 71,972	\$ 506,565	\$ 116,105
Cash, tenant security deposits	-	502	23,738	21,023	-	20,222	41,164	15,203
Cash, restricted	-	-	-	250	-	-	29,553	2,735
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	26,938	2,103	25,475	36,248	-	3,062	26,446	12,934
Due from affiliate, net	3,091,353	-	-	-	-	-	2,398	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	42,013	-	-	-	-	-	-	-
Prepaid expenses and other assets	11,776	2,342	25,680	10,191	-	9,734	23,760	12,965
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	3,172,080	7,303	85,865	72,172	-	104,990	629,886	159,942
Property and equipment								
Land and land improvements	-	30,770	1,378,986	36,553	-	592,529	2,201,493	463,258
Buildings	-	471,180	7,906,503	4,754,951	-	4,202,837	11,212,593	5,960,167
Furniture and equipment	18,169	42,168	338,895	33,133	-	28,232	53,323	44,200
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(18,169)	(499,816)	(5,233,116)	(2,189,618)	-	(1,416,477)	(4,036,755)	(1,916,879)
Net property and equipment	-	44,302	4,391,268	2,635,019	-	3,407,121	9,430,654	4,550,746
Other long-term assets								
Restricted property reserves	-	39,132	231,669	198,223	-	355,525	949,953	419,482
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	772,340	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	21,421	10,764	29,194
Total other long-term assets	-	39,132	231,669	198,223	772,340	376,946	960,717	448,676
Total assets	\$ 3,172,080	\$ 90,737	\$ 4,708,802	\$ 2,905,414	\$ 772,340	\$ 3,889,057	\$ 11,021,257	\$ 5,159,364

**Mercy Housing Midwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Midwest	Mercy House	Mercy Bond Properties Nebraska I (Mercy Timbercreek, LLC)	Mercy Village Joplin, Inc.	Mercy Housing Midwest Nebraska, LLC	Mercy Housing Northglen, LP	Mercy Crestview Village Housing, LP	Western Manor, LP
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 63,177	\$ 18,569	\$ 200,973	\$ 57,807	\$ -	\$ 57,894	\$ 246,370	\$ 94,426
Due to affiliates	2,886,405	513,820	1,554,886	-	9,098	144,493	-	-
Accrued interest	-	1,461	17,789	-	-	-	7,777	2,192
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	14,728	139,502	-	-	-	47,568	23,890
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	5,587	(432)	-	1,035	6,042	8,599
Tenant security deposits	-	2	22,954	20,625	-	17,478	42,108	14,939
Total current liabilities	2,949,582	548,580	1,941,691	78,000	9,098	220,900	349,865	144,046
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	32,000	-	767,721	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	215,540	1,122,183	403,869
Notes payable, less current portion, net	147,500	180,117	7,234,810	-	-	757,415	1,734,747	919,923
Notes payable, less current portion, affiliates	-	-	-	-	-	1,465,000	4,910,051	1,890,000
Deferred revenue and other liabilities	-	-	170	-	-	186	-	-
Total long-term liabilities	179,500	180,117	8,002,701	-	-	2,438,141	7,766,981	3,213,792
Total liabilities	3,129,082	728,697	9,944,392	78,000	9,098	2,659,041	8,116,846	3,357,838
Net assets								
Net assets without donor restrictions, controlling	(94,586)	(637,960)	(5,235,590)	2,827,414	763,242	1,230,016	2,904,411	1,801,526
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(94,586)	(637,960)	(5,235,590)	2,827,414	763,242	1,230,016	2,904,411	1,801,526
Net assets with donor restrictions	137,584	-	-	-	-	-	-	-
Total net assets	42,998	(637,960)	(5,235,590)	2,827,414	763,242	1,230,016	2,904,411	1,801,526
Total liabilities and net assets	\$ 3,172,080	\$ 90,737	\$ 4,708,802	\$ 2,905,414	\$ 772,340	\$ 3,889,057	\$ 11,021,257	\$ 5,159,364

Mercy Housing Midwest
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated Mercy Housing Midwest
Assets		
Current assets		
Cash and cash equivalents	\$ -	\$ 712,430
Cash, tenant security deposits	-	121,852
Cash, restricted	-	32,538
Investments	-	-
Investments, restricted	-	-
Accounts receivable, net	(11,925)	121,281
Due from affiliate, net	(4,390)	3,089,361
Pledges receivable, net	-	-
Grants receivable	-	-
Current portion of notes and interest receivable	-	-
Current portion of notes and interest receivable, affiliates	(22,136)	19,877
Prepaid expenses and other assets	-	96,448
Inventory	-	-
Assets held for sale	-	-
Total current assets	<u>(38,451)</u>	<u>4,193,787</u>
Property and equipment		
Land and land improvements	(2,076,803)	2,626,786
Buildings	(1,205,268)	33,302,963
Furniture and equipment	-	558,120
Predevelopment project costs	-	-
Construction in progress	-	-
Accumulated depreciation	<u>356,103</u>	<u>(14,954,727)</u>
Net property and equipment	<u>(2,925,968)</u>	<u>21,533,142</u>
Other long-term assets		
Restricted property reserves	-	2,193,984
Long-term investments	-	-
Long-term investments, restricted	-	-
Due from affiliates	-	-
Pledges receivable, net	-	-
Investments in limited partnerships, net	(772,340)	-
Notes and interest receivable, net	-	-
Notes and interest receivable, affiliates	-	-
Allowance for impaired assets	-	-
Other assets, net	-	61,379
Total other long-term assets	<u>(772,340)</u>	<u>2,255,363</u>
Total assets	<u>\$ (3,736,759)</u>	<u>\$ 27,982,292</u>

Mercy Housing Midwest
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated Mercy Housing Midwest
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ (11,925)	\$ 727,291
Due to affiliates	(26,527)	5,082,175
Accrued interest	-	29,219
Accrued interest, affiliates	-	-
Current portion of notes payable	-	225,688
Current portion of notes payable, affiliates	-	-
Deferred revenue and other liabilities	-	20,831
Tenant security deposits	-	118,106
	<u>(38,452)</u>	<u>6,203,310</u>
Total current liabilities		
Long-term liabilities		
Due to affiliates	-	-
Accrued interest	-	799,721
Accrued interest, affiliates	(1,741,592)	-
Notes payable, less current portion, net	-	10,974,512
Notes payable, less current portion, affiliates	(7,980,051)	285,000
Deferred revenue and other liabilities	-	356
	<u>(9,721,643)</u>	<u>12,059,589</u>
Total long-term liabilities		
Total liabilities	<u>(9,760,095)</u>	<u>18,262,899</u>
Net assets		
Net assets without donor restrictions, controlling	6,023,336	9,581,809
Net assets without donor restrictions, noncontrolling	-	-
Total net assets without donor restrictions	6,023,336	9,581,809
Net assets with donor restrictions	-	137,584
	<u>6,023,336</u>	<u>9,719,393</u>
Total net assets		
Total liabilities and net assets	<u>\$ (3,736,759)</u>	<u>\$ 27,982,292</u>

**Mercy Housing Midwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Midwest	Mercy House	Mercy Bond Properties Nebraska I (Mercy Timbercreek, LLC)	Mercy Village Joplin, Inc.	Mercy Housing Midwest Nebraska, LLC	Northglen, LP	Mercy Crestview Village Housing, LP	Western Manor, LP
Revenues								
Rent - net of vacancies	\$ -	\$ -	\$ 1,379,993	\$ 384,898	\$ -	\$ 467,577	\$ 1,468,541	\$ 624,328
Developer fees	-	-	-	-	-	-	-	-
Services fees	199,544	-	-	-	-	-	-	-
Philanthropy	269,917	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	113,877	-	-	-	-	-	-	-
Interest	337,919	19	2,325	92	-	242	3,059	952
Other	275,197	-	52,884	9,029	-	19,437	37,247	19,713
Total revenues	1,196,454	19	1,435,202	394,019	-	487,256	1,508,847	644,993
Expenses and losses								
Compensation	531,611	-	235,663	142,684	-	108,558	240,432	126,999
Administrative	110,229	1,768	198,121	79,616	56	67,787	175,611	86,665
Professional services	25,858	6,630	14,781	9,580	934	32,831	99,092	41,947
Depreciation and amortization	-	2,349	332,306	196,499	-	176,205	487,999	236,473
Grants	-	-	-	-	-	-	-	-
Facility	122	49,755	662,302	121,508	-	200,191	472,437	248,263
Interest and fees	2,114	18,190	279,306	-	-	41,434	311,195	108,865
Bad debts	335,106	-	20,534	2,704	-	14,512	24,478	13,596
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	191,410	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	67	-	-	-
Total expenses and losses	1,196,450	78,692	1,743,013	552,591	1,057	641,518	1,811,244	862,808
Excess (deficiency) of revenues over expenses	4	(78,673)	(307,811)	(158,572)	(1,057)	(154,262)	(302,397)	(217,815)
Net assets at beginning of year	42,994	(559,287)	(4,927,779)	2,985,986	764,299	1,384,278	3,222,317	2,024,892
Other transfers to (from) net assets	-	-	-	-	-	-	(15,509)	(5,551)
Net assets at end of year	\$ 42,998	\$ (637,960)	\$ (5,235,590)	\$ 2,827,414	\$ 763,242	\$ 1,230,016	\$ 2,904,411	\$ 1,801,526

**Mercy Housing Midwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Eliminations	Consolidated Mercy Housing Midwest
Revenues		
Rent - net of vacancies	\$ -	\$ 4,325,337
Developer fees	-	-
Services fees	(143,102)	56,442
Philanthropy	-	269,917
Capital grants	-	-
Consulting	-	113,877
Interest	(333,835)	10,773
Other	(275,197)	138,310
Total revenues	<u>(752,134)</u>	<u>4,914,656</u>
Expenses and losses		
Compensation	-	1,385,947
Administrative	-	719,853
Professional services	(143,102)	88,551
Depreciation and amortization	(43,829)	1,388,002
Grants	-	-
Facility	-	1,754,578
Interest and fees	(333,835)	427,269
Bad debts	(333,835)	77,095
Provision for impaired assets	-	-
Project expenses	-	-
Allocation	-	191,410
(Gain) loss on sale of assets	-	-
(Gain) loss on investment in limited partnership	(67)	-
Total expenses and losses	<u>(854,668)</u>	<u>6,032,705</u>
Excess (deficiency) of revenues over expenses	102,534	(1,118,049)
Net assets at beginning of year	5,920,802	10,858,502
Other transfers to (from) net assets	-	(21,060)
Net assets at end of year	<u>\$ 6,023,336</u>	<u>\$ 9,719,393</u>

**Mercy Housing Southwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Southwest	Avondale Senior Village	Camelot Casitas	Casa de Merced	Casa de Shanti, Inc.	Decatur Place	El Mirage Senior Village	Mesa Senior Meadows
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 30,173	\$ 4,995	\$ 11,272	\$ 6,569	\$ 15,043	\$ 25,575	\$ 15,022
Cash, tenant security deposits	-	10,769	1,550	10,199	6,010	34,249	11,090	9,327
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	9,072	183	1,152	2,418	-	37,254	448	4,370
Due from affiliate, net	2,107,270	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	164,420	-	-	-	-	-	-	-
Prepaid expenses and other assets	19,696	6,645	1,349	10,125	4,110	23,338	6,914	6,608
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	2,300,458	47,770	9,046	34,014	16,689	109,884	44,027	35,327
Property and equipment								
Land and land improvements	-	139,772	68,890	119,815	92,256	451,085	77,415	192,606
Buildings	-	2,546,180	481,565	2,126,234	1,372,542	11,019,185	2,073,781	2,176,298
Furniture and equipment	-	118,606	8,210	108,590	65,924	690,002	147,443	100,560
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(1,667,558)	(328,533)	(1,782,406)	(1,190,238)	(7,359,101)	(1,730,786)	(1,638,506)
Net property and equipment	-	1,137,000	230,132	572,233	340,484	4,801,171	567,853	830,958
Other long-term assets								
Restricted property reserves	-	176,388	51,289	147,295	90,123	956,565	119,865	78,212
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	11,785	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	11,785	176,388	51,289	147,295	90,123	956,565	119,865	78,212
Total assets	\$ 2,312,243	\$ 1,361,158	\$ 290,467	\$ 753,542	\$ 447,296	\$ 5,867,620	\$ 731,745	\$ 944,497

**Mercy Housing Southwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Southwest	Avondale Senior Village	Camelot Casitas	Casa de Merced	Casa de Shanti, Inc.	Decatur Place	El Mirage Senior Village	Mesa Senior Meadows
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 31,643	\$ 28,051	\$ 15,066	\$ 27,546	\$ 28,568	\$ 121,972	\$ 30,184	\$ 19,731
Due to affiliates	5,496,549	19,604	13,025	27,964	68,910	-	-	5,000
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	19,805	-	-
Current portion of notes payable	-	-	-	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	86,395	-	-
Deferred revenue and other liabilities	-	740	(50)	538	1,131	40,256	2,902	4,701
Tenant security deposits	-	10,361	1,222	9,699	5,510	33,836	10,373	8,783
Total current liabilities	5,528,192	58,756	29,263	65,747	104,119	302,264	43,459	38,215
Long-term liabilities								
Due to affiliates	-	-	-	-	-	4,959	-	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	-	-	-	(127,755)	-	-
Notes payable, less current portion, affiliates	-	-	-	-	-	4,666,800	-	-
Deferred revenue and other liabilities	-	-	-	-	-	36,331	-	-
Total long-term liabilities	-	-	-	-	-	4,580,335	-	-
Total liabilities	5,528,192	58,756	29,263	65,747	104,119	4,882,599	43,459	38,215
Net assets								
Net assets without donor restrictions, controlling	(3,297,195)	1,302,402	261,204	687,795	343,177	985,021	688,286	906,282
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(3,297,195)	1,302,402	261,204	687,795	343,177	985,021	688,286	906,282
Net assets with donor restrictions	81,246	-	-	-	-	-	-	-
Total net assets	(3,215,949)	1,302,402	261,204	687,795	343,177	985,021	688,286	906,282
Total liabilities and net assets	\$ 2,312,243	\$ 1,361,158	\$ 290,467	\$ 753,542	\$ 447,296	\$ 5,867,620	\$ 731,745	\$ 944,497

Mercy Housing Southwest
Consolidating Statement of Financial Position
December 31, 2019

	Guadalupe Senior Village	Peoria Place	Plazas de Merced	Vista Alegre	Willow Street Apartments	Eliminations	Consolidated Mercy Housing Southwest
Assets							
Current assets							
Cash and cash equivalents	\$ 7,837	\$ 8,706	\$ 16,566	\$ 27,829	\$ 7,684	\$ -	\$ 177,271
Cash, tenant security deposits	4,649	3,064	5,024	15,932	2,476	-	114,339
Cash, restricted	-	-	-	600	-	-	600
Investments	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-
Accounts receivable, net	1,032	64	2,468	33	4,952	-	63,446
Due from affiliate, net	-	-	-	-	276	-	2,107,546
Pledges receivable, net	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	(164,420)	-
Prepaid expenses and other assets	3,913	2,320	4,066	9,144	2,349	-	100,577
Inventory	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-
Total current assets	17,431	14,154	28,124	53,538	17,737	(164,420)	2,563,779
Property and equipment							
Land and land improvements	45,000	72,820	55,045	223,340	50,833	-	1,588,877
Buildings	1,164,694	1,014,413	1,646,980	3,553,568	1,280,311	(466,039)	29,989,712
Furniture and equipment	49,045	34,583	70,057	145,677	36,753	-	1,575,450
Predevelopment project costs	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-
Accumulated depreciation	(910,803)	(663,654)	(1,449,857)	(2,441,090)	(969,964)	323,199	(21,809,297)
Net property and equipment	347,936	458,162	322,225	1,481,495	397,933	(142,840)	11,344,742
Other long-term assets							
Restricted property reserves	105,727	27,773	88,653	225,037	90,786	-	2,157,713
Long-term investments	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	(11,785)	-
Notes and interest receivable, net	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-
Total other long-term assets	105,727	27,773	88,653	225,037	90,786	(11,785)	2,157,713
Total assets	\$ 471,094	\$ 500,089	\$ 439,002	\$ 1,760,070	\$ 506,456	\$ (319,045)	\$ 16,066,234

Mercy Housing Southwest
Consolidating Statement of Financial Position
December 31, 2019

	Guadalupe Senior Village	Peoria Place	Plazas de Merced	Vista Alegre	Willow Street Apartments	Eliminations	Consolidated Mercy Housing Southwest
Liabilities							
Current liabilities							
Accounts payable and accrued expenses	\$ 36,545	\$ 13,714	\$ 20,706	\$ 32,967	\$ 23,653	\$ -	\$ 430,346
Due to affiliates	-	35,402	66,243	-	-	(236,148)	5,496,549
Accrued interest	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	19,805
Current portion of notes payable	-	-	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	20,000	-	-	(20,000)	86,395
Deferred revenue and other liabilities	921	187	3,554	3,114	26	-	58,020
Tenant security deposits	4,117	2,536	4,534	15,484	1,707	-	108,162
Total current liabilities	41,583	51,839	115,037	51,565	25,386	(256,148)	6,199,277
Long-term liabilities							
Due to affiliates	-	-	-	-	-	-	4,959
Accrued interest	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	-	-	-	-	(127,755)
Notes payable, less current portion, affiliates	-	-	-	-	-	-	4,666,800
Deferred revenue and other liabilities	-	-	-	-	-	-	36,331
Total long-term liabilities	-	-	-	-	-	-	4,580,335
Total liabilities	41,583	51,839	115,037	51,565	25,386	(256,148)	10,779,612
Net assets							
Net assets without donor restrictions, controlling	429,511	448,250	323,965	1,708,505	481,070	(62,897)	5,205,376
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-
Total net assets without donor restrictions	429,511	448,250	323,965	1,708,505	481,070	(62,897)	5,205,376
Net assets with donor restrictions	-	-	-	-	-	-	81,246
Total net assets	429,511	448,250	323,965	1,708,505	481,070	(62,897)	5,286,622
Total liabilities and net assets	\$ 471,094	\$ 500,089	\$ 439,002	\$ 1,760,070	\$ 506,456	\$ (319,045)	\$ 16,066,234

**Mercy Housing Southwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Southwest	Avondale Senior Village	Camelot Casitas	Casa de Merced	Casa de Shanti, Inc.	Decatur Place	El Mirage Senior Village	Mesa Senior Meadows
Revenues								
Rent - net of vacancies	\$ -	\$ 329,420	\$ 75,266	\$ 301,781	\$ 222,456	\$ 1,502,482	\$ 297,229	\$ 254,027
Developer fees	-	-	-	-	-	-	-	-
Services fees	86,593	-	-	-	-	-	-	-
Philanthropy	148,578	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	1,152	71	53	297	152	6,552	56	113
Other	9,789	16	311	2,528	773	14,920	1,873	2,999
Total revenues	246,112	329,507	75,630	304,606	223,381	1,523,954	299,158	257,139
Expenses and losses								
Compensation	294,701	99,699	21,276	145,657	93,124	266,595	122,097	92,485
Administrative	67,164	47,528	9,460	44,655	34,558	194,953	45,511	47,971
Professional services	11,736	8,380	6,361	8,393	8,586	195,635	7,380	8,380
Depreciation and amortization	-	99,954	21,570	83,371	53,426	540,935	81,274	81,092
Grants	-	-	-	-	-	-	-	-
Facility	74	96,033	19,404	87,072	65,888	527,832	84,922	74,867
Interest and fees	94,485	-	-	391	-	254,653	-	-
Bad debts	1,152	-	3,609	-	704	23,728	528	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	111,224	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	580,536	351,594	81,680	369,539	256,286	2,004,331	341,712	304,795
Excess (deficiency) of revenues over expenses	(334,424)	(22,087)	(6,050)	(64,933)	(32,905)	(480,377)	(42,554)	(47,656)
Net assets at beginning of year	(2,881,525)	1,324,489	267,254	752,728	376,082	1,465,398	730,840	953,938
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ (3,215,949)	\$ 1,302,402	\$ 261,204	\$ 687,795	\$ 343,177	\$ 985,021	\$ 688,286	\$ 906,282

**Mercy Housing Southwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Guadalupe Senior Village	Peoria Place	Plazas de Merced	Vista Alegre	Willow Street Apartments	Eliminations	Consolidated Mercy Housing Southwest
Revenues							
Rent - net of vacancies	\$ 171,744	\$ 104,222	\$ 225,577	\$ 378,570	\$ 131,459	\$ -	\$ 3,994,233
Developer fees	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	86,593
Philanthropy	-	-	-	-	-	-	148,578
Capital grants	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-
Interest	163	6	128	64	111	-	8,918
Other	1,006	5,433	4,101	3,277	802	(9,789)	38,039
Total revenues	<u>172,913</u>	<u>109,661</u>	<u>229,806</u>	<u>381,911</u>	<u>132,372</u>	<u>(9,789)</u>	<u>4,276,361</u>
Expenses and losses							
Compensation	84,312	21,313	64,809	125,284	31,420	-	1,462,772
Administrative	27,148	17,580	31,247	67,311	22,993	-	658,079
Professional services	8,230	8,608	8,971	9,693	8,665	-	299,018
Depreciation and amortization	43,494	37,042	63,760	135,690	47,845	(16,946)	1,272,507
Grants	-	-	-	-	-	-	-
Facility	56,031	49,906	79,179	124,946	39,735	-	1,305,889
Interest and fees	-	-	-	-	-	-	349,529
Bad debts	-	4,042	2,615	-	9,947	-	46,325
Provision for impaired assets	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	111,224
(Gain) loss on sale of assets	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-
Total expenses and losses	<u>219,215</u>	<u>138,491</u>	<u>250,581</u>	<u>462,924</u>	<u>160,605</u>	<u>(16,946)</u>	<u>5,505,343</u>
Excess (deficiency) of revenues over expenses	(46,302)	(28,830)	(20,775)	(81,013)	(28,233)	7,157	(1,228,982)
Net assets at beginning of year	475,813	477,080	344,740	1,789,518	509,303	(70,054)	6,515,604
Other transfers to (from) net assets	-	-	-	-	-	-	-
Net assets at end of year	<u>\$ 429,511</u>	<u>\$ 448,250</u>	<u>\$ 323,965</u>	<u>\$ 1,708,505</u>	<u>\$ 481,070</u>	<u>\$ (62,897)</u>	<u>\$ 5,286,622</u>

Mercy Housing California
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California	Affordable Housing Initiatives	All Hallows Community	Marin Homes for Independent Living (Camino Alto)	Cantebria Senior Homes	Mercy Senior Housing Oxnard (Casa Merced)	Francis of Assisi Community	Gault Street Senior Housing
Assets								
Current assets								
Cash and cash equivalents	\$ 14,709,140	\$ -	\$ 61,708	\$ 28,203	\$ 31,764	\$ 47,853	\$ 472,734	\$ 40,738
Cash, tenant security deposits	-	-	13,735	8,690	15,142	12,545	-	15,032
Cash, restricted	150,235	-	-	-	150	-	28,142	10,293
Investments	3,314,958	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	1,326,748	-	5,196	5,332	14,377	995	-	3,922
Due from affiliate, net	101,415,170	-	-	-	-	-	-	-
Pledges receivable, net	12,250,000	-	-	-	-	-	-	-
Grants receivable	53,182	-	-	-	-	-	-	-
Current portion of notes and interest receivable	204,167	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	3,677,953	-	-	-	-	-	-	-
Prepaid expenses and other assets	277,812	-	13,787	7,470	10,562	6,883	-	8,478
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	137,379,365	-	94,426	49,695	71,995	68,276	500,876	78,463
Property and equipment								
Land and land improvements	3,060,518	-	164,430	389,000	20,827	323,400	417,517	-
Buildings	1,980,087	-	3,574,433	2,273,478	5,280,372	4,202,859	-	4,681,219
Furniture and equipment	467,895	-	1,185,913	184,927	19,879	92,485	-	75,814
Predevelopment project costs	5,817,281	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(850,628)	-	(2,941,903)	(2,017,217)	(2,809,209)	(3,242,362)	-	(2,679,261)
Net property and equipment	10,475,153	-	1,982,873	830,188	2,511,869	1,376,382	417,517	2,077,772
Other long-term assets								
Restricted property reserves	303,779	-	1,336,581	648,172	54,853	185,114	1,809	159,064
Long-term investments	12,185,000	-	-	-	-	-	-	-
Long-term investments, restricted	525,000	-	-	-	-	-	-	-
Due from affiliates	14,573,440	-	-	-	-	-	-	-
Pledges receivable, net	12,414,800	-	-	-	-	-	-	-
Investments in limited partnerships, net	(1,625,623)	330,734	-	-	-	-	-	-
Notes and interest receivable, net	2,123,849	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	25,553,001	-	-	-	-	-	479,657	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	66,053,246	330,734	1,336,581	648,172	54,853	185,114	481,466	159,064
Total assets	\$ 213,907,764	\$ 330,734	\$ 3,413,880	\$ 1,528,055	\$ 2,638,717	\$ 1,629,772	\$ 1,399,859	\$ 2,315,299

Mercy Housing California
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California	Affordable Housing Initiatives	All Hallows Community	Marin Homes for Independent Living (Camino Alto)	Cantebria Senior Homes	Mercy Senior Housing Oxnard (Casa Merced)	Francis of Assisi Community	Gault Street Senior Housing
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 3,145,379	\$ 2,335	\$ 277,009	\$ 152,685	\$ 95,143	\$ 78,495	\$ 6,208	\$ 42,869
Due to affiliates	32,346,207	86,234	-	-	6,916	32,000	-	-
Accrued interest	55,675	-	14,469	8,088	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	599,745	-	67,926	33,398	-	-	-	-
Current portion of notes payable, affiliates	8,669,174	-	-	-	-	-	-	-
Deferred revenue and other liabilities	1,576,655	-	4,699	2,859	28,571	70	-	1,641
Tenant security deposits	-	-	12,222	8,188	13,946	12,132	-	14,584
Total current liabilities	46,392,835	88,569	376,325	205,218	144,576	122,697	6,208	59,094
Long-term liabilities								
Due to affiliates	60,000	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	7,000,000	-	3,161,860	1,633,941	-	-	-	-
Notes payable, less current portion, affiliates	464,136	-	-	-	-	-	-	-
Deferred revenue and other liabilities	844,916	-	-	-	2,898	-	-	-
Total long-term liabilities	8,369,052	-	3,161,860	1,633,941	2,898	-	-	-
Total liabilities	54,761,887	88,569	3,538,185	1,839,159	147,474	122,697	6,208	59,094
Net assets								
Net assets without donor restrictions, controlling	121,875,308	242,165	(124,305)	(311,104)	2,491,243	1,507,075	1,393,651	2,256,205
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	121,875,308	242,165	(124,305)	(311,104)	2,491,243	1,507,075	1,393,651	2,256,205
Net assets with donor restrictions	37,270,569	-	-	-	-	-	-	-
Total net assets	159,145,877	242,165	(124,305)	(311,104)	2,491,243	1,507,075	1,393,651	2,256,205
Total liabilities and net assets	\$ 213,907,764	\$ 330,734	\$ 3,413,880	\$ 1,528,055	\$ 2,638,717	\$ 1,629,772	\$ 1,399,859	\$ 2,315,299

Mercy Housing California
Consolidating Statement of Financial Position
December 31, 2019

	John W. King Senior Community	Maria B. Freitas Senior Housing Corporation	Marin Housing Corporation (Martinelli House)	Mercy Family Plaza Limited Partnership (Mercy Family Plaza)	Mercy Gardens	Notre Dame Senior Housing Corporation	Oceana Senior Housing Corporation (Oceana Terrace)	Presentation Senior Housing Community
Assets								
Current assets								
Cash and cash equivalents	\$ 78,002	\$ 91,826	\$ 5,376	\$ 260,749	\$ 15,963	\$ 105,049	\$ 81,745	\$ 116,731
Cash, tenant security deposits	26,778	19,962	-	35,749	6,497	26,739	14,595	35,523
Cash, restricted	29,548	300	-	-	68	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	860	1,567	-	2,040	16,630	(773)	1,673	1,409
Due from affiliate, net	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	23,786	13,692	-	6,920	6,257	11,943	9,162	26,754
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	158,974	127,347	5,376	305,458	45,415	142,958	107,175	180,417
Property and equipment								
Land and land improvements	1,042,148	785,749	-	1,037,824	95,609	2,000,000	400,000	1,797,674
Buildings	13,687,350	6,135,360	-	1,491,097	3,933,700	8,562,895	3,738,434	14,165,643
Furniture and equipment	266,166	211,324	-	105,324	79,530	294,266	212,167	555,537
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(9,107,002)	(5,065,381)	-	(2,178,249)	(2,525,504)	(7,145,901)	(3,404,314)	(10,194,113)
Net property and equipment	5,888,662	2,067,052	-	455,996	1,583,335	3,711,260	946,287	6,324,741
Other long-term assets								
Restricted property reserves	639,675	252,291	-	696,819	82,023	354,713	79,155	1,240,152
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	4,695,901	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	639,675	252,291	4,695,901	696,819	82,023	354,713	79,155	1,240,152
Total assets	\$ 6,687,311	\$ 2,446,690	\$ 4,701,277	\$ 1,458,273	\$ 1,710,773	\$ 4,208,931	\$ 1,132,617	\$ 7,745,310

Mercy Housing California
Consolidating Statement of Financial Position
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	John W. King Senior Community	Maria B. Freitas Senior Housing Corporation	Marin Housing Corporation (Martinelli House)	Mercy Family Plaza Limited Partnership (Mercy Family Plaza)	Mercy Gardens	Notre Dame Senior Housing Corporation	Oceana Senior Housing Corporation (Oceana Terrace)	Presentation Senior Housing Community
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 117,512	\$ 93,816	\$ -	\$ 24,955	\$ 73,089	\$ 117,333	\$ 84,186	\$ 120,833
Due to affiliates	10,000	-	5,370	17,921	8,053	-	-	-
Accrued interest	-	-	-	2,852	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	167,694	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	369	1,365	-	-	6,827	15,603	687	(82)
Tenant security deposits	26,316	20,289	-	35,249	5,937	26,239	14,985	38,375
Total current liabilities	154,197	115,470	5,370	248,671	93,906	159,175	99,858	159,126
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	601,731	-	933,376	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	-	419,175	1,060,319	-	618,117	-
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	1,826	-	-	-	1,944	1,237	-
Total long-term liabilities	-	1,826	-	419,175	1,662,050	1,944	1,552,730	-
Total liabilities	154,197	117,296	5,370	667,846	1,755,956	161,119	1,652,588	159,126
Net assets								
Net assets without donor restrictions, controlling	6,533,114	2,329,394	4,695,907	790,427	(45,183)	4,047,812	(519,971)	7,586,184
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	6,533,114	2,329,394	4,695,907	790,427	(45,183)	4,047,812	(519,971)	7,586,184
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	6,533,114	2,329,394	4,695,907	790,427	(45,183)	4,047,812	(519,971)	7,586,184
Total liabilities and net assets	\$ 6,687,311	\$ 2,446,690	\$ 4,701,277	\$ 1,458,273	\$ 1,710,773	\$ 4,208,931	\$ 1,132,617	\$ 7,745,310

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Consolidating Statement of Financial Position
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	Russell Manor	Tierra Del Sol, Inc.	Garden Park Apartment Community	Mercy Oaks Village	Mercy Commercial California	MPCAL, LLC	MCC 1360 LLC	Central Coast Housing
Assets								
Current assets								
Cash and cash equivalents	\$ 35,304	\$ 5,692	\$ 197,126	\$ 13,278	\$ 518,039	\$ 299,260	\$ -	\$ 51,824
Cash, tenant security deposits	21,036	22,860	8,130	22,273	-	-	-	5,052
Cash, restricted	-	10,289	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	1,231	1,144	74,649	147	42,269	135,903	-	10
Due from affiliate, net	-	18,455	-	-	112,467	-	3,200,876	48,683
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	10,951	21,303	7,441	11,628	13,866	40,120	-	1,976
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	68,522	79,743	287,346	47,326	686,641	475,283	3,200,876	107,545
Property and equipment								
Land and land improvements	242,906	1,213,204	569,084	9,960	-	5,845	-	211,256
Buildings	5,705,482	11,853,926	5,230,128	7,831,977	325,339	2,586,820	-	661,257
Furniture and equipment	388,365	31,415	63,368	91,893	-	-	-	13,971
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(4,864,959)	(5,497,818)	(2,353,193)	(3,882,031)	(205,366)	(318,753)	-	(396,699)
Net property and equipment	1,471,794	7,600,727	3,509,387	4,051,799	119,973	2,273,912	-	489,785
Other long-term assets								
Restricted property reserves	482,331	635,903	1,100,123	220,469	781,231	317,152	-	83,380
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	(189,450)
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	64,477	-	-
Total other long-term assets	482,331	635,903	1,100,123	220,469	781,231	381,629	-	(106,070)
Total assets	\$ 2,022,647	\$ 8,316,373	\$ 4,896,856	\$ 4,319,594	\$ 1,587,845	\$ 3,130,824	\$ 3,200,876	\$ 491,260

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	Russell Manor	Tierra Del Sol, Inc.	Garden Park Apartment Community	Mercy Oaks Village	Mercy Commercial California	MPCAL, LLC	MCC 1360 LLC	Central Coast Housing
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 47,126	\$ 83,377	\$ 93,839	\$ 43,607	\$ 22,682	\$ 108,403	\$ -	\$ 7,466
Due to affiliates	11,778	1,472,563	146,670	10,000	2,954,391	-	54,167	-
Accrued interest	-	-	-	-	-	235,556	-	78
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	-	-	39,100	-	1,619
Current portion of notes payable, affiliates	-	96,934	-	-	-	-	-	-
Deferred revenue and other liabilities	1,605	6,189	2,340	442	1,608	-	-	378
Tenant security deposits	20,537	22,885	7,195	22,039	89,045	33,000	-	4,600
Total current liabilities	81,046	1,681,948	250,044	76,088	3,067,726	416,059	54,167	14,141
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	234,469	-	1,195,748	74,765	-	-	-	150,841
Accrued interest, affiliates	-	-	-	-	-	-	-	175,770
Notes payable, less current portion, net	356,586	(12,373)	3,221,159	479,332	-	2,754,732	-	219,370
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	180,000
Deferred revenue and other liabilities	1,176	-	-	-	295,708	309,067	-	-
Total long-term liabilities	592,231	(12,373)	4,416,907	554,097	295,708	3,063,799	-	725,981
Total liabilities	673,277	1,669,575	4,666,951	630,185	3,363,434	3,479,858	54,167	740,122
Net assets								
Net assets without donor restrictions, controlling	1,349,370	5,842,571	229,905	3,689,409	(1,775,589)	(349,034)	3,146,709	(248,862)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	1,349,370	5,842,571	229,905	3,689,409	(1,775,589)	(349,034)	3,146,709	(248,862)
Net assets with donor restrictions	-	804,227	-	-	-	-	-	-
Total net assets	1,349,370	6,646,798	229,905	3,689,409	(1,775,589)	(349,034)	3,146,709	(248,862)
Total liabilities and net assets	\$ 2,022,647	\$ 8,316,373	\$ 4,896,856	\$ 4,319,594	\$ 1,587,845	\$ 3,130,824	\$ 3,200,876	\$ 491,260

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	Mercy Housing California 58, LP (Neary Lagoon Apts.)	Sycamore Street Consolidated	Mercy Housing California Family Properties	Mercy Housing California 51, LP (Bill Sorro Community)	Mercy Housing California Special Needs	Mercy Housing California 57, LP (1500 Page)	Mercy Midtown Inc.	Florin Housing Corporation GP
Assets								
Current assets								
Cash and cash equivalents	\$ 108,676	\$ 194,265	\$ -	\$ 487,714	\$ -	\$ 27,317	\$ 216,574	\$ -
Cash, tenant security deposits	53,553	50,851	-	72,981	-	7,860	86,496	-
Cash, restricted	811	-	-	16,924	-	78,174	81,367	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	2,441	94	-	80,111	-	966	136,698	-
Due from affiliate, net	-	-	-	-	16,390	-	-	20,625
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	24,886	9,520	-	35,250	-	5,813	36,101	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	190,367	254,730	-	692,980	16,390	120,130	557,236	20,625
Property and equipment								
Land and land improvements	438,540	1,560,000	-	1,168,786	-	548,099	-	-
Buildings	18,759,635	3,776,013	-	37,409,135	-	9,588,685	8,674,427	-
Furniture and equipment	422,915	21,587	-	526,234	-	88,093	166,057	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	1,092,912	-
Accumulated depreciation	(5,136,028)	(1,403,536)	-	(4,166,207)	-	(884,818)	(506,712)	-
Net property and equipment	14,485,062	3,954,064	-	34,937,948	-	9,340,059	9,426,684	-
Other long-term assets								
Restricted property reserves	808,774	494,040	-	516,052	-	770,975	108	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	1,273,341	-	(13,773)	-	-	(7,548,711)
Notes and interest receivable, net	-	-	2,377,000	-	2,347,800	-	-	-
Notes and interest receivable, affiliates	-	-	(2,377,000)	-	(2,347,800)	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	45,413	-	-	39,020	-	23,550	-	-
Total other long-term assets	854,187	494,040	1,273,341	555,072	(13,773)	794,525	108	(7,548,711)
Total assets	\$ 15,529,616	\$ 4,702,834	\$ 1,273,341	\$ 36,186,000	\$ 2,617	\$ 10,254,714	\$ 9,984,028	\$ (7,528,086)

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	Mercy Housing California 58, LP (Neary Lagoon Apts.)	Sycamore Street Consolidated	Mercy Housing California Family Properties	Mercy Housing California 51, LP (Bill Sorro Community)	Mercy Housing California Special Needs	Mercy Housing California 57, LP (1500 Page)	Mercy Midtown Inc.	Florin Housing Corporation GP
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 69,953	\$ 53,345	\$ 1,952	\$ 245,116	\$ 3,092	\$ 34,347	\$ 111,356	\$ -
Due to affiliates	29,872	15,000	8,379	-	21,400	-	21,180	25,143
Accrued interest	-	4,291	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	79,936	-	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	2,724	1,897	-	17,655	-	1,137	1,886	-
Tenant security deposits	54,727	51,433	-	72,500	-	7,357	86,196	-
Total current liabilities	157,276	205,902	10,331	335,271	24,492	42,841	220,618	25,143
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	3,533,337	1,204,917	-	150,026	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	7,249,812	3,836,146	-	19,023,864	-	3,568,795	-	-
Notes payable, less current portion, affiliates	-	-	-	2,377,000	-	-	-	-
Deferred revenue and other liabilities	3,681	1,767	-	-	-	-	-	-
Total long-term liabilities	10,786,830	5,042,830	-	21,550,890	-	3,568,795	-	-
Total liabilities	10,944,106	5,248,732	10,331	21,886,161	24,492	3,611,636	220,618	25,143
Net assets								
Net assets without donor restrictions, controlling	4,585,510	(545,898)	1,263,010	14,299,839	(21,875)	6,643,078	9,763,410	(7,553,229)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	4,585,510	(545,898)	1,263,010	14,299,839	(21,875)	6,643,078	9,763,410	(7,553,229)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	4,585,510	(545,898)	1,263,010	14,299,839	(21,875)	6,643,078	9,763,410	(7,553,229)
Total liabilities and net assets	\$ 15,529,616	\$ 4,702,834	\$ 1,273,341	\$ 36,186,000	\$ 2,617	\$ 10,254,714	\$ 9,984,028	\$ (7,528,086)

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	Mercy Housing California 77, LP (Crossroad Gardens)	Mercy Housing California 80, LP, Consolidated	3425 Orange Grove, LLC	Mercy Housing California 81, LP (Courtyard Inn)	Sunnydale Block 6 Housing Partnership, LP	Mercy Mather Veterans 3 LLC	Mercy Housing California 79, LP (Mather Phase 3)	Consolidated Mercy Housing California Senior Properties
Assets								
Current assets								
Cash and cash equivalents	\$ 283,185	\$ 152,638	\$ -	\$ -	\$ -	\$ -	\$ 171,139	\$ 1,915,885
Cash, tenant security deposits	48,087	65,983	-	-	-	-	11,301	64,573
Cash, restricted	17,460	841,027	-	395,990	-	-	59,543	750
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	613	3,046	-	5,583	-	-	64,030	7,874
Due from affiliate, net	950	-	-	-	-	20,000	-	15,218
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	14,782	22,337	-	-	-	-	8,890	72,575
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	365,077	1,085,031	-	401,573	-	20,000	314,903	2,076,875
Property and equipment								
Land and land improvements	1,707,000	1,912,371	-	799,441	-	-	1,034,466	1,169,654
Buildings	14,760,429	12,264,383	-	7,011,188	-	-	12,274,665	12,665,647
Furniture and equipment	321,730	771,516	-	151,139	-	-	62,621	1,717,742
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	19,999,863	-	-	-	-
Accumulated depreciation	(1,049,529)	(296,459)	-	-	-	-	(214,425)	(5,932,359)
Net property and equipment	15,739,630	14,651,811	-	27,961,631	-	-	13,157,327	9,620,684
Other long-term assets								
Restricted property reserves	557,823	-	-	-	-	-	12,500	2,164,718
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	(3,573)	-	-	59	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	34,700	128,730	-	188,018	-	-	53,030	-
Total other long-term assets	592,523	128,730	(3,573)	188,018	-	59	65,530	2,164,718
Total assets	\$ 16,697,230	\$ 15,865,572	\$ (3,573)	\$ 28,551,222	\$ -	\$ 20,059	\$ 13,537,760	\$ 13,862,277

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	Mercy Housing California 77, LP (Crossroad Gardens)	Mercy Housing California 80, LP, Consolidated	3425 Orange Grove, LLC	Mercy Housing California 81, LP (Courtyard Inn)	Sunnydale Block 6 Housing Partnership, LP	Mercy Mather Veterans 3 LLC	Mercy Housing California 79, LP (Mather Phase 3)	Consolidated Mercy Housing California Senior Properties
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 60,811	\$ 933,505	\$ -	\$ 4,110,798	\$ -	\$ 90	\$ 204,930	\$ 974,449
Due to affiliates	213,590	1,017,522	2,989	1,134,582	-	22,889	470,000	15,344
Accrued interest	-	-	-	30,207	-	-	32,798	131,336
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	10,667,955	-	-	11,399,826	323,688
Current portion of notes payable, affiliates	-	50,288	-	60,852	-	-	-	-
Deferred revenue and other liabilities	1,273	4,791	-	-	-	-	1,889	30,365
Tenant security deposits	47,644	60,913	-	-	-	-	10,802	60,008
Total current liabilities	323,318	2,067,019	2,989	16,004,394	-	22,979	12,120,245	1,535,190
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	56,710	3,795,990	-	52,521	-	-	-	734,729
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	9,210,362	7,834,572	-	10,317,075	-	-	(39,928)	8,068,205
Notes payable, less current portion, affiliates	2,087,284	-	-	-	-	-	110,001	-
Deferred revenue and other liabilities	838,763	-	-	-	-	-	-	72,671
Total long-term liabilities	12,193,119	11,630,562	-	10,369,596	-	-	70,073	8,875,605
Total liabilities	12,516,437	13,697,581	2,989	26,373,990	-	22,979	12,190,318	10,410,795
Net assets								
Net assets without donor restrictions, controlling	4,180,793	2,167,991	(6,562)	2,177,232	-	(2,920)	1,347,442	3,451,482
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	4,180,793	2,167,991	(6,562)	2,177,232	-	(2,920)	1,347,442	3,451,482
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	4,180,793	2,167,991	(6,562)	2,177,232	-	(2,920)	1,347,442	3,451,482
Total liabilities and net assets	\$ 16,697,230	\$ 15,865,572	\$ (3,573)	\$ 28,551,222	\$ -	\$ 20,059	\$ 13,537,760	\$ 13,862,277

Mercy Housing California
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	Consolidated Mercy Housing Calwest	Consolidated Mercy Properties California	Consolidated San Juan Housing Corporation	Eliminations	Consolidated Mercy Housing California
Assets					
Current assets					
Cash and cash equivalents	\$ 18,245,436	\$ 670,112	\$ 446,421	\$ -	\$ 40,187,466
Cash, tenant security deposits	2,266,503	46,012	120,891	-	3,205,429
Cash, restricted	14,681,089	-	-	-	16,402,160
Investments	-	-	-	-	3,314,958
Investments, restricted	-	-	-	-	-
Accounts receivable, net	3,326,768	84,787	3,698	(411,961)	4,940,077
Due from affiliate, net	1,190,834	103,999	-	(19,896,659)	86,267,008
Pledges receivable, net	-	9,450	-	-	12,259,450
Grants receivable	-	-	-	-	53,182
Current portion of notes and interest receivable	-	-	-	-	204,167
Current portion of notes and interest receivable, affiliates	-	-	-	(3,385,514)	292,439
Prepaid expenses and other assets	2,524,033	19,187	38,348	(974,525)	2,367,988
Inventory	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Total current assets	42,234,663	933,547	609,358	(24,668,659)	169,494,324
Property and equipment					
Land and land improvements	128,763,481	5,484,234	1,643,175	-	160,016,198
Buildings	1,100,824,528	13,981,631	7,941,624	(24,990,857)	1,342,842,989
Furniture and equipment	27,330,192	165,798	3,790,024	-	39,875,887
Predevelopment project costs	9,843,462	-	-	-	15,660,743
Construction in progress	87,447,602	-	-	(6,324,608)	102,215,769
Accumulated depreciation	(157,843,079)	(10,426,704)	(9,667,912)	5,609,939	(263,597,692)
Net property and equipment	1,196,366,186	9,204,959	3,706,911	(25,705,526)	1,397,013,894
Other long-term assets					
Restricted property reserves	63,211,023	760,016	744,358	-	79,695,176
Long-term investments	-	-	-	-	12,185,000
Long-term investments, restricted	-	-	-	-	525,000
Due from affiliates	-	60,000	-	(15,317,765)	(684,325)
Pledges receivable, net	-	-	-	-	12,414,800
Investments in limited partnerships, net	(12,894,371)	-	-	12,963,987	(7,707,380)
Notes and interest receivable, net	-	22,000	-	(4,724,800)	2,145,849
Notes and interest receivable, affiliates	1,397,284	-	-	(20,438,442)	6,962,601
Allowance for impaired assets	-	-	-	-	-
Other assets, net	15,607,545	-	-	-	16,184,483
Total other long-term assets	67,321,481	842,016	744,358	(27,517,020)	121,721,204
Total assets	\$ 1,305,922,330	\$ 10,980,522	\$ 5,060,627	\$ (77,891,205)	\$ 1,688,229,422

Mercy Housing California
Consolidating Statement of Financial Position
December 31, 2019

	Consolidated San				
	Consolidated Mercy	Consolidated Mercy	Juan Housing		Consolidated Mercy
	Housing Calwest	Properties California	Corporation	Eliminations	Housing California
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	\$ 42,838,463	\$ 340,143	\$ 204,475	\$ (418,105)	\$ 54,607,067
Due to affiliates	16,987,936	162,892	110,143	(22,389,667)	35,031,464
Accrued interest	1,584,868	607,390	13,944	-	2,721,552
Accrued interest, affiliates	13,186	-	-	-	13,186
Current portion of notes payable	159,227,380	82,394	134,335	-	182,824,996
Current portion of notes payable, affiliates	3,049,145	181,813	-	(3,355,581)	8,752,625
Deferred revenue and other liabilities	2,357,755	14,563	9,650	(960,765)	3,136,646
Tenant security deposits	2,233,834	46,296	123,023	-	3,282,496
Total current liabilities	<u>228,292,567</u>	<u>1,435,491</u>	<u>595,570</u>	<u>(27,124,118)</u>	<u>290,370,032</u>
Long-term liabilities					
Due to affiliates	-	-	-	(60,000)	-
Accrued interest	39,046,821	555,629	2,356,068	-	54,677,678
Accrued interest, affiliates	924,978	-	-	(924,978)	175,770
Notes payable, less current portion, net	706,453,750	3,778,072	6,774,661	(2,347,800)	804,639,804
Notes payable, less current portion, affiliates	29,962,023	-	-	(30,762,132)	4,418,312
Deferred revenue and other liabilities	30,701,104	17,500	3,127	(13,794,500)	19,302,885
Total long-term liabilities	<u>807,088,676</u>	<u>4,351,201</u>	<u>9,133,856</u>	<u>(47,889,410)</u>	<u>883,214,449</u>
Total liabilities	<u>1,035,381,243</u>	<u>5,786,692</u>	<u>9,729,426</u>	<u>(75,013,528)</u>	<u>1,173,584,481</u>
Net assets					
Net assets without donor restrictions, controlling	270,541,087	5,193,830	(4,668,799)	(2,877,677)	476,570,145
Net assets without donor restrictions, noncontrolling	-	-	-	-	-
Total net assets without donor restrictions	<u>270,541,087</u>	<u>5,193,830</u>	<u>(4,668,799)</u>	<u>(2,877,677)</u>	<u>476,570,145</u>
Net assets with donor restrictions	-	-	-	-	38,074,796
Total net assets	<u>270,541,087</u>	<u>5,193,830</u>	<u>(4,668,799)</u>	<u>(2,877,677)</u>	<u>514,644,941</u>
Total liabilities and net assets	<u>\$ 1,305,922,330</u>	<u>\$ 10,980,522</u>	<u>\$ 5,060,627</u>	<u>\$ (77,891,205)</u>	<u>\$ 1,688,229,422</u>

**Mercy Housing California
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing California	Affordable Housing Initiatives	All Hallows Community	Marin Homes for Independent Living (Camino Alto)	Cantebria Senior Homes	Mercy Senior Housing Oxnard (Casa Merced)	Francis of Assisi Community	Gault Street Senior Housing
Revenues								
Rent - net of vacancies	\$ -	\$ -	\$ 1,227,047	\$ 379,602	\$ 377,474	\$ 390,692	\$ -	\$ 307,904
Developer fees	20,685,377	-	-	-	-	-	-	-
Services fees	8,015,523	-	-	-	-	-	-	-
Philanthropy	4,360,295	-	-	-	-	-	-	-
Capital grants	216,480	-	-	-	-	-	-	-
Consulting	1,349,413	-	-	-	-	-	-	-
Interest	1,306,074	-	13,306	1,761	44	76	-	93
Other	14,783,720	-	21,559	1,801	3,883	7,454	479,751	2,787
Total revenues	50,716,882	-	1,261,912	383,164	381,401	398,222	479,751	310,784
Expenses and losses								
Compensation	12,317,792	-	225,617	83,038	140,140	87,775	-	98,179
Administrative	3,213,401	1,334	84,156	59,132	74,217	118,038	-	64,383
Professional services	700,677	1,426	50,635	13,270	12,834	50,032	8,798	23,691
Depreciation and amortization	193,512	-	260,524	66,096	196,269	157,020	-	177,253
Grants	3,394,818	-	-	-	-	-	479,657	-
Facility	283,721	-	189,451	86,689	179,720	145,331	-	96,358
Interest and fees	23,972	-	176,177	97,139	-	-	119,914	-
Bad debts	(267,124)	-	-	-	-	11	-	4
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	649,650	-	-	-	-	-	-	-
Allocation	4,880,164	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	(267)	(30)	-	-	-	-	-	-
Total expenses and losses	25,390,316	2,730	986,560	405,364	603,180	558,207	608,369	459,868
Excess (deficiency) of revenues over expenses	25,326,566	(2,730)	275,352	(22,200)	(221,779)	(159,985)	(128,618)	(149,084)
Net assets at beginning of year	133,819,311	244,895	(399,657)	(288,904)	2,713,022	1,667,060	2,700,948	2,405,289
Other transfers to (from) net assets	-	-	-	-	-	-	(1,178,679)	-
Net assets at end of year	\$ 159,145,877	\$ 242,165	\$ (124,305)	\$ (311,104)	\$ 2,491,243	\$ 1,507,075	\$ 1,393,651	\$ 2,256,205

Mercy Housing California
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	John W. King Senior Community	Maria B. Freitas Senior Housing Corporation	Marin Housing Corporation (Martinelli House)	Mercy Family Plaza Limited Partnership (Mercy Family Plaza)	Mercy Gardens	Notre Dame Senior Housing Corporation	Oceana Senior Housing Corporation (Oceana Terrace)	Presentation Senior Housing Community
Revenues								
Rent - net of vacancies	\$ 1,040,932	\$ 645,137	\$ -	\$ 821,350	\$ 346,885	\$ 631,843	\$ 410,941	\$ 1,269,927
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	125	-	-
Capital grants	-	-	-	-	-	-	-	1,500
Consulting	-	-	-	-	-	-	-	-
Interest	300	267	176,820	163	37	166	50	12,008
Other	30,349	83,358	-	8,372	4,504	7,816	9,171	14,589
Total revenues	1,071,581	728,762	176,820	829,885	351,426	639,950	420,162	1,298,024
Expenses and losses								
Compensation	553,778	235,328	-	43,367	107,212	208,819	122,556	557,942
Administrative	143,008	210,814	15,001	72,847	51,488	150,565	96,133	183,455
Professional services	11,171	9,971	-	9,125	8,230	9,971	10,345	10,780
Depreciation and amortization	506,411	225,328	-	122,816	149,076	324,065	166,606	582,453
Grants	-	-	172,580	-	-	-	-	-
Facility	270,054	209,147	-	248,668	75,172	200,715	149,833	422,931
Interest and fees	222	-	-	36,771	31,855	-	36,808	6
Bad debts	-	-	-	-	3,526	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	1,484,644	890,588	187,581	533,594	426,559	894,135	582,281	1,757,567
Excess (deficiency) of revenues over expenses	(413,063)	(161,826)	(10,761)	296,291	(75,133)	(254,185)	(162,119)	(459,543)
Net assets at beginning of year	6,946,177	2,491,220	4,706,668	524,136	29,950	4,301,997	(357,852)	8,045,727
Other transfers to (from) net assets	-	-	-	(30,000)	-	-	-	-
Net assets at end of year	\$ 6,533,114	\$ 2,329,394	\$ 4,695,907	\$ 790,427	\$ (45,183)	\$ 4,047,812	\$ (519,971)	\$ 7,586,184

Mercy Housing California
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Russell Manor	Tierra Del Sol, Inc.	Garden Park Apartment Community	Mercy Oaks Village	Mercy Commercial California	MPCAL, LLC	MCC 1360 LLC	Central Coast Housing
Revenues								
Rent - net of vacancies	\$ 504,365	\$ 634,480	\$ 407,375	\$ 437,726	\$ 1,004,266	\$ 310,497	\$ -	\$ 56,100
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	9,315	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	9,312	7,227	12,626	99	32,705	4,855	-	42
Other	17,081	22,930	398,946	8,884	134,188	73,831	-	805
Total revenues	530,758	664,637	818,947	446,709	1,180,474	389,183	-	56,947
Expenses and losses								
Compensation	197,447	251,951	125,987	154,985	165,964	-	-	30,798
Administrative	82,312	137,222	53,659	93,853	86,941	30,633	855	6,480
Professional services	9,580	10,450	285,052	43,151	7,322	15,622	4,399	4,399
Depreciation and amortization	205,256	492,573	194,946	297,299	26,880	120,637	-	16,543
Grants	-	-	43,239	-	-	-	-	-
Facility	171,922	269,007	159,280	153,792	593,383	272,316	-	20,925
Interest and fees	10,752	3,959	93,273	5,959	95	136,664	-	7,293
Bad debts	-	-	-	737	-	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	40
Total expenses and losses	677,269	1,165,162	955,436	749,776	880,585	575,872	5,254	86,478
Excess (deficiency) of revenues over expenses	(146,511)	(500,525)	(136,489)	(303,067)	299,889	(186,689)	(5,254)	(29,531)
Net assets at beginning of year	1,495,881	7,147,323	366,394	3,992,476	(2,075,478)	(162,345)	3,151,963	(219,331)
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 1,349,370	\$ 6,646,798	\$ 229,905	\$ 3,689,409	\$ (1,775,589)	\$ (349,034)	\$ 3,146,709	\$ (248,862)

**Mercy Housing California
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing California 58, LP (Nearby Lagoon Apts.)	Sycamore Street Consolidated	Mercy Housing California Family Properties	Mercy Housing California 51, LP (Bill Sorro Community)	Mercy Housing California Special Needs	Mercy Housing California 57, LP (1500 Page)	Mercy Midtown Inc.	Florin Housing Corporation GP
Revenues								
Rent - net of vacancies	\$ 938,562	\$ 913,152	\$ -	\$ 997,235	\$ -	\$ 167,221	\$ 1,461,582	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	70,250	-	16,391	-	-	20,625
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	237	12,839	-	215	-	9,400	37	-
Other	8,885	18,604	-	23,380	-	31,719	1,752,623	390,621
Total revenues	947,684	944,595	70,250	1,020,830	16,391	208,340	3,214,242	411,246
Expenses and losses								
Compensation	182,991	165,399	-	123,075	-	15,866	489,005	-
Administrative	155,382	96,451	70,456	165,560	16,447	56,834	293,056	20,625
Professional services	90,570	84,254	311	103,930	934	29,474	109,507	2,834
Depreciation and amortization	726,629	341,281	-	1,495,736	-	293,094	369,556	-
Grants	-	-	-	-	-	-	-	-
Facility	400,693	226,946	-	446,137	-	74,960	1,096,948	-
Interest and fees	198,222	124,344	-	120,853	-	1,176	122	-
Bad debts	1,397	-	-	8,470	-	8,022	203,653	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	144	-	27	-	-	175
Total expenses and losses	1,755,884	1,038,675	70,911	2,463,761	17,408	479,426	2,561,847	23,634
Excess (deficiency) of revenues over expenses	(808,200)	(94,080)	(661)	(1,442,931)	(1,017)	(271,086)	652,395	387,612
Net assets at beginning of year	5,393,710	(451,818)	1,263,671	15,742,770	(20,858)	6,914,064	9,111,015	(7,940,841)
Other transfers to (from) net assets	-	-	-	-	-	100	-	-
Net assets at end of year	\$ 4,585,510	\$ (545,898)	\$ 1,263,010	\$ 14,299,839	\$ (21,875)	\$ 6,643,078	\$ 9,763,410	\$ (7,553,229)

