

# Housing Catalyst

Fort Collins, Colorado

## Annual Comprehensive Financial Report and Single Audit Report

Year ended December 31, 2024

With Comparative Totals for the Year Ended December 31, 2023



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Fort Collins, Colorado

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Year ended December 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

Issued by:

Financial Services Department of Housing Catalyst

Tonya Frammolino, Chief Financial Officer



# Housing Catalyst

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December 31, 2024

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# Housing Catalyst

Fort Collins, Colorado

## ***Introductory Section:***

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting

Organizational Chart

List of Principal Officials





June 18, 2025

Lizette Mill  
Chairperson  
Housing Catalyst Board of Commissioners  
1715 W Mountain Ave  
Fort Collins, CO 80521

Dear Chairperson, Mill, Honorable Commissioners, and Community Members:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for Housing Catalyst for the year ended December 31, 2024. This report is prepared in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board and the Government Finance Officers Association. The United States Department of Housing and Urban Development (HUD) requires that all public housing authorities publish, within nine months after the fiscal year-end, financial statements presented in conformity with United States Generally Accepted Accounting Principles (GAAP). Housing Catalyst's financial statements presented here have been audited by Eide Bailly, LLP. The auditors issued an unmodified opinion on Housing Catalyst's financial statements for the years ended December 31, 2024, and 2023. The data presented in this report is the responsibility of the management of Housing Catalyst. To the best of our knowledge and belief, the data presented is accurate in all material aspects; it is presented in a manner designed to fairly state the financial position and results of operations of Housing Catalyst; and all disclosures necessary have been included to enable the reader to gain an understanding of Housing Catalyst's financial affairs. GAAP requires that management provide a narrative introduction, overview, and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Housing Catalyst's MD&A can be found immediately following the report of the independent auditors. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

Housing Catalyst is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including the independent auditors' 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; the independent auditors' report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with the Uniform Guidance; the Schedule of Federal Awards; Schedule of Findings and Questioned Costs; and the schedule of prior year audit findings are included in the Single Audit Section of this report.

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**HousingCatalyst.com**



## **Organizational Overview**

For more than fifty years, Housing Catalyst has been building community in Northern Colorado. The agency addresses the growing need for affordable homes through innovative, sustainable, community-focused solutions—developing and managing residential properties, administering rental assistance, and coordinating community programs and services. As a mission-driven real estate developer, Housing Catalyst forges public-private partnerships to build and preserve affordable homes. The agency owns, manages, or was instrumental in the creation of more than 1,800 local residences. In 2024, Housing Catalyst supported more than 1,500 local families through rental assistance programs, administering nearly \$21 million in Housing Assistance Payments (HAP) to local landlords on behalf of program participants. Housing Catalyst’s resident services enhance social and economic wellbeing by providing resources, community-building events, and self-sufficiency programs. Each year the agency serves thousands of community members, including seniors, individuals with disabilities, and children.

Founded in 1971 with a resolution by the Fort Collins City Council, Housing Catalyst now has a staff of more than 90 employees, an annual operating budget of more than \$40 million, and over \$230 million in owned and managed assets. The agency’s primary sources of operating funding are the U.S. Department of Housing and Urban Development (housing voucher pass-through funding), property rental income, real estate developer fees, and project-specific competitive public and private grants. Housing Catalyst does not directly receive any City of Fort Collins general funds.

To achieve its mission, all Housing Catalyst operations focus on its triple bottom line:

- Maintaining the fiscal viability of the organization.
- Achieving a social goal through the provision of affordable housing and supportive services.
- Achieving environmental sustainability.

This report includes all of Housing Catalyst’s programs and its component units. Component units are legally separate entities for which a government entity is financially accountable. Housing Catalyst is not a component unit of the City of Fort Collins as defined by the pronouncements of the Governmental Accounting Standards Board. The governing body for Housing Catalyst is its Board of Commissioners comprised of seven members appointed by the Fort Collins City Council. The Board appoints a Chief Executive Officer (CEO) to administer the affairs of Housing Catalyst. The City is not financially accountable for the operations of Housing Catalyst, has no responsibility to fund deficits or receive surpluses, and has not guaranteed Housing Catalyst’s debt.

## **Economic Condition and Outlook**

The 2021 City of Fort Collins Housing Strategic Plan found that disproportionate increases in housing costs have continued to place a strain on residents. Between 2010 and 2020 rents in Fort Collins increased 68%, the median sales price of single-family detached homes increased 124%, and the median sales price of townhomes and condos rose 164%. During the same time period, wages increased by just 25%.

Significant increases in home purchase prices increased the percentage of renters in Fort Collins. The city is now almost evenly split between renters and homeowners. With demand for rental homes at an all-time high, rents continue to rise. According to the Colorado Housing and Finance Authority Statewide Apartment Survey, average rent in Fort Collins increased by 23% between 2020 and 2024. More than 60% of renters in Fort Collins are considered “cost burdened,” spending more than 30% of their income on housing.

Similar trends are taking place at the county level. According to Larimer County’s 2021 Housing Needs Assessment, between 2010 and 2018, median rent in Larimer County increased from \$849 to \$1,228, a 45% increase. Renter incomes rose as well, but only by 33%—not enough to absorb the change in rents. More than half of Larimer County renters are considered cost burdened.

As of 2019, only about 5% of Fort Collins’ overall housing stock was considered affordable. If the City of Fort Collins hopes to reach its stated goal of ensuring that 10% of housing stock is affordable by 2040, 282 affordable homes would need to be added every year from 2020-2040. As of the end of 2024, the City was 1,114 units shy of meeting this target.

Funding instability continues to present challenges for long-term planning and budgeting. National economic conditions contribute to local housing challenges, Congressional appropriations are often uncertain when Housing Catalyst budgets are created, and staff must estimate annual subsidies based on Congressional actions and historic data. Increasing sources of revenue other than those dependent upon Congressional appropriations continues to be crucial to the sustainability of Housing Catalyst’s current programs and future growth.

Since 2016, Housing Catalyst has maintained a S&P Global Rating of AA-. The rating reflects Housing Catalyst’s strong enterprise risk profile, strong financial profile, very strong management, and clear strategic plan to maximize affordable housing in Northern Colorado.

### **Long-Term Planning and Major Commitments and Initiatives**

Housing Catalyst works to strategically increase the supply of affordable housing through new development, preservation, acquisitions, and partnerships. The agency builds on its strength, history, and reputation as a skilled developer to critically analyze and strategically pursue opportunities to build and preserve homes that are affordable. Housing Catalyst develops and maintains strong strategic partnerships and expertly utilizes available financing tools for maximum benefit to the Northern Colorado community. To achieve its mission of building vibrant, sustainable communities, Housing Catalyst approaches new construction and substantial renovation with a focus on intentional design, environmental stewardship, and inclusive processes.

In early 2024, Housing Catalyst completed a Section 18 disposition of its remaining public housing units. This strategic portfolio restructure enhanced operational efficiency, expanded affordability, and introduced a broader range of housing types to better meet community needs.

Housing Catalyst began to accumulate the assignment of significant Private Activity Bond (PAB) authority in 2013 for the purpose of rehabilitating, developing, and refinancing affordable housing units located in Fort Collins, Colorado. Through 2024, Housing Catalyst had secured the following assignments:

	<u>PAB Authority</u>
City of Fort Collins	\$ 84,155,276
Larimer County	42,998,042
Weld County	16,165,035
State of Colorado	55,641,372
Other Counties	15,419,346
Total	<u><u>\$214,379,071</u></u>

Projects that have utilized or will utilize PAB authority are as follows:

	<u>PAB Authority</u>	<u>Bonds Issued</u>
Village on Plum	\$ 8,750,000	2014
Village on Redwood	12,000,000	2016
Village on Horsetooth	19,190,000	2017
Village on Shields	35,000,000	2017
Lakeview on the Rise	30,950,600	2018
Meadows Townhomes	6,500,000	2020
Swallow Road Apartments	13,200,000	2021
Oak 140	14,272,787	2021
Northfield Commons	14,237,109	2022
Village on Impala	23,000,000	2023
Future Projects	37,278,575	-
Total	<u><u>\$214,379,071</u></u>	

In January 2023, Housing Catalyst completed development on Oak 140. The five-story mixed-use building is home to 79 apartments and two commercial tenant spaces. Made possible through a partnership between Housing Catalyst and the Fort Collins Downtown Development Authority, Oak 140 is the first Low Income Housing Tax Credit (LIHTC) project to address the community need for affordable housing near downtown businesses and services. The project was financed through a combination of 4% Federal and State LIHTC's, City of Fort Collins grant funds, capital contributions from the Downtown Development Authority, a loan from Housing Catalyst, and Private Activity Bonds accumulated by Housing Catalyst. To support the public bond offering, Housing Catalyst issued a general revenue pledge, bolstered by its AA- credit rating from Standard & Poor's..

In summer 2023, Housing Catalyst began construction on the updated and expanded Village on Impala. The project included renovations to the existing owned and operated Village on Impala, a 24-unit duplex community, as well as the redevelopment of connected properties approved for Section 18 disposition. The newly connected community provides 86 affordable homes, including 12 duplexes and 62 apartments. In total, the project nets 49 affordable homes, more than doubling the capacity of the property. Community features include a clubhouse, playground, active green space, and connectivity paths. The project was completed in the spring of 2025.

### **Financial Information**

Management of Housing Catalyst is responsible for establishing and maintaining an internal control structure designed to ensure that Housing Catalyst's assets are protected from loss, theft or misuse and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. Housing Catalyst has designed its internal control structure to provide reasonable, but not absolute, assurances that those objectives are met. The concept of reasonable assurance recognizes that: (1) the costs of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgment by management.

As a recipient of federal awards, Housing Catalyst is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws, regulations, contracts and grants related to those programs. Those internal controls are subject to periodic evaluation by management, and their independent auditors.

As part of Housing Catalyst's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal award programs, as well as to learn whether Housing Catalyst has complied with applicable laws, regulations, contracts and grants. Housing Catalyst's single audit for the year ended December 31, 2024, found no instances of material weakness in internal controls. The results of these audit procedures are documented in the Single Audit Section of this Annual Report.

### **Other Information – Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Housing Catalyst for its Annual Comprehensive Financial Report for the year ended December 31, 2023. This was the eleventh consecutive year that Housing Catalyst has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

This recognition provides assurance to stakeholders, including funders, investors, and the public that Housing Catalyst maintains the highest standards of financial integrity and reporting.

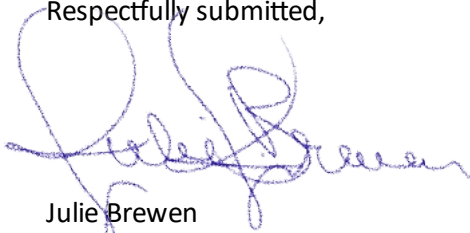
### **Acknowledgments**

Timely preparation of the Annual Comprehensive Financial Report was made possible by the dedication and hard work of the entire Finance and Accounting team. We extend our sincere appreciation to each team member for their valuable contributions to this effort.

We also gratefully acknowledge the management and staff of Eide Bailly, LLP for their technical expertise and professional support throughout the audit process.

Finally, we thank the members of the Board of Commissioners for their ongoing leadership and support, without which of this report would not have been possible.

Respectfully submitted,



Julie Brewen  
Chief Executive Officer



Tonya Frammolino  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Housing Catalyst  
Colorado**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2023

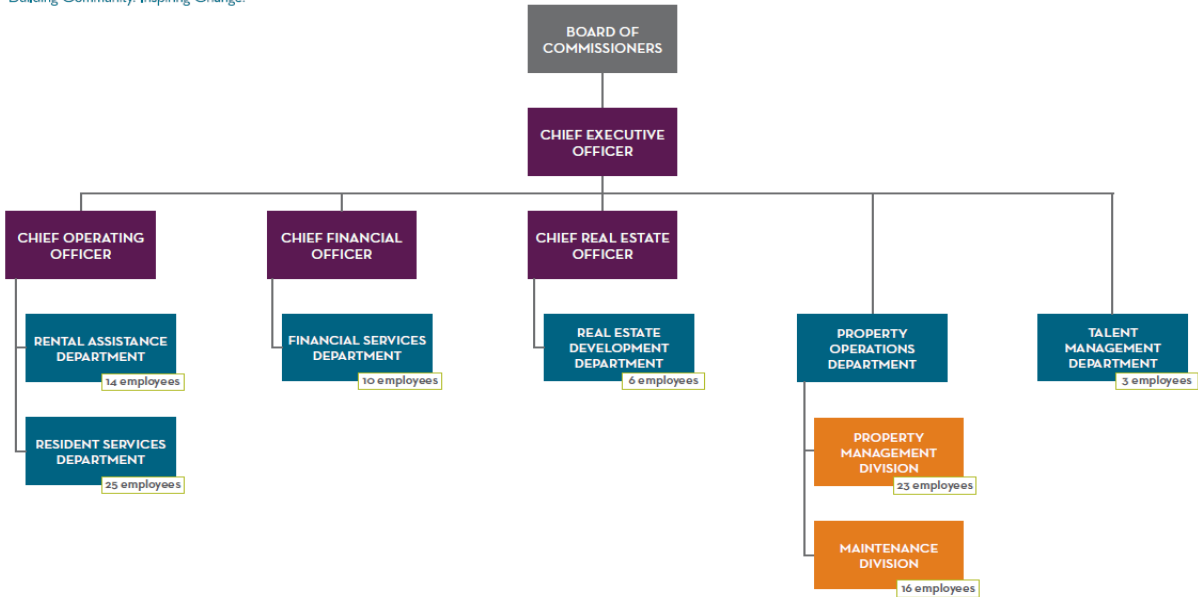
*Christopher P. Morill*

Executive Director/CEO

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# Housing Catalyst

Organizational Chart  
December 31, 2024



# Housing Catalyst

List of Principal Officials  
December 31, 2024

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## ***Board of Commissioners:***

Lizette Mill  
Chairperson

Anne Nelsen  
Vice-Chairperson

Karen Dunbar  
Commissioner

Emily Francis  
Commissioner

Joseph Penta  
Commissioner

Jennifer Wagner  
Commissioner

Heather Clemenshaw  
Commissioner

## ***Management:***

Julie Brewen  
Chief Executive Director

Michele Christensen  
Chief Strategy & Operations Officer

Tonya Frammolino  
Chief Financial Officer

Kristin Krasnove Fritz  
Chief Real Estate Officer

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# Housing Catalyst

Fort Collins, Colorado

## ***Financial Section:***

Report of Independent Auditors

Management's Discussion and Analysis

Basic Financial Statements

Notes to Basic Financial Statements

Combining Financial Schedules





## Independent Auditor's Report

To the Board of Commissioners  
Housing Catalyst  
Fort Collins, Colorado

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Catalyst (the Authority) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority, as of December 31, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

#### *Adoption of New Accounting Standard*

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the year ended December 31, 2024. Accordingly, a restatement has been made to the business-type activities net position as of January 1, 2024, to restate beginning net position. Our opinions are not modified with respect to this matter.

### ***Change in Reporting Entity***

As discussed in Note 1 to the financial statements, Village on Stanford, LLLP was transferred to the Authority. The change in ownership resulted in Village on Stanford, LLLP being subject to oversight and control by the Authority. Accordingly, a restatement has been made to the basic financial statements as of December 31, 2023. Our opinions are not modified with respect to this matter.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority’s ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority’s basic financial statements. The accompanying combining statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## **Report on Summarized Comparative Information**

We have previously audited the Authority's 2023 basic financial statements, and we expressed unmodified opinions on the respective financial statements of the business-type activities and the aggregate discretely presented component units of the Authority in our report dated June 28, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2025 on our consideration of the Authority'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 the Authority'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 the Authority's internal control over financial reporting and compliance.



Fargo, North Dakota  
June 18, 2025

Housing Catalyst offers readers of the financial statements this narrative overview and analysis of the financial activities of Housing Catalyst for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with Housing Catalyst's financial statements, which begin on page 16.

## Financial Highlights

- **Net Position:** As of December 31, 2024, the assets and deferred outflows of Housing Catalyst exceeded its liabilities and deferred inflows by \$113,853,729 (net position), representing an increase of \$6,803,523 over the prior year balance. This growth was primarily driven by a \$1,746,539 increase in HUD PHA grant revenue due to higher funding levels; \$1,356,009 in additional grant revenue related to funding related to the Plum Place renovation; the acquisition of land for a future project; and a \$517,333 increase in developer fee revenue from activity related to Village on Impala project. Of the grant income received in the current year, \$603,402 was loaned to Village on Impala, LLLP, a tax credit partnership, to support the construction of low-income housing; \$800,00 was used to fund the rehabilitation project for Plum Place; and \$1,360,000 was used to acquire the land for a future development known as Village on Eastbrook.
- **Unrestricted and Restricted Net Position:** As of the close of the current fiscal year, Housing Catalyst's programs had an unrestricted net position of \$94,634,107 and \$65,211 in restricted net position, which represents unspent HUD voucher funding.
- **Cash Balance:** Housing Catalyst's cash balance on December 31, 2024, was \$17,959,375, representing a decrease of \$2,381,267 (12.5%) from December 31, 2023. The decrease was primarily driven by significant capital investments, including the Plum Place renovation, land acquisitions, and other property improvements, as well as the scheduled \$11.2 million bond principal payment. These outflows were partially offset by proceeds from property sales and repayments on notes receivable.
- **Revenue and Expenses:** Housing Catalyst received HUD operating funding of \$23,711,670, internal service fees, including management, accounting, maintenance, and other earned fees, totaling \$5,059,257 and rental income of \$3,814,977 for the year. Housing Catalyst paid out \$21,300,413 in housing assistance payments and incurred \$12,390,810 in other operating expenses, excluding depreciation and amortization of \$1,478,698.
- **Developer Fee Income:** Developer fee income for the year totaled \$1,781,579, reflecting fees earned from the development of the Village on Impala project. This represents an increase of \$1,264,246 (41%) over the prior year, which included the initial developer fees recognized for the same project.
- **Gain on Sale of Capital Assets:** Housing Catalyst recognized a total gain of \$1,983,267 from the sale of capital assets during the year. This gain was primarily driven by the disposition of several properties within the Villages portfolio. The properties sold were nearing the end of their

useful lives and were no longer aligned with long-term strategic goals. The transactions generated net proceeds of \$1,973,667, which will be reinvested into future affordable housing developments, supporting Housing Catalyst's ongoing efforts to expand and modernize its housing portfolio in response to community needs.

### **Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to Housing Catalyst's basic financial statements. Housing Catalyst's basic financial statements are comprised of 1) fund financial statements and 2) notes to the financial statements. As required by HUD, this report also includes supplemental information such as:

- Reports on Compliance
- Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs

The ***Statement of Net Position*** presents information on all of Housing Catalyst's assets and liabilities and deferred inflow of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Housing Catalyst is improving or deteriorating.

The ***Statement of Revenues, Expenses and Changes in Net Position*** presents information showing how Housing Catalyst's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in past or future periods.

The ***Statement of Cash Flows*** presents information showing Housing Catalyst's inflows and outflows of cash and cash equivalents during the most recent fiscal year. All changes in cash and cash equivalents are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related changes in net position. Thus, cash flows are reported in this statement for some items that will only result in revenue or expenses in past or future periods. This statement provides answers to questions such as where the cash came from, how cash was used and what the change in the cash balance was during the year.

The ***Combining Statements of Net Position and of Revenues, Expenses and Changes in Net Position for Discretely Presented Component Units*** presents the financial information for Housing Catalyst's discretely presented component units. The discretely presented component units are described in Note 1 of the financial statements.

***Notes to the Basic Financial Statements*** provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements.

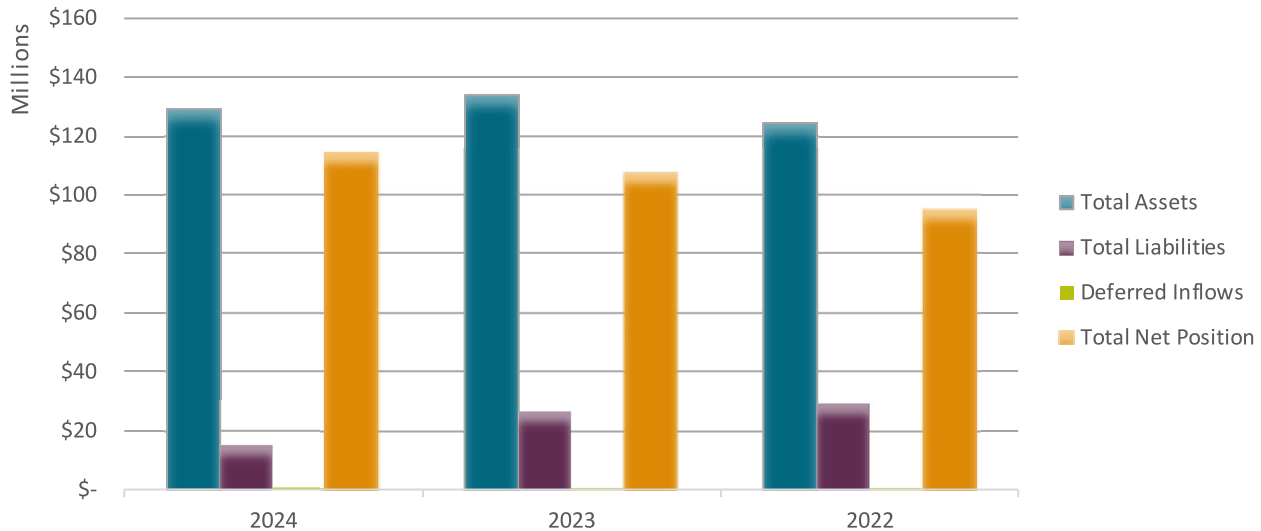
**Financial Analysis**

***Statements of Net Position:***

The following table reflects the condensed Statements of Net Position for the organization (balances in thousands of dollars).