Mercy Housing California
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Housing California 77, LP (Crossroad Gardens)	Mercy Housing California 80, LP, Consolidated	3425 Orange Grove, LLC	Mercy Housing California 81, LP (Courtyard Inn)	Sunnydale Block 6 Housing Partnership, LP	Mercy Mather Veterans 3 LLC	Mercy Housing California 79, LP (Mather Phase 3)	Consolidated Mercy Housing California Senior Properties
Revenues								
Rent - net of vacancies	\$ 677,985	\$ 719,054	\$ -	\$ -	\$ -	\$ -	\$ 280,861	\$ 4,518,265
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	20,000	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	15,039
Other	57,961	8,275	-	-	-	-	1,369	113,754
Total revenues	735,946	727,329	-	-	-	20,000	282,230	4,647,058
Expenses and losses								
Compensation	163,136	228,675	-	-	-	-	88,955	881,795
Administrative	73,840	262,321	55	1,363	-	20,055	149,165	539,782
Professional services	49,829	93,301	2,834	4,399	-	2,834	47,540	67,104
Depreciation and amortization	520,038	731,133	-	-	-	-	215,785	952,445
Grants	-	-	-	-	-	-	-	9,871,504
Facility	186,723	332,018	-	230	-	-	41,357	964,352
Interest and fees	111,612	459,502	-	-	-	-	145,913	752,921
Bad debts	-	3,071	-	-	-	-	10	5,446
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	1	-	-	31	-	-
Total expenses and losses	1,105,178	2,110,021	2,890	5,992	-	22,920	688,725	14,035,349
Excess (deficiency) of revenues over expenses	(369,232)	(1,382,692)	(2,890)	(5,992)	-	(2,920)	(406,495)	(9,388,291)
Net assets at beginning of year	(1,747,685)	(6,423,890)	(3,672)	2,168,002	(18,228)	-	1,488,937	2,820,384
Other transfers to (from) net assets	6,297,710	9,974,573	-	15,222	18,228	-	265,000	10,019,389
Net assets at end of year	\$ 4,180,793	\$ 2,167,991	\$ (6,562)	\$ 2,177,232	\$ -	\$ (2,920)	\$ 1,347,442	\$ 3,451,482

Mercy Housing California
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Consolidated Mercy Housing Calwest	Consolidated Mercy Properties California	Consolidated San Juan Housing Corporation	Eliminations	Consolidated Mercy Housing California
Revenues					
Rent - net of vacancies	\$ 51,433,009	\$ 825,403	\$ 1,455,515	\$ (156,557)	\$ 75,435,830
Developer fees	-	-	-	(4,915,570)	15,769,807
Services fees	29,850	-	-	(4,533,630)	3,648,324
Philanthropy	-	-	-	39,648	4,400,068
Capital grants	816,952	175,373	-	-	1,210,305
Consulting	-	-	-	(243,386)	1,106,027
Interest	623,706	938	5,893	(144,096)	2,102,239
Other	10,445,644	741,584	45,842	(14,362,501)	15,393,539
Total revenues	63,349,161	1,743,298	1,507,250	(24,316,092)	119,066,139
Expenses and losses					
Compensation	9,327,911	193,519	339,223	-	27,908,225
Administrative	9,307,315	343,241	216,728	(1,433,915)	15,384,688
Professional services	4,509,169	33,861	25,831	(3,297,131)	3,272,316
Depreciation and amortization	35,835,300	528,298	434,948	(805,227)	46,120,579
Grants	-	-	-	(12,248,901)	1,712,897
Facility	16,752,662	303,011	561,058	(777,872)	24,807,638
Interest and fees	18,741,314	170,207	298,620	(257,932)	21,647,733
Bad debts	182,373	-	6,108	302,684	458,388
Provision for impaired assets	-	-	-	-	-
Project expenses	-	-	-	-	649,650
Allocation	-	-	-	-	4,880,164
(Gain) loss on sale of assets	-	-	-	-	-
(Gain) loss on investment in limited partnership	(3,404,575)	-	-	(373,936)	(3,778,390)
Total expenses and losses	91,251,469	1,572,137	1,882,516	(18,892,230)	143,063,888
Excess (deficiency) of revenues over expenses	(27,902,308)	171,161	(375,266)	(5,423,862)	(23,997,749)
Net assets at beginning of year	200,203,673	5,022,669	(4,293,533)	1,199,297	413,674,537
Other transfers to (from) net assets	98,239,722	-	-	1,346,888	124,968,153
Net assets at end of year	\$ 270,541,087	\$ 5,193,830	\$ (4,668,799)	\$ (2,877,677)	\$ 514,644,941

Mercy Housing California Senior Properties
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California Senior Properties	Bennett House, LP	Dorothy Day Community, LP	Junipero Serra, LP	Monsignor Lyne, LP	St. Andrew Community, LP	Villa Columba Mercy Riverside, LP	Eliminations	Consolidated Mercy Housing California Senior Properties
Assets									
Current assets									
Cash and cash equivalents	\$ -	\$ 156,228	\$ 1,326,143	\$ 106,584	\$ 96,496	\$ 133,251	\$ 97,183	\$ -	\$ 1,915,885
Cash, tenant security deposits	-	1,258	-	9,349	7,429	20,752	25,785	-	64,573
Cash, restricted	-	300	-	-	-	-	450	-	750
Investments	-	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	763	-	4,794	2,317	-	7,874
Due from affiliate, net	-	12,737	2,444	-	37	-	44	(44)	15,218
Pledges receivable, net	-	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	-	-	33,162	7,231	11,274	20,908	-	72,575
Inventory	-	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-	-
Total current assets	-	170,523	1,328,587	149,858	111,193	170,071	146,687	(44)	2,076,875
Property and equipment									
Land and land improvements	-	-	-	19,791	210,151	593,336	346,376	-	1,169,654
Buildings	-	-	-	2,185,206	2,192,273	3,870,170	4,417,998	-	12,665,647
Furniture and equipment	-	-	-	111,154	734,645	686,328	185,615	-	1,717,742
Predevelopment project costs	-	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	(880,217)	(1,231,869)	(1,770,141)	(2,050,132)	-	(5,932,359)
Net property and equipment	-	-	-	1,435,934	1,905,200	3,379,693	2,899,857	-	9,620,684
Other long-term assets									
Restricted property reserves	-	-	-	554,837	654,457	302,579	652,845	-	2,164,718
Long-term investments	-	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	3,434,834	-	-	-	-	-	-	(3,434,834)	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-	-
Total other long-term assets	3,434,834	-	-	554,837	654,457	302,579	652,845	(3,434,834)	2,164,718
Total assets	\$ 3,434,834	\$ 170,523	\$ 1,328,587	\$ 2,140,629	\$ 2,670,850	\$ 3,852,343	\$ 3,699,389	\$ (3,434,878)	\$ 13,862,277

Mercy Housing California Senior Properties
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California Senior Properties	Bennett House, LP	Dorothy Day Community, LP	Junipero Serra, LP	Monsignor Lyne, LP	St. Andrew Community, LP	Villa Columba Mercy Riverside, LP	Eliminations	Consolidated Mercy Housing California Senior Properties
Liabilities									
Current liabilities									
Accounts payable and accrued expenses	\$ 3,092	\$ 9,580	\$ 15,696	\$ 276,769	\$ 490,858	\$ 99,261	\$ 79,193	\$ -	\$ 974,449
Due to affiliates	14,951	-	393	-	-	-	44	(44)	15,344
Accrued interest	-	-	-	28,659	20,219	35,418	47,040	-	131,336
Accrued interest, affiliates	-	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	70,016	53,672	100,000	100,000	-	323,688
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	21,906	3,651	305	4,503	-	30,365
Tenant security deposits	-	-	-	8,738	6,981	20,210	24,079	-	60,008
Total current liabilities	18,043	9,580	16,089	406,088	575,381	255,194	254,859	(44)	1,535,190
Long-term liabilities									
Due to affiliates	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	734,729	-	-	734,729
Accrued interest, affiliates	-	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	-	1,637,030	1,331,345	2,476,755	2,623,075	-	8,068,205
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	69,938	-	1,473	1,260	-	72,671
Total long-term liabilities	-	-	-	1,706,968	1,331,345	3,212,957	2,624,335	-	8,875,605
Total liabilities	18,043	9,580	16,089	2,113,056	1,906,726	3,468,151	2,879,194	(44)	10,410,795
Net assets									
Net assets without donor restrictions, controlling	3,416,791	160,943	1,312,498	27,573	764,124	384,192	820,195	(3,434,834)	3,451,482
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	3,416,791	160,943	1,312,498	27,573	764,124	384,192	820,195	(3,434,834)	3,451,482
Net assets with donor restrictions	-	-	-	-	-	-	-	-	-
Total net assets	3,416,791	160,943	1,312,498	27,573	764,124	384,192	820,195	(3,434,834)	3,451,482
Total liabilities and net assets	\$ 3,434,834	\$ 170,523	\$ 1,328,587	\$ 2,140,629	\$ 2,670,850	\$ 3,852,343	\$ 3,699,389	\$ (3,434,878)	\$ 13,862,277

Mercy Housing California Senior Properties
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Housing California Senior Properties	Bennett House, LP	Dorothy Day Community, LP	Junipero Serra, LP	Monsignor Lyne, LP	St. Andrew Community, LP	Villa Columba Mercy Riverside, LP	Eliminations	Consolidated Mercy Housing California Senior Properties
Revenues									
Rent - net of vacancies	\$ -	\$ 779,263	\$ -	\$ 744,938	\$ 810,320	\$ 1,266,223	\$ 917,521	\$ -	\$ 4,518,265
Developer fees	-	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-	-
Interest	-	580	-	2,177	2,638	3,242	6,402	-	15,039
Other	-	16,260	-	33,962	32,993	12,718	17,821	-	113,754
Total revenues	-	796,103	-	781,077	845,951	1,282,183	941,744	-	4,647,058
Expenses and losses									
Compensation	-	137,614	-	182,945	154,075	128,978	278,183	-	881,795
Administrative	81	109,754	-	60,330	79,595	129,734	160,288	-	539,782
Professional services	2,834	9,760	4,559	6,805	15,748	6,780	20,618	-	67,104
Depreciation and amortization	-	149,716	-	137,134	205,686	269,323	190,586	-	952,445
Grants	-	9,871,504	-	-	-	-	-	-	9,871,504
Facility	-	117,514	-	152,919	184,531	191,724	317,664	-	964,352
Interest and fees	-	259,903	-	99,008	74,694	140,759	178,557	-	752,921
Bad debts	-	-	-	595	-	-	4,851	-	5,446
Provision for impaired assets	-	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	(627,673)	-	-	-	-	-	-	627,673	-
Total expenses and losses	(624,758)	10,655,765	4,559	639,736	714,329	867,298	1,150,747	627,673	14,035,349
Excess (deficiency) of revenues over expenses	624,758	(9,859,662)	(4,559)	141,341	131,622	414,885	(209,003)	(627,673)	(9,388,291)
Net assets at beginning of year	2,792,033	1,216	1,317,057	(113,768)	632,502	(30,693)	1,029,198	(2,807,161)	2,820,384
Other transfers to (from) net assets	-	10,019,389	-	-	-	-	-	-	10,019,389
Net assets at end of year	\$ 3,416,791	\$ 160,943	\$ 1,312,498	\$ 27,573	\$ 764,124	\$ 384,192	\$ 820,195	\$ (3,434,834)	\$ 3,451,482

Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Calwest	Mercy Housing California XXXIX, LP (Gleason Park)	Mercy Housing California XL, LP (Arlington Hotel)	Mercy Housing California XXXVIII, LP (East Leland Courts)	Mercy Housing California XLII, LP (Boulevard Court)	Mercy Housing California XLIV LP (1180 Fourth Street)	Third and LeConte Associates LP (Bayview Hill Gardens)	Caroline Severance LLC
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 98,358	\$ 359,448	\$ 59,969	\$ 120,597	\$ 821,210	\$ 474,180	\$ -
Cash, tenant security deposits	-	57,768	47,571	46,003	19,612	131,497	17,392	-
Cash, restricted	5,000,126	-	-	-	192,282	69,494	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	110	1,615	144,299	12,820	222,874	58,965	103,536	-
Due from affiliate, net	1,111,213	-	195	-	-	-	-	37,060
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	20,297	23,040	20,872	16,587	91,524	30,456	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	6,111,449	178,038	574,553	139,664	571,952	1,172,690	625,564	37,060
Property and equipment								
Land and land improvements	-	1,082,249	3,972,090	2,754,496	3,090,021	1,876,368	2,416,056	-
Buildings	-	20,095,787	35,787,227	19,590,560	13,825,757	63,575,784	28,865,848	-
Furniture and equipment	-	192,394	2,037,933	336,064	847,781	2,673,574	991,710	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(7,052,750)	(12,596,799)	(9,819,347)	(5,629,030)	(11,488,762)	(8,261,965)	-
Net property and equipment	-	14,317,680	29,200,451	12,861,773	12,134,529	56,636,964	24,011,649	-
Other long-term assets								
Restricted property reserves	-	1,537,283	3,638,026	436,701	3,944,104	1,187,560	864,466	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(61,351,539)	-	-	-	-	-	-	(6,360)
Notes and interest receivable, net	50,000	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	8,463,574	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	43,392	46,063	10,844	48,342	60,948	52,087	-
Total other long-term assets	(52,837,965)	1,580,675	3,684,089	447,545	3,992,446	1,248,508	916,553	(6,360)
Total assets	\$ (46,726,516)	\$ 16,076,393	\$ 33,459,093	\$ 13,448,982	\$ 16,698,927	\$ 59,058,162	\$ 25,553,766	\$ 30,700

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Calwest	Mercy Housing California XXXIX, LP (Gleason Park)	Mercy Housing California XL, LP (Arlington Hotel)	Mercy Housing California XXXVIII, LP (East Leland Courts)	Mercy Housing California XLII, LP (Boulevard Court)	Mercy Housing California XLIV LP (1180 Fourth Street)	Third and LeConte Associates LP (Bayview Hill Gardens)	Caroline Severance LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 3,092	\$ 42,493	\$ 261,410	\$ 87,360	\$ 85,644	\$ 186,119	\$ 103,289	\$ 1,429
Due to affiliates	957,052	24,756	31,858	11,686	105,375	37,984	70,537	51,726
Accrued interest	-	-	-	2,940	-	5,974	42,000	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	45,101	-	71,786	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	2,164	422,015	21,283	625,427	329,435	53,187	-
Tenant security deposits	-	57,094	47,073	45,509	15,291	131,238	16,904	-
Total current liabilities	960,144	126,507	762,356	213,879	831,737	762,536	285,917	53,155
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	5,082,164	2,055,315	707,724	1,590,878	1,703,890	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	1,187,838	21,309,954	33,480,057	11,505,780	10,769,104	37,469,004	18,106,406	-
Notes payable, less current portion, affiliates	1,139,500	1,201,238	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	7,877,570	-	7,043,086	15,000	-	-
Total long-term liabilities	2,327,338	22,511,192	46,439,791	13,561,095	18,519,914	39,074,882	19,810,296	-
Total liabilities	3,287,482	22,637,699	47,202,147	13,774,974	19,351,651	39,837,418	20,096,213	53,155
Net assets								
Net assets without donor restrictions, controlling	(50,013,998)	(6,561,306)	(13,743,054)	(325,992)	(2,652,724)	19,220,744	5,457,553	(22,455)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(50,013,998)	(6,561,306)	(13,743,054)	(325,992)	(2,652,724)	19,220,744	5,457,553	(22,455)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(50,013,998)	(6,561,306)	(13,743,054)	(325,992)	(2,652,724)	19,220,744	5,457,553	(22,455)
Total liabilities and net assets	\$ (46,726,516)	\$ 16,076,393	\$ 33,459,093	\$ 13,448,982	\$ 16,698,927	\$ 59,058,162	\$ 25,553,766	\$ 30,700

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing California XLIII, LP (Caroline Severance Manor)	7th & H GP, LLC	Mercy Housing California 47, LP (7th & H Street)	Madonna Senior Housing LLC	Mercy Housing California 53, LP (Madonna Residences)	Mercy Housing California 52, LP (School House Station-Vista Grande)	1100 Ocean Avenue Limited Partnership (1100 Ocean Avenue Apts.)	55 Laguna, LP (Open House Community at 55 Laguna)
Assets								
Current assets								
Cash and cash equivalents	\$ 36,063	\$ -	\$ 94,391	\$ -	\$ 340,942	\$ 385,563	\$ 434,278	\$ 303,554
Cash, tenant security deposits	95,000	-	78,029	-	56,412	86,082	53,416	32,650
Cash, restricted	-	-	-	-	-	-	933,710	149,485
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	28,288	-	88,010	15,000	76,129	22,965	127,159	138,228
Due from affiliate, net	-	114,633	-	105,000	-	-	-	12,815
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	34,078	-	38,196	-	26,355	24,931	29,556	45,724
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	193,429	114,633	298,626	120,000	499,838	519,541	1,578,119	682,456
Property and equipment								
Land and land improvements	3,897,034	-	4,434,686	-	5,722	20,714	1,278,420	2,037,195
Buildings	26,981,969	-	36,005,174	-	11,321,773	20,535,458	29,669,712	23,406,807
Furniture and equipment	495,913	-	931,312	-	288,734	181,140	964,152	481,726
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(6,707,028)	-	(10,788,798)	-	(3,447,918)	(3,961,206)	(4,336,645)	(3,381,771)
Net property and equipment	24,667,888	-	30,582,374	-	8,168,311	16,776,106	27,575,639	22,543,957
Other long-term assets								
Restricted property reserves	835,058	-	4,392,882	-	3,860,409	591,462	1,078,318	365,908
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	14,205,939	-	29,073	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	54,092	-	64,586	-	1,056,059	13,661	29,445	2,224,326
Total other long-term assets	889,150	14,205,939	4,457,468	29,073	4,916,468	605,123	1,107,763	2,590,234
Total assets	\$ 25,750,467	\$ 14,320,572	\$ 35,338,468	\$ 149,073	\$ 13,584,617	\$ 17,900,770	\$ 30,261,521	\$ 25,816,647

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing California XLIII, LP (Caroline Severance Manor)	7th & H GP, LLC	Mercy Housing California 47, LP (7th & H Street)	Madonna Senior Housing LLC	Mercy Housing California 53, LP (Madonna Residences)	Mercy Housing California 52, LP (School House Station-Vista Grande)	1100 Ocean Avenue Limited Partnership (1100 Ocean Avenue Apts.)	55 Laguna, LP (Open House Community at 55 Laguna)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 87,964	\$ 1,429	\$ 241,610	\$ 1,429	\$ 409,172	\$ 309,956	\$ 91,415	\$ 59,497
Due to affiliates	37,522	148,496	-	153,940	-	38,604	47,356	39,528
Accrued interest	14,722	-	-	-	-	25,644	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	188,052	-	-	-	-	123,647	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	1,193	-	6,462	-	10,691	2,815	216,893	26,308
Tenant security deposits	93,394	-	77,417	-	53,308	85,582	52,911	32,149
Total current liabilities	422,847	149,925	325,489	155,369	473,171	586,248	408,575	157,482
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	2,912,801	-	649,764	-	1,120,222	587,272	1,002,715	1,178,491
Accrued interest, affiliates	-	-	-	-	-	918,900	-	-
Notes payable, less current portion, net	16,619,482	-	10,941,664	-	9,134,371	7,603,831	17,343,882	7,910,196
Notes payable, less current portion, affiliates	-	-	-	-	-	4,452,969	700,000	-
Deferred revenue and other liabilities	171,276	-	-	-	1,438	1,384	15,000	153,000
Total long-term liabilities	19,703,559	-	11,591,428	-	10,256,031	13,564,356	19,061,597	9,241,687
Total liabilities	20,126,406	149,925	11,916,917	155,369	10,729,202	14,150,604	19,470,172	9,399,169
Net assets								
Net assets without donor restrictions, controlling	5,624,061	14,170,647	23,421,551	(6,296)	2,855,415	3,750,166	10,791,349	16,417,478
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	5,624,061	14,170,647	23,421,551	(6,296)	2,855,415	3,750,166	10,791,349	16,417,478
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	5,624,061	14,170,647	23,421,551	(6,296)	2,855,415	3,750,166	10,791,349	16,417,478
Total liabilities and net assets	\$ 25,750,467	\$ 14,320,572	\$ 35,338,468	\$ 149,073	\$ 13,584,617	\$ 17,900,770	\$ 30,261,521	\$ 25,816,647

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Esparto Family Apartments, LLC	Mercy Housing California 54, LP (Esperanza Crossing)	Sunset Lane Apartments LLC	Mercy Housing California 55, LP (Trailside Terrace)	Mercy Housing California 56, LP (Jefferson Park Terrace)	Mercy Housing California II, LP (Columbia Park)	Coastside Senior Housing Limited Partners, LP	El Monte Veterans Apartments LLC
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 49,102	\$ -	\$ 22,595	\$ 50,680	\$ -	\$ 178,906	\$ -
Cash, tenant security deposits	-	30,897	-	22,929	49,477	-	13,163	-
Cash, restricted	-	-	-	-	42,105	-	238,742	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	1,979	-	15,880	23,253	-	39,635	-
Due from affiliate, net	55,959	-	9,917	-	-	-	-	26,460
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	8,139	-	10,361	23,521	-	27,037	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	55,959	90,117	9,917	71,765	189,036	-	497,483	26,460
Property and equipment								
Land and land improvements	-	2,946,584	-	1,493,737	1,880,926	-	675,178	-
Buildings	-	8,432,461	-	10,301,452	15,011,061	-	13,057,001	-
Furniture and equipment	-	181,490	-	202,287	207,933	-	403,093	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	2,467	-	-	-	-
Accumulated depreciation	-	(2,560,467)	-	(2,136,888)	(3,797,471)	-	(3,537,863)	-
Net property and equipment	-	9,000,068	-	9,863,055	13,302,449	-	10,597,409	-
Other long-term assets								
Restricted property reserves	-	290,283	-	262,744	264,599	-	514,181	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(304)	-	(347)	-	-	-	-	82,388
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	21,525	-	22,795	37,768	-	27,349	-
Total other long-term assets	(304)	311,808	(347)	285,539	302,367	-	541,530	82,388
Total assets	\$ 55,655	\$ 9,401,993	\$ 9,570	\$ 10,220,359	\$ 13,793,852	\$ -	\$ 11,636,422	\$ 108,848

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Esparto Family Apartments, LLC	Mercy Housing California 54, LP (Esperanza Crossing)	Sunset Lane Apartments LLC	Mercy Housing California 55, LP (Trailside Terrace)	Mercy Housing California 56, LP (Jefferson Park Terrace)	Mercy Housing California II, LP (Columbia Park)	Coastside Senior Housing Limited Partners, LP	El Monte Veterans Apartments LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 1,429	\$ 80,131	\$ 1,429	\$ 33,342	\$ 55,442	\$ -	\$ 58,266	\$ 1,429
Due to affiliates	75,888	28,836	28,626	37,542	89,424	-	23,185	41,987
Accrued interest	-	2,458	-	1,151	8,663	-	3,620	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	89,429	-	20,768	33,710	-	50,822	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	2,209	-	1,292	11,330	-	2,710	-
Tenant security deposits	-	30,637	-	25,424	49,018	-	12,668	-
Total current liabilities	77,317	233,700	30,055	119,519	247,587	-	151,271	43,416
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	731,882	-	796,171	840,478	-	365,383	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	4,109,177	-	4,508,385	5,707,268	-	3,989,097	-
Notes payable, less current portion, affiliates	-	-	-	-	1,074,176	-	587,838	-
Deferred revenue and other liabilities	-	-	-	-	218,310	-	1,224,335	-
Total long-term liabilities	-	4,841,059	-	5,304,556	7,840,232	-	6,166,653	-
Total liabilities	77,317	5,074,759	30,055	5,424,075	8,087,819	-	6,317,924	43,416
Net assets								
Net assets without donor restrictions, controlling	(21,662)	4,327,234	(20,485)	4,796,284	5,706,033	-	5,318,498	65,432
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(21,662)	4,327,234	(20,485)	4,796,284	5,706,033	-	5,318,498	65,432
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(21,662)	4,327,234	(20,485)	4,796,284	5,706,033	-	5,318,498	65,432
Total liabilities and net assets	\$ 55,655	\$ 9,401,993	\$ 9,570	\$ 10,220,359	\$ 13,793,852	\$ -	\$ 11,636,422	\$ 108,848

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	El Monte Veterans Apartments, LP	1028 Howard Street, LLC	Mercy Housing California 60, LP (Quinn Cottages)	Mercy Housing California XI, LP (Madison Place)	Mercy Eden House LLC	Eden House, L.P.	Transbay Block 6, LLC	Mercy Housing California 62, LP (280 Beale)
Assets								
Current assets								
Cash and cash equivalents	\$ 182,315	\$ 171,226	\$ 31,043	\$ 12,577	\$ -	\$ 687,829	\$ -	\$ 485,112
Cash, tenant security deposits	34,184	26,437	9,970	32,276	-	84,197	-	66,623
Cash, restricted	-	-	-	-	-	-	-	98,056
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	3,875	388	4,155	431	-	42,035	-	127,474
Due from affiliate, net	30,728	57	-	-	237,671	568	128,500	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	13,161	8,892	27,156	9,870	-	28,913	-	21,045
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	264,263	207,000	72,324	55,154	237,671	843,542	128,500	798,310
Property and equipment								
Land and land improvements	1,293,775	-	1,120,611	324,803	-	1,060,410	-	985,629
Buildings	10,071,330	3,526,770	4,347,918	4,113,290	-	11,326,978	-	24,252,144
Furniture and equipment	596,258	102,811	273,119	154,890	-	595,629	-	700,486
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(2,546,398)	(1,164,682)	(1,397,431)	(3,670,443)	-	(2,289,229)	-	(3,222,217)
Net property and equipment	9,414,965	2,464,899	4,344,217	922,540	-	10,693,788	-	22,716,042
Other long-term assets								
Restricted property reserves	614,792	540,242	3,745,135	237,891	-	1,752,738	-	771,971
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	1,130,502	-	500,459	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	690,000	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	29,090	-	12,794	-	-	36,182	-	27,826
Total other long-term assets	643,882	540,242	3,757,929	237,891	1,130,502	1,788,920	1,190,459	799,797
Total assets	\$ 10,323,110	\$ 3,212,141	\$ 8,174,470	\$ 1,215,585	\$ 1,368,173	\$ 13,326,250	\$ 1,318,959	\$ 24,314,149

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	El Monte Veterans Apartments, LP	1028 Howard Street, LLC	Mercy Housing California 60, LP (Quinn Cottages)	Mercy Housing California XI, LP (Madison Place)	Mercy Eden House LLC	Eden House, L.P.	Transbay Block 6, LLC	Mercy Housing California 62, LP (280 Beale)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 49,313	\$ 30,610	\$ 39,819	\$ 40,627	\$ 1,430	\$ 135,629	\$ 1,429	\$ 420,820
Due to affiliates	26,460	-	5,922	150,000	-	-	109,431	81,513
Accrued interest	-	358	-	1,348	-	13,859	-	1,854
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	32,471	-	31,767	-	124,743	-	32,285
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	3,360	5,493	3,720	587	-	91,182	-	5,548
Tenant security deposits	33,747	25,956	9,764	31,802	-	83,671	-	65,159
Total current liabilities	112,880	94,888	59,225	256,131	1,430	449,084	110,860	607,179
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	466,787	1,347,194	480,461	1,422,276	-	30,390	-	1,688,684
Accrued interest, affiliates	-	-	-	-	-	644,632	-	-
Notes payable, less current portion, net	4,050,475	2,100,760	4,892,863	876,223	-	2,879,426	690,000	14,152,331
Notes payable, less current portion, affiliates	-	-	-	-	-	3,100,000	-	690,000
Deferred revenue and other liabilities	-	-	-	3,822	-	5,075	-	15,000
Total long-term liabilities	4,517,262	3,447,954	5,373,324	2,302,321	-	6,659,523	690,000	16,546,015
Total liabilities	4,630,142	3,542,842	5,432,549	2,558,452	1,430	7,108,607	800,860	17,153,194
Net assets								
Net assets without donor restrictions, controlling	5,692,968	(330,701)	2,741,921	(1,342,867)	1,366,743	6,217,643	518,099	7,160,955
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	5,692,968	(330,701)	2,741,921	(1,342,867)	1,366,743	6,217,643	518,099	7,160,955
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	5,692,968	(330,701)	2,741,921	(1,342,867)	1,366,743	6,217,643	518,099	7,160,955
Total liabilities and net assets	\$ 10,323,110	\$ 3,212,141	\$ 8,174,470	\$ 1,215,585	\$ 1,368,173	\$ 13,326,250	\$ 1,318,959	\$ 24,314,149

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Sunset Valley Duplexes, LLC	Mercy Housing California 63, LP (Sunset Valley Duplexes)	345 Arguello, LP	Land Park Woods, LLC	Mercy Housing California 68, LP (Land Park Woods)	1800 Pine, LP	Transbay Block 7, LLC	Mercy Housing California 64, LP (Transbay Block 7)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 145,735	\$ 628,667	\$ -	\$ 115,554	\$ 1,017,594	\$ -	\$ 598,448
Cash, tenant security deposits	-	47,925	17,280	-	57,491	29,484	-	131,920
Cash, restricted	-	-	127,386	-	-	386,871	-	523,732
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	887	187,610	-	8,881	103,601	-	101,262
Due from affiliate, net	8,500	-	-	-	-	-	39,496	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	15,202	32,027	-	11,622	50,725	-	75,710
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	8,500	209,749	992,970	-	193,548	1,588,275	39,496	1,431,072
Property and equipment								
Land and land improvements	-	10,276,046	75,402	-	2,629,622	365,207	-	4,143,949
Buildings	-	13,212,648	27,792,314	-	9,890,258	32,869,582	-	58,716,165
Furniture and equipment	-	271,221	486,330	-	445,854	624,527	-	686,247
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(2,911,156)	(2,564,870)	-	(1,653,077)	(3,151,080)	-	(3,239,525)
Net property and equipment	-	20,848,759	25,789,176	-	11,312,657	30,708,236	-	60,306,836
Other long-term assets								
Restricted property reserves	-	806,368	1,295,762	-	1,075,964	1,450,324	-	545,277
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	574,133	-	-	116,786	-	-	490,645	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	166	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	63,926	906,040	-	46,621	1,604,276	-	66,844
Total other long-term assets	574,299	870,294	2,201,802	116,786	1,122,585	3,054,600	490,645	612,121
Total assets	\$ 582,799	\$ 21,928,802	\$ 28,983,948	\$ 116,786	\$ 12,628,790	\$ 35,351,111	\$ 530,141	\$ 62,350,029

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Sunset Valley Duplexes, LLC	Mercy Housing California 63, LP (Sunset Valley Duplexes)	345 Arguello, LP	Land Park Woods, LLC	Mercy Housing California 68, LP (Land Park Woods)	1800 Pine, LP	Transbay Block 7, LLC	Mercy Housing California 64, LP (Transbay Block 7)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 1,429	\$ 38,875	\$ 57,090	\$ -	\$ 45,585	\$ 97,577	\$ -	\$ 60,737
Due to affiliates	106,525	37,500	42,274	7,387	-	42,274	45,648	639,496
Accrued interest	-	-	109,241	-	-	30,392	-	8,764
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	96,211	-	-	106,096	-	147,743
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	8,422	54,873	-	5,069	52,313	-	14,190
Tenant security deposits	-	47,455	16,305	-	57,171	29,015	-	121,438
Total current liabilities	107,954	132,252	375,994	7,387	107,825	357,667	45,648	992,368
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	1,171,062	-	-	1,943,633	-	-	1,261,344
Accrued interest, affiliates	-	2,194	-	-	-	-	-	-
Notes payable, less current portion, net	-	8,850,980	17,761,948	-	4,053,522	22,164,828	-	32,412,413
Notes payable, less current portion, affiliates	-	65,297	500,000	-	740,000	1,120,000	-	1,733,283
Deferred revenue and other liabilities	-	-	-	-	25,558	-	-	15,000
Total long-term liabilities	-	10,089,533	18,261,948	-	6,762,713	23,284,828	-	35,422,040
Total liabilities	107,954	10,221,785	18,637,942	7,387	6,870,538	23,642,495	45,648	36,414,408
Net assets								
Net assets without donor restrictions, controlling	474,845	11,707,017	10,346,006	109,399	5,758,252	11,708,616	484,493	25,935,621
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	474,845	11,707,017	10,346,006	109,399	5,758,252	11,708,616	484,493	25,935,621
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	474,845	11,707,017	10,346,006	109,399	5,758,252	11,708,616	484,493	25,935,621
Total liabilities and net assets	\$ 582,799	\$ 21,928,802	\$ 28,983,948	\$ 116,786	\$ 12,628,790	\$ 35,351,111	\$ 530,141	\$ 62,350,029

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Mather Veterans, LLC	Mercy Housing California 61, LP (Mather Veterans Village)	Mercy Housing California 65, LLC	Mercy Housing California 65, LP (15888 Hesperion)	Plaza Maria, LLC	Mercy Laguna LLC, GP	Laguna Senior Housing, LP (95 Laguna)	JFK Tower, LP
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 197,056	\$ -	\$ 394,902	\$ 90,827	\$ -	\$ 137,628	\$ 600,018
Cash, tenant security deposits	-	7,451	-	65,521	68,153	-	59,339	23,598
Cash, restricted	-	-	-	240,441	-	-	7,450	174,287
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	17,863	-	13,181	8,769	-	75,675	54,790
Due from affiliate, net	-	-	-	-	-	39,500	-	9,878
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	15,914	-	24,553	12,080	-	71,421	70,683
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	-	238,284	-	738,598	179,829	39,500	351,513	933,254
Property and equipment								
Land and land improvements	-	1,112,787	-	2,991,331	750,000	-	1,435,125	512,587
Buildings	-	13,883,195	-	22,947,413	2,332,639	-	38,035,336	50,228,965
Furniture and equipment	-	434,035	-	437,132	7,108	-	622,912	786,286
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(1,672,256)	-	(2,096,587)	(1,339,074)	-	(581,803)	(3,553,986)
Net property and equipment	-	13,757,761	-	24,279,289	1,750,673	-	39,511,570	47,973,852
Other long-term assets								
Restricted property reserves	-	6,184,409	-	591,875	176,197	-	315	1,520,646
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	120,598	-	900	-	-	135,034	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	52,712	-	52,505	-	-	4,486,182	1,903,187
Total other long-term assets	120,598	6,237,121	900	644,380	176,197	135,034	4,486,497	3,423,833
Total assets	\$ 120,598	\$ 20,233,166	\$ 900	\$ 25,662,267	\$ 2,106,699	\$ 174,534	\$ 44,349,580	\$ 52,330,939

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Mather Veterans, LLC	Mercy Housing California 61, LP (Mather Veterans Village)	Mercy Housing California 65, LLC	Mercy Housing California 65, LP (15888 Hesperion)	Plaza Maria, LLC	Mercy Laguna LLC, GP	Laguna Senior Housing, LP (95 Laguna)	JFK Tower, LP
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 441	\$ 57,916	\$ -	\$ 62,760	\$ 26,397	\$ -	\$ 178,287	\$ 305,120
Due to affiliates	11,547	44,000	11,006	74,273	-	44,868	1,412,786	142,307
Accrued interest	-	-	-	2,161	22,281	-	58,289	360,973
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	26,516	107,540	-	19,620,409	143,702
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	11,980	-	3,990	331	-	30,374	-
Tenant security deposits	-	7,084	-	65,035	64,315	-	58,842	22,652
Total current liabilities	11,988	120,980	11,006	234,735	220,864	44,868	21,358,987	974,754
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	166,950	-	1,789,139	-	-	1,840,542	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	4,875,464	-	14,758,034	5,845,753	-	19,652,075	31,354,646
Notes payable, less current portion, affiliates	-	1,341,552	-	-	-	-	-	970,000
Deferred revenue and other liabilities	-	-	-	-	1,536	-	508,577	1,689,424
Total long-term liabilities	-	6,383,966	-	16,547,173	5,847,289	-	22,001,194	34,014,070
Total liabilities	11,988	6,504,946	11,006	16,781,908	6,068,153	44,868	43,360,181	34,988,824
Net assets								
Net assets without donor restrictions, controlling	108,610	13,728,220	(10,106)	8,880,359	(3,961,454)	129,666	989,399	17,342,115
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	108,610	13,728,220	(10,106)	8,880,359	(3,961,454)	129,666	989,399	17,342,115
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	108,610	13,728,220	(10,106)	8,880,359	(3,961,454)	129,666	989,399	17,342,115
Total liabilities and net assets	\$ 120,598	\$ 20,233,166	\$ 900	\$ 25,662,267	\$ 2,106,699	\$ 174,534	\$ 44,349,580	\$ 52,330,939

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	Mercy Housing California 66, LP (Colma Veterans Village)		455 Fell, LP (Parcel O)	Mercy Housing California 67, LP (Columbia Park)	Historic Live Oak (Odd Fellows)	Mercy Housing Camino, LLC	Mercy Housing La Cienega GP, LLC	New Dana Strand IV, LP (Camino Del Mar)
	2698 California, LP							
Assets								
Current assets								
Cash and cash equivalents	\$ 465,549	\$ 51,625	\$ 318,125	\$ 180,872	\$ 35,839	\$ -	\$ -	\$ 1,582,399
Cash, tenant security deposits	11,178	23,000	124,187	60,651	8,809	-	-	84,913
Cash, restricted	150,664	254,775	369,703	-	-	-	-	301,939
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	9,402	155,323	24,637	14,667	4,499	-	-	60,827
Due from affiliate, net	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	28,208	39,171	61,712	17,712	2,315	-	-	21,839
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	665,001	523,894	898,364	273,902	51,462	-	-	2,051,917
Property and equipment								
Land and land improvements	245,919	7,311,503	5,862,894	1,302,463	84,914	-	-	6,012,976
Buildings	26,308,007	27,770,641	58,010,700	15,870,992	2,791,081	-	-	28,526,712
Furniture and equipment	382,255	557,814	878,994	308,821	18,132	-	-	660,811
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(1,915,465)	(638,078)	(871,450)	(2,439,644)	(1,154,756)	-	-	(1,189,901)
Net property and equipment	25,020,716	35,001,880	63,881,138	15,042,632	1,739,371	-	-	34,010,598
Other long-term assets								
Restricted property reserves	1,117,172	-	60,567	391,158	54,275	-	-	715,765
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	(13)	(34)	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	848,439	44,596	70,193	38,078	-	-	-	49,117
Total other long-term assets	1,965,611	44,596	130,760	429,236	54,275	(13)	(34)	764,882
Total assets	\$ 27,651,328	\$ 35,570,370	\$ 64,910,262	\$ 15,745,770	\$ 1,845,108	\$ (13)	\$ (34)	\$ 36,827,397

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	2698 California, LP	Mercy Housing California 66, LP (Colma Veterans Village)	455 Fell, LP (Parcel O)	Mercy Housing California 67, LP (Columbia Park)	Historic Live Oak (Odd Fellows)	Mercy Housing Camino, LLC	Mercy Housing La Cienega GP, LLC	New Dana Strand IV, LP (Camino Del Mar)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 190,774	\$ 2,797,856	\$ 6,287,740	\$ 74,622	\$ 98,770	\$ -	\$ -	\$ 152,204
Due to affiliates	142,309	1,367,076	1,680,577	17,347	84,547	8,081	8,993	164,411
Accrued interest	207,101	63,555	100,831	12,956	28	-	-	56,680
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	44,462	24,757,517	35,208,751	64,521	3,920	-	-	275,687
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	2,746	15,028	117,032	13,352	529	-	-	4,907
Tenant security deposits	9,429	22,791	115,689	60,141	8,293	-	-	83,154
Total current liabilities	596,821	29,023,823	43,510,620	242,939	196,087	8,081	8,993	737,043
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	22,562	367,988	14,137	-	-	-	393,460
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	16,974,396	5,467,498	16,418,530	8,963,908	1,226,392	-	-	21,667,787
Notes payable, less current portion, affiliates	400,000	-	1,500,000	4,000,000	-	-	-	-
Deferred revenue and other liabilities	399,674	899,509	505,502	-	-	-	-	1,575,025
Total long-term liabilities	17,774,070	6,389,569	18,792,020	12,978,045	1,226,392	-	-	23,636,272
Total liabilities	18,370,891	35,413,392	62,302,640	13,220,984	1,422,479	8,081	8,993	24,373,315
Net assets								
Net assets without donor restrictions, controlling	9,280,437	156,978	2,607,622	2,524,786	422,629	(8,094)	(9,027)	12,454,082
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	9,280,437	156,978	2,607,622	2,524,786	422,629	(8,094)	(9,027)	12,454,082
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	9,280,437	156,978	2,607,622	2,524,786	422,629	(8,094)	(9,027)	12,454,082
Total liabilities and net assets	\$ 27,651,328	\$ 35,570,370	\$ 64,910,262	\$ 15,745,770	\$ 1,845,108	\$ (13)	\$ (34)	\$ 36,827,397

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	St Mary Tower, LLC	Mercy Housing California 71, LP (St Mary's Tower)	Francis of Assisi, LLC	Mercy Housing California 69, LP (Francis of Assisi)	3001 24th Street LLC	Mercy Housing California 59, LP (Casa de la Mission)	0623 Vernon, LLC	Mercy Housing California 48, LP (Roseville)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 144,706	\$ -	\$ 847,945	\$ -	\$ 1,888,398	\$ -	\$ 66,438
Cash, tenant security deposits	-	41,008	-	35,335	-	-	-	45,071
Cash, restricted	-	81,199	-	513,161	-	150,000	-	463,771
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	51,766	-	8,861	-	100,000	-	7,708
Due from affiliate, net	-	964	15,490	-	-	-	29,916	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	40,159	-	35,206	-	200,817	-	18,373
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	-	359,802	15,490	1,440,508	-	2,339,215	29,916	601,361
Property and equipment								
Land and land improvements	-	9,092,335	-	326,298	-	3,210,595	-	3,727,256
Buildings	-	26,662,804	-	22,328,803	-	-	-	21,761,236
Furniture and equipment	-	528,386	-	1,626,619	-	500	-	663,220
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	1,928,051	-	-
Accumulated depreciation	-	(3,150,652)	-	(3,005,183)	-	-	-	(1,247,404)
Net property and equipment	-	33,132,873	-	21,276,537	-	5,139,146	-	24,904,308
Other long-term assets								
Restricted property reserves	-	843,006	-	2,578,258	-	-	-	122,653
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(3,864,836)	-	(28,848,572)	-	(69,637)	-	1,425,321	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	122,134	-	63,892	-	102,000	-	127,468
Total other long-term assets	(3,864,836)	965,140	(28,848,572)	2,642,150	(69,637)	102,000	1,425,321	250,121
Total assets	\$ (3,864,836)	\$ 34,457,815	\$ (28,833,082)	\$ 25,359,195	\$ (69,637)	\$ 7,580,361	\$ 1,455,237	\$ 25,755,790

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	St Mary Tower, LLC	Mercy Housing California 71, LP (St Mary's Tower)	Francis of Assisi, LLC	Mercy Housing California 69, LP (Francis of Assisi)	3001 24th Street LLC	Mercy Housing California 59, LP (Casa de la Mission)	0623 Vernon, LLC	Mercy Housing California 48, LP (Roseville)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 100,990	\$ -	\$ 231,998	\$ -	\$ 4,399	\$ -	\$ 63,792
Due to affiliates	6,257	25,517	197,944	-	-	10,397	48,335	29,916
Accrued interest	-	69,656	-	89,865	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	292,776	-	1,237,933	-	-	-	28,800
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	7,488	-	4,287	-	-	-	2,354
Tenant security deposits	-	40,003	-	35,352	-	-	-	43,531
Total current liabilities	6,257	536,430	197,944	1,599,435	-	14,796	48,335	168,393
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	537,171
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	20,780,284	-	26,775,158	-	(290,546)	-	6,868,906
Notes payable, less current portion, affiliates	-	-	-	-	-	5,000,000	-	2,164,800
Deferred revenue and other liabilities	-	878,353	-	484,049	-	-	-	165,627
Total long-term liabilities	-	21,658,637	-	27,259,207	-	4,709,454	-	9,736,504
Total liabilities	6,257	22,195,067	197,944	28,858,642	-	4,724,250	48,335	9,904,897
Net assets								
Net assets without donor restrictions, controlling	(3,871,093)	12,262,748	(29,031,026)	(3,499,447)	(69,637)	2,856,111	1,406,902	15,850,893
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(3,871,093)	12,262,748	(29,031,026)	(3,499,447)	(69,637)	2,856,111	1,406,902	15,850,893
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(3,871,093)	12,262,748	(29,031,026)	(3,499,447)	(69,637)	2,856,111	1,406,902	15,850,893
Total liabilities and net assets	\$ (3,864,836)	\$ 34,457,815	\$ (28,833,082)	\$ 25,359,195	\$ (69,637)	\$ 7,580,361	\$ 1,455,237	\$ 25,755,790

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	Esperanza Crossing II, LLC	Mercy Housing California 76, LP (Esperanza Crossing Phase II)	Mercy Transformation, LLC	Sunnydale Parcel Q Housing Partners, LP	Candlestick Pointe 11a, a California Limited Partnership (Candlestick)	20 North Cottonwood LLC	Mercy New Hope, LP (Woodland/180 West Beamer)	Mercy Housing California 74, LP (Britton Street)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 192,260	\$ -	\$ 276,263	\$ -	\$ -	\$ 102,575	\$ 1,182,082
Cash, tenant security deposits	-	28,548	-	-	-	-	28,308	68,581
Cash, restricted	-	121,893	-	93,989	4,575	-	442,154	208,518
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	2,490	-	185,163	-	-	42,866	129,377
Due from affiliate, net	-	-	-	-	-	25,266	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	8,729	-	29,333	387,500	-	23,206	25,789
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	-	353,920	-	584,748	392,075	25,266	639,109	1,614,347
Property and equipment								
Land and land improvements	-	1,713,183	-	1,644,910	-	-	2,883,622	2,769,951
Buildings	-	9,258,022	-	36,904,834	-	-	19,491,046	33,680,062
Furniture and equipment	-	181,882	-	798,647	-	-	525,180	418,102
Predevelopment project costs	-	-	-	-	2,039,962	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(969,923)	-	(270,944)	-	-	(1,200,170)	(2,440,957)
Net property and equipment	-	10,183,164	-	39,077,447	2,039,962	-	21,699,678	34,427,158
Other long-term assets								
Restricted property reserves	-	166,221	-	-	-	-	2,750,928	3,301,760
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	47,047	-	(34)	-	-	(48)	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	3,473,436	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	20,640	-	124,140	-	-	114,880	20,234
Total other long-term assets	47,047	186,861	(34)	124,140	-	3,473,388	2,865,808	3,321,994
Total assets	\$ 47,047	\$ 10,723,945	\$ (34)	\$ 39,786,335	\$ 2,432,037	\$ 3,498,654	\$ 25,204,595	\$ 39,363,499

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	Esperanza Crossing II, LLC	Mercy Housing California 76, LP (Esperanza Crossing Phase II)	Mercy Transformation, LLC	Sunnydale Parcel Q Housing Partners, LP	Candlestick Pointe 11a, a California Limited Partnership (Candlestick)	20 North Cottonwood LLC	Mercy New Hope, LP (Woodland/180 West Beamer)	Mercy Housing California 74, LP (Britton Street)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 100	\$ 25,634	\$ -	\$ 3,521,551	\$ 8,798	\$ -	\$ 160,273	\$ 2,695,928
Due to affiliates	53,243	117,660	3,769	390,014	8,715	31,801	427,566	1,770,600
Accrued interest	-	5,822	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	49,990	-	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-	3,157	-	-	-
Deferred revenue and other liabilities	-	1,816	-	-	-	-	31,577	6,991
Tenant security deposits	-	28,035	-	13,194	-	-	27,995	65,929
Total current liabilities	53,343	228,957	3,769	3,924,759	20,670	31,801	647,411	4,539,448
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	311,573	-	439,626	103,298	-	252,456	786,020
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	6,583,366	-	33,624,213	2,325,672	-	9,056,950	42,894,289
Notes payable, less current portion, affiliates	-	50,000	-	-	-	-	790,000	-
Deferred revenue and other liabilities	-	236,721	-	-	-	-	-	1,640
Total long-term liabilities	-	7,181,660	-	34,063,839	2,428,970	-	10,099,406	43,681,949
Total liabilities	53,343	7,410,617	3,769	37,988,598	2,449,640	31,801	10,746,817	48,221,397
Net assets								
Net assets without donor restrictions, controlling	(6,296)	3,313,328	(3,803)	1,797,737	(17,603)	3,466,853	14,457,778	(8,857,898)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(6,296)	3,313,328	(3,803)	1,797,737	(17,603)	3,466,853	14,457,778	(8,857,898)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(6,296)	3,313,328	(3,803)	1,797,737	(17,603)	3,466,853	14,457,778	(8,857,898)
Total liabilities and net assets	\$ 47,047	\$ 10,723,945	\$ (34)	\$ 39,786,335	\$ 2,432,037	\$ 3,498,654	\$ 25,204,595	\$ 39,363,499

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	Pico Robertson LLC, GP	Mercy Housing California 73, LP (Pico Robertson)	Baldwin Rose LLC, GP	Baldwin Rose LP	Mercy Housing California 78, LP (Mission Bay Block 6)	Mercy Housing California 75, LP (Dorothy Day)	Placentia Veterans Village, LLC	Placentia Veterans Village, LP
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,268,258	\$ -	\$ -
Cash, tenant security deposits	-	-	-	-	-	35,326	-	-
Cash, restricted	-	155,680	-	834,835	213,043	129,026	-	9,528
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	69,465	-	93,935	-	15,808	-	69,256
Due from affiliate, net	-	-	-	-	-	393	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	-	-	-	-	29,218	-	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	-	225,145	-	928,770	213,043	1,478,029	-	78,784
Property and equipment								
Land and land improvements	-	10,000	-	5,130,881	-	2,145,214	-	960,413
Buildings	-	-	-	25,381,335	-	31,007,742	-	-
Furniture and equipment	-	-	-	724,596	-	358,264	-	8,500
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	19,849,647	-	-	29,681,969	-	-	13,313,373
Accumulated depreciation	-	-	-	(51,335)	-	(672,588)	-	-
Net property and equipment	-	19,859,647	-	31,185,477	29,681,969	32,838,632	-	14,282,286
Other long-term assets								
Restricted property reserves	-	-	-	-	-	-	-	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(2)	-	40	-	-	-	50	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	71,465	-	101,714	49,669	77,737	-	73,256
Total other long-term assets	(2)	71,465	40	101,714	49,669	77,737	50	73,256
Total assets	\$ (2)	\$ 20,156,257	\$ 40	\$ 32,215,961	\$ 29,944,681	\$ 34,394,398	\$ 50	\$ 14,434,326

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	Pico Robertson LLC, GP	Mercy Housing California 73, LP (Pico Robertson)	Baldwin Rose LLC, GP	Baldwin Rose LP	Mercy Housing California 78, LP (Mission Bay Block 6)	Mercy Housing California 75, LP (Dorothy Day)	Placentia Veterans Village, LLC	Placentia Veterans Village, LP
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 3,217,072	\$ -	\$ 3,082,420	\$ 3,718,935	\$ 3,806,441	\$ -	\$ 2,941,749
Due to affiliates	5,903	262,017	4,787	912,385	2,074,883	1,527,444	3,645	651,351
Accrued interest	-	28,147	-	63,601	-	109,254	-	25,596
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	8,727,187	-	21,780,092	-	33,887,276	-	-
Current portion of notes payable, affiliates	-	1,914,489	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	7,282	-	2,859	-	-
Tenant security deposits	-	-	-	-	-	38,629	-	-
Total current liabilities	5,903	14,148,912	4,787	25,845,780	5,793,818	39,371,903	3,645	3,618,696
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	147,036	-	177,406	302,503	-	-	22,559
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	1,978,138	-	3,944,957	22,910,872	(629,876)	-	10,068,566
Notes payable, less current portion, affiliates	-	1,900,000	-	-	-	-	-	-
Deferred revenue and other liabilities	-	756,071	-	311,389	534,708	1,781,764	-	-
Total long-term liabilities	-	4,781,245	-	4,433,752	23,748,083	1,151,888	-	10,091,125
Total liabilities	5,903	18,930,157	4,787	30,279,532	29,541,901	40,523,791	3,645	13,709,821
Net assets								
Net assets without donor restrictions, controlling	(5,905)	1,226,100	(4,747)	1,936,429	402,780	(6,129,393)	(3,595)	724,505
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(5,905)	1,226,100	(4,747)	1,936,429	402,780	(6,129,393)	(3,595)	724,505
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(5,905)	1,226,100	(4,747)	1,936,429	402,780	(6,129,393)	(3,595)	724,505
Total liabilities and net assets	\$ (2)	\$ 20,156,257	\$ 40	\$ 32,215,961	\$ 29,944,681	\$ 34,394,398	\$ 50	\$ 14,434,326

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing California 82, LP (Treasure Island)	1064 Mission, LLC GP	1064 Mission Homeless Services Center LLC	833 Bryant, LLC GP	833 Bryant, LP (Tipping Point)	Villa de Vida GP LLC	Villa de Vida	1721 West Capitol LLC
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash, tenant security deposits	-	-	-	-	-	-	-	-
Cash, restricted	-	-	-	-	47,006	-	2,049	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	100,000	-	78,929	-
Due from affiliate, net	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	250,000	-	-	-	312,500	-	-	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	250,000	-	-	-	459,506	-	80,978	-
Property and equipment								
Land and land improvements	-	-	-	-	-	-	2,695,450	-
Buildings	-	-	-	-	-	-	-	-
Furniture and equipment	-	-	-	-	-	-	-	-
Predevelopment project costs	1,004,931	-	8,409	-	6,258,586	-	-	-
Construction in progress	4,438	-	-	-	-	-	6,473,400	-
Accumulated depreciation	-	-	-	-	-	-	-	-
Net property and equipment	1,009,369	-	8,409	-	6,258,586	-	9,168,850	-
Other long-term assets								
Restricted property reserves	-	-	-	-	-	-	1,744,737	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	(4,399)	-	49	-	(70,262)
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	83,704	-
Total other long-term assets	-	-	-	(4,399)	-	49	1,828,441	(70,262)
Total assets	\$ 1,259,369	\$ -	\$ 8,409	\$ (4,399)	\$ 6,718,092	\$ 49	\$ 11,078,269	\$ (70,262)

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing California 82, LP (Treasure Island)	1064 Mission, LLC GP	1064 Mission Homeless Services Center LLC	833 Bryant, LLC GP	833 Bryant, LP (Tipping Point)	Villa de Vida GP LLC	Villa de Vida	1721 West Capitol LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 207,264	\$ -	\$ 12,808	\$ -	\$ 236,167	\$ -	\$ 1,182,654	\$ -
Due to affiliates	-	55	968	-	406	50	6,846	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	-	-	-	-	-
Current portion of notes payable, affiliates	104,251	-	-	-	135,258	-	-	-
Deferred revenue and other liabilities	-	-	-	-	-	-	-	-
Tenant security deposits	-	-	-	-	-	-	-	-
Total current liabilities	311,515	55	13,776	-	371,831	50	1,189,500	-
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	7,509	-	-	-	-	-	93,472	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	944,744	-	-	-	6,350,660	-	7,797,667	-
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	-	-	-	260,494	-
Total long-term liabilities	952,253	-	-	-	6,350,660	-	8,151,633	-
Total liabilities	1,263,768	55	13,776	-	6,722,491	50	9,341,133	-
Net assets								
Net assets without donor restrictions, controlling	(4,399)	(55)	(5,367)	(4,399)	(4,399)	(1)	1,737,136	(70,262)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(4,399)	(55)	(5,367)	(4,399)	(4,399)	(1)	1,737,136	(70,262)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(4,399)	(55)	(5,367)	(4,399)	(4,399)	(1)	1,737,136	(70,262)
Total liabilities and net assets	\$ 1,259,369	\$ -	\$ 8,409	\$ (4,399)	\$ 6,718,092	\$ 49	\$ 11,078,269	\$ (70,262)

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing California 87, LP (West Capitol)	Mercy Housing California 84, LP (Bennett House)	1121 9th Street LLC, GP	Mercy Housing California 94 LLC, GP	Mercy Housing California 94, LP (Sherman Oaks)	Mercy Housing California 83, LP (Bermuda Gardens)	Sunnydale Block 6 Development CO LLC GP	Sunnydale Block 6 Housing Partnership, LP
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 315,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash, tenant security deposits	-	26,012	-	-	-	45,829	-	-
Cash, restricted	10,182	1,470,581	-	-	-	36,109	-	432,542
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	6,461	-	-	-	100,000	-	123,706
Due from affiliate, net	-	-	302,056	-	-	10,113	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	15,137	-	-	-	17,461	-	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	10,182	1,833,926	302,056	-	-	209,512	-	556,248
Property and equipment								
Land and land improvements	1,451,583	370,690	2,635,846	-	2,700,000	835,000	-	1
Buildings	-	2,475,331	7,382,465	-	-	1,201,939	-	-
Furniture and equipment	-	46,838	-	-	-	-	-	550
Predevelopment project costs	-	-	-	-	531,574	-	-	-
Construction in progress	332,199	3,981,889	-	-	-	2,383,377	-	9,496,792
Accumulated depreciation	-	(58,023)	-	-	-	(8,084)	-	-
Net property and equipment	1,783,782	6,816,725	10,018,311	-	3,231,574	4,412,232	-	9,497,343
Other long-term assets								
Restricted property reserves	694,970	295,663	1,500,000	-	-	1,500,000	-	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	(13,710)	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	202,506	15,963	-	-	-	17,347	-	66,906
Total other long-term assets	897,476	311,626	1,500,000	-	-	1,517,347	(13,710)	66,906
Total assets	\$ 2,691,440	\$ 8,962,277	\$ 11,820,367	\$ -	\$ 3,231,574	\$ 6,139,091	\$ (13,710)	\$ 10,120,497

**Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing California 87, LP (West Capitol)	Mercy Housing California 84, LP (Bennett House)	1121 9th Street LLC, GP	Mercy Housing California 94 LLC, GP	Mercy Housing California 94, LP (Sherman Oaks)	Mercy Housing California 83, LP (Bermuda Gardens)	Sunnydale Block 6 Development CO LLC GP	Sunnydale Block 6 Housing Partnership, LP
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 29,622	\$ 1,271,082	\$ -	\$ -	\$ 81,425	\$ 200,489	\$ -	\$ 2,872,000
Due to affiliates	27,500	126,976	-	-	-	742,315	-	225,452
Accrued interest	-	35,084	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	13,186	-	-	-
Current portion of notes payable	-	-	11,775,670	-	-	-	-	-
Current portion of notes payable, affiliates	406,828	2,606	-	-	482,556	-	-	-
Deferred revenue and other liabilities	-	162	112,499	-	-	-	-	-
Tenant security deposits	3,600	26,012	1,200	-	-	45,829	-	-
Total current liabilities	467,550	1,461,922	11,889,369	-	577,167	988,633	-	3,097,452
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	48,829	-	-	-	-	6,361	-	86,934
Accrued interest, affiliates	-	6,078	-	-	-	-	-	-
Notes payable, less current portion, net	2,245,330	13,815,062	(18,959)	-	(41,194)	6,620,439	-	1,529,049
Notes payable, less current portion, affiliates	-	972,007	-	-	2,700,000	1,500,000	-	-
Deferred revenue and other liabilities	-	1,303,669	-	-	-	-	-	1,622,518
Total long-term liabilities	2,294,159	16,096,816	(18,959)	-	2,658,806	8,126,800	-	3,238,501
Total liabilities	2,761,709	17,558,738	11,870,410	-	3,235,973	9,115,433	-	6,335,953
Net assets								
Net assets without donor restrictions, controlling	(70,269)	(8,596,461)	(50,043)	-	(4,399)	(2,976,342)	(13,710)	3,784,544
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(70,269)	(8,596,461)	(50,043)	-	(4,399)	(2,976,342)	(13,710)	3,784,544
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(70,269)	(8,596,461)	(50,043)	-	(4,399)	(2,976,342)	(13,710)	3,784,544
Total liabilities and net assets	\$ 2,691,440	\$ 8,962,277	\$ 11,820,367	\$ -	\$ 3,231,574	\$ 6,139,091	\$ (13,710)	\$ 10,120,497

Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated Mercy Housing Calwest
Assets		
Current assets		
Cash and cash equivalents	\$ -	\$ 18,245,436
Cash, tenant security deposits	-	2,266,503
Cash, restricted	-	14,681,089
Investments	-	-
Investments, restricted	-	-
Accounts receivable, net	-	3,326,768
Due from affiliate, net	(1,161,514)	1,190,834
Pledges receivable, net	-	-
Grants receivable	-	-
Current portion of notes and interest receivable	-	-
Current portion of notes and interest receivable, affiliates	-	-
Prepaid expenses and other assets	-	2,524,033
Inventory	-	-
Assets held for sale	-	-
	<u>(1,161,514)</u>	<u>42,234,663</u>
Total current assets		
	<u>(1,161,514)</u>	<u>42,234,663</u>
Property and equipment		
Land and land improvements	700,824	128,763,481
Buildings	-	1,100,824,528
Furniture and equipment	-	27,330,192
Predevelopment project costs	-	9,843,462
Construction in progress	-	87,447,602
Accumulated depreciation	-	(157,843,079)
	<u>700,824</u>	<u>1,196,366,186</u>
Net property and equipment		
	<u>700,824</u>	<u>1,196,366,186</u>
Other long-term assets		
Restricted property reserves	-	63,211,023
Long-term investments	-	-
Long-term investments, restricted	-	-
Due from affiliates	-	-
Pledges receivable, net	-	-
Investments in limited partnerships, net	62,476,762	(12,894,371)
Notes and interest receivable, net	(50,000)	-
Notes and interest receivable, affiliates	(11,229,892)	1,397,284
Allowance for impaired assets	-	-
Other assets, net	-	15,607,545
	<u>51,196,870</u>	<u>67,321,481</u>
Total other long-term assets		
	<u>51,196,870</u>	<u>67,321,481</u>
Total assets	<u>\$ 50,736,180</u>	<u>\$ 1,305,922,330</u>

Mercy Housing Calwest
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated Mercy Housing Calwest
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ (293,761)	\$ 42,838,463
Due to affiliates	(1,297,247)	16,987,936
Accrued interest	-	1,584,868
Accrued interest, affiliates	-	13,186
Current portion of notes payable	-	159,227,380
Current portion of notes payable, affiliates	-	3,049,145
Deferred revenue and other liabilities	-	2,357,755
Tenant security deposits	-	2,233,834
Total current liabilities	<u>(1,591,008)</u>	<u>228,292,567</u>
Long-term liabilities		
Due to affiliates	-	-
Accrued interest	(7,691)	39,046,821
Accrued interest, affiliates	(646,826)	924,978
Notes payable, less current portion, net	(3,465,745)	706,453,750
Notes payable, less current portion, affiliates	(10,430,637)	29,962,023
Deferred revenue and other liabilities	-	30,701,104
Total long-term liabilities	<u>(14,550,899)</u>	<u>807,088,676</u>
Total liabilities	<u>(16,141,907)</u>	<u>1,035,381,243</u>
Net assets		
Net assets without donor restrictions, controlling	66,878,087	270,541,087
Net assets without donor restrictions, noncontrolling	-	-
Total net assets without donor restrictions	<u>66,878,087</u>	<u>270,541,087</u>
Net assets with donor restrictions	-	-
Total net assets	<u>66,878,087</u>	<u>270,541,087</u>
Total liabilities and net assets	<u>\$ 50,736,180</u>	<u>\$ 1,305,922,330</u>

**Mercy Housing Calwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Calwest	Mercy Housing California XXXIX, LP (Gleason Park)	Mercy Housing California XL, LP (Arlington Hotel)	Mercy Housing California XXXVIII, LP (East Leland Courts)	Mercy Housing California XLII, LP (Boulevard Court)	Mercy Housing California XLIV LP (1180 Fourth Street)	Third and LeConte Associates LP (Bayview Hill Gardens)	Caroline Severance LLC
Revenues								
Rent - net of vacancies	\$ -	\$ 713,380	\$ 2,025,229	\$ 718,978	\$ 319,344	\$ 1,866,773	\$ 1,687,413	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	744,057	-	-	-	-	-	-	10,028
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	422,013	-	394,939	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	108,190	31,236	60,993	256	94,338	12,780	12,936	-
Other	1,000,000	74,944	406,663	29,890	850,219	761,866	31,669	-
Total revenues	1,852,247	819,560	2,914,898	749,124	1,658,840	2,641,419	1,732,018	10,028
Expenses and losses								
Compensation	-	184,198	317,207	153,711	362,418	532,195	272,188	-
Administrative	1,515,315	184,078	355,157	112,155	114,097	395,849	243,706	10,904
Professional services	18,034	102,990	436,233	60,992	102,411	170,193	131,217	1,884
Depreciation and amortization	-	823,136	1,588,262	893,253	555,933	2,080,321	1,178,388	-
Grants	-	-	-	-	-	-	-	-
Facility	-	236,229	857,914	350,376	248,563	1,285,367	890,478	-
Interest and fees	-	769	840,834	288,283	90,613	494,606	377,465	-
Bad debts	7,513	1,665	6,069	653	3,754	15,216	768	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	(3,959,636)	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	(3,337,043)	-	-	-	-	-	-	127
Total expenses and losses	(5,755,817)	1,533,065	4,401,676	1,859,423	1,477,789	4,973,747	3,094,210	12,915
Excess (deficiency) of revenues over expenses	7,608,064	(713,505)	(1,486,778)	(1,110,299)	181,051	(2,332,328)	(1,362,192)	(2,887)
Net assets at beginning of year	(42,906,806)	(5,847,801)	(12,251,762)	784,307	(2,833,775)	21,553,072	6,819,745	(19,568)
Other transfers to (from) net assets	(14,715,256)	-	(4,514)	-	-	-	-	-
Net assets at end of year	\$ (50,013,998)	\$ (6,561,306)	\$ (13,743,054)	\$ (325,992)	\$ (2,652,724)	\$ 19,220,744	\$ 5,457,553	\$ (22,455)

**Mercy Housing Calwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing California XLIII, LP (Caroline Severance Manor)	7th & H GP, LLC	Mercy Housing California 47, LP (7th & H Street)	Madonna Senior Housing LLC	Mercy Housing California 53, LP (Madonna Residences)	Mercy Housing California 52, LP (School House Station-Vista Grande)	1100 Ocean Avenue Limited Partnership (1100 Ocean Avenue Apts.)	55 Laguna, LP (Open House Community at 55 Laguna)
Revenues								
Rent - net of vacancies	\$ 1,211,011	\$ -	\$ 1,115,032	\$ -	\$ 1,004,680	\$ 1,415,841	\$ 859,776	\$ 619,397
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	17,606	-	15,000	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	1,460	-	88,988	-	67,967	145	12,106	708
Other	145,100	-	151,665	-	208,991	150,829	453,966	63,991
Total revenues	1,357,571	17,606	1,355,685	15,000	1,281,638	1,566,815	1,325,848	684,096
Expenses and losses								
Compensation	182,146	-	376,005	-	289,020	202,907	142,271	160,895
Administrative	131,104	18,461	184,164	30,875	128,082	154,669	233,694	127,774
Professional services	157,403	1,884	221,099	1,884	112,921	84,573	128,021	71,123
Depreciation and amortization	1,087,790	-	1,441,345	-	454,505	545,299	904,237	1,109,171
Grants	-	-	-	-	-	-	-	-
Facility	441,933	-	506,164	-	349,381	594,790	580,884	220,355
Interest and fees	629,660	-	92,239	-	147,166	482,745	280,218	264,906
Bad debts	1,827	-	10,885	-	2,933	8,192	98	112
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	148	-	20	-	-	-	-
Total expenses and losses	2,631,863	20,493	2,831,901	32,779	1,484,008	2,073,175	2,269,423	1,954,336
Excess (deficiency) of revenues over expenses	(1,274,292)	(2,887)	(1,476,216)	(17,779)	(202,370)	(506,360)	(943,575)	(1,270,240)
Net assets at beginning of year	6,898,353	14,173,534	24,897,767	11,483	3,059,608	4,256,526	11,734,924	17,687,718
Other transfers to (from) net assets	-	-	-	-	(1,823)	-	-	-
Net assets at end of year	\$ 5,624,061	\$ 14,170,647	\$ 23,421,551	\$ (6,296)	\$ 2,855,415	\$ 3,750,166	\$ 10,791,349	\$ 16,417,478

**Mercy Housing Calwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Esparto Family Apartments, LLC	Mercy Housing California 54, LP (Esperanza Crossing)	Sunset Lane Apartments LLC	Mercy Housing California 55, LP (Trailside Terrace)	Mercy Housing California 56, LP (Jefferson Park Terrace)	Mercy Housing California II, LP (Columbia Park)	Coastside Senior Housing Limited Partners, LP	El Monte Veterans Apartments LLC
Revenues								
Rent - net of vacancies	\$ -	\$ 452,176	\$ -	\$ 299,319	\$ 671,766	\$ -	\$ 608,769	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	8,500	-	-	-	-	-	-	11,027
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	154	-	120	(720)	-	2,587	-
Other	-	13,197	-	42,226	63,526	-	66,356	-
Total revenues	8,500	465,527	-	341,665	734,572	-	677,712	11,027
Expenses and losses								
Compensation	-	72,068	-	74,944	182,330	-	121,118	-
Administrative	9,430	56,582	855	60,577	97,462	-	134,994	11,882
Professional services	2,834	31,351	1,884	36,886	23,733	-	10,279	1,884
Depreciation and amortization	-	367,192	-	321,887	624,176	-	539,073	-
Grants	-	-	-	-	-	-	-	-
Facility	-	131,471	-	127,002	201,464	-	198,040	-
Interest and fees	-	154,337	-	145,258	232,323	-	163,422	-
Bad debts	-	2,556	-	2,564	316	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	35	-	43	-	-	-	-	26
Total expenses and losses	12,299	815,557	2,782	769,118	1,361,804	-	1,166,926	13,792
Excess (deficiency) of revenues over expenses	(3,799)	(350,030)	(2,782)	(427,453)	(627,232)	-	(489,214)	(2,765)
Net assets at beginning of year	(17,863)	4,677,264	(17,703)	5,223,737	6,333,265	-	5,807,712	68,197
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ (21,662)	\$ 4,327,234	\$ (20,485)	\$ 4,796,284	\$ 5,706,033	\$ -	\$ 5,318,498	\$ 65,432

**Mercy Housing Calwest
Consolidating Statement of Activities
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	El Monte Veterans Apartments, LP	1028 Howard Street, LLC	Mercy Housing California 60, LP (Quinn Cottages)	Mercy Housing California XI, LP (Madison Place)	Mercy Eden House LLC	Eden House, L.P.	Transbay Block 6, LLC	Mercy Housing California 62, LP (280 Beale)
Revenues								
Rent - net of vacancies	\$ 453,516	\$ 654,727	\$ 172,213	\$ 382,329	\$ -	\$ 1,952,069	\$ -	\$ 903,741
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	42,949	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	1,951	125	62,694	112	-	13,437	-	7,261
Other	5,528	10,104	155,337	25,765	-	34,365	-	85,598
Total revenues	460,995	664,956	390,244	408,206	-	1,999,871	42,949	996,600
Expenses and losses								
Compensation	152,489	98,929	196,311	107,555	-	187,361	-	201,729
Administrative	92,941	53,101	63,195	52,882	249,251	243,432	43,805	148,694
Professional services	70,795	35,679	11,506	8,199	4,734	141,494	2,834	70,838
Depreciation and amortization	467,465	173,555	218,736	150,525	-	418,970	-	721,653
Grants	-	-	-	-	-	-	-	-
Facility	115,582	181,998	205,002	168,967	-	515,054	-	553,476
Interest and fees	75,057	65,588	122,531	137,277	-	294,858	-	471,076
Bad debts	-	-	1,314	-	-	9,555	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	(19)	-	117	-
Total expenses and losses	974,329	608,850	818,595	625,405	253,966	1,810,724	46,756	2,167,466
Excess (deficiency) of revenues over expenses	(513,334)	56,106	(428,351)	(217,199)	(253,966)	189,147	(3,807)	(1,170,866)
Net assets at beginning of year	6,206,302	(386,807)	3,170,272	(1,125,668)	1,620,709	6,276,840	521,906	8,331,821
Other transfers to (from) net assets	-	-	-	-	-	(248,344)	-	-
Net assets at end of year	\$ 5,692,968	\$ (330,701)	\$ 2,741,921	\$ (1,342,867)	\$ 1,366,743	\$ 6,217,643	\$ 518,099	\$ 7,160,955

**Mercy Housing Calwest
Consolidating Statement of Activities
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	Sunset Valley Duplexes, LLC	Mercy Housing California 63, LP (Sunset Valley Duplexes)	345 Arguello, LP	Land Park Woods, LLC	Mercy Housing California 68, LP (Land Park Woods)	1800 Pine, LP	Transbay Block 7, LLC	Mercy Housing California 64, LP (Transbay Block 7)
Revenues								
Rent - net of vacancies	\$ -	\$ 649,495	\$ 1,365,210	\$ -	\$ 579,257	\$ 2,254,026	\$ -	\$ 1,996,446
Developer fees	-	-	-	-	-	-	-	-
Services fees	8,500	-	-	20,600	-	-	58,407	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	15,242	8,916	-	23,684	3,271	-	430
Other	-	40,283	29,352	-	31,652	39,260	500,000	22,478
Total revenues	8,500	705,020	1,403,478	20,600	634,593	2,296,557	558,407	2,019,354
Expenses and losses								
Compensation	-	109,315	199,065	-	121,417	284,331	-	207,150
Administrative	10,504	138,525	134,712	21,476	105,439	183,946	59,207	235,474
Professional services	1,884	76,615	158,733	1,884	69,351	230,434	1,884	156,588
Depreciation and amortization	-	652,612	748,401	-	489,191	907,838	-	1,733,121
Grants	-	-	-	-	-	-	-	-
Facility	-	245,757	195,410	-	226,544	703,500	-	613,896
Interest and fees	-	159,754	496,904	-	144,267	756,434	-	757,641
Bad debts	-	-	712	-	887	2,980	-	11,448
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	68	-	-	52	-	-	170	-
Total expenses and losses	12,456	1,382,578	1,933,937	23,412	1,157,096	3,069,463	61,261	3,715,318
Excess (deficiency) of revenues over expenses	(3,956)	(677,558)	(530,459)	(2,812)	(522,503)	(772,906)	497,146	(1,695,964)
Net assets at beginning of year	478,801	12,384,575	11,035,460	112,211	6,280,755	12,749,425	(12,653)	(1,641,682)
Other transfers to (from) net assets	-	-	(158,995)	-	-	(267,903)	-	29,273,267
Net assets at end of year	\$ 474,845	\$ 11,707,017	\$ 10,346,006	\$ 109,399	\$ 5,758,252	\$ 11,708,616	\$ 484,493	\$ 25,935,621

**Mercy Housing Calwest
Consolidating Statement of Activities
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	Mercy Mather Veterans, LLC	Mercy Housing California 61, LP (Mather Veterans Village)	Mercy Housing California 65, LLC	Mercy Housing California 65, LP (15888 Hesperion)	Plaza Maria, LLC	Mercy Laguna LLC, GP	Laguna Senior Housing, LP (95 Laguna)	JFK Tower, LP
Revenues								
Rent - net of vacancies	\$ -	\$ 475,281	\$ -	\$ 907,952	\$ 969,553	\$ -	\$ 572,200	\$ 1,912,773
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	72,608	-	-	39,500	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	6,150	-	7,989	-	-	-	14,293
Other	-	174,432	-	18,693	16,559	-	10,742	39,034
Total revenues	-	655,863	72,608	934,634	986,112	39,500	582,942	1,966,100
Expenses and losses								
Compensation	-	209,597	-	206,671	85,528	-	150,566	299,901
Administrative	855	78,955	147,143	183,059	85,862	41,101	279,514	182,285
Professional services	2,834	102,405	2,834	94,180	7,980	2,834	31,091	112,711
Depreciation and amortization	-	455,596	-	677,831	272,984	-	591,702	1,373,244
Grants	-	-	-	-	-	-	-	-
Facility	-	152,724	-	227,440	255,475	-	669,761	567,776
Interest and fees	-	92,419	-	472,123	277,091	-	868,388	1,161,766
Bad debts	-	-	-	-	-	-	475	7,777
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	37	-	93	-	-	102	-	-
Total expenses and losses	3,726	1,091,696	150,070	1,861,304	984,920	44,037	2,591,497	3,705,460
Excess (deficiency) of revenues over expenses	(3,726)	(435,833)	(77,462)	(926,670)	1,192	(4,537)	(2,008,555)	(1,739,360)
Net assets at beginning of year	112,336	14,164,053	67,356	9,813,012	(3,837,646)	134,203	3,068,071	(465,301)
Other transfers to (from) net assets	-	-	-	(5,983)	(125,000)	-	(70,117)	19,546,776
Net assets at end of year	\$ 108,610	\$ 13,728,220	\$ (10,106)	\$ 8,880,359	\$ (3,961,454)	\$ 129,666	\$ 989,399	\$ 17,342,115

**Mercy Housing Calwest
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	2698 California, LP	Mercy Housing California 66, LP (Colma Veterans Village)	455 Fell, LP (Parcel O)	Mercy Housing California 67, LP (Columbia Park)	Historic Live Oak (Odd Fellows)	Mercy Housing Camino, LLC	Mercy Housing La Cienega GP, LLC	New Dana Strand IV, LP (Camino Del Mar)
Revenues								
Rent - net of vacancies	\$ 918,298	\$ 415,456	\$ 222,618	\$ 1,071,879	\$ 96,820	\$ -	\$ -	\$ 2,182,312
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	21,670	-	-	407	114	-	-	117
Other	14,534	16,864	216,696	29,949	4,175	-	-	41,015
Total revenues	954,502	432,320	439,314	1,102,235	101,109	-	-	2,223,444
Expenses and losses								
Compensation	67,716	42,384	65,228	111,766	6,583	-	-	85,959
Administrative	157,634	319,689	210,091	96,792	20,266	856	801	272,603
Professional services	103,087	61,379	43,814	123,748	7,500	2,834	4,734	79,761
Depreciation and amortization	714,655	638,078	873,046	657,179	69,936	-	-	768,762
Grants	-	-	-	-	-	-	-	-
Facility	236,924	128,514	174,883	288,737	54,090	-	-	435,982
Interest and fees	536,392	217,577	338,354	309,032	485	-	-	1,110,507
Bad debts	5,901	20,013	-	-	529	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	5	42	-
Total expenses and losses	1,822,309	1,427,634	1,705,416	1,587,254	159,389	3,695	5,577	2,753,574
Excess (deficiency) of revenues over expenses	(867,807)	(995,314)	(1,266,102)	(485,019)	(58,280)	(3,695)	(5,577)	(530,130)
Net assets at beginning of year	(1,434,870)	1,152,292	3,873,727	3,101,242	480,909	(4,399)	(3,450)	940,429
Other transfers to (from) net assets	11,583,114	-	(3)	(91,437)	-	-	-	12,043,783
Net assets at end of year	\$ 9,280,437	\$ 156,978	\$ 2,607,622	\$ 2,524,786	\$ 422,629	\$ (8,094)	\$ (9,027)	\$ 12,454,082

**Mercy Housing Calwest
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	St Mary Tower, LLC	Mercy Housing California 71, LP (St Mary's Tower)	Francis of Assisi, LLC	Mercy Housing California 69, LP (Francis of Assisi)	3001 24th Street LLC	Mercy Housing California 59, LP (Casa de la Mission)	0623 Vernon, LLC	Mercy Housing California 48, LP (Roseville)
Revenues								
Rent - net of vacancies	\$ -	\$ 2,620,331	\$ -	\$ 4,337,687	\$ -	\$ 11	\$ -	\$ 534,807
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	21,357	-	-	-	29,916	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	478	-	46,371	-	-	-	2
Other	-	291,095	-	58,437	-	-	-	39,897
Total revenues	-	2,911,904	21,357	4,442,495	-	11	29,916	574,706
Expenses and losses								
Compensation	-	295,907	-	732,239	-	-	-	118,045
Administrative	801	285,901	192,921	246,377	-	5,956	30,814	87,671
Professional services	934	198,944	1,884	17,430	-	4,399	1,884	80,426
Depreciation and amortization	-	1,118,588	-	1,290,692	-	-	-	1,051,697
Grants	-	-	-	-	-	-	-	-
Facility	-	373,284	-	927,417	-	-	496	157,811
Interest and fees	-	866,493	-	1,188,376	-	-	-	503,936
Bad debts	-	24	-	244	-	-	-	556
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	23	-	(4)	-	(5)	-	143	-
Total expenses and losses	1,758	3,139,141	194,801	4,402,775	(5)	10,355	33,337	2,000,142
Excess (deficiency) of revenues over expenses	(1,758)	(227,237)	(173,444)	39,720	5	(10,344)	(3,421)	(1,425,436)
Net assets at beginning of year	(3,869,335)	12,489,985	(28,390,495)	(4,351,175)	-	(13,128)	1,410,323	3,058,103
Other transfers to (from) net assets	-	-	(467,087)	812,008	(69,642)	2,879,583	-	14,218,226
Net assets at end of year	\$ (3,871,093)	\$ 12,262,748	\$ (29,031,026)	\$ (3,499,447)	\$ (69,637)	\$ 2,856,111	\$ 1,406,902	\$ 15,850,893

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	Esperanza Crossing II, LLC	Mercy Housing California 76, LP (Esperanza Crossing Phase II)	Mercy Transformation, LLC	Sunnydale Parcel Q Housing Partners, LP	Candlestick Pointe 11a, a California Limited Partnership (Candlestick)	20 North Cottonwood LLC	Mercy New Hope, LP (Woodland/180 West Beamer)	Mercy Housing California 74, LP (Britton Street)
Revenues								
Rent - net of vacancies	\$ -	\$ 425,751	\$ -	\$ 135,454	\$ -	\$ -	\$ 714,358	\$ 2,391,190
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	25,266	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	118	-	-	-	7,691	156	1,700
Other	-	12,230	-	-	-	3,465,745	79,983	338,665
Total revenues	-	438,099	-	135,454	-	3,498,702	794,497	2,731,555
Expenses and losses								
Compensation	-	43,296	-	94,364	-	-	188,032	264,761
Administrative	801	41,888	-	371,644	-	27,493	145,761	176,586
Professional services	2,834	30,783	2,835	(10,200)	5,428	2,522	137,913	157,731
Depreciation and amortization	-	458,778	-	270,944	-	-	1,024,141	1,789,622
Grants	-	-	-	-	-	-	-	-
Facility	-	94,481	-	13,362	-	-	192,388	492,624
Interest and fees	-	232,725	-	744	-	-	442,090	1,428,099
Bad debts	-	5,660	-	-	-	-	11,941	44,749
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	47	-	30	-	-	69	-	-
Total expenses and losses	3,682	907,611	2,865	740,858	5,428	30,084	2,142,266	4,354,172
Excess (deficiency) of revenues over expenses	(3,682)	(469,512)	(2,865)	(605,404)	(5,428)	3,468,618	(1,347,769)	(1,622,617)
Net assets at beginning of year	(2,614)	3,696,831	(938)	2,403,141	(20,675)	(1,765)	464,217	(7,233,531)
Other transfers to (from) net assets	-	86,009	-	-	8,500	-	15,341,330	(1,750)
Net assets at end of year	\$ (6,296)	\$ 3,313,328	\$ (3,803)	\$ 1,797,737	\$ (17,603)	\$ 3,466,853	\$ 14,457,778	\$ (8,857,898)

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	Pico Robertson LLC, GP	Mercy Housing California 73, LP (Pico Robertson)	Baldwin Rose LLC, GP	Baldwin Rose LP	Mercy Housing California 78, LP (Mission Bay Block 6)	Mercy Housing California 75, LP (Dorothy Day)	Placentia Veterans Village, LLC	Placentia Veterans Village, LP
Revenues								
Rent - net of vacancies	\$ -	\$ -	\$ -	\$ 11,745	\$ -	\$ 3,002,381	\$ -	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	82,482	-	-
Total revenues	-	-	-	11,745	-	3,084,863	-	-
Expenses and losses								
Compensation	-	-	-	-	-	669,540	-	-
Administrative	801	149	969	129,396	7,376	277,881	1,711	(88)
Professional services	2,522	4,399	2,834	6,299	4,399	13,791	1,884	4,399
Depreciation and amortization	-	-	-	51,619	-	424,064	-	-
Grants	-	-	-	-	-	-	-	-
Facility	-	-	-	-	-	299,744	-	-
Interest and fees	-	-	-	-	-	625,662	-	-
Bad debts	-	-	-	-	-	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	9	-	-	-	-	-
Total expenses and losses	3,323	4,548	3,812	187,314	11,775	2,310,682	3,595	4,311
Excess (deficiency) of revenues over expenses	(3,323)	(4,548)	(3,812)	(175,569)	(11,775)	774,181	(3,595)	(4,311)
Net assets at beginning of year	(2,582)	1,205,648	(935)	2,146,998	(4,459)	(6,749,225)	-	763,816
Other transfers to (from) net assets	-	25,000	-	(35,000)	419,014	(154,349)	-	(35,000)
Net assets at end of year	\$ (5,905)	\$ 1,226,100	\$ (4,747)	\$ 1,936,429	\$ 402,780	\$ (6,129,393)	\$ (3,595)	\$ 724,505

**Mercy Housing Calwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing California 82, LP (Treasure Island)	1064 Mission, LLC GP	1064 Mission Homeless Services Center LLC	833 Bryant, LLC GP	833 Bryant, LP (Tipping Point)	Villa de Vida GP LLC	Villa de Vida	1721 West Capitol LLC
Revenues								
Rent - net of vacancies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	32	-
Other	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	32	-
Expenses and losses								
Compensation	-	-	-	-	-	-	-	-
Administrative	-	-	18	-	-	-	5,354	-
Professional services	4,399	55	5,349	-	4,399	-	5,349	-
Depreciation and amortization	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Facility	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-
Bad debts	-	-	-	-	-	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	4,399	-	1	-	70,262
Total expenses and losses	4,399	55	5,367	4,399	4,399	1	10,703	70,262
Excess (deficiency) of revenues over expenses	(4,399)	(55)	(5,367)	(4,399)	(4,399)	(1)	(10,671)	(70,262)
Net assets at beginning of year	-	-	-	-	-	-	-	-
Other transfers to (from) net assets	-	-	-	-	-	-	1,747,807	-
Net assets at end of year	\$ (4,399)	\$ (55)	\$ (5,367)	\$ (4,399)	\$ (4,399)	\$ (1)	\$ 1,737,136	\$ (70,262)

**Mercy Housing Calwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing California 87, LP (West Capitol)	Mercy Housing California 84, LP (Bennett House)	1121 9th Street LLC, GP	Mercy Housing California 94 LLC, GP	Mercy Housing California 94, LP (Sherman Oaks)	Mercy Housing California 83, LP (Bermuda Gardens)	Sunnydale Block 6 Development CO LLC GP	Sunnydale Block 6 Housing Partnership, LP
Revenues								
Rent - net of vacancies	\$ 20,270	\$ 514,016	\$ (16,384)	\$ -	\$ -	\$ 44,337	\$ -	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	328	602	-	-	-	2	-	-
Other	-	822	-	-	-	(1,225)	-	-
Total revenues	20,598	515,440	(16,384)	-	-	43,114	-	-
Expenses and losses								
Compensation	-	93,235	-	-	-	5,320	-	-
Administrative	86,468	57,385	-	-	-	7,815	-	5,835
Professional services	4,399	41,427	16,085	-	4,399	6,643	-	1,500
Depreciation and amortization	-	58,023	-	-	-	8,084	-	-
Grants	-	-	-	-	-	-	-	-
Facility	-	52,631	-	-	-	10,521	-	-
Interest and fees	-	-	17,574	-	-	3,325	-	-
Bad debts	-	-	-	-	-	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	90,867	302,701	33,659	-	4,399	41,708	-	7,335
Excess (deficiency) of revenues over expenses	(70,269)	212,739	(50,043)	-	(4,399)	1,406	-	(7,335)
Net assets at beginning of year	-	-	-	-	-	-	-	-
Other transfers to (from) net assets	-	(8,809,200)	-	-	-	(2,977,748)	(13,710)	3,791,879
Net assets at end of year	\$ (70,269)	\$ (8,596,461)	\$ (50,043)	\$ -	\$ (4,399)	\$ (2,976,342)	\$ (13,710)	\$ 3,784,544

**Mercy Housing Calwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Eliminations	Consolidated Mercy Housing Calwest
Revenues		
Rent - net of vacancies	\$ -	\$ 51,433,009
Developer fees	-	-
Services fees	(1,095,471)	29,850
Philanthropy	-	-
Capital grants	-	816,952
Consulting	-	-
Interest	(115,881)	623,706
Other	-	10,445,644
Total revenues	<u>(1,211,352)</u>	<u>63,349,161</u>
Expenses and losses		
Compensation	-	9,327,911
Administrative	(1,114,325)	9,307,315
Professional services	-	4,509,169
Depreciation and amortization	-	35,835,300
Grants	-	-
Facility	-	16,752,662
Interest and fees	(118,075)	18,741,314
Bad debts	(7,513)	182,373
Provision for impaired assets	-	-
Project expenses	-	-
Allocation	-	-
(Gain) loss on sale of assets	3,959,636	-
(Gain) loss on investment in limited partnership	(143,572)	(3,404,575)
Total expenses and losses	<u>2,576,151</u>	<u>91,251,469</u>
Excess (deficiency) of revenues over expenses	(3,787,503)	(27,902,308)
Net assets at beginning of year	55,949,303	200,203,673
Other transfers to (from) net assets	<u>14,716,287</u>	<u>98,239,722</u>
Net assets at end of year	<u>\$ 66,878,087</u>	<u>\$ 270,541,087</u>

Mercy Properties California
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties California	The Haven	Leland House	Osocales (McIntosh Mobile Homes)	Richmond Hills	Sycamore Center (Red Bluff)	Eliminations	Consolidated Mercy Properties California
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 45,894	\$ 432,660	\$ 81,814	\$ 7,625	\$ 102,119	\$ -	\$ 670,112
Cash, tenant security deposits	-	14,716	-	27,508	-	3,788	-	46,012
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	1,666	5,172	3,979	71,491	2,479	-	84,787
Due from affiliate, net	79,629	-	24,370	-	-	-	-	103,999
Pledges receivable, net	-	-	9,450	-	-	-	-	9,450
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	5,313	2,707	6,019	2,582	2,566	-	19,187
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	79,629	67,589	474,359	119,320	81,698	110,952	-	933,547
Property and equipment								
Land and land improvements	3,700,000	96,144	658,571	602,623	368,530	58,366	-	5,484,234
Buildings	-	649,702	4,394,710	3,667,467	2,634,760	2,634,992	-	13,981,631
Furniture and equipment	-	-	105,508	11,660	32,811	15,819	-	165,798
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(447,649)	(3,695,357)	(2,688,120)	(1,898,835)	(1,696,743)	-	(10,426,704)
Net property and equipment	3,700,000	298,197	1,463,432	1,593,630	1,137,266	1,012,434	-	9,204,959
Other long-term assets								
Restricted property reserves	-	73,910	215,552	226,548	47,200	196,806	-	760,016
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	60,000	-	-	-	-	-	-	60,000
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	22,000	-	-	-	-	-	-	22,000
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	82,000	73,910	215,552	226,548	47,200	196,806	-	842,016
Total assets	\$ 3,861,629	\$ 439,696	\$ 2,153,343	\$ 1,939,498	\$ 1,266,164	\$ 1,320,192	\$ -	\$ 10,980,522

Mercy Properties California
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties California	The Haven	Leland House	Osocales (McIntosh Mobile Homes)	Richmond Hills	Sycamore Center (Red Bluff)	Eliminations	Consolidated Mercy Properties California
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 33,789	\$ 61,686	\$ 33,876	\$ 186,947	\$ 11,845	\$ 12,000	\$ 340,143
Due to affiliates	-	4,368	-	-	158,524	-	-	162,892
Accrued interest	-	-	598,251	7,535	-	1,604	-	607,390
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	57,412	-	24,982	-	82,394
Current portion of notes payable, affiliates	83,451	-	-	-	98,362	-	-	181,813
Deferred revenue and other liabilities	-	94	-	12,357	-	2,112	-	14,563
Tenant security deposits	-	14,233	-	27,058	5,000	5	-	46,296
Total current liabilities	83,451	52,484	659,937	138,238	448,833	40,548	12,000	1,435,491
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	555,629	-	-	-	555,629
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	60,000	-	1,260,000	2,085,436	-	372,636	-	3,778,072
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	-	-	17,500	-	17,500
Total long-term liabilities	60,000	-	1,260,000	2,641,065	-	390,136	-	4,351,201
Total liabilities	143,451	52,484	1,919,937	2,779,303	448,833	430,684	12,000	5,786,692
Net assets								
Net assets without donor restrictions, controlling	3,718,178	387,212	233,406	(839,805)	817,331	889,508	(12,000)	5,193,830
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	3,718,178	387,212	233,406	(839,805)	817,331	889,508	(12,000)	5,193,830
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	3,718,178	387,212	233,406	(839,805)	817,331	889,508	(12,000)	5,193,830
Total liabilities and net assets	\$ 3,861,629	\$ 439,696	\$ 2,153,343	\$ 1,939,498	\$ 1,266,164	\$ 1,320,192	\$ -	\$ 10,980,522

Mercy Properties California
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Properties California	The Haven	Leland House	Osocales (McIntosh Mobile Homes)	Richmond Hills	Sycamore Center (Red Bluff)	Eliminations	Consolidated Mercy Properties California
Revenues								
Rent - net of vacancies	\$ -	\$ 184,663	\$ 20,688	\$ 428,787	\$ 41,528	\$ 149,737	\$ -	\$ 825,403
Developer fees	-	-	-	-	-	-	-	-
Services fees	12,000	-	-	-	-	-	(12,000)	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	68,236	-	107,137	-	-	175,373
Consulting	-	-	-	-	-	-	-	-
Interest	-	46	614	107	76	95	-	938
Other	700,000	4,226	821	3,544	700	32,293	-	741,584
Total revenues	712,000	188,935	90,359	432,438	149,441	182,125	(12,000)	1,743,298
Expenses and losses								
Compensation	-	92,723	-	93,180	-	7,616	-	193,519
Administrative	257,483	23,100	33	64,047	10,157	12,421	(24,000)	343,241
Professional services	2,499	5,399	8,998	7,229	4,737	4,999	-	33,861
Depreciation and amortization	-	23,910	178,186	135,417	88,815	101,970	-	528,298
Grants	-	-	-	-	-	-	-	-
Facility	-	76,933	26,273	96,794	37,831	65,180	-	303,011
Interest and fees	-	-	37,800	107,983	5,016	19,408	-	170,207
Bad debts	-	-	-	-	-	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	259,982	222,065	251,290	504,650	146,556	211,594	(24,000)	1,572,137
Excess (deficiency) of revenues over expenses	452,018	(33,130)	(160,931)	(72,212)	2,885	(29,469)	12,000	171,161
Net assets at beginning of year	3,266,160	420,342	394,337	(767,593)	814,446	918,977	(24,000)	5,022,669
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 3,718,178	\$ 387,212	\$ 233,406	\$ (839,805)	\$ 817,331	\$ 889,508	\$ (12,000)	\$ 5,193,830

San Juan Housing Corporation
Consolidating Statement of Financial Position
December 31, 2019

	San Juan Housing Corporation	Kennedy Estates Housing Associates, LP (Kennedy Estates)	Tahoe Valley Townhomes Associates, LP (Tahoe Valley Townhomes)	Eliminations	Consolidated San Juan Housing Corporation
Assets					
Current assets					
Cash and cash equivalents	\$ -	\$ 337,517	\$ 108,904	\$ -	\$ 446,421
Cash, tenant security deposits	-	59,805	61,086	-	120,891
Cash, restricted	-	-	-	-	-
Investments	-	-	-	-	-
Investments, restricted	-	-	-	-	-
Accounts receivable, net	-	2,689	1,009	-	3,698
Due from affiliate, net	445,745	-	-	(445,745)	-
Pledges receivable, net	-	-	-	-	-
Grants receivable	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-
Prepaid expenses and other assets	-	18,925	19,423	-	38,348
Inventory	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Total current assets	445,745	418,936	190,422	(445,745)	609,358
Property and equipment					
Land and land improvements	-	802,372	840,803	-	1,643,175
Buildings	-	5,816,371	2,125,253	-	7,941,624
Furniture and equipment	-	158,541	3,631,483	-	3,790,024
Predevelopment project costs	-	-	-	-	-
Construction in progress	-	-	-	-	-
Accumulated depreciation	-	(4,867,216)	(4,800,696)	-	(9,667,912)
Net property and equipment	-	1,910,068	1,796,843	-	3,706,911
Other long-term assets					
Restricted property reserves	-	465,432	278,926	-	744,358
Long-term investments	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-
Due from affiliates	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-
Investments in limited partnerships, net	(36,181)	-	-	36,181	-
Notes and interest receivable, net	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-
Other assets, net	-	-	-	-	-
Total other long-term assets	(36,181)	465,432	278,926	36,181	744,358
Total assets	\$ 409,564	\$ 2,794,436	\$ 2,266,191	\$ (409,564)	\$ 5,060,627

San Juan Housing Corporation
Consolidating Statement of Financial Position
December 31, 2019

	San Juan Housing Corporation	Kennedy Estates Housing Associates, LP (Kennedy Estates)	Tahoe Valley Townhomes Associates, LP (Tahoe Valley Townhomes)	Eliminations	Consolidated San Juan Housing Corporation
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	\$ 117,401	\$ 66,203	\$ 20,871	\$ -	\$ 204,475
Due to affiliates	110,144	339,415	317,437	(656,853)	110,143
Accrued interest	-	6,527	7,417	-	13,944
Accrued interest, affiliates	-	-	-	-	-
Current portion of notes payable	-	28,537	105,798	-	134,335
Current portion of notes payable, affiliates	-	-	-	-	-
Deferred revenue and other liabilities	-	5,656	3,994	-	9,650
Tenant security deposits	-	62,457	60,566	-	123,023
Total current liabilities	227,545	508,795	516,083	(656,853)	595,570
Long-term liabilities					
Due to affiliates	-	-	-	-	-
Accrued interest	-	603,658	1,752,410	-	2,356,068
Accrued interest, affiliates	-	-	-	-	-
Notes payable, less current portion, net	-	2,491,564	4,283,097	-	6,774,661
Notes payable, less current portion, affiliates	-	-	-	-	-
Deferred revenue and other liabilities	-	1,783	1,344	-	3,127
Total long-term liabilities	-	3,097,005	6,036,851	-	9,133,856
Total liabilities	227,545	3,605,800	6,552,934	(656,853)	9,729,426
Net assets					
Net assets without donor restrictions, controlling	182,019	(811,364)	(4,286,743)	247,289	(4,668,799)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-
Total net assets without donor restrictions	182,019	(811,364)	(4,286,743)	247,289	(4,668,799)
Net assets with donor restrictions	-	-	-	-	-
Total net assets	182,019	(811,364)	(4,286,743)	247,289	(4,668,799)
Total liabilities and net assets	\$ 409,564	\$ 2,794,436	\$ 2,266,191	\$ (409,564)	\$ 5,060,627

San Juan Housing Corporation
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	San Juan Housing Corporation	Kennedy Estates Housing Associates, LP (Kennedy Estates)	Tahoe Valley Townhomes Associates, LP (Tahoe Valley Townhomes)	Eliminations	Consolidated San Juan Housing Corporation
Revenues					
Rent - net of vacancies	\$ -	\$ 764,505	\$ 691,010	\$ -	\$ 1,455,515
Developer fees	-	-	-	-	-
Services fees	55,070	-	-	(55,070)	-
Philanthropy	-	-	-	-	-
Capital grants	-	-	-	-	-
Consulting	-	-	-	-	-
Interest	-	1,530	4,363	-	5,893
Other	-	24,332	21,510	-	45,842
Total revenues	55,070	790,367	716,883	(55,070)	1,507,250
Expenses and losses					
Compensation	-	184,472	154,751	-	339,223
Administrative	55,125	125,355	91,319	(55,071)	216,728
Professional services	1,401	15,450	8,980	-	25,831
Depreciation and amortization	-	230,648	204,300	-	434,948
Grants	-	-	-	-	-
Facility	-	350,562	210,496	-	561,058
Interest and fees	-	119,456	179,164	-	298,620
Bad debts	-	4,641	1,467	-	6,108
Provision for impaired assets	-	-	-	-	-
Project expenses	-	-	-	-	-
Allocation	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-
(Gain) loss on investment in limited partnership	37	-	-	(37)	-
Total expenses and losses	56,563	1,030,584	850,477	(55,108)	1,882,516
Excess (deficiency) of revenues over expenses	(1,493)	(240,217)	(133,594)	38	(375,266)
Net assets at beginning of year	183,512	(571,147)	(4,153,149)	247,251	(4,293,533)
Other transfers to (from) net assets	-	-	-	-	-
Net assets at end of year	\$ 182,019	\$ (811,364)	\$ (4,286,743)	\$ 247,289	\$ (4,668,799)

Mercy Housing Northwest - Idaho, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Northwest - Idaho, Inc.	Eagle Senior Village, Inc.	Mercy Moscow, Inc. (Hawthorne)	Independence Hill, Inc.	Boise Senior 202 GP, LLC	Boise Senior 202 Owner, LP (12th Street Senior)	Eliminations	Consolidated Mercy Housing Northwest - Idaho, Inc.
Assets								
Current assets								
Cash and cash equivalents	\$ 300	\$ 5,014	\$ 37,550	\$ 30,891	\$ -	\$ 50,654	\$ -	\$ 124,409
Cash, tenant security deposits	-	6,050	23,736	3,780	-	14,678	-	48,244
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	4,681	1	42,014	6,655	-	1,901	(3,696)	51,556
Due from affiliate, net	1,536,235	-	-	-	-	-	(10,013)	1,526,222
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	37,204	-	-	-	-	-	-	37,204
Prepaid expenses and other assets	1,469	2,831	7,526	2,199	-	10,831	-	24,856
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	1,579,889	13,896	110,826	43,525	-	78,064	(13,709)	1,812,491
Property and equipment								
Land and land improvements	-	131,776	355,032	11,670	-	1,222,013	-	1,720,491
Buildings	-	1,374,396	1,861,543	1,459,521	-	9,685,321	(103,912)	14,276,869
Furniture and equipment	1,943	12,033	356,922	12,623	-	316,192	-	699,713
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(1,943)	(793,204)	(1,772,029)	(745,686)	-	(3,203,037)	62,619	(6,453,280)
Net property and equipment	-	725,001	801,468	738,128	-	8,020,489	(41,293)	10,243,793
Other long-term assets								
Restricted property reserves	-	99,362	176,149	58,694	-	767,214	-	1,101,419
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	386	-	(386)	-
Notes and interest receivable, net	56,604	-	-	-	-	-	-	56,604
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	26,356	-	26,356
Total other long-term assets	56,604	99,362	176,149	58,694	386	793,570	(386)	1,184,379
Total assets	\$ 1,636,493	\$ 838,259	\$ 1,088,443	\$ 840,347	\$ 386	\$ 8,892,123	\$ (55,388)	\$ 13,240,663

Mercy Housing Northwest - Idaho, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Northwest - Idaho, Inc.	Eagle Senior Village, Inc.	Mercy Moscow, Inc. (Hawthorne)	Independence Hill, Inc.	Boise Senior 202 GP, LLC	Boise Senior 202 Owner, LP (12th Street Senior)	Eliminations	Consolidated Mercy Housing Northwest - Idaho, Inc.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 8,868	\$ 19,461	\$ 60,943	\$ 21,847	\$ 2,542	\$ 101,264	\$ 679	\$ 215,604
Due to affiliates	2,660,541	-	-	-	5,313	10,013	(10,013)	2,665,854
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	2,167	-	-	-	-	2,167
Current portion of notes payable	-	-	-	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	6,547	-	-	-	-	6,547
Deferred revenue and other liabilities	-	-	3,148	14,127	-	3,916	-	21,191
Tenant security deposits	-	5,550	23,633	3,280	-	14,383	-	46,846
Total current liabilities	2,669,409	25,011	96,438	39,254	7,855	129,576	(9,334)	2,958,209
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	40,352	-	40,352
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	260,000	(2,190)	290,000	-	577,841	-	1,125,651
Notes payable, less current portion, affiliates	-	-	426,895	-	-	4,297,700	(4,297,700)	426,895
Deferred revenue and other liabilities	-	-	-	-	-	-	-	-
Total long-term liabilities	-	260,000	424,705	290,000	-	4,915,893	(4,297,700)	1,592,898
Total liabilities	2,669,409	285,011	521,143	329,254	7,855	5,045,469	(4,307,034)	4,551,107
Net assets								
Net assets without donor restrictions, controlling	(1,076,565)	553,248	567,300	511,093	(7,469)	3,846,654	4,251,646	8,645,907
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(1,076,565)	553,248	567,300	511,093	(7,469)	3,846,654	4,251,646	8,645,907
Net assets with donor restrictions	43,649	-	-	-	-	-	-	43,649
Total net assets	(1,032,916)	553,248	567,300	511,093	(7,469)	3,846,654	4,251,646	8,689,556
Total liabilities and net assets	\$ 1,636,493	\$ 838,259	\$ 1,088,443	\$ 840,347	\$ 386	\$ 8,892,123	\$ (55,388)	\$ 13,240,663

**Mercy Housing Northwest - Idaho, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Northwest - Idaho, Inc.	Eagle Senior Village, Inc.	Mercy Moscow, Inc. (Hawthorne)	Independence Hill, Inc.	Boise Senior 202 GP, LLC	Boise Senior 202 Owner, LP (12th Street Senior)	Eliminations	Consolidated Mercy Housing Northwest - Idaho, Inc.
Revenues								
Rent - net of vacancies	\$ -	\$ 161,651	\$ 367,643	\$ 141,005	\$ -	\$ 415,800	\$ -	\$ 1,086,099
Developer fees	-	-	-	-	-	-	-	-
Services fees	44,350	-	-	-	-	-	(44,350)	-
Philanthropy	75,808	-	-	-	-	-	-	75,808
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	4,143	35	1,010	15	-	399	-	5,602
Other	-	1,245	9,116	447	-	6,635	-	17,443
Total revenues	124,301	162,931	377,769	141,467	-	422,834	(44,350)	1,184,952
Expenses and losses								
Compensation	59,712	37,807	106,843	24,054	-	111,455	-	339,871
Administrative	13,120	24,991	66,381	31,017	55	118,376	-	253,940
Professional services	21,541	24,824	9,409	8,230	934	37,586	(44,349)	58,175
Depreciation and amortization	-	50,678	140,928	57,037	-	418,046	(3,779)	662,910
Grants	-	-	-	-	-	-	-	-
Facility	17,742	46,574	123,694	57,753	-	126,439	-	372,202
Interest and fees	33,782	-	28,009	74	-	6,632	-	68,497
Bad debts	4,143	-	4,380	-	-	-	-	8,523
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	30,764	-	-	-	-	-	-	30,764
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	40	-	(40)	-
Total expenses and losses	180,804	184,874	479,644	178,165	1,029	818,534	(48,168)	1,794,882
Excess (deficiency) of revenues over expenses	(56,503)	(21,943)	(101,875)	(36,698)	(1,029)	(395,700)	3,818	(609,930)
Net assets at beginning of year	(976,413)	575,191	669,175	547,791	(6,440)	4,242,354	4,247,828	9,299,486
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ (1,032,916)	\$ 553,248	\$ 567,300	\$ 511,093	\$ (7,469)	\$ 3,846,654	\$ 4,251,646	\$ 8,689,556

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Lakefront	Lavergne Courts, LLC	Washington Courts, LLC	Whitmore Apartments, LLC	111th & Wentworth Apartments Corporation	111th and Wentworth Limited Partnership (Wentworth Commons)	Belray Apartments Corporation	Belray Limited Partnership (Belray Apartments)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 500,739	\$ 238,232	\$ 213,643	\$ -	\$ 8,397	\$ -	\$ 239,899
Cash, tenant security deposits	-	33,095	24,392	9,461	-	14,317	-	11,108
Cash, restricted	-	250	250	-	-	-	-	320,383
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	89,028	37,783	49,514	19,953	-	54,602	-	9,678
Due from affiliate, net	22,357,229	99	22	-	-	-	8,898	-
Pledges receivable, net	367,225	-	-	-	-	-	-	-
Grants receivable	222,360	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	3,921,457	-	-	-	-	-	-	-
Prepaid expenses and other assets	90,107	36,734	27,550	11,907	-	8,976	-	12,203
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	27,047,406	608,700	339,960	254,964	-	86,292	8,898	593,271
Property and equipment								
Land and land improvements	174,915	220,491	100,724	54,100	-	823,255	-	182,045
Buildings	516,847	8,100,938	6,809,069	2,336,076	-	8,315,018	-	3,501,293
Furniture and equipment	64,092	225,536	102,686	39,623	-	517,949	-	134,518
Predevelopment project costs	993,580	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(375,470)	(4,003,103)	(2,704,868)	(1,275,483)	-	(5,549,594)	-	(3,045,924)
Net property and equipment	1,373,964	4,543,862	4,307,611	1,154,316	-	4,106,628	-	771,932
Other long-term assets								
Restricted property reserves	-	582,479	230,349	148,516	-	154,818	-	471,841
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	7,553,261	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	692,548	-	-	-	981,650	-	234,391	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	11,830,452	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	20,076,261	582,479	230,349	148,516	981,650	154,818	234,391	471,841
Total assets	\$ 48,497,631	\$ 5,735,041	\$ 4,877,920	\$ 1,557,796	\$ 981,650	\$ 4,347,738	\$ 243,289	\$ 1,837,044

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Lakefront	Lavergne Courts, LLC	Washington Courts, LLC	Whitmore Apartments, LLC	111th & Wentworth Apartments Corporation	111th and Wentworth Limited Partnership (Wentworth Commons)	Belray Apartments Corporation	Belray Limited Partnership (Belray Apartments)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 820,055	\$ 214,247	\$ 166,585	\$ 91,951	\$ 389	\$ 95,008	\$ -	\$ 49,951
Due to affiliates	18,733,722	48,206	30,072	15,256	66,598	80,837	77,939	8,940
Accrued interest	-	9,432	8,758	4,110	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	79,186	80,876	34,958	-	-	-	6,000
Current portion of notes payable, affiliates	3,578,093	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	29,113	2,143	9,180	-	26,099	-	25,660
Tenant security deposits	-	31,440	23,186	6,710	-	19,115	-	10,430
Total current liabilities	23,131,870	411,624	311,620	162,165	66,987	221,059	77,939	100,981
Long-term liabilities								
Due to affiliates	-	-	-	-	982,369	-	300,250	-
Accrued interest	-	15,182	51,384	-	-	-	-	-
Accrued interest, affiliates	-	93,774	189,947	17,037	-	-	-	-
Notes payable, less current portion, net	5,973,396	4,570,896	4,134,555	1,079,772	-	(25,739)	-	3,212,518
Notes payable, less current portion, affiliates	2,017,106	600,739	473,012	234,265	-	6,473,396	-	-
Deferred revenue and other liabilities	208,842	3,555	2,317	1,215	-	-	-	-
Total long-term liabilities	8,199,344	5,284,146	4,851,215	1,332,289	982,369	6,447,657	300,250	3,212,518
Total liabilities	31,331,214	5,695,770	5,162,835	1,494,454	1,049,356	6,668,716	378,189	3,313,499
Net assets								
Net assets without donor restrictions, controlling	14,533,805	39,271	(284,915)	63,342	(67,706)	(2,320,978)	(134,900)	(1,476,455)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	14,533,805	39,271	(284,915)	63,342	(67,706)	(2,320,978)	(134,900)	(1,476,455)
Net assets with donor restrictions	2,632,612	-	-	-	-	-	-	-
Total net assets	17,166,417	39,271	(284,915)	63,342	(67,706)	(2,320,978)	(134,900)	(1,476,455)
Total liabilities and net assets	\$ 48,497,631	\$ 5,735,041	\$ 4,877,920	\$ 1,557,796	\$ 981,650	\$ 4,347,738	\$ 243,289	\$ 1,837,044

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Harold Washington Apartments Corporation	Magnolia Limited Partnership (Carlton Apartments)	Red Door Limited Partnership (Major Jenkins Apartments)	4707 Malden Limited Partnership (Miriam Apartments)	Roseland Apartments Corporation	Roseland Limited Partnership (Holland Apartments)	South Loop Apartments Corporation	South Loop Limited Partnership (South Loop Apartments)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 2,754	\$ 181,941	\$ 74,249	\$ -	\$ 1,566	\$ -	\$ 17,452
Cash, tenant security deposits	-	8,780	19,725	1,111	-	10,445	-	953
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	24,401	18,364	-	-	28,205	-	89,348
Due from affiliate, net	12,209	-	-	713	-	-	40,142	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	11,858	22,883	-	-	11,786	-	27,002
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	12,209	47,793	242,913	76,073	-	52,002	40,142	134,755
Property and equipment								
Land and land improvements	-	65,063	180,445	-	-	319,126	-	881,175
Buildings	-	2,672,380	6,176,031	-	-	8,450,096	-	14,982,360
Furniture and equipment	-	137,546	262,868	-	-	425,521	-	496,270
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(2,536,427)	(5,807,766)	-	-	(6,159,368)	-	(10,885,189)
Net property and equipment	-	338,562	811,578	-	-	3,035,375	-	5,474,616
Other long-term assets								
Restricted property reserves	-	5,409	1,114,927	407	-	570,827	-	3,437,967
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	397,599	-	-	-	353,328	-	262,571	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	397,599	5,409	1,114,927	407	353,328	570,827	262,571	3,437,967
Total assets	\$ 409,808	\$ 391,764	\$ 2,169,418	\$ 76,480	\$ 353,328	\$ 3,658,204	\$ 302,713	\$ 9,047,338

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Harold Washington Apartments Corporation	Magnolia Limited Partnership (Carlton Apartments)	Red Door Limited Partnership (Major Jenkins Apartments)	4707 Malden Limited Partnership (Miriam Apartments)	Roseland Apartments Corporation	Roseland Limited Partnership (Holland Apartments)	South Loop Apartments Corporation	South Loop Limited Partnership (South Loop Apartments)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 61,732	\$ 75,604	\$ 43,632	\$ -	\$ 83,086	\$ -	\$ 152,204
Due to affiliates	350,958	183,672	52,323	152,656	97,056	169,516	120,694	51,335
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	55,152	98,772	-	-	2,400	-	1,200
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	6,262	25,357	-	-	38,144	-	43,468
Tenant security deposits	-	7,694	19,057	-	-	9,874	-	507
Total current liabilities	350,958	314,512	271,113	196,288	97,056	303,020	120,694	248,714
Long-term liabilities								
Due to affiliates	504,204	-	-	-	354,265	-	263,620	461,302
Accrued interest	-	-	-	-	-	-	-	3,522,178
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	347,759	1,624,638	-	-	4,324,939	-	8,359,091
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	1,080,500
Deferred revenue and other liabilities	-	-	-	-	-	-	-	-
Total long-term liabilities	504,204	347,759	1,624,638	-	354,265	4,324,939	263,620	13,423,071
Total liabilities	855,162	662,271	1,895,751	196,288	451,321	4,627,959	384,314	13,671,785
Net assets								
Net assets without donor restrictions, controlling	(445,354)	(270,507)	273,667	(119,808)	(97,993)	(969,755)	(81,601)	(4,624,447)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(445,354)	(270,507)	273,667	(119,808)	(97,993)	(969,755)	(81,601)	(4,624,447)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(445,354)	(270,507)	273,667	(119,808)	(97,993)	(969,755)	(81,601)	(4,624,447)
Total liabilities and net assets	\$ 409,808	\$ 391,764	\$ 2,169,418	\$ 76,480	\$ 353,328	\$ 3,658,204	\$ 302,713	\$ 9,047,338

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Winthrop Apartments Corporation	5042 Winthrop Limited Partnership (Delmar Apartments)	Near North Apartments Corporation, NFP	Near North Limited Partnership (Schiff Residences)	Malden Arms Corp. II, NFP	Malden Limited Partnership II (Malden Arms II)	Englewood Apartments, NFP	901 West 63rd Limited Partnership (Englewood Apartments)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 27,076	\$ -	\$ 83,689	\$ -	\$ 80,741	\$ -	\$ 52,451
Cash, tenant security deposits	-	25,959	-	12,746	-	22,770	-	11,663
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	33,978	-	20,006	17,000	104,891	-	72,232
Due from affiliate, net	72,187	24,000	12,362	-	196,501	-	25,300	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	27,848	-	18,427	-	13,198	-	19,266
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	72,187	138,861	12,362	134,868	213,501	221,600	25,300	155,612
Property and equipment								
Land and land improvements	-	125,000	-	4,283,412	-	670,314	-	1,432,081
Buildings	-	6,005,954	-	12,871,656	-	4,722,702	-	15,206,351
Furniture and equipment	-	355,975	-	488,818	-	229,662	-	368,721
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(5,794,816)	-	(6,693,726)	-	(2,079,865)	-	(5,710,340)
Net property and equipment	-	692,113	-	10,950,160	-	3,542,813	-	11,296,813
Other long-term assets								
Restricted property reserves	-	53,631	-	847,181	-	1,443,992	-	1,008,776
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(98,616)	-	5,378,851	-	512,729	-	2,599,423	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	6,400	-	28,495
Total other long-term assets	(98,616)	53,631	5,378,851	847,181	512,729	1,450,392	2,599,423	1,037,271
Total assets	\$ (26,429)	\$ 884,605	\$ 5,391,213	\$ 11,932,209	\$ 726,230	\$ 5,214,805	\$ 2,624,723	\$ 12,489,696

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Winthrop Apartments Corporation	5042 Winthrop Limited Partnership (Delmar Apartments)	Near North Apartments Corporation, NFP	Near North Limited Partnership (Schiff Residences)	Malden Arms Corp. II, NFP	Malden Limited Partnership II (Malden Arms II)	Englewood Apartments, NFP	901 West 63rd Limited Partnership (Englewood Apartments)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 85,185	\$ -	\$ 133,660	\$ -	\$ 145,816	\$ -	\$ 108,279
Due to affiliates	205,400	408,043	71,941	60,726	206,260	406,214	47,257	345,141
Accrued interest	-	-	-	-	-	-	-	1,366
Accrued interest, affiliates	-	-	-	-	-	-	-	123,173
Current portion of notes payable	-	-	-	26,200	-	1,200	-	44,497
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	14,733	-	15,390	-	10,047	-	7,254
Tenant security deposits	-	23,943	-	12,195	-	22,310	-	9,908
Total current liabilities	205,400	531,904	71,941	248,171	206,260	585,587	47,257	639,618
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	397,470	-	-
Accrued interest, affiliates	-	-	-	809,141	16,852	168,703	-	-
Notes payable, less current portion, net	-	4,711,535	-	3,095,070	-	2,409,029	-	1,592,487
Notes payable, less current portion, affiliates	-	-	-	2,922,000	3,525	576,000	2,000,000	1,338,135
Deferred revenue and other liabilities	-	-	-	-	-	395,094	-	152,598
Total long-term liabilities	-	4,711,535	-	6,826,211	20,377	3,946,296	2,000,000	3,083,220
Total liabilities	205,400	5,243,439	71,941	7,074,382	226,637	4,531,883	2,047,257	3,722,838
Net assets								
Net assets without donor restrictions, controlling	(231,829)	(4,358,834)	5,319,272	4,857,827	499,593	682,922	577,466	8,766,858
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(231,829)	(4,358,834)	5,319,272	4,857,827	499,593	682,922	577,466	8,766,858
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(231,829)	(4,358,834)	5,319,272	4,857,827	499,593	682,922	577,466	8,766,858
Total liabilities and net assets	\$ (26,429)	\$ 884,605	\$ 5,391,213	\$ 11,932,209	\$ 726,230	\$ 5,214,805	\$ 2,624,723	\$ 12,489,696

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Countryside Seniors Apartments,				HWA-850	HWA-850		Grayslake Senior
	Countryside	LP (Countryside	Johnston Center	Johnston Center	Eastwood GP	Eastwood Limited	Belvidere Place	Housing Limited
	Seniors, LLC	Apartments)	MM, LLC	Re-Use, LLC	Corp., NFP	Partnership	Corp. I, NFP	Partnership
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 30,573	\$ -	\$ 81,186	\$ -	\$ 294,107	\$ -	\$ 133,680
Cash, tenant security deposits	-	50,296	-	23,212	-	113,199	-	38,861
Cash, restricted	-	-	-	-	-	850	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	6,310	-	9,985	-	182,303	-	2,677
Due from affiliate, net	40,000	-	1,202	5,362	102,604	3,712,475	171,589	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	19,140	-	18,349	-	12,845	-	15,966
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	40,000	106,319	1,202	138,094	102,604	4,315,779	171,589	191,184
Property and equipment								
Land and land improvements	-	2,599,688	-	492,159	-	4,575,852	-	2,113,338
Buildings	-	11,940,496	-	11,746,988	-	54,668,436	-	17,222,981
Furniture and equipment	-	234,156	-	352,496	-	209,029	-	337,603
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(4,873,982)	-	(4,404,229)	-	(17,685,438)	-	(4,073,045)
Net property and equipment	-	9,900,358	-	8,187,414	-	41,767,879	-	15,600,877
Other long-term assets								
Restricted property reserves	-	357,054	-	1,015,603	-	3,398,097	-	434,351
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	2,515,576	-	(437)	-	7,379,501	-	(445)	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	512,058	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	44,441	-	55,421	-	57,803	-	116,749
Total other long-term assets	3,027,634	401,495	(437)	1,071,024	7,379,501	3,455,900	(445)	551,100
Total assets	\$ 3,067,634	\$ 10,408,172	\$ 765	\$ 9,396,532	\$ 7,482,105	\$ 49,539,558	\$ 171,144	\$ 16,343,161

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Countryside Seniors Apartments,				HWA-850	HWA-850		Grayslake Senior
	Countryside	LP (Countryside	Johnston Center	Johnston Center	Eastwood GP	Eastwood Limited	Belvidere Place	Housing Limited
	Seniors, LLC	Apartments)	MM, LLC	Re-Use, LLC	Corp., NFP	Partnership	Corp. I, NFP	Partnership
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 155,521	\$ -	\$ 84,111	\$ -	\$ 577,530	\$ -	\$ 316,202
Due to affiliates	83,596	115,304	20,107	19,086	126,788	3,844,433	193,383	7,341
Accrued interest	-	7,059	-	-	-	434,512	-	4,796
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	22,621	-	-	-	635,000	-	13,031
Current portion of notes payable, affiliates	-	10,760	-	-	-	-	-	-
Deferred revenue and other liabilities	-	37	-	8,719	-	33,737	-	1,393
Tenant security deposits	-	48,222	-	22,630	-	114,766	-	37,286
Total current liabilities	83,596	359,524	20,107	134,546	126,788	5,639,978	193,383	380,049
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	318,393	-	-	-	-	-	-
Accrued interest, affiliates	-	74,899	-	917,357	-	1,594,372	-	394,295
Notes payable, less current portion, net	-	4,438,032	-	1,807,324	-	28,458,077	-	610,649
Notes payable, less current portion, affiliates	-	611,978	-	2,403,500	4,381,647	4,263,520	-	250,926
Deferred revenue and other liabilities	-	-	-	35,098	-	3,697,755	-	914,407
Total long-term liabilities	-	5,443,302	-	5,163,279	4,381,647	38,013,724	-	2,170,277
Total liabilities	83,596	5,802,826	20,107	5,297,825	4,508,435	43,653,702	193,383	2,550,326
Net assets								
Net assets without donor restrictions, controlling	2,984,038	4,605,346	(19,342)	4,098,707	1,540,337	5,885,856	(22,239)	13,792,835
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	2,984,038	4,605,346	(19,342)	4,098,707	1,540,337	5,885,856	(22,239)	13,792,835
Net assets with donor restrictions	-	-	-	-	1,433,333	-	-	-
Total net assets	2,984,038	4,605,346	(19,342)	4,098,707	2,973,670	5,885,856	(22,239)	13,792,835
Total liabilities and net assets	\$ 3,067,634	\$ 10,408,172	\$ 765	\$ 9,396,532	\$ 7,482,105	\$ 49,539,558	\$ 171,144	\$ 16,343,161

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	104th Street MM, LLC	104th Street Limited Partnership (Pullman Wheelworks)	MHL Holdings, LLC	MHL Keating MM, LLC	2000 Illinois Aurora MM, LLC	2000 Illinois Aurora, LLC	St. Catherine Residence, Inc.	SC Residence MM, LLC
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 89,201	\$ -	\$ -	\$ -	\$ 3,871,520	\$ 9,377	\$ 1,383
Cash, tenant security deposits	-	51,076	-	-	1	42,802	-	-
Cash, restricted	-	-	-	-	-	-	28,547	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	159,569	-	-	-	-	823,464	-
Due from affiliate, net	873,446	53,757	66,305	-	18,989	7,614	5,353	7,972
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	74,529	-	-	-	-	20,955	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	873,446	428,132	66,305	-	18,990	3,921,936	887,696	9,355
Property and equipment								
Land and land improvements	-	1,821,876	-	-	-	-	182,444	-
Buildings	-	24,780,195	-	-	-	-	4,345,817	-
Furniture and equipment	-	1,342,461	-	-	-	-	825,129	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(5,218,087)	-	-	-	-	(3,637,134)	-
Net property and equipment	-	22,726,445	-	-	-	-	1,716,256	-
Other long-term assets								
Restricted property reserves	-	2,150,155	-	-	-	509,398	-	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	128,105	-	(14,526,868)	-	408,799	-	600,537	(212)
Notes and interest receivable, net	-	-	-	-	-	-	75,000	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	716,704	662,439
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	47,897	-	-	-	-	-	-
Total other long-term assets	128,105	2,198,052	(14,526,868)	-	408,799	509,398	1,392,241	662,227
Total assets	\$ 1,001,551	\$ 25,352,629	\$ (14,460,563)	\$ -	\$ 427,789	\$ 4,431,334	\$ 3,996,193	\$ 671,582

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	104th Street MM, LLC	104th Street Limited Partnership (Pullman Wheelworks)	MHL Holdings, LLC	MHL Keating MM, LLC	2000 Illinois Aurora MM, LLC	2000 Illinois Aurora, LLC	St. Catherine Residence, Inc.	SC Residence MM, LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 286,402	\$ 956,152	\$ -	\$ -	\$ -	\$ 22,503	\$ 197,206	\$ -
Due to affiliates	608,741	1,317,746	16,201	19,362	-	23,356	1,363,862	-
Accrued interest	-	22,718	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	163,143	-	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	7,395	-	-	-	-	5,289	-
Tenant security deposits	-	49,122	-	-	-	-	18,650	-
Total current liabilities	895,143	2,516,276	16,201	19,362	-	45,859	1,585,007	-
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	159,497	-	-	-	-	-	-
Accrued interest, affiliates	-	315,079	-	-	-	-	-	-
Notes payable, less current portion, net	-	11,929,304	-	-	-	-	-	-
Notes payable, less current portion, affiliates	-	1,737,819	-	-	-	-	-	-
Deferred revenue and other liabilities	-	1,876,286	-	-	-	-	12,713	-
Total long-term liabilities	-	16,017,985	-	-	-	-	12,713	-
Total liabilities	895,143	18,534,261	16,201	19,362	-	45,859	1,597,720	-
Net assets								
Net assets without donor restrictions, controlling	106,408	6,818,368	(14,476,764)	(19,362)	427,789	4,385,475	2,396,473	671,582
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	106,408	6,818,368	(14,476,764)	(19,362)	427,789	4,385,475	2,396,473	671,582
Net assets with donor restrictions	-	-	-	-	-	-	2,000	-
Total net assets	106,408	6,818,368	(14,476,764)	(19,362)	427,789	4,385,475	2,398,473	671,582
Total liabilities and net assets	\$ 1,001,551	\$ 25,352,629	\$ (14,460,563)	\$ -	\$ 427,789	\$ 4,431,334	\$ 3,996,193	\$ 671,582

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	SC Residence, LLC (McAuley Apartments)	Roseland Place Inc., NFP	Roseland Place Limited Partnership	Mercy River West Commons Elgin LLC	Danville Veterans Housing MM, LLC	Danville Veterans Housing, LLC (Canon Place)	Greenwich Park Apartments MM, LLC	Greenwich Park Apartments, LLC
Assets								
Current assets								
Cash and cash equivalents	\$ 10,414	\$ -	\$ 125,736	\$ 112,550	\$ -	\$ 5,107	\$ -	\$ 19,833
Cash, tenant security deposits	12,183	-	16,598	-	-	-	-	15,901
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	9,249	-	3,624	23,112	-	4,293	-	26,443
Due from affiliate, net	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	8,749	-	65,754	15,491	-	17,112	-	15,395
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	40,595	-	211,712	151,153	-	26,512	-	77,572
Property and equipment								
Land and land improvements	400,000	-	1,565,103	1,325,724	-	1,467,205	-	1,254,195
Buildings	4,364,264	-	14,618,869	6,966,942	-	14,397,943	-	11,569,018
Furniture and equipment	257,148	-	547,041	107,985	-	489,690	-	235,572
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(2,051,805)	-	(4,289,860)	(1,076,756)	-	(2,195,929)	-	(1,639,462)
Net property and equipment	2,969,607	-	12,441,153	7,323,895	-	14,158,909	-	11,419,323
Other long-term assets								
Restricted property reserves	142,115	-	877,460	106,709	-	330,491	-	250,573
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	9,243,384	-	-	319,689	-	7,782	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	1,079,506	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	7,972	-	25,731	-	-	464,749	-	76,545
Total other long-term assets	150,087	10,322,890	903,191	106,709	319,689	795,240	7,782	327,118
Total assets	\$ 3,160,289	\$ 10,322,890	\$ 13,556,056	\$ 7,581,757	\$ 319,689	\$ 14,980,661	\$ 7,782	\$ 11,824,013

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
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	SC Residence, LLC (McAuley Apartments)			Roseland Place Inc., NFP	Roseland Place Limited Partnership	Mercy River West Commons Elgin LLC		Danville Veterans Housing MM, LLC	Danville Veterans Housing, LLC (Canon Place)	Greenwich Park Apartments MM, LLC	Greenwich Park Apartments, LLC					
Liabilities																
Current liabilities																
Accounts payable and accrued expenses	\$	75,493	\$	-	\$	79,633	\$	225,423	\$	-	\$	103,317	\$	-	\$	113,003
Due to affiliates		11,730		7,594		-		8,665		7,899		431,457		7,671		33,288
Accrued interest		2,847		-		-		23,780		-		-		-		16,792
Accrued interest, affiliates		51,295		-		-		-		-		-		-		1,285
Current portion of notes payable		30,707		-		-		-		15,000		-		-		-
Current portion of notes payable, affiliates		-		-		-		-		-		-		-		-
Deferred revenue and other liabilities		4,480		-		15,566		1,360		-		1,201		-		444
Tenant security deposits		11,390		-		15,639		-		-		(150)		-		15,900
Total current liabilities		187,942		7,594		110,838		259,228		7,899		550,825		7,671		180,712
Long-term liabilities																
Due to affiliates		-		-		-		-		-		-		-		-
Accrued interest		-		-		-		-		-		-		-		-
Accrued interest, affiliates		-		-		1,329,069		-		-		183,873		-		-
Notes payable, less current portion, net		631,288		-		(447,980)		8,452,272		-		891,516		-		6,463,819
Notes payable, less current portion, affiliates		1,486,525		-		1,758,440		-		-		1,311,000		-		128,489
Deferred revenue and other liabilities		3,002		-		-		2,583		-		738,064		-		533,152
Total long-term liabilities		2,120,815		-		2,639,529		8,454,855		-		3,124,453		-		7,125,460
Total liabilities		2,308,757		7,594		2,750,367		8,714,083		7,899		3,675,278		7,671		7,306,172
Net assets																
Net assets without donor restrictions, controlling		851,532		10,315,296		10,805,689		(1,132,326)		311,790		11,305,383		111		4,517,841
Net assets without donor restrictions, noncontrolling		-		-		-		-		-		-		-		-
Total net assets without donor restrictions		851,532		10,315,296		10,805,689		(1,132,326)		311,790		11,305,383		111		4,517,841
Net assets with donor restrictions		-		-		-		-		-		-		-		-
Total net assets		851,532		10,315,296		10,805,689		(1,132,326)		311,790		11,305,383		111		4,517,841
Total liabilities and net assets	\$	3,160,289	\$	10,322,890	\$	13,556,056	\$	7,581,757	\$	319,689	\$	14,980,661	\$	7,782	\$	11,824,013

**Mercy Housing Lakefront
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	Mercy Sterling NFP	New Sterling Park MM, LLC	New Sterling Park, LLC (The Lofts at Arthington)	Kankakee Station Senior Housing MM GP, LLC	Kankakee Station Street Senior Housing, LLC	Roseland Village	MHL Miriam Apartments GP LCC	Miriam Apartments, LP
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ -	\$ 125,133	\$ -	\$ 10,123	\$ 23,394	\$ -	\$ 29,549
Cash, tenant security deposits	-	-	109,138	-	12,303	3,821	-	5,707
Cash, restricted	-	-	175,932	-	38,294	-	-	4,312
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	117,374	-	25,653	3	-	17,251
Due from affiliate, net	-	5,609	1,699	-	970	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	-	68,831	-	19,093	2,281	-	4,011
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	-	5,609	598,107	-	106,436	29,499	-	60,830
Property and equipment								
Land and land improvements	-	-	1,884,780	-	1,912,227	360,000	-	65,000
Buildings	-	-	58,006,396	-	13,109,360	3,842,996	-	591,983
Furniture and equipment	-	-	406,168	-	143,983	26,768	-	13,000
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	9,515,839
Accumulated depreciation	-	-	(7,065,447)	-	(1,146,868)	(1,162,516)	-	(121,923)
Net property and equipment	-	-	53,231,897	-	14,018,702	3,067,248	-	10,063,899
Other long-term assets								
Restricted property reserves	-	-	2,280,780	-	1,646,871	140,408	-	203,523
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	22	(897)	-	1,987,839	-	-	1,833,583	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	75,532	-	93,676	-	-	156,779
Total other long-term assets	22	(897)	2,356,312	1,987,839	1,740,547	140,408	1,833,583	360,302
Total assets	\$ 22	\$ 4,712	\$ 56,186,316	\$ 1,987,839	\$ 15,865,685	\$ 3,237,155	\$ 1,833,583	\$ 10,485,031

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Sterling NFP	New Sterling Park MM, LLC	New Sterling Park, LLC (The Lofts at Arthington)	Kankakee Station Senior Housing MM GP, LLC	Kankakee Station Street Senior Housing, LLC	Roseland Village	MHL Miriam Apartments GP LCC	Miriam Apartments, LP
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ -	\$ 245,183	\$ -	\$ 245,580	\$ 25,735	\$ -	\$ 2,076,008
Due to affiliates	9,196	13,569	2,499	6,658	71,773	-	100,100	483,621
Accrued interest	-	-	12,377	-	6,425	-	-	9,866
Accrued interest, affiliates	-	-	2,907	-	-	-	-	-
Current portion of notes payable	-	-	31,871	-	62,700	-	-	-
Current portion of notes payable, affiliates	-	-	2,520,328	-	351,434	-	-	80,298
Deferred revenue and other liabilities	-	-	4,823	-	(99)	452	-	1,746
Tenant security deposits	-	-	96,511	-	12,453	3,396	-	5,191
Total current liabilities	9,196	13,569	2,916,499	6,658	750,266	29,583	100,100	2,656,730
Long-term liabilities								
Due to affiliates	-	-	2,357,200	-	-	-	-	-
Accrued interest	-	-	1,636,614	-	-	-	-	2,056
Accrued interest, affiliates	-	-	67,857	-	-	-	-	-
Notes payable, less current portion, net	-	-	26,217,663	-	4,188,744	3,606,100	-	3,600,108
Notes payable, less current portion, affiliates	-	-	1,403,765	1,293,080	326,422	-	-	-
Deferred revenue and other liabilities	-	-	2,297,953	-	1,104,282	-	-	253,449
Total long-term liabilities	-	-	33,981,052	1,293,080	5,619,448	3,606,100	-	3,855,613
Total liabilities	9,196	13,569	36,897,551	1,299,738	6,369,714	3,635,683	100,100	6,512,343
Net assets								
Net assets without donor restrictions, controlling	(9,174)	(8,857)	19,288,765	688,101	9,495,971	(398,528)	1,733,483	3,972,688
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(9,174)	(8,857)	19,288,765	688,101	9,495,971	(398,528)	1,733,483	3,972,688
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(9,174)	(8,857)	19,288,765	688,101	9,495,971	(398,528)	1,733,483	3,972,688
Total liabilities and net assets	\$ 22	\$ 4,712	\$ 56,186,316	\$ 1,987,839	\$ 15,865,685	\$ 3,237,155	\$ 1,833,583	\$ 10,485,031

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Eliminations	Consolidated Mercy Housing Lakefront
Assets		
Current assets		
Cash and cash equivalents	\$ -	\$ 6,695,695
Cash, tenant security deposits	-	701,623
Cash, restricted	-	568,818
Investments	-	-
Investments, restricted	-	-
Accounts receivable, net	(191,121)	1,889,172
Due from affiliate, net	(8,028,087)	19,796,521
Pledges receivable, net	-	367,225
Grants receivable	-	222,360
Current portion of notes and interest receivable	-	-
Current portion of notes and interest receivable, affiliates	(3,921,457)	-
Prepaid expenses and other assets	-	718,246
Inventory	-	-
Assets held for sale	-	-
Total current assets	<u>(12,140,665)</u>	<u>30,959,660</u>
Property and equipment		
Land and land improvements	(1,202,791)	30,328,946
Buildings	(19,543,688)	333,295,767
Furniture and equipment	-	9,378,014
Predevelopment project costs	-	993,580
Construction in progress	(253,449)	9,262,390
Accumulated depreciation	<u>4,441,854</u>	<u>(118,822,566)</u>
Net property and equipment	<u>(16,558,074)</u>	<u>264,436,131</u>
Other long-term assets		
Restricted property reserves	-	23,914,708
Long-term investments	-	-
Long-term investments, restricted	-	-
Due from affiliates	(7,553,261)	-
Pledges receivable, net	-	-
Investments in limited partnerships, net	(23,556,129)	(2,345,697)
Notes and interest receivable, net	-	75,000
Notes and interest receivable, affiliates	(14,801,159)	-
Allowance for impaired assets	-	-
Other assets, net	<u>-</u>	<u>1,258,190</u>
Total other long-term assets	<u>(45,910,549)</u>	<u>22,902,201</u>
Total assets	<u>\$ (74,609,288)</u>	<u>\$ 318,297,992</u>

**Mercy Housing Lakefront
Consolidating Statement of Financial Position
December 31, 2019**

	Eliminations	Consolidated Mercy Housing Lakefront
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ (424,175)	\$ 7,688,211
Due to affiliates	(10,330,780)	20,615,008
Accrued interest	-	564,838
Accrued interest, affiliates	(175,753)	2,907
Current portion of notes payable	-	1,404,514
Current portion of notes payable, affiliates	(2,381,456)	4,159,457
Deferred revenue and other liabilities	-	339,393
Tenant security deposits	-	647,375
Total current liabilities	<u>(13,312,164)</u>	<u>35,421,703</u>
Long-term liabilities		
Due to affiliates	(2,866,010)	2,357,200
Accrued interest	-	6,102,774
Accrued interest, affiliates	(6,168,652)	3,603
Notes payable, less current portion, net	-	146,256,862
Notes payable, less current portion, affiliates	(37,058,684)	2,017,105
Deferred revenue and other liabilities	(10,948,772)	1,283,593
Total long-term liabilities	<u>(57,042,118)</u>	<u>158,021,137</u>
Total liabilities	<u>(70,354,282)</u>	<u>193,442,840</u>
Net assets		
Net assets without donor restrictions, controlling	(4,255,006)	120,787,207
Net assets without donor restrictions, noncontrolling	-	-
Total net assets without donor restrictions	<u>(4,255,006)</u>	<u>120,787,207</u>
Net assets with donor restrictions	-	4,067,945
Total net assets	<u>(4,255,006)</u>	<u>124,855,152</u>
Total liabilities and net assets	<u>\$ (74,609,288)</u>	<u>\$ 318,297,992</u>

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Lakefront	Lavergne Courts, LLC	Washington Courts, LLC	Whitmore Apartments, LLC	111th & Wentworth Apartments Corporation	111th and Wentworth Limited Partnership (Wentworth Commons)	Belray Apartments Corporation	Belray Limited Partnership (Belray Apartments)
Revenues								
Rent - net of vacancies	\$ -	\$ 2,122,896	\$ 1,430,592	\$ 840,525	\$ -	\$ 543,267	\$ -	\$ 525,005
Developer fees	887,070	-	-	-	-	-	-	-
Services fees	3,826,700	-	-	-	-	-	4,557	-
Philanthropy	6,260,723	-	-	-	-	-	-	-
Capital grants	1,431,900	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	708,050	764	533	151	-	3,315	-	9,497
Other	667,183	6,127	7,873	1,139	-	86,790	-	30,847
Total revenues	13,781,626	2,129,787	1,438,998	841,815	-	633,372	4,557	565,349
Expenses and losses								
Compensation	4,578,381	440,236	258,511	109,268	-	176,122	-	184,467
Administrative	701,080	226,748	161,894	83,967	66	72,748	4,659	82,750
Professional services	430,765	132,608	145,953	45,772	1,868	18,107	1,868	22,825
Depreciation and amortization	16,570	401,686	264,508	119,073	-	310,868	-	128,019
Grants	2,875,761	-	-	-	-	-	-	-
Facility	329,559	661,787	446,054	291,986	-	447,654	-	303,071
Interest and fees	30,344	201,721	163,742	70,809	-	1,620	-	16
Bad debts	1,401,916	32,284	33,850	6,896	-	4,089	-	3,029
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	145,342	-	-	-	-	-	-	-
Allocation	1,777,538	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	(275,476)	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	(662,198)	-	-	-	40	-	1,588	-
Total expenses and losses	11,625,058	1,821,594	1,474,512	727,771	1,974	1,031,208	8,115	724,177
Excess (deficiency) of revenues over expenses	2,156,568	308,193	(35,514)	114,044	(1,974)	(397,836)	(3,558)	(158,828)
Net assets at beginning of year	15,009,849	(233,885)	(249,073)	(18,910)	(65,732)	(1,923,142)	(131,342)	(1,317,627)
Other transfers to (from) net assets	-	(35,037)	(328)	(31,792)	-	-	-	-
Net assets at end of year	\$ 17,166,417	\$ 39,271	\$ (284,915)	\$ 63,342	\$ (67,706)	\$ (2,320,978)	\$ (134,900)	\$ (1,476,455)

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Harold Washington Apartments Corporation	Magnolia Limited Partnership (Carlton Apartments)	Red Door Limited Partnership (Major Jenkins Apartments)	4707 Malden Limited Partnership (Miriam Apartments)	Roseland Apartments Corporation	Roseland Limited Partnership (Holland Apartments)	South Loop Apartments Corporation	South Loop Limited Partnership (South Loop Apartments)
Revenues								
Rent - net of vacancies	\$ -	\$ 533,451	\$ 1,287,374	\$ 115,511	\$ -	\$ 502,204	\$ -	\$ 971,953
Developer fees	-	-	-	-	-	-	-	-
Services fees	12,324	-	-	-	-	-	40,517	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	6,525	21,468	31	-	10,540	-	63,953
Other	-	(2,701)	41,796	205,727	-	62,104	-	169,877
Total revenues	12,324	537,275	1,350,638	321,269	-	574,848	40,517	1,205,783
Expenses and losses								
Compensation	-	177,453	267,030	30,278	-	160,290	-	322,179
Administrative	13,471	92,693	232,797	16,165	55	82,405	40,747	189,157
Professional services	1,401	25,422	175,374	6,691	1,970	39,636	1,868	88,995
Depreciation and amortization	-	96,857	253,148	27,904	-	313,663	-	530,721
Grants	-	-	-	-	-	-	-	-
Facility	-	319,156	453,065	78,701	-	378,696	-	612,480
Interest and fees	-	346	807	2,566	-	1,259	-	177,419
Bad debts	-	9,015	8,427	12,247	-	2,187	-	40,511
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	6,151	-	-	-	403	-	76	-
Total expenses and losses	21,023	720,942	1,390,648	174,552	2,428	978,136	42,691	1,961,462
Excess (deficiency) of revenues over expenses	(8,699)	(183,667)	(40,010)	146,717	(2,428)	(403,288)	(2,174)	(755,679)
Net assets at beginning of year	(436,655)	(86,840)	422,993	271,583	(95,565)	(566,467)	(79,427)	(3,816,220)
Other transfers to (from) net assets	-	-	(109,316)	(538,108)	-	-	-	(52,548)
Net assets at end of year	\$ (445,354)	\$ (270,507)	\$ 273,667	\$ (119,808)	\$ (97,993)	\$ (969,755)	\$ (81,601)	\$ (4,624,447)

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Winthrop Apartments Corporation	5042 Winthrop Limited Partnership (Delmar Apartments)	Near North Apartments Corporation, NFP	Near North Limited Partnership (Schiff Residences)	Malden Arms Corp. II, NFP	Malden Limited Partnership II (Malden Arms II)	Englewood Apartments, NFP	901 West 63rd Limited Partnership (Englewood Apartments)
Revenues								
Rent - net of vacancies	\$ -	\$ 795,982	\$ -	\$ 867,443	\$ -	\$ 535,237	\$ -	\$ 873,415
Developer fees	-	-	-	-	-	-	-	-
Services fees	12,816	-	28,672	-	20,000	-	25,300	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	67,203	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	1,149	-	16,407	-	8,825	-	23,718
Other	-	28,909	-	46,243	-	4,031	-	31,905
Total revenues	12,816	893,243	28,672	930,093	20,000	548,093	25,300	929,038
Expenses and losses								
Compensation	-	293,727	-	265,391	-	178,568	-	269,624
Administrative	12,917	178,752	28,737	176,832	20,066	85,752	25,366	151,013
Professional services	1,868	29,558	1,868	97,864	1,868	25,378	4,734	36,903
Depreciation and amortization	-	218,443	-	518,548	-	231,583	-	600,085
Grants	-	-	-	-	-	-	-	-
Facility	-	408,611	-	461,991	-	309,184	-	453,103
Interest and fees	-	310	-	60,441	157	51,608	-	64,560
Bad debts	-	17,333	-	5,025	-	6,717	-	7,099
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	2,535	-	66	-	34	-	65	-
Total expenses and losses	17,320	1,146,734	30,671	1,586,092	22,125	888,790	30,165	1,582,387
Excess (deficiency) of revenues over expenses	(4,504)	(253,491)	(1,999)	(655,999)	(2,125)	(340,697)	(4,865)	(653,349)
Net assets at beginning of year	(227,325)	(4,105,343)	5,321,271	5,513,881	501,718	1,023,619	582,331	9,420,207
Other transfers to (from) net assets	-	-	-	(55)	-	-	-	-
Net assets at end of year	\$ (231,829)	\$ (4,358,834)	\$ 5,319,272	\$ 4,857,827	\$ 499,593	\$ 682,922	\$ 577,466	\$ 8,766,858

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Countryside Seniors Apartments, Countryside LP (Countryside Seniors, LLC Apartments)		Johnston Center MM, LLC	Johnston Center Re-Use, LLC	HWA-850 Eastwood GP Corp., NFP	HWA-850 Eastwood Limited Partnership	Belvidere Place Corp. I, NFP	Grayslake Senior Housing Limited Partnership
Revenues								
Rent - net of vacancies	\$ -	\$ 618,579	\$ -	\$ 698,211	\$ -	\$ 4,765,174	\$ -	\$ 700,499
Developer fees	-	-	-	-	-	-	-	-
Services fees	5,000	-	-	-	15,000	-	26,460	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	1,647	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	2,169	-	658	-	16,402	-	219
Other	-	9,064	-	54,603	-	56,115	-	4,918
Total revenues	5,000	629,812	-	755,119	15,000	4,837,691	26,460	705,636
Expenses and losses								
Compensation	-	114,161	4,065	194,897	-	835,444	-	120,955
Administrative	5,132	77,673	136	115,761	15,067	312,152	25,550	101,059
Professional services	4,734	14,926	934	47,971	4,734	73,108	4,734	14,733
Depreciation and amortization	-	507,177	-	456,421	-	2,008,628	-	583,114
Grants	-	-	-	-	-	-	-	-
Facility	-	286,709	-	353,902	-	1,829,939	-	372,018
Interest and fees	-	129,776	-	101,140	-	1,439,266	-	152,544
Bad debts	-	482	-	1,788	-	2,682	-	1,550
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	50	-	52	-	166	-	64	-
Total expenses and losses	9,916	1,130,904	5,187	1,271,880	19,967	6,501,219	30,348	1,345,973
Excess (deficiency) of revenues over expenses	(4,916)	(501,092)	(5,187)	(516,761)	(4,967)	(1,663,528)	(3,888)	(640,337)
Net assets at beginning of year	2,988,954	5,106,438	(14,155)	4,615,468	2,978,637	7,549,384	(18,351)	14,433,172
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 2,984,038	\$ 4,605,346	\$ (19,342)	\$ 4,098,707	\$ 2,973,670	\$ 5,885,856	\$ (22,239)	\$ 13,792,835

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	104th Street MM, LLC	104th Street Limited Partnership (Pullman Wheelworks)	MHL Holdings, LLC	MHL Keating MM, LLC	2000 Illinois Aurora MM, LLC	2000 Illinois Aurora, LLC	St. Catherine Residence, Inc.	SC Residence MM, LLC
Revenues								
Rent - net of vacancies	\$ -	\$ 2,548,313	\$ -	\$ -	\$ -	\$ 1,250,207	\$ 631,920	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	4,050	-	10,000	-	-	-
Philanthropy	-	-	-	-	-	-	81,360	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	19,726	-	-	-	1,704	31,921	75,655
Other	-	65,258	-	-	-	38,055	133,113	-
Total revenues	-	2,633,297	4,050	-	10,000	1,289,966	878,314	75,655
Expenses and losses								
Compensation	-	611,206	-	-	-	146,773	287,091	-
Administrative	56	210,807	56,654	132	55	165,789	178,345	33,436
Professional services	4,734	89,873	934	10,634	934	211,847	21,344	934
Depreciation and amortization	-	755,825	-	-	-	185,211	81,985	-
Grants	-	-	-	-	-	-	68,872	-
Facility	-	1,068,575	-	-	-	516,457	410,717	-
Interest and fees	-	426,790	-	-	-	1,024,465	-	-
Bad debts	-	-	-	-	-	96,358	16,497	42,274
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	(3,426,657)	(195,042)	-
(Gain) loss on investment in limited partnership	53	-	1,640,876	-	(118,486)	-	-	23
Total expenses and losses	4,843	3,163,076	1,698,464	10,766	(117,497)	(1,079,757)	869,809	76,667
Excess (deficiency) of revenues over expenses	(4,843)	(529,779)	(1,694,414)	(10,766)	127,497	2,369,723	8,505	(1,012)
Net assets at beginning of year	111,251	7,348,147	(12,782,350)	(8,596)	300,292	2,215,449	2,389,968	672,594
Other transfers to (from) net assets	-	-	-	-	-	(199,697)	-	-
Net assets at end of year	\$ 106,408	\$ 6,818,368	\$ (14,476,764)	\$ (19,362)	\$ 427,789	\$ 4,385,475	\$ 2,398,473	\$ 671,582

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	SC Residence, LLC (McAuley Apartments)	Roseland Place Inc., NFP	Roseland Place Limited Partnership	Mercy River West Commons Elgin LLC	Danville Veterans Housing MM, LLC	Danville Veterans Housing, LLC (Canon Place)	Greenwich Park Apartments MM, LLC	Greenwich Park Apartments, LLC
Revenues								
Rent - net of vacancies	\$ 360,649	\$ -	\$ 825,708	\$ 1,151,062	\$ -	\$ 517,409	\$ -	\$ 607,614
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	58	185,955	190	1,840	-	7,692	-	2,457
Other	7,387	-	23,556	32,850	-	12,110	-	6,427
Total revenues	368,094	185,955	849,454	1,185,752	-	537,211	-	616,498
Expenses and losses								
Compensation	115,031	-	249,107	146,766	-	129,543	-	110,058
Administrative	53,538	115	114,047	107,384	143	62,050	55	79,810
Professional services	8,564	2,834	12,723	14,935	4,734	11,180	4,734	10,686
Depreciation and amortization	167,811	-	461,032	194,508	-	707,962	-	546,553
Grants	-	-	-	-	-	-	-	-
Facility	144,789	-	311,434	497,061	-	327,074	-	227,991
Interest and fees	107,147	-	146,257	306,436	-	47,999	-	239,151
Bad debts	5,082	185,955	1,507	14,979	-	9,219	-	10,958
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	45	-	-	76	-	61	-
Total expenses and losses	601,962	188,949	1,296,107	1,282,069	4,953	1,295,027	4,850	1,225,207
Excess (deficiency) of revenues over expenses	(233,868)	(2,994)	(446,653)	(96,317)	(4,953)	(757,816)	(4,850)	(608,709)
Net assets at beginning of year	1,093,204	10,318,290	11,252,342	(1,036,009)	316,743	11,923,914	4,961	5,126,550
Other transfers to (from) net assets	(7,804)	-	-	-	-	139,285	-	-
Net assets at end of year	\$ 851,532	\$ 10,315,296	\$ 10,805,689	\$ (1,132,326)	\$ 311,790	\$ 11,305,383	\$ 111	\$ 4,517,841

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Sterling NFP	New Sterling Park MM, LLC	New Sterling Park, LLC (The Lofts at Arthington)	Kankakee Station Senior Housing MM GP, LLC	Kankakee Station Street Senior Housing, LLC	Roseland Village	MHL Miriam Apartments GP LCC	Miriam Apartments, LP
Revenues								
Rent - net of vacancies	\$ -	\$ -	\$ 1,204,837	\$ -	\$ 599,546	\$ 147,269	\$ -	\$ 466,086
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	10,609	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	-	530	-	570	65	-	(1)
Other	-	-	652,010	-	30,056	20,079	2,097,500	317
Total revenues	-	10,609	1,857,377	-	630,172	167,413	2,097,500	466,402
Expenses and losses								
Compensation	-	-	315,151	-	149,014	38,407	-	46,204
Administrative	-	10,665	156,884	55	134,785	30,536	-	336,359
Professional services	4,734	4,734	42,825	4,734	11,379	10,300	-	55,546
Depreciation and amortization	-	-	2,260,882	-	551,837	141,595	-	3,048
Grants	-	-	-	-	-	-	606,839	-
Facility	-	-	905,452	-	451,032	56,577	-	28,293
Interest and fees	-	-	773,113	-	512,012	180	-	-
Bad debts	-	-	25,370	-	4,644	58	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	236	-	119	-	-	(21)	-
Total expenses and losses	4,734	15,635	4,479,677	4,908	1,814,703	277,653	606,818	469,450
Excess (deficiency) of revenues over expenses	(4,734)	(5,026)	(2,622,300)	(4,908)	(1,184,531)	(110,240)	1,490,682	(3,048)
Net assets at beginning of year	(4,440)	(3,831)	20,418,265	693,009	(597,055)	(288,288)	-	-
Other transfers to (from) net assets	-	-	1,492,800	-	11,277,557	-	242,801	3,975,736
Net assets at end of year	<u>\$ (9,174)</u>	<u>\$ (8,857)</u>	<u>\$ 19,288,765</u>	<u>\$ 688,101</u>	<u>\$ 9,495,971</u>	<u>\$ (398,528)</u>	<u>\$ 1,733,483</u>	<u>\$ 3,972,688</u>

**Mercy Housing Lakefront
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Eliminations	Consolidated Mercy Housing Lakefront
Revenues		
Rent - net of vacancies	\$ (1,158,001)	\$ 27,879,937
Developer fees	(334,771)	552,299
Services fees	(1,114,158)	2,927,847
Philanthropy	(69,727)	6,272,356
Capital grants	(61,203)	1,439,547
Consulting	-	-
Interest	(1,001,582)	221,154
Other	(1,816,096)	2,815,172
Total revenues	<u>(5,555,538)</u>	<u>42,108,312</u>
Expenses and losses		
Compensation	-	11,325,398
Administrative	(604,755)	4,460,312
Professional services	(685,790)	1,367,124
Depreciation and amortization	(656,298)	12,988,967
Grants	(2,850,162)	701,310
Facility	-	13,743,118
Interest and fees	(916,420)	5,317,581
Bad debts	(1,618,598)	391,430
Provision for impaired assets	-	-
Project expenses	-	145,342
Allocation	-	1,777,538
(Gain) loss on sale of assets	-	(3,897,175)
(Gain) loss on investment in limited partnership	(797,881)	74,193
Total expenses and losses	<u>(8,129,904)</u>	<u>48,395,138</u>
Excess (deficiency) of revenues over expenses	2,574,366	(6,286,826)
Net assets at beginning of year	(3,833,133)	117,984,723
Other transfers to (from) net assets	(2,996,245)	13,157,249
Net assets at end of year	<u>\$ (4,255,012)</u>	<u>\$ 124,855,146</u>

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing South East	Mercy Place Belmont, Inc.	Mercy Housing Pembroke, Inc. (McFadden Place)	Mercy Housing Georgia Holdings, LLC (1826 Florance Street)	Marshside Village, Inc.	Allegre Point Senior Residences, Inc.	MHSE Adamsville Green Senior Partners, LLC	Adamsville Green Limited Partnership
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 20,672	\$ 62,441	\$ 1,877	\$ 14,940	\$ 11,602	\$ -	\$ 222,492
Cash, tenant security deposits	-	13,026	10,604	-	11,495	18,194	-	9,302
Cash, restricted	331,353	-	2,579	-	-	25,802	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	45,872	4,158	17,953	-	542	4,168	-	7,820
Due from affiliate, net	837,413	-	-	-	-	138	47,649	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	6,059,310	-	-	-	-	-	-	-
Prepaid expenses and other assets	43,461	7,141	5,174	299	5,530	9,552	-	15,882
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	7,317,409	44,997	98,751	2,176	32,507	69,456	47,649	255,496
Property and equipment								
Land and land improvements	-	18,400	49,640	15,789	241,500	324,260	-	2,076,465
Buildings	-	3,307,767	1,800,741	297,827	3,549,362	6,011,733	-	7,621,534
Furniture and equipment	58,966	60,348	14,714	4,596	145,960	112,202	-	1,105,020
Predevelopment project costs	706,933	-	-	-	-	-	-	-
Construction in progress	54,701	-	-	-	-	-	-	-
Accumulated depreciation	(58,966)	(1,828,252)	(995,293)	(158,387)	(1,713,506)	(2,539,695)	-	(3,349,173)
Net property and equipment	761,634	1,558,263	869,802	159,825	2,223,316	3,908,500	-	7,453,846
Other long-term assets								
Restricted property reserves	-	95,727	76,717	-	111,362	71,451	-	618,392
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	800,000	-	-	-	-	-	-	-
Due from affiliates	2,570,013	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(14,752)	-	-	-	-	-	(80,383)	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	6,369,302	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	18,000	-	-	-	-	-	-	53,145
Total other long-term assets	9,742,563	95,727	76,717	-	111,362	71,451	(80,383)	671,537
Total assets	\$ 17,821,606	\$ 1,698,987	\$ 1,045,270	\$ 162,001	\$ 2,367,185	\$ 4,049,407	\$ (32,734)	\$ 8,380,879

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing South East	Mercy Place Belmont, Inc.	Mercy Housing Pembroke, Inc. (McFadden Place)	Mercy Housing Georgia Holdings, LLC (1826 Florance Street)	Marshside Village, Inc.	Allegre Point Senior Residences, Inc.	MHSE Adamsville Green Senior Partners, LLC	Adamsville Green Limited Partnership
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 242,045	\$ 26,952	\$ 20,385	\$ 2,160	\$ 52,947	\$ 39,293	\$ -	\$ 68,274
Due to affiliates	20,804,963	54,646	70,347	-	-	-	41,198	65,797
Accrued interest	-	-	-	305	-	-	-	570
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	7,388	-	-	-	42,497
Current portion of notes payable, affiliates	1,305,881	-	-	172,009	-	-	-	-
Deferred revenue and other liabilities	-	1,439	22,819	-	77	6,229	-	798
Tenant security deposits	-	12,432	10,074	-	11,597	18,523	-	8,900
Total current liabilities	22,352,889	95,469	123,625	181,862	64,621	64,045	41,198	186,836
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	98,647
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	-	92,624	-	(30,484)	-	2,893,846
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	42,172	-	-	-	-	3,015	-	-
Total long-term liabilities	42,172	-	-	92,624	-	(27,469)	-	2,992,493
Total liabilities	22,395,061	95,469	123,625	274,486	64,621	36,576	41,198	3,179,329
Net assets								
Net assets without donor restrictions, controlling	(5,842,546)	1,603,518	921,645	(112,485)	2,302,564	4,012,831	(73,932)	5,201,550
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(5,842,546)	1,603,518	921,645	(112,485)	2,302,564	4,012,831	(73,932)	5,201,550
Net assets with donor restrictions	1,269,091	-	-	-	-	-	-	-
Total net assets	(4,573,455)	1,603,518	921,645	(112,485)	2,302,564	4,012,831	(73,932)	5,201,550
Total liabilities and net assets	\$ 17,821,606	\$ 1,698,987	\$ 1,045,270	\$ 162,001	\$ 2,367,185	\$ 4,049,407	\$ (32,734)	\$ 8,380,879

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	Dublin Manor, Inc.	McAuley Manor, Inc.	Mercy Manor, Inc.	Riverview - St. Mary's Inc. (St. Mary's Riverview I)	St. Mary's Villa at Riverview II, Inc. (St. Mary's Riverview II)	St. Mary's Villa, Inc.	Sacred Heart Village I, Inc.	Sacred Heart Village II, Inc.
Assets								
Current assets								
Cash and cash equivalents	\$ 13,627	\$ 18,817	\$ 2,428	\$ 5,687	\$ 22,166	\$ 5,024	\$ 2,458	\$ 2,356
Cash, tenant security deposits	9,398	10,357	9,014	12,487	11,922	15,291	16,749	18,941
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	251	-	403	12,543	11,791	7,200	5,077	3,569
Due from affiliate, net	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	5,389	6,474	6,018	6,692	6,627	7,637	8,140	8,150
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	28,665	35,648	17,863	37,409	52,506	35,152	32,424	33,016
Property and equipment								
Land and land improvements	80,000	108,170	55,000	75,000	84,000	109,340	135,461	304,262
Buildings	2,234,355	1,722,900	1,778,427	2,458,368	2,626,214	2,620,458	2,848,289	3,195,625
Furniture and equipment	26,135	38,215	43,901	38,257	33,865	48,957	59,232	86,983
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(907,884)	(897,221)	(918,449)	(1,218,373)	(1,199,024)	(1,411,446)	(1,678,000)	(1,557,403)
Net property and equipment	1,432,606	972,064	958,879	1,353,252	1,545,055	1,367,309	1,364,982	2,029,467
Other long-term assets								
Restricted property reserves	201,477	154,134	100,399	226,142	165,382	252,518	127,752	129,415
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	201,477	154,134	100,399	226,142	165,382	252,518	127,752	129,415
Total assets	\$ 1,662,748	\$ 1,161,846	\$ 1,077,141	\$ 1,616,803	\$ 1,762,943	\$ 1,654,979	\$ 1,525,158	\$ 2,191,898

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	Dublin Manor, Inc.	McAuley Manor, Inc.	Mercy Manor, Inc.	Riverview - St. Mary's Inc. (St. Mary's Riverview I)	St. Mary's Villa at Riverview II, Inc. (St. Mary's Riverview II)	St. Mary's Villa, Inc.	Sacred Heart Village I, Inc.	Sacred Heart Village II, Inc.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 18,738	\$ 21,553	\$ 20,187	\$ 89,516	\$ 85,163	\$ 121,556	\$ 83,785	\$ 44,569
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	1,818	259	749	1,630	754	1,195	1,275	2,628
Tenant security deposits	9,190	9,857	8,326	12,316	11,427	14,617	16,206	18,582
Total current liabilities	29,746	31,669	29,262	103,462	97,344	137,368	101,266	65,779
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	-	-	-	-	-	-
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	494	632	690	-	-
Total long-term liabilities	-	-	-	494	632	690	-	-
Total liabilities	29,746	31,669	29,262	103,956	97,976	138,058	101,266	65,779
Net assets								
Net assets without donor restrictions, controlling	1,633,002	1,130,177	1,047,879	1,512,847	1,664,967	1,516,921	1,423,892	2,126,119
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	1,633,002	1,130,177	1,047,879	1,512,847	1,664,967	1,516,921	1,423,892	2,126,119
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	1,633,002	1,130,177	1,047,879	1,512,847	1,664,967	1,516,921	1,423,892	2,126,119
Total liabilities and net assets	\$ 1,662,748	\$ 1,161,846	\$ 1,077,141	\$ 1,616,803	\$ 1,762,943	\$ 1,654,979	\$ 1,525,158	\$ 2,191,898

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	Sacred Heart Village III, Inc.	St. Theresa Village, Inc.	Siena Springs (Siena Springs I)	Siena Springs II	Charles Meadows Corporation	Charles Crest Corporation (Charles Crest I)	Charles Crest II, Corporation	Savannah Gardens Senior Residences, Inc
Assets								
Current assets								
Cash and cash equivalents	\$ 2,684	\$ 35,831	\$ 42,185	\$ 78,407	\$ 2,410	\$ 5,994	\$ 10,830	\$ 12,433
Cash, tenant security deposits	15,416	17,320	13,106	9,278	10,367	17,354	15,406	11,439
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	2,549	526	12,392	4,202	7,813	51,410	23,703	15,015
Due from affiliate, net	-	-	-	-	-	-	-	154
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	8,516	6,831	8,683	5,712	5,303	7,382	7,660	6,471
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	29,165	60,508	76,366	97,599	25,893	82,140	57,599	45,512
Property and equipment								
Land and land improvements	200,000	150,904	65,459	45,918	30,834	320,690	96,822	573,978
Buildings	3,174,493	2,936,707	2,274,958	2,318,179	1,263,936	1,131,692	2,955,132	3,145,281
Furniture and equipment	67,164	15,884	116,012	97,078	23,000	618,837	50,967	314,277
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(1,455,410)	(1,647,190)	(1,964,411)	(1,019,263)	(897,597)	(1,743,290)	(1,940,037)	(1,220,275)
Net property and equipment	1,986,247	1,456,305	492,018	1,441,912	420,173	327,929	1,162,884	2,813,261
Other long-term assets								
Restricted property reserves	75,838	126,102	277,631	298,298	138,496	48,242	170,004	291,155
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	75,838	126,102	277,631	298,298	138,496	48,242	170,004	291,155
Total assets	\$ 2,091,250	\$ 1,642,915	\$ 846,015	\$ 1,837,809	\$ 584,562	\$ 458,311	\$ 1,390,487	\$ 3,149,928

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	Sacred Heart Village III, Inc.	St. Theresa Village, Inc.	Siena Springs (Siena Springs I)	Siena Springs II	Charles Meadows Corporation	Charles Crest Corporation (Charles Crest I)	Charles Crest II, Corporation	Savannah Gardens Senior Residences, Inc
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 65,450	\$ 118,210	\$ 111,818	\$ 80,764	\$ 73,558	\$ 228,759	\$ 96,298	\$ 29,155
Due to affiliates	-	-	-	-	-	-	-	1,923
Accrued interest	-	-	4,098	-	-	8,780	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	38,265	-	-	70,227	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	5,156	97	-	573	93	(264)	421	14,707
Tenant security deposits	14,243	16,278	12,604	8,784	9,786	16,552	14,560	10,813
Total current liabilities	84,849	134,585	166,785	90,121	83,437	324,054	111,279	56,598
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	1,327,707	18,000	-	1,100,492	-	(6,133)
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	-	-	461	480	-
Total long-term liabilities	-	-	1,327,707	18,000	-	1,100,953	480	(6,133)
Total liabilities	84,849	134,585	1,494,492	108,121	83,437	1,425,007	111,759	50,465
Net assets								
Net assets without donor restrictions, controlling	2,006,401	1,508,330	(648,477)	1,729,688	501,125	(966,696)	1,278,728	3,099,463
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	2,006,401	1,508,330	(648,477)	1,729,688	501,125	(966,696)	1,278,728	3,099,463
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	2,006,401	1,508,330	(648,477)	1,729,688	501,125	(966,696)	1,278,728	3,099,463
Total liabilities and net assets	\$ 2,091,250	\$ 1,642,915	\$ 846,015	\$ 1,837,809	\$ 584,562	\$ 458,311	\$ 1,390,487	\$ 3,149,928

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	MHSE Mauldin Center Apartment, LLC	Consolidated Mercy Community Housing Georgia, Inc. (MCHGa)	Eliminations	Consolidated Mercy Housing South East
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ 701,649	\$ -	\$ 1,299,010
Cash, tenant security deposits	-	374,160	-	650,626
Cash, restricted	-	145,109	-	504,843
Investments	-	-	-	-
Investments, restricted	-	-	-	-
Accounts receivable, net	-	330,184	(35,785)	533,356
Due from affiliate, net	-	32,474	(100,270)	817,558
Pledges receivable, net	-	-	-	-
Grants receivable	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	(5,810,196)	249,114
Prepaid expenses and other assets	-	331,545	-	530,269
Inventory	-	-	-	-
Assets held for sale	-	-	-	-
Total current assets	-	1,915,121	(5,946,251)	4,584,776
Property and equipment				
Land and land improvements	310,400	26,277,573	-	31,749,865
Buildings	-	171,639,010	(9,329,071)	223,583,917
Furniture and equipment	-	6,016,431	-	9,197,001
Predevelopment project costs	252,062	-	-	958,995
Construction in progress	-	-	-	54,701
Accumulated depreciation	-	(62,195,432)	2,691,116	(91,822,861)
Net property and equipment	562,462	141,737,582	(6,637,955)	173,721,618
Other long-term assets				
Restricted property reserves	-	8,457,620	-	12,214,254
Long-term investments	-	-	-	-
Long-term investments, restricted	-	-	-	800,000
Due from affiliates	-	-	(2,570,013)	-
Pledges receivable, net	-	-	-	-
Investments in limited partnerships, net	-	-	95,135	-
Notes and interest receivable, net	-	-	-	-
Notes and interest receivable, affiliates	-	-	(6,281,206)	88,096
Allowance for impaired assets	-	-	-	-
Other assets, net	71,785	934,251	(18,000)	1,059,181
Total other long-term assets	71,785	9,391,871	(8,774,084)	14,161,531
Total assets	\$ 634,247	\$ 153,044,574	\$ (21,358,290)	\$ 192,467,925

Mercy Housing South East
Consolidating Statement of Financial Position
December 31, 2019

	MHSE Mauldin Center Apartment, LLC	Consolidated Mercy Community Housing Georgia, Inc. (MCHGa)	Eliminations	Consolidated Mercy Housing South East
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ 19,964	\$ 3,903,322	\$ (77,453)	\$ 5,586,968
Due to affiliates	2,388	7,010,092	(5,748,861)	22,302,493
Accrued interest	-	111,837	-	125,590
Accrued interest, affiliates	-	-	-	-
Current portion of notes payable	-	810,802	-	969,179
Current portion of notes payable, affiliates	629,072	3,060,580	(3,861,661)	1,305,881
Deferred revenue and other liabilities	-	114,806	-	177,259
Tenant security deposits	-	370,652	-	636,319
Total current liabilities	651,424	15,382,091	(9,687,975)	31,103,689
Long-term liabilities				
Due to affiliates	-	-	-	-
Accrued interest	-	471,315	-	569,962
Accrued interest, affiliates	-	21,723	(21,723)	-
Notes payable, less current portion, net	(2,425)	56,483,733	(18,000)	61,859,360
Notes payable, less current portion, affiliates	-	6,344,185	(6,344,185)	-
Deferred revenue and other liabilities	-	9,739,909	(8,399,695)	1,388,158
Total long-term liabilities	(2,425)	73,060,865	(14,783,603)	63,817,480
Total liabilities	648,999	88,442,956	(24,471,578)	94,921,169
Net assets				
Net assets without donor restrictions, controlling	(14,752)	64,558,941	3,113,288	96,234,988
Net assets without donor restrictions, noncontrolling	-	-	-	-
Total net assets without donor restrictions	(14,752)	64,558,941	3,113,288	96,234,988
Net assets with donor restrictions	-	42,677	-	1,311,768
Total net assets	(14,752)	64,601,618	3,113,288	97,546,756
Total liabilities and net assets	\$ 634,247	\$ 153,044,574	\$ (21,358,290)	\$ 192,467,925

**Mercy Housing South East
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing South East	Mercy Place Belmont, Inc.	Mercy Housing Pembroke, Inc. (McFadden Place)	Mercy Housing Georgia Holdings, LLC (1826 Florance Street)	Marshside Village, Inc.	Allegre Point Senior Residences, Inc.	MHSE Adamsville Green Senior Partners, LLC	Adamsville Green Limited Partnership
Revenues								
Rent - net of vacancies	\$ -	\$ 314,405	\$ 288,415	\$ -	\$ 418,219	\$ 432,970	\$ -	\$ 855,579
Developer fees	-	-	-	-	-	-	-	-
Services fees	612,408	-	-	-	-	-	37,488	-
Philanthropy	693,246	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	72,277	189	115	-	124	446	-	2,467
Other	428,985	3,499	1,193	4,375	1,539	5,042	-	6,065
Total revenues	1,806,916	318,093	289,723	4,375	419,882	438,458	37,488	864,111
Expenses and losses								
Compensation	1,555,147	126,028	33,856	-	138,077	165,190	-	173,733
Administrative	332,866	69,752	58,591	56	89,175	94,347	40,972	109,342
Professional services	58,052	7,380	24,988	2,499	9,400	10,534	2,834	88,201
Depreciation and amortization	6,317	123,683	63,949	11,374	134,621	223,582	-	264,685
Grants	256,876	-	-	-	-	-	-	-
Facility	123,963	104,679	88,389	584	136,818	146,657	-	333,796
Interest and fees	534,384	70	-	12,053	577	1,104	-	102,673
Bad debts	69,475	-	25	-	-	2,747	-	5
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	49,395	-	-	-	-	-	-	-
Allocation	590,472	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	4,454	-	-	-	-	-	19	-
Total expenses and losses	3,581,401	431,592	269,798	26,566	508,668	644,161	43,825	1,072,435
Excess (deficiency) of revenues over expenses	(1,774,485)	(113,499)	19,925	(22,191)	(88,786)	(205,703)	(6,337)	(208,324)
Net assets at beginning of year	(2,798,970)	1,717,017	901,720	(90,294)	2,391,350	4,218,534	(67,595)	5,416,871
Other transfers to (from) net assets	-	-	-	-	-	-	-	(6,997)
Net assets at end of year	\$ (4,573,455)	\$ 1,603,518	\$ 921,645	\$ (112,485)	\$ 2,302,564	\$ 4,012,831	\$ (73,932)	\$ 5,201,550