	2024	2023	2022
Current assets, unrestricted	\$ 18,241	\$ 30,469	\$ 23,934
Other current assets, restricted	1,336	1,398	1,394
Capital assets, net	24,135	19,904	16,652
Non-current assets	<u>85,341</u>	<u>82,009</u>	<u>82,277</u>
<b>Total Assets</b>	<b><u>\$ 129,053</u></b>	<b><u>\$ 133,780</u></b>	<b><u>\$ 124,257</u></b>
Current liabilities	\$ 1,814	\$ 12,825	\$ 1,953
Current liabilities payable from restricted assets	559	575	571
Long-term liabilities	<u>12,705</u>	<u>13,203</u>	<u>26,755</u>
Total Liabilities	<u>15,078</u>	<u>26,603</u>	<u>29,279</u>
Deferred Inflows	<u>121</u>	<u>126</u>	<u>168</u>
Net Investment in Capital Assets	19,155	14,984	9,373
Restricted Net Position	65	103	161
Unrestricted Net Position	<u>94,634</u>	<u>91,964</u>	<u>85,276</u>
Total Net Position	<u>113,854</u>	<u>107,051</u>	<u>94,810</u>
<b>Total Liabilities, Deferred Inflows &amp; Net Position</b>	<b><u>\$ 129,053</u></b>	<b><u>\$ 133,780</u></b>	<b><u>\$ 124,257</u></b>

### Assets, Liabilities, Deferred Inflows and Net Position



Unrestricted current assets are comprised of cash, receivables, prepaid items and inventories. As of December 31, 2024, the balance decreased by more than \$12.2 million (40%) compared to the prior year. This decline is primarily driven by a reduction of approximately \$8.9 million in the current portion of notes receivable, reflecting scheduled repayments and portfolio activity during the year.

Restricted current assets consist of cash restricted for tenant security deposits, family self-sufficiency program escrow balances, flex fund escrow balances and other unspent grant funds. As of the year-end, the balance decreased by approximately \$62 thousand (4%) compared to the prior year, primarily due to a reduction in unspent grant funds related to a Larimer County grant of \$56 thousand.

Capital assets include land, buildings, building improvements, furniture and equipment and are reported net of accumulated depreciation. The net book value of capital assets increased by approximately \$4.2 million (21%), primarily due to the purchase of land and reinvestments in existing properties. While several fully or nearly fully depreciated Villages properties were sold during the year, their disposition had a minimal impact on net capital assets due to their low remaining book value.

Non-current assets consist of long-term developer fees receivable, lease receivable, notes receivable, long-term prepaid lease, investments in tax credit partnerships and investments in future developments. Non-current assets increased by \$3.3 million (4%) due to increases in notes receivable of approximately \$1.5 million and long-term developer fees receivable of approximately \$1.5 million.

Current liabilities consist of accounts payable, accrued liabilities, accrued wages and payroll tax, accrued interest, unearned revenue, balances due to other agencies and the current portion of leases and notes payable. The total balance decreased by more than \$11 million (86%) compared

to the prior year, primarily due to the scheduled \$11.2 million bond principal payment made in 2024, which significantly reduced the current portion of notes and mortgages payable.

Current liabilities payable from restricted assets consist of tenant security deposits payable, family self-sufficiency escrow balances payable, flex fund escrow balances and unspent grant funds. These liabilities remained consistent with the prior year, decreasing by approximately \$16 thousand (3%) as compared to the prior year. The overall decrease was primarily driven by reductions in security deposits of approximately \$5 thousand and unspent grant funds of \$67 thousand partially offset by increases in family self-sufficiency escrow balances of approximately \$49 thousand and prepaid tenant rent of approximately \$8 thousand.

Long-term liabilities consist of leases and notes payable. As of the year-end, the balance decreased by approximately \$498 thousand (4%) compared to the prior year, primarily due to regular debt and lease payments made throughout the year.

Deferred inflows consist of the balance of lease income expected to be received from the Village on Plum land leases. The balance decreased by approximately \$5 thousand (4%) compared to the prior year, primarily due to the recognition of lease income associated with the current year's lease expense.

Net position represents Housing Catalyst's residual equity after deducting all liabilities from total assets. It is reported in three components:

- **Net investment in capital assets:** Represents Housing Catalyst's equity in land, buildings, building improvements, furniture and equipment, net of related outstanding debt and other liabilities.
- **Restricted net position:** Consists of resources that are subject to external restrictions on their use, such as grant requirements or contractual obligations.
- **Unrestricted net position:** Represents all other resources available for use at the discretion of Housing Catalyst, in accordance with applicable laws and sound financial practices.

The total net position of Housing Catalyst increased by approximately \$6.8 million (6%) from December 31, 2023, to December 31, 2024.

Housing Catalyst's current ratio reflects the relationship between current assets and current liabilities and is a measure of Housing Catalyst's ability to pay short-term obligations. On December 31, 2024, and 2023, Housing Catalyst's current ratios were 8.25:1 and 2.38:1, respectively.

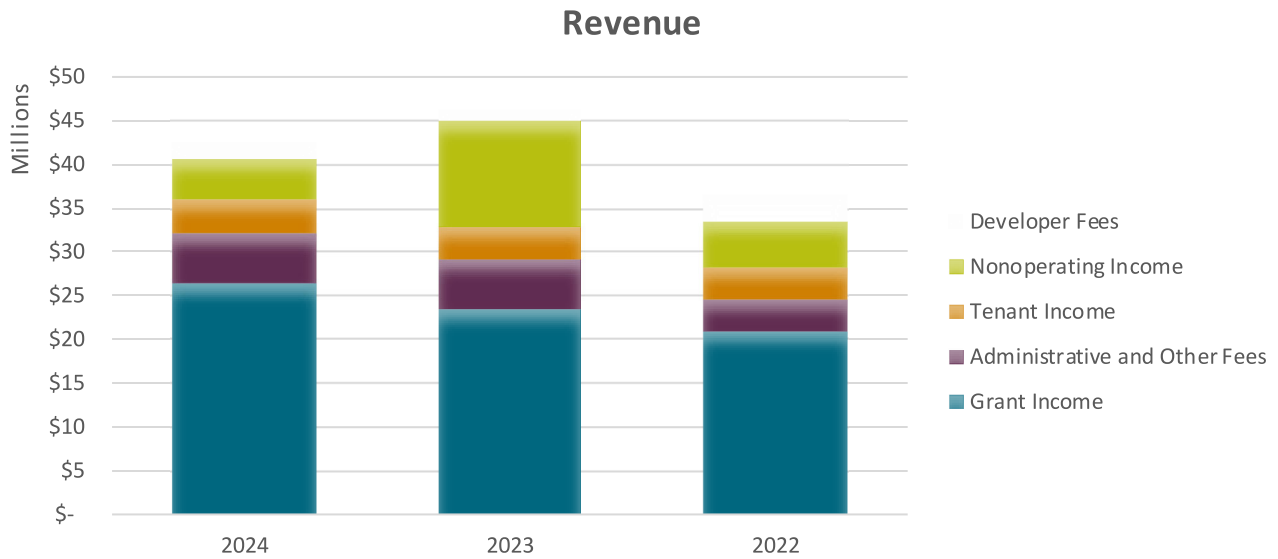
**Revenues, Expenses and Changes in Net Position:**

The following table compares the revenue and expenses for the current and previous periods (balance in thousands of dollars):

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>Revenues:</b>			
Grant income	\$ 26,555	\$ 23,453	\$ 20,855
Administrative fees	5,059	5,063	3,075
Tenant income	3,815	3,614	3,582
Interest income	2,631	2,495	1,900
Developer fees	1,782	1,264	3,024
Gain on sale of capital assets	1,983	9,586	3,264
Capital grants and contributions	-	-	218
Other	587	745	657
<b>Total Revenue</b>	<u>42,412</u>	<u>46,220</u>	<u>36,575</u>
<b>Expenses</b>			
Housing assistance payments	21,300	19,226	16,796
Administrative	9,624	10,018	8,248
Maintenance	1,977	2,031	2,206
Depreciation	1,479	1,238	1,079
Utilities	318	345	359
Insurance	363	294	247
Interest expense and financing costs	439	656	762
Other	109	171	94
<b>Total Expenses</b>	<u>35,609</u>	<u>33,979</u>	<u>29,791</u>
<b>Change in Net Position</b>	6,803	12,241	6,784
<b>Net Position - Beginning of Year</b>	<u>107,051</u>	<u>94,810</u>	<u>88,026</u>
<b>Net Position - End of Year</b>	<u>\$ 113,854</u>	<u>\$ 107,051</u>	<u>\$ 94,810</u>

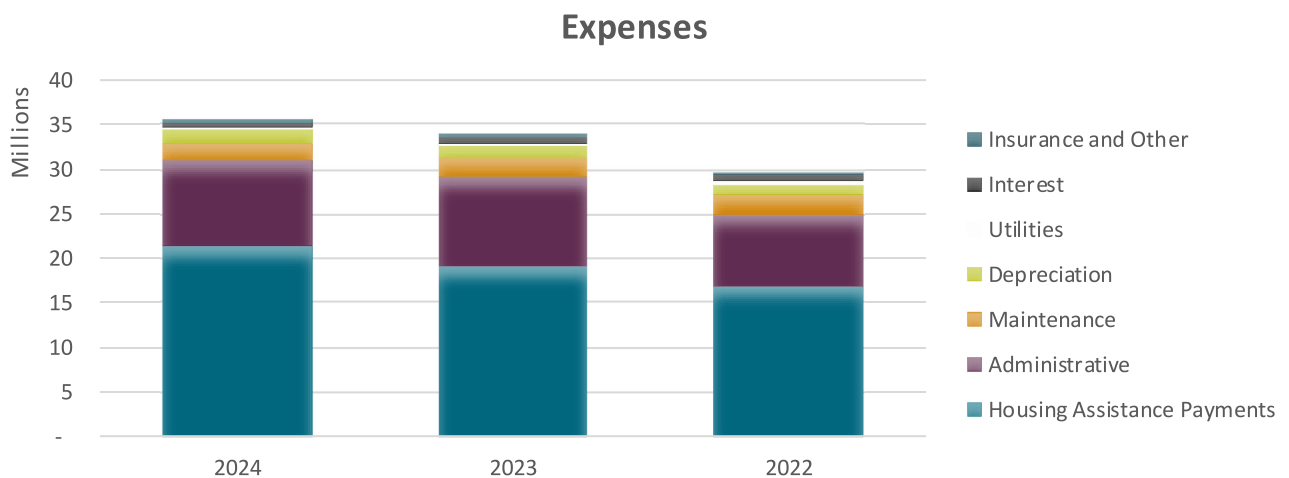
Revenues decreased by approximately \$3.8 million (8%) from the year ended December 31, 2023, to the year ended December 31, 2024. This decline was primarily driven by a \$7.6 million reduction in gains from the sale of capital assets, partially offset by a \$3.1 million increase in grant income received during the year.

The following graph compares the revenues for the current and previous years:



Expenses increased by approximately \$1.6 million (5%) from the year ended December 31, 2023, to the year ended December 31, 2024. The most significant driver was a \$2.1 million (11%) increase in housing assistance payments, which reflects a combination of factors—including higher rental payment standards, increased HUD budget authority, and continued strong leasing activity across voucher programs.

The following graph compares the expenses for the current and previous years:



## Departmental Financial Analysis

Housing Catalyst uses departmental accounting to ensure and demonstrate compliance with finance-related legal requirements and to provide transparency around the agency's distinct operational functions. Each department is established with a specific purpose, and financial reporting is structured to reflect the near-term inflows, outflows, and balances of spendable resources within each program. In 2024, Housing Catalyst operated nine departmental programs, as outlined below:

1. **Public Housing:** In January 2024, the final 15 units of public housing were disposed of under HUD's Section 18 Demolition and Disposition program and transferred to Villages, Ltd. With this transaction, the public housing program officially concluded in 2024. The program ended in 2024 with a net position of (\$20,069) of which \$4,158 is invested in capital assets.
2. **Management:** Provides administrative and maintenance support for Housing Catalyst's managed real estate portfolio and oversees external management contracts with properties including Oak 140 (79 units), Mason Place (60 units), Villages, Ltd. (180 units), Wellington Community Housing (42 units), Village on Elizabeth (48 units), Village on Stanford (82 units), Redtail Ponds PSH (60 units), Village on Plum (95 units), Village on Redwood (72 units), Village on Shields (285 units), Village on Horsetooth (96 units) and Village on Impala (86 units). As of year-end, the net position was \$3,320,530, of which \$2,891 (>1%) invested in capital assets. Revenue sources include cost allocations, along with administrative and maintenance fees charged.
3. **Real Estate Development:** Focused on the creation and preservation of affordable housing through new construction, acquisitions, and renovation of affordable rental housing. This department presently has a net position in the amount of \$74,409,996, including \$2,671,582 (4%) invested in capital assets. Revenues for 2024 included CHFA grant income used for the purchase of land, accrued interest income on loans to tax credit funded properties and developer and other fees.
4. **Voucher Programs:** Housing Catalyst managed 1,138 Housing Choice Vouchers (HCV), 199 Veterans Affairs Supportive Housing (VASH) vouchers, 50 Family Unification Program (FUP) vouchers, 16 Foster Youth to Independence (FYI) vouchers, 24 Emergency Housing Vouchers (EHV), and 208 Five Year Mainstream vouchers at year-end 2024.

The U.S. Department of Housing and Urban Development (HUD) is revenue source for the \$21,752,944 of HCV, VASH, FUP and Mainstream voucher grants, which is an increase of \$1,959,412 (10%) as compared to the prior year total of \$19,793,532. The current year Housing Assistance Payment (HAP) expenses of \$20,103,133 increased by \$1,992,340 (11%) as compared to the prior year expenses of \$18,110,793. The current year administrative expenses for the voucher program of \$1,746,501 increased by \$374,576 (27%) as compared to the prior year's expenses of \$1,371,925.

5. **HUD Grants:** Provides funding for the salary and benefit expenses of family self-sufficiency staff and funding for services for the residents of Redtail Ponds Permanent Supportive

Housing. These are cost reimbursement grants with total current year funding of \$625,820.

6. **Larimer County Housing Authority (Blended Component Unit):** Provides 104 rental vouchers for low-income program participants. The revenue source is HUD cost reimbursement for the vouchers. The Larimer County Housing Authority is reported as a blended component unit of Housing Catalyst.

HUD is the revenue source for the Larimer County Housing Authority voucher grants in the amount of \$1,332,906, which is an increase of \$117,877 (10%) as compared to the prior year total of \$1,215,029. The current year housing assistance payment (HAP) expenses of \$1,197,280 increased by \$82,560 (7%) as compared to the prior year expenses of \$1,114,720. The current year administrative expenses for the voucher program of \$125,509 increased by \$22,583 (22%) as compared to the prior year expenses of \$102,926.

7. **Villages (Blended Component Unit):** Owns and operates 180 units of housing for rent to low-income families and a leasing office. Villages ended 2024 with a net position of \$37,416,532 of which \$13,473,040 (36%) is invested in capital assets; and \$23,943,492 is unrestricted. The main sources of revenue are rents charged to tenants and grants.
8. **Village on Elizabeth (Blended Component Unit):** Owns and operates 48 units of housing for rent to low-income families and a clubhouse. Village on Elizabeth ended 2024 with a net position of (\$1,895,876) of which (\$2,141,331) (113%) is invested in capital assets; and \$245,455 is unrestricted. The main source of revenue is rents charged to tenants.
9. **Village on Stanford (Blended Component Unit):** Owns and operates 82 units of housing for rent to low-income families and a clubhouse. Village on Stanford ended 2024 with a net position of \$281,173 of which (\$246,396) (88%) is invested in capital assets; and \$527,569 is unrestricted. The main source of revenue is rents charged to tenants.

## Capital Assets and Debt Administration

### Capital Assets

As of December 31, 2024, Housing Catalyst's net investment in capital assets was \$19,154,411 (net of accumulated depreciation and capital loans). This investment in capital assets includes land, buildings, improvements, equipment, computer software, and leased assets.

Capital asset activity during the current fiscal year is as follows:

- Purchase of land located in Fort Collins in the amount of \$2,196,271.
- Remodeling and technology upgrades of the conference room located at 1715 W Mountain Avenue in the amount of \$18,490.
- Flooring and appliance replacements in various Villages properties, Village on Elizabeth and Village on Stanford in the amount of \$170,227.

- Unit and building rehabilitation on various Villages properties in the amount of \$137,911, of which one project is still in progress with a balance of \$14,855 and is included in construction in progress on December 31, 2024.
- Key and security system replacements and improvements in various Villages properties, Village on Elizabeth and Village on Stanford in the amount of \$42,190.
- Site improvements in various Villages properties, Village on Elizabeth and Village on Stanford in the amount of \$4,863.
- Sewer line replacement at Village on Elizabeth in the amount of \$24,030.
- Plum Place renovation project which will include exterior and interior renovations and improvements to the property of \$2,841,209.
- Sale of Villages properties to unrelated third parties with net proceeds of \$2,065,668 and a gain on sale of \$1,999,261.
- Sale of vehicles to unrelated third party with proceeds and gain on sale of \$9,600.
- Disposals of replaced flooring, appliances and other items with net loss of \$25,594.

Additional information on the Authority's capital assets can be found in Note 1 on page 33 and Note 6 on pages 40 through 41 of this report.

## Long-Term Debt

As of December 31, 2024, Housing Catalyst had seven long-term loans totaling \$13,193,978. The long-term loans are to fund the remodeling costs for the Authority's main offices on Mountain Avenue, to purchase the parking lot on Mason Street, to assist in funding the cost of the construction of the commercial portion of the building at Oak 140, to finance the tenant improvements to office space occupied by Housing Catalyst located at Oak 140, revenue bonds used to assist in funding the construction of the residential portion of the building at Oak 140 and to fund the purchase of Village on Elizabeth and Village on Stanford properties. The revenue bonds are offset by notes receivable from Oak 140, LLLP.

Loan activity during the current fiscal year is as follows:

- Principal payments made to FirstBank on the Mountain Office remodel note in the amount of \$58,142.
- Regular principal payments for the Mason Street parking lot loan made to ANB in the amount of \$61,814 with an increase to principal balance from refinancing of \$7,273.
- Regular principal payments for the DDA, LLC / Oak 140 commercial loan made to FirstBank in the amount of \$102,940.

- Regular principal payments for the ANB tenant improvement loan in the amount of \$121,122.
- Bond principal payments for the Oak 140 revenue bonds made to UMB in the amount of \$11,175,000.
- Regular principal payments for the Village on Elizabeth mortgage loans in the amount of \$22,433 with debt issuance cost amortization of \$1,291.
- Regular principal payments for the Village on Stanford mortgage loan in the amount of \$22,433 with debt issuance cost amortization of \$1,291.

Additional information on the Authority's debt can be found in Note 7 on pages 41 through 54 of this report.

## **Economic Outlook**

Demand for affordable housing remains strong in the Fort Collins market. The rental market has tightened significantly in recent years and rents continue to rise. According to the City of Fort Collins, average rents increased by 26% from 2020 to 2023, following a 75% increase from 2005 and 2018. Data from the Colorado Housing and Finance Authority indicates that vacancy rates in the Fort Collins metro area have averaged 5%, while the pace of new rental development has not kept up with the pace of demand. These conditions are expected to maintain an upward pressure on rental rates.

Assuming relatively stable local economic conditions and continued effective management practices, Housing Catalyst projects consistent rental collections in the upcoming fiscal year. Collection rates are expected to align with historical averages, supporting Housing Catalyst's financial stability and ongoing service commitments.

Housing Choice Voucher (HCV) program funding utilization is expected to remain near 100%, driven by strong leasing activity and the high number of individuals on the waiting list. In 2024, the level of HUD funding levels and rising rental costs resulted in 106% HAP funding utilization and nearly 91% leased utilization. However, unless the federal funding increases in proportion to rising rents, the total number of families served through the HCV program may be constrained going forward.

Regional labor market constraints, including rising wages and increased competition for skilled professionals, continue to influence the cost structure of both development and operational activities. While Housing Catalyst is recognized as an employer of choice, the agency remains attentive to broader labor market dynamics that could impact staffing costs, project timelines, and contractor availability. Ongoing workforce planning and strategic hiring efforts help ensure that the organization remains well-positioned to support both current operations and future growth.

Housing Catalyst continues to prioritize the development and preservation of affordable housing units through new construction, acquisitions, and the renovation of existing properties. The agency remains committed to maintaining a strong development pipeline, cultivating new opportunities, and

leveraging public and private partnerships to expand housing options in Northern Colorado. This proactive approach ensures Housing Catalyst is positioned to respond to emerging needs and to contribute meaningfully to the region's long-term housing goals.

Continued volatility in interest rates and construction costs may affect the timing and financial structure of future development projects. Housing Catalyst continues to monitor financing conditions closely and remains committed to structuring projects to preserve long-term affordability and financial sustainability.

In addition to development-related challenges, inflationary pressures on insurance, utilities, and property maintenance continue to impact operating costs across the portfolio. The agency actively monitors these trends and adjusts financial planning and reserve strategies accordingly.

Ongoing federal budget negotiations and broader economic uncertainty continue to present potential risks to HUD funding levels. Housing Catalyst remains actively engaged in monitoring these developments and adapting financial plans as needed to protect both program stability and long-term financial health.

As part of its long-term approach, Housing Catalyst engages in ongoing strategic planning focused on financial resiliency, mission alignment, and adaptability in a shifting housing landscape. This includes scenario planning, risk analysis, and investment in tools and systems that support sound decision-making and long-range forecasting.

In early 2022, Housing Catalyst was approved to participate in HUD's Moving to Work (MTW) program under the Landlord Incentives cohort. This designation provides enhanced flexibility in the use of HUD funding, enabling Housing Catalyst the ability to respond more effectively to local needs and to implement innovative programs and strategies. The transition to MTW does not alter the total amount of HUD funding received, but it does allow for greater local control over how those resources are applied by Housing Catalyst.

## Contact Information

This financial report is designed to provide readers with a general overview of Housing Catalyst's finances and to demonstrate Housing Catalyst's accountability for the stewardship of public resources. Questions regarding any of the information presented in this report, or requests for additional financial details, should be directed to:

### **Tonya Frammolino**

Chief Financial Officer  
Housing Catalyst  
1715 West Mountain Avenue  
Fort Collins, CO 80521  
[www.housingcatalyst.com](http://www.housingcatalyst.com)

**Housing Catalyst**  
Statement of Net Position  
December 31, 2024

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
<b>Assets and Deferred Outflows of Resources</b>		
Current Assets		
Cash and cash equivalents	\$ 16,602,682	\$ 1,733,745
Restricted cash and cash equivalents	1,356,693	12,189,424
Accounts receivable		
Grants	58,516	-
Tenants	77,069	182,150
Developer fees, current	240,559	-
Other	449,710	57,077
Accrued interest	326,124	-
Notes receivable - current portion	276,619	-
Prepaid expenses and other current assets	92,353	6,346
Inventory	97,432	-
	<u>19,577,757</u>	<u>14,168,742</u>
Total Current Assets		
Noncurrent Assets		
Capital Assets		
Non-depreciable	6,983,614	42,536,146
Depreciable, net	17,034,862	129,788,684
Lease assets, net	116,307	121,308
	<u>24,134,783</u>	<u>172,446,138</u>
Total Capital Assets, Net		
Other Assets		
Developer fees receivable, long-term	7,893,531	-
Lease receivable - net of current portion	96,852	-
Notes receivable - net of current portion	75,297,461	-
Prepaid long-term lease	1,285,551	-
Other assets, net	-	702,371
Investment in tax credit partnerships	146,448	-
Investment in future developments	620,924	-
	<u>85,340,767</u>	<u>702,371</u>
Total Other Assets		
Total Noncurrent Assets		
	<u>109,475,550</u>	<u>173,148,509</u>
Total Assets		
	<u>129,053,307</u>	<u>187,317,251</u>
Deferred Outflows of Resources		
	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources		
	<u>\$ 129,053,307</u>	<u>\$ 187,317,251</u>

See Notes to Financial Statements

**Housing Catalyst**  
Statement of Net Position  
December 31, 2024

	Primary Government	Discretely Presented Component Units
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 242,463	\$ 2,935,167
Accrued liabilities	105,142	-
Accrued compensation	821,108	-
Accrued interest payable	23,080	478,410
Unearned revenues	46,994	-
Tenant security deposits payable	138,636	354,191
Money held in escrow	373,451	-
Developer fees payable - current portion	-	240,559
Leases payable - current portion	19,791	-
Notes and mortgages payable - current portion	602,595	15,099,768
<b>Total Current Liabilities</b>	<b>2,373,260</b>	<b>19,108,095</b>
<b>Long-Term Liabilities</b>		
Bond premium, net of amortization	14,595	-
Leases payable, net of current portion	99,031	96,852
Notes and mortgages payable - net of current portion	12,591,383	122,219,092
Developer fees payable - net of current portion	-	7,893,531
<b>Total Long-Term Liabilities</b>	<b>12,705,009</b>	<b>130,209,475</b>
<b>Total Liabilities</b>	<b>15,078,269</b>	<b>149,317,570</b>
<b>Deferred Inflows of Resources</b>	<b>121,309</b>	<b>-</b>
<b>Net Position</b>		
Net investment in capital assets	19,154,411	35,030,426
Restricted - housing assistance payments	65,211	-
Unrestricted	94,634,107	2,969,255
<b>Total Net Position</b>	<b>113,853,729</b>	<b>37,999,681</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 129,053,307</b>	<b>\$ 187,317,251</b>

See Notes to Financial Statements

**Housing Catalyst**  
Statement of Net Position  
December 31, 2023 (Comparative Totals Only)

	<u>Primary Government (Restated)</u>	<u>Discretely Presented Component Units (Restated)</u>
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 18,942,078	\$ 1,446,437
Restricted cash and cash equivalents	1,398,564	9,609,547
Accounts receivable		
Grants	74,371	-
Tenants	83,703	298,331
Developer fees, current	1,107,637	-
Other	619,251	29,939
Accrued interest	239,806	-
Notes receivable - current portion	9,230,746	-
Prepaid expenses and other current assets	67,914	66,448
Inventory	103,203	-
<b>Total Current Assets</b>	<u>31,867,273</u>	<u>11,450,702</u>
<b>Noncurrent Assets</b>		
<b>Capital Assets</b>		
Non-depreciable	5,132,090	20,087,870
Depreciable, net	14,755,536	140,422,804
Lease assets, net	16,047	126,369
<b>Total Capital Assets, Net</b>	<u>19,903,673</u>	<u>160,637,043</u>
Developer fees receivable, long-term	6,360,300	-
Lease receivable - net of current portion	96,852	-
Notes receivable - net of current portion	73,807,818	-
Prepaid long-term lease	1,298,942	-
Other assets, net	2,073	742,641
Investment in tax credit partnerships	146,448	-
Investment in future developments	296,642	-
<b>Total Other Assets</b>	<u>82,009,075</u>	<u>742,641</u>
<b>Total Noncurrent Assets</b>	<u>101,912,748</u>	<u>161,379,684</u>
<b>Total Assets</b>	<u>133,780,021</u>	<u>172,830,386</u>
<b>Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 133,780,021</u>	<u>\$ 172,830,386</u>

See Notes to Financial Statements

**Housing Catalyst**  
Statement of Net Position  
December 31, 2023 (Comparative Totals Only)

	<u>Primary Government (Restated)</u>	<u>Discretely Presented Component Units (Restated)</u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 218,420	\$ 1,087,317
Accrued liabilities	137,189	-
Accrued compensation	728,970	-
Accrued interest payable	124,433	339,579
Unearned revenues	110,137	-
Tenant security deposits payable	143,664	393,184
Money held in escrow	325,496	-
Developer fees payable - current portion	-	1,107,637
Leases payable - current portion	21,070	-
Notes and mortgages payable - current portion	<u>11,591,083</u>	<u>11,900,787</u>
<b>Total Current Liabilities</b>	<u>13,400,462</u>	<u>14,828,504</u>
<b>Long-Term Liabilities</b>		
Leases payable - net of current portion	15,602	96,852
Notes and mortgages payable - net of current portion	13,187,382	118,240,418
Developer fees payable	<u>-</u>	<u>6,360,300</u>
<b>Total Long-Term Liabilities</b>	<u>13,202,984</u>	<u>124,697,570</u>
<b>Total Liabilities</b>	<u>26,603,446</u>	<u>139,526,074</u>
<b>Deferred Inflows of Resources</b>	<u>126,369</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	14,983,745	30,398,986
Restricted - housing assistance payments	102,641	-
Unrestricted	<u>91,963,820</u>	<u>2,905,326</u>
<b>Total Net Position</b>	<u>107,050,206</u>	<u>33,304,312</u>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 133,780,021</u>	<u>\$ 172,830,386</u>

See Notes to Financial Statements

## Housing Catalyst

### Statement of Revenues, Expenses and Changes in Net Position Year Ended December 31, 2024

	Primary Government	Discretely Presented Component Units
Operating Revenues		
HUD PHA grants	\$ 23,711,670	\$ -
Other grants	2,843,410	-
Rental income	3,814,977	10,829,530
Administration fees	5,059,257	-
Developer fees	1,781,579	-
Other	587,258	806,405
<b>Total Operating Revenues</b>	<b>37,798,151</b>	<b>11,635,935</b>
Operating Expenses		
Housing assistance payments	21,300,413	-
Administrative salaries and benefits	7,994,089	1,115,587
Maintenance salaries and benefits	1,163,546	-
Other administrative	1,630,299	3,766,572
Ordinary maintenance	812,957	2,546,726
Depreciation and amortization	1,478,698	6,976,529
Utilities	318,278	706,555
Insurance	363,015	651,959
Payments in lieu of taxes	191	-
Other	108,435	-
<b>Total Operating Expenses</b>	<b>35,169,921</b>	<b>15,763,928</b>
<b>Operating Income (Loss)</b>	<b>2,628,230</b>	<b>(4,127,993)</b>
Non-Operating Revenues (Expenses)		
Interest income	2,631,146	138,423
Interest expense	(438,620)	(3,304,371)
Other financing costs	(500)	-
Gain (loss) on sale of capital assets	1,983,267	(69,196)
<b>Total Non-Operating Revenues (Expenses), net</b>	<b>4,175,293</b>	<b>(3,235,144)</b>
<b>Income (Loss) Before Contributions and Distributions</b>	<b>6,803,523</b>	<b>(7,363,137)</b>
Capital Contributions	-	12,714,101
<b>Change in Net Position</b>	<b>6,803,523</b>	<b>5,350,964</b>
Net Position, Beginning of the Year, As Previously Stated	106,538,715	33,304,312
Change in Accounting Principle (Note 1)	(144,104)	-
Change in Reporting Entity (Note 1)	655,595	(655,595)
<b>Net Position, Beginning of the Year, As Restated</b>	<b>107,050,206</b>	<b>32,648,717</b>
<b>Net Position, End of the Year</b>	<b>\$ 113,853,729</b>	<b>\$ 37,999,681</b>

See Notes to Financial Statements

## Housing Catalyst

### Statement of Revenues, Expenses and Changes in Net Position Year Ended December 31, 2023 (Comparative Totals Only)

	Primary Government (Restated)	Discretely Presented Component Units (Restated)
Operating Revenues		
HUD PHA grants	\$ 21,965,131	\$ -
Other grants	1,487,401	-
Rental income	3,613,410	10,443,902
Administration fees	5,063,471	-
Developer fees	1,264,246	-
Other	744,652	521,642
Total Operating Revenues	34,138,311	10,965,544
Operating Expenses		
Housing assistance payments	19,225,513	-
Administrative salaries and benefits	8,018,857	1,209,513
Maintenance salaries and benefits	963,352	-
Other administrative	1,999,237	3,288,997
Ordinary maintenance	1,067,236	2,488,492
Depreciation and amortization	1,238,058	7,387,214
Utilities	345,316	661,656
Insurance	294,356	519,903
Payments in lieu of taxes	1,542	-
Other	170,107	-
Total Operating Expenses	33,323,574	15,555,775
Operating Income (Loss)	814,737	(4,590,231)
Non-Operating Revenues (Expenses)		
Interest income	2,494,785	165,838
Interest expense	(651,830)	(3,453,040)
Other financing costs	(4,287)	-
Gain (loss) on disposal of capital assets	9,585,777	(12,170)
Total Non-Operating Revenues (Expenses), net	11,424,445	(3,299,372)
Income (Loss) Before Contributions and Distributions	12,239,182	(7,889,603)
Capital Contributions	-	2,501,530
Change in Net Position	12,239,182	(5,388,073)
Net Position, Beginning of the Year,	94,811,024	38,692,385
Net Position, End of the Year	\$ 107,050,206	\$ 33,304,312

See Notes to Financial Statements

**Housing Catalyst**  
Statement of Cash Flows  
Year Ended December 31, 2024

	Primary Government
Operating Activities	
HUD PHA grants	\$ 23,727,525
Other grants	2,843,410
Receipts from tenants	3,753,440
Administration fees	5,059,257
Other income	751,739
Developer fee income	1,115,426
Housing assistance payments	(21,252,458)
Payments to employees	(9,065,497)
Payments to suppliers	(3,246,956)
Net Cash from Operating Activities	3,685,886
Capital and Related Financing Activities	
Principal payments on long-term debt	(11,584,487)
Principal payments on leases payable	(27,572)
Proceeds from sale of capital assets	2,075,268
Interest paid on leases payable and long-term debt	(540,980)
Acquisition of capital assets	(5,435,192)
Net Cash used for Capital and Related Financing Activities	(15,512,963)
Investing Activities	
Receipts on notes receivable	11,281,773
Note receivable advance to related party	(2,203,402)
Interest income	930,941
Investments in future developments	(563,502)
Net Cash from Investing Activities	9,445,810
Net Change in Cash and Cash Equivalents and Restricted Cash	(2,381,267)
Cash and Cash Equivalents and Restricted Cash, Beginning of the Year, As Restated	20,340,642
Cash and Cash Equivalents and Restricted Cash, End of Year	\$ 17,959,375

See Notes to Financial Statements

**Housing Catalyst**  
Statement of Cash Flows  
Year Ended December 31, 2024

	Primary Government
Reconciliation of Cash and Cash Equivalents and Restricted Cash	
Cash and Cash Equivalents	\$ 16,602,682
Restricted Cash and Cash Equivalents	1,356,693
Total Cash and Cash Equivalents and Restricted Cash	\$ 17,959,375
Reconciliation of Change in Net Position to Net Cash	
From Operating Activities	
Operating Income	\$ 2,628,230
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation and amortization	1,478,698
Other financing costs paid	(500)
Increase in deferred inflows of resources	(5,060)
Changes in assets and liabilities	
(Increase) decrease in assets:	
Receivables	(474,123)
Inventory	5,771
Prepaid expenses	(11,048)
Increase (decrease) in liabilities:	
Accounts payable	24,043
Tenant security deposits payable	(5,028)
Money held in escrow	47,955
Accrued compensation	92,138
Accrued liabilities	(32,047)
Unearned revenue	(63,143)
Net Cash from Operating Activities	\$ 3,685,886
Schedule of Noncash Investing Activities:	
Increase in notes receivable from accrued interest	\$ 1,613,887
Increase in leases payable for the acquisition of right to use leased assets	\$ 125,324

See Notes to Financial Statements

**Housing Catalyst**  
Statement of Cash Flows  
Year Ended December 31, 2023 (Comparative Totals Only)

	<u>Primary Government (Restated)</u>
Operating Activities	
HUD PHA grants	\$ 22,128,920
Other grants	1,543,527
Receipts from tenants	3,513,016
Administration fees	5,063,471
Other income	521,597
Developer fee income	2,716,252
Housing assistance payments	(19,181,680)
Payments to employees	(8,890,331)
Payments to suppliers	<u>(3,773,630)</u>
Net Cash from Operating Activities	<u>3,641,142</u>
Capital and Related Financing Activities	
Proceeds from long-term debt	7,273
Principal payments on long-term debt	(379,279)
Principal payments on leases payable	(13,914)
Proceeds from sale of capital assets	11,223,086
Interest paid on leases payable and long-term debt	(484,531)
Acquisition of capital assets	<u>(6,548,290)</u>
Net Cash from Capital and Related Financing Activities	<u>3,804,345</u>
Investing Activities	
Receipts on notes receivable	102,215
Note receivable advance to related party	(10,566,000)
Interest income	991,060
Investments in future developments	<u>352,556</u>
Net Cash used for Investing Activities	<u>(9,120,169)</u>
Net Change in Cash and Cash Equivalents and Restricted Cash	(1,674,682)
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	<u>22,015,324</u>
Cash and Cash Equivalents and Restricted Cash, End of Year	<u><u>\$ 20,340,642</u></u>

See Notes to Financial Statements

## Housing Catalyst

### Statement of Cash Flows

Year Ended December 31, 2023 (Comparative Totals Only)

	Primary Government (Restated)
Reconciliation of Cash and Cash Equivalents and Restricted Cash	
Cash and Cash Equivalents	\$ 18,942,078
Restricted Cash and Cash Equivalents	<u>1,398,564</u>
Total Cash and Cash Equivalents and Restricted Cash	<u>\$ 20,340,642</u>
Reconciliation of Change in Net Position to Net Cash	
From Operating Activities	
Operating Income	\$ 814,737
Adjustments to reconcile operating income	
to net cash from operating activities	
Depreciation and amortization	1,238,058
Other financing costs paid	(4,287)
Decrease in investment in tax credit partnerships	655
Decrease in deferred inflows of resources	(41,643)
Changes in assets and liabilities	
(Increase) decrease in assets:	
Receivables	1,428,694
Inventory	(27,120)
Prepaid expenses	109,785
Increase (decrease) in liabilities:	
Accounts payable	73,291
Tenant security deposits payable	(5,261)
Money held in escrow	43,833
Accrued compensation	(52,226)
Accrued liabilities	96,599
Unearned revenue	<u>(33,973)</u>
Net Cash from Operating Activities	<u>\$ 3,641,142</u>
Schedule of Noncash Investing Activities:	
Increase in notes receivable from accrued interest	<u>\$ 1,414,418</u>
Increase in accounts payable from capital assets	<u>\$ 34,896</u>

See Notes to Financial Statements

## Housing Catalyst

Combining Statement of Net Position - Discretely Presented Component Units

December 31, 2024

	Mason Place	Oak 140	Redtail Ponds PSH	Village on Horsetooth	Village on Impala	Village on Plum	Village on Redwood	Village on Shields	Total
<b>Assets</b>									
Current Assets									
Cash	\$ 141,715	\$ 577,986	\$ 11,145	\$ 287,649	\$ 683	\$ 559,866	\$ 121,388	\$ 33,313	\$ 1,733,745
Restricted cash	962,821	533,454	786,230	456,663	5,967,454	786,566	555,736	2,140,500	12,189,424
Accounts receivable									
Tenants	16,277	14,447	16,275	31,756	2,479	20,261	7,184	73,471	182,150
Other	37,250	5,385	-	-	-	-	14,400	42	57,077
Prepaid expenses	5,259	262	612	-	-	-	100	113	6,346
<b>Total Current Assets</b>	<b>1,163,322</b>	<b>1,131,534</b>	<b>814,262</b>	<b>776,068</b>	<b>5,970,616</b>	<b>1,366,693</b>	<b>698,808</b>	<b>2,247,439</b>	<b>14,168,742</b>
Capital Assets									
Non-depreciable	3,013,850	153,708	862,000	1,113,963	32,758,414	543,454	230,000	3,860,757	42,536,146
Depreciable, net	12,012,835	23,935,337	6,628,053	18,479,782	4,001,987	8,870,895	13,011,133	42,848,662	129,788,684
Leased capital assets, net	-	-	-	-	-	121,308	-	-	121,308
<b>Total Capital Assets, Net</b>	<b>15,026,685</b>	<b>24,089,045</b>	<b>7,490,053</b>	<b>19,593,745</b>	<b>36,760,401</b>	<b>9,535,657</b>	<b>13,241,133</b>	<b>46,709,419</b>	<b>172,446,138</b>
Other Assets	120,431	246,145	21,019	64,781	-	22,418	36,248	191,329	702,371
<b>Total Noncurrent Assets</b>	<b>15,147,116</b>	<b>24,335,190</b>	<b>7,511,072</b>	<b>19,658,526</b>	<b>36,760,401</b>	<b>9,558,075</b>	<b>13,277,381</b>	<b>46,900,748</b>	<b>173,148,509</b>
<b>Total Assets</b>	<b>\$ 16,310,438</b>	<b>\$ 25,466,724</b>	<b>\$ 8,325,334</b>	<b>\$ 20,434,594</b>	<b>\$ 42,731,017</b>	<b>\$ 10,924,768</b>	<b>\$ 13,976,189</b>	<b>\$ 49,148,187</b>	<b>\$ 187,317,251</b>
<b>Liabilities and Net Position</b>									
Current Liabilities									
Accounts payable	\$ 194,632	\$ 26,030	\$ 55,609	\$ 48,808	\$ 2,325,532	\$ 40,082	\$ 152,141	\$ 92,333	\$ 2,935,167
Accrued interest payable	3,573	221,743	5,809	40,785	39,100	79,977	19,443	67,980	478,410
Tenant security deposits payable	12,200	37,150	12,000	51,691	9,197	54,524	42,586	134,843	354,191
Developer fee payable - current portion	-	-	-	28,587	-	166,215	10,268	35,489	240,559