**Mercy Housing South East
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Dublin Manor, Inc.	McAuley Manor, Inc.	Mercy Manor, Inc.	Riverview - St. Mary's Inc. (St. Mary's Riverview I)	St. Mary's Villa at Riverview II, Inc. (St. Mary's Riverview II)	St. Mary's Villa, Inc.	Sacred Heart Village I, Inc.	Sacred Heart Village II, Inc.
Revenues								
Rent - net of vacancies	\$ 252,991	\$ 261,832	\$ 219,184	\$ 278,990	\$ 287,579	\$ 329,595	\$ 403,540	\$ 397,072
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	82	67	35	1,892	1,374	2,099	42	53
Other	1,366	3,571	1,787	4,580	2,641	3,315	3,718	5,409
Total revenues	254,439	265,470	221,006	285,462	291,594	335,009	407,300	402,534
Expenses and losses								
Compensation	73,071	70,430	63,347	110,912	112,129	140,212	117,456	97,688
Administrative	38,414	44,197	43,057	42,694	32,622	52,933	78,316	76,302
Professional services	7,380	7,380	7,380	8,387	8,380	8,380	8,580	9,384
Depreciation and amortization	66,547	54,571	61,610	88,283	94,355	100,889	94,608	88,483
Grants	-	-	-	-	-	-	-	-
Facility	97,099	111,834	97,489	101,420	111,856	113,953	125,132	173,619
Interest and fees	5	5	5	2	2	2	-	-
Bad debts	-	-	-	-	20	-	-	2,919
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	282,516	288,417	272,888	351,698	359,364	416,369	424,092	448,395
Excess (deficiency) of revenues over expenses	(28,077)	(22,947)	(51,882)	(66,236)	(67,770)	(81,360)	(16,792)	(45,861)
Net assets at beginning of year	1,661,079	1,153,124	1,099,761	1,579,083	1,732,737	1,598,281	1,440,684	2,171,980
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 1,633,002	\$ 1,130,177	\$ 1,047,879	\$ 1,512,847	\$ 1,664,967	\$ 1,516,921	\$ 1,423,892	\$ 2,126,119

**Mercy Housing South East
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Sacred Heart Village III, Inc.	St. Theresa Village, Inc.	Siena Springs (Siena Springs I)	Siena Springs II	Charles Meadows Corporation	Charles Crest Corporation (Charles Crest I)	Charles Crest II, Corporation	Savannah Gardens Senior Residences, Inc
Revenues								
Rent - net of vacancies	\$ 426,007	\$ 459,439	\$ 461,943	\$ 318,539	\$ 295,388	\$ 481,007	\$ 441,943	\$ 280,748
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	33	33	455	191	54	534	1,215	190
Other	1,440	2,127	1,421	12,895	1,132	44,553	3,218	6,697
Total revenues	427,480	461,599	463,819	331,625	296,574	526,094	446,376	287,635
Expenses and losses								
Compensation	134,365	163,790	79,854	99,293	90,117	101,047	156,181	79,822
Administrative	82,923	63,356	67,555	48,167	44,598	47,897	62,400	57,801
Professional services	8,380	8,580	8,580	9,115	7,380	8,045	7,380	7,380
Depreciation and amortization	91,553	86,220	66,435	80,448	38,393	37,060	97,588	148,681
Grants	-	-	-	-	-	-	-	-
Facility	142,385	186,639	173,339	142,200	119,457	192,316	175,432	103,664
Interest and fees	-	-	49,788	-	-	108,058	2	5,205
Bad debts	367	-	1,738	2,205	928	4,078	-	4,297
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	(111,113)	(41,602)	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	459,973	508,585	336,176	339,826	300,873	498,501	498,983	406,850
Excess (deficiency) of revenues over expenses	(32,493)	(46,986)	127,643	(8,201)	(4,299)	27,593	(52,607)	(119,215)
Net assets at beginning of year	2,038,894	1,555,316	(776,120)	1,737,889	505,424	(994,289)	1,331,335	3,218,678
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 2,006,401	\$ 1,508,330	\$ (648,477)	\$ 1,729,688	\$ 501,125	\$ (966,696)	\$ 1,278,728	\$ 3,099,463

**Mercy Housing South East
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	MHSE Mauldin Center Apartment, LLC	Consolidated Mercy Community Housing Georgia, Inc. (MCHGa)	Eliminations	Consolidated Mercy Housing South East
Revenues				
Rent - net of vacancies	\$ -	\$ 15,089,426	\$ -	\$ 22,994,811
Developer fees	-	-	-	-
Services fees	-	-	(510,941)	138,955
Philanthropy	-	-	-	693,246
Capital grants	-	-	-	-
Consulting	-	-	-	-
Interest	-	26,663	(29,309)	81,321
Other	-	702,922	(57,150)	1,196,340
Total revenues	<u>-</u>	<u>15,819,011</u>	<u>(597,400)</u>	<u>25,104,673</u>
Expenses and losses				
Compensation	-	2,917,659	-	6,799,404
Administrative	55	2,286,830	(63,515)	3,901,703
Professional services	4,399	924,941	(419,438)	843,881
Depreciation and amortization	-	7,634,655	(305,135)	9,453,455
Grants	-	-	(39,249)	217,627
Facility	-	6,367,230	-	9,469,950
Interest and fees	-	3,046,442	(29,931)	3,830,446
Bad debts	-	244,394	(53,559)	279,639
Provision for impaired assets	-	-	-	-
Project expenses	-	-	-	49,395
Allocation	-	-	-	590,472
(Gain) loss on sale of assets	-	-	-	(152,715)
(Gain) loss on investment in limited partnership	-	-	(4,473)	-
Total expenses and losses	<u>4,454</u>	<u>23,422,151</u>	<u>(915,300)</u>	<u>35,283,257</u>
Excess (deficiency) of revenues over expenses	(4,454)	(7,603,140)	317,900	(10,178,584)
Net assets at beginning of year	(10,298)	64,391,083	2,791,960	99,915,234
Other transfers to (from) net assets	-	7,813,675	3,428	7,810,106
Net assets at end of year	<u>\$ (14,752)</u>	<u>\$ 64,601,618</u>	<u>\$ 3,113,288</u>	<u>\$ 97,546,756</u>

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Community Housing Georgia, Inc.	Mercy Housing Georgia I, L.L.P. (Heritage Place Apts.)	Mercy Housing Georgia IV, L.P. (Heritage Corner/Heritage Row)	Mercy Housing Georgia V, L.P. (Chamblee Senior)	Mercy Housing Georgia VI, L.P. (The Atrium at College Town)	MCHG Partners, Inc.	Acquisition Properties Georgia I, LP (Magnolia Village)	Mercy Housing Georgia X, L.P. (Savannah Gardens I)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 19,753	\$ 10,590	\$ 53,403	\$ 330,055	\$ -	\$ 19,791	\$ 22,285
Cash, tenant security deposits	-	25,497	19,903	7,179	8,602	-	18,403	30,600
Cash, restricted	-	432	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	21,565	8,473	3,944	42,485	-	7,851	17,317
Due from affiliate, net	264,190	-	-	-	-	312,356	37	19,278
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	14,441	10,519	9,728	30,911	-	13,198	19,538
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	264,190	81,688	49,485	74,254	412,053	312,356	59,280	109,018
Property and equipment								
Land and land improvements	-	535,412	990,170	743,196	151,506	-	723,647	2,777,550
Buildings	-	2,330,785	8,216,666	5,447,796	16,183,355	-	6,610,246	10,052,945
Furniture and equipment	-	127,358	98,271	213,517	449,671	-	405,415	855,093
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(1,903,337)	(4,646,912)	(3,198,595)	(7,075,766)	-	(2,724,981)	(4,588,762)
Net property and equipment	-	1,090,218	4,658,195	3,205,914	9,708,766	-	5,014,327	9,096,826
Other long-term assets								
Restricted property reserves	-	87,619	80,802	109,884	500,044	-	507,485	343,815
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(16,271)	-	-	-	-	(65,263)	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	5,566	15,813	45,981	-	14,924	96,116
Total other long-term assets	(16,271)	87,619	86,368	125,697	546,025	(65,263)	522,409	439,931
Total assets	\$ 247,919	\$ 1,259,525	\$ 4,794,048	\$ 3,405,865	\$ 10,666,844	\$ 247,093	\$ 5,596,016	\$ 9,645,775

**Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Community Housing Georgia, Inc.	Mercy Housing Georgia I, L.L.P. (Heritage Place Apts.)	Mercy Housing Georgia IV, L.P. (Heritage Corner/Heritage Row)	Mercy Housing Georgia V, L.P. (Chamblee Senior)	Mercy Housing Georgia VI, L.P. (The Atrium at College Town)	MCHG Partners, Inc.	Acquisition Properties Georgia I, LP (Magnolia Village)	Mercy Housing Georgia X, L.P. (Savannah Gardens I)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 1,100	\$ 185,585	\$ 142,610	\$ 37,358	\$ 150,253	\$ -	\$ 168,677	\$ 623,235
Due to affiliates	198,875	2,110,084	634,097	114,190	-	299,662	312,356	-
Accrued interest	-	846	3,503	5,203	12,555	-	780	5,595
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	38,721	47,907	20,590	43,975	-	78,606	16,309
Current portion of notes payable, affiliates	-	-	137,223	-	-	-	-	-
Deferred revenue and other liabilities	-	1,745	1,583	2,110	31,216	-	12,969	3,948
Tenant security deposits	-	25,714	20,264	6,249	10,650	-	17,551	27,642
Total current liabilities	199,975	2,362,695	987,187	185,700	248,649	299,662	590,939	676,729
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	274,576	-	-	41,174
Accrued interest, affiliates	-	-	-	3,721	-	-	-	-
Notes payable, less current portion, net	-	121,892	750,814	744,213	7,500,580	-	129,801	4,217,051
Notes payable, less current portion, affiliates	-	-	-	56,107	-	-	-	-
Deferred revenue and other liabilities	-	-	761,816	-	6,976	-	131,403	468,808
Total long-term liabilities	-	121,892	1,512,630	804,041	7,782,132	-	261,204	4,727,033
Total liabilities	199,975	2,484,587	2,499,817	989,741	8,030,781	299,662	852,143	5,403,762
Net assets								
Net assets without donor restrictions, controlling	5,267	(1,225,062)	2,294,231	2,416,124	2,636,063	(52,569)	4,743,873	4,242,013
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	5,267	(1,225,062)	2,294,231	2,416,124	2,636,063	(52,569)	4,743,873	4,242,013
Net assets with donor restrictions	42,677	-	-	-	-	-	-	-
Total net assets	47,944	(1,225,062)	2,294,231	2,416,124	2,636,063	(52,569)	4,743,873	4,242,013
Total liabilities and net assets	\$ 247,919	\$ 1,259,525	\$ 4,794,048	\$ 3,405,865	\$ 10,666,844	\$ 247,093	\$ 5,596,016	\$ 9,645,775

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Lithonia Park View, Inc.	Mercy Housing Georgia VIII, L.P. (Terraces at Park View)	MPI Highland Place, LLC	MPI Highland Place Apartments, LP (The Hills at Fairington Apartments)	Antioch II, LLC	Antioch Villas, L.P.	Mercy Housing Georgia XI GP, LLC	Mercy Housing Georgia XI, LP (Etowah Terrace)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 8,898	\$ -	\$ 17,462	\$ -	\$ 54,889	\$ -	\$ 5,889
Cash, tenant security deposits	-	16,902	-	79,684	-	20,257	-	12,906
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	13,606	-	133,046	-	4,964	-	15,077
Due from affiliate, net	-	-	-	-	207,500	93	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	17,925	-	61,561	-	18,224	-	12,242
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	-	57,331	-	291,753	207,500	98,427	-	46,114
Property and equipment								
Land and land improvements	-	2,630,109	-	2,205,146	-	2,689,193	-	1,096,699
Buildings	-	7,566,380	-	38,339,071	-	9,610,099	-	8,075,930
Furniture and equipment	-	186,212	-	831,565	-	609,293	-	132,528
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(3,973,665)	-	(15,381,913)	-	(3,353,616)	-	(2,677,168)
Net property and equipment	-	6,409,036	-	25,993,869	-	9,554,969	-	6,627,989
Other long-term assets								
Restricted property reserves	-	267,976	-	3,453,314	-	579,467	-	176,609
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(83)	-	(2,061)	-	(181)	-	743	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	34,824	-	119,981	-	68,468	-	59,930
Total other long-term assets	(83)	302,800	(2,061)	3,573,295	(181)	647,935	743	236,539
Total assets	\$ (83)	\$ 6,769,167	\$ (2,061)	\$ 29,858,917	\$ 207,319	\$ 10,301,331	\$ 743	\$ 6,910,642

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Lithonia Park View, Inc.	Mercy Housing Georgia VIII, L.P. (Terraces at Park View)	MPI Highland Place, LLC	MPI Highland Place Apartments, LP (The Hills at Fairington Apartments)	Antioch II, LLC	Antioch Villas, L.P.	Mercy Housing Georgia XI GP, LLC	Mercy Housing Georgia XI, LP (Etowah Terrace)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 59,216	\$ -	\$ 1,437,885	\$ -	\$ 56,746	\$ -	\$ 129,901
Due to affiliates	22,057	3,837	25,363	2,969,922	230,819	207,627	18,280	44,185
Accrued interest	-	6,300	-	-	-	20,216	-	1,075
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	116,572	-	-	-	58,335	-	38,030
Current portion of notes payable, affiliates	-	-	-	2,899,304	-	24,053	-	-
Deferred revenue and other liabilities	-	4,484	-	10,999	-	347	-	6,835
Tenant security deposits	-	16,400	-	79,125	-	20,022	-	12,406
Total current liabilities	22,057	206,809	25,363	7,397,235	230,819	387,346	18,280	232,432
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	23,133	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	2,064,470	-	16,549,283	-	4,539,734	-	1,238,874
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	18,686	-	5,121,568	-	522,419	-	108,456
Total long-term liabilities	-	2,083,156	-	21,670,851	-	5,085,286	-	1,347,330
Total liabilities	22,057	2,289,965	25,363	29,068,086	230,819	5,472,632	18,280	1,579,762
Net assets								
Net assets without donor restrictions, controlling	(22,140)	4,479,202	(27,424)	790,831	(23,500)	4,828,699	(17,537)	5,330,880
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(22,140)	4,479,202	(27,424)	790,831	(23,500)	4,828,699	(17,537)	5,330,880
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(22,140)	4,479,202	(27,424)	790,831	(23,500)	4,828,699	(17,537)	5,330,880
Total liabilities and net assets	\$ (83)	\$ 6,769,167	\$ (2,061)	\$ 29,858,917	\$ 207,319	\$ 10,301,331	\$ 743	\$ 6,910,642

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	MHSE Arbors, LLC	The Arbors at Ellington, Ltd.	MHSE Savannah Gardens Phase III GP, LLC	Mercy Housing Georgia 12, LP (Savannah Gardens Phase III)	MHSE Reynoldstown Senior GP, LLC	MHSE Reynoldstown Senior, LP	MHSE Savannah Gardens Phase IV GP, LLC	MHSE Savannah Gardens Phase V GP, LLC
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 73,990	\$ -	\$ 7,920	\$ -	\$ 24,122	\$ -	\$ -
Cash, tenant security deposits	-	10,665	-	20,639	-	26,488	-	-
Cash, restricted	-	-	-	-	-	47,042	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	998	-	23,777	-	14,814	-	-
Due from affiliate, net	-	-	54,354	12,107	-	-	30,000	27,195
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	5,282	-	15,222	-	11,590	-	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	-	90,935	54,354	79,665	-	124,056	30,000	27,195
Property and equipment								
Land and land improvements	-	1,538,810	-	1,952,981	-	1,222,654	-	-
Buildings	-	3,537,855	-	8,980,849	-	9,569,695	-	-
Furniture and equipment	-	307,389	-	193,598	-	203,855	-	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(1,901,431)	-	(3,014,475)	-	(896,920)	-	-
Net property and equipment	-	3,482,623	-	8,112,953	-	10,099,284	-	-
Other long-term assets								
Restricted property reserves	-	190,805	-	442,286	-	261,646	-	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	487,015	-	(58,370)	-	1,269,208	-	73,269	(38,917)
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	26,230	-	71,629	-	79,642	-	-
Total other long-term assets	487,015	217,035	(58,370)	513,915	1,269,208	341,288	73,269	(38,917)
Total assets	\$ 487,015	\$ 3,790,593	\$ (4,016)	\$ 8,706,533	\$ 1,269,208	\$ 10,564,628	\$ 103,269	\$ (11,722)

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	MHSE Arbors, LLC	The Arbors at Ellington, Ltd.	MHSE Savannah Gardens Phase III GP, LLC	Mercy Housing Georgia 12, LP (Savannah Gardens Phase III)	MHSE Reynoldstown Senior GP, LLC	MHSE Reynoldstown Senior, LP	MHSE Savannah Gardens Phase IV GP, LLC	MHSE Savannah Gardens Phase V GP, LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 47,079	\$ -	\$ 115,818	\$ -	\$ 39,301	\$ -	\$ -
Due to affiliates	18,127	-	68,238	54,354	478,901	-	46,624	34,000
Accrued interest	-	1,841	-	12,763	-	648	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	17,941	-	43,981	-	21,886	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	767	-	4,058	-	13,713	-	-
Tenant security deposits	-	10,665	-	21,408	-	24,104	-	-
Total current liabilities	18,127	78,293	68,238	252,382	478,901	99,652	46,624	34,000
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	54,533	-	35,470	-	12,520	-	-
Accrued interest, affiliates	-	-	-	-	-	21,723	-	-
Notes payable, less current portion, net	-	2,426,642	-	2,703,144	-	399,759	-	-
Notes payable, less current portion, affiliates	-	-	-	-	-	5,844,185	-	-
Deferred revenue and other liabilities	-	-	-	-	-	231,743	-	-
Total long-term liabilities	-	2,481,175	-	2,738,614	-	6,509,930	-	-
Total liabilities	18,127	2,559,468	68,238	2,990,996	478,901	6,609,582	46,624	34,000
Net assets								
Net assets without donor restrictions, controlling	468,888	1,231,125	(72,254)	5,715,537	790,307	3,955,046	56,645	(45,722)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	468,888	1,231,125	(72,254)	5,715,537	790,307	3,955,046	56,645	(45,722)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	468,888	1,231,125	(72,254)	5,715,537	790,307	3,955,046	56,645	(45,722)
Total liabilities and net assets	\$ 487,015	\$ 3,790,593	\$ (4,016)	\$ 8,706,533	\$ 1,269,208	\$ 10,564,628	\$ 103,269	\$ (11,722)

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Georgia 13, LP (Savannah Gardens Phase IV)	Mercy Housing Georgia 14, LP (Savannah Gardens Phase V)	MHSE Renaissance Apartments, LLC	MHSE Mercy Park GP, LLC	Mercy Park Chamblee	Eliminations	Consolidated Mercy Community Housing Georgia, Inc.
Assets							
Current assets							
Cash and cash equivalents	\$ 10,706	\$ 8,441	\$ 745	\$ -	\$ 32,710	\$ -	\$ 701,649
Cash, tenant security deposits	24,318	16,519	21,168	-	14,430	-	374,160
Cash, restricted	-	2,518	-	-	95,117	-	145,109
Investments	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-
Accounts receivable, net	6,840	6,953	2,960	-	5,514	-	330,184
Due from affiliate, net	-	30,192	-	10,150	-	(934,978)	32,474
Pledges receivable, net	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-
Prepaid expenses and other assets	24,245	13,926	13,281	-	39,712	-	331,545
Inventory	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-
Total current assets	66,109	78,549	38,154	10,150	187,483	(934,978)	1,915,121
Property and equipment							
Land and land improvements	2,560,422	1,788,716	671,483	-	1,999,879	-	26,277,573
Buildings	11,839,459	8,680,776	4,235,305	-	12,361,798	-	171,639,010
Furniture and equipment	680,351	357,735	26,993	-	337,587	-	6,016,431
Predevelopment project costs	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-
Accumulated depreciation	(3,162,705)	(1,898,529)	(756,766)	-	(1,039,891)	-	(62,195,432)
Net property and equipment	11,917,527	8,928,698	4,177,015	-	13,659,373	-	141,737,582
Other long-term assets							
Restricted property reserves	460,590	555,640	73,929	-	365,709	-	8,457,620
Long-term investments	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	(61)	-	(1,649,028)	-
Notes and interest receivable, net	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-
Other assets, net	110,108	71,185	-	-	113,854	-	934,251
Total other long-term assets	570,698	626,825	73,929	(61)	479,563	(1,649,028)	9,391,871
Total assets	\$ 12,554,334	\$ 9,634,072	\$ 4,289,098	\$ 10,089	\$ 14,326,419	\$ (2,584,006)	\$ 153,044,574

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Georgia 13, LP (Savannah Gardens Phase IV)	Mercy Housing Georgia 14, LP (Savannah Gardens Phase V)	MHSE Renaissance Apartments, LLC	MHSE Mercy Park GP, LLC	Mercy Park Chamblee	Eliminations	Consolidated Mercy Community Housing Georgia, Inc.
Liabilities							
Current liabilities							
Accounts payable and accrued expenses	\$ 335,899	\$ 130,355	\$ 209,977	\$ -	\$ 54,477	\$ (22,150)	\$ 3,903,322
Due to affiliates	88,238	4,318	6,000	6,008	-	(986,070)	7,010,092
Accrued interest	19,839	7,233	11,625	-	1,815	-	111,837
Accrued interest, affiliates	-	-	-	-	-	-	-
Current portion of notes payable	55,398	19,547	112,635	-	80,369	-	810,802
Current portion of notes payable, affiliates	-	-	-	-	-	-	3,060,580
Deferred revenue and other liabilities	3,167	864	14,149	-	1,852	-	114,806
Tenant security deposits	24,895	18,820	20,655	-	14,082	-	370,652
Total current liabilities	527,436	181,137	375,041	6,008	152,595	(1,008,220)	15,382,091
Long-term liabilities							
Due to affiliates	-	-	-	-	-	-	-
Accrued interest	-	29,909	-	-	-	-	471,315
Accrued interest, affiliates	-	-	-	-	-	(3,721)	21,723
Notes payable, less current portion, net	4,877,216	2,017,449	4,179,758	-	2,023,053	-	56,483,733
Notes payable, less current portion, affiliates	-	-	-	-	500,000	(56,107)	6,344,185
Deferred revenue and other liabilities	1,343,087	-	377,732	-	647,215	-	9,739,909
Total long-term liabilities	6,220,303	2,047,358	4,557,490	-	3,170,268	(59,828)	73,060,865
Total liabilities	6,747,739	2,228,495	4,932,531	6,008	3,322,863	(1,068,048)	88,442,956
Net assets							
Net assets without donor restrictions, controlling	5,806,595	7,405,577	(643,433)	4,081	11,003,556	(1,515,958)	64,558,941
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-
Total net assets without donor restrictions	5,806,595	7,405,577	(643,433)	4,081	11,003,556	(1,515,958)	64,558,941
Net assets with donor restrictions	-	-	-	-	-	-	42,677
Total net assets	5,806,595	7,405,577	(643,433)	4,081	11,003,556	(1,515,958)	64,601,618
Total liabilities and net assets	\$ 12,554,334	\$ 9,634,072	\$ 4,289,098	\$ 10,089	\$ 14,326,419	\$ (2,584,006)	\$ 153,044,574

**Mercy Community Housing Georgia, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Community Housing Georgia, Inc.	Mercy Housing Georgia I, L.L.L.P. (Heritage Place Apts.)	Mercy Housing Georgia IV, L.P. (Heritage Corner/Heritage Row)	Mercy Housing Georgia V, L.P. (Chamblee Senior)	Mercy Housing Georgia VI, L.P. (The Atrium at College Town)	MCHG Partners, Inc.	Acquisition Properties Georgia I, LP (Magnolia Village)	Mercy Housing Georgia X, L.P. (Savannah Gardens I)
Revenues								
Rent - net of vacancies	\$ -	\$ 603,126	\$ 458,330	\$ 487,024	\$ 2,051,740	\$ -	\$ 598,725	\$ 797,453
Developer fees	-	-	-	-	-	-	-	-
Services fees	79,509	-	-	-	-	28,515	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	842	123	1,296	159	191	-	11,047	52
Other	-	43,091	35,193	2,343	7,831	-	19,042	102,534
Total revenues	80,351	646,340	494,819	489,526	2,059,762	28,515	628,814	900,039
Expenses and losses								
Compensation	10,766	165,233	129,531	123,834	303,115	-	168,481	232,136
Administrative	79,619	132,191	74,877	77,586	334,219	28,570	127,416	133,477
Professional services	934	17,156	15,669	7,980	195,871	2,834	9,670	97,662
Depreciation and amortization	-	284,146	348,574	256,189	624,192	-	208,434	475,829
Grants	-	-	-	-	-	-	-	-
Facility	-	296,690	210,414	177,382	929,352	-	241,709	443,053
Interest and fees	-	11,572	44,352	66,236	215,783	-	13,017	90,889
Bad debts	842	24,690	15,165	-	2,077	-	3,622	27,199
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	396	-	-	-	-	87	-	-
Total expenses and losses	92,557	931,678	838,582	709,207	2,604,609	31,491	772,349	1,500,245
Excess (deficiency) of revenues over expenses	(12,206)	(285,338)	(343,763)	(219,681)	(544,847)	(2,976)	(143,535)	(600,206)
Net assets at beginning of year	60,150	(939,724)	2,637,994	2,635,805	3,273,783	(49,593)	4,887,408	4,842,219
Other transfers to (from) net assets	-	-	-	-	(92,873)	-	-	-
Net assets at end of year	\$ 47,944	\$ (1,225,062)	\$ 2,294,231	\$ 2,416,124	\$ 2,636,063	\$ (52,569)	\$ 4,743,873	\$ 4,242,013

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Lithonia Park View, Inc.	Mercy Housing Georgia VIII, L.P. (Terraces at Park View)	MPI Highland Place, LLC	MPI Highland Place Apartments, LP (The Hills at Fairington Apartments)	Antioch II, LLC	Antioch Villas, L.P.	Mercy Housing Georgia XI GP, LLC	Mercy Housing Georgia XI, LP (Etowah Terrace)
Revenues								
Rent - net of vacancies	\$ -	\$ 705,916	\$ -	\$ 3,583,749	\$ -	\$ 1,021,854	\$ -	\$ 473,693
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	30,000	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	106	-	7,528	-	4,090	-	820
Other	-	19,419	10	142,455	-	61,951	-	8,058
Total revenues	-	725,441	10	3,733,732	30,000	1,087,895	-	482,571
Expenses and losses								
Compensation	-	120,017	-	591,172	-	166,905	-	148,966
Administrative	55	89,706	55	363,066	30,079	169,037	-	81,176
Professional services	923	18,540	4,734	166,023	4,734	43,966	4,734	10,162
Depreciation and amortization	-	383,561	-	1,475,783	-	390,350	-	354,049
Grants	-	-	-	-	-	-	-	-
Facility	-	287,413	-	1,694,774	-	342,659	-	180,019
Interest and fees	-	85,731	-	1,232,950	-	281,200	-	18,971
Bad debts	-	15,952	-	73,069	-	-	-	4,313
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	12	-	186	-	28	-	32	-
Total expenses and losses	990	1,000,920	4,975	5,596,837	34,841	1,394,117	4,766	797,656
Excess (deficiency) of revenues over expenses	(990)	(275,479)	(4,965)	(1,863,105)	(4,841)	(306,222)	(4,766)	(315,085)
Net assets at beginning of year	(21,150)	4,754,681	(22,459)	2,653,936	(18,659)	5,134,921	(12,771)	5,645,965
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ (22,140)	\$ 4,479,202	\$ (27,424)	\$ 790,831	\$ (23,500)	\$ 4,828,699	\$ (17,537)	\$ 5,330,880

Mercy Community Housing Georgia, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	MHSE Arbors, LLC	The Arbors at Ellington, Ltd.	MHSE Savannah Gardens Phase III GP, LLC	Mercy Housing Georgia 12, LP (Savannah Gardens Phase III)	MHSE Reynoldstown Senior GP, LLC	MHSE Reynoldstown Senior, LP	MHSE Savannah Gardens Phase IV GP, LLC	MHSE Savannah Gardens Phase V GP, LLC
Revenues								
Rent - net of vacancies	\$ -	\$ 297,342	\$ -	\$ 731,946	\$ -	\$ 434,579	\$ -	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	10,000	-	-	-	6,000	6,000
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	66	-	242	-	119	-	-
Other	-	2,910	-	35,330	-	45,070	-	-
Total revenues	-	300,318	10,000	767,518	-	479,768	6,000	6,000
Expenses and losses								
Compensation	-	35,035	-	89,702	-	99,695	-	-
Administrative	242	30,849	10,055	120,005	67	87,988	6,056	28,654
Professional services	4,734	12,470	934	66,912	4,734	34,801	4,734	4,734
Depreciation and amortization	-	235,258	-	426,109	-	286,540	-	-
Grants	-	-	-	-	-	-	-	-
Facility	-	123,586	-	244,642	-	174,521	-	-
Interest and fees	-	40,981	-	181,574	-	49,599	-	-
Bad debts	-	-	-	29,487	-	263	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	9	-	39	-	25	-	66	56
Total expenses and losses	4,985	478,179	11,028	1,158,431	4,826	733,407	10,856	33,444
Excess (deficiency) of revenues over expenses	(4,985)	(177,861)	(1,028)	(390,913)	(4,826)	(253,639)	(4,856)	(27,444)
Net assets at beginning of year	473,873	1,408,986	(71,226)	6,106,450	795,133	4,208,685	61,501	(18,278)
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 468,888	\$ 1,231,125	\$ (72,254)	\$ 5,715,537	\$ 790,307	\$ 3,955,046	\$ 56,645	\$ (45,722)

**Mercy Community Housing Georgia, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Georgia 13, LP (Savannah Gardens Phase IV)	Mercy Housing Georgia 14, LP (Savannah Gardens Phase V)	MHSE Renaissance Apartments, LLC	MHSE Mercy Park GP, LLC	Mercy Park Chamblee	Eliminations	Consolidated Mercy Community Housing Georgia, Inc.
Revenues							
Rent - net of vacancies	\$ 915,192	\$ 583,185	\$ 713,240	\$ -	\$ 632,332	\$ -	\$ 15,089,426
Developer fees	-	-	-	-	-	-	-
Services fees	-	-	-	10,150	-	(170,174)	-
Philanthropy	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-
Interest	314	292	179	-	39	(842)	26,663
Other	31,267	27,905	81,642	-	36,871	-	702,922
Total revenues	946,773	611,382	795,061	10,150	669,242	(171,016)	15,819,011
Expenses and losses							
Compensation	158,132	74,568	174,757	-	125,614	-	2,917,659
Administrative	143,875	100,034	114,829	110	98,383	(175,446)	2,286,830
Professional services	38,095	92,925	14,287	4,734	39,255	-	924,941
Depreciation and amortization	671,840	468,658	178,853	-	566,290	-	7,634,655
Grants	-	-	-	-	-	-	-
Facility	316,811	197,902	238,692	-	267,611	-	6,367,230
Interest and fees	251,279	221,620	154,738	-	86,231	(281)	3,046,442
Bad debts	26,965	16,343	4,638	-	611	(842)	244,394
Provision for impaired assets	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	51	-	(987)	-
Total expenses and losses	1,606,997	1,172,050	880,794	4,895	1,183,995	(177,556)	23,422,151
Excess (deficiency) of revenues over expenses	(660,224)	(560,668)	(85,733)	5,255	(514,753)	6,540	(7,603,140)
Net assets at beginning of year	6,466,819	7,981,653	(557,700)	(1,174)	3,608,679	(1,534,824)	64,391,083
Other transfers to (from) net assets	-	(15,408)	-	-	7,909,630	12,326	7,813,675
Net assets at end of year	\$ 5,806,595	\$ 7,405,577	\$ (643,433)	\$ 4,081	\$ 11,003,556	\$ (1,515,958)	\$ 64,601,618

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Northwest	Intercommunity Housing Ferndale	Sterling Senior Housing	Appian Way Manager LLC	Appian Way Mercy, LLC (Appian Way Apartments)	New Tacoma Phase I GP LLC	New Tacoma Phase I Owner, LP (New Tacoma Phase I)	New Tacoma Phase II Mercy LLC
Assets								
Current assets								
Cash and cash equivalents	\$ 12,357	\$ 5,598	\$ 18,475	\$ -	\$ 274,903	\$ -	\$ 23,333	\$ 46,712
Cash, tenant security deposits	-	9,500	6,121	-	61,246	-	20,225	13,302
Cash, restricted	2,408,249	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	98,276	12,220	4,086	-	1,568	73	10,022	827
Due from affiliate, net	13,268,686	-	413	-	-	198,247	-	5,157
Pledges receivable, net	17,098,556	-	-	-	-	-	-	-
Grants receivable	85,000	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	308,652	-	-	-	-	-	-	-
Prepaid expenses and other assets	13,944	3,960	3,086	-	31,261	-	16,514	8,658
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	33,293,720	31,278	32,181	-	368,978	198,320	70,094	74,656
Property and equipment								
Land and land improvements	-	180,288	303,978	-	1,975,080	-	2,899,031	1,069,626
Buildings	-	2,556,853	2,230,592	-	21,591,007	-	16,103,564	9,190,874
Furniture and equipment	-	73,661	7,629	-	929,871	-	413,401	166,607
Predevelopment project costs	777,665	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(1,441,346)	(1,100,561)	-	(9,670,644)	-	(6,386,160)	(1,508,843)
Net property and equipment	777,665	1,369,456	1,441,638	-	14,825,314	-	13,029,836	8,918,264
Other long-term assets								
Restricted property reserves	773,330	320,728	19,282	-	588,006	-	640,085	156,703
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	150,000	-	-	-	-	-	-	-
Due from affiliates	4,134,679	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	1,545,835	-	-	294,165	-	1,493,570	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	24,738,828	-	-	-	-	8,216,406	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	22,244	-	6,670	46,186
Total other long-term assets	31,342,672	320,728	19,282	294,165	610,250	9,709,976	646,755	202,889
Total assets	\$ 65,414,057	\$ 1,721,462	\$ 1,493,101	\$ 294,165	\$ 15,804,542	\$ 9,908,296	\$ 13,746,685	\$ 9,195,809

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Northwest	Intercommunity Housing Ferndale	Sterling Senior Housing	Appian Way Manager LLC	Appian Way Mercy, LLC (Appian Way Apartments)	New Tacoma Phase I GP LLC	New Tacoma Phase I Owner, LP (New Tacoma Phase I)	New Tacoma Phase II Mercy LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 343,678	\$ 100,233	\$ 15,030	\$ -	\$ 87,548	\$ -	\$ 75,717	\$ 154,367
Due to affiliates	7,158,317	-	1,352	10,448	-	82,599	97,841	717
Accrued interest	-	2,289	-	-	24,821	-	2,068	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	10,032	22,232	-	-	155,143	-	8,683	-
Current portion of notes payable, affiliates	777,665	-	-	-	-	-	-	-
Deferred revenue and other liabilities	102,562	610	3,248	-	1,424	-	8,068	1,197
Tenant security deposits	-	9,141	5,503	-	60,745	-	18,590	12,818
Total current liabilities	8,392,254	134,505	25,133	10,448	329,681	82,599	210,967	169,099
Long-term liabilities								
Due to affiliates	-	-	-	-	26,198	-	-	-
Accrued interest	-	-	-	-	-	-	-	236,519
Accrued interest, affiliates	-	-	-	-	1,358,823	-	-	-
Notes payable, less current portion, net	22,031	755,133	-	-	8,986,882	-	5,082,452	2,242,034
Notes payable, less current portion, affiliates	-	-	79,106	-	4,385,089	-	8,216,406	-
Deferred revenue and other liabilities	1,854,701	-	-	-	-	-	-	46,771
Total long-term liabilities	1,876,732	755,133	79,106	-	14,756,992	-	13,298,858	2,525,324
Total liabilities	10,268,986	889,638	104,239	10,448	15,086,673	82,599	13,509,825	2,694,423
Net assets								
Net assets without donor restrictions, controlling	24,641,658	831,824	1,388,862	283,717	717,869	9,825,697	236,860	6,501,386
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	24,641,658	831,824	1,388,862	283,717	717,869	9,825,697	236,860	6,501,386
Net assets with donor restrictions	30,503,413	-	-	-	-	-	-	-
Total net assets	55,145,071	831,824	1,388,862	283,717	717,869	9,825,697	236,860	6,501,386
Total liabilities and net assets	\$ 65,414,057	\$ 1,721,462	\$ 1,493,101	\$ 294,165	\$ 15,804,542	\$ 9,908,296	\$ 13,746,685	\$ 9,195,809

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	New Tacoma Condominium Association	Evergreen Vista 1 GP LLC	Evergreen Vista 1 Owner, LP	Rainier Vista Block 43 GP, LLC	Rainier Vista Block 43 Owner, LP (Columbia City Station Apts.)	Cobble Knoll I Mercy LLC	Allegre Mercy Redevelopment LLLP	Villa Kathleen Redevelopment LLLP
Assets								
Current assets								
Cash and cash equivalents	\$ 7,160	\$ -	\$ 21,007	\$ -	\$ 161,536	\$ -	\$ 363,161	\$ 239,080
Cash, tenant security deposits	-	-	41,436	-	18,950	-	42,822	48,793
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	149	-	19,475	-	966	-	85,115	4,510
Due from affiliate, net	2,049	-	1,497	62,831	-	175,330	-	12,152
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	12,822	-	14,818	-	8,320	-	11,063	14,663
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	22,180	-	98,233	62,831	189,772	175,330	502,161	319,198
Property and equipment								
Land and land improvements	-	-	1,068,023	-	2,144,069	-	733,811	1,280,357
Buildings	-	-	11,540,057	-	9,563,579	-	10,440,141	9,039,545
Furniture and equipment	-	-	406,003	-	271,228	-	279,058	345,222
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	(4,013,684)	-	(3,069,826)	-	(2,212,418)	(1,840,054)
Net property and equipment	-	-	9,000,399	-	8,909,050	-	9,240,592	8,825,070
Other long-term assets								
Restricted property reserves	-	-	489,525	-	254,279	-	699,931	849,676
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	(119)	-	(174)	-	221,123	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	5,949	-	11,724	-	36,322	55,628
Total other long-term assets	-	(119)	495,474	(174)	266,003	221,123	736,253	905,304
Total assets	\$ 22,180	\$ (119)	\$ 9,594,106	\$ 62,657	\$ 9,364,825	\$ 396,453	\$ 10,479,006	\$ 10,049,572

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	New Tacoma Condominium Association	Evergreen Vista 1 GP LLC	Evergreen Vista 1 Owner, LP	Rainier Vista Block 43 GP, LLC	Rainier Vista Block 43 Owner, LP (Columbia City Station Apts.)	Cobble Knoll I Mercy LLC	Allegre Mercy Redevelopment LLLP	Villa Kathleen Redevelopment LLLP
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 482	\$ -	\$ 145,407	\$ -	\$ 40,222	\$ -	\$ 64,175	\$ 86,155
Due to affiliates	-	8,839	226,142	68,180	63,513	178,260	82,329	108,871
Accrued interest	-	-	20,263	-	9,992	-	2,906	4,579
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	96,574	-	48,276	-	24,546	28,691
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	12,822	-	5,597	-	1,652	-	92	2,459
Tenant security deposits	-	-	41,051	-	17,425	-	41,321	47,044
Total current liabilities	13,304	8,839	535,034	68,180	181,080	178,260	215,369	277,799
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	49,565
Accrued interest, affiliates	-	-	1,343,422	-	-	-	-	-
Notes payable, less current portion, net	-	-	4,140,955	-	8,705,532	-	2,356,005	3,212,705
Notes payable, less current portion, affiliates	-	-	4,110,219	-	-	-	-	-
Deferred revenue and other liabilities	-	-	712,506	-	327,972	-	-	-
Total long-term liabilities	-	-	10,307,102	-	9,033,504	-	2,356,005	3,262,270
Total liabilities	13,304	8,839	10,842,136	68,180	9,214,584	178,260	2,571,374	3,540,069
Net assets								
Net assets without donor restrictions, controlling	8,876	(8,958)	(1,248,030)	(5,523)	150,241	218,193	7,907,632	6,509,503
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	8,876	(8,958)	(1,248,030)	(5,523)	150,241	218,193	7,907,632	6,509,503
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	8,876	(8,958)	(1,248,030)	(5,523)	150,241	218,193	7,907,632	6,509,503
Total liabilities and net assets	\$ 22,180	\$ (119)	\$ 9,594,106	\$ 62,657	\$ 9,364,825	\$ 396,453	\$ 10,479,006	\$ 10,049,572

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	Impact Family Village GP LLC	Impact Family Village Limited Partnership (Emerald City Commons)	Family Tree & Lincoln Way GP, LLC	Family Tree & Lincoln Way LLLP	MHNW Othello Commercial, LLC	MHNW 9 Othello East GP, LLC	MHNW 9 Othello East, LP (Mercy Othello Plaza East)	MHNW 10 Othello West GP, LLC
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 221,838	\$ -	\$ 727,309	\$ 192,524	\$ -	\$ 80,201	\$ -
Cash, tenant security deposits	-	20,853	-	98,941	-	-	22,561	-
Cash, restricted	-	1,902	-	-	130,621	-	162,009	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	4,998	-	3,671	-	-	34,688	-
Due from affiliate, net	50,718	-	-	404,791	-	42	5,111	858
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	165,474	-	32,391	2,476	-	22,594	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	50,718	415,065	-	1,267,103	325,621	42	327,164	858
Property and equipment								
Land and land improvements	-	2,649,051	-	259,465	138,164	-	1,906,684	-
Buildings	-	12,839,383	-	30,961,091	1,083,435	-	19,001,540	-
Furniture and equipment	-	369,303	-	312,803	203,926	-	390,051	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(3,779,604)	-	(6,901,949)	(179,169)	-	(2,199,407)	-
Net property and equipment	-	12,078,133	-	24,631,410	1,246,356	-	19,098,868	-
Other long-term assets								
Restricted property reserves	-	298,938	-	1,569,657	-	-	465,753	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	913,556	-	461,321	-	-	(59,866)	-	(111)
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	44,709	-	42,483	-	-	41,834	-
Total other long-term assets	913,556	343,647	461,321	1,612,140	-	(59,866)	507,587	(111)
Total assets	\$ 964,274	\$ 12,836,845	\$ 461,321	\$ 27,510,653	\$ 1,571,977	\$ (59,824)	\$ 19,933,619	\$ 747

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	Impact Family Village GP LLC	Impact Family Village Limited Partnership (Emerald City Commons)	Family Tree & Lincoln Way GP, LLC	Family Tree & Lincoln Way LLLP	MHNW Othello Commercial, LLC	MHNW 9 Othello East GP, LLC	MHNW 9 Othello East, LP (Mercy Othello Plaza East)	MHNW 10 Othello West GP, LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 1,675	\$ 97,892	\$ -	\$ 113,755	\$ 7,261	\$ -	\$ 43,153	\$ -
Due to affiliates	51,637	-	6,478	404,791	-	5,200	832	35,625
Accrued interest	-	-	-	33,400	1,830	-	18,992	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	224,857	12,007	-	77,039	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	7,774	-	13,825	-	-	7,600	-
Tenant security deposits	-	21,059	-	96,037	-	-	21,760	-
Total current liabilities	53,312	126,725	6,478	886,665	21,098	5,200	169,376	35,625
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	433,082	-	74,499	-	-	232,974	-
Accrued interest, affiliates	-	-	-	2,896,960	-	-	-	-
Notes payable, less current portion, net	-	7,588,129	-	11,100,603	444,630	-	11,526,829	-
Notes payable, less current portion, affiliates	-	-	-	10,068,092	-	-	-	-
Deferred revenue and other liabilities	-	29,054	-	6,750	-	-	587,552	-
Total long-term liabilities	-	8,050,265	-	24,146,904	444,630	-	12,347,355	-
Total liabilities	53,312	8,176,990	6,478	25,033,569	465,728	5,200	12,516,731	35,625
Net assets								
Net assets without donor restrictions, controlling	910,962	4,659,855	454,843	2,477,084	1,106,249	(65,024)	7,416,888	(34,878)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	910,962	4,659,855	454,843	2,477,084	1,106,249	(65,024)	7,416,888	(34,878)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	910,962	4,659,855	454,843	2,477,084	1,106,249	(65,024)	7,416,888	(34,878)
Total liabilities and net assets	\$ 964,274	\$ 12,836,845	\$ 461,321	\$ 27,510,653	\$ 1,571,977	\$ (59,824)	\$ 19,933,619	\$ 747

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	MHNW 10 Othello West, LP (Mercy Othello Plaza West)	MHNW 12 Eleanor Apartments GP LLC	MHNW 12 Eleanor Apartments LLLP (Eleanor Apartments)	MHNW 11 Woodlakes LLC	MHNW 11 Woodlakes LLLP	MHNW 13 Building 9 South GP, LLC	MHNW 13 Building 9 South LP(Mercy Magnuson Place South)	MHNW 14 Building 9 North GP, LLC
Assets								
Current assets								
Cash and cash equivalents	\$ 90,247	\$ -	\$ 76,363	\$ -	\$ 245,772	\$ -	\$ 530,470	\$ -
Cash, tenant security deposits	14,800	-	31,401	-	54,888	-	68,001	-
Cash, restricted	218,227	-	-	-	-	-	162,071	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	10,445	-	2,657	-	31,253	-	192,254	-
Due from affiliate, net	849	-	-	-	11,102	16,667	-	3,958
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	12,383	-	19,615	-	10,866	-	36,256	-
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	346,951	-	130,036	-	353,881	16,667	989,052	3,958
Property and equipment								
Land and land improvements	994,679	-	2,707,411	-	1,647,789	-	2,996,851	-
Buildings	9,914,583	-	17,466,648	-	10,311,169	-	41,159,711	-
Furniture and equipment	201,436	-	297,560	-	250,757	-	425,093	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(1,183,058)	-	(1,749,657)	-	(1,126,444)	-	(727,293)	-
Net property and equipment	9,927,640	-	18,721,962	-	11,083,271	-	43,854,362	-
Other long-term assets								
Restricted property reserves	174,565	-	1,160,689	-	751,577	-	12,827	-
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	(4,782)	-	(304,219)	-	(90)	-	(59)
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	80,549	-	130,911	-	83,462	-	42,110	-
Total other long-term assets	255,114	(4,782)	1,291,600	(304,219)	835,039	(90)	54,937	(59)
Total assets	\$ 10,529,705	\$ (4,782)	\$ 20,143,598	\$ (304,219)	\$ 12,272,191	\$ 16,577	\$ 44,898,351	\$ 3,899

**Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019**

	MHNW 10 Othello West, LP (Mercy Otherlo Plaza West)	MHNW 12 Eleanor Apartments GP LLC	MHNW 12 Eleanor Apartments LLLP (Eleanor Apartments)	MHNW 11 Woodlakes LLC	MHNW 11 Woodlakes LLLP	MHNW 13 Building 9 South GP, LLC	MHNW 13 Building 9 South LP(Mercy Magnuson Place South)	MHNW 14 Building 9 North GP, LLC
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 31,063	\$ -	\$ 37,676	\$ -	\$ 45,795	\$ -	\$ 204,847	\$ -
Due to affiliates	5,083	2,968	1,027	3,032	11,102	18,646	806,847	5,936
Accrued interest	-	-	-	-	8,101	-	69,862	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	-	41,405	-	24,113,978	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	1,633	-	4,083	-	3,019	-	5,839	-
Tenant security deposits	14,300	-	29,596	-	53,263	-	67,296	-
Total current liabilities	52,079	2,968	72,382	3,032	162,685	18,646	25,268,669	5,936
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	122,069	-	76,098	-	-	-	201,867	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	2,212,655	-	4,599,178	-	4,655,500	-	17,131,898	-
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	265,438	-	-	-	-	-	915,000	-
Total long-term liabilities	2,600,162	-	4,675,276	-	4,655,500	-	18,248,765	-
Total liabilities	2,652,241	2,968	4,747,658	3,032	4,818,185	18,646	43,517,434	5,936
Net assets								
Net assets without donor restrictions, controlling	7,877,464	(7,750)	15,395,940	(307,251)	7,454,006	(2,069)	1,380,917	(2,037)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	7,877,464	(7,750)	15,395,940	(307,251)	7,454,006	(2,069)	1,380,917	(2,037)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	7,877,464	(7,750)	15,395,940	(307,251)	7,454,006	(2,069)	1,380,917	(2,037)
Total liabilities and net assets	\$ 10,529,705	\$ (4,782)	\$ 20,143,598	\$ (304,219)	\$ 12,272,191	\$ 16,577	\$ 44,898,351	\$ 3,899

Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019

	MHNW 14 Building 9 North LP(Mercy Magnuson Place North)	Building 9 Condominium Association (Mercy Magnuson Place Condominium)	MHNW 16 Family Housing GP LLC	MHNW 16 Family Housing LLLP (Mount Baker)	MHNW 18 Vancouver Family Housing GP LLC	Consolidated Mercy Properties Washington	Eliminations	Consolidated Mercy Housing Northwest
Assets								
Current assets								
Cash and cash equivalents	\$ 5,244	\$ -	\$ -	\$ -	\$ -	\$ 153,388	\$ -	\$ 3,496,678
Cash, tenant security deposits	19,500	-	-	-	-	130,500	-	723,840
Cash, restricted	418,649	-	-	70,507	-	-	-	3,572,235
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	47,301	-	-	-	-	38,531	(66,461)	536,624
Due from affiliate, net	-	-	-	-	-	818	(3,294,610)	10,926,666
Pledges receivable, net	-	-	-	-	-	-	-	17,098,556
Grants receivable	-	-	-	-	-	-	-	85,000
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	(252,237)	56,415
Prepaid expenses and other assets	25,267	-	-	-	-	39,503	-	505,934
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	515,961	-	-	70,507	-	362,740	(3,613,308)	37,001,948
Property and equipment								
Land and land improvements	1,999,456	-	-	3,340,000	900,000	5,942,029	(526,075)	36,609,767
Buildings	30,089,128	-	-	-	-	32,383,181	(21,064,681)	276,401,400
Furniture and equipment	291,981	-	-	193,970	-	881,460	349,816	7,060,836
Predevelopment project costs	-	-	-	-	-	-	-	777,665
Construction in progress	-	-	-	34,441,860	-	-	(489,921)	33,951,939
Accumulated depreciation	(400,847)	-	-	-	-	(21,797,946)	4,688,977	(66,599,933)
Net property and equipment	31,979,718	-	-	37,975,830	900,000	17,408,724	(17,041,884)	288,201,674
Other long-term assets								
Restricted property reserves	6,395	-	-	-	-	1,142,157	-	10,374,103
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	150,000
Due from affiliates	-	-	-	-	-	-	(4,134,679)	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	11,165	-	-	-	(4,109,407)	461,908
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	(32,889,628)	65,606
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	76,555	-	-	81,306	-	9,623	-	818,265
Total other long-term assets	82,950	-	11,165	81,306	-	1,151,780	(41,133,714)	11,869,882
Total assets	\$ 32,578,629	\$ -	\$ 11,165	\$ 38,127,643	\$ 900,000	\$ 18,923,244	\$ (61,788,906)	\$ 337,073,504

Mercy Housing Northwest
Consolidating Statement of Financial Position
December 31, 2019

	MHNW 14 Building 9 North LP(Mercy Magnuson Place North)	Building 9 Condominium Association (Mercy Magnuson Place Condominium)	MHNW 16 Family Housing GP LLC	MHNW 16 Family Housing LLLP (Mount Baker)	MHNW 18 Vancouver Family Housing GP LLC	Consolidated Mercy Properties Washington	Eliminations	Consolidated Mercy Housing Northwest
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 943,885	\$ -	\$ -	\$ 2,645,268	\$ -	\$ 372,173	\$ (199,760)	\$ 5,457,697
Due to affiliates	267,122	-	6,723	1,370,222	-	201,351	(3,534,739)	7,757,291
Accrued interest	23,739	-	-	38,302	-	20,381	-	281,525
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	7,506,130	-	-	15,133,214	-	169,868	-	47,672,675
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	777,665
Deferred revenue and other liabilities	1,722	-	-	-	-	37,725	-	222,951
Tenant security deposits	18,748	-	-	-	-	131,397	-	707,094
Total current liabilities	8,761,346	-	6,723	19,187,006	-	932,895	(3,734,499)	62,876,898
Long-term liabilities								
Due to affiliates	-	-	-	-	-	180,000	(206,198)	-
Accrued interest	51,642	-	-	266,961	-	319,405	-	2,064,681
Accrued interest, affiliates	-	-	-	-	-	101,192	(5,700,397)	-
Notes payable, less current portion, net	10,363,406	-	-	4,291,381	-	9,038,702	-	118,456,640
Notes payable, less current portion, affiliates	7,688,519	-	-	12,926,392	-	499,950	(47,562,304)	411,469
Deferred revenue and other liabilities	744,000	-	-	489,921	-	-	(4,108,479)	1,871,186
Total long-term liabilities	18,847,567	-	-	17,974,655	-	10,139,249	(57,577,378)	122,803,976
Total liabilities	27,608,913	-	6,723	37,161,661	-	11,072,144	(61,311,877)	185,680,874
Net assets								
Net assets without donor restrictions, controlling	4,969,716	-	4,442	965,982	-	7,851,100	(477,029)	119,989,217
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	4,969,716	-	4,442	965,982	-	7,851,100	(477,029)	119,989,217
Net assets with donor restrictions	-	-	-	-	900,000	-	-	31,403,413
Total net assets	4,969,716	-	4,442	965,982	900,000	7,851,100	(477,029)	151,392,630
Total liabilities and net assets	\$ 32,578,629	\$ -	\$ 11,165	\$ 38,127,643	\$ 900,000	\$ 18,923,244	\$ (61,788,906)	\$ 337,073,504

**Mercy Housing Northwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Northwest	Intercommunity Housing Ferndale	Sterling Senior Housing	Appian Way Manager LLC	Appian Way Mercy, LLC (Appian Way Apartments)	New Tacoma Phase I GP LLC	New Tacoma Phase I Owner, LP (New Tacoma Phase I)	New Tacoma Phase II Mercy LLC
Revenues								
Rent - net of vacancies	\$ -	\$ 310,713	\$ 174,860	\$ -	\$ 1,822,240	\$ -	\$ 562,763	\$ 274,141
Developer fees	2,115,755	-	-	-	-	-	-	-
Services fees	695,162	-	-	-	-	13,168	-	-
Philanthropy	4,673,929	-	-	-	-	-	-	-
Capital grants	3,451,000	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	1,075,819	1,562	7	-	700	-	322	74
Other	124,803	4,838	4,050	-	24,766	-	636	8,526
Total revenues	12,136,468	317,113	178,917	-	1,847,706	13,168	563,721	282,741
Expenses and losses								
Compensation	2,670,159	85,818	58,992	-	336,489	-	144,251	92,506
Administrative	492,953	43,419	31,458	55	145,736	13,224	115,134	70,409
Professional services	226,576	9,800	14,434	934	9,581	934	61,598	33,580
Depreciation and amortization	-	95,268	83,405	-	913,770	-	689,101	374,282
Grants	213,600	-	-	-	-	-	-	-
Facility	147,183	134,926	66,650	-	404,086	-	193,871	113,543
Interest and fees	-	54,654	-	-	540,721	-	31,084	53,514
Bad debts	396,880	1,010	1,235	-	6,213	-	137	7,120
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	1,015,560	-	-	-	-	-	-	-
(Gain) loss on sale of assets	(657)	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	170,520	-	-	51	-	67	-	-
Total expenses and losses	5,332,774	424,895	256,174	1,040	2,356,596	14,225	1,235,176	744,954
Excess (deficiency) of revenues over expenses	6,803,694	(107,782)	(77,257)	(1,040)	(508,890)	(1,057)	(671,455)	(462,213)
Net assets at beginning of year	48,341,377	939,606	1,466,119	284,757	1,226,759	9,826,754	908,315	6,963,599
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 55,145,071	\$ 831,824	\$ 1,388,862	\$ 283,717	\$ 717,869	\$ 9,825,697	\$ 236,860	\$ 6,501,386

**Mercy Housing Northwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	New Tacoma Condominium Association	Evergreen Vista 1 GP LLC	Evergreen Vista 1 Owner, LP	Rainer Vista Block 43 GP, LLC	Rainer Vista Block 43 Owner, LP (Columbia City Station Apts.)	Cobble Knoll I Mercy LLC	Allegre Mercy Redevelopment LLLP	Villa Kathleen Redevelopment LLLP
Revenues								
Rent - net of vacancies	\$ -	\$ -	\$ 1,154,413	\$ -	\$ 604,501	\$ -	\$ 696,966	\$ 669,059
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	9,172	-	40,577	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	-	308	-	105	-	456	586
Other	120,281	-	121,041	-	10,232	-	11,009	12,397
Total revenues	120,281	-	1,275,762	9,172	614,838	40,577	708,431	682,042
Expenses and losses								
Compensation	-	-	285,465	-	130,826	-	174,211	149,371
Administrative	489	56	116,731	9,312	73,345	38,724	100,660	115,850
Professional services	7,900	934	27,884	934	8,125	934	10,180	12,537
Depreciation and amortization	-	-	429,927	-	397,628	-	276,745	356,414
Grants	-	-	-	-	-	-	-	-
Facility	127,536	-	518,877	-	177,658	-	339,051	261,311
Interest and fees	-	-	411,441	-	132,962	-	26,753	68,017
Bad debts	-	-	87,300	-	1,494	-	4,069	5,541
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	60	-	31	-	51	-	-
Total expenses and losses	135,925	1,050	1,877,625	10,277	922,038	39,709	931,669	969,041
Excess (deficiency) of revenues over expenses	(15,644)	(1,050)	(601,863)	(1,105)	(307,200)	868	(223,238)	(286,999)
Net assets at beginning of year	24,520	(7,908)	(646,167)	(4,418)	457,441	217,325	8,130,870	6,796,502
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 8,876	\$ (8,958)	\$ (1,248,030)	\$ (5,523)	\$ 150,241	\$ 218,193	\$ 7,907,632	\$ 6,509,503