See Notes to Financial Statements

## Housing Catalyst

Combining Statement of Net Position - Discretely Presented Component Units

December 31, 2024

	Mason Place	Oak 140	Redtail Ponds PSH	Village on Horsetooth	Village on Impala	Village on Plum	Village on Redwood	Village on Shields	Total
Notes and mortgages mortgages payable - current portion	31,256	165,000	57,995	174,041	14,200,000	153,376	54,432	263,668	15,099,768
<b>Total Current Liabilities</b>	<b>241,661</b>	<b>449,923</b>	<b>131,413</b>	<b>343,912</b>	<b>16,573,829</b>	<b>494,174</b>	<b>278,870</b>	<b>594,313</b>	<b>19,108,095</b>
Long-Term Liabilities									
Leases payable - long-term	-	-	-	-	-	96,852	-	-	96,852
Notes and mortgages payable - net of current portion	6,937,452	13,536,104	4,684,995	13,473,131	22,672,482	10,248,139	10,452,202	40,214,587	122,219,092
Developer fee payable - net of current portion	620,743	470,872	-	376,734	2,243,220	118,428	199,393	3,864,141	7,893,531
<b>Total Long-Term Liabilities</b>	<b>7,558,195</b>	<b>14,006,976</b>	<b>4,684,995</b>	<b>13,849,865</b>	<b>24,915,702</b>	<b>10,463,419</b>	<b>10,651,595</b>	<b>44,078,728</b>	<b>130,209,475</b>
<b>Total Liabilities</b>	<b>7,799,856</b>	<b>14,456,899</b>	<b>4,816,408</b>	<b>14,193,777</b>	<b>41,489,531</b>	<b>10,957,593</b>	<b>10,930,465</b>	<b>44,673,041</b>	<b>149,317,570</b>
Net Position (Deficit)									
Net investment in capital assets	8,057,977	10,387,941	2,747,063	5,946,573	(112,081)	(962,710)	2,734,499	6,231,164	35,030,426
Unrestricted	452,605	621,884	761,863	294,244	1,353,567	929,885	311,225	(1,756,018)	2,969,255
<b>Total Net Position (Deficit)</b>	<b>8,510,582</b>	<b>11,009,825</b>	<b>3,508,926</b>	<b>6,240,817</b>	<b>1,241,486</b>	<b>(32,825)</b>	<b>3,045,724</b>	<b>4,475,146</b>	<b>37,999,681</b>
<b>Total Liabilities and Net Position (Deficit)</b>	<b>\$ 16,310,438</b>	<b>\$ 25,466,724</b>	<b>\$ 8,325,334</b>	<b>\$ 20,434,594</b>	<b>\$ 42,731,017</b>	<b>\$ 10,924,768</b>	<b>\$ 13,976,189</b>	<b>\$ 49,148,187</b>	<b>\$ 187,317,251</b>

See Notes to Financial Statements

## Housing Catalyst

Combining Statement of Revenues, Expenses and Changes in Net Position - Discretely Presented Component Units  
Year Ended December 31, 2024

	Mason Place	Oak 140	Redtail Ponds PSH	Village on Horsetooth	Village on Impala	Village on Plum	Village on Redwood	Village on Shields	Total
Operating Revenues									
Rental income	\$ 977,121	\$ 1,065,587	\$ 935,026	\$ 1,359,781	\$ 236,740	\$ 1,554,080	\$ 895,654	\$ 3,805,541	\$ 10,829,530
Other	14,150	33,863	404,241	40,571	3,862	50,165	19,628	239,925	806,405
Total Operating Revenues	<u>991,271</u>	<u>1,099,450</u>	<u>1,339,267</u>	<u>1,400,352</u>	<u>240,602</u>	<u>1,604,245</u>	<u>915,282</u>	<u>4,045,466</u>	<u>11,635,935</u>
Operating Expenses									
Administrative salaries and benefits	125,412	118,877	135,306	100,864	76,563	131,753	80,416	346,396	1,115,587
Other administrative	384,565	291,177	789,225	358,710	113,694	376,864	259,150	1,193,187	3,766,572
Regular and extraordinary maintenance	318,790	190,231	184,164	318,242	55,583	290,561	274,335	914,820	2,546,726
Depreciation and amortization	640,259	1,204,017	451,958	934,802	140,684	607,356	731,049	2,266,404	6,976,529
Utilities	83,934	81,436	88,651	85,077	31,822	90,434	72,821	172,380	706,555
Insurance	40,963	73,776	45,537	84,383	20,381	96,125	69,318	221,476	651,959
Total Operating Expenses	<u>1,593,923</u>	<u>1,959,514</u>	<u>1,694,841</u>	<u>1,882,078</u>	<u>438,727</u>	<u>1,593,093</u>	<u>1,487,089</u>	<u>5,114,663</u>	<u>15,763,928</u>
Operating Income (Loss)	<u>(602,652)</u>	<u>(860,064)</u>	<u>(355,574)</u>	<u>(481,726)</u>	<u>(198,125)</u>	<u>11,152</u>	<u>(571,807)</u>	<u>(1,069,197)</u>	<u>(4,127,993)</u>
Non-Operating Revenues (Expenses)									
Interest income	16,507	30,336	1,528	9,432	264	22,736	7,197	50,423	138,423
Interest expense	(206,796)	(292,540)	(150,047)	(378,395)	(146,287)	(380,691)	(370,767)	(1,378,848)	(3,304,371)
Loss on disposal of capital assets	(25,399)	(10,270)	(12,037)	(12,908)	-	-	(1,384)	(7,198)	(69,196)
Total Non-Operating Revenues (Expenses)	<u>(215,688)</u>	<u>(272,474)</u>	<u>(160,556)</u>	<u>(381,871)</u>	<u>(146,023)</u>	<u>(357,955)</u>	<u>(364,954)</u>	<u>(1,335,623)</u>	<u>(3,235,144)</u>
Loss Before Contributions and Distributions	(818,340)	(1,132,538)	(516,130)	(863,597)	(344,148)	(346,803)	(936,761)	(2,404,820)	(7,363,137)
Capital Contributions	-	12,714,101	-	-	-	-	-	-	12,714,101
Change in Net Position (Deficit)	(818,340)	11,581,563	(516,130)	(863,597)	(344,148)	(346,803)	(936,761)	(2,404,820)	5,350,964
Net Position (Deficit), Beginning of the Year	<u>9,328,922</u>	<u>(571,738)</u>	<u>4,025,056</u>	<u>7,104,414</u>	<u>1,585,634</u>	<u>313,978</u>	<u>3,982,485</u>	<u>6,879,966</u>	<u>32,648,717</u>
Net Position (Deficit), End of the Year	<u>\$ 8,510,582</u>	<u>\$ 11,009,825</u>	<u>\$ 3,508,926</u>	<u>\$ 6,240,817</u>	<u>\$ 1,241,486</u>	<u>\$ (32,825)</u>	<u>\$ 3,045,724</u>	<u>\$ 4,475,146</u>	<u>\$ 37,999,681</u>

See Notes to Financial Statements

## **Note 1 - Nature of Operations and Significant Accounting Policies**

### **General**

Housing Catalyst, formally known as Fort Collins Housing Authority (Housing Catalyst) is a corporate body created in May 1971 and uses available federal, state, and local resources to serve the residents of Fort Collins, Colorado by upgrading and maintaining the existing housing stock, encouraging the construction of new housing affordable to low and moderate income households, and providing low and moderate income families and senior households with decent, safe, and affordable rental housing opportunities. Housing Catalyst administers 1,177 Housing Choice Vouchers (HCV), 199 Veterans Affairs Supportive Housing (VASH) vouchers, 50 Family Unification Program (FUP) vouchers, 16 Foster Youth to Independence (FYI) vouchers, 24 Emergency Housing (EHV) vouchers and 273 Five Year Mainstream vouchers.

Housing Catalyst is governed by a seven-member Board of Commissioners.

### **Reporting Entity**

Housing Catalyst's financial statements include the accounts of all Housing Catalyst operations. The criteria for including organizations as component units within the reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

- The organization is legally separated (can sue and be sued in their own name)
- Housing Catalyst holds the corporate powers of the organization
- Housing Catalyst appoints a voting majority of the organization's board
- Housing Catalyst is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on Housing Catalyst
- There is fiscal dependency by the organization on Housing Catalyst

### **Blended Component Units**

Included within the financial reporting entity of Housing Catalyst as a blended component unit is the Larimer County Housing Authority (LCHA). The purpose of LCHA is to provide safe and sanitary accommodations to the low and moderate-income residents of the County of Larimer. Over the past several years, Housing Catalyst has maintained a contractual relationship with LCHA for the administration of its housing activities. However, in January 1997, the Larimer County Board of Supervisors assigned all interests in LCHA to Housing Catalyst, as LCHA was deemed immaterial with respect to the overall functions of the County. Thus, despite being a legally separate entity and receiving funds directly from the Department of Housing and Urban Development, LCHA has been accounted for as a blended component unit of Housing Catalyst as the members of Housing Catalyst's Board also acts as the governing body of LCHA and LCHA's operations are fully the responsibility of the management of Housing Catalyst. Accordingly, the balances and transactions of this component unit are reported within the proprietary funds of Housing Catalyst.

During the year ended December 31, 2021, the members of the board of commissioners of Housing Catalyst were also appointed to the board of directors of Villages, Ltd (Villages). The change in board structure resulted in Villages being subject to oversight and control by Housing Catalyst. Villages, formerly known as Fort Collins Housing Corporation, is a not-for-profit organization organized in 1980 to provide housing for the elderly and low-income families of Fort Collins, Colorado. Substantially all of Villages revenue is currently derived from rental operations and grants. In total, Villages owns and manages 172 residential units and a leasing and management office. As a legally separate entity, Villages, Ltd. has been reported as a blended component unit starting with the year ended December 31, 2021.

During the year ended December 31, 2023, the limited partner interest in Village on Elizabeth, LLLP (VOE) was transferred to Villages. The change in ownership resulted in VOE being subject to oversight and control by Housing Catalyst. VOE was formed January 22, 2007, as a limited liability limited partnership for the purpose of owning and operating a 48-unit multifamily housing project in Fort Collins, Colorado for residents with low or moderate income. Substantially all of VOE's revenue is currently derived from rental operations. As a legally separate entity, VOE has been reported as a blended component unit starting with the year ended December 31, 2023. VOE was previously reported as a discretely presented component unit.

During the year ended December 31, 2024, the limited partner interest in Village on Stanford, LLLP (VOS) was transferred to Villages. The change in ownership resulted in VOS being subject to oversight and control by Housing Catalyst. VOS was formed January 15, 2009, as a limited liability limited partnership for the purpose of owning and operating a 82-unit multifamily housing project in Fort Collins, Colorado for residents with low or moderate income. Substantially all of VOS's revenue is currently derived from rental operations. As a legally separate entity, VOS has been reported as a blended component unit starting with the year ended December 31, 2024. VOS was previously reported as a discretely presented component unit.

Also included within the financial reporting entity of Housing Catalyst as blended component units are Village on Elizabeth, LLC, Village on Stanford, LLC, Redtail Ponds Permanent Supportive Housing, LLC, Redtail Ponds Permanent Supportive Housing Development, LLC, Village on Plum, LLC, Village on Plum Development, LLC, Village on Redwood, LLC, Village on Redwood Development, LLC, Village on Horsetooth, LLC, Village on Horsetooth Development, LLC, Village on Shields, LLC, Village on Shields Development, LLC, Mason Place, LLC, Mason Place Development, LLC, Oak 140, LLC, Village on Impala, LLC, Housing Catalyst Swallow Road, LLC, Housing Catalyst Development Services, LLC and Housing Catalyst, LLC, which are single-member LLC's. Separate financial statements for the component units are not issued.

Village on Elizabeth, LLC is the general partner in Village on Elizabeth, LLLP, Village on Stanford, LLC is the general partner in Village on Stanford, LLLP, Redtail Ponds Permanent Supportive Housing, LLC is the general partner in Redtail Ponds Permanent Supportive Housing, LLLP, Village on Plum, LLC is the general partner in Village on Plum, LLLP, Village on Redwood, LLC is the general partner in Village on Redwood, LLLP, Village on Horsetooth, LLC is the general partner of Village on Horsetooth, LLLP, Village on Shields, LLC is the general partner of Village on Shields, LLLP, Mason Place, LLC is the general partner of Mason Place, LLLP, Oak 140, LLC is the general partner of Oak 140, LLLP and Village on Impala, LLC is the general partner of Village on Impala, LLLP which are discretely presented component units and are described below.

Redtail Ponds Permanent Supportive Housing Development, LLC was formed to be the developer in Permanent Supportive Housing, LLC, Village on Plum Development, LLC was formed to be the developer in Village on Plum, LLLP, Village on Redwood Development, LLC was formed to be the developer in Village on Redwood, LLLP, Village on Horsetooth Development, LLC was formed to be the developer in Village on Horsetooth, LLLP, Village on Shields Development, LLC was formed to be the developer in Village on Shields, LLLP and Mason Place Development, LLC was formed to be the developer for Mason Place, LLLP. Housing Catalyst Swallow Road, LLC was formed to be the special limited partner for Swallow Road Apartments, LLLP, an 84 unit low income housing tax credit project. Housing Catalyst Development Services, LLC was formed to provide development services to various housing projects. Housing Catalyst, LLC was formed to be an entity that will be used, as needed, to participate as the partner in future development projects for Housing Catalyst when desired to facilitate project financing. Housing Catalyst, LLC is the administrative general partner in Provincetowne Green LLLP, an 85 unit low income housing tax credit project.

### Discretely Presented Component Units

The component unit columns in the combining financial statements include the financial data of Housing Catalyst's eight discretely presented component units. These units are reported in separate columns to emphasize that they are legally separate from Housing Catalyst.

Redtail Ponds Permanent Supportive Housing, LLLP (Redtail Ponds PSH) – the general partner of this partnership, Redtail Ponds Permanent Supportive Housing, LLC, is wholly owned by Housing Catalyst. Redtail Ponds Permanent Supportive Housing, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Plum, LLLP (VOP) – the general partner of this partnership, Village on Plum, LLC, is wholly owned by Housing Catalyst. Village on Plum, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Redwood, LLLP (VOR) – the general partner of this partnership, Village on Redwood, LLC, is wholly owned by Housing Catalyst. Village on Redwood, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Horsetooth, LLLP (VOH) – the general partner of this partnership, Village on Horsetooth, LLC, is wholly owned by Housing Catalyst. Village on Horsetooth, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Shields, LLLP (VOSH) – the general partner of this partnership, Village on Shields, LLC, is wholly owned by Housing Catalyst. Village on Shields, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Mason Place, LLLP (Mason Place) – the general partner of this partnership, Mason Place, LLC, is wholly owned by Housing Catalyst. Mason Place, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Oak 140, LLLP (Oak 140) – the general partner of this partnership, Oak 140, LLC, is wholly owned by Housing Catalyst. Oak 140, LLC has an ownership percentage of 0.009%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Impala, LLLP (VOI) – the general partner of this partnership, Village on Impala, LLC, is wholly owned by Housing Catalyst. Village on Impala, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

The financial statements of the discretely presented component units are presented in Housing Catalyst's basic financial statements. Complete financial statements of the individual component units can be obtained from the Chief Financial Officer, Housing Catalyst, 1715 W. Mountain Ave., Fort Collins, CO 80521.

### **Basis of Accounting**

The accounts of Housing Catalyst are organized on the basis of programs, each of which is considered a separate accounting entity. The operations of each program are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows, liabilities and deferred inflows, net position, revenues, and expenses. Housing Catalyst classifies its programs as proprietary.

Housing Catalyst accounts for its operations in one fund type, the enterprise fund. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Revenue is recognized when earned and expenses are recorded at the time liabilities are incurred. All assets, deferred outflows, liabilities and deferred inflows associated with the operations of Housing Catalyst are included on the statement of net position. All significant interfund transactions have been eliminated.

### **Cash and Cash Equivalents**

Housing Catalyst's cash deposits can only be invested in HUD approved investments: direct obligations of the Federal Government backed by the full faith and credit of the United States, obligations of government agencies, securities of government sponsored agencies, demand and savings deposits, time deposits, repurchase agreements, and other securities approved by HUD.

For the purpose of the statement of cash flows, Housing Catalyst considers cash deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Certificates of deposit are also considered to be cash equivalents due to their highly liquid nature and insignificant risk of change in value due to changes in interest rates. Housing Catalyst uses certificates of deposit as part of the entities cash management.

### **Accounts and Notes Receivable**

Management considers receivables to be fully collectible. If amounts become uncollectible, they are charged to operations in the period in which that determination is made. Accounting principles generally accepted in the United States of America require 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.

## **Inventory**

Inventories are valued at cost using the first-in/first-out method.

## **Capital Assets**

Land, buildings and improvements, and equipment are recorded at cost, including indirect development costs. Housing Catalyst uses a capitalization threshold of \$5,000. Donated capital assets are valued at their acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and Improvements	15 - 30 Years
Furniture and Equipment	3 - 15 Years

Housing Catalyst reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There were no impairment losses recognized during 2024.

## **Investment in Tax Credit Partnerships and Future Developments**

Investments in tax credit partnerships are accounted for under the equity method. Investments are stated at cost, plus (minus) Housing Catalyst's equity in net earnings (losses) since acquisition, less any distributions received.

Investments in future developments represents costs incurred by Housing Catalyst for future developments and are recorded at cost until a project is established.

## **Operating Revenues and Expenses**

Housing Catalyst considers all revenues and expenses (including HUD intergovernmental revenues and expenses) as operating items with the exception of interest expense, interest revenue, other financing costs and gain/loss on disposal of capital assets which are considered non-operating for financial reporting

## **Fraud Recovery**

HUD requires Housing Catalyst to account for monies recovered from tenants who committed fraud or misrepresentation in the application process for rent calculations and now owe additional rent for prior periods or retroactive rent as fraud recovery. The monies recovered are shared by HUD and the local authority.

### **Developer Fee Revenue Recognition**

Housing Catalyst earns development fees based on agreements with certain partnerships for the development of affordable housing. Developer fees are generally recognized under the percentage-of-completion method and in accordance with the corresponding development agreement.

### **Restricted and Unrestricted Resources**

Housing Catalyst applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

### **Compensated Absences**

Accumulated unpaid vacation and sick leave is accrued in the period incurred. Employees are permitted to accumulate and carry over a total of 220 hours of vacation time and 48 hours of sick time. Upon separation or termination from the Housing Catalyst, an employee will not be paid time in excess of 220 hours for vacation and no payment is made for accumulated sick time. As of December 31, 2024, the balance of compensated absences was \$491,667. During the year ended December 31, 2024, the balance increased by \$6,052.

### **Unearned Revenues**

As of December 31, 2024, unearned revenue consisted of \$16,646 of prepaid rent from tenants, \$27,290 of unspent EHV service fee grant funds and \$3,058 of unspent Kaiser Foundation financial health initiative grant funds.

### **Components of Net Position**

Components of net position include the following:

- *Net Investment in Capital Assets* – Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.
- *Restricted Net Position* – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the basic statement of net position that are subject to restraints on their use by HUD.
- *Unrestricted Net Position* – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the basic statement of net position that are not subject to restraints on their use.

**Budgetary**

Housing Catalyst’s annual budgets are the annual contracts, which are with, and approved by, HUD. No budget to actual statements are presented in this report, as housing authorities are not legally required to adopt a budget under the Local Government Budget Law of Colorado.

**Accounting Estimates**

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

**Comparative Totals**

The financial statements and related footnotes include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Authority’s financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**Change in Reporting Entity**

During the year ended December 31, 2024, the limited partner interest in Village on Stanford, LLLP (VOS) was transferred to Villages. The change in ownership resulted in VOS being subject to oversight and control by Housing Catalyst. As a legally separate entity, VOS has been reported as a blended component unit starting with the year ended December 31, 2024, and all prior periods presented have been adjusted to include VOS as a blended component unit. Initial balances from VOS there were transferred as of December 31, 2023.

**Change in Accounting Principle**

On January 1, 2024, Housing Catalyst adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated liability.

The effect of the change in reporting entity and implementation of the new standard on beginning net position is reflected below:

	Previously Reported	Change in Accounting Principle	Change in Reporting Entity	Revised
Primary Government	\$ 106,538,715	\$ (144,104)	\$ 655,595	\$ 107,050,206
Discretely Presented Component Units	\$ 33,304,312	\$ -	\$ (655,595)	\$ 32,648,717

**Note 2 - Deposits and Investments**

**Primary Government**

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at or equal to 102% of the uninsured deposits. The general depository agreement required by annual contract with HUD has additional collateral requirements, which Housing Catalyst met in 2024.

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, Housing Catalyst's deposits may not be returned to it. As of December 31, 2024, Housing Catalyst's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with PDPA.

At December 31, 2024, Housing Catalyst's carrying amount of deposits was \$17,958,425 and the bank balance was \$18,220,718. Of the bank balances, \$1,079,390 was covered by Federal Depository Insurance. Of the remaining balances for 2024, \$17,141,328 was collateralized with securities held by a pledging financial institution's agent in the government's name.

For the primary government, cash and cash equivalents consist of the following at December 31, 2024:

Cash and cash equivalents - unrestricted	\$ 16,602,682
Cash and cash equivalents - restricted	<u>1,356,693</u>
 Total cash and cash equivalents	 17,959,375
Less: cash on hand	<u>(950)</u>
 Total deposits	 <u><u>\$ 17,958,425</u></u>

**Investments**

Housing Catalyst’s investment policy allows for investments to be solely in securities approved by HUD. Authorized investment instruments are as follows:

- Obligations of the United States and certain U.S. government agency securities
- Insured Money Market Deposit Accounts
- Municipal Depository Fund
- Super NOW Accounts
- Certificates of Deposit
- Repurchase Agreements
- Sweep Accounts
- Separate Trading of Registered Interest and Principal of Securities (STRIPS)
- Mutual Funds that meet HUD criteria

Housing Catalyst’s deposit and investment policy specifies that all investments are to be adequately collateralized if deposits and investments exceed federal insurance limits. The policy does not formally address credit risk, interest rate risk, or foreign currency risk associated with investments.

**Discretely Presented Component Units**

At December 31, 2024, the carrying amount of the discretely presented component units deposited with financial institutions was \$13,922,783 and the bank balance was \$13,938,229. The bank deposits are held with financial institutions and are guaranteed by the FDIC up to \$250,000 per depositor, per bank, for each account ownership category. As of December 31, 2024, the discretely presented component units has approximately \$10,935,070 in excess of FDIC-insured limits

For the discretely presented component units, cash and cash equivalents consist of the following at December 31, 2024:

Cash and cash equivalents - unrestricted	\$ 1,733,745
Cash and cash equivalents - restricted	<u>12,189,424</u>
Total cash and cash equivalents	13,923,169
Less: cash on hand	<u>(386)</u>
Total deposits	<u><u>\$ 13,922,783</u></u>

**Note 3 - Restricted Cash**

**Primary Government**

Restricted cash consists of cash and cash equivalents balances restricted for use in the Housing Choice Voucher program, held in escrow in order to comply with HUD requirements for the family self-sufficiency program, held for tenant security deposits and other restricted grants.

**Discretely Presented Component Units**

Restricted cash consists of cash and cash equivalents balances restricted for tenant security deposits, funding of operating deficits, repairs or improvements to the buildings which extend their useful lives, annual insurance payments, supportive services payments and bond proceeds available for construction expenditures.

**Note 4 - Lease Receivable (Primary Government)**

Villages is leasing land under a non-cancelable long-term operating lease with annual payments of \$5,060 with a maturity date of October 3013. The lease was prepaid for the first 15 years of the lease. During the year ended December 31, 2024, Villages recognized revenue of \$5,060. Income over the next five years is expected to be \$5,060 for each year.

**Note 5 - Notes Receivable (Primary Government)**

Notes receivable as of December 31, 2023 consist of the following:

Redtail Ponds Permanent Supportive Housing, LLLP - Notes receivable with stated interest rates ranging from 2.50% to 4.00% per annum, yearly payments to the extent of available cash flow with the entire balance due January 2045 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	\$ 2,961,059
Village on Plum, LLLP - Notes receivable with stated interest rates of 3.50% per annum, yearly payments to the extent of available cash flow with the entire balance due October 2044 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	5,503,504
Village on Redwood, LLLP - Notes receivable with a stated interest rate of 4.00% per annum, yearly payments to the extent of available cash flow with the entire balance due April 2056 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	6,555,775
Village on Horsetooth, LLLP - Note receivable with a stated interest rate of 2.68% per annum, yearly payments to the extent of available cash flow with the entire balance due August 2057 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	5,271,192
Village on Shields, LLLP - Notes receivable with stated interest rates ranging from 2.00% to 2.60% per annum, yearly payments to the extent of available cash flow with the entire balance due April 2059 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	23,258,699
Mason Place, LLLP - Notes receivable with stated interest rates ranging from 1.00% to 5.00% per annum, yearly payments to the extent of available cash flow with maturity dates ranging from December 2050 to December 2060 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	3,816,616

Oak 140 - Notes receivable with stated interest rates ranging from 0.875% to 2.25% per annum, yearly payments to be made in accordance with the loan agreements and to the extent of available cash flow with maturity dates ranging from July 2039 to January 2054 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	14,115,721
Legacy-Fort Collins Partners, LP - Note receivable with a stated interest rate of 2.50% per annum, yearly payments to the extent of available cash flow, a maturity date of December 2032 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	717,164
Fort Collins DDA - Notes receivable with a stated interest rate of 4.50% per annum, yearly principal and interest payments of \$121,869, with a maturity dates of July 2026 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	227,756
Village on Impala, LLLP - Notes receivable with stated interest rates ranging from 1.00% to 3.98% per annum, yearly payments to the extent of available cash flow with the entire balance due July 2063 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	13,125,885
Other notes receivable	<u>20,709</u>
Total notes receivable	75,574,080
Less current portion	<u>(276,619)</u>
Notes receivable - net of current portion	<u><u>\$ 75,297,461</u></u>

**Note 6 - Capital Assets**

Changes in capital assets for the primary government during the year ended December 31, 2024 were as follows:

	Balance 01/01/24	Additions	Deletions	Balance 12/31/24
<b>Non-Depreciable</b>				
Land	\$ 4,823,107	\$ 2,196,271	\$ (59,801)	\$ 6,959,577
Construction in progress	308,983	14,855	(299,801)	24,037
	<u>5,132,090</u>	<u>2,211,126</u>	<u>(359,602)</u>	<u>6,983,614</u>
<b>Depreciable/Amortizable</b>				
Buildings and improvements	30,669,814	3,491,202	(523,021)	33,637,995
Furniture and equipment	2,447,620	271,143	(872,821)	1,845,942
Lease assets	174,647	125,324	(174,647)	125,324
Total depreciable capital assets	<u>33,292,081</u>	<u>3,887,669</u>	<u>(1,570,489)</u>	<u>35,609,261</u>
<b>Less: Accumulated Depreciation</b>				
Buildings and improvements	(16,527,153)	(1,297,477)	500,297	(17,324,333)
Furniture and equipment	(1,834,746)	(154,082)	864,086	(1,124,742)
<b>Less: Accumulated Amortization</b>				
Lease assets	<u>(158,599)</u>	<u>(25,065)</u>	<u>174,647</u>	<u>(9,017)</u>
Total accumulated depreciation and amortization	<u>(18,520,498)</u>	<u>(1,476,624)</u>	<u>1,539,030</u>	<u>(18,458,092)</u>
Net Depreciable Capital Assets	<u>14,771,583</u>	<u>2,411,045</u>	<u>(31,459)</u>	<u>17,151,169</u>
Total Capital Assets	<u>\$ 19,903,673</u>	<u>\$ 4,622,171</u>	<u>\$ (391,061)</u>	<u>\$ 24,134,783</u>

Changes in capital assets for the discretely presented component units during the year ended December 31, 2024 were as follows:

	Balance 01/01/24	Additions	Deletions	Balance 12/31/24
<b>Non-Depreciable</b>				
Land	\$ 11,875,408	\$ -	\$ -	\$ 11,875,408
Construction in progress	7,214,025	23,446,713	-	30,660,738
	<u>19,089,433</u>	<u>23,446,713</u>	<u>-</u>	<u>42,536,146</u>
<b>Depreciable/Amortizable</b>				
Buildings and improvements	155,869,140	89,253	(71,078)	155,887,315
Land improvements	9,364,324	106,592	(24,111)	9,446,805
Furniture and equipment	8,385,585	400,801	(309,596)	8,476,790
Total depreciable capital assets	<u>173,619,049</u>	<u>596,646</u>	<u>(404,785)</u>	<u>173,810,910</u>
<b>Less: Accumulated Depreciation</b>				
Buildings and improvements	(29,378,562)	(5,626,726)	4,313	(35,000,975)
Land improvements	(3,847,286)	(629,927)	9,118	(4,468,095)
Furniture and equipment	(4,227,870)	(647,443)	322,157	(4,553,156)
Total accumulated depreciation	<u>(37,453,718)</u>	<u>(6,904,096)</u>	<u>335,588</u>	<u>(44,022,226)</u>
Net Depreciable Capital Assets	<u>136,165,331</u>	<u>(6,307,450)</u>	<u>(69,197)</u>	<u>129,788,684</u>
Lease Assets	<u>126,368</u>	<u>-</u>	<u>(5,060)</u>	<u>121,308</u>
Total Capital Assets	<u>\$ 155,381,132</u>	<u>\$ 17,139,263</u>	<u>\$ (74,257)</u>	<u>\$ 172,446,138</u>

**Note 7 - Long-Term Debt**

During the year ended December 31, 2024, the following changes occurred in long-term debt:

**Primary Government**

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	<u>\$ 24,778,464</u>	<u>\$ 4,609</u>	<u>\$ (11,589,095)</u>	<u>\$ 13,193,978</u>	<u>\$ 602,595</u>

Notes payable as of December 31, 2024, consisted of the following:

**Primary Government**

<b>Mountain Office Remodel</b> - Note payable due to First Bank with a stated interest rate of 3.00% per annum, due in monthly principal and interest installments of \$5,534 with a maturity date of October 2027 and secured by a deed of trust and all deposit accounts held by First Bank Holding Company.	\$ 180,119
<b>Development Office Tenant Improvements</b> - Note payable due to ANB Bank with a stated interest rate of 5.50% per annum, due in monthly principal and interest installments of \$12,822 with a maturity date of October 2027 and secured by a deed of trust and all deposit accounts held by ANB Bank.	413,622
<b>Oak 140 Commercial - DDA</b> - Notes payable due to First Bank with a stated interest rate of 4.00% per annum, due in annual principal and interest installments of \$120,679 with a maturity date of August 2026 and secured by a deed of trust.	227,428
<b>Mason Place</b> - Note payable due to ANB Bank with a stated interest rate of 5.75% per annum, due in monthly principal and interest installments of \$8,086 with a maturity date of February 2028 and secured by a deed of trust and all deposit accounts held by ANB Bank. This note was refinanced in February 2023 with the terms listed. The note previously had a maturity date of January 2023.	279,973
<b>Oak 140</b> - Revenue bonds payable due to UMB with stated interest rates ranging from 0.875% to 2.25% per annum, yearly payments to be made in accordance with the loan agreements and to the extent of available cash flow with maturity dates ranging from July 2039 to January 2054 and collateralized by a deed of trust and an agreement of restrictive covenants on the property (see additional disclosures below).	8,105,000
<b>Blended Component Unit - Village on Elizabeth</b> - Mortgage notes due to Colorado Housing and Finance Authority with stated interest rates ranging from 3.0% to 7.2% per annum, due in monthly principal installments of \$6,742 with maturity dates of June 2026 and secured by substantially all assets of the partnership and an assignment of rents.	865,413
<b>Blended Component Unit - Village on Stanford</b> - Mortgage notes due to First Bank with stated interest rate of 7.85% per annum, due in monthly principal installments of \$12,889 with a maturity date of December 2028 and secured by substantially all assets of the partnership and an assignment of rents.	1,683,358
<b>Blended Component Unit - Village on Stanford</b> - CDBG mortgage note payable with a stated and effective interest rate of 0.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of December 2038 and secured by a mortgage on substantially all assets and an assignment of rent.	219,534

# Housing Catalyst

Notes to Financial Statements

December 31, 2024

**Blended Component Unit - Village on Stanford** - CDBG mortgage note payable with a stated and effective interest rate of 0.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of December 2038 and secured by a mortgage on substantially all assets and an assignment of rent. 230,466

**Blended Component Unit - Village on Stanford** - Tax Credit Assistance Program (TCAP) loan payable from the Colorado Housing and Finance Authority with a stated and effective interest rate of 0.00% per annum, with the principal balance due on the maturity date of February 2029 and secured by a second mortgage on substantially all assets and an assignment of rent. 989,065

Total notes payable - Primary Government \$ 13,193,978

## Revenue Bonds:

During the year ended December 31, 2021, Housing Catalyst issued \$14,270,000 in Series 2021A tax-exempt revenue bonds and \$5,010,000 in Series 2021B federally taxable revenue bonds. The bonds are secured by deeds of trust on the Oak 140, LLLP property, a discretely presented component unit. The bonds were issued to finance the construction of a 79-unit affordable housing project. Housing Catalyst entered into a promissory note with Oak 140, of which the payments from the property are expected to be the primary source of repayment. Revenues of Housing Catalyst would be used only if those payments are not sufficient to cover the required payments. No Housing Catalyst revenues have been used for any required payments to date.

The tax-exempt term bonds mature on July 1, 2024 (\$6,165,000), July 1, 2025 (\$165,000), July 1, 2026 (\$165,000), July 1, 2027 (\$165,000), July 1, 2028 (\$170,000), July 1, 2029 (\$170,000), July 1, 2030 (\$170,000), July 1, 2031 (\$175,000) and July 1, 2039 (\$6,925,000) and carry interest rates of 1.25%, 0.875%, 1.00%, 1.125%, 1.375%, 1.50%, 1.75%, 1.875% and 2.25%, respectively. The taxable term bonds matured on July 1, 2024 and carried an interest rate of 1.00%.

Future debt service requirements are as follows for the Oak 140 revenue bonds:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 165,000	\$ 171,188	\$ 336,188
2026	165,000	169,642	334,642
2027	165,000	167,890	332,890
2028	170,000	165,794	335,794
2029	170,000	163,351	333,351
2030-2034	890,000	767,242	1,657,242
2035-2039	<u>6,380,000</u>	<u>602,161</u>	<u>6,982,161</u>
Total	<u>\$ 8,105,000</u>	<u>\$ 2,207,268</u>	<u>\$ 10,312,268</u>

The estimated debt requirements to maturity for the remaining notes payable for the year ending December 31, 2024 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 436,680	\$ 235,952	\$ 672,632
2026	1,274,437	186,332	1,460,769
2027	311,362	137,166	448,528
2028	1,627,434	126,633	1,754,067
2029	-	-	-
2030-2034	-	-	-
2035-2039	1,439,065	-	1,439,065
2040-2044	-	-	-
Total	<u>\$ 5,088,978</u>	<u>\$ 686,083</u>	<u>\$ 5,775,061</u>

**Discretely Presented Component Units**

*Mason Place*

Mortgage note payable to ANB with a stated interest rate of 4.35% per annum and an effective interest rate of 4.89% per annum secured by real property with a maturity date of September 2037. The note converted to permanent financing in January 2022 with a principal balance of \$2,200,000 and due in monthly principal and interest installments of \$10,315.

	\$ 2,112,389
	<u>(160,297)</u>
	<u>1,952,092</u>

Unamortized debt issuance costs, based on an effective interest rate of 4.89%

Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 1.00% to 5.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with maturity dates ranging from December 2050 to December 2060 and secured by a mortgage on substantially all assets and an assignment of rent.

3,816,616

Mortgage note payable with a stated and effective interest rate of 0.00% per annum, due in annual with the principal balance due on the maturity date of September 2059 and secured by real property.

1,200,000

Total notes payable - Mason Place

\$ 6,968,708

*Oak 140*

Mortgage note payable to Housing Catalyst from the issuance of Series 2021A Multi Family Bond proceeds, secured by real property with average interest rates ranging from 0.875% to 2.25% per annum and maturity dates ranging from July 2025 through July 2039 with loan payments being equal to the sum of the annual principal and semi-annual interest payments on the bonds.	\$ 8,105,000
Unamortized debt issuance costs, based on an effective interest rate of 2.39%	<u>(414,617)</u>
	<u>7,690,383</u>
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 1.50% to 2.08% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of January 2054 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>6,010,721</u>
Total notes payable - Oak 140	<u><u>\$ 13,701,104</u></u>

*Redtail Ponds PSH*

Mortgage note payable to US Bank with a stated interest rate of 3.75% per annum and an effective interest rate of 3.92%, due in monthly principal and interest installments of \$10,559 with a maturity date of April 2046 and secured by a mortgage on substantially all assets and an assignment of rent.	\$ 1,858,762
Unamortized debt issuance costs, based on an effective interest rate of approximately 3.92%	<u>(76,831)</u>
	1,781,931
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 2.50% to 4.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of January 2045 and secured by a deed of trust and an Agreement of Restrictive Covenants Affecting Real Property.	1,834,615
Mortgage note payable due to Villages, LTD with a stated and effective interest rate of 4.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of January 2045 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>1,126,444</u>
Total notes payable - Redtail Ponds PSH	<u><u>\$ 4,742,990</u></u>

*Village on Horsetooth*

Mortgage note payable with a stated and effective interest rate of 3.24% per annum, due in monthly installments of principal and interest of \$31,933 starting January 2020 with a maturity date of December 2037 and secured by a mortgage on substantially all assets and an assignment of rent.	\$ 6,526,936
Unamortized debt issuance costs, based on an effective interest rate of approximately 3.45%	<u>(150,956)</u>
	6,375,980
Mortgage note payable due to the State of Colorado with a stated and effective interest rate of 0.00% per annum, due in annual installments of principal and interest from available cash flows of \$52,632 beginning in June 2020 with a maturity date of August 2057 and secured by real property.	2,000,000
Mortgage note payable due to Housing Catalyst with a stated and effective interest rate of 2.68% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of August 2057 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>5,271,192</u>
Total notes payable - Village on Horsetooth	<u><u>\$ 13,647,172</u></u>

*Village on Impala*

Mortgage note payable with a stated and effective interest rate of 5.10% per annum with a maximum principal balance of \$23,000,000, secured by real property. Interest is being accrued during construction and paid from advances on the loan. The loan is expected to convert to permanent financing with a principal balance of \$8,800,000 with a stated interest rate of 5.10% per annum due in monthly installments of \$44,975, including interest and a maturity date of January 2042.	\$ 23,000,000
Mortgage notes payable due to Villages, LTD with stated and effective interest rates of 3.98% per annum, due in annual installments from cash flow or proceeds of capital transactions with maturity dates of July 2063 and secured by a mortgage on substantially all assets and an assignment of rent.	7,010,685
Mortgage note payable due to Housing Catalyst with a stated and effective interest rate of 1.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of July 2063 and secured by a mortgage on substantially all assets and an assignment of rent.	6,115,199

Mortgage note payable due to the City of Fort Collins with a stated and effective interest rate of 0.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of July 2063 and secured by a mortgage on substantially all assets and an assignment of rent. 746,598

Total notes payable - Village on Impala \$ 36,872,482

*Village on Plum*

Mortgage note payable with a stated interest rate of 3.85% per annum and an effective interest rate of 4.17%, due in monthly principal and interest installments of \$28,792 with a maturity date of August 2034 and secured by a mortgage on substantially all assets and an assignment of rent. \$ 5,046,021

Unamortized debt issuance costs, based on an effective interest rate of approximately 4.17% (148,010)

4,898,011

Mortgage notes payable due to Villages, LTD with stated and effective interest rates of 3.50% per annum, due in annual installments from cash flow or proceeds of capital transactions with maturity dates of October 2044 and secured by a mortgage on substantially all assets and an assignment of rent. 5,503,504

Total notes payable - Village on Plum \$ 10,401,515

*Village on Redwood*

Mortgage note payable due to the Bank of Colorado with a stated interest rate of 4.25% per annum and an effective interest rate of 4.9%, due in monthly installments of principal and interest of \$12,414 with a maturity date of February 2036 and secured by real property, operating reserve account and assignment of rents of the Partnership. \$ 2,218,799

Unamortized debt issuance costs, based on an effective interest rate of approximately 4.87% (155,497)