**Mercy Housing Northwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Impact Family Village GP LLC	Impact Family Village Limited Partnership (Emerald City Commons)	Family Tree & Lincoln Way GP, LLC	Family Tree & Lincoln Way LLLP	MHNW Othello Commercial, LLC	MHNW 9 Othello East GP, LLC	MHNW 9 Othello East, LP (Mercy Othello Plaza East)	MHNW 10 Othello West GP, LLC
Revenues								
Rent - net of vacancies	\$ -	\$ 707,461	\$ -	\$ 2,543,685	\$ 44,400	\$ -	\$ 951,323	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	8,943	-	-	-	-	(25,968)	-	858
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	152	-	5,102	-	-	2,511	-
Other	-	13,011	-	63,960	185,000	-	90,450	-
Total revenues	8,943	720,624	-	2,612,747	229,400	(25,968)	1,044,284	858
Expenses and losses								
Compensation	-	151,665	-	435,412	-	-	168,975	-
Administrative	9,004	81,830	390	239,540	315	(25,828)	94,385	999
Professional services	6,634	112,371	934	19,465	6,630	934	58,474	934
Depreciation and amortization	-	561,005	-	1,168,801	67,871	-	819,535	-
Grants	-	-	-	-	-	-	-	-
Facility	-	245,985	-	611,167	4,951	-	244,358	-
Interest and fees	-	81,945	-	1,032,067	23,776	-	314,077	-
Bad debts	-	777	-	7,786	-	-	7,149	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	51	-	90	-	-	66	-	37
Total expenses and losses	15,689	1,235,578	1,414	3,514,238	103,543	(24,828)	1,706,953	1,970
Excess (deficiency) of revenues over expenses	(6,746)	(514,954)	(1,414)	(901,491)	125,857	(1,140)	(662,669)	(1,112)
Net assets at beginning of year	917,708	5,174,809	456,257	3,378,575	980,392	(63,884)	8,079,557	(33,766)
Other transfers to (from) net assets	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 910,962	\$ 4,659,855	\$ 454,843	\$ 2,477,084	\$ 1,106,249	\$ (65,024)	\$ 7,416,888	\$ (34,878)

**Mercy Housing Northwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	MHNW 10 Othello West, LP (Mercy Otherlo Plaza West)	MHNW 12 Eleanor Apartments GP LLC	MHNW 12 Eleanor Apartments LLLP (Eleanor Apartments)	MHNW 11 Woodlakes LLC	MHNW 11 Woodlakes LLLP	MHNW 13 Building 9 South GP, LLC	MHNW 13 Building 9 South LP(Mercy Magnuson Place South)	MHNW 14 Building 9 North GP, LLC
Revenues								
Rent - net of vacancies	\$ 385,885	\$ -	\$ 543,143	\$ -	\$ 745,951	\$ -	\$ 779,505	\$ -
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	15,740	-	-	-	16,667	-	3,958
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	6	-	2,598	-	411	-	4	-
Other	10,732	-	62,889	-	16,612	-	26,356	-
Total revenues	396,623	15,740	608,630	-	762,974	16,667	805,865	3,958
Expenses and losses								
Compensation	105,644	-	157,973	-	144,460	-	106,490	-
Administrative	51,514	15,796	116,273	68,781	84,580	16,778	223,807	4,068
Professional services	32,675	934	68,030	934	10,545	934	25,280	934
Depreciation and amortization	435,262	-	783,017	-	368,177	-	729,251	-
Grants	-	-	-	-	-	-	-	-
Facility	110,042	-	141,740	-	268,228	-	84,857	-
Interest and fees	32,461	-	61,369	-	76,221	-	502,386	-
Bad debts	338	-	1,996	-	2,024	-	2,201	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	72	-	19	-	87	-	58
Total expenses and losses	767,936	16,802	1,330,398	69,734	954,235	17,799	1,674,272	5,060
Excess (deficiency) of revenues over expenses	(371,313)	(1,062)	(721,768)	(69,734)	(191,261)	(1,132)	(868,407)	(1,102)
Net assets at beginning of year	8,248,777	(6,688)	16,123,334	(237,517)	7,713,818	(937)	1,970,089	(935)
Other transfers to (from) net assets	-	-	(5,626)	-	(68,551)	-	279,235	-
Net assets at end of year	\$ 7,877,464	\$ (7,750)	\$ 15,395,940	\$ (307,251)	\$ 7,454,006	\$ (2,069)	\$ 1,380,917	\$ (2,037)

**Mercy Housing Northwest
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	MHNW 14 Building 9 North LP(Mercy Magnuson Place North)	Building 9 Condominium Association (Mercy Magnuson Place Condominium)	MHNW 16 Family Housing GP LLC	MHNW 16 Family Housing LLLP (Mount Baker)	MHNW 18 Vancouver Family Housing GP LLC	Consolidated Mercy Properties Washington	Eliminations	Consolidated Mercy Housing Northwest
Revenues								
Rent - net of vacancies	\$ 190,090	\$ -	\$ -	\$ -	\$ -	\$ 2,623,038	\$ (112,887)	\$ 15,671,250
Developer fees	-	-	-	-	-	-	(606,277)	1,509,478
Services fees	-	-	-	-	-	-	(677,777)	100,500
Philanthropy	-	-	-	-	-	-	-	4,673,929
Capital grants	-	-	-	-	-	-	-	3,451,000
Consulting	-	-	-	-	-	-	-	-
Interest	188	-	-	-	-	7,801	(979,658)	119,054
Other	6,473	-	25,000	-	900,000	98,224	(380,580)	1,560,706
Total revenues	196,751	-	25,000	-	900,000	2,729,063	(2,757,179)	27,085,917
Expenses and losses								
Compensation	70,405	-	-	629	-	712,637	-	6,182,378
Administrative	114,710	-	56	21,329	-	420,110	(208,836)	2,697,156
Professional services	20,292	-	4,734	1,500	-	271,517	(520,184)	551,366
Depreciation and amortization	403,487	-	-	-	-	1,331,654	(655,684)	9,628,916
Grants	-	-	-	-	-	-	(210,000)	3,600
Facility	49,224	-	-	261	-	1,108,716	(215,650)	5,138,571
Interest and fees	114,920	-	-	-	-	181,642	(979,654)	2,760,356
Bad debts	-	-	-	-	-	40,457	(387,182)	186,545
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	1,015,560
(Gain) loss on sale of assets	-	-	-	-	-	-	-	(657)
(Gain) loss on investment in limited partnership	-	-	2	-	-	-	(789)	170,473
Total expenses and losses	773,038	-	4,792	23,719	-	4,066,733	(3,177,979)	28,334,264
Excess (deficiency) of revenues over expenses	(576,287)	-	20,208	(23,719)	900,000	(1,337,670)	420,800	(1,248,347)
Net assets at beginning of year	4,288,835	-	(15,766)	963,702	-	9,188,770	(940,381)	151,110,200
Other transfers to (from) net assets	1,257,168	-	-	25,999	-	-	42,552	1,530,777
Net assets at end of year	\$ 4,969,716	\$ -	\$ 4,442	\$ 965,982	\$ 900,000	\$ 7,851,100	\$ (477,029)	\$ 151,392,630

Mercy Properties Washington
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties Washington	Mercy Housing Washington VIII, LP (Hillside Gardens)	Mercy Housing Washington VI, LP (Lincoln Way II)	Mercy Housing Washington V, LP (Sterling Meadows)	Mercy Housing Washington VII, LP (Eliza McCabe Townhomes)	Mercy Housing Washington IX, LP (Evergreen Vista II)	Mercy Housing Washington X, LLC (Catalina Apartments)	Eliminations	Consolidated Mercy Properties Washington
Assets									
Current assets									
Cash and cash equivalents	\$ -	\$ 5,607	\$ 70,763	\$ 13,654	\$ 13,406	\$ 5,313	\$ 44,645	\$ -	\$ 153,388
Cash, tenant security deposits	-	11,724	35,665	32,016	19,558	17,401	14,136	-	130,500
Cash, restricted	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	9,574	3,459	830	7,057	9,600	8,011	-	38,531
Due from affiliate, net	302,299	-	-	-	-	818	-	(302,299)	818
Pledges receivable, net	-	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	3,852	7,344	6,966	5,981	9,840	5,520	-	39,503
Inventory	-	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-	-
Total current assets	302,299	30,757	117,231	53,466	46,002	42,972	72,312	(302,299)	362,740
Property and equipment									
Land and land improvements	-	384,489	1,599,764	891,759	615,966	1,845,921	766,630	(162,500)	5,942,029
Buildings	-	3,065,590	4,735,421	4,987,712	5,126,507	7,456,631	7,011,320	-	32,383,181
Furniture and equipment	-	113,316	183,969	162,253	185,131	129,998	106,793	-	881,460
Predevelopment project costs	-	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(2,186,909)	(4,084,250)	(3,742,616)	(3,421,157)	(4,677,269)	(3,685,745)	-	(21,797,946)
Net property and equipment	-	1,376,486	2,434,904	2,299,108	2,506,447	4,755,281	4,198,998	(162,500)	17,408,724
Other long-term assets									
Restricted property reserves	-	51,578	261,090	104,347	96,461	165,882	462,799	-	1,142,157
Long-term investments	-	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	1,974,388	-	-	-	-	-	-	(1,974,388)	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	9,623	-	-	9,623
Total other long-term assets	1,974,388	51,578	261,090	104,347	96,461	175,505	462,799	(1,974,388)	1,151,780
Total assets	\$ 2,276,687	\$ 1,458,821	\$ 2,813,225	\$ 2,456,921	\$ 2,648,910	\$ 4,973,758	\$ 4,734,109	\$ (2,439,187)	\$ 18,923,244

Mercy Properties Washington
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties Washington	Mercy Housing Washington VIII, LP (Hillside Gardens)	Mercy Housing Washington VI, LP (Lincoln Way II)	Mercy Housing Washington V, LP (Sterling Meadows)	Mercy Housing Washington VII, LP (Eliza McCabe Townhomes)	Mercy Housing Washington IX, LP (Evergreen Vista II)	Mercy Housing Washington X, LLC (Catalina Apartments)	Eliminations	Consolidated Mercy Properties Washington
Liabilities									
Current liabilities									
Accounts payable and accrued expenses	\$ -	\$ 38,725	\$ 36,216	\$ 131,459	\$ 52,115	\$ 68,229	\$ 37,034	\$ 8,395	\$ 372,173
Due to affiliates	101,906	192,385	183,786	-	173,272	62,923	57,094	(570,015)	201,351
Accrued interest	-	-	4,288	5,356	1,540	4,192	5,005	-	20,381
Accrued interest, affiliates	-	-	-	-	-	-	-	-	-
Current portion of notes payable	-	6,048	36,696	18,372	18,192	43,565	46,995	-	169,868
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	5,724	6,053	171	-	9,039	16,738	-	37,725
Tenant security deposits	-	11,433	35,251	30,772	21,095	19,783	13,063	-	131,397
Total current liabilities	101,906	254,315	302,290	186,130	266,214	207,731	175,929	(561,620)	932,895
Long-term liabilities									
Due to affiliates	180,000	-	-	-	-	-	-	-	180,000
Accrued interest	-	-	319,405	-	-	-	-	-	319,405
Accrued interest, affiliates	-	-	-	-	-	101,192	-	-	101,192
Notes payable, less current portion, net	-	791,749	2,400,718	688,931	1,012,056	2,801,015	1,344,233	-	9,038,702
Notes payable, less current portion, affiliates	-	-	-	-	-	499,950	-	-	499,950
Deferred revenue and other liabilities	-	-	-	-	-	-	-	-	-
Total long-term liabilities	180,000	791,749	2,720,123	688,931	1,012,056	3,402,157	1,344,233	-	10,139,249
Total liabilities	281,906	1,046,064	3,022,413	875,061	1,278,270	3,609,888	1,520,162	(561,620)	11,072,144
Net assets									
Net assets without donor restrictions, controlling	1,994,781	412,757	(209,188)	1,581,860	1,370,640	1,363,870	3,213,947	(1,877,567)	7,851,100
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	1,994,781	412,757	(209,188)	1,581,860	1,370,640	1,363,870	3,213,947	(1,877,567)	7,851,100
Net assets with donor restrictions	-	-	-	-	-	-	-	-	-
Total net assets	1,994,781	412,757	(209,188)	1,581,860	1,370,640	1,363,870	3,213,947	(1,877,567)	7,851,100
Total liabilities and net assets	\$ 2,276,687	\$ 1,458,821	\$ 2,813,225	\$ 2,456,921	\$ 2,648,910	\$ 4,973,758	\$ 4,734,109	\$ (2,439,187)	\$ 18,923,244

Mercy Properties Washington
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Properties Washington	Mercy Housing Washington VIII, LP (Hillside Gardens)	Mercy Housing Washington VI, LP (Lincoln Way II)	Mercy Housing Washington V, LP (Sterling Meadows)	Mercy Housing Washington VII, LP (Eliza McCabe Townhomes)	Mercy Housing Washington IX, LP (Evergreen Vista II)	Mercy Housing Washington X, LLC (Catalina Apartments)	Eliminations	Consolidated Mercy Properties Washington
Revenues									
Rent - net of vacancies	\$ -	\$ 244,629	\$ 560,508	\$ 468,135	\$ 388,727	\$ 547,356	\$ 413,683	\$ -	\$ 2,623,038
Developer fees	-	-	-	-	-	-	-	-	-
Services fees	108,503	-	-	-	-	-	-	(108,503)	-
Philanthropy	-	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-	-
Interest	-	18	123	100	88	85	7,387	-	7,801
Other	-	22,163	5,875	6,417	10,685	36,003	17,081	-	98,224
Total revenues	108,503	266,810	566,506	474,652	399,500	583,444	438,151	(108,503)	2,729,063
Expenses and losses									
Compensation	-	59,305	145,549	135,519	94,541	141,706	136,017	-	712,637
Administrative	108,569	48,326	72,027	70,615	70,946	55,600	74,555	(80,528)	420,110
Professional services	3,435	38,131	22,258	26,405	48,883	103,807	28,598	-	271,517
Depreciation and amortization	-	112,518	174,333	192,714	200,419	374,518	277,152	-	1,331,654
Grants	-	-	-	-	-	-	-	-	-
Facility	-	154,603	148,614	218,558	266,200	195,666	125,075	-	1,108,716
Interest and fees	-	465	82,480	7,262	17,621	62,433	11,381	-	181,642
Bad debts	-	12,161	157	79	309	26,524	1,227	-	40,457
Provision for impaired assets	-	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	289	-	-	-	-	-	-	(289)	-
Total expenses and losses	112,293	425,509	645,418	651,152	698,919	960,254	654,005	(80,817)	4,066,733
Excess (deficiency) of revenues over expenses	(3,790)	(158,699)	(78,912)	(176,500)	(299,419)	(376,810)	(215,854)	(27,686)	(1,337,670)
Net assets at beginning of year	1,998,571	571,456	(130,276)	1,758,360	1,670,059	1,740,680	3,429,801	(1,849,881)	9,188,770
Other transfers to (from) net assets	-	-	-	-	-	-	-	-	-
Net assets at end of year	\$ 1,994,781	\$ 412,757	\$ (209,188)	\$ 1,581,860	\$ 1,370,640	\$ 1,363,870	\$ 3,213,947	\$ (1,877,567)	\$ 7,851,100

General Partners
Consolidating Statement of Financial Position
December 31, 2019

	Consolidated Mercy Properties, Inc.	Consolidated Mercy Properties II, Inc.	Consolidated 2101 Telegraph Avenue Housing, Inc.	Consolidated McDermott Place	Consolidated South of Market Mercy Housing	Consolidated Visitacion Valley Affordable Housing Corporation	Consolidated Mercy Housing West	Consolidated Affordable Housing Corp.
Assets								
Current assets								
Cash and cash equivalents	\$ 4,786,605	\$ 259,599	\$ 314,227	\$ 5,208	\$ 709,639	\$ 981,521	\$ 9,936,017	\$ 21,068
Cash, tenant security deposits	615,505	49,990	27,463	10,434	159,597	108,297	1,478,146	23,868
Cash, restricted	900	-	-	-	500	-	295,562	8,357
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	530,097	70,444	14,647	3,032	217,649	171,450	1,384,523	1,926
Due from affiliate, net	22,858	-	233	-	80,077	-	20,838	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	349,756	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	328,168	25,247	18,507	6,248	56,965	48,860	919,122	6,905
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	6,284,133	405,280	375,077	24,922	1,224,427	1,310,128	14,383,964	62,124
Property and equipment								
Land and land improvements	13,473,739	2,267,383	649,859	15,440	3,249,594	17,390	69,421,872	278,856
Buildings	137,854,134	11,054,816	9,517,771	268,964	23,132,506	26,334,546	574,183,640	4,724,058
Furniture and equipment	5,662,635	273,601	447,595	3,391	767,088	811,204	15,095,816	221,519
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(88,471,849)	(7,540,470)	(8,087,996)	(52,879)	(17,234,466)	(18,945,563)	(299,109,470)	(3,121,475)
Net property and equipment	68,518,659	6,055,330	2,527,229	234,916	9,914,722	8,217,577	359,591,858	2,102,958
Other long-term assets								
Restricted property reserves	8,872,372	492,417	898,854	-	1,621,687	1,088,589	23,839,704	21,595
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	341,034	-	-	-	(11,420,400)	-	(8,822,360)	3
Notes and interest receivable, net	-	-	-	-	-	-	285,520	-
Notes and interest receivable, affiliates	-	-	-	-	1,197,412	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	96,524	-	-	-	-	-	2,313,689	-
Total other long-term assets	9,309,930	492,417	898,854	-	(8,601,301)	1,088,589	17,616,553	21,598
Total assets	\$ 84,112,722	\$ 6,953,027	\$ 3,801,160	\$ 259,838	\$ 2,537,848	\$ 10,616,294	\$ 391,592,375	\$ 2,186,680

General Partners
Consolidating Statement of Financial Position
December 31, 2019

	Consolidated Mercy Properties, Inc.	Consolidated Mercy Properties II, Inc.	Consolidated 2101 Telegraph Avenue Housing, Inc.	Consolidated McDermott Place	Consolidated South of Market Mercy Housing	Consolidated Visitacion Valley Affordable Housing Corporation	Consolidated Mercy Housing West	Consolidated Affordable Housing Corp.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 1,709,102	\$ 82,218	\$ 84,180	\$ 48,216	\$ 241,653	\$ 115,582	\$ 3,535,301	\$ 286,999
Due to affiliates	2,700,854	206,889	94,763	678,075	830,033	80,652	2,738,465	540,871
Accrued interest	45,049	59,070	-	1,381	1,222	19,782	478,372	-
Accrued interest, affiliates	25,909	-	-	-	-	-	779	19,282
Current portion of notes payable	413,428	136,877	-	7,714	160,913	86,442	1,563,920	-
Current portion of notes payable, affiliates	111,478	-	-	-	52,735	-	68,870	75,000
Deferred revenue and other liabilities	201,393	4,962	698	701	84,194	23,144	360,525	3,588
Tenant security deposits	604,996	48,389	26,973	10,159	154,607	107,792	1,459,330	23,323
Total current liabilities	5,812,209	538,405	206,614	746,246	1,525,357	433,394	10,205,562	949,063
Long-term liabilities								
Due to affiliates	-	-	-	-	1,512,039	-	-	-
Accrued interest	12,387,418	158,154	3,988,165	210,201	6,841,404	643,472	41,396,913	276,786
Accrued interest, affiliates	4,449,188	63,247	-	-	1,484,322	-	1,166,585	2,860
Notes payable, less current portion, net	36,201,107	4,868,587	3,528,764	825,861	10,905,752	5,774,594	258,265,003	1,994,505
Notes payable, less current portion, affiliates	18,844,850	414,246	-	-	545,068	-	15,370,921	54,461
Deferred revenue and other liabilities	1,503,243	2,160	3,604	-	2,819	5,735	5,422,576	939
Total long-term liabilities	73,385,806	5,506,394	7,520,533	1,036,062	21,291,404	6,423,801	321,621,998	2,329,551
Total liabilities	79,198,015	6,044,799	7,727,147	1,782,308	22,816,761	6,857,195	331,827,560	3,278,614
Net assets								
Net assets without donor restrictions, controlling	4,821,792	908,228	(3,925,987)	(1,522,470)	(20,278,913)	3,759,099	58,635,892	(1,091,934)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	4,821,792	908,228	(3,925,987)	(1,522,470)	(20,278,913)	3,759,099	58,635,892	(1,091,934)
Net assets with donor restrictions	92,915	-	-	-	-	-	1,128,923	-
Total net assets	4,914,707	908,228	(3,925,987)	(1,522,470)	(20,278,913)	3,759,099	59,764,815	(1,091,934)
Total liabilities and net assets	\$ 84,112,722	\$ 6,953,027	\$ 3,801,160	\$ 259,838	\$ 2,537,848	\$ 10,616,294	\$ 391,592,375	\$ 2,186,680

General Partners
Consolidating Statement of Financial Position
December 31, 2019

	Consolidated Mercy Housing		Consolidated General Partners
	Wheaton	Eliminations	
Assets			
Current assets			
Cash and cash equivalents	\$ 11,492,542	\$ -	\$ 28,506,426
Cash, tenant security deposits	1,107,596	-	3,580,896
Cash, restricted	300	-	305,619
Investments	-	-	-
Investments, restricted	-	-	-
Accounts receivable, net	846,223	-	3,239,991
Due from affiliate, net	8,383	(3,896)	128,493
Pledges receivable, net	-	-	-
Grants receivable	-	-	349,756
Current portion of notes and interest receivable	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-
Prepaid expenses and other assets	725,052	-	2,135,074
Inventory	-	-	-
Assets held for sale	-	-	-
Total current assets	14,180,096	(3,896)	38,246,255
Property and equipment			
Land and land improvements	21,343,705	-	110,717,838
Buildings	152,363,630	-	939,434,065
Furniture and equipment	21,395,300	-	44,678,149
Predevelopment project costs	-	-	-
Construction in progress	-	-	-
Accumulated depreciation	(80,100,857)	-	(522,665,025)
Net property and equipment	115,001,778	-	572,165,027
Other long-term assets			
Restricted property reserves	14,388,376	-	51,223,594
Long-term investments	-	-	-
Long-term investments, restricted	-	-	-
Due from affiliates	-	-	-
Pledges receivable, net	-	-	-
Investments in limited partnerships, net	-	14,465,814	(5,435,909)
Notes and interest receivable, net	1,007,760	-	1,293,280
Notes and interest receivable, affiliates	-	-	1,197,412
Allowance for impaired assets	-	-	-
Other assets, net	81,550	-	2,491,763
Total other long-term assets	15,477,686	14,465,814	50,770,140
Total assets	\$ 144,659,560	\$ 14,461,918	\$ 661,181,422

General Partners
Consolidating Statement of Financial Position
December 31, 2019

	Consolidated Mercy Housing Wheaton	Eliminations	Consolidated General Partners
Liabilities			
Current liabilities			
Accounts payable and accrued expenses	\$ 4,683,918	\$ 3,000	\$ 10,790,169
Due to affiliates	228,629	(3,896)	8,095,335
Accrued interest	261,811	-	866,687
Accrued interest, affiliates	4,739	-	50,709
Current portion of notes payable	1,993,082	-	4,362,376
Current portion of notes payable, affiliates	16,416	-	324,499
Deferred revenue and other liabilities	398,330	-	1,077,535
Tenant security deposits	<u>1,070,180</u>	<u>-</u>	<u>3,505,749</u>
Total current liabilities	<u>8,657,105</u>	<u>(896)</u>	<u>29,073,059</u>
Long-term liabilities			
Due to affiliates	-	-	1,512,039
Accrued interest	92,650	-	65,995,163
Accrued interest, affiliates	683,333	-	7,849,535
Notes payable, less current portion, net	86,154,402	-	408,518,575
Notes payable, less current portion, affiliates	6,066,744	-	41,296,290
Deferred revenue and other liabilities	<u>220,864</u>	<u>-</u>	<u>7,161,940</u>
Total long-term liabilities	<u>93,217,993</u>	<u>-</u>	<u>532,333,542</u>
Total liabilities	<u>101,875,098</u>	<u>(896)</u>	<u>561,406,601</u>
Net assets			
Net assets without donor restrictions, controlling	41,466,622	14,462,814	97,235,143
Net assets without donor restrictions, noncontrolling	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets without donor restrictions	41,466,622	14,462,814	97,235,143
Net assets with donor restrictions	<u>1,317,840</u>	<u>-</u>	<u>2,539,678</u>
Total net assets	<u>42,784,462</u>	<u>14,462,814</u>	<u>99,774,821</u>
Total liabilities and net assets	<u>\$ 144,659,560</u>	<u>\$ 14,461,918</u>	<u>\$ 661,181,422</u>

General Partners
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Consolidated Mercy Properties, Inc.	Consolidated Mercy Properties II, Inc.	Consolidated 2101 Telegraph Avenue Housing, Inc.	Consolidated McDermott Place	Consolidated South of Market Mercy Housing	Consolidated Visitacion Valley Affordable Housing Corporation	Consolidated Mercy Housing West	Consolidated Affordable Housing Corp.
Revenues								
Rent - net of vacancies	\$ 17,247,942	\$ 1,503,116	\$ 1,425,666	\$ 244,574	\$ 3,747,301	\$ 3,278,582	\$ 35,224,488	\$ 355,082
Developer fees	-	-	-	-	-	-	-	-
Services fees	23,623	-	-	-	99,682	-	14,674	-
Philanthropy	23,919	-	-	-	-	-	71,096	-
Capital grants	20,000	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	101,813	456	15,061	2	4,665	730	389,743	57
Other	691,788	25,544	25,254	354,565	907,127	60,112	3,404,643	31,902
Total revenues	18,109,085	1,529,116	1,465,981	599,141	4,758,775	3,339,424	39,104,644	387,041
Expenses and losses								
Compensation	3,613,698	280,412	306,774	109,858	815,143	546,968	8,024,172	139,295
Administrative	2,640,455	206,549	152,619	41,736	1,746,778	211,033	5,056,829	67,366
Professional services	941,456	73,050	122,438	7,751	2,671,095	203,222	2,314,557	8,823
Depreciation and amortization	5,291,579	442,665	384,899	14,695	917,086	956,164	24,701,192	153,539
Grants	332,680	-	-	-	1,500,000	-	231,423	-
Facility	5,959,303	298,142	490,617	108,822	1,355,701	1,207,224	12,954,127	305,402
Interest and fees	2,677,118	277,560	175,977	38,559	859,183	314,941	7,963,574	74,247
Bad debts	253,432	3,338	9,218	830	28,166	35,677	53,837	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	(245,488)	-	-	-	3,967,385	-	(42,897)	-
(Gain) loss on investment in limited partnership	-	-	-	-	5,098,620	-	537,250	-
Total expenses and losses	21,464,233	1,581,716	1,642,542	322,251	18,959,157	3,475,229	61,794,064	748,672
Excess (deficiency) of revenues over expenses	(3,355,148)	(52,600)	(176,561)	276,890	(14,200,382)	(135,805)	(22,689,420)	(361,631)
Net assets at beginning of year	10,811,933	960,828	(3,749,426)	(1,799,360)	(27,851,398)	3,963,765	82,992,840	(730,303)
Other transfers to (from) net assets	(2,542,078)	-	-	-	21,772,867	(68,861)	(538,605)	-
Net assets at end of year	\$ 4,914,707	\$ 908,228	\$ (3,925,987)	\$ (1,522,470)	\$ (20,278,913)	\$ 3,759,099	\$ 59,764,815	\$ (1,091,934)

General Partners
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Consolidated Mercy Housing Wheaton	Eliminations	Consolidated General Partners
Revenues			
Rent - net of vacancies	\$ 36,876,492	\$ -	\$ 99,903,243
Developer fees	-	-	-
Services fees	-	(6,896)	131,083
Philanthropy	258,033	-	353,048
Capital grants	-	-	20,000
Consulting	-	-	-
Interest	27,274	-	539,801
Other	940,076	-	6,441,011
Total revenues	<u>38,101,875</u>	<u>(6,896)</u>	<u>107,388,186</u>
Expenses and losses			
Compensation	6,985,506	-	20,821,826
Administrative	9,907,724	(3,895)	20,027,194
Professional services	1,099,743	-	7,442,135
Depreciation and amortization	6,467,007	-	39,328,826
Grants	1,492,854	-	3,556,957
Facility	11,996,682	-	34,676,020
Interest and fees	3,981,905	-	16,363,064
Bad debts	158,207	-	542,705
Provision for impaired assets	-	-	-
Project expenses	-	-	-
Allocation	-	-	-
(Gain) loss on sale of assets	(3,063,395)	-	615,605
(Gain) loss on investment in limited partnership	-	(2,666,350)	2,969,520
Total expenses and losses	<u>39,026,233</u>	<u>(2,670,245)</u>	<u>146,343,852</u>
Excess (deficiency) of revenues over expenses	(924,358)	2,663,349	(38,955,666)
Net assets at beginning of year	43,911,836	24,936,021	133,446,736
Other transfers to (from) net assets	(203,016)	(13,136,556)	5,283,751
Net assets at end of year	<u>\$ 42,784,462</u>	<u>\$ 14,462,814</u>	<u>\$ 99,774,821</u>

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties, Inc.	111 Jones Street Associates, LP (111 Jones Street Apts.)	Britton Street Associates, LP (Britton Street Apts.)	Mercy Housing California VII, LP (Casa San Juan)	Mercy Housing Colorado VIII, LP (Valle de Merced)	Mercy Housing Colorado I, LTD (Grace)	Marlton Affordable Housing Associates (Marlton Manor)	Mercy Housing California V, LP (Mercy Village Folsom)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 525,333	\$ 30,230	\$ 121,075	\$ 162,233	\$ 177,035	\$ 1,308,133	\$ 113,542
Cash, tenant security deposits	-	81,624	-	58,902	19,485	10,891	45,785	52,080
Cash, restricted	-	-	-	-	-	-	300	200
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	6,344	-	6,318	2,906	1,043	143,428	4,052
Due from affiliate, net	1,220,926	22,296	-	-	-	166	78	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	27,398	-	14,071	7,667	8,695	35,681	26,340
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	1,220,926	662,995	30,230	200,366	192,291	197,830	1,533,405	196,214
Property and equipment								
Land and land improvements	-	5,300	-	991,080	953,583	183,629	27,431	785,272
Buildings	-	10,540,861	-	7,875,220	6,547,519	3,415,565	15,831,707	10,722,528
Furniture and equipment	-	421,782	-	672,692	151,331	51,764	1,012,954	424,290
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(10,230,500)	-	(6,919,557)	(4,196,967)	(2,260,396)	(10,442,650)	(6,837,424)
Net property and equipment	-	737,443	-	2,619,435	3,455,466	1,390,562	6,429,442	5,094,666
Other long-term assets								
Restricted property reserves	-	902,402	-	672,588	231,014	150,065	1,464,684	490,336
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(540,896)	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	3,382	8,810
Total other long-term assets	(540,896)	902,402	-	672,588	231,014	150,065	1,468,066	499,146
Total assets	\$ 680,030	\$ 2,302,840	\$ 30,230	\$ 3,492,389	\$ 3,878,771	\$ 1,738,457	\$ 9,430,913	\$ 5,790,026

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties, Inc.	111 Jones Street Associates, LP (111 Jones Street Apts.)	Britton Street Associates, LP (Britton Street Apts.)	Mercy Housing California VII, LP (Casa San Juan)	Mercy Housing Colorado VIII, LP (Valle de Merced)	Mercy Housing Colorado I, LTD (Grace)	Marlton Affordable Housing Associates (Marlton Manor)	Mercy Housing California V, LP (Mercy Village Folsom)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 700	\$ 114,492	\$ 4,399	\$ 43,519	\$ 27,166	\$ 46,192	\$ 160,234	\$ 96,686
Due to affiliates	1,530,358	60,000	248,915	23,699	425,000	-	-	101,421
Accrued interest	-	-	-	-	7,960	-	-	3,134
Accrued interest, affiliates	-	-	-	12,979	-	5,213	5,278	-
Current portion of notes payable	-	-	-	-	34,207	-	-	90,463
Current portion of notes payable, affiliates	-	-	-	54,619	-	17,370	17,488	13,580
Deferred revenue and other liabilities	-	6,233	-	10,586	4,969	525	44,543	2,591
Tenant security deposits	-	81,122	-	58,338	19,057	9,798	44,846	51,548
Total current liabilities	1,531,058	261,847	253,314	203,740	518,359	79,098	272,389	359,423
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	5,573,605	-	-	264,609	-	-	749,107
Accrued interest, affiliates	77,154	-	-	-	582,209	-	-	492,422
Notes payable, less current portion, net	-	6,582,827	-	(56,842)	1,542,396	(50,996)	(11,993)	3,888,987
Notes payable, less current portion, affiliates	955,833	-	-	2,911,998	774,312	2,359,889	1,188,942	1,361,970
Deferred revenue and other liabilities	-	4,185	-	4,368	187,370	941	361,873	105,904
Total long-term liabilities	1,032,987	12,160,617	-	2,859,524	3,350,896	2,309,834	1,538,822	6,598,390
Total liabilities	2,564,045	12,422,464	253,314	3,063,264	3,869,255	2,388,932	1,811,211	6,957,813
Net assets								
Net assets without donor restrictions, controlling	(1,976,930)	(10,119,624)	(223,084)	429,125	9,516	(650,475)	7,619,702	(1,167,787)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(1,976,930)	(10,119,624)	(223,084)	429,125	9,516	(650,475)	7,619,702	(1,167,787)
Net assets with donor restrictions	92,915	-	-	-	-	-	-	-
Total net assets	(1,884,015)	(10,119,624)	(223,084)	429,125	9,516	(650,475)	7,619,702	(1,167,787)
Total liabilities and net assets	\$ 680,030	\$ 2,302,840	\$ 30,230	\$ 3,492,389	\$ 3,878,771	\$ 1,738,457	\$ 9,430,913	\$ 5,790,026

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Park Terrace Apartments, LP	Mercy Housing California X, LP (The Rose Hotel)	San Felipe Homes, LP	2220 10th Avenue Associates, LP (Santana Apts.)	Mercy Housing Iowa II, LP (Sherwood Place Apts.)	Mercy Housing California I, LP (St. Francis Terrace)	Mercy Housing Georgia II, LLLP (Orchard Grove Apts.)	Mercy Housing Colorado IX, LLLP (Parkside Apartments)
Assets								
Current assets								
Cash and cash equivalents	\$ 106,653	\$ 448,210	\$ 51,095	\$ 119,769	\$ 64,919	\$ 4,470	\$ 5,611	\$ 25,523
Cash, tenant security deposits	36,359	20,894	11,480	22,709	8,144	-	9,260	15,550
Cash, restricted	400	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	4,244	99,214	851	6,345	1,217	-	2,129	50,565
Due from affiliate, net	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	14,391	17,150	4,363	6,551	5,044	-	8,715	11,338
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	162,047	585,468	67,789	155,374	79,324	4,470	25,715	102,976
Property and equipment								
Land and land improvements	832,080	-	145,725	-	618,963	-	1,064,406	1,934,306
Buildings	5,138,761	6,429,561	1,900,142	3,395,332	2,432,522	-	3,666,376	7,602,207
Furniture and equipment	145,631	290,845	21,758	70,683	112,257	-	173,936	240,545
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(3,844,124)	(2,791,378)	(1,396,675)	(2,238,676)	(1,958,054)	-	(2,811,901)	(4,964,714)
Net property and equipment	2,272,348	3,929,028	670,950	1,227,339	1,205,688	-	2,092,817	4,812,344
Other long-term assets								
Restricted property reserves	415,409	441,538	184,175	414,768	161,347	-	95,148	167,517
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	9,528	-
Total other long-term assets	415,409	441,538	184,175	414,768	161,347	-	104,676	167,517
Total assets	\$ 2,849,804	\$ 4,956,034	\$ 922,914	\$ 1,797,481	\$ 1,446,359	\$ 4,470	\$ 2,223,208	\$ 5,082,837

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Park Terrace Apartments, LP	Mercy Housing California X, LP (The Rose Hotel)	San Felipe Homes, LP	2220 10th Avenue Associates, LP (Santana Apts.)	Mercy Housing Iowa II, LP (Sherwood Place Apts.)	Mercy Housing California I, LP (St. Francis Terrace)	Mercy Housing Georgia II, LLLP (Orchard Grove Apts.)	Mercy Housing Colorado IX, LLLP (Parkside Apartments)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 59,524	\$ 141,839	\$ 17,614	\$ 27,954	\$ 46,841	\$ -	\$ 38,480	\$ 52,104
Due to affiliates	15,000	245,986	7,792	5,000	-	-	232,195	302,267
Accrued interest	-	-	-	-	-	-	-	10,124
Accrued interest, affiliates	-	-	-	-	2,439	-	-	-
Current portion of notes payable	-	-	-	-	-	-	35,947	64,657
Current portion of notes payable, affiliates	-	-	-	-	8,421	-	-	-
Deferred revenue and other liabilities	7,936	58,628	246	-	21	-	431	15,416
Tenant security deposits	35,965	20,241	10,872	23,182	8,142	-	8,760	15,149
Total current liabilities	118,425	466,694	36,524	56,136	65,864	-	315,813	459,717
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	170,084	754,736	1,422,129	1,891,539	-	-	-	-
Accrued interest, affiliates	-	-	-	-	2,899	-	-	1,033,388
Notes payable, less current portion, net	940,777	1,114,166	1,900,000	2,668,122	410,305	-	388,058	1,548,617
Notes payable, less current portion, affiliates	-	-	-	-	647,951	-	386,000	2,283,443
Deferred revenue and other liabilities	1,426	749,714	1,365	20,000	-	-	35,599	-
Total long-term liabilities	1,112,287	2,618,616	3,323,494	4,579,661	1,061,155	-	809,657	4,865,448
Total liabilities	1,230,712	3,085,310	3,360,018	4,635,797	1,127,019	-	1,125,470	5,325,165
Net assets								
Net assets without donor restrictions, controlling	1,619,092	1,870,724	(2,437,104)	(2,838,316)	319,340	4,470	1,097,738	(242,328)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	1,619,092	1,870,724	(2,437,104)	(2,838,316)	319,340	4,470	1,097,738	(242,328)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	1,619,092	1,870,724	(2,437,104)	(2,838,316)	319,340	4,470	1,097,738	(242,328)
Total liabilities and net assets	\$ 2,849,804	\$ 4,956,034	\$ 922,914	\$ 1,797,481	\$ 1,446,359	\$ 4,470	\$ 2,223,208	\$ 5,082,837

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Arizona II, LP (Page Commons)	Parkside Terrace Apartments, LLC	Parkside Terraces Limited Partnership	Mulberry Court LLC	Mercy Housing South Carolina I, LP (Mulberry Court Apts)	Savannah Rose of Sharon, LLC	Mercy Housing Georgia III, LP (Rose of Sharon)	Mercy Housing South Dakota I, LLC (Driftwood Estates)
Assets								
Current assets								
Cash and cash equivalents	\$ 107,482	\$ -	\$ 9,417	\$ -	\$ 7,015	\$ -	\$ 736,701	\$ 113,982
Cash, tenant security deposits	18,401	-	38,261	-	5,174	-	108,122	10,022
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	249	-	47,217	-	12,741	-	21,421	54,539
Due from affiliate, net	-	-	-	-	-	15,000	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	18,215	-	11,675	-	5,275	-	49,522	15,795
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	144,347	-	106,570	-	30,205	15,000	915,766	194,338
Property and equipment								
Land and land improvements	867,962	-	48,604	-	834,890	-	238,724	614,740
Buildings	7,317,421	-	3,584,163	-	3,908,377	-	11,002,411	4,374,013
Furniture and equipment	394,455	-	70,330	-	36,005	-	125,080	275,969
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(5,092,474)	-	(2,318,153)	-	(2,093,584)	-	(5,067,683)	(2,396,598)
Net property and equipment	3,487,364	-	1,384,944	-	2,685,688	-	6,298,532	2,868,124
Other long-term assets								
Restricted property reserves	366,052	-	244,913	-	46,290	-	959,770	327,095
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	(520)	-	49,718	-	(460)	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	1,982	-	-	-	7,634	-	38,517	-
Total other long-term assets	368,034	(520)	244,913	49,718	53,924	(460)	998,287	327,095
Total assets	\$ 3,999,745	\$ (520)	\$ 1,736,427	\$ 49,718	\$ 2,769,817	\$ 14,540	\$ 8,212,585	\$ 3,389,557

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Arizona II, LP (Page Commons)	Parkside Terrace Apartments, LLC	Parkside Terraces Limited Partnership	Mulberry Court LLC	Mercy Housing South Carolina I, LP (Mulberry Court Apts)	Savannah Rose of Sharon, LLC	Mercy Housing Georgia III, LP (Rose of Sharon)	Mercy Housing South Dakota I, LLC (Driftwood Estates)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 59,240	\$ -	\$ 93,474	\$ -	\$ 93,377	\$ -	\$ 294,664	\$ 87,054
Due to affiliates	20,000	25,891	20,681	13,092	329,014	222,048	16,374	173,371
Accrued interest	9,116	-	-	-	2,190	-	-	5,057
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	51,682	-	2,800	-	23,123	-	54,473	22,146
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	35	-	3,432	-	931	-	11,507	15,431
Tenant security deposits	17,905	-	37,092	-	5,174	-	108,802	8,221
Total current liabilities	157,978	25,891	157,479	13,092	453,809	222,048	485,820	311,280
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	1,553,339	-
Accrued interest, affiliates	7,356	-	17,440	-	337,844	-	-	318,865
Notes payable, less current portion, net	2,477,287	-	3,457,034	-	507,540	-	6,749,399	795,550
Notes payable, less current portion, affiliates	41,800	-	430,606	-	489,778	-	-	1,271,688
Deferred revenue and other liabilities	-	-	1,201	-	-	-	6,798	-
Total long-term liabilities	2,526,443	-	3,906,281	-	1,335,162	-	8,309,536	2,386,103
Total liabilities	2,684,421	25,891	4,063,760	13,092	1,788,971	222,048	8,795,356	2,697,383
Net assets								
Net assets without donor restrictions, controlling	1,315,324	(26,411)	(2,327,333)	36,626	980,846	(207,508)	(582,771)	692,174
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	1,315,324	(26,411)	(2,327,333)	36,626	980,846	(207,508)	(582,771)	692,174
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	1,315,324	(26,411)	(2,327,333)	36,626	980,846	(207,508)	(582,771)	692,174
Total liabilities and net assets	\$ 3,999,745	\$ (520)	\$ 1,736,427	\$ 49,718	\$ 2,769,817	\$ 14,540	\$ 8,212,585	\$ 3,389,557

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing South Dakota II, LLC (Northern Heights)	Mercy Housing Colorado XI, LLC (Pinon Terrace)	Commons on Main GP, LLC	Aromor Mercy, LLC (Aromor Apts)	Mercy Galewood SLF, Inc.	FHD Holdings LLC	Eliminations	Consolidated Mercy Properties, Inc.
Assets								
Current assets								
Cash and cash equivalents	\$ 158,492	\$ 132,669	\$ -	\$ 257,016	\$ -	\$ -	\$ -	\$ 4,786,605
Cash, tenant security deposits	17,212	18,509	-	6,641	-	-	-	615,505
Cash, restricted	-	-	-	-	-	-	-	900
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	15,929	4,529	-	44,816	-	-	-	530,097
Due from affiliate, net	-	-	-	-	-	318	(1,235,926)	22,858
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	14,122	13,106	-	13,054	-	-	-	328,168
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	205,755	168,813	-	321,527	-	318	(1,235,926)	6,284,133
Property and equipment								
Land and land improvements	812,105	1,715,282	-	799,657	-	-	-	13,473,739
Buildings	4,564,281	10,159,598	-	7,462,572	-	-	(17,003)	137,854,134
Furniture and equipment	198,188	188,216	-	583,924	-	-	-	5,662,635
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(2,521,972)	(4,688,421)	-	(3,407,444)	-	-	7,496	(88,471,849)
Net property and equipment	3,052,602	7,374,675	-	5,438,709	-	-	(9,507)	68,518,659
Other long-term assets								
Restricted property reserves	429,127	329,722	-	378,412	-	-	-	8,872,372
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	341,061	-	492,131	341,034
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	14,763	-	11,908	-	-	-	96,524
Total other long-term assets	429,127	344,485	-	390,320	341,061	-	492,131	9,309,930
Total assets	\$ 3,687,484	\$ 7,887,973	\$ -	\$ 6,150,556	\$ 341,061	\$ 318	\$ (753,302)	\$ 84,112,722

Mercy Properties, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing South Dakota II, LLC (Northern Heights)	Mercy Housing Colorado XI, LLC (Pinon Terrace)	Commons on Main GP, LLC	Aromor Mercy, LLC (Aromor Apts)	Mercy Galewood SLF, Inc.	FHD Holdings LLC	Eliminations	Consolidated Mercy Properties, Inc.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 111,181	\$ 41,684	\$ -	\$ 50,684	\$ -	\$ -	\$ -	\$ 1,709,102
Due to affiliates	256,295	16,611	165,116	9,504	6,380	52,417	(1,823,573)	2,700,854
Accrued interest	4,046	3,422	-	-	-	-	-	45,049
Accrued interest, affiliates	-	-	-	-	-	-	-	25,909
Current portion of notes payable	17,717	16,213	-	-	-	-	-	413,428
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	111,478
Deferred revenue and other liabilities	9,865	2,088	-	5,979	-	-	-	201,393
Tenant security deposits	16,489	17,968	-	6,325	-	-	-	604,996
Total current liabilities	415,593	97,986	165,116	72,492	6,380	52,417	(1,823,573)	5,812,209
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	8,270	-	-	-	-	-	12,387,418
Accrued interest, affiliates	32,222	543,979	-	1,250,705	-	-	(247,295)	4,449,188
Notes payable, less current portion, net	636,255	721,323	-	(7,705)	-	-	-	36,201,107
Notes payable, less current portion, affiliates	628,010	1,057,500	-	2,551,500	-	-	(496,370)	18,844,850
Deferred revenue and other liabilities	-	1,774	-	20,725	-	-	-	1,503,243
Total long-term liabilities	1,296,487	2,332,846	-	3,815,225	-	-	(743,665)	73,385,806
Total liabilities	1,712,080	2,430,832	165,116	3,887,717	6,380	52,417	(2,567,238)	79,198,015
Net assets								
Net assets without donor restrictions, controlling	1,975,404	5,457,141	(165,116)	2,262,839	334,681	(52,099)	1,813,936	4,821,792
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	1,975,404	5,457,141	(165,116)	2,262,839	334,681	(52,099)	1,813,936	4,821,792
Net assets with donor restrictions	-	-	-	-	-	-	-	92,915
Total net assets	1,975,404	5,457,141	(165,116)	2,262,839	334,681	(52,099)	1,813,936	4,914,707
Total liabilities and net assets	\$ 3,687,484	\$ 7,887,973	\$ -	\$ 6,150,556	\$ 341,061	\$ 318	\$ (753,302)	\$ 84,112,722

Mercy Properties, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Properties, Inc.	111 Jones Street Associates, LP (111 Jones Street Apts.)	Britton Street Associates, LP (Britton Street Apts.)	Mercy Housing California VII, LP (Casa San Juan)	Mercy Housing Colorado VIII, LP (Valle de Merced)	Mercy Housing Colorado I, LTD (Grace)	Marlton Affordable Housing Associates (Marlton Manor)	Mercy Housing California V, LP (Mercy Village Folsom)
Revenues								
Rent - net of vacancies	\$ -	\$ 1,570,122	\$ -	\$ 1,025,295	\$ 442,432	\$ 648,054	\$ 2,779,311	\$ 711,567
Developer fees	-	-	-	-	-	-	-	-
Services fees	275,813	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	61,814	15,969	-	2,910	1,488	42	32,695	8,576
Other	2,635	46,179	1	18,475	12,885	25,620	59,761	19,235
Total revenues	340,262	1,632,270	1	1,046,680	456,805	673,716	2,871,767	739,378
Expenses and losses								
Compensation	-	478,802	-	99,885	112,049	132,369	644,087	136,971
Administrative	325,914	165,282	-	171,914	75,245	83,356	247,318	83,118
Professional services	46,191	118,263	8,148	150,919	7,924	31,254	17,271	56,285
Depreciation and amortization	-	307,692	-	359,459	290,022	121,526	698,060	416,991
Grants	173,482	-	-	-	-	-	-	-
Facility	-	545,789	-	293,460	152,037	220,131	787,283	248,728
Interest and fees	23,520	201,670	-	159,281	105,286	91,728	38,006	158,906
Bad debts	61,814	-	-	188	90	4,153	2,269	4,267
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	(89,535)	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	(2,447)	-	-	-	-	-	-	-
Total expenses and losses	628,474	1,727,963	8,148	1,235,106	742,653	684,517	2,434,294	1,105,266
Excess (deficiency) of revenues over expenses	(288,212)	(95,693)	(8,147)	(188,426)	(285,848)	(10,801)	437,473	(365,888)
Net assets at beginning of year	(1,595,803)	(10,023,931)	(41,455)	770,488	295,364	60,326	8,868,794	(804,534)
Other transfers to (from) net assets	-	-	(173,482)	(152,937)	-	(700,000)	(1,686,565)	2,635
Net assets at end of year	\$ (1,884,015)	\$ (10,119,624)	\$ (223,084)	\$ 429,125	\$ 9,516	\$ (650,475)	\$ 7,619,702	\$ (1,167,787)

Mercy Properties, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Park Terrace Apartments, LP	Mercy Housing California X, LP (The Rose Hotel)	San Felipe Homes, LP	2220 10th Avenue Associates, LP (Santana Apts.)	Mercy Housing Iowa II, LP (Sherwood Place Apts.)	Mercy Housing California I, LP (St. Francis Terrace)	Mercy Housing Georgia II, LLLP (Orchard Grove Apts.)	Mercy Housing Colorado IX, LLLP (Parkside Apartments)
Revenues								
Rent - net of vacancies	\$ 544,571	\$ 1,580,524	\$ 235,815	\$ 413,517	\$ 272,038	\$ -	\$ 364,542	\$ 624,448
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	23,919	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	20,000
Consulting	-	-	-	-	-	-	-	-
Interest	4,552	8,403	81	8,192	576	369	2,299	56
Other	24,935	37,295	5,623	16,221	12,651	99,061	21,544	12,624
Total revenues	574,058	1,650,141	241,519	437,930	285,265	99,430	388,385	657,128
Expenses and losses								
Compensation	158,548	330,733	46,441	97,263	48,583	-	91,102	140,240
Administrative	106,016	216,483	40,414	60,147	33,529	10,800	60,716	91,708
Professional services	28,326	74,737	7,630	70,087	10,049	11,820	13,129	9,485
Depreciation and amortization	194,898	116,501	40,346	90,164	96,636	-	174,012	344,733
Grants	-	-	-	-	-	159,198	-	-
Facility	222,777	458,345	82,725	150,428	98,932	2,003	195,895	188,620
Interest and fees	9,687	33,818	57,000	80,372	33,233	-	192	217,030
Bad debts	620	909	-	5,356	7,514	-	7,692	9,831
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	720,872	1,231,526	274,556	553,817	328,476	183,821	542,738	1,001,647
Excess (deficiency) of revenues over expenses	(146,814)	418,615	(33,037)	(115,887)	(43,211)	(84,391)	(154,353)	(344,519)
Net assets at beginning of year	1,765,906	1,452,109	(2,404,067)	(2,722,429)	382,551	88,861	975,573	102,191
Other transfers to (from) net assets	-	-	-	-	(20,000)	-	276,518	-
Net assets at end of year	\$ 1,619,092	\$ 1,870,724	\$ (2,437,104)	\$ (2,838,316)	\$ 319,340	\$ 4,470	\$ 1,097,738	\$ (242,328)

Mercy Properties, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Housing Arizona II, LP (Page Commons)	Parkside Terrace Apartments, LLC	Parkside Terraces Limited Partnership	Mulberry Court LLC	Mercy Housing South Carolina I, LP (Mulberry Court Apts)	Savannah Rose of Sharon, LLC	Mercy Housing Georgia III, LP (Rose of Sharon)	Mercy Housing South Dakota I, LLC (Driftwood Estates)
Revenues								
Rent - net of vacancies	\$ 752,284	\$ -	\$ 513,884	\$ -	\$ 293,200	\$ -	\$ 1,843,345	\$ 641,880
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	15,000	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	191	-	111	-	29	-	6,493	-
Other	14,337	-	6,936	-	6,701	-	176,025	16,147
Total revenues	766,812	-	520,931	-	299,930	15,000	2,025,863	658,027
Expenses and losses								
Compensation	147,633	-	136,136	-	43,265	-	243,366	86,519
Administrative	157,796	56	63,678	110	51,067	115,440	252,637	99,143
Professional services	60,680	1,011	20,897	934	12,534	1,934	14,588	47,437
Depreciation and amortization	339,863	-	84,184	-	171,741	-	427,045	173,103
Grants	-	-	-	-	-	-	-	-
Facility	223,979	-	262,282	-	136,696	-	633,543	256,216
Interest and fees	119,560	-	9,841	-	87,644	-	794,031	163,410
Bad debts	1,705	-	18,178	-	16,477	-	128,283	33,461
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	(155,953)	-
(Gain) loss on investment in limited partnership	-	74	-	22	-	31	-	-
Total expenses and losses	1,051,216	1,141	595,196	1,066	519,424	117,405	2,337,540	859,289
Excess (deficiency) of revenues over expenses	(284,404)	(1,141)	(74,265)	(1,066)	(219,494)	(102,405)	(311,677)	(201,262)
Net assets at beginning of year	1,602,505	(25,270)	(2,253,068)	37,692	1,200,340	(105,103)	(271,094)	893,436
Other transfers to (from) net assets	(2,777)	-	-	-	-	-	-	-
Net assets at end of year	\$ 1,315,324	\$ (26,411)	\$ (2,327,333)	\$ 36,626	\$ 980,846	\$ (207,508)	\$ (582,771)	\$ 692,174

Mercy Properties, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Housing South Dakota II, LLC (Northern Heights)	Mercy Housing Colorado XI, LLC (Pinon Terrace)	Commons on Main GP, LLC	Aromor Mercy, LLC (Aromor Apts)	Mercy Galewood SLF, Inc.	FHD Holdings LLC	Eliminations	Consolidated Mercy Properties, Inc.
Revenues								
Rent - net of vacancies	\$ 700,180	\$ 610,092	\$ -	\$ 680,841	\$ -	\$ -	\$ -	\$ 17,247,942
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	23,623	-	(290,813)	23,623
Philanthropy	-	-	-	-	-	-	-	23,919
Capital grants	-	-	-	-	-	-	-	20,000
Consulting	-	-	-	-	-	-	-	-
Interest	278	284	-	8,219	-	-	(61,814)	101,813
Other	15,273	27,122	-	17,239	-	-	(2,737)	691,788
Total revenues	715,731	637,498	-	706,299	23,623	-	(355,364)	18,109,085
Expenses and losses								
Compensation	153,610	128,350	-	157,746	-	-	-	3,613,698
Administrative	133,060	94,530	55	92,987	23,634	111	(215,809)	2,640,455
Professional services	46,183	10,192	934	56,946	4,734	934	-	941,456
Depreciation and amortization	185,417	374,890	-	284,914	-	-	(618)	5,291,579
Grants	-	-	-	-	-	-	-	332,680
Facility	283,811	221,914	-	293,709	-	-	-	5,959,303
Interest and fees	81,494	133,141	-	113,859	-	-	(35,591)	2,677,118
Bad debts	2,276	6,652	-	3,511	-	-	(61,814)	253,432
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	(245,488)
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	2,320	-
Total expenses and losses	885,851	969,669	989	1,003,672	28,368	1,045	(311,512)	21,464,233
Excess (deficiency) of revenues over expenses	(170,120)	(332,171)	(989)	(297,373)	(4,745)	(1,045)	(43,852)	(3,355,148)
Net assets at beginning of year	2,145,524	5,789,312	(164,127)	2,560,212	339,426	(51,054)	1,943,258	10,811,933
Other transfers to (from) net assets	-	-	-	-	-	-	(85,470)	(2,542,078)
Net assets at end of year	\$ 1,975,404	\$ 5,457,141	\$ (165,116)	\$ 2,262,839	\$ 334,681	\$ (52,099)	\$ 1,813,936	\$ 4,914,707

Mercy Properties II, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties II, Inc.	Mercy Housing Utah I, LP (Francis Peak View)	Mercy Housing Idaho V, LP (Sisters Villa)	Eliminations	Consolidated Mercy Properties II, Inc.
Assets					
Current assets					
Cash and cash equivalents	\$ -	\$ 138,429	\$ 121,170	\$ -	\$ 259,599
Cash, tenant security deposits	-	32,790	17,200	-	49,990
Cash, restricted	-	-	-	-	-
Investments	-	-	-	-	-
Investments, restricted	-	-	-	-	-
Accounts receivable, net	-	70,444	-	-	70,444
Due from affiliate, net	67,882	-	-	(67,882)	-
Pledges receivable, net	-	-	-	-	-
Grants receivable	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-
Prepaid expenses and other assets	-	18,016	7,231	-	25,247
Inventory	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Total current assets	67,882	259,679	145,601	(67,882)	405,280
Property and equipment					
Land and land improvements	-	1,258,093	1,009,290	-	2,267,383
Buildings	-	7,137,266	3,917,550	-	11,054,816
Furniture and equipment	-	224,957	48,644	-	273,601
Predevelopment project costs	-	-	-	-	-
Construction in progress	-	-	-	-	-
Accumulated depreciation	-	(5,016,631)	(2,523,839)	-	(7,540,470)
Net property and equipment	-	3,603,685	2,451,645	-	6,055,330
Other long-term assets					
Restricted property reserves	-	294,856	197,561	-	492,417
Long-term investments	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-
Due from affiliates	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-
Investments in limited partnerships, net	(307)	-	-	307	-
Notes and interest receivable, net	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-
Other assets, net	-	-	-	-	-
Total other long-term assets	(307)	294,856	197,561	307	492,417
Total assets	\$ 67,575	\$ 4,158,220	\$ 2,794,807	\$ (67,575)	\$ 6,953,027