2,063,302

Mortgage note payable due to the State of Colorado with a stated and effective interest rate of 0.00% per annum, due in annual installments of principal and interest from available cash flows of \$48,879 beginning in June 2018 with a maturity date of March 2056 and secured by real property. 1,906,269

3,969,571

Mortgage notes payable due to Housing Catalyst with stated and effective interest rates of 4.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of April 2056 and secured by a mortgage on substantially all assets and an assignment of rent.	6,555,774
Unamortized debt issuance costs, based on an effective interest rate of approximately 4.00%	<u>(18,711)</u>
	<u>6,537,063</u>
Total notes payable - Village on Redwood	<u>\$ 10,506,634</u>

*Village on Shields*

Mortgage note payable due to the US Bank National Association with a stated interest rate of 4.79% per annum and an effective interest rate of 3.19%, due in monthly installments of principal and interest of \$89,474 with a maturity date of October 2036 and secured by real property, operating reserve account and assignment of rents of the Partnership.	\$ 17,030,536
Unamortized debt issuance costs, based on an effective interest rate of approximately 4.97%	<u>(407,678)</u>
	16,622,858
Mortgage note payable due to the State of Colorado with a stated and effective interest rate of 1.00% per annum, due in annual installments of principal and interest from available cash flows of \$16,701 beginning in May 2019 with a maturity date of May 2059 and secured by real property.	596,698
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 2.00% of 2.60% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of April 2059 and secured by a mortgage on substantially all assets and an assignment of rent.	22,681,275
Mortgage notes payable due to Villages, Ltd with a stated and effective interest rate of 2.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with maturity dates of April 2059 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>577,424</u>
Total notes payable - Village on Shields	<u>\$ 40,478,255</u>

The estimated debt requirements to maturity for the year ending December 31, 2024 are as follows:

*Mason Place*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 31,256	\$ 195,575	\$ 226,831
2026	32,663	194,168	226,831
2027	34,133	192,698	226,831
2028	35,418	191,413	226,831
2029	37,263	189,568	226,831
2030-2034	212,780	921,375	1,134,155
2035-2039	1,728,876	716,154	2,445,030
2040-2044	-	515,200	515,200
2045-2049	-	515,200	515,200
2050-2054	2,093,799	432,052	2,525,851
2055-2059	1,200,000	411,265	1,611,265
2060-2064	1,722,817	82,253	1,805,070
Unamortized Debt Issuance Costs	<u>(160,297)</u>	<u>-</u>	<u>(160,297)</u>
Total	<u>\$ 6,968,708</u>	<u>\$ 4,556,921</u>	<u>\$ 11,525,629</u>

*Oak 140*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 165,000	\$ 263,842	\$ 428,842
2026	165,000	262,296	427,296
2027	165,000	260,544	425,544
2028	170,000	258,448	428,448
2029	170,000	256,005	426,005
2030-2034	890,000	1,230,512	2,120,512
2035-2039	6,380,000	1,065,431	7,445,431
2040-2044	-	463,270	463,270
2045-2049	-	463,270	463,270
2050-2054	6,010,721	370,616	6,381,337
2055-2059	-	-	-
Unamortized Debt Issuance Costs	<u>(414,617)</u>	<u>-</u>	<u>(414,617)</u>
Total	<u>\$ 13,701,104</u>	<u>\$ 4,894,234</u>	<u>\$ 18,595,338</u>

**Housing Catalyst**  
Notes to Financial Statements  
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*Redtail Ponds PSH*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 57,995	\$ 144,282	\$ 202,277
2026	60,208	142,069	202,277
2027	62,505	139,772	202,277
2028	64,889	137,388	202,277
2029	67,365	134,912	202,277
2030-2034	377,393	633,990	1,011,383
2035-2039	455,089	556,293	1,011,382
2040-2044	548,782	462,600	1,011,382
2045-2049	3,125,595	10,704	3,136,299
Unamortized Debt Issuance Costs	(76,831)	-	(76,831)
<b>Total</b>	<b>\$ 4,742,990</b>	<b>\$ 2,362,010</b>	<b>\$ 7,105,000</b>

*Village on Horsetooth*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 174,041	\$ 347,100	\$ 521,141
2026	232,665	341,108	573,773
2027	238,577	335,196	573,773
2028	244,150	329,623	573,773
2029	250,990	322,783	573,773
2030-2034	1,356,693	1,512,173	2,868,866
2035-2039	4,766,676	1,249,508	6,016,184
2040-2044	263,160	689,740	952,900
2045-2049	263,160	689,740	952,900
2050-2054	263,160	689,740	952,900
2055-2059	5,744,856	367,861	6,112,717
Unamortized Debt Issuance Costs	(150,956)	-	(150,956)
<b>Total</b>	<b>\$ 13,647,172</b>	<b>\$ 6,874,572</b>	<b>\$ 20,521,744</b>

**Housing Catalyst**  
Notes to Financial Statements  
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*Village on Impala*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 14,200,000	\$ 291,199	\$ 14,491,199
2026	-	291,199	291,199
2027	-	291,199	291,199
2028	-	291,199	291,199
2029	-	291,199	291,199
2030-2034	-	1,455,995	1,455,995
2035-2039	-	1,455,995	1,455,995
2040-2044	8,800,000	1,455,995	10,255,995
2045-2049	-	1,455,995	1,455,995
2050-2054	-	1,455,995	1,455,995
2055-2059	-	1,455,995	1,455,995
2060-2064	13,872,482	873,597	
Total	<u>\$ 36,872,482</u>	<u>\$ 11,065,562</u>	<u>\$ 33,191,965</u>

*Village on Plum*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 153,376	\$ 334,172	\$ 487,548
2026	159,946	327,602	487,548
2027	166,213	321,335	487,548
2028	172,727	314,821	487,548
2029	179,495	308,053	487,548
2030-2034	4,214,264	1,387,349	5,601,613
2035-2039	-	710,190	710,190
2040-2044	5,503,504	686,517	6,190,021
Unamortized Debt Issuance Costs	(148,010)	-	(148,010)
Total	<u>\$ 10,401,515</u>	<u>\$ 4,390,039</u>	<u>\$ 14,791,554</u>

**Housing Catalyst**  
Notes to Financial Statements  
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*Village on Redwood*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 54,432	\$ 347,348	\$ 401,780
2026	105,704	344,954	450,658
2027	108,201	342,457	450,658
2028	110,560	340,098	450,658
2029	113,520	337,138	450,658
2030-2034	612,560	1,640,734	2,253,294
2035-2039	1,798,128	1,340,087	3,138,215
2040-2044	244,395	1,264,045	1,508,440
2045-2049	244,395	1,264,045	1,508,440
2050-2054	244,395	1,264,045	1,508,440
2055-2059	7,044,552	337,079	7,381,631
Unamortized Debt Issuance Costs	(174,208)	-	(174,208)
<b>Total</b>	<b>\$ 10,506,634</b>	<b>\$ 8,822,030</b>	<b>\$ 19,328,664</b>

*Village on Shields*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 263,668	\$ 1,333,735	\$ 1,597,403
2026	287,313	1,320,885	1,608,198
2027	300,963	1,307,234	1,608,197
2028	315,278	1,292,920	1,608,198
2029	330,288	1,277,910	1,608,198
2030-2034	1,903,157	6,137,527	8,040,684
2035-2039	13,789,661	3,785,573	17,575,234
2040-2044	62,587	2,609,636	2,672,223
2045-2049	65,780	2,606,443	2,672,223
2050-2054	69,135	2,603,088	2,672,223
2055-2059	23,498,103	2,254,398	25,752,501
Unamortized Debt Issuance Costs	(407,678)	-	(407,678)
<b>Total</b>	<b>\$ 40,478,255</b>	<b>\$ 26,529,349</b>	<b>\$ 67,007,604</b>

**Note 8 - Leases Payable**

**Primary Government**

Housing Catalyst is leasing seven vehicles for the maintenance department. The lease terms are between four and five years and have total monthly payments of \$2,877.

During the year ended December 31, 2024, the following changes occurred in leases payable:

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Leases	\$ 21,070	\$ 125,324	\$ (27,572)	\$ 118,822	\$ 19,791

The lease payment requirements to maturity as of December 31, 2024 are as follows:

	Principal	Interest	Total
2025	\$ 19,791	\$ 14,735	\$ 34,526
2026	22,611	11,915	34,526
2027	25,835	8,691	34,526
2028	29,516	5,009	34,525
2029	21,069	1,040	22,109
Total	\$ 118,822	\$ 41,390	\$ 160,212

During the year ended December 31, 2021, Housing Catalyst purchased land in Fort Collins, Colorado, for \$1,325,724 and subsequently exchanged the land for a long-term prepaid lease in a commercial office building. The office building was completed in early 2023 and the lease term is for 99 years. Total lease expense incurred for the year ended December 31, 2023 was \$13,391. As of December 31, 2023, the prepaid balance was \$1,312,333.

**Discretely Presented Component Units**

Village on Plum is leasing land under a long-term non-cancelable operating lease. The lease has annual payments of \$5,060, a maturity date of October 3013 and was prepaid for the first 15 years. Total lease costs incurred for the year ended December 31, 2024 was \$5,060 and there were no cash payments made during the year. As of December 31, 2024, the prepaid balance was \$24,457 and that balance is included with the leased capital asset. Lease payments for the remaining 984 years will start in the year ending December 31, 2029.

**Note 9 - Restricted Net Position**

As of December 31, 2024, restricted net position consisted of \$65,211 in Section 8 HAP received but not yet paid to eligible individuals.

**Note 10 - Annual Contributions Contract**

Housing Catalyst has an annual contributions contract for Section 8 HAP and adjustments vary based on requirements. The maximum contract was \$19,010,714 for the year ended December 31, 2024. Additional funding for the year ended December 31, 2024 was provided by HUD-Held Section 8 HAP reserves which are available as needed. The balances of HUD-Held Section 8 HAP reserves at December 31, 2024 totaled \$294,470 for all programs.

**Note 11 - Related Party Transactions**

**Management Fees and Reimbursement of Expenses**

Housing Catalyst is a general partner in Mason Place, LLLP (Mason Place), a 60 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 6% of net rental income and accounting fees totaling 4% of net rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$97,712 for these fees. Additionally, under the partnership agreement, Housing Catalyst is to be paid an annual Partnership Management Fee of \$15,000. The fee increases by 3% on an annual basis, is payable from available cash and accrues to the extent that the fee was not paid during the year. During the year ended December 31, 2024, Housing Catalyst earned \$16,391 for this fee. As of December 31, 2024, the total accrued balance for this fee is \$32,305 and it is included in accounts receivable. During the year ended December 31, 2024, Housing Catalyst was also reimbursed for tenant services salaries and benefits of \$143,751.

Housing Catalyst is a general partner in Oak 140, LLLP (Oak 140), a 79 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 7% of gross rental income and accounting fees totaling 6% of net rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$142,803 for these fees.

Housing Catalyst is also a general partner in Redtail Ponds PSH, LLLP (Redtail), a 60 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 3% of net rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$102,853 for these fees. Housing Catalyst also received a grant from HUD to provide supportive services to Redtail. During the year ended December 31, 2024, Housing Catalyst provided supportive services of \$370,950 to the residents of Redtail.

Housing Catalyst is also a general partner in Village on Horsetooth, LLLP (Horsetooth), a 92 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 9% of net rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$231,593 for these fees.

Housing Catalyst is also a general partner in Village on Impala, LLLP (Impala), a 86 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of gross rental income and accounting fees totaling 5.5% of gross rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$32,471 for these fees. As of December 31, 2024, Housing Catalyst was owed \$5,021 for these fees and that balance is included in accounts receivable. Additionally, under the partnership agreement, Housing Catalyst is to be paid an annual Partnership Management Fee of \$20,000. The fee increases by 3% on an annual basis, is payable from available cash and accrues to the extent that the fee was not paid during the year. During the year ended December 31, 2024, Housing Catalyst earned \$20,600 for this fee. As of December 31, 2024, the total accrued balance for this fee is \$40,600 and the balance is included in accounts receivable.

Housing Catalyst is also a general partner in Village on Plum, LLLP (Plum), a 95 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 3% of net rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$171,358 for these fees.

Housing Catalyst is also a general partner in Village on Redwood, LLLP (Redwood), a 72 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 9% of net rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$152,978 for these fees. Additionally, under the partnership agreement, Housing Catalyst is to be paid an annual Partnership Management Fee of \$15,000. The fee increases by 3% on an annual basis, is payable from available cash and accrues to the extent that the fee was not paid during the year. During the year ended December 31, 2024, Housing Catalyst earned \$18,448 for this fee. As of December 31, 2024, the total accrued balance for this fee is \$127,136 and it is included in accounts receivable.

Housing Catalyst is also a general partner in Village on Shields, LLLP (Shields), a 285 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of rental income and accounting fees totaling 3% of rental income on the project. During the year ended December 31, 2024, Housing Catalyst earned \$428,306 for these fees.

Housing Catalyst is reimbursed for various office expenses, caretaker payroll and benefits, and other maintenance costs incidental to the operations of Mason Place, Oak 140, Redtail Ponds, Horsetooth, Impala, Plum, Redwood and Shields. During the year ended December 31, 2024, Housing Catalyst received approximately \$227,355 from Mason Place, \$266,900 from Oak 140, \$376,600 from Redtail, \$314,500 from Horsetooth, \$154,800 from Impala, \$431,800 from Plum, \$267,200 from Redwood and \$1,285,000 from Shields for these expenses. As of December 31, 2024, Housing Catalyst was owed \$4,645 from Mason Place, \$80 from Oak 140, \$1,401 from Redtail, \$13,313 from Horsetooth, \$25,658 from Impala, \$4,666 from Plum, \$5,137 from Redwood and \$13,556 from Shields for these fees and expenses and those balances are included in accounts receivable.

**Developer Fees**

As of December 31, 2024, Housing Catalyst was owed \$620,743, \$405,321, \$2,243,220, \$284,643, \$209,661, \$3,899,630 and \$470,872 in developer fees from Mason Place, Horsetooth, Impala, Plum, Redwood, Shields and Oak 140, respectively, related to the construction and development of the projects. Of these amounts, the Authority expects to receive \$28,587 from Horsetooth, \$166,215 from Plum, \$10,268 from Redwood and \$35,489 from Shields during 2025. The remaining balances of \$620,743, \$376,734, \$2,243,220, \$118,428, \$199,393, \$3,899,630 and \$470,872, respectively, will be paid to Housing Catalyst from future available cash flows of the projects. In addition, Housing Catalyst was owed accrued interest of \$22,571, \$68,645 and \$13,681 from Horsetooth, Plum and Redwood, respectively, as of December 31, 2024.

During the year ended December 31, 2024, Housing Catalyst earned developer fees of \$1,781,579 from Impala.

**Notes Receivable**

As of December 31, 2024, Housing Catalyst was owed \$3,816,616 on four notes receivable from Mason Place with a stated interest rates ranging from 1.00% per annum to 5.00% per annum (see Note 5). Interest income from Mason Place for the year ended December 31, 2024, was \$103,040.

As of December 31, 2024, Housing Catalyst was owed \$14,115,721 on two notes receivable from Oak 140 with a stated interest rates ranging from 0.875% per annum to 2.25% per annum (see Note 5). In addition, Housing Catalyst was owed accrued interest of \$215,940 from Oak 140. Interest income from Oak 140 for the year ended December 31, 2024, was \$269,506.

As of December 31, 2024, Housing Catalyst and Villages were owed \$2,961,060 on three notes receivable from Redtail with stated interest rates ranging from 2.50% per annum to 4.00% per annum (see Note 5). Interest income from Redtail for the year ended December 31, 2024, was \$75,775.

As of December 31, 2024, Housing Catalyst was owed \$5,271,192 on three notes receivable from Horsetooth with stated interest rates of 2.68% per annum (see Note 5). Interest income from Horsetooth for the year ended December 31, 2024, was \$138,038.

As of December 31, 2024, Housing Catalyst and Villages was owed \$13,125,885 on three notes receivable from Impala with stated interest rates ranging from 1.00% to 3.98% per annum (see Note 5). Interest income from Impala for the year ended December 31, 2024, was \$291,199.

As of December 31, 2024, Villages was owed \$5,503,504 on two notes receivable from Plum with stated interest rates of 3.50% per annum (see Note 5). Interest income from Plum for the year ended December 31, 2024, was \$142,427.

As of December 31, 2024, Housing Catalyst was owed \$6,555,775 on three notes receivable from Redwood with stated interest rates of 4.00% per annum (see Note 5). Interest income from Redwood for the year ended December 31, 2024, was \$252,809.

As of December 31, 2024, Housing Catalyst and Villages was owed \$23,258,698 on six notes receivable from Shields with stated interest rates ranging from 2.00% to 2.60% per annum (see Note 5). Interest income from Shields for the year ended December 31, 2024, was \$517,944.

### **Investment in Tax Credit Partnerships**

Housing Catalyst is the managing general partner in Mason Place, Oak 140, Redtail, Horsetooth, Impala, Plum, Redwood, Shields and Stanford with ownership interests generally 0.01% or less. As the general partner, Housing Catalyst has the day to day management responsibilities of each partnership. Housing Catalyst's equity interest in the partnerships above was \$146,448 as of December 31, 2023.

### **Note 12 - Management Services**

As mentioned in Note 11, Housing Catalyst provides management services for Mason Place, LLLP, Oak 140, LLLP, Redtail Ponds PSH, LLLP, Village on Elizabeth, LLLP, Village on Horsetooth, LLLP, Village on Impala, LLLP, Village on Plum, LLLP, Village on Redwood, LLLP, Village on Shields, LLLP and Village on Stanford, LLLP. In addition, Housing Catalyst provides management services for The Villages, Ltd. (Villages), the Wellington Housing Authority (WHA) and Wellington Community Housing (WCH). The Villages, WHA and WCH pay for all direct charges and then reimburse Housing Catalyst through a management fee agreement for the salaries, employee benefits, and other overhead items.

### **Note 13 - Risk Management**

Housing Catalyst is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Housing Catalyst carries commercial insurance for the risks of loss, including worker's compensation and employee accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage have been adjusted annually.

**Note 14 - Pension Plan**

Beginning on January 1, 2019, Housing Catalyst provides eligible employees with a 401a deferred compensation retirement plan, a type of defined contribution plan. The plan and the contributions rate are authorized by Housing Catalyst's Board of Commissioners. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Under the plan, eligible employees are required to contribute 4.5% of earnings for 2019 and 6.2% for 2020 and beyond and the employer contributes 10% of each employee's earnings, including overtime and bonuses. Contributions are made to and maintained by the plan administrator, Mission Square, which maintains an individual account for each participant. Employees are vested in their account by years of service, 33% (year 1), 66% (year 2), 99% (year 3) and 100% (year 4) and are eligible for plan benefits at retirement, which is defined as reaching age 62 and no longer being employed with Housing Catalyst. For the years ended December 31, 2024, 2023 and 2022, the total employer cost of the plan totaled \$722,127, \$693,501 and \$621,260, respectively.

**Note 15 - Line of Credit**

Housing Catalyst and Villages have unsecured lines of credit with a total available balance of \$2,000,000 and \$1,000,000, respectively, with FirstBank of Northern Colorado. The lines expire on September 23, 2026 and July 19, 2026, respectively, and interest on the line of credit is variable based on the Wall Street Journal Prime Rate with a minimum rates of 6.50% per annum. The funds from the lines are designated for the temporary financing of Housing Development projects. As of December 31, 2024, there was no outstanding balance due on the lines of credit.

**Note 16 - Conduit Debt**

In April of 2022, Housing Catalyst issued private activity bonds in the amount of \$14,237,109 to MHMP 16 Northfield, LLLP, for the construction of Northfield Commons in Fort Collins, Colorado. The debt has a final maturity date of April 23, 2039 and is secured by real estate. Housing Catalyst will not guarantee the debt or have any liability for the debt. Accordingly, the debt will not be reported as a liability in Housing Catalyst's financial statements. MHMP 16 Northfield paid Housing Catalyst an issuance fee for issuing the bonds. As of December 31, 2024, the outstanding balance of the debt was \$14,237,109.

In July of 2023, Housing Catalyst issued private activity bonds in the amount of \$23,000,000 to Village on Impala, LLLP, for the construction of Village on Impala in Fort Collins, Colorado. The debt has a final maturity date of January 20, 2042 and is secured by real estate. Housing Catalyst will not guarantee the debt or have any liability for the debt. Accordingly, the debt will not be reported as a liability in Housing Catalyst's financial statements. Village on Impala, LLLP paid Housing Catalyst an issuance fee for issuing the bonds. As of December 31, 2023, the outstanding balance of the debt was \$23,000,000.