Mercy Properties II, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Properties II, Inc.	Mercy Housing Utah I, LP (Francis Peak View)	Mercy Housing Idaho V, LP (Sisters Villa)	Eliminations	Consolidated Mercy Properties II, Inc.
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	\$ -	\$ 56,258	\$ 25,960	\$ -	\$ 82,218
Due to affiliates	131,403	61,007	129,604	(115,125)	206,889
Accrued interest	-	53,510	5,560	-	59,070
Accrued interest, affiliates	-	-	-	-	-
Current portion of notes payable	-	107,805	29,072	-	136,877
Current portion of notes payable, affiliates	-	-	-	-	-
Deferred revenue and other liabilities	-	4,962	-	-	4,962
Tenant security deposits	-	31,689	16,700	-	48,389
Total current liabilities	131,403	315,231	206,896	(115,125)	538,405
Long-term liabilities					
Due to affiliates	-	-	-	-	-
Accrued interest	-	8,000	150,154	-	158,154
Accrued interest, affiliates	-	-	63,247	-	63,247
Notes payable, less current portion, net	-	3,315,960	1,552,627	-	4,868,587
Notes payable, less current portion, affiliates	-	-	414,246	-	414,246
Deferred revenue and other liabilities	-	2,160	-	-	2,160
Total long-term liabilities	-	3,326,120	2,180,274	-	5,506,394
Total liabilities	131,403	3,641,351	2,387,170	(115,125)	6,044,799
Net assets					
Net assets without donor restrictions, controlling	(63,828)	516,869	407,637	47,550	908,228
Net assets without donor restrictions, noncontrolling	-	-	-	-	-
Total net assets without donor restrictions	(63,828)	516,869	407,637	47,550	908,228
Net assets with donor restrictions	-	-	-	-	-
Total net assets	(63,828)	516,869	407,637	47,550	908,228
Total liabilities and net assets	\$ 67,575	\$ 4,158,220	\$ 2,794,807	\$ (67,575)	\$ 6,953,027

Mercy Properties II, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Properties II, Inc.	Mercy Housing Utah I, LP (Francis Peak View)	Mercy Housing Idaho V, LP (Sisters Villa)	Eliminations	Consolidated Mercy Properties II, Inc.
Revenues					
Rent - net of vacancies	\$ -	\$ 1,094,681	\$ 408,435	\$ -	\$ 1,503,116
Developer fees	-	-	-	-	-
Services fees	17,448	-	-	(17,448)	-
Philanthropy	-	-	-	-	-
Capital grants	-	-	-	-	-
Consulting	-	-	-	-	-
Interest	-	376	80	-	456
Other	-	21,429	4,115	-	25,544
Total revenues	17,448	1,116,486	412,630	(17,448)	1,529,116
Expenses and losses					
Compensation	-	204,341	76,071	-	280,412
Administrative	17,568	144,738	72,766	(28,523)	206,549
Professional services	934	61,286	10,830	-	73,050
Depreciation and amortization	-	286,605	156,060	-	442,665
Grants	-	-	-	-	-
Facility	-	217,512	80,630	-	298,142
Interest and fees	-	178,895	98,665	-	277,560
Bad debts	-	3,286	52	-	3,338
Provision for impaired assets	-	-	-	-	-
Project expenses	-	-	-	-	-
Allocation	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-
(Gain) loss on investment in limited partnership	6	-	-	(6)	-
Total expenses and losses	18,508	1,096,663	495,074	(28,529)	1,581,716
Excess (deficiency) of revenues over expenses	(1,060)	19,823	(82,444)	11,081	(52,600)
Net assets at beginning of year	(62,768)	497,046	490,081	36,469	960,828
Other transfers to (from) net assets	-	-	-	-	-
Net assets at end of year	\$ (63,828)	\$ 516,869	\$ 407,637	\$ 47,550	\$ 908,228

2101 Telegraph Avenue Housing, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	2101 Telegraph Avenue Housing, Inc.	2101 Telegraph Avenue Associates, LP (Hamilton Apts.)	Eliminations	Consolidated 2101 Telegraph Avenue Housing, Inc.
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ 314,227	\$ -	\$ 314,227
Cash, tenant security deposits	-	27,463	-	27,463
Cash, restricted	-	-	-	-
Investments	-	-	-	-
Investments, restricted	-	-	-	-
Accounts receivable, net	-	14,647	-	14,647
Due from affiliate, net	77,096	-	(76,863)	233
Pledges receivable, net	-	-	-	-
Grants receivable	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-
Prepaid expenses and other assets	-	18,507	-	18,507
Inventory	-	-	-	-
Assets held for sale	-	-	-	-
Total current assets	77,096	374,844	(76,863)	375,077
Property and equipment				
Land and land improvements	-	649,859	-	649,859
Buildings	-	9,517,771	-	9,517,771
Furniture and equipment	-	447,595	-	447,595
Predevelopment project costs	-	-	-	-
Construction in progress	-	-	-	-
Accumulated depreciation	-	(8,087,996)	-	(8,087,996)
Net property and equipment	-	2,527,229	-	2,527,229
Other long-term assets				
Restricted property reserves	-	898,854	-	898,854
Long-term investments	-	-	-	-
Long-term investments, restricted	-	-	-	-
Due from affiliates	-	-	-	-
Pledges receivable, net	-	-	-	-
Investments in limited partnerships, net	(117,901)	-	117,901	-
Notes and interest receivable, net	-	-	-	-
Notes and interest receivable, affiliates	304,891	-	(304,891)	-
Allowance for impaired assets	-	-	-	-
Other assets, net	-	-	-	-
Total other long-term assets	186,990	898,854	(186,990)	898,854
Total assets	\$ 264,086	\$ 3,800,927	\$ (263,853)	\$ 3,801,160

2101 Telegraph Avenue Housing, Inc.
Consolidating Statement of Financial Position
December 31, 2019

	2101 Telegraph Avenue Housing, Inc.	2101 Telegraph Avenue Associates, LP (Hamilton Apts.)	Eliminations	Consolidated 2101 Telegraph Avenue Housing, Inc.
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ 700	\$ 83,480	\$ -	\$ 84,180
Due to affiliates	25,001	146,626	(76,864)	94,763
Accrued interest	-	-	-	-
Accrued interest, affiliates	-	-	-	-
Current portion of notes payable	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-
Deferred revenue and other liabilities	-	698	-	698
Tenant security deposits	-	26,973	-	26,973
	<u>25,701</u>	<u>257,777</u>	<u>(76,864)</u>	<u>206,614</u>
Total current liabilities				
Long-term liabilities				
Due to affiliates	-	-	-	-
Accrued interest	-	3,988,165	-	3,988,165
Accrued interest, affiliates	-	236,633	(236,633)	-
Notes payable, less current portion, net	-	3,528,764	-	3,528,764
Notes payable, less current portion, affiliates	-	424,120	(424,120)	-
Deferred revenue and other liabilities	-	3,604	-	3,604
	<u>-</u>	<u>8,181,286</u>	<u>(660,753)</u>	<u>7,520,533</u>
Total long-term liabilities				
Total liabilities	<u>25,701</u>	<u>8,439,063</u>	<u>(737,617)</u>	<u>7,727,147</u>
Net assets				
Net assets without donor restrictions, controlling	238,385	(4,638,136)	473,764	(3,925,987)
Net assets without donor restrictions, noncontrolling	-	-	-	-
Total net assets without donor restrictions	<u>238,385</u>	<u>(4,638,136)</u>	<u>473,764</u>	<u>(3,925,987)</u>
Net assets with donor restrictions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets	<u>238,385</u>	<u>(4,638,136)</u>	<u>473,764</u>	<u>(3,925,987)</u>
Total liabilities and net assets	<u>\$ 264,086</u>	<u>\$ 3,800,927</u>	<u>\$ (263,853)</u>	<u>\$ 3,801,160</u>

**2101 Telegraph Avenue Housing, Inc.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	2101 Telegraph Avenue Housing, Inc.	2101 Telegraph Avenue Associates, LP (Hamilton Apts.)	Eliminations	Consolidated 2101 Telegraph Avenue Housing, Inc.
Revenues				
Rent - net of vacancies	\$ -	\$ 1,425,666	\$ -	\$ 1,425,666
Developer fees	-	-	-	-
Services fees	5,000	-	(5,000)	-
Philanthropy	-	-	-	-
Capital grants	-	-	-	-
Consulting	-	-	-	-
Interest	29,354	15,061	(29,354)	15,061
Other	-	25,254	-	25,254
Total revenues	34,354	1,465,981	(34,354)	1,465,981
Expenses and losses				
Compensation	-	306,774	-	306,774
Administrative	5,080	152,539	(5,000)	152,619
Professional services	934	121,504	-	122,438
Depreciation and amortization	-	384,899	-	384,899
Grants	-	-	-	-
Facility	-	490,617	-	490,617
Interest and fees	-	189,502	(13,525)	175,977
Bad debts	29,354	9,218	(29,354)	9,218
Provision for impaired assets	-	-	-	-
Project expenses	-	-	-	-
Allocation	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-
(Gain) loss on investment in limited partnership	1,891	-	(1,891)	-
Total expenses and losses	37,259	1,655,053	(49,770)	1,642,542
Excess (deficiency) of revenues over expenses	(2,905)	(189,072)	15,416	(176,561)
Net assets at beginning of year	241,290	(4,449,064)	458,348	(3,749,426)
Other transfers to (from) net assets	-	-	-	-
Net assets at end of year	\$ 238,385	\$ (4,638,136)	\$ 473,764	\$ (3,925,987)

McDermott Place
Consolidating Statement of Financial Position
December 31, 2019

	McDermott Place	Bishop's Block, LP	Eliminations	Consolidated McDermott Place
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ 5,208	\$ -	\$ 5,208
Cash, tenant security deposits	-	10,434	-	10,434
Cash, restricted	-	-	-	-
Investments	-	-	-	-
Investments, restricted	-	-	-	-
Accounts receivable, net	-	3,032	-	3,032
Due from affiliate, net	69,972	-	(69,972)	-
Pledges receivable, net	-	-	-	-
Grants receivable	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-
Prepaid expenses and other assets	-	6,248	-	6,248
Inventory	-	-	-	-
Assets held for sale	-	-	-	-
Total current assets	69,972	24,922	(69,972)	24,922
Property and equipment				
Land and land improvements	-	15,440	-	15,440
Buildings	-	268,964	-	268,964
Furniture and equipment	-	3,391	-	3,391
Predevelopment project costs	-	-	-	-
Construction in progress	-	-	-	-
Accumulated depreciation	-	(52,879)	-	(52,879)
Net property and equipment	-	234,916	-	234,916
Other long-term assets				
Restricted property reserves	-	-	-	-
Long-term investments	-	-	-	-
Long-term investments, restricted	-	-	-	-
Due from affiliates	-	-	-	-
Pledges receivable, net	-	-	-	-
Investments in limited partnerships, net	(986,884)	-	986,884	-
Notes and interest receivable, net	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-
Allowance for impaired assets	-	-	-	-
Other assets, net	-	-	-	-
Total other long-term assets	(986,884)	-	986,884	-
Total assets	\$ (916,912)	\$ 259,838	\$ 916,912	\$ 259,838

McDermott Place
Consolidating Statement of Financial Position
December 31, 2019

	McDermott Place	Bishop's Block, LP	Eliminations	Consolidated McDermott Place
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ -	\$ 48,216	\$ -	\$ 48,216
Due to affiliates	131,760	659,660	(113,345)	678,075
Accrued interest	-	1,381	-	1,381
Accrued interest, affiliates	-	-	-	-
Current portion of notes payable	-	7,714	-	7,714
Current portion of notes payable, affiliates	-	-	-	-
Deferred revenue and other liabilities	-	701	-	701
Tenant security deposits	-	10,159	-	10,159
Total current liabilities	131,760	727,831	(113,345)	746,246
Long-term liabilities				
Due to affiliates	-	-	-	-
Accrued interest	-	210,201	-	210,201
Accrued interest, affiliates	-	-	-	-
Notes payable, less current portion, net	-	825,861	-	825,861
Notes payable, less current portion, affiliates	-	-	-	-
Deferred revenue and other liabilities	-	-	-	-
Total long-term liabilities	-	1,036,062	-	1,036,062
Total liabilities	131,760	1,763,893	(113,345)	1,782,308
Net assets				
Net assets without donor restrictions, controlling	(1,048,672)	(1,504,055)	1,030,257	(1,522,470)
Net assets without donor restrictions, noncontrolling	-	-	-	-
Total net assets without donor restrictions	(1,048,672)	(1,504,055)	1,030,257	(1,522,470)
Net assets with donor restrictions	-	-	-	-
Total net assets	(1,048,672)	(1,504,055)	1,030,257	(1,522,470)
Total liabilities and net assets	\$ (916,912)	\$ 259,838	\$ 916,912	\$ 259,838

McDermott Place
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	McDermott Place	Bishop's Block, LP	Eliminations	Consolidated McDermott Place
Revenues				
Rent - net of vacancies	\$ -	\$ 244,574	\$ -	\$ 244,574
Developer fees	-	-	-	-
Services fees	9,308	-	(9,308)	-
Philanthropy	-	-	-	-
Capital grants	-	-	-	-
Consulting	-	-	-	-
Interest	-	2	-	2
Other	-	354,565	-	354,565
Total revenues	9,308	599,141	(9,308)	599,141
Expenses and losses				
Compensation	-	109,858	-	109,858
Administrative	9,441	41,603	(9,308)	41,736
Professional services	934	6,817	-	7,751
Depreciation and amortization	-	14,695	-	14,695
Grants	-	-	-	-
Facility	-	108,822	-	108,822
Interest and fees	-	38,559	-	38,559
Bad debts	-	830	-	830
Provision for impaired assets	-	-	-	-
Project expenses	-	-	-	-
Allocation	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-
(Gain) loss on investment in limited partnership	(28)	-	28	-
Total expenses and losses	10,347	321,184	(9,280)	322,251
Excess (deficiency) of revenues over expenses	(1,039)	277,957	(28)	276,890
Net assets at beginning of year	(1,047,633)	(1,782,012)	1,030,285	(1,799,360)
Other transfers to (from) net assets	-	-	-	-
Net assets at end of year	\$ (1,048,672)	\$ (1,504,055)	\$ 1,030,257	\$ (1,522,470)

**South of Market Mercy Housing
Consolidating Statement of Financial Position
December 31, 2019**

	South of Market Mercy Housing	1101 Howard Street Associates, LP (1101 Howard St. Apts.)	Mercy Housing California VI, LP (205 Jones Street Apts.)	1475 167th Avenue Associates, LP (Bermuda Gardens)	Centro Partners, LP (El Centro Residential)	Riverside/Leibrandt Partners, LP (La Playa Residential)	West 28th Street, LP (Montclair/Tolton Court)	16th & Church Street Associates, LP (Padre Palou)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 141,924	\$ 57,941	\$ 243,114	\$ 66,602	\$ 80,154	\$ 46,109	\$ 73,795
Cash, tenant security deposits	-	28,674	38,471	6,004	38,239	15,069	20,251	12,889
Cash, restricted	-	-	-	500	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	16,558	18,104	162,994	16,786	11	3,196	-
Due from affiliate, net	252,409	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	7,729	9,326	1,110	23,581	3,544	6,197	5,478
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	252,409	194,885	123,842	413,722	145,208	98,778	75,753	92,162
Property and equipment								
Land and land improvements	-	807,358	233,860	-	913,787	568,985	720,004	5,600
Buildings	-	5,339,086	3,745,006	-	4,813,880	1,946,483	4,724,445	2,563,606
Furniture and equipment	-	132,421	164,295	-	165,098	21,527	149,964	133,783
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(3,576,522)	(3,336,800)	-	(3,235,590)	(1,282,885)	(3,455,674)	(2,346,995)
Net property and equipment	-	2,702,343	806,361	-	2,657,175	1,254,110	2,138,739	355,994
Other long-term assets								
Restricted property reserves	-	456,329	220,491	133,639	256,980	236,780	112,335	205,133
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(10,534,286)	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	1,197,412	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	(9,336,874)	456,329	220,491	133,639	256,980	236,780	112,335	205,133
Total assets	\$ (9,084,465)	\$ 3,353,557	\$ 1,150,694	\$ 547,361	\$ 3,059,363	\$ 1,589,668	\$ 2,326,827	\$ 653,289

**South of Market Mercy Housing
Consolidating Statement of Financial Position
December 31, 2019**

	South of Market Mercy Housing	1101 Howard Street Associates, LP (1101 Howard St. Apts.)	Mercy Housing California VI, LP (205 Jones Street Apts.)	1475 167th Avenue Associates, LP (Bermuda Gardens)	Centro Partners, LP (El Centro Residential)	Riverside/Leibrandt Partners, LP (La Playa Residential)	West 28th Street, LP (Montclair/Tolton Court)	16th & Church Street Associates, LP (Padre Palou)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 586	\$ 40,919	\$ 47,716	\$ 35,353	\$ 49,129	\$ 24,241	\$ 21,247	\$ 22,462
Due to affiliates	699,102	30,000	45,000	147,967	-	120,001	9,414	41,808
Accrued interest	-	505	717	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	38,290	24,923	-	-	97,700	-	-
Current portion of notes payable, affiliates	-	-	-	52,735	-	-	-	-
Deferred revenue and other liabilities	-	5,710	6,423	71,254	759	-	48	-
Tenant security deposits	-	28,174	37,095	5,527	37,213	14,569	19,633	12,396
Total current liabilities	699,688	143,598	161,874	312,836	87,101	256,511	50,342	76,666
Long-term liabilities								
Due to affiliates	775,972	-	-	-	-	-	-	736,067
Accrued interest	-	1,488,820	1,187,349	-	2,702,463	732,083	-	730,689
Accrued interest, affiliates	-	-	-	-	-	-	-	1,484,322
Notes payable, less current portion, net	-	2,426,344	1,935,180	-	2,913,223	825,543	1,692,980	1,112,482
Notes payable, less current portion, affiliates	-	-	-	-	312,729	232,339	-	-
Deferred revenue and other liabilities	-	-	1,473	-	1,346	-	-	-
Total long-term liabilities	775,972	3,915,164	3,124,002	-	5,929,761	1,789,965	1,692,980	4,063,560
Total liabilities	1,475,660	4,058,762	3,285,876	312,836	6,016,862	2,046,476	1,743,322	4,140,226
Net assets								
Net assets without donor restrictions, controlling	(10,560,125)	(705,205)	(2,135,182)	234,525	(2,957,499)	(456,808)	583,505	(3,486,937)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(10,560,125)	(705,205)	(2,135,182)	234,525	(2,957,499)	(456,808)	583,505	(3,486,937)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(10,560,125)	(705,205)	(2,135,182)	234,525	(2,957,499)	(456,808)	583,505	(3,486,937)
Total liabilities and net assets	\$ (9,084,465)	\$ 3,353,557	\$ 1,150,694	\$ 547,361	\$ 3,059,363	\$ 1,589,668	\$ 2,326,827	\$ 653,289

South of Market Mercy Housing
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated South of Market Mercy Housing
Assets		
Current assets		
Cash and cash equivalents	\$ -	\$ 709,639
Cash, tenant security deposits	-	159,597
Cash, restricted	-	500
Investments	-	-
Investments, restricted	-	-
Accounts receivable, net	-	217,649
Due from affiliate, net	(172,332)	80,077
Pledges receivable, net	-	-
Grants receivable	-	-
Current portion of notes and interest receivable	-	-
Current portion of notes and interest receivable, affiliates	-	-
Prepaid expenses and other assets	-	56,965
Inventory	-	-
Assets held for sale	-	-
Total current assets	<u>(172,332)</u>	<u>1,224,427</u>
Property and equipment		
Land and land improvements	-	3,249,594
Buildings	-	23,132,506
Furniture and equipment	-	767,088
Predevelopment project costs	-	-
Construction in progress	-	-
Accumulated depreciation	-	(17,234,466)
Net property and equipment	<u>-</u>	<u>9,914,722</u>
Other long-term assets		
Restricted property reserves	-	1,621,687
Long-term investments	-	-
Long-term investments, restricted	-	-
Due from affiliates	-	-
Pledges receivable, net	-	-
Investments in limited partnerships, net	(886,114)	(11,420,400)
Notes and interest receivable, net	-	-
Notes and interest receivable, affiliates	-	1,197,412
Allowance for impaired assets	-	-
Other assets, net	-	-
Total other long-term assets	<u>(886,114)</u>	<u>(8,601,301)</u>
Total assets	<u>\$ (1,058,446)</u>	<u>\$ 2,537,848</u>

South of Market Mercy Housing
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated South of Market Mercy Housing
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ -	\$ 241,653
Due to affiliates	(263,259)	830,033
Accrued interest	-	1,222
Accrued interest, affiliates	-	-
Current portion of notes payable	-	160,913
Current portion of notes payable, affiliates	-	52,735
Deferred revenue and other liabilities	-	84,194
Tenant security deposits	-	154,607
	<u>(263,259)</u>	<u>1,525,357</u>
Total current liabilities		
Long-term liabilities		
Due to affiliates	-	1,512,039
Accrued interest	-	6,841,404
Accrued interest, affiliates	-	1,484,322
Notes payable, less current portion, net	-	10,905,752
Notes payable, less current portion, affiliates	-	545,068
Deferred revenue and other liabilities	-	2,819
	<u>-</u>	<u>21,291,404</u>
Total long-term liabilities		
Total liabilities		
	<u>(263,259)</u>	<u>22,816,761</u>
Net assets		
Net assets without donor restrictions, controlling	(795,187)	(20,278,913)
Net assets without donor restrictions, noncontrolling	<u>-</u>	<u>-</u>
Total net assets without donor restrictions	(795,187)	(20,278,913)
Net assets with donor restrictions	<u>-</u>	<u>-</u>
Total net assets	<u>(795,187)</u>	<u>(20,278,913)</u>
Total liabilities and net assets	<u>\$ (1,058,446)</u>	<u>\$ 2,537,848</u>

**South of Market Mercy Housing
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	South of Market Mercy Housing	1101 Howard Street Associates, LP (1101 Howard St Apts.)	Mercy Housing California VI, LP (205 Jones Street Apts.)	1475 167th Avenue Associates, LP (Bermuda Gardens)	Centro Partners, LP (El Centro Residential)	Riverside/Leibrandt Partners, LP (La Playa Residential)	West 28th Street, LP (Montclair/Tolton Court)	16th & Church Street Associates, LP (Padre Palou)
Revenues								
Rent - net of vacancies	\$ -	\$ 619,243	\$ 619,817	\$ 1,187,990	\$ 559,833	\$ 157,846	\$ 315,458	\$ 287,114
Developer fees	-	-	-	-	-	-	-	-
Services fees	183,237	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	206	136	3,939	59	116	72	137
Other	-	8,757	13,657	831,238	28,174	9,234	10,087	5,980
Total revenues	183,237	628,206	633,610	2,023,167	588,066	167,196	325,617	293,231
Expenses and losses								
Compensation	-	99,159	138,380	197,329	200,454	16,486	95,653	67,682
Administrative	1,309,299	83,321	91,728	145,455	70,805	25,917	47,454	39,799
Professional services	2,369,829	41,693	44,225	121,626	69,583	6,780	746,887	10,579
Depreciation and amortization	-	129,127	149,716	187,714	139,114	48,131	180,955	82,329
Grants	-	-	-	1,500,000	-	-	-	-
Facility	-	179,229	309,403	308,606	177,840	99,198	115,621	165,804
Interest and fees	-	73,860	57,967	386,315	110,515	35,217	-	195,309
Bad debts	-	-	722	25,982	1,462	-	-	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	3,967,385	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	5,101,367	-	-	-	-	-	-	-
Total expenses and losses	12,747,880	606,389	792,141	2,873,027	769,773	231,729	1,186,570	561,502
Excess (deficiency) of revenues over expenses	(12,564,643)	21,817	(158,531)	(849,860)	(181,707)	(64,533)	(860,953)	(268,271)
Net assets at beginning of year	(15,147,548)	(727,022)	(1,943,926)	(3,542,571)	(2,775,792)	(392,275)	710,507	(3,218,666)
Other transfers to (from) net assets	17,152,066	-	(32,725)	4,626,956	-	-	(6,156)	-
Net assets at end of year	\$ (10,560,125)	\$ (705,205)	\$ (2,135,182)	\$ 234,525	\$ (2,957,499)	\$ (456,808)	\$ (156,602)	\$ (3,486,937)

**South of Market Mercy Housing
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Eliminations	Consolidated South of Market Mercy Housing
Revenues		-
Rent - net of vacancies	\$ -	\$ 3,747,301
Developer fees	-	-
Services fees	(83,555)	99,682
Philanthropy	-	-
Capital grants	-	-
Consulting	-	-
Interest	-	4,665
Other	-	907,127
Total revenues	<u>(83,555)</u>	<u>4,758,775</u>
Expenses and losses		
Compensation	-	815,143
Administrative	(67,000)	1,746,778
Professional services	-	3,411,202
Depreciation and amortization	-	917,086
Grants	-	1,500,000
Facility	-	1,355,701
Interest and fees	-	859,183
Bad debts	-	28,166
Provision for impaired assets	-	-
Project expenses	-	-
Allocation	-	-
(Gain) loss on sale of assets	-	3,967,385
(Gain) loss on investment in limited partnership	(2,747)	5,098,620
Total expenses and losses	<u>(69,747)</u>	<u>19,699,264</u>
Excess (deficiency) of revenues over expenses	(13,808)	(14,940,489)
Net assets at beginning of year	(814,105)	(27,851,398)
Other transfers to (from) net assets	32,726	21,772,867
Net assets at end of year	<u>\$ (795,187)</u>	<u>\$ (21,019,020)</u>

Visitacion Valley Affordable Housing Corporation
Consolidating Statement of Financial Position
December 31, 2019

	Visitacion Valley Affordable Housing Corporation	Visitacion Valley Family Housing Associates (Heritage Homes)	Eliminations	Consolidated Visitacion Valley Affordable Housing Corporation
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ 981,521	\$ -	\$ 981,521
Cash, tenant security deposits	-	108,297	-	108,297
Cash, restricted	-	-	-	-
Investments	-	-	-	-
Investments, restricted	-	-	-	-
Accounts receivable, net	-	171,450	-	171,450
Due from affiliate, net	3,750	-	(3,750)	-
Pledges receivable, net	-	-	-	-
Grants receivable	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-
Prepaid expenses and other assets	-	48,860	-	48,860
Inventory	-	-	-	-
Assets held for sale	-	-	-	-
Total current assets	3,750	1,310,128	(3,750)	1,310,128
Property and equipment				
Land and land improvements	-	17,390	-	17,390
Buildings	-	26,334,546	-	26,334,546
Furniture and equipment	-	811,204	-	811,204
Predevelopment project costs	-	-	-	-
Construction in progress	-	-	-	-
Accumulated depreciation	-	(18,945,563)	-	(18,945,563)
Net property and equipment	-	8,217,577	-	8,217,577
Other long-term assets				
Restricted property reserves	-	1,088,589	-	1,088,589
Long-term investments	-	-	-	-
Long-term investments, restricted	-	-	-	-
Due from affiliates	-	-	-	-
Pledges receivable, net	-	-	-	-
Investments in limited partnerships, net	3,121,026	-	(3,121,026)	-
Notes and interest receivable, net	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-
Allowance for impaired assets	-	-	-	-
Other assets, net	-	-	-	-
Total other long-term assets	3,121,026	1,088,589	(3,121,026)	1,088,589
Total assets	\$ 3,124,776	\$ 10,616,294	\$ (3,124,776)	\$ 10,616,294

Visitacion Valley Affordable Housing Corporation
Consolidating Statement of Financial Position
December 31, 2019

	Visitacion Valley Affordable Housing Corporation	Visitacion Valley Family Housing Associates (Heritage Homes)	Eliminations	Consolidated Visitacion Valley Affordable Housing Corporation
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ 700	\$ 114,882	\$ -	\$ 115,582
Due to affiliates	80,652	15,000	(15,000)	80,652
Accrued interest	-	19,782	-	19,782
Accrued interest, affiliates	-	-	-	-
Current portion of notes payable	-	86,442	-	86,442
Current portion of notes payable, affiliates	-	-	-	-
Deferred revenue and other liabilities	-	23,144	-	23,144
Tenant security deposits	-	107,792	-	107,792
Total current liabilities	81,352	367,042	(15,000)	433,394
Long-term liabilities				
Due to affiliates	-	-	-	-
Accrued interest	-	643,472	-	643,472
Accrued interest, affiliates	-	-	-	-
Notes payable, less current portion, net	-	5,774,594	-	5,774,594
Notes payable, less current portion, affiliates	-	-	-	-
Deferred revenue and other liabilities	-	5,735	-	5,735
Total long-term liabilities	-	6,423,801	-	6,423,801
Total liabilities	81,352	6,790,843	(15,000)	6,857,195
Net assets				
Net assets without donor restrictions, controlling	3,043,424	3,825,451	(3,109,776)	3,759,099
Net assets without donor restrictions, noncontrolling	-	-	-	-
Total net assets without donor restrictions	3,043,424	3,825,451	(3,109,776)	3,759,099
Net assets with donor restrictions	-	-	-	-
Total net assets	3,043,424	3,825,451	(3,109,776)	3,759,099
Total liabilities and net assets	\$ 3,124,776	\$ 10,616,294	\$ (3,124,776)	\$ 10,616,294

Visitacion Valley Affordable Housing Corporation
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Visitacion Valley Affordable Housing Corporation	Visitacion Valley Family Housing Associates (Heritage Homes)	Eliminations	Consolidated Visitacion Valley Affordable Housing Corporation
Revenues				
Rent - net of vacancies	\$ -	\$ 3,278,582	\$ -	\$ 3,278,582
Developer fees	-	-	-	-
Services fees	15,000	-	(15,000)	-
Philanthropy	-	-	-	-
Capital grants	-	-	-	-
Consulting	-	-	-	-
Interest	-	730	-	730
Other	-	60,112	-	60,112
Total revenues	15,000	3,339,424	(15,000)	3,339,424
Expenses and losses				
Compensation	-	546,968	-	546,968
Administrative	15,000	211,033	(15,000)	211,033
Professional services	486	202,736	-	203,222
Depreciation and amortization	-	956,164	-	956,164
Grants	-	-	-	-
Facility	-	1,207,224	-	1,207,224
Interest and fees	-	314,941	-	314,941
Bad debts	-	35,677	-	35,677
Provision for impaired assets	-	-	-	-
Project expenses	-	-	-	-
Allocation	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-
(Gain) loss on investment in limited partnership	68	-	(68)	-
Total expenses and losses	15,554	3,474,743	(15,068)	3,475,229
Excess (deficiency) of revenues over expenses	(554)	(135,319)	68	(135,805)
Net assets at beginning of year	3,043,978	4,029,631	(3,109,844)	3,963,765
Other transfers to (from) net assets	-	(68,861)	-	(68,861)
Net assets at end of year	\$ 3,043,424	\$ 3,825,451	\$ (3,109,776)	\$ 3,759,099

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing West	Mercy Housing California XIV, LP (10th & Mission Apartments)	Mercy Housing California XV, LP (Nueva Vista)	Mercy Housing California XVII, LP (Derek Silva Community)	Mercy Housing California XXIV, LP (Carter Terrace Apartments)	Mercy Housing California XVIII, LP (Polk Street Senior Community)	Mercy Housing California XII, LP (Linbrook Court)	Mercy Housing California XX, LP (Mission Creek Sr.)
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 335,207	\$ 57,929	\$ 1,166,043	\$ 786,545	\$ 712,366	\$ 414,878	\$ 1,602,010
Cash, tenant security deposits	-	119,794	38,217	17,499	101,677	22,656	35,429	62,818
Cash, restricted	-	-	300	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	46,803	4,461	15,432	26,613	3,369	765	16,254
Due from affiliate, net	2,496,323	37	-	-	-	-	-	57
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	349,756
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	117,424	16,150	21,092	24,738	22,409	14,392	79,316
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	2,496,323	619,265	117,057	1,220,066	939,573	760,800	465,464	2,110,211
Property and equipment								
Land and land improvements	-	1,377,290	923,794	135,399	7,088,220	1,028,700	1,804,059	28,240
Buildings	-	63,286,430	11,072,828	15,228,567	21,386,678	16,116,779	10,233,219	39,860,119
Furniture and equipment	-	1,564,894	324,083	46,784	1,644,127	262,627	295,281	1,027,066
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(25,916,917)	(7,590,723)	(9,094,585)	(16,807,341)	(9,416,894)	(6,967,198)	(20,959,593)
Net property and equipment	-	40,311,697	4,729,982	6,316,165	13,311,684	7,991,212	5,365,361	19,955,832
Other long-term assets								
Restricted property reserves	333,394	1,528,994	356,997	631,523	1,106,309	680,153	344,267	2,115,910
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	211,000	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	6,935,459	-	-	-	-	-	-	-
Notes and interest receivable, net	285,520	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	25,137,548	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	27,082	-	-	-	539	-	7,147
Total other long-term assets	32,902,921	1,556,076	356,997	631,523	1,106,309	680,692	344,267	2,123,057
Total assets	\$ 35,399,244	\$ 42,487,038	\$ 5,204,036	\$ 8,167,754	\$ 15,357,566	\$ 9,432,704	\$ 6,175,092	\$ 24,189,100

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing West	Mercy Housing California XIV, LP (10th & Mission Apartments)	Mercy Housing California XV, LP (Nueva Vista)	Mercy Housing California XVII, LP (Derek Silva Community)	Mercy Housing California XXIV, LP (Carter Terrace Apartments)	Mercy Housing California XVIII, LP (Polk Street Senior Community)	Mercy Housing California XII, LP (Linbrook Court)	Mercy Housing California XX, LP (Mission Creek Sr.)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 584	\$ 242,956	\$ 46,081	\$ 105,843	\$ 192,775	\$ 67,423	\$ 43,025	\$ 240,011
Due to affiliates	1,932,110	27,874	34,319	193,978	26,471	63,265	40,000	21,077
Accrued interest	-	-	2,615	-	14,337	-	-	3,552
Accrued interest, affiliates	-	-	-	-	-	-	779	-
Current portion of notes payable	-	-	66,013	-	100,000	-	-	235,000
Current portion of notes payable, affiliates	-	-	-	-	-	-	68,870	-
Deferred revenue and other liabilities	-	19,109	6,104	12,504	21,591	23,307	1,357	26,708
Tenant security deposits	-	119,031	37,717	16,892	95,790	21,314	35,853	62,058
Total current liabilities	1,932,694	408,970	192,849	329,217	450,964	175,309	189,884	588,406
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	2,434,328	-	1,063,546	4,554,540	4,470,456	-	1,679,587
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	900,000	37,683,100	3,464,169	6,833,784	15,710,707	7,778,143	(60,563)	19,561,703
Notes payable, less current portion, affiliates	6,570,473	-	-	-	-	-	5,271,130	-
Deferred revenue and other liabilities	-	6,126	1,450	1,844,272	5,218	621,297	5,528	20,000
Total long-term liabilities	7,470,473	40,123,554	3,465,619	9,741,602	20,270,465	12,869,896	5,216,095	21,261,290
Total liabilities	9,403,167	40,532,524	3,658,468	10,070,819	20,721,429	13,045,205	5,405,979	21,849,696
Net assets								
Net assets without donor restrictions, controlling	24,867,154	1,954,514	1,545,568	(1,903,065)	(5,363,863)	(3,612,501)	769,113	2,339,404
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	24,867,154	1,954,514	1,545,568	(1,903,065)	(5,363,863)	(3,612,501)	769,113	2,339,404
Net assets with donor restrictions	1,128,923	-	-	-	-	-	-	-
Total net assets	25,996,077	1,954,514	1,545,568	(1,903,065)	(5,363,863)	(3,612,501)	769,113	2,339,404
Total liabilities and net assets	\$ 35,399,244	\$ 42,487,038	\$ 5,204,036	\$ 8,167,754	\$ 15,357,566	\$ 9,432,704	\$ 6,175,092	\$ 24,189,100

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California XVI, LP (Villa Madera)	Mercy Housing California XII, LP (Villa Amador)	Village Park Housing Associates (Village Park Apts.)	Mercy Housing California XXI, LP (White Rock Village)	Mercy Housing California XIX, LP (Grand & Venice)	Mercy Housing California XXV, LP (Casa Alegre)	Pinewood Court Apartments, LP (Terracina Pinewood Court)	Mercy Housing California XXII, LP (The Dudley)
Assets								
Current assets								
Cash and cash equivalents	\$ 78,576	\$ 84,637	\$ -	\$ 238,494	\$ 152,106	\$ 150,063	\$ 40,086	\$ 464,513
Cash, tenant security deposits	60,958	75,705	-	129,782	48,409	20,060	43,032	16,225
Cash, restricted	-	2,866	-	-	-	-	-	54,510
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	32,192	-	16,884	582,234	6,258	387	103,756
Due from affiliate, net	-	13,000	-	-	-	-	-	15,238
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	11,726	25,831	-	34,512	49,263	6,098	12,022	17,661
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	151,260	234,231	-	419,672	832,012	182,479	95,527	671,903
Property and equipment								
Land and land improvements	2,223,946	6,280,035	-	5,669,831	176,286	873,574	2,014,938	121,460
Buildings	12,108,065	27,167,276	-	24,225,240	20,069,707	3,466,310	7,143,810	9,432,422
Furniture and equipment	205,235	693,703	-	395,477	170,359	47,308	113,910	293,337
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(7,774,202)	(16,076,956)	-	(13,217,341)	(10,637,708)	(2,518,424)	(5,361,638)	(4,329,610)
Net property and equipment	6,763,044	18,064,058	-	17,073,207	9,778,644	1,868,768	3,911,020	5,517,609
Other long-term assets								
Restricted property reserves	407,578	574,465	-	750,027	275,506	236,040	193,132	451,579
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	2,201	11,609	-	4,177	1,747,332	-	1,035	18,417
Total other long-term assets	409,779	586,074	-	754,204	2,022,838	236,040	194,167	469,996
Total assets	\$ 7,324,083	\$ 18,884,363	\$ -	\$ 18,247,083	\$ 12,633,494	\$ 2,287,287	\$ 4,200,714	\$ 6,659,508

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California XVI, LP (Villa Madera)	Mercy Housing California XII, LP (Villa Amador)	Village Park Housing Associates (Village Park Apts.)	Mercy Housing California XXI, LP (White Rock Village)	Mercy Housing California XIX, LP (Grand & Venice)	Mercy Housing California XXV, LP (Casa Alegre)	Pinewood Court Apartments, LP (Terracina Pinewood Court)	Mercy Housing California XXII, LP (The Dudley)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 34,761	\$ 61,207	\$ -	\$ 70,695	\$ 116,562	\$ 19,062	\$ 125,281	\$ 85,887
Due to affiliates	495,392	5,808	-	289,779	74,187	99,761	196,886	427,782
Accrued interest	26,126	49,827	-	62,903	4,384	-	8,114	77,167
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	119,447	58,516	-	153,372	23,898	-	51,712	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	3,670	23,144	-	81,798	3,375	5,090	1,361	41,994
Tenant security deposits	60,053	73,450	-	132,619	47,929	19,560	42,230	15,774
Total current liabilities	739,449	271,952	-	791,166	270,335	143,473	425,584	648,604
Long-term liabilities								
Due to affiliates	-	211,000	-	-	-	-	-	-
Accrued interest	1,143,927	3,980,221	-	1,980,007	2,631,621	394,981	461,950	1,898,836
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	7,466,523	16,192,215	-	17,655,737	6,872,632	896,237	2,654,618	5,898,995
Notes payable, less current portion, affiliates	284,000	-	-	-	-	-	-	1,204,149
Deferred revenue and other liabilities	221,713	3,780	-	702	1,777,082	1,570	1,242	162,644
Total long-term liabilities	9,116,163	20,387,216	-	19,636,446	11,281,335	1,292,788	3,117,810	9,164,624
Total liabilities	9,855,612	20,659,168	-	20,427,612	11,551,670	1,436,261	3,543,394	9,813,228
Net assets								
Net assets without donor restrictions, controlling	(2,531,529)	(1,774,805)	-	(2,180,529)	1,081,824	851,026	657,320	(3,153,720)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(2,531,529)	(1,774,805)	-	(2,180,529)	1,081,824	851,026	657,320	(3,153,720)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(2,531,529)	(1,774,805)	-	(2,180,529)	1,081,824	851,026	657,320	(3,153,720)
Total liabilities and net assets	\$ 7,324,083	\$ 18,884,363	\$ -	\$ 18,247,083	\$ 12,633,494	\$ 2,287,287	\$ 4,200,714	\$ 6,659,508

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California XXVI, LP (Martin Luther King Village)	Mercy Housing California XLI, LP (Westbrook Plaza)	Mercy Housing California XIV, LP (Edith Witt Sr Community)	Mercy Housing California XXVII, LP (Serna Village)	Mercy Housing California XXVIII, LP (The Vineyard Townhomes)	Mercy Terrace, LLC	Mercy Housing California XXIX, LP (Grizzly Hollow Phase III)	New Dana Strand Townhomes, LP (New Dana Strand Townhomes)
Assets								
Current assets								
Cash and cash equivalents	\$ 37,046	\$ 326,512	\$ 50,406	\$ 243,491	\$ 121,219	\$ 1,662,142	\$ 5,428	\$ 63,827
Cash, tenant security deposits	12,748	57,676	34,806	40,906	71,338	56,501	36,474	73,987
Cash, restricted	-	-	10,012	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	26,536	9,455	5,525	5,911	4,144	63,848	580	34,456
Due from affiliate, net	-	-	136	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	22,156	38,726	46,326	17,156	20,432	44,160	11,981	81,949
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	98,486	432,369	147,211	307,464	217,133	1,826,651	54,463	254,219
Property and equipment								
Land and land improvements	2,835,370	693,387	1,781,588	1,840,737	2,275,562	131,824	2,939,045	5,022,013
Buildings	10,762,028	24,646,715	41,770,941	14,559,505	14,644,917	21,468,301	13,151,554	33,438,437
Furniture and equipment	414,314	257,442	938,544	259,294	192,137	1,104,249	155,101	1,100,465
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(6,514,378)	(8,913,702)	(16,332,239)	(9,007,232)	(8,331,307)	(11,871,592)	(8,687,025)	(19,657,833)
Net property and equipment	7,497,334	16,683,842	28,158,834	7,652,304	8,781,309	10,832,782	7,558,675	19,903,082
Other long-term assets								
Restricted property reserves	722,020	454,929	1,906,731	506,160	331,576	2,447,927	161,757	516,459
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	10,608	31,604	24,684	8,184	16,580	-	2,398	267,391
Total other long-term assets	732,628	486,533	1,931,415	514,344	348,156	2,447,927	164,155	783,850
Total assets	\$ 8,328,448	\$ 17,602,744	\$ 30,237,460	\$ 8,474,112	\$ 9,346,598	\$ 15,107,360	\$ 7,777,293	\$ 20,941,151

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California XXVI, LP (Martin Luther King Village)	Mercy Housing California XLI, LP (Westbrook Plaza)	Mercy Housing California XIV, LP (Edith Witt Sr Community)	Mercy Housing California XXVII, LP (Serna Village)	Mercy Housing California XXVIII, LP (The Vineyard Townhomes)	Mercy Terrace, LLC	Mercy Housing California XXIX, LP (Grizzly Hollow Phase III)	New Dana Strand Townhomes, LP (New Dana Strand Townhomes)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 114,303	\$ 72,912	\$ 281,119	\$ 91,267	\$ 82,368	\$ 240,626	\$ 124,365	\$ 106,551
Due to affiliates	178,150	53,520	64,843	130,713	175,162	541,058	96,440	143,703
Accrued interest	24,999	985	-	-	17,617	8,883	2,268	6,283
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	35,096	-	-	82,909	400,000	53,885	66,270
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	14,053	15,263	7,628	2,725	667	2,501	987	12,663
Tenant security deposits	12,062	58,177	34,306	39,228	70,838	60,839	35,290	73,702
Total current liabilities	343,567	235,953	387,896	263,933	429,561	1,253,907	313,235	409,172
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	2,238,300	1,510,215	-	522,228	-	-	2,665,476	2,591,232
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	8,418,982	7,204,581	16,758,336	1,278,238	3,124,674	10,271,477	7,495,358	20,417,679
Notes payable, less current portion, affiliates	398,568	-	12,626,500	-	-	-	-	-
Deferred revenue and other liabilities	4,200	3,205	4,842	-	299,150	6,123	252,439	-
Total long-term liabilities	11,060,050	8,718,001	29,389,678	1,800,466	3,423,824	10,277,600	10,413,273	23,008,911
Total liabilities	11,403,617	8,953,954	29,777,574	2,064,399	3,853,385	11,531,507	10,726,508	23,418,083
Net assets								
Net assets without donor restrictions, controlling	(3,075,169)	8,648,790	459,886	6,409,713	5,493,213	3,575,853	(2,949,215)	(2,476,932)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(3,075,169)	8,648,790	459,886	6,409,713	5,493,213	3,575,853	(2,949,215)	(2,476,932)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(3,075,169)	8,648,790	459,886	6,409,713	5,493,213	3,575,853	(2,949,215)	(2,476,932)
Total liabilities and net assets	\$ 8,328,448	\$ 17,602,744	\$ 30,237,460	\$ 8,474,112	\$ 9,346,598	\$ 15,107,360	\$ 7,777,293	\$ 20,941,151

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California XXXII, LP (Creekview Manor)	Mercy Housing California XXXVI, LP (Kent Gardens)	Mercy Housing California XXXI, LP (Martinelli House)	Mercy Housing California XXXV, LP (Ardenaire Apartments)	Mercy Housing California XXXIII, LP (Casa Verde)	Colonia San Martin Associates, LP	Mercy Housing California 50, LP (Vera Haile Senior Housing)	Mercy Housing California 49, LP (McAuley Meadows)
Assets								
Current assets								
Cash and cash equivalents	\$ 90,109	\$ 245,749	\$ 287,711	\$ 28,617	\$ 362,732	\$ 90,066	\$ 25,579	\$ 11,930
Cash, tenant security deposits	82,617	28,613	38,401	26,132	38,045	21,745	32,620	33,276
Cash, restricted	-	-	-	-	-	9,146	21,613	197,115
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	1,044	-	103,701	7,620	51,574	4,477	207,126	3,118
Due from affiliate, net	-	-	5,370	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	48,935	18,333	17,914	9,385	15,390	10,101	48,188	15,356
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	222,705	292,695	453,097	71,754	467,741	135,535	335,126	260,795
Property and equipment								
Land and land improvements	8,345,785	2,966,427	418,926	1,025,433	812,667	3,443,147	3,173,363	1,970,826
Buildings	16,608,960	14,764,491	9,723,264	9,727,756	10,548,538	9,607,884	35,891,752	12,071,147
Furniture and equipment	647,959	462,211	414,180	234,712	380,510	275,770	479,520	695,217
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(12,659,202)	(7,803,474)	(4,808,114)	(4,442,162)	(5,455,627)	(6,201,621)	(7,513,038)	(4,241,794)
Net property and equipment	12,943,502	10,389,655	5,748,256	6,545,739	6,286,088	7,125,180	32,031,597	10,495,396
Other long-term assets								
Restricted property reserves	515,562	1,203,734	664,628	715,829	759,383	1,130,663	1,074,210	742,262
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	22,507	10,227	7,050	7,027	15,385	15,888	35,660	18,957
Total other long-term assets	538,069	1,213,961	671,678	722,856	774,768	1,146,551	1,109,870	761,219
Total assets	\$ 13,704,276	\$ 11,896,311	\$ 6,873,031	\$ 7,340,349	\$ 7,528,597	\$ 8,407,266	\$ 33,476,593	\$ 11,517,410

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing California XXXII, LP (Creekview Manor)	Mercy Housing California XXXVI, LP (Kent Gardens)	Mercy Housing California XXXI, LP (Martinelli House)	Mercy Housing California XXXV, LP (Ardenaire Apartments)	Mercy Housing California XXXIII, LP (Casa Verde)	Colonia San Martin Associates, LP	Mercy Housing California 50, LP (Vera Haile Senior Housing)	Mercy Housing California 49, LP (McAuley Meadows)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 66,900	\$ 341,118	\$ 49,970	\$ 41,935	\$ 69,679	\$ 61,581	\$ 319,311	\$ 39,143
Due to affiliates	88,860	20,444	-	-	28,296	10,500	50,145	38,449
Accrued interest	11,072	133,149	9,383	14,708	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	45,908	-	71,894	-	-	-	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	3,434	1,021	16,487	2,854	7,488	70	1,387	185
Tenant security deposits	81,965	28,216	35,509	25,854	35,809	22,264	32,269	32,732
Total current liabilities	298,139	523,948	183,243	85,351	141,272	94,415	403,112	110,509
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	743,171	-	-	1,295,290	-	552,057	1,924,492	660,452
Accrued interest, affiliates	-	-	1,166,585	-	-	-	-	-
Notes payable, less current portion, net	4,456,485	1,424,769	2,316,655	6,927,794	-	2,998,715	10,691,226	4,972,034
Notes payable, less current portion, affiliates	-	10,355,200	3,529,317	-	-	-	13,836,600	6,073,600
Deferred revenue and other liabilities	5,348	-	1,220	1,561	-	-	-	171,864
Total long-term liabilities	5,205,004	11,779,969	7,013,777	8,224,645	-	3,550,772	26,452,318	11,877,950
Total liabilities	5,503,143	12,303,917	7,197,020	8,309,996	141,272	3,645,187	26,855,430	11,988,459
Net assets								
Net assets without donor restrictions, controlling	8,201,133	(407,606)	(323,989)	(969,647)	7,387,325	4,762,079	6,621,163	(471,049)
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	8,201,133	(407,606)	(323,989)	(969,647)	7,387,325	4,762,079	6,621,163	(471,049)
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	8,201,133	(407,606)	(323,989)	(969,647)	7,387,325	4,762,079	6,621,163	(471,049)
Total liabilities and net assets	\$ 13,704,276	\$ 11,896,311	\$ 6,873,031	\$ 7,340,349	\$ 7,528,597	\$ 8,407,266	\$ 33,476,593	\$ 11,517,410

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated Mercy Housing West
Assets		
Current assets		
Cash and cash equivalents	\$ -	\$ 9,936,017
Cash, tenant security deposits	-	1,478,146
Cash, restricted	-	295,562
Investments	-	-
Investments, restricted	-	-
Accounts receivable, net	-	1,384,523
Due from affiliate, net	(2,509,323)	20,838
Pledges receivable, net	-	-
Grants receivable	-	349,756
Current portion of notes and interest receivable	-	-
Current portion of notes and interest receivable, affiliates	-	-
Prepaid expenses and other assets	-	919,122
Inventory	-	-
Assets held for sale	-	-
Total current assets	<u>(2,509,323)</u>	<u>14,383,964</u>
Property and equipment		
Land and land improvements	-	69,421,872
Buildings	-	574,183,640
Furniture and equipment	-	15,095,816
Predevelopment project costs	-	-
Construction in progress	-	-
Accumulated depreciation	-	(299,109,470)
Net property and equipment	<u>-</u>	<u>359,591,858</u>
Other long-term assets		
Restricted property reserves	-	23,839,704
Long-term investments	-	-
Long-term investments, restricted	-	-
Due from affiliates	(211,000)	-
Pledges receivable, net	-	-
Investments in limited partnerships, net	(15,757,819)	(8,822,360)
Notes and interest receivable, net	-	285,520
Notes and interest receivable, affiliates	(25,137,548)	-
Allowance for impaired assets	-	-
Other assets, net	-	2,313,689
Total other long-term assets	<u>(41,106,367)</u>	<u>17,616,553</u>
Total assets	<u>\$ (43,615,690)</u>	<u>\$ 391,592,375</u>

Mercy Housing West
Consolidating Statement of Financial Position
December 31, 2019

	Eliminations	Consolidated Mercy Housing West
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ (20,000)	\$ 3,535,301
Due to affiliates	(2,810,507)	2,738,465
Accrued interest	-	478,372
Accrued interest, affiliates	-	779
Current portion of notes payable	-	1,563,920
Current portion of notes payable, affiliates	-	68,870
Deferred revenue and other liabilities	-	360,525
Tenant security deposits	-	1,459,330
Total current liabilities	<u>(2,830,507)</u>	<u>10,205,562</u>
Long-term liabilities		
Due to affiliates	(211,000)	-
Accrued interest	-	41,396,913
Accrued interest, affiliates	-	1,166,585
Notes payable, less current portion, net	-	258,265,003
Notes payable, less current portion, affiliates	(44,778,616)	15,370,921
Deferred revenue and other liabilities	-	5,422,576
Total long-term liabilities	<u>(44,989,616)</u>	<u>321,621,998</u>
Total liabilities	<u>(47,820,123)</u>	<u>331,827,560</u>
Net assets		
Net assets without donor restrictions, controlling	4,204,433	58,635,892
Net assets without donor restrictions, noncontrolling	-	-
Total net assets without donor restrictions	<u>4,204,433</u>	<u>58,635,892</u>
Net assets with donor restrictions	-	1,128,923
Total net assets	<u>4,204,433</u>	<u>59,764,815</u>
Total liabilities and net assets	<u>\$ (43,615,690)</u>	<u>\$ 391,592,375</u>

Mercy Housing West
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Housing West	Mercy Housing California XIV, LP (10th & Mission Apartments)	Mercy Housing California XV, LP (Nueva Vista)	Mercy Housing California XVII, LP (Derek Silva Community)	Mercy Housing California XXIV, LP (Carter Terrace Apartments)	Mercy Housing California XVIII, LP (Polk Street Senior Community)	Mercy Housing California XII, LP (Linbrook Court)	Mercy Housing California XX, LP (Mission Creek Sr.)
Revenues								
Rent - net of vacancies	\$ -	\$ 1,625,225	\$ 634,395	\$ 1,774,534	\$ 2,207,802	\$ 2,208,736	\$ 930,699	\$ 3,195,983
Developer fees	-	-	-	-	-	-	-	-
Services fees	1,059,076	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	-	15,718	6,628	3,717	66,847	31,469	85	43,710
Other	608,497	568,235	29,681	74,441	41,664	46,495	3,687	880,470
Total revenues	1,667,573	2,209,178	670,704	1,852,692	2,316,313	2,286,700	934,471	4,120,163
Expenses and losses								
Compensation	-	576,147	135,863	424,978	374,124	415,448	134,975	954,970
Administrative	1,034,455	301,890	103,748	111,788	304,282	159,188	120,227	347,015
Professional services	21,896	96,573	85,114	12,160	112,388	96,197	109,062	39,980
Depreciation and amortization	-	2,493,839	412,307	574,397	1,058,857	702,156	390,686	1,474,198
Grants	-	-	-	-	-	-	-	-
Facility	-	1,094,994	213,504	562,082	601,543	417,503	213,264	1,751,584
Interest and fees	-	348,354	34,175	129,919	591,824	365,746	779,775	701,166
Bad debts	-	4,478	-	2,112	128	-	-	1,243
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	542,472	-	-	-	-	-	-	-
Total expenses and losses	1,598,823	4,916,275	984,711	1,817,436	3,043,146	2,156,238	1,747,989	5,270,156
Excess (deficiency) of revenues over expenses	68,750	(2,707,097)	(314,007)	35,256	(726,833)	130,462	(813,518)	(1,149,993)
Net assets at beginning of year	25,927,327	4,661,611	1,859,575	(1,938,321)	(4,533,206)	(3,742,963)	2,017,422	3,489,397
Other transfers to (from) net assets	-	-	-	-	(103,824)	-	(434,791)	-
Net assets at end of year	\$ 25,996,077	\$ 1,954,514	\$ 1,545,568	\$ (1,903,065)	\$ (5,363,863)	\$ (3,612,501)	\$ 769,113	\$ 2,339,404

Mercy Housing West
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Mercy Housing California XVI, LP (Villa Madera)	Mercy Housing California XII, LP (Villa Amador)	Village Park Housing Associates (Village Park Apts.)	Mercy Housing California XXI, LP (White Rock Village)	Mercy Housing California XIX, LP (Grand & Venice)	Mercy Housing California XXV, LP (Casa Alegre)	Pinewood Court Apartments, LP (Terracina Pinewood Court)	Mercy Housing California XXII, LP (The Dudley)
Revenues								
Rent - net of vacancies	\$ 910,761	\$ 1,160,749	\$ -	\$ 2,144,688	\$ 780,589	\$ 286,176	\$ 522,833	\$ 1,209,170
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	10,287	11,102	-	9,249	75	99	-	202
Other	17,525	24,444	-	33,424	121,971	2,713	22,026	34,381
Total revenues	938,573	1,196,295	-	2,187,361	902,635	288,988	544,859	1,243,753
Expenses and losses								
Compensation	116,886	145,058	-	314,571	175,461	53,129	118,782	310,914
Administrative	137,951	133,175	800	223,896	128,569	57,652	42,402	198,446
Professional services	9,519	78,341	9,918	104,796	76,074	50,855	11,158	25,695
Depreciation and amortization	514,789	1,323,165	-	1,027,791	746,288	130,532	370,376	323,808
Grants	-	-	231,423	-	-	-	-	-
Facility	344,249	490,760	-	571,014	454,494	92,715	245,147	452,208
Interest and fees	254,307	597,526	50	654,021	234,859	24,495	151,000	193,022
Bad debts	-	11,363	-	6,503	2,265	-	2,845	3,616
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	1,377,701	2,779,388	242,191	2,902,592	1,818,010	409,378	941,710	1,507,709
Excess (deficiency) of revenues over expenses	(439,128)	(1,583,093)	(242,191)	(715,231)	(915,375)	(120,390)	(396,851)	(263,956)
Net assets at beginning of year	(2,092,401)	(191,712)	262,275	(1,465,298)	1,997,199	971,416	445,674	(2,889,764)
Other transfers to (from) net assets	-	-	(20,084)	-	-	-	608,497	-
Net assets at end of year	\$ (2,531,529)	\$ (1,774,805)	\$ -	\$ (2,180,529)	\$ 1,081,824	\$ 851,026	\$ 657,320	\$ (3,153,720)

**Mercy Housing West
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing California XXVI, LP (Martin Luther King Village)	Mercy Housing California XLI, LP (Westbrook Plaza)	Mercy Housing California XIV, LP (Edith Witt Sr Community)	Mercy Housing California XXVII, LP (Serna Village)	Mercy Housing California XXVIII, LP (The Vineyard Townhomes)	Mercy Terrace, LLC	Mercy Housing California XXIX, LP (Grizzly Hollow Phase III)	New Dana Strand Townhomes, LP (New Dana Strand Townhomes)
Revenues								
Rent - net of vacancies	\$ 679,757	\$ 856,315	\$ 1,288,744	\$ 1,002,256	\$ 862,570	\$ 3,618,925	\$ 484,025	\$ 1,255,125
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	13,381	224	1,605	17,456	27	10,412	2,449	11,016
Other	35,553	44,619	118,168	18,105	13,093	34,138	42,555	3,706
Total revenues	728,691	901,158	1,408,517	1,037,817	875,690	3,663,475	529,029	1,269,847
Expenses and losses								
Compensation	392,967	150,274	430,334	243,721	164,489	796,615	85,629	146,827
Administrative	99,703	164,202	220,115	144,658	133,396	347,264	76,736	263,463
Professional services	20,407	58,095	88,617	296,379	98,473	27,298	9,751	73,729
Depreciation and amortization	571,896	950,785	1,644,385	671,925	692,071	911,415	651,717	1,552,630
Grants	-	-	-	-	-	-	-	-
Facility	266,981	287,865	551,667	280,472	170,957	1,148,742	238,574	579,822
Interest and fees	237,211	245,538	1,659	37,035	218,469	339,618	246,106	357,786
Bad debts	9,439	-	2	3,555	299	-	-	4,475
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	1,598,604	1,856,759	2,936,779	1,677,745	1,478,154	3,570,952	1,308,513	2,978,732
Excess (deficiency) of revenues over expenses	(869,913)	(955,601)	(1,528,262)	(639,928)	(602,464)	92,523	(779,484)	(1,708,885)
Net assets at beginning of year	(2,252,815)	9,604,391	1,988,148	7,049,641	6,095,677	3,483,330	(2,169,731)	(768,047)
Other transfers to (from) net assets	47,559	-	-	-	-	-	-	-
Net assets at end of year	\$ (3,075,169)	\$ 8,648,790	\$ 459,886	\$ 6,409,713	\$ 5,493,213	\$ 3,575,853	\$ (2,949,215)	\$ (2,476,932)