**Note 17 - CDBG and HOME Grants**

Villages received CDBG and HOME grant funds from the City of Fort Collins (City) for the payment of development costs for the Plum Place rehabilitation and the Village on Impala projects. The grants were funded directly to Villages and the grant is restricted for a period of time. Villages is to repay the City upon the sale of property that was acquired, constructed or improved with the grant funds through the restricted period. During the year ended December 31, 2024, Villages had total CDBG grant income of \$714,402 and HOME grant income of \$689,000.

**Note 17 - Commitments and Contingencies**

Housing Catalyst receives significant financial assistance from the United States Government in the form of contracts and grants. Entitlement to these resources is generally contingent upon compliance with the terms and conditions of the contract or grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all federal grants and contracts are subject to a financial and compliance audit under federal regulations. Disallowed costs as a result of compliance audits become a liability of Housing Catalyst. Management believes that the potential for a material liability due to future audit disallowance is remote.

**Note 18 - Subsequent Events**

Subsequent events have been evaluated through June 18, 2025, which is the date the financial statements were available to be issued, and there are no subsequent events requiring disclosure.

\* \* \* \* \*

**Housing Catalyst**  
Combining Schedule of Net Position  
December 31, 2024

	Public Housing	Housing Choice Vouchers	Mainstream Vouchers	Emergency Housing Vouchers	Blended Component Units	Real Estate Development
<b>Assets and Deferred Outflows</b>						
Cash and cash equivalents	\$ 1,945	\$ 813,791	\$ 206,531	\$ 28,580	\$ 8,235,563	\$ 3,749,353
Restricted cash and cash equivalents	-	333,440	41,601	27,290	928,214	-
Accounts receivable						
Grants	-	-	7,658	-	-	-
Tenants	392	-	-	-	76,677	-
Developer fees, current	-	-	-	-	-	240,559
Other	-	23,603	-	-	113,146	207,554
Accrued interest	-	-	-	-	13,528	104,897
Notes receivable - current	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	18,140
Inventory	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	160,649
Total current assets	<u>2,337</u>	<u>1,170,834</u>	<u>255,790</u>	<u>55,870</u>	<u>9,367,128</u>	<u>4,481,152</u>
Non-depreciable capital assets	-	-	-	-	4,087,843	2,856,271
Depreciable capital assets, net	4,158	-	-	-	16,897,837	608,656
Leased capital assets, net	-	-	-	-	-	-
Developer fees receivable, long-term	-	-	-	-	-	7,893,531
Lease receivable, net	-	-	-	-	96,852	-
Notes receivable, net	-	-	-	-	15,034,971	57,432,651
Prepaid long-term lease	-	-	-	-	-	1,285,551
Investment in tax credit partnerships	-	-	-	-	-	146,448
Investment in future developments	-	-	-	-	-	620,924
Total Assets	<u>6,495</u>	<u>1,170,834</u>	<u>255,790</u>	<u>55,870</u>	<u>45,484,631</u>	<u>75,325,184</u>
Deferred Outflows of Resources	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>\$ 6,495</u>	<u>\$ 1,170,834</u>	<u>\$ 255,790</u>	<u>\$ 55,870</u>	<u>\$ 45,484,631</u>	<u>\$ 75,325,184</u>
<b>Liabilities, Deferred Inflows and Net Position</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ 106	\$ 892	\$ 181,678	\$ 24,440
Accrued liabilities	26,564	157,401	26,550	2,377	33,489	4,500
Accrued compensation	-	-	-	-	-	76,790
Accrued interest payable	-	-	-	-	16,155	16,113
Unearned revenues	-	-	-	27,290	16,646	-
Due to other funds	-	-	-	-	39,855	-
Tenant security deposits	-	-	-	-	138,636	-
Money held in escrow	-	328,308	41,601	-	733	-
Leases payable - current	-	-	-	-	-	-
Notes and mortgages payable - current	-	-	-	-	47,261	217,092
Total current liabilities	<u>26,564</u>	<u>485,709</u>	<u>68,257</u>	<u>30,559</u>	<u>474,453</u>	<u>338,935</u>
Bond premium, net	-	-	-	-	-	-
Leases payable, net	-	-	-	-	-	-
Notes and mortgages payable, net	-	-	-	-	9,067,124	576,253
Total Liabilities	<u>26,564</u>	<u>485,709</u>	<u>68,257</u>	<u>30,559</u>	<u>9,541,577</u>	<u>915,188</u>
Deferred Inflows of Resources	-	-	-	-	121,309	-
<b>Net Position</b>						
Net investment in capital assets	4,158	-	-	-	11,871,295	2,671,582
Restricted - housing assistance payments	-	5,132	-	1,770	12,938	-
Unrestricted	<u>(24,227)</u>	<u>679,993</u>	<u>187,533</u>	<u>23,541</u>	<u>23,937,512</u>	<u>71,738,414</u>
Total Net Position	<u>(20,069)</u>	<u>685,125</u>	<u>187,533</u>	<u>25,311</u>	<u>35,821,745</u>	<u>74,409,996</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 6,495</u>	<u>\$ 1,170,834</u>	<u>\$ 255,790</u>	<u>\$ 55,870</u>	<u>\$ 45,484,631</u>	<u>\$ 75,325,184</u>

See accompanying Report of Independent Auditors

**Housing Catalyst**  
Combining Schedule of Net Position  
December 31, 2024

Management	HUD Grants	Single Room Occupancy	COCC	Subtotal	Elimination of Intercompany Activity	Total
\$ 3,521,548	\$ -	\$ 45,371	\$ -	\$ 16,602,682	\$ -	\$ 16,602,682
26,148	-	-	-	1,356,693	-	1,356,693
-	50,858	-	-	58,516	-	58,516
-	-	-	-	77,069	-	77,069
-	-	-	-	240,559	-	240,559
284,284	-	-	-	628,587	(178,877)	449,710
221,178	-	-	-	339,603	(13,479)	326,124
276,619	-	-	-	276,619	-	276,619
74,213	-	-	-	92,353	-	92,353
97,432	-	-	-	97,432	-	97,432
92,629	-	-	-	253,278	(253,278)	-
<u>4,594,051</u>	<u>50,858</u>	<u>45,371</u>	<u>-</u>	<u>20,023,391</u>	<u>(445,634)</u>	<u>19,577,757</u>
39,500	-	-	-	6,983,614	-	6,983,614
146,024	-	-	-	17,656,675	(621,813)	17,034,862
116,307	-	-	-	116,307	-	116,307
-	-	-	-	7,893,531	-	7,893,531
-	-	-	-	96,852	-	96,852
8,056,137	-	-	-	80,523,759	(5,226,298)	75,297,461
-	-	-	-	1,285,551	-	1,285,551
-	-	-	-	146,448	-	146,448
-	-	-	-	620,924	-	620,924
<u>12,952,019</u>	<u>50,858</u>	<u>45,371</u>	<u>-</u>	<u>135,347,052</u>	<u>(6,293,745)</u>	<u>129,053,307</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 12,952,019</u>	<u>\$ 50,858</u>	<u>\$ 45,371</u>	<u>\$ -</u>	<u>\$ 135,347,052</u>	<u>\$ (6,293,745)</u>	<u>\$ 129,053,307</u>
\$ 54,317	\$ -	\$ -	\$ -	\$ 261,433	\$ (18,970)	\$ 242,463
14,168	-	-	-	265,049	(159,907)	105,142
744,318	-	-	-	821,108	-	821,108
4,291	-	-	-	36,559	(13,479)	23,080
3,058	-	-	-	46,994	-	46,994
162,565	50,858	-	-	253,278	(253,278)	-
-	-	-	-	138,636	-	138,636
2,809	-	-	-	373,451	-	373,451
19,791	-	-	-	19,791	-	19,791
<u>338,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>602,595</u>	<u>-</u>	<u>602,595</u>
<u>1,343,559</u>	<u>50,858</u>	<u>-</u>	<u>-</u>	<u>2,818,894</u>	<u>(445,634)</u>	<u>2,373,260</u>
14,595	-	-	-	14,595	-	14,595
99,031	-	-	-	99,031	-	99,031
<u>8,174,304</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,817,681</u>	<u>(5,226,298)</u>	<u>12,591,383</u>
<u>9,631,489</u>	<u>50,858</u>	<u>-</u>	<u>-</u>	<u>20,750,201</u>	<u>(5,671,932)</u>	<u>15,078,269</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,309</u>	<u>-</u>	<u>121,309</u>
2,891	-	-	-	14,549,926	4,604,485	19,154,411
-	-	45,371	-	65,211	-	65,211
<u>3,317,639</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,860,405</u>	<u>(5,226,298)</u>	<u>94,634,107</u>
<u>3,320,530</u>	<u>-</u>	<u>45,371</u>	<u>-</u>	<u>114,475,542</u>	<u>(621,813)</u>	<u>113,853,729</u>
<u>\$ 12,952,019</u>	<u>\$ 50,858</u>	<u>\$ 45,371</u>	<u>\$ -</u>	<u>\$ 135,347,052</u>	<u>\$ (6,293,745)</u>	<u>\$ 129,053,307</u>

See accompanying Report of Independent Auditors

## Housing Catalyst

Combining Schedule of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2024

	Public Housing	Housing Choice Vouchers	Mainstream Vouchers	Emergency Housing Vouchers	Blended Component Units	Real Estate Development
<b>Operating Revenues</b>						
HUD PHA grants	\$ -	\$ 18,667,508	\$ 2,700,031	\$ 385,405	\$ 1,332,906	\$ -
Other grants	-	-	-	-	1,403,402	1,360,000
Rental income	3,080	-	-	-	3,811,897	-
Administration fees	-	-	-	-	-	-
Developer fees	-	-	-	-	-	2,103,392
Other	1,420	21,110	-	-	122,603	66,072
<b>Total Operating Revenues</b>	<b>4,500</b>	<b>18,688,618</b>	<b>2,700,031</b>	<b>385,405</b>	<b>6,670,808</b>	<b>3,529,464</b>
<b>Operating Expenses</b>						
Housing assistance payments	-	17,283,681	2,461,247	358,205	1,197,280	-
Administrative salaries and benefits	-	-	-	-	476,069	748,884
Maintenance salaries and benefits	-	-	-	-	-	-
Other administrative	1,025	1,483,616	227,034	35,851	1,380,055	918,138
Regular and extraordinary maintenance	3,628	-	-	-	1,028,961	26,879
Depreciation and amortization	2,760	-	-	-	1,340,603	50,586
Utilities	1,851	-	-	-	290,448	5,460
Insurance	-	-	-	-	215,857	10,283
Payments in lieu of taxes	191	-	-	-	-	-
Other	809	5,000	-	-	102,626	-
<b>Total Operating Expenses</b>	<b>10,264</b>	<b>18,772,297</b>	<b>2,688,281</b>	<b>394,056</b>	<b>6,031,899</b>	<b>1,760,230</b>
<b>Operating Income (Loss)</b>	<b>(5,764)</b>	<b>(83,679)</b>	<b>11,750</b>	<b>(8,651)</b>	<b>638,909</b>	<b>1,769,234</b>
<b>Non-Operating Revenues (Expenses)</b>						
Interest income	1,236	25,574	5,315	1,746	778,278	1,767,113
Interest expense	-	-	-	-	(390,045)	(71,316)
Other financing costs	-	-	-	-	-	(500)
Gain (loss) on disposal of capital assets	-	1,005	-	-	1,973,667	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>1,236</b>	<b>26,579</b>	<b>5,315</b>	<b>1,746</b>	<b>2,361,900</b>	<b>1,695,297</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>(4,528)</b>	<b>(57,100)</b>	<b>17,065</b>	<b>(6,905)</b>	<b>3,000,809</b>	<b>3,464,531</b>
<b>Operating Transfers</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>(4,528)</b>	<b>(52,100)</b>	<b>17,065</b>	<b>(6,905)</b>	<b>3,000,809</b>	<b>3,464,531</b>
<b>Equity transfers</b>	<b>(1,094,164)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,169,494</b>	<b>(3,075,330)</b>
<b>Net Position-Beginning of Year, As Previously Stated</b>	<b>1,078,623</b>	<b>737,225</b>	<b>170,468</b>	<b>32,216</b>	<b>28,995,847</b>	<b>74,034,384</b>
<b>Change in Accounting Principle (Note 1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(13,589)</b>
<b>Change in Reporting Entity (Note 1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>655,595</b>	<b>-</b>
<b>Net Position-Beginning of Year, As Restated</b>	<b>1,078,623</b>	<b>737,225</b>	<b>170,468</b>	<b>32,216</b>	<b>29,651,442</b>	<b>74,020,795</b>
<b>Net Position-End of Year</b>	<b>\$ (20,069)</b>	<b>\$ 685,125</b>	<b>\$ 187,533</b>	<b>\$ 25,311</b>	<b>\$ 35,821,745</b>	<b>\$ 74,409,996</b>

See accompanying Report of Independent Auditors

## Housing Catalyst

Combining Schedule of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2024

Management	HUD Grants	Single Room Occupancy	COCC	Subtotal	Elimination of Intercompany Activity	Total
\$ -	\$ 625,820	\$ -	\$ -	\$ 23,711,670	\$ -	\$ 23,711,670
80,008	-	-	-	2,843,410	-	2,843,410
-	-	-	-	3,814,977	-	3,814,977
7,040,992	-	-	5,122,836	12,163,828	(7,104,571)	5,059,257
-	-	-	-	2,103,392	(321,813)	1,781,579
376,053	-	-	-	587,258	-	587,258
<u>7,497,053</u>	<u>625,820</u>	<u>-</u>	<u>5,122,836</u>	<u>45,224,535</u>	<u>(7,426,384)</u>	<u>37,798,151</u>
-	-	-	-	21,300,413	-	21,300,413
2,783,829	541,352	-	3,920,024	8,470,158	(476,069)	7,994,089
1,163,546	-	-	-	1,163,546	-	1,163,546
2,690,453	84,468	-	1,026,589	7,847,229	(6,216,930)	1,630,299
109,045	-	-	56,016	1,224,529	(411,572)	812,957
83,626	-	-	1,123	1,478,698	-	1,478,698
6,737	-	-	13,782	318,278	-	318,278
31,573	-	-	105,302	363,015	-	363,015
-	-	-	-	191	-	191
-	-	-	-	108,435	-	108,435
<u>6,868,809</u>	<u>625,820</u>	<u>-</u>	<u>5,122,836</u>	<u>42,274,492</u>	<u>(7,104,571)</u>	<u>35,169,921</u>
<u>628,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,950,043</u>	<u>(321,813)</u>	<u>2,628,230</u>
275,434	-	121	-	2,854,817	(223,671)	2,631,146
(200,930)	-	-	-	(662,291)	223,671	(438,620)
-	-	-	-	(500)	-	(500)
<u>8,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,983,267</u>	<u>-</u>	<u>1,983,267</u>
<u>83,099</u>	<u>-</u>	<u>121</u>	<u>-</u>	<u>4,175,293</u>	<u>-</u>	<u>4,175,293</u>
711,343	-	121	-	7,125,336	(321,813)	6,803,523
(5,000)	-	-	-	-	-	-
<u>706,343</u>	<u>-</u>	<u>121</u>	<u>-</u>	<u>7,125,336</u>	<u>(321,813)</u>	<u>6,803,523</u>
<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,744,702	-	45,250	-	106,838,715	(300,000)	106,538,715
(130,515)	-	-	-	(144,104)	-	(144,104)
-	-	-	-	655,595	-	655,595
<u>1,614,187</u>	<u>-</u>	<u>45,250</u>	<u>-</u>	<u>107,350,206</u>	<u>(300,000)</u>	<u>107,050,206</u>
<u>\$ 3,320,530</u>	<u>\$ -</u>	<u>\$ 45,371</u>	<u>\$ -</u>	<u>\$ 114,475,542</u>	<u>\$ (621,813)</u>	<u>\$ 113,853,729</u>

See accompanying Report of Independent Auditors

**Housing Catalyst**

Combining Schedule of Net Position - Blended Component Units  
December 31, 2024

	Larimer County Housing Authority	Villages, Ltd	Village on Elizabeth, LLLP	Village on Stanford, LLLP	Elimination of Intercompany Activity	Total
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 20,343	\$ 8,168,904	\$ 18,772	\$ 27,544	\$ -	\$ 8,235,563
Restricted cash and cash equivalents	10,295	78,363	308,840	530,716	-	928,214
Accounts receivable						
Grants	-	-	-	-	-	-
Tenants	-	41,159	5,252	30,266	-	76,677
Other	-	3,784	-	113,146	(3,784)	113,146
Accrued interest	-	13,528	-	-	-	13,528
<b>Total Current Assets</b>	<b>30,638</b>	<b>8,305,738</b>	<b>332,864</b>	<b>701,672</b>	<b>(3,784)</b>	<b>9,367,128</b>
<b>Capital Assets</b>						
Non-depreciable	-	2,434,551	640,000	1,013,292	-	4,087,843
Depreciable, net	-	11,038,489	1,872,364	3,986,984	-	16,897,837
<b>Total Capital Assets, Net</b>	<b>-</b>	<b>13,473,040</b>	<b>2,512,364</b>	<b>5,000,276</b>	<b>-</b>	<b>20,985,680</b>
Lease receivable, net	-	96,852	-	-	-	96,852
Notes receivable, net	-	15,820,953	-	-	(785,982)	15,034,971
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>29,390,845</b>	<b>2,512,364</b>	<b>5,000,276</b>	<b>(785,982)</b>	<b>36,117,503</b>
Deferred Outflow of Resources	-	-	-	-	-	-
<b>Total Assets and Deferred Outflows</b>	<b>\$ 30,638</b>	<b>\$ 37,696,583</b>	<b>\$ 2,845,228</b>	<b>\$ 5,701,948</b>	<b>\$ (789,766)</b>	<b>\$ 45,484,631</b>
<b>Liabilities and Net Position</b>						
<b>Current Liabilities</b>						
Accounts payable	\$ 81	\$ 53,174	\$ 9,566	\$ 118,857	\$ -	\$ 181,678
Accrued liabilities	9,908	18,873	7,068	1,424	(3,784)	33,489
Accrued interest payable	-	-	4,688	11,467	-	16,155
Unearned revenues	-	8,332	4,280	4,034	-	16,646
Due to other funds	-	-	39,855	-	-	39,855
Tenant security deposits payable	-	78,363	21,952	38,321	-	138,636
Money held in escrow	733	-	-	-	-	733
Notes and mortgages payable - current portion	-	-	25,368	21,893	-	47,261
<b>Total Current Liabilities</b>	<b>10,722</b>	<b>158,742</b>	<b>112,777</b>	<b>195,996</b>	<b>(3,784)</b>	<b>474,453</b>
Notes and mortgages payable - net	-	-	4,628,327	5,224,779	(785,982)	9,067,124
<b>Total Liabilities</b>	<b>10,722</b>	<b>158,742</b>	<b>4,741,104</b>	<b>5,420,775</b>	<b>(789,766)</b>	<b>9,541,577</b>
Deferred Inflow of Resources	-	121,309	-	-	-	121,309
<b>Net Position</b>						
Net investment in capital assets	-	13,473,040	(2,141,331)	(246,396)	785,982	11,871,295
Restricted - housing assistance payments	12,938	-	-	-	-	12,938
Unrestricted	6,978	23,943,492	245,455	527,569	(785,982)	23,937,512
<b>Total Net Position</b>	<b>19,916</b>	<b>37,416,532</b>	<b>(1,895,876)</b>	<b>281,173</b>	<b>-</b>	<b>35,821,745</b>
<b>Total Liabilities, Deferred Inflow and Net Position</b>	<b>\$ 30,638</b>	<b>\$ 37,696,583</b>	<b>\$ 2,845,228</b>	<b>\$ 5,701,948</b>	<b>\$ (789,766)</b>	<b>\$ 45,484,631</b>

## Housing Catalyst

Combining Schedule of Revenues, Expenses and Changes in Net Position - Blended Component Units  
Year Ended December 31, 2024

	Larimer County Housing Authority	Villages, Ltd	Village on Elizabeth, LLLP	Village on Stanford, LLLP	Elimination of Intercompany Activity	Total
<b>Operating Revenues</b>						
HUD PHA grants	\$ 1,332,906	\$ -	\$ -	\$ -	\$ -	\$ 1,332,906
Other grants	-	1,403,402	-	-	-	1,403,402
Rental income	-	2,375,363	566,683	869,851	-	3,811,897
Other	346	63,310	11,205	47,742	-	122,603
<b>Total Operating Revenues</b>	<b>1,333,252</b>	<b>3,842,075</b>	<b>577,888</b>	<b>917,593</b>	<b>-</b>	<b>6,670,808</b>
<b>Operating Expenses</b>						
Housing assistance payments	1,197,280	-	-	-	-	1,197,280
Administrative salaries and benefits	-	293,804	65,273	116,992	-	476,069
Other administrative	125,509	777,049	204,799	272,698	-	1,380,055
Regular and extraordinary maintenance	-	686,877	120,211	221,873	-	1,028,961
Depreciation and amortization	-	796,402	182,645	361,556	-	1,340,603
Utilities	-	194,183	40,361	55,904	-	290,448
Insurance	-	130,519	34,576	50,762	-	215,857
Other	-	74,058	4,590	23,978	-	102,626
<b>Total Operating Expenses</b>	<b>1,322,789</b>	<b>2,952,892</b>	<b>652,455</b>	<b>1,103,763</b>	<b>-</b>	<b>6,031,899</b>
<b>Operating Income (Loss)</b>	<b>10,463</b>	<b>889,183</b>	<b>(74,567)</b>	<b>(186,170)</b>	<b>-</b>	<b>638,909</b>
<b>Non-Operating Revenues (Expenses)</b>						
Interest income	-	778,264	2,393	24,714	(27,093)	778,278
Interest expense	-	-	(204,172)	(212,966)	27,093	(390,045)
Gain on disposal of capital assets	-	1,973,667	-	-	-	1,973,667
<b>Total Non-Operating Revenues (Expenses)</b>	<b>-</b>	<b>2,751,931</b>	<b>(201,779)</b>	<b>(188,252)</b>	<b>-</b>	<b>2,361,900</b>
<b>Change in Net Position</b>	<b>10,463</b>	<b>3,641,114</b>	<b>(276,346)</b>	<b>(374,422)</b>	<b>-</b>	<b>3,000,809</b>
<b>Equity Transfers</b>	<b>-</b>	<b>3,169,494</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,169,494</b>
<b>Net Position, Beginning of the Year, As Previously Stated</b>	<b>9,453</b>	<b>30,605,924</b>	<b>(1,619,530)</b>	<b>-</b>	<b>-</b>	<b>28,995,847</b>
Change in Accounting Principle (Note 1)	-	-	-	-	-	-
Change in Reporting Entity (Note 1)	-	-	-	655,595	-	655,595
<b>Net Position, Beginning of the Year, As Restated</b>	<b>9,453</b>	<b>30,605,924</b>	<b>(1,619,530)</b>	<b>655,595</b>	<b>-</b>	<b>29,651,442</b>
<b>Net Position, End of the Year</b>	<b>\$ 19,916</b>	<b>\$ 37,416,532</b>	<b>\$ (1,895,876)</b>	<b>\$ 281,173</b>	<b>\$ -</b>	<b>\$ 35,821,745</b>

# Housing Catalyst

Fort Collins, Colorado

## ***Statistical Section:***

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic Information

Operation Information



This part of Housing Catalyst's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about Housing Catalyst's overall financial health.