**Mercy Housing West
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing California XXXII, LP (Creekview Manor)	Mercy Housing California XXXVI, LP (Kent Gardens)	Mercy Housing California XXXI, LP (Martinelli House)	Mercy Housing California XXXV, LP (Ardenaire Apartments)	Mercy Housing California XXXIII, LP (Casa Verde)	Colonia San Martin Associates, LP	Mercy Housing California 50, LP (Vera Haile Senior Housing)	Mercy Housing California 49, LP (McAuley Meadows)
Revenues								
Rent - net of vacancies	\$ 967,417	\$ 787,574	\$ 1,083,701	\$ 359,582	\$ 530,711	\$ 290,123	\$ 1,075,337	\$ 489,986
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	71,096	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	156	23,676	14,845	17,330	219	23,782	44,410	9,567
Other	18,251	34,771	17,376	69,772	150,258	174,286	105,041	15,297
Total revenues	985,824	846,021	1,187,018	446,684	681,188	488,191	1,224,788	514,850
Expenses and losses								
Compensation	249,575	105,297	223,749	102,310	163,892	108,883	290,641	117,663
Administrative	155,609	292,542	130,145	55,026	171,298	79,633	172,608	93,948
Professional services	66,588	122,737	26,441	44,400	149,041	48,145	154,081	90,649
Depreciation and amortization	1,010,953	648,166	354,965	377,661	447,715	537,281	1,420,330	714,108
Grants	-	-	-	-	-	-	-	-
Facility	260,186	210,389	244,063	148,700	161,886	159,040	559,118	180,604
Interest and fees	201,057	47,326	296,775	149,021	-	52,005	335,370	138,359
Bad debts	-	-	-	984	(343)	306	567	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	(42,897)	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	1,943,968	1,426,457	1,276,138	878,102	1,093,489	985,293	2,889,818	1,335,331
Excess (deficiency) of revenues over expenses	(958,144)	(580,436)	(89,120)	(431,418)	(412,301)	(497,102)	(1,665,030)	(820,481)
Net assets at beginning of year	9,159,277	172,830	(234,869)	(713,230)	7,799,626	5,259,181	8,286,193	349,432
Other transfers to (from) net assets	-	-	-	175,001	-	-	-	-
Net assets at end of year	\$ 8,201,133	\$ (407,606)	\$ (323,989)	\$ (969,647)	\$ 7,387,325	\$ 4,762,079	\$ 6,621,163	\$ (471,049)

Mercy Housing West
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Eliminations	Consolidated Mercy Housing West
Revenues		
Rent - net of vacancies	\$ -	\$ 35,224,488
Developer fees	-	-
Services fees	(1,044,402)	14,674
Philanthropy	-	71,096
Capital grants	-	-
Consulting	-	-
Interest	-	389,743
Other	-	3,404,643
Total revenues	<u>(1,044,402)</u>	<u>39,104,644</u>
Expenses and losses		
Compensation	-	8,024,172
Administrative	(949,001)	5,056,829
Professional services	-	2,314,557
Depreciation and amortization	-	24,701,192
Grants	-	231,423
Facility	-	12,954,127
Interest and fees	-	7,963,574
Bad debts	-	53,837
Provision for impaired assets	-	-
Project expenses	-	-
Allocation	-	-
(Gain) loss on sale of assets	-	(42,897)
(Gain) loss on investment in limited partnership	(5,222)	537,250
Total expenses and losses	<u>(954,223)</u>	<u>61,794,064</u>
Excess (deficiency) of revenues over expenses	(90,179)	(22,689,420)
Net assets at beginning of year	5,105,575	82,992,840
Other transfers to (from) net assets	(810,963)	(538,605)
Net assets at end of year	<u>\$ 4,204,433</u>	<u>\$ 59,764,815</u>

Affordable Housing Corp.
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Affordable Housing Washington III, L.P.		Consolidated Affordable Housing	
	Corp.	(Tahoma View)	Eliminations	Corp.
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ 21,068	\$ -	\$ 21,068
Cash, tenant security deposits	-	23,868	-	23,868
Cash, restricted	-	8,357	-	8,357
Investments	-	-	-	-
Investments, restricted	-	-	-	-
Accounts receivable, net	-	1,926	-	1,926
Due from affiliate, net	86,428	-	(86,428)	-
Pledges receivable, net	-	-	-	-
Grants receivable	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-
Prepaid expenses and other assets	-	6,905	-	6,905
Inventory	-	-	-	-
Assets held for sale	-	-	-	-
Total current assets	86,428	62,124	(86,428)	62,124
Property and equipment				
Land and land improvements	-	278,856	-	278,856
Buildings	-	4,724,058	-	4,724,058
Furniture and equipment	-	221,519	-	221,519
Predevelopment project costs	-	-	-	-
Construction in progress	-	-	-	-
Accumulated depreciation	-	(3,121,475)	-	(3,121,475)
Net property and equipment	-	2,102,958	-	2,102,958
Other long-term assets				
Restricted property reserves	-	21,595	-	21,595
Long-term investments	-	-	-	-
Long-term investments, restricted	-	-	-	-
Due from affiliates	-	-	-	-
Pledges receivable, net	-	-	-	-
Investments in limited partnerships, net	(528)	-	531	3
Notes and interest receivable, net	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-
Allowance for impaired assets	-	-	-	-
Other assets, net	-	-	-	-
Total other long-term assets	(528)	21,595	531	21,598
Total assets	\$ 85,900	\$ 2,186,677	\$ (85,897)	\$ 2,186,680

Affordable Housing Corp.
Consolidating Statement of Financial Position
December 31, 2019

	Affordable Housing Corp.	Mercy Housing Washington III, L.P. (Tahoma View)	Eliminations	Consolidated Affordable Housing Corp.
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ -	\$ 286,999	\$ -	\$ 286,999
Due to affiliates	356,659	276,614	(92,402)	540,871
Accrued interest	-	-	-	-
Accrued interest, affiliates	-	19,282	-	19,282
Current portion of notes payable	-	-	-	-
Current portion of notes payable, affiliates	-	75,000	-	75,000
Deferred revenue and other liabilities	-	3,588	-	3,588
Tenant security deposits	-	23,323	-	23,323
Total current liabilities	356,659	684,806	(92,402)	949,063
Long-term liabilities				
Due to affiliates	-	-	-	-
Accrued interest	-	276,786	-	276,786
Accrued interest, affiliates	-	2,860	-	2,860
Notes payable, less current portion, net	-	1,994,505	-	1,994,505
Notes payable, less current portion, affiliates	-	54,461	-	54,461
Deferred revenue and other liabilities	-	939	-	939
Total long-term liabilities	-	2,329,551	-	2,329,551
Total liabilities	356,659	3,014,357	(92,402)	3,278,614
Net assets				
Net assets without donor restrictions, controlling	(270,759)	(827,680)	6,505	(1,091,934)
Net assets without donor restrictions, noncontrolling	-	-	-	-
Total net assets without donor restrictions	(270,759)	(827,680)	6,505	(1,091,934)
Net assets with donor restrictions	-	-	-	-
Total net assets	(270,759)	(827,680)	6,505	(1,091,934)
Total liabilities and net assets	\$ 85,900	\$ 2,186,677	\$ (85,897)	\$ 2,186,680

Affordable Housing Corp.
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019

	Affordable Housing Corp.	Mercy Housing Washington III, L.P. (Tahoma View)	Eliminations	Consolidated Affordable Housing Corp.
Revenues				
Rent - net of vacancies	\$ -	\$ 355,082	\$ -	\$ 355,082
Developer fees	-	-	-	-
Services fees	10,954	-	(10,954)	-
Philanthropy	-	-	-	-
Capital grants	-	-	-	-
Consulting	-	-	-	-
Interest	-	57	-	57
Other	-	31,902	-	31,902
Total revenues	10,954	387,041	(10,954)	387,041
Expenses and losses				
Compensation	-	139,295	-	139,295
Administrative	12,115	66,205	(10,954)	67,366
Professional services	1,868	6,955	-	8,823
Depreciation and amortization	-	153,539	-	153,539
Grants	-	-	-	-
Facility	-	305,402	-	305,402
Interest and fees	-	74,247	-	74,247
Bad debts	-	-	-	-
Provision for impaired assets	-	-	-	-
Project expenses	-	-	-	-
Allocation	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-
(Gain) loss on investment in limited partnership	18	-	(18)	-
Total expenses and losses	14,001	745,643	(10,972)	748,672
Excess (deficiency) of revenues over expenses	(3,047)	(358,602)	18	(361,631)
Net assets at beginning of year	(267,712)	(469,078)	6,487	(730,303)
Other transfers to (from) net assets	-	-	-	-
Net assets at end of year	\$ (270,759)	\$ (827,680)	\$ 6,505	\$ (1,091,934)

Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Wheaton	Clare of Assisi Homes - Westminster, Inc.	Clare Gardens, Inc.	Francis Heights, Inc.	Villa Maria, Inc.	Paducah Ministries 1, Inc. (Lone Oak Manor)	Princeton Ministries 4, Inc. (Princeton Manor)	Assisi Homes of Illinois, Inc.
Assets								
Current assets								
Cash and cash equivalents	\$ -	\$ 21,887	\$ 823,463	\$ 641,050	\$ 48,001	\$ 5,419	\$ 29,955	\$ 154,333
Cash, tenant security deposits	-	18,103	30,080	132,489	13,694	11,640	9,172	50,937
Cash, restricted	-	-	200	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	-	178,862	84,009	170,369	15,587	2,792	2,531	4,100
Due from affiliate, net	95,872	1,383	4,098	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	-	8,081	19,562	42,213	6,395	15,973	6,002	10,334
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	95,872	228,316	961,412	986,121	83,677	35,824	47,660	219,704
Property and equipment								
Land and land improvements	-	254,511	187,452	465,684	217,542	433,294	204,337	605,752
Buildings	-	4,583,628	6,423,996	11,882,512	3,338,073	3,306,812	2,301,636	3,423,786
Furniture and equipment	-	353,050	1,382,188	2,909,255	223,202	17,918	3,068	534,888
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(2,952,535)	(4,966,010)	(8,637,592)	(1,971,067)	(339,079)	(227,901)	(2,780,927)
Net property and equipment	-	2,238,654	3,027,626	6,619,859	1,807,750	3,418,945	2,281,140	1,783,499
Other long-term assets								
Restricted property reserves	-	276,859	513,925	2,266,632	65,449	120,647	824,665	330,407
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	(5,790,719)	-	-	-	-	-	-	-
Notes and interest receivable, net	2,021,989	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	22,424	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	(3,746,306)	276,859	513,925	2,266,632	65,449	120,647	824,665	330,407
Total assets	\$ (3,650,434)	\$ 2,743,829	\$ 4,502,963	\$ 9,872,612	\$ 1,956,876	\$ 3,575,416	\$ 3,153,465	\$ 2,333,610

Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019

	Mercy Housing Wheaton	Clare of Assisi Homes - Westminster, Inc.	Clare Gardens, Inc.	Francis Heights, Inc.	Villa Maria, Inc.	Paducah Ministries 1, Inc. (Lone Oak Manor)	Princeton Ministries 4, Inc. (Princeton Manor)	Assisi Homes of Illinois, Inc.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 167,892	\$ 112,464	\$ 226,746	\$ 70,557	\$ 39,504	\$ 20,068	\$ 150,210
Due to affiliates	129,432	-	-	-	1,383	-	10,006	-
Accrued interest	-	-	26,828	4,377	-	2,436	-	-
Accrued interest, affiliates	-	-	-	-	-	-	4,739	-
Current portion of notes payable	-	-	122,066	23,287	-	76,447	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	16,416	-
Deferred revenue and other liabilities	-	13,564	22,451	90,217	8,078	537	225	4,241
Tenant security deposits	-	17,722	26,129	131,476	13,010	11,125	8,642	52,503
Total current liabilities	129,432	199,178	309,938	476,103	93,028	130,049	60,096	206,954
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	12,403	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	27,000	6,840,118	1,898,679	-	986,603	(32,907)	-
Notes payable, less current portion, affiliates	-	-	-	-	-	-	1,066,744	-
Deferred revenue and other liabilities	-	30,427	2,400	122,686	18,244	-	-	-
Total long-term liabilities	-	57,427	6,842,518	2,033,768	18,244	986,603	1,033,837	-
Total liabilities	129,432	256,605	7,152,456	2,509,871	111,272	1,116,652	1,093,933	206,954
Net assets								
Net assets without donor restrictions, controlling	(3,779,866)	2,487,224	(2,649,493)	7,362,741	1,845,604	2,458,764	2,059,532	2,126,656
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(3,779,866)	2,487,224	(2,649,493)	7,362,741	1,845,604	2,458,764	2,059,532	2,126,656
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(3,779,866)	2,487,224	(2,649,493)	7,362,741	1,845,604	2,458,764	2,059,532	2,126,656
Total liabilities and net assets	\$ (3,650,434)	\$ 2,743,829	\$ 4,502,963	\$ 9,872,612	\$ 1,956,876	\$ 3,575,416	\$ 3,153,465	\$ 2,333,610

**Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Franciscan Campus, Inc. (Day Spring Villa)	Richardson Ministries, Inc. (Brandywine Apartments)	Lake Wale Ministries, Inc. (Lake Wales Gardens)	Assisi Homes - Batavia Apartments, Inc.	Assisi Homes - Constitution House, Inc.	Assisi Homes - Colony Park, Inc.	Assisi Homes - Jefferson Court Apartments, Inc. (Jefferson Court Apartments)	Assisi Homes - Kenosha, Inc.
Assets								
Current assets								
Cash and cash equivalents	\$ 20,291	\$ 67,802	\$ 316,560	\$ 1,264,907	\$ 1,541,612	\$ 2,674,508	\$ 902,165	\$ 5,343
Cash, tenant security deposits	-	-	13,792	98,664	107,603	127,941	67,360	18,300
Cash, restricted	-	-	-	-	-	-	-	100
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	15,567	-	-	10,243	(258)	4,548	21,566	25,330
Due from affiliate, net	1,900	-	-	264	184	-	-	28
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	4,421	-	-	83,167	34,325	104,100	69,593	9,033
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	42,179	67,802	330,352	1,457,245	1,683,466	2,911,097	1,060,684	58,134
Property and equipment								
Land and land improvements	1,494,997	-	-	3,460,497	2,054,033	1,925,538	666,235	386,189
Buildings	3,585,593	-	-	13,284,431	15,069,955	13,128,026	13,059,268	3,387,543
Furniture and equipment	-	-	-	2,585,317	2,377,688	1,990,450	2,214,557	469,902
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(439,144)	-	-	(10,269,815)	(8,967,875)	(7,346,573)	(9,875,779)	(2,427,748)
Net property and equipment	4,641,446	-	-	9,060,430	10,533,801	9,697,441	6,064,281	1,815,886
Other long-term assets								
Restricted property reserves	93,309	-	-	498,123	518,849	1,103,462	1,249,266	497,143
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	93,309	-	-	498,123	518,849	1,103,462	1,249,266	497,143
Total assets	\$ 4,776,934	\$ 67,802	\$ 330,352	\$ 11,015,798	\$ 12,736,116	\$ 13,712,000	\$ 8,374,231	\$ 2,371,163

**Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019**

	Mercy Housing Franciscan Campus, Inc. (Day Spring Villa)	Richardson Ministries, Inc. (Brandywine Apartments)	Lake Wale Ministries, Inc. (Lake Wales Gardens)	Assisi Homes - Batavia Apartments, Inc.	Assisi Homes - Constitution House, Inc.	Assisi Homes - Colony Park, Inc.	Assisi Homes - Jefferson Court Apartments, Inc. (Jefferson Court Apartments)	Assisi Homes - Kenosha, Inc.
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 55,750	\$ 8,380	\$ 15,356	\$ 540,713	\$ 218,462	\$ 541,048	\$ 185,109	\$ 71,783
Due to affiliates	37,688	-	-	60,000	30,369	30,000	41,768	3,218
Accrued interest	-	-	-	23,987	34,476	42,965	33,592	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	-	-	-	266,384	220,123	276,738	168,274	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	40,025	11,266	10,454	17,503	776
Tenant security deposits	-	-	-	98,102	107,618	126,494	67,090	18,216
Total current liabilities	93,438	8,380	15,356	1,029,211	622,314	1,027,699	513,336	93,993
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Accrued interest, affiliates	683,333	-	-	-	-	-	-	-
Notes payable, less current portion, net	-	-	-	10,354,605	11,349,586	14,270,039	9,164,966	-
Notes payable, less current portion, affiliates	5,000,000	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	-	-	-	-	-	21,926	4,185
Total long-term liabilities	5,683,333	-	-	10,354,605	11,349,586	14,270,039	9,186,892	4,185
Total liabilities	5,776,771	8,380	15,356	11,383,816	11,971,900	15,297,738	9,700,228	98,178
Net assets								
Net assets without donor restrictions, controlling	(999,837)	59,422	314,996	(368,018)	764,216	(1,585,738)	(1,325,997)	2,272,985
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	(999,837)	59,422	314,996	(368,018)	764,216	(1,585,738)	(1,325,997)	2,272,985
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	(999,837)	59,422	314,996	(368,018)	764,216	(1,585,738)	(1,325,997)	2,272,985
Total liabilities and net assets	\$ 4,776,934	\$ 67,802	\$ 330,352	\$ 11,015,798	\$ 12,736,116	\$ 13,712,000	\$ 8,374,231	\$ 2,371,163

**Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019**

	Assisi Homes - LaSalle Manor, Inc.	Assisi Homes of Gurnee, Inc.	Assisi Homes of Neenah, Inc.	Canticle Place, Inc.	Marian Housing Center, Inc.	Marian Park, Inc.	Alexandria Ministries, Inc. (Alexandria Manor)	Effingham Ministries, Inc. (Colonnade Apartments)
Assets								
Current assets								
Cash and cash equivalents	\$ 87,961	\$ 45,447	\$ 39,535	\$ 15,409	\$ 29,563	\$ 545,675	\$ 100,683	\$ 65,554
Cash, tenant security deposits	10,162	17,838	13,652	3,834	13,254	77,797	7,060	15,859
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	2,181	860	127	39,210	1,313	63,073	4,712	16,119
Due from affiliate, net	-	-	72	-	-	212	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	12,539	10,592	6,559	2,685	18,155	55,594	8,386	12,469
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	112,843	74,737	59,945	61,138	62,285	742,351	120,841	110,001
Property and equipment								
Land and land improvements	322,417	613,995	127,078	177,236	100,645	1,532,545	67,956	163,630
Buildings	1,844,440	4,324,378	1,580,013	1,121,413	1,549,780	4,752,118	2,049,794	1,490,696
Furniture and equipment	291,289	641,160	284,734	144,452	398,583	2,772,413	37,913	-
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(682,591)	(3,135,640)	(1,379,794)	(862,578)	(1,540,698)	(4,630,826)	(200,931)	(153,761)
Net property and equipment	1,775,555	2,443,893	612,031	580,523	508,310	4,426,250	1,954,732	1,500,565
Other long-term assets								
Restricted property reserves	429,811	454,396	226,476	91,478	136,265	675,308	75,521	165,782
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	1,007,760	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	429,811	454,396	226,476	1,099,238	136,265	675,308	75,521	165,782
Total assets	\$ 2,318,209	\$ 2,973,026	\$ 898,452	\$ 1,740,899	\$ 706,860	\$ 5,843,909	\$ 2,151,094	\$ 1,776,348

Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019

	Assisi Homes - LaSalle Manor, Inc.	Assisi Homes of Gurnee, Inc.	Assisi Homes of Neenah, Inc.	Canticle Place, Inc.	Marian Housing Center, Inc.	Marian Park, Inc.	Alexandria Ministries, Inc. (Alexandria Manor)	Effingham Ministries, Inc. (Colonnade Apartments)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 109,256	\$ 52,522	\$ 42,562	\$ 16,863	\$ 35,462	\$ 479,062	\$ 71,012	\$ 84,497
Due to affiliates	-	-	-	-	-	30,000	-	8,287
Accrued interest	3,453	-	-	-	3,060	38,777	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	19,424	-	-	-	42,023	190,125	-	-
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	2,070	2,718	1,436	(194)	1,323	37,509	656	6,109
Tenant security deposits	9,300	17,248	12,929	3,078	13,199	76,450	5,998	15,657
Total current liabilities	143,503	72,488	56,927	19,747	95,067	851,923	77,666	114,550
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	23,843	-	-	-	-	-	-	-
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	1,132,709	-	(422)	-	1,096,570	10,398,656	-	-
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	767	-	2,480	-	2,610	-	2,205	-
Total long-term liabilities	1,157,319	-	2,058	-	1,099,180	10,398,656	2,205	-
Total liabilities	1,300,822	72,488	58,985	19,747	1,194,247	11,250,579	79,871	114,550
Net assets								
Net assets without donor restrictions, controlling	1,017,387	2,900,538	839,467	403,312	(487,387)	(5,406,670)	2,071,223	1,661,798
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	1,017,387	2,900,538	839,467	403,312	(487,387)	(5,406,670)	2,071,223	1,661,798
Net assets with donor restrictions	-	-	-	1,317,840	-	-	-	-
Total net assets	1,017,387	2,900,538	839,467	1,721,152	(487,387)	(5,406,670)	2,071,223	1,661,798
Total liabilities and net assets	\$ 2,318,209	\$ 2,973,026	\$ 898,452	\$ 1,740,899	\$ 706,860	\$ 5,843,909	\$ 2,151,094	\$ 1,776,348

Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019

	Indianapolis Ministries 1, Inc. (Cedar Commons)	Indianapolis Ministries 2, Inc. (Spruce Manor)	Kokomo Ministries, Inc. (Kokomo Manor)	Moline Ministries 1, Inc. (Highland Manor)	Moline Ministries 2, Inc. (Sanders Apartments)	Pendleton Ministries, Inc. (Edgewood Square Apartments)	Tuscon Ministries, Inc. (Western Winds)	Pheonix Ministries 3, Inc. (Lemon Grove)
Assets								
Current assets								
Cash and cash equivalents	\$ 57,820	\$ 395,961	\$ 101,378	\$ 3,058	\$ 15,852	\$ 123,467	\$ 96,507	\$ 155,551
Cash, tenant security deposits	22,150	34,692	22,015	16,104	11,132	12,603	28,451	22,104
Cash, restricted	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-	-
Accounts receivable, net	8,818	2,938	40,130	25,817	16,596	41,207	5,519	8,864
Due from affiliate, net	-	-	-	8,226	-	304	1,150	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Grants receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	17,190	20,286	19,978	11,408	7,569	13,156	26,030	11,969
Inventory	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-	-	-
Total current assets	105,978	453,877	183,501	64,613	51,149	190,737	157,657	198,488
Property and equipment								
Land and land improvements	249,628	116,977	414,659	543,756	107,578	78,230	773,469	1,274,752
Buildings	1,990,845	1,976,727	5,403,979	3,462,672	1,217,355	1,590,892	4,631,721	5,657,027
Furniture and equipment	27,013	10,058	58,975	8,370	-	14,045	7,557	28,431
Predevelopment project costs	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Accumulated depreciation	(204,432)	(195,289)	(547,340)	(307,876)	(113,858)	(127,556)	(390,241)	(598,843)
Net property and equipment	2,063,054	1,908,473	5,330,273	3,706,922	1,211,075	1,555,611	5,022,506	6,361,367
Other long-term assets								
Restricted property reserves	528,766	340,106	204,999	282,181	83,211	43,747	311,334	547,939
Long-term investments	-	-	-	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-
Investments in limited partnerships, net	-	-	-	-	-	-	-	-
Notes and interest receivable, net	-	-	-	-	-	-	-	-
Notes and interest receivable, affiliates	-	-	-	-	-	-	-	-
Allowance for impaired assets	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-
Total other long-term assets	528,766	340,106	204,999	282,181	83,211	43,747	311,334	547,939
Total assets	\$ 2,697,798	\$ 2,702,456	\$ 5,718,773	\$ 4,053,716	\$ 1,345,435	\$ 1,790,095	\$ 5,491,497	\$ 7,107,794

Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019

	Indianapolis Ministries 1, Inc. (Cedar Commons)	Indianapolis Ministries 2, Inc. (Spruce Manor)	Kokomo Ministries, Inc. (Kokomo Manor)	Moline Ministries 1, Inc. (Highland Manor)	Moline Ministries 2, Inc. (Sanders Apartments)	Pendleton Ministries, Inc. (Edgewood Square Apartments)	Tuscon Ministries, Inc. (Western Winds)	Pheonix Ministries 3, Inc. (Lemon Grove)
Liabilities								
Current liabilities								
Accounts payable and accrued expenses	\$ 101,248	\$ 50,895	\$ 115,975	\$ 153,674	\$ 76,546	\$ 59,307	\$ 56,917	\$ 49,679
Due to affiliates	28,180	10,000	-	13,667	8,055	-	5,000	-
Accrued interest	7,392	3,290	3,456	3,842	2,521	-	7,783	1,901
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Current portion of notes payable	52,275	30,383	128,864	119,794	31,979	-	77,981	13,672
Current portion of notes payable, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	4,340	5,870	16,811	11,570	15,765	4,218	5,183	3,291
Tenant security deposits	22,026	33,650	22,443	10,794	10,469	12,068	27,802	21,128
Total current liabilities	215,461	134,088	287,549	313,341	145,335	75,593	180,666	89,671
Long-term liabilities								
Due to affiliates	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	33,409
Accrued interest, affiliates	-	-	-	-	-	-	-	-
Notes payable, less current portion, net	1,855,222	1,022,440	1,599,214	1,724,513	494,241	-	3,318,226	2,973,520
Notes payable, less current portion, affiliates	-	-	-	-	-	-	-	-
Deferred revenue and other liabilities	-	9,005	-	-	-	-	-	-
Total long-term liabilities	1,855,222	1,031,445	1,599,214	1,724,513	494,241	-	3,318,226	3,006,929
Total liabilities	2,070,683	1,165,533	1,886,763	2,037,854	639,576	75,593	3,498,892	3,096,600
Net assets								
Net assets without donor restrictions, controlling	627,115	1,536,923	3,832,010	2,015,862	705,859	1,714,502	1,992,605	4,011,194
Net assets without donor restrictions, noncontrolling	-	-	-	-	-	-	-	-
Total net assets without donor restrictions	627,115	1,536,923	3,832,010	2,015,862	705,859	1,714,502	1,992,605	4,011,194
Net assets with donor restrictions	-	-	-	-	-	-	-	-
Total net assets	627,115	1,536,923	3,832,010	2,015,862	705,859	1,714,502	1,992,605	4,011,194
Total liabilities and net assets	\$ 2,697,798	\$ 2,702,456	\$ 5,718,773	\$ 4,053,716	\$ 1,345,435	\$ 1,790,095	\$ 5,491,497	\$ 7,107,794

Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019

	Davenport Ministries, Inc. (Westview Terrace)	Saxony Manor, MM LLC	Assisi Homes - Saxony Manor, Inc.	Eliminations	Consolidated Mercy Housing Wheaton
Assets					
Current assets					
Cash and cash equivalents	\$ 83,832	\$ -	\$ 1,011,993	\$ -	\$ 11,492,542
Cash, tenant security deposits	10,958	-	68,156	-	1,107,596
Cash, restricted	-	-	-	-	300
Investments	-	-	-	-	-
Investments, restricted	-	-	-	-	-
Accounts receivable, net	10,916	-	22,577	-	846,223
Due from affiliate, net	-	-	-	(105,310)	8,383
Pledges receivable, net	-	-	-	-	-
Grants receivable	-	-	-	-	-
Current portion of notes and interest receivable	-	-	-	-	-
Current portion of notes and interest receivable, affiliates	-	-	-	-	-
Prepaid expenses and other assets	7,583	-	49,705	-	725,052
Inventory	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Total current assets	113,289	-	1,152,431	(105,310)	14,180,096
Property and equipment					
Land and land improvements	550,580	-	1,772,513	-	21,343,705
Buildings	2,321,778	-	8,622,743	-	152,363,630
Furniture and equipment	23,799	-	1,585,025	-	21,395,300
Predevelopment project costs	-	-	-	-	-
Construction in progress	-	-	-	-	-
Accumulated depreciation	(138,911)	-	(3,687,647)	-	(80,100,857)
Net property and equipment	2,757,246	-	8,292,634	-	115,001,778
Other long-term assets					
Restricted property reserves	147,359	-	1,284,961	-	14,388,376
Long-term investments	-	-	-	-	-
Long-term investments, restricted	-	-	-	-	-
Due from affiliates	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-
Investments in limited partnerships, net	-	(658,146)	-	6,448,865	-
Notes and interest receivable, net	-	-	-	(2,021,989)	1,007,760
Notes and interest receivable, affiliates	-	-	-	(22,424)	-
Allowance for impaired assets	-	-	-	-	-
Other assets, net	-	-	81,550	-	81,550
Total other long-term assets	147,359	(658,146)	1,366,511	4,404,452	15,477,686
Total assets	\$ 3,017,894	\$ (658,146)	\$ 10,811,576	\$ 4,299,142	\$ 144,659,560

Mercy Housing Wheaton
Consolidating Statement of Financial Position
December 31, 2019

	Davenport Ministries, Inc. (Westview Terrace)	Saxony Manor, MM LLC	Assisi Homes - Saxony Manor, Inc.	Eliminations	Consolidated Mercy Housing Wheaton
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	\$ 104,202	\$ -	\$ 171,281	\$ 428,916	\$ 4,683,918
Due to affiliates	-	1,015	101,294	(320,733)	228,629
Accrued interest	1,205	-	20,408	(3,938)	261,811
Accrued interest, affiliates	-	-	-	-	4,739
Current portion of notes payable	22,247	-	131,868	(20,872)	1,993,082
Current portion of notes payable, affiliates	-	-	-	-	16,416
Deferred revenue and other liabilities	7,232	-	53,086	-	398,330
Tenant security deposits	10,082	-	67,732	-	1,070,180
Total current liabilities	144,968	1,015	545,669	83,373	8,657,105
Long-term liabilities					
Due to affiliates	-	-	-	-	-
Accrued interest	8,648	-	-	14,347	92,650
Accrued interest, affiliates	-	-	-	-	683,333
Notes payable, less current portion, net	1,022,784	-	6,698,514	(2,040,474)	86,154,402
Notes payable, less current portion, affiliates	-	-	-	-	6,066,744
Deferred revenue and other liabilities	-	-	3,929	-	220,864
Total long-term liabilities	1,031,432	-	6,702,443	(2,026,127)	93,217,993
Total liabilities	1,176,400	1,015	7,248,112	(1,942,754)	101,875,098
Net assets					
Net assets without donor restrictions, controlling	1,841,494	(659,161)	3,563,464	6,241,896	41,466,622
Net assets without donor restrictions, noncontrolling	-	-	-	-	-
Total net assets without donor restrictions	1,841,494	(659,161)	3,563,464	6,241,896	41,466,622
Net assets with donor restrictions	-	-	-	-	1,317,840
Total net assets	1,841,494	(659,161)	3,563,464	6,241,896	42,784,462
Total liabilities and net assets	\$ 3,017,894	\$ (658,146)	\$ 10,811,576	\$ 4,299,142	\$ 144,659,560

**Mercy Housing Wheaton
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Wheaton	Clare of Assisi Homes - Westminister, Inc.	Clare Gardens, Inc.	Francis Heights, Inc.	Villa Maria, Inc.	Paducah Ministries 1, Inc. (Lone Oak Manor)	Princeton Ministries 4, Inc. (Princeton Manor)	Assisi Homes of Illinois, Inc.
Revenues								
Rent - net of vacancies	\$ -	\$ 474,064	\$ 2,094,595	\$ 3,202,571	\$ 376,666	\$ 540,765	\$ 356,141	\$ 751,770
Developer fees	-	-	-	-	-	-	-	-
Services fees	418,396	-	-	-	-	-	-	-
Philanthropy	-	-	-	51,478	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	4,336	28	106	886	10	72	3,706	37
Other	3,287,426	12,815	13,635	88,337	21,678	9,669	3,972	19,740
Total revenues	3,710,158	486,907	2,108,336	3,343,272	398,354	550,506	363,819	771,547
Expenses and losses								
Compensation	-	106,956	160,224	482,455	116,182	117,086	86,244	116,495
Administrative	5,287,572	87,535	239,475	504,986	66,398	67,121	71,263	80,056
Professional services	944	49,893	417,728	290,553	37,030	15,374	8,458	9,322
Depreciation and amortization	-	140,783	264,243	716,541	112,344	97,908	65,856	136,337
Grants	1,492,854	-	-	-	-	-	-	-
Facility	-	162,426	520,773	1,201,781	126,749	204,957	133,551	436,559
Interest and fees	-	-	332,969	29,325	-	30,308	58,357	48
Bad debts	-	-	15,716	36,079	-	260	130	1,259
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	(124,051)	-	-	(94,243)	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	6,781,370	423,542	1,951,128	3,261,720	364,460	533,014	423,859	780,076
Excess (deficiency) of revenues over expenses	(3,071,212)	63,365	157,208	81,552	33,894	17,492	(60,040)	(8,529)
Net assets at beginning of year	(708,654)	2,423,859	(2,612,201)	7,281,189	1,811,710	2,441,272	2,148,208	2,135,185
Other transfers to (from) net assets	-	-	(194,500)	-	-	-	(28,636)	-
Net assets at end of year	\$ (3,779,866)	\$ 2,487,224	\$ (2,649,493)	\$ 7,362,741	\$ 1,845,604	\$ 2,458,764	\$ 2,059,532	\$ 2,126,656

**Mercy Housing Wheaton
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Mercy Housing Franciscan Campus, Inc. (Day Spring Villa)	Richardson Ministries, Inc. (Brandywine Apartments)	Lake Wale Ministries, Inc. (Lake Wales Gardens)	Assisi Homes - Batavia Apartments, Inc.	Assisi Homes - Constitution House, Inc.	Assisi Homes - Colony Park, Inc.	Assisi Homes - Jefferson Court Apartments, Inc. (Jefferson Court Apartments)	Assisi Homes - Kenosha, Inc.
Revenues								
Rent - net of vacancies	\$ 76,000	\$ 186,451	\$ 492,784	\$ 3,487,375	\$ 3,180,810	\$ 3,822,224	\$ 2,633,176	\$ 483,739
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	31,402	24,498	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	23	54	545	258	334	496	566	43
Other	48,376	2,319	27,393	87,071	21,575	25,208	35,746	5,372
Total revenues	124,399	188,824	520,722	3,574,704	3,234,121	3,872,426	2,669,488	489,154
Expenses and losses								
Compensation	-	31,235	109,569	603,390	471,026	560,803	576,330	165,253
Administrative	42,055	44,322	89,464	449,089	341,615	419,184	301,041	77,709
Professional services	5,999	11,180	12,260	18,926	12,230	15,003	13,225	5,750
Depreciation and amortization	135,197	10,642	53,411	642,214	661,601	499,430	409,418	107,518
Grants	-	-	-	-	-	-	-	-
Facility	21,675	35,653	218,563	1,154,201	756,764	1,097,033	651,562	127,593
Interest and fees	200,001	6,048	436,265	297,949	430,499	532,744	418,717	213
Bad debts	-	-	21,630	5,184	1,267	1,068	(30)	-
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	(1,165,874)	(1,679,227)	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	404,927	(1,026,794)	(738,065)	3,170,953	2,675,002	3,125,265	2,370,263	484,036
Excess (deficiency) of revenues over expenses	(280,528)	1,215,618	1,258,787	403,751	559,119	747,161	299,225	5,118
Net assets at beginning of year	(719,309)	336,658	805,160	(771,769)	989,209	(1,801,946)	(856,191)	2,267,867
Other transfers to (from) net assets	-	(1,492,854)	(1,748,951)	-	(784,112)	(530,953)	(769,031)	-
Net assets at end of year	\$ (999,837)	\$ 59,422	\$ 314,996	\$ (368,018)	\$ 764,216	\$ (1,585,738)	\$ (1,325,997)	\$ 2,272,985

**Mercy Housing Wheaton
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Assisi Homes - LaSalle Manor, Inc.	Assisi Homes of Gurnee, Inc.	Assisi Homes of Neenah, Inc.	Canticle Place, Inc.	Marian Housing Center, Inc.	Marian Park, Inc.	Alexandria Ministries, Inc. (Alexandria Manor)	Effingham Ministries, Inc. (Colonnade Apartments)
Revenues								
Rent - net of vacancies	\$ 514,620	\$ 525,871	\$ 358,072	\$ 144,612	\$ 374,258	\$ 2,975,581	\$ 416,742	\$ 651,643
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	39,045	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	179	41	21	8	15	191	437	913
Other	4,425	4,966	4,084	-	2,735	362,361	7,645	5,516
Total revenues	519,224	530,878	362,177	144,620	416,053	3,338,133	424,824	658,072
Expenses and losses								
Compensation	102,008	187,431	183,973	39,351	133,791	545,906	133,864	141,411
Administrative	78,382	102,274	57,429	29,789	69,226	487,189	57,597	123,085
Professional services	8,897	9,755	5,370	8,145	4,825	15,236	7,854	8,407
Depreciation and amortization	83,137	149,309	58,273	50,432	50,807	321,690	56,212	37,830
Grants	-	-	-	-	-	-	-	-
Facility	194,619	135,636	66,580	77,133	91,056	971,649	157,121	230,199
Interest and fees	44,982	50	232	156	39,651	481,212	144	-
Bad debts	-	-	-	-	-	8,038	5,584	4,507
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	512,025	584,455	371,857	205,006	389,356	2,830,920	418,376	545,439
Excess (deficiency) of revenues over expenses	7,199	(53,577)	(9,680)	(60,386)	26,697	507,213	6,448	112,633
Net assets at beginning of year	1,010,188	2,954,115	849,147	1,781,538	(514,084)	(5,902,182)	2,105,210	1,706,381
Other transfers to (from) net assets	-	-	-	-	-	(11,701)	(40,435)	(157,216)
Net assets at end of year	\$ 1,017,387	\$ 2,900,538	\$ 839,467	\$ 1,721,152	\$ (487,387)	\$ (5,406,670)	\$ 2,071,223	\$ 1,661,798

**Mercy Housing Wheaton
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Indianapolis Ministries 1, Inc. (Cedar Commons)	Indianapolis Ministries 2, Inc. (Spruce Manor)	Kokomo Ministries, Inc. (Kokomo Manor)	Moline Ministries 1, Inc. (Highland Manor)	Moline Ministries 2, Inc. (Sanders Apartments)	Pendleton Ministries, Inc. (Edgewood Square Apartments)	Tuscon Ministries, Inc. (Western Winds)	Pheonix Ministries 3, Inc. (Lemon Grove)
Revenues								
Rent - net of vacancies	\$ 652,866	\$ 1,103,775	\$ 1,054,986	\$ 713,204	\$ 290,673	\$ 689,538	\$ 864,449	\$ 709,604
Developer fees	-	-	-	-	-	-	-	-
Services fees	-	-	-	-	-	-	-	-
Philanthropy	-	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-	-
Consulting	-	-	-	-	-	-	-	-
Interest	220	142	61	123	20	538	173	312
Other	9,318	24,273	7,648	6,648	4,701	25,357	3,652	5,166
Total revenues	662,404	1,128,190	1,062,695	719,975	295,394	715,433	868,274	715,082
Expenses and losses								
Compensation	96,822	196,566	229,033	144,005	63,340	160,831	222,502	180,007
Administrative	107,368	149,584	132,959	106,390	56,314	117,209	140,075	98,739
Professional services	9,580	11,251	8,650	7,500	8,627	15,230	11,564	11,263
Depreciation and amortization	70,023	57,337	159,587	102,380	36,609	47,039	139,653	193,425
Grants	-	-	-	-	-	-	-	-
Facility	201,548	358,906	438,465	337,273	113,667	313,264	241,898	224,975
Interest and fees	89,771	39,987	42,864	47,452	31,194	132	94,357	47,121
Bad debts	724	512	3,219	3,744	139	41,885	-	3,408
Provision for impaired assets	-	-	-	-	-	-	-	-
Project expenses	-	-	-	-	-	-	-	-
Allocation	-	-	-	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	-	-	-	-
(Gain) loss on investment in limited partnership	-	-	-	-	-	-	-	-
Total expenses and losses	575,836	814,143	1,014,777	748,744	309,890	695,590	850,049	758,938
Excess (deficiency) of revenues over expenses	86,568	314,047	47,918	(28,769)	(14,496)	19,843	18,225	(43,856)
Net assets at beginning of year	540,547	1,549,283	3,784,092	2,044,631	720,355	1,694,659	2,004,473	4,091,366
Other transfers to (from) net assets	-	(326,407)	-	-	-	-	(30,093)	(36,316)
Net assets at end of year	\$ 627,115	\$ 1,536,923	\$ 3,832,010	\$ 2,015,862	\$ 705,859	\$ 1,714,502	\$ 1,992,605	\$ 4,011,194

**Mercy Housing Wheaton
Consolidating Statement of Activities
and Changes in Net Assets
For the Year Ended December 31, 2019**

	Davenport Ministries, Inc. (Westview Terrace)	Saxony Manor, MM LLC	Assisi Homes - Saxony Manor, Inc.	Eliminations	Consolidated Mercy Housing Wheaton
Revenues					
Rent - net of vacancies	\$ 596,029	\$ -	\$ 2,080,838	\$ -	\$ 36,876,492
Developer fees	-	-	-	-	-
Services fees	-	-	-	(418,396)	-
Philanthropy	-	-	111,610	-	258,033
Capital grants	-	-	-	-	-
Consulting	-	-	-	-	-
Interest	47	-	16,669	(4,336)	27,274
Other	6,543	-	13,603	(3,268,897)	940,076
Total revenues	602,619	-	2,222,720	(3,691,629)	38,101,875
Expenses and losses					
Compensation	116,572	-	404,845	-	6,985,506
Administrative	79,732	55	370,712	(625,269)	9,907,724
Professional services	12,682	960	10,072	-	1,099,743
Depreciation and amortization	66,923	-	732,898	-	6,467,007
Grants	-	-	-	-	1,492,854
Facility	298,722	-	694,131	-	11,996,682
Interest and fees	24,008	-	248,176	(23,027)	3,981,905
Bad debts	2,714	-	1,170	-	158,207
Provision for impaired assets	-	-	-	-	-
Project expenses	-	-	-	-	-
Allocation	-	-	-	-	-
(Gain) loss on sale of assets	-	-	-	-	(3,063,395)
(Gain) loss on investment in limited partnership	-	24	-	(24)	-
Total expenses and losses	601,353	1,039	2,462,004	(648,320)	39,026,233
Excess (deficiency) of revenues over expenses	1,266	(1,039)	(239,284)	(3,043,309)	(924,358)
Net assets at beginning of year	1,845,430	-	4,063,682	2,412,758	43,911,836
Other transfers to (from) net assets	(5,202)	(658,122)	(260,934)	6,872,447	(203,016)
Net assets at end of year	\$ 1,841,494	\$ (659,161)	\$ 3,563,464	\$ 6,241,896	\$ 42,784,462

Mercy Housing, Inc.

**Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019**

Grantor and Program Title	Federal CFDA Number	Pass-Through Identifying Number	Direct Federal Expenditures	Pass Through Expenditures
<u>United States Department of Agriculture (USDA)</u>				
Direct				
USDA Intermediary Relending Program	10.767		\$ 633,098	\$ -
USDA Rural Rental Assistance Payments	10.427		421,186	
USDA Rural Rental Housing Loans	10.415		7,318,655	
Subtotal USDA			8,372,939	-
<u>United States Department of Housing & Urban Development (HUD)</u>				
Direct				
Continuum of Care	14.267		150,869	
HUD HOME Investment Partnership Program/HOME Grant CHDO	14.239		260,000	
HUD Housing Assistance Payments (HAP) Section 8	14.195		25,075,510	
HUD Interest Reduction Payments Section 236	14.103		83,253	
HUD Mortgage Insurance for the Purchase Section 223(a)(7)	14.155		95,141,571	
HUD Multi-Family Services Coordinator Grant	14.191		174,002	
HUD Supportive Housing for Persons with Disabilities Capital Advance Section 811/HUD Project Rental Assistance Contract (PRAC) Section 811	14.181		26,748,991	
HUD Supportive Housing for the Elderly Direct Loan Section/Capital Advance Section 202/HUD Project Rental Assistance contract (PRAC) Section 202	14.157		170,420,802	
HUD Supportive Housing Program - Capital Advance/Office of Community Planning & Development - Supportive Housing Program/Forigivable Loan	14.235		1,026,665	
Neighborhood Stabilization Program (NSP I) CDBG State Program	14.195		1,323,662	
Operating Assistance for Troubled Multifamily Housing Projects	14.164		1,902,470	
Preservation of Affordable Housing	14.187		20,912,183	
Section 221 (d)(4) pursuant to Section 233(a)(7) of National Housing Act	14.135		1,430,138	
Pass Through				
City and County of Denver / CDBG State Program	14.228			275,000
City and County of Denver / HOME Investment Partnership Program	14.239			277,240
City and County of San Francisco	14.218			258,265
City and County of San Francisco	14.228			211,874
City and County of San Francisco	14.267			1,232,414
City and County of San Francisco / CDBG State Program	14.218			107,137
City and County of San Francisco / Mayor's Office of Housing / HOME Investment Partnership Program	14.239			705,447
City of Bakersfield / HOME Investment Partnership Program	14.239	98-284		230,000
City of Bellingham / HOME Investment Partnership Program / HAP Section 8	14.239			200,450
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0102L5T101710		19,857
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0102L5T10811		254,347
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0131L5T101710		98,711
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0131L5T101811		107,713
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0166L5T101710		12,074
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0166L5T101811		56,389
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0188L5T101710		94,365
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0188L5T101811		40,553
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	IL0206L5T101710		391,411
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	W10113L5I011706		8,452
City of Chicago / Department of Human Services (DHS) / Chicago Housing for Health Partnership / Office of Community Planning and Development / Supportive Housing Program	14.235	W10113L5I011807		25,488

Mercy Housing, Inc.

**Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019**

Grantor and Program Title	Federal CFDA Number	Pass-Through Identifying Number	Direct Federal Expenditures	Pass Through Expenditures
<u>United States Department of Housing & Urban Development (HUD)</u>				
Pass Through				
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.235	W10056L51011710		101,807
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.235	W10056L51011811		46,297
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.238	IL0400L5T101709		225,544
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.238	IL0400L5T10810		162,113
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.238	IL0401L5T101709		69,261
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.238	IL0401L5T101810		127,581
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.238	IL0541L5T101705		60,798
City of Chicago / Department of Human Services (DHS) / HUD Shelter Plus Care	14.238	IL0541L5T101806		661,481
City of Chicago Department of Family and Support Services	14.218			236,547
City of Chicago/ AIDS Foundation of Chicago / SHP	14.235	IL0162L5T101710		83,502
City of Chicago/ AIDS Foundation of Chicago / SHP	14.235	IL0162L5T101811		31,876
City of Chicago/ AIDS Foundation of Chicago / SHP	14.235	IL0197L5T101710		1,597
City of Council Bluffs / HOME Investment Partnership Program	14.239			161,363
City of Eagle, Ida County / Idaho Community Development Block Grant	14.228			473,351
City of Encinitas / CDBG State Program	14.228			614,000
City of Greenville (Community Development Department) / Forgiveable Loan	14.235			262,406
City of Santa Cruz / HOME Investment Partnership Program	14.239			1,214,000
City of Tacoma / CDBG Program	14.218			20,833
Community Development Commission of the City of Oxnard / CDBG Section 108 Loan Guarantee	14.248	96-164218		720,846
Community Housing Services Agency / CDBG State Program	14.228			433,102
County of Contra Costa / CDBG Section 108 Loan Guarantee	14.248			1,457,174
County of Contra Costa / Housing Opportunities for Persons with AIDS HOPWA Grant / HAP Section 8	14.195			272,833
County of Kern / HOME Investment Partnership Program	14.239	069-99		400,000
County of Marin / HOME Investment Partnership Program	14.239			889,450
County of Riverside / HOME Investment Partnership Program	14.239	File No: 4HM-02-003		1,038,000
County of San Diego Department of Housing and Community Development / Housing Opportunities for Persons with AIDS HOPWA Grant	14.241			1,630,240
County of San Mateo / Section 108 Loan Guarantee	14.248			1,153,688
County of San Mateo/HOME Investment Partnership Program	14.239			362,997
Department of Housing and Community Development of the State of California / HOME Grant CHDO	14.239	96-HOME-0223		1,344,475
Enterprise Community Partners, Inc HUD 202 Supportive Housing	14.252			100,496
Idaho Housing and Finance Association / HOME Investments Partnership Program	14.239			290,000
Local Initiatives Support Corporation (LISC)	14.252	B-15-CB-MD-001		100,000
Omaha Housing Authority of the City of Omaha / Multi-family Assisted Housing Reform and Affordability Act	14.197	103-11014-PUR/CON-EC-FAM		4,603,287
Omaha Housing Authority of the City of Omaha / Housing Assistance payment (HAP) Section 8	14.149			478,190
Redevelopment Agency of the City and County of San Francisco / Housing Opportunities for Persons with AIDS HOPWA Grant	14.241			3,540,670
Sacramento Housing and Redevelopment Agency / HOME Investment Partnership Program	14.239			580,981
Snohomish County / HOME Investment Partnership Program	14.218			14,541
State of Arizona / Department of Commerce / HOME Investment Partnership Program	14.239			149,240
State of California / County of Yuba / CDBG State Program	14.228			-
State of California / Department of Housing & Community Development / Housing Opportunities for Persons with AIDS HOPWA Grant	14.241	91-HRL-PH-002		837,774
State of Washington Department of Community Trade and Economic Development (CTED) / Supportive Housing for the Elderly Direct Loan Section 202	14.157	127-EE038		423,200
Subtotal HUD			344,650,116	29,982,728
<u>United States Department of Treasury</u>				
Direct				
Department of Treasury	21.02		7,176,500	
Subtotal United States Department of Treasury			7,176,500	-
<u>United States Department of Health and Human Services</u>				
Pass Through				
City of Bellingham / CDBG State Program	93.624			16,153
Department of Public Health	93.624			43,509
Tacoma-Pierce County Health Department	93.426			25,000
Utah Department of Workforce Services	93.558			19,690
Subtotal United States Department of Health and Human Services			-	104,352
Total Expenditures of Direct and Indirect Federal Awards			\$ 360,199,555	\$ 30,087,080
Total Expenditures of Federal Awards				\$ 390,286,635

Mercy Housing, Inc.

**Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019**

Summary by CFDA Number:

		<u>Federal Expenditures</u>
USDA Rural Rental Housing Loans	10.415	\$ 7,318,655
USDA Rural Rental Assistance Payments	10.427	421,186
Supplemental Nutrition Assistance Program	10.551	-
USDA Intermediary Relending Program	10.767	633,098
HUD Interest Reduction Payments Section 236	14.103	83,253
Section 221 (d)(4) pursuant to Section 233(a)(7) of National Housing Act	14.135	1,430,138
Rental Supplements - Rental Housing	14.149	478,190
HUD Mortgage Insurance for the Purchase Section 223(a)(7)	14.155	95,141,571
HUD Supportive Housing for the Elderly Direct Loan Section/Capital Advance Section 202/HUD Project Rental Assistance contract (PRAC) Section 202	14.157	170,844,002
Operating Assistance for Troubled Multifamily Housing Projects	14.164	1,902,470
HUD Supportive Housing for Persons with Disabilities Capital Advance Section 811/HUD Project Rental Assistance Contract (PRAC) Section 811	14.181	26,748,991
Preservation of Affordable Housing	14.187	20,912,183
HUD Multi-Family Services Coordinator Grant	14.191	174,002
HUD Housing Assistance Payments (HAP) Section 8	14.195	26,672,005
HUD Multi-Family Assisted Housing Reform & Affordability Act	14.197	4,603,287
HUD Community Development Block Grant Entitlement Grant	14.218	637,323
HUD Community Development Block Grant/State's Program	14.228	2,007,327
HUD Supportive Housing Program - Capital Advance/Office of Community Planning & Development - Supportive Housing Program/Forgivable Loan	14.235	2,663,510
HUD Shelter Plus Care	14.238	1,306,778
HUD HOME Investment Partnership Program/HOME Grant CHDO	14.239	8,103,643
HUD Housing Opportunities for Persons with AIDS HOPWA Grant	14.241	6,008,684
HUD Community Development Block Section 108 Loan Guarantee	14.248	3,331,708
HUD Capacity Building For Affordable Housing And Community Development Grants	14.252	200,496
Continuum of Care	14.267	1,383,283
Department of Treasury	21.02	7,176,500
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	25,000
Department of Health and Human Services for Children and Families	93.558	19,690
ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance	93.624	59,662
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		\$ 390,286,635
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See Notes to Schedule of Expenditures of Federal Awards.

Mercy Housing, Inc.

**Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019**

Note 1 - Basis of presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Mercy Housing, Inc., under programs of the federal government for the year ended December 31, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Mercy Housing, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Mercy Housing, Inc. The financial statements of certain subsidiaries and affiliates included in the consolidated financial statements were not audited in accordance with Government Auditing Standards as they are not subject to the requirements under the Uniform Guidance.

The 2019 schedule of expenditures of federal awards does not include direct and indirect federal awards funded directly to Mercy Housing, Inc.'s consolidated for-profit subsidiaries.

Note 2 - Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, the cost principles contained in OMB Circular A-122, "Cost Principles for Non-Profit Organizations" and the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Mercy Housing, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Loan and capital advance program

Mercy Housing, Inc. has received direct loans and capital grant advances under multiple federal programs as listed below. The loan balances outstanding at the beginning of the year is included in the federal expenditures presented in the Schedule. Mercy Housing, Inc. received additional loans during the year. The balance of the loans outstanding at December 31, 2019 consists of:

CFDA Number	Program Name	Outstanding Balance at December 31, 2019
10.415	USDA Rural Rental Housing Loans	\$ 7,062,982
10.767	USDA Intermediary Relending Program	\$ 555,221
14.103	HUD Interest Reduction Payments Section 236	\$ 80,990
14.135	Section 221 (d)(4) pursuant to Section 233(a)(7) of National Housing Act	\$ 1,384,647
14.155	HUD Mortgage Insurance for the Purchase Section 223(a)(7)	\$ 89,736,674
14.157	HUD Supportive Housing for the Elderly Direct Loan Section/Capital Advance Section 202/HUD Project Rental Assistance contract (PRAC) Section 202	\$ 160,957,550
14.164	Operating Assistance for Troubled Multifamily Housing Projects	\$ 1,860,392
14.197	HUD Multi-Family Assisted Housing Reform & Affordability Act	\$ 4,649,319
14.228	HUD Community Development Block Grant/State's Program	\$ 1,789,468
14.235	HUD Supportive Housing Program - Capital Advance/Office of Community Planning & Development - Supportive Housing Program/Forgivable Loan	\$ 1,289,071
14.239	HUD HOME Investment Partnership Program/HOME Grant CHDO	\$ 8,142,535
14.241	HUD Housing Opportunities for Persons with AIDS HOPWA Grant	\$ 6,040,494
14.248	HUD Community Development Block Section 108 Loan Guarantee	\$ 3,384,563
14.181	HUD Supportive Housing for Persons with Disabilities Capital Advance Section 811/HUD Project Rental	\$ 25,904,223
14.187	Preservation of Affordable Housing	\$ 20,912,183

Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards*

To the Board of Directors
Mercy Housing, Inc.

We have audited, 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, the financial statements of Mercy Housing, Inc., which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon June 11, 2020. The financial statements of certain subsidiaries and affiliates were not audited in accordance with *Government Auditing Standards* and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with these subsidiaries and affiliates.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Mercy Housing, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mercy Housing, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Mercy Housing, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Mercy Housing, Inc.'s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mercy Housing, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Mercy Housing, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mercy Housing, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Charlotte, North Carolina
June 11, 2020

Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Directors
Mercy Housing, Inc.

Report on Compliance for Each Major Federal Program

We have audited Mercy Housing, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Mercy Housing, Inc.'s major federal programs for the year ended December 31, 2019. Mercy Housing, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Mercy Housing, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control over Compliance

Management of Mercy Housing, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Mercy Housing, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report

on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Mercy Housing, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of our testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Charlotte, North Carolina
June 11, 2020

Mercy Housing, Inc.

**Schedule of Findings and Questioned Costs
December 31, 2019**

Summary of auditor's results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Mercy Housing, Inc. were prepared in accordance with generally accepted accounting principles.
2. No significant deficiencies related to the audit of financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses were reported.
3. No instances of noncompliance material to the financial statements of Mercy Housing, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit and reported in the Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance. No material weaknesses were reported.
5. The auditor's report on compliance for the major federal award programs for Mercy Housing, Inc. expresses an unmodified opinion on all major federal programs.
6. There are no audit findings required to be reported in accordance with 2 CFR Section 200.516(a) in this Schedule.
7. The programs tested as major programs were:

Mortgage Insurance Rental and Cooperative Housing for Moderate Income Families and Elderly, Market Interest Rate	14.135
Supportive Housing for the Elderly (Section 202)	14.157
Operating Assistance for Troubled Multifamily Housing Projects	14.164
Project Rental Assistance Contract (PRAC) Section 811	14.181
Supportive Housing Program	14.235
HOME Investment Partnership Program	14.239
8. The threshold for distinguishing Type A and B programs was \$3,000,000.
9. Mercy Housing, Inc. was determined to be a low-risk auditee.

Mercy Housing, Inc.

**Schedule of Findings and Questioned Costs
December 31, 2019**

A. Findings - Financial Statements Audit

None.

B. Findings and Questioned Costs - Major Federal Award Programs Audit

None.

C. Status of Prior Year Findings and Questioned Costs

None.



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