<b>Contents</b>	<b>Tables</b>
<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how Housing Catalyst's financial performance and well-being have changed over the past 10 years.</i>	1 - 2
<b>Revenue Capacity</b>  <i>These schedules contain trend information to help the reader assess Housing Catalyst's most significant revenue sources.</i>	3 - 4
<b>Debt Capacity</b>  <i>These schedules contain trend information to help the reader assess the affordability of Housing Catalyst's current levels of outstanding debt and ability to issue additional debt in the future.</i>	5 - 6
<b>Demographic and Economic Information</b>  <i>These schedules contain trend information of the demographic and economic indicators to help the reader understand the environment within which Housing Catalyst's financial activities take place.</i>	7 - 10
<b>Operating Information</b>  <i>These schedules contain data to help the reader understand how the information in Housing Catalyst's financial report relates to the services Housing Catalyst provides and the activities it performs.</i>	11 - 13

## Housing Catalyst

Table 1 - Net Position - Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Net investment in capital assets</u>	<u>Restricted Net Position</u>	<u>Unrestricted Net Position</u>	<u>Total</u>
2015	\$ 10,001,307	\$ 166,313	\$ 22,604,080	\$ 32,771,700
2016	9,136,494	153,278	25,007,624	34,297,396
2017	10,649,746	94,058	42,131,262	52,875,066
2018	8,269,550	114,697	60,996,224	69,380,471
2019	7,087,317	285,791	67,463,649	74,836,757
2020	7,997,353	823,844	69,621,300	78,442,497
2021	6,607,772	139,150	81,278,984	88,025,906
2022	5,871,459	160,640	88,778,925	94,811,024
2023	14,983,746	102,641	91,963,819	107,050,206
2024	19,154,411	65,211	94,634,107	113,853,729

Source: Previous years' audits and current year financial statements

Note: Villages, Village on Elizabeth and Village on Stanford (Blended Component Units) added to prior years for comparability

## Housing Catalyst

Table 2 - Changes in Net Position - Last Ten Fiscal Years  
(Unaudited)

	2015	2016	2017	2018
<i>Operating Revenue:</i>				
Intergovernmental revenues	\$ 11,595,136	\$ 13,165,946	\$ 14,490,955	\$ 12,611,505
Net tenant revenue	6,510,590	6,581,050	5,744,539	4,202,111
Other revenues	4,047,726	2,077,927	4,100,989	12,358,274
	<u>22,153,452</u>	<u>21,824,923</u>	<u>24,336,483</u>	<u>29,171,890</u>
<i>Operating Expenses:</i>				
Administrative	4,746,102	4,966,229	4,880,011	4,904,917
Utilities	581,684	591,564	585,827	419,641
Ordinary maintenance and operating	2,413,961	2,645,093	2,438,186	1,924,939
General expenses	648,732	684,100	716,259	585,884
Depreciation and amortization	1,994,147	2,071,622	1,820,953	1,286,120
Housing assistance payments	8,722,655	9,175,020	9,337,277	10,367,104
	<u>19,107,281</u>	<u>20,133,628</u>	<u>19,778,513</u>	<u>19,488,605</u>
<i>Operating Income (Loss)</i>	3,046,171	1,691,295	4,557,970	9,683,285
<i>Nonoperating Revenue (Expenses):</i>				
Investment revenue	434,497	638,677	726,146	1,228,103
Interest expense	(1,238,161)	(1,236,647)	(1,035,887)	(633,128)
Other revenue	(4,582)	476,252	13,720,482	6,096,457
Other financing costs	-	(52,771)	(48,771)	(19,032)
	<u>(808,246)</u>	<u>(174,489)</u>	<u>13,361,970</u>	<u>6,672,400</u>
<i>Income (Loss) before Capital Contribution</i>	2,237,925	1,516,806	17,919,940	16,355,685
Capital grants	118,951	8,890	657,730	149,720
Change in net position	2,356,876	1,525,696	18,577,670	16,505,405
<i>Net Position, Beginning of the Year</i>	<u>30,414,824</u>	<u>32,771,700</u>	<u>34,297,396</u>	<u>52,875,066</u>
<i>Net Position, End of the Year</i>	<u>\$ 32,771,700</u>	<u>\$ 34,297,396</u>	<u>\$ 52,875,066</u>	<u>\$ 69,380,471</u>

Source: Previous years' audits and current year financial statements

Note: Villages, Village on Elizabeth and Village on Stanford (Blended Component Units) added to prior years for comparability

## Housing Catalyst

Table 2 - Changes in Net Position - Last Ten Fiscal Years  
(Unaudited)

2019	2020	2021	2022	2023	2024
\$ 14,546,760	\$ 16,504,807	\$ 20,685,292	\$ 20,855,062	\$ 23,452,532	\$ 26,555,080
3,988,857	3,998,690	3,744,497	3,581,889	3,613,410	3,814,977
4,621,325	4,570,085	4,956,118	6,756,494	7,072,369	7,428,094
<u>23,156,942</u>	<u>25,073,582</u>	<u>29,385,907</u>	<u>31,193,445</u>	<u>34,138,311</u>	<u>37,798,151</u>
5,241,194	6,230,664	6,726,651	8,247,637	10,018,094	9,624,388
346,771	352,049	338,310	359,185	345,316	318,278
2,050,864	1,877,835	1,997,570	2,206,035	2,030,588	1,976,503
614,339	664,524	660,788	341,089	466,005	471,641
1,237,380	1,184,893	1,103,758	1,079,417	1,238,058	1,478,698
11,223,214	12,279,216	14,024,566	16,795,731	19,225,513	21,300,413
<u>20,713,762</u>	<u>22,589,181</u>	<u>24,851,643</u>	<u>29,029,094</u>	<u>33,323,574</u>	<u>35,169,921</u>
2,443,180	2,484,401	4,534,264	2,164,351	814,737	2,628,230
1,468,974	1,458,257	1,579,758	1,900,514	2,424,087	2,631,146
(587,505)	(505,343)	(607,880)	(760,517)	(581,132)	(438,620)
1,981,406	-	3,900,231	3,264,220	9,585,777	1,983,267
(7,500)	(1,000)	(851)	(1,766)	(4,287)	(500)
<u>2,855,375</u>	<u>951,914</u>	<u>4,871,258</u>	<u>4,402,451</u>	<u>11,424,445</u>	<u>4,175,293</u>
5,298,555	3,436,315	9,405,522	6,566,802	12,239,182	6,803,523
157,731	169,425	177,887	218,316	-	-
5,456,286	3,605,740	9,583,409	6,785,118	12,239,182	6,803,523
69,380,471	74,836,757	78,442,497	88,025,906	94,811,024	107,050,206
<u>\$ 74,836,757</u>	<u>\$ 78,442,497</u>	<u>\$ 88,025,906</u>	<u>\$ 94,811,024</u>	<u>\$ 107,050,206</u>	<u>\$ 113,853,729</u>

## Housing Catalyst

Table 3 - Operating Revenues by Source - Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Net Tenant Rental		Intergovernmental		Other		Total
	Amount	% of Total	Amount	% of Total	Amount	% of Total	
2015	\$ 6,510,590	29.39%	\$ 11,595,136	52.34%	\$ 4,047,726	18.27%	\$ 22,153,452
2016	6,581,050	30.15%	13,165,946	60.33%	2,077,927	9.52%	21,824,923
2017	5,744,539	23.60%	14,490,955	59.55%	4,100,989	16.85%	24,336,483
2018	4,202,111	14.40%	12,611,505	43.23%	12,358,274	42.36%	29,171,890
2019	3,988,857	17.23%	14,546,760	62.82%	4,621,325	19.96%	23,156,942
2020	3,998,690	15.95%	16,504,807	65.83%	4,570,085	18.23%	25,073,582
2021	3,744,497	12.74%	20,685,292	70.39%	4,956,118	16.87%	29,385,907
2022	3,581,889	11.48%	20,855,062	66.86%	6,756,494	21.66%	31,193,445
2023	3,613,410	10.58%	23,452,532	68.70%	7,072,369	20.72%	34,138,311
2024	3,814,977	10.09%	26,555,080	70.26%	7,428,094	19.65%	37,798,151

Source: Previous years' audits and current year financial statements

Note: Villages, Village on Elizabeth and Village on Stanford (Blended Component Units) added to prior years for comparability

## Housing Catalyst

Table 4 - Non-Operating Revenues by Source - Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Intergovernmental		Investment		Other Income		Total
	Amount	% of Total	Amount	% of Total	Amount	% of Total	
2015	\$ -	0.00%	\$ 434,497	101.07%	\$ (4,582)	-1.07%	\$ 429,915
2016	-	0.00%	638,677	57.28%	476,252	42.72%	1,114,929
2017	-	0.00%	726,146	5.03%	13,720,482	94.97%	14,446,628
2018	-	0.00%	1,228,103	16.77%	6,096,457	83.23%	7,324,560
2019	-	0.00%	1,468,974	42.57%	1,981,406	57.43%	3,450,380
2020	-	0.00%	1,458,257	100.00%	-	0.00%	1,458,257
2021	-	0.00%	1,579,758	28.83%	3,900,231	71.17%	5,479,989
2022	-	0.00%	1,900,514	36.80%	3,264,220	63.20%	5,164,734
2023	-	0.00%	2,424,087	20.18%	9,585,777	79.82%	12,009,864
2024	-	0.00%	2,631,146	57.02%	1,983,267	42.98%	4,614,413

Source: Previous years' audits and current year financial statements

Note: Villages, Village on Elizabeth and Village on Stanford (Blended Component Units) added to prior years for comparability

**Housing Catalyst**Table 5 - Debt Service Coverage - Last Ten Fiscal Years  
(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenue	\$ 22,706,900	\$ 22,472,490	\$ 25,720,359	\$ 30,549,713
Expenses (excluding depreciation)	<u>(18,351,295)</u>	<u>(19,351,424)</u>	<u>(19,042,218)</u>	<u>(18,854,645)</u>
Revenue Available for debt service	<u>\$ 4,355,605</u>	<u>\$ 3,121,066</u>	<u>\$ 6,678,141</u>	<u>\$ 11,695,068</u>
Debt Service Requirements:				
Principal	\$ 484,461	\$ 991,009	\$ 2,251,854	\$ 452,274
Interest	<u>1,034,381</u>	<u>1,126,097</u>	<u>1,230,982</u>	<u>548,561</u>
Total	<u>\$ 1,518,842</u>	<u>\$ 2,117,106</u>	<u>\$ 3,482,836</u>	<u>\$ 1,000,835</u>
Debt Service Coverage Ratio	2.87	1.47	1.92	11.69

Source: Previous years' audits and current year financial statements

Note: Villages, Village on Elizabeth and Village on Stanford (Blended Component Units) added to prior years for comparability

## Housing Catalyst

Table 5 - Debt Service Coverage - Last Ten Fiscal Years  
(Unaudited)

2019	2020	2021	2022	2023	2024
\$ 24,783,647 (20,071,387)	\$ 26,701,264 (21,910,631)	\$ 31,143,552 (24,356,616)	\$ 33,312,275 (28,711,960)	\$ 36,562,398 (32,670,935)	\$ 40,429,297 (34,130,343)
<u>\$ 4,712,260</u>	<u>\$ 4,790,633</u>	<u>\$ 6,786,936</u>	<u>\$ 4,600,315</u>	<u>\$ 3,891,463</u>	<u>\$ 6,298,954</u>
\$ 506,660 534,980	\$ 450,561 394,629	\$ 148,729 364,810	\$ 243,274 692,922	\$ 394,577 714,801	\$ 11,571,069 301,598
<u>\$ 1,041,640</u>	<u>\$ 845,190</u>	<u>\$ 513,539</u>	<u>\$ 936,196</u>	<u>\$ 1,109,378</u>	<u>\$ 11,872,667</u>
4.52	5.67	13.22	4.91	3.51	0.53

## Housing Catalyst

Table 6 -Ratio of Debt to Capital Assets - Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Current Portion of Long-Term Debt</u>	<u>Long-Term Debt</u>	<u>Total Debt</u>	<u>Capital Assets</u>	<u>Ratio of Total Debt to Capital Assets</u>
2015	\$ 2,836,111	\$ 32,686,248	\$ 35,522,359	\$ 44,923,159	79.07%
2016	2,253,476	31,464,904	33,718,380	42,796,227	78.79%
2017	440,901	11,411,184	11,852,085	22,465,778	52.76%
2018	507,044	14,512,702	15,019,746	23,276,957	64.53%
2019	495,582	11,313,995	11,809,577	18,892,939	62.51%
2020	197,175	10,254,308	10,451,483	18,439,656	56.68%
2021	287,109	29,815,277	30,102,386	16,985,614	177.22%
2022	426,012	26,755,373	27,181,385	16,652,199	163.23%
2023	11,612,153	13,202,983	24,815,136	19,903,673	124.68%
2024	622,386	12,605,978	13,228,364	24,134,783	54.81%

Source: Previous years' audits and current year financial statements

Note: Total debt amount includes short-term portion of debt and leases due within one year

Note: Villages, Village on Elizabeth and Village on Stanford (Blended Component Units) added to prior years for comparability

## Housing Catalyst

Table 7 - Service Area Demographics / Statistics - Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>City of Fort Collins Population</u>	<u>Residents of Housing Catalyst</u>	<u>Fort Collins &amp; Larimer County Unemployment Rate</u>
2015	160,935	3,286	3.3%
2016	162,919	3,164	2.8%
2017	167,500	2,717	2.2%
2018	171,100	2,847	2.8%
2019	172,653	2,828	2.3%
2020	174,871	2,755	6.1%
2021	172,321	3,188	3.5%
2022	174,445	3,404	2.9%
2023	172,547	2,952	3.3%
2024	172,547 *	3,121	4.2%

\* Population data not updated for 2024 at the time of issuance

Note: Resident data does not include Villages, Village on Elizabeth or Village on Stanford due to insufficient demographic records.

Source: City of Fort Collins, Bureau of Labor Statistics and Housing Catalyst tenant records.

## Housing Catalyst

Table 8 - Principal Employers for the City of Fort Collins  
(Unaudited)

	2023 (1)		
	Employees	Rank	Percentage of Total City Employment
Colorado State University	8,840	1	7.6%
UC Health: Poudre Valley Hospital	7,020	2	6.0%
Poudre R-1 School District	4,740	3	4.1%
City of Fort Collins	2,400	4	2.1%
Larimer County	2,310	5	2.0%
Woodward	1,420	6	1.2%
Broadcom (Avago)	1,130	7	1.0%
Department of Agriculture	1,090	8	0.9%
Orthopaedic & Spine Center of the Rockies	1,030	9	0.9%
Summitstone Health Partners	950	10	0.8%
<b>Total</b>	<b>30,930</b>		<b>26.6%</b>
	2013 (1)		
	Employees	Rank	Percentage of Total City Employment
Colorado State University	7,317	1	8.1%
Poudre R-1 School District	4,025	2	4.5%
UC Health: Poudre Valley Hospital	3,078	3	3.4%
City of Fort Collins	1,889	4	2.1%
Larimer County	1,566	5	1.7%
Hewlett Packard	1,312	6	1.5%
Center Partners	1,299	7	1.5%
Woodward	1,291	8	1.4%
Employment Solutions Personnel Serv.	1,242	9	1.4%
Broadcom (Avago)	852	10	0.9%
<b>Total</b>	<b>23,871</b>		<b>26.6%</b>

Source: City of Fort Collins Annual Comprehensive Financial Report, FY 12/31/2023

(1) Current year data is unavailable at the time of the preparation of the Annual Comprehensive Financial Report.

## Housing Catalyst

Table 9 - Resident Demographics / Population Statistics - Last Ten Fiscal Years  
(Unaudited)

Public Housing and Non-HUD Housing Programs				
Fiscal Year	Number of minors (ages 0-18)	Number of adults (ages 19-61)	Number of elderly (ages 62+)	Total number of residents
2015	265	543	68	876
2016	261	449	64	774
2017	81	89	17	187
2018	80	87	20	187
2019	73	89	20	182
2020	66	92	17	175
2021	56	84	19	159
2022	53	77	18	148
2023	5	11	10	26
2024	-	-	1	1

Housing Choice Voucher Program				
Fiscal Year	Number of minors (ages 0-18)	Number of adults (ages 19-61)	Number of elderly (ages 62+)	Total number of residents
2015	975	1,145	290	2,410
2016	917	1,154	319	2,390
2017	987	1,222	321	2,530
2018	996	1,251	413	2,660
2019	951	1,255	440	2,646
2020	859	1,244	477	2,580
2021	1,033	1,488	508	3,029
2022	1,100	1,580	576	3,256
2023	908	1,432	586	2,926
2024	1,005	1,519	596	3,120

Source: Housing Catalyst tenant records.

Note: Does not include Villages, Village on Elizabeth or Village on Stanford due to insufficient demographic records.

## Housing Catalyst

Table 10 - Resident Demographics / Ethnicity Statistics - Last Ten Fiscal Years  
(Unaudited)

Public Housing and Non-HUD Housing Programs						
Fiscal Year	Caucasian	Latino	African American	Native American	Other	Total
2015	565	232	43	20	16	876
2016	511	217	25	13	8	774
2017	96	75	6	6	4	187
2018	90	81	8	8	-	187
2019	85	81	9	7	-	182
2020	79	81	8	7	-	175
2021	68	78	7	6	-	159
2022	58	71	4	5	10	148
2023	10	16	-	-	-	26
2024	1	-	-	-	-	1

Housing Choice Voucher Program						
Fiscal Year	Caucasian	Latino	African American	Native American	Other	Total
2015	1,712	530	96	48	24	2,410
2016	1,720	502	96	48	24	2,390
2017	1,770	557	101	51	51	2,530
2018	1,534	856	186	75	9	2,660
2019	1,556	819	155	58	58	2,646
2020	1,453	834	160	74	59	2,580
2021	1,594	1,003	242	104	86	3,029
2022	1,795	959	275	122	105	3,256
2023	1,576	951	201	95	103	2,926
2024	1,616	991	279	114	120	3,120

Source: Housing Catalyst tenant records.

Note: Does not include Villages, Village on Elizabeth or Village on Stanford due to insufficient demographic records.

**Housing Catalyst**

Table 11 - Number of Housing Catalyst Dwelling Units - Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Public Housing</u>	<u>Housing Choice Vouchers</u>	<u>VASH Vouchers</u>	<u>Emergency Housing Vouchers</u>	<u>Five Year Mainstream Vouchers</u>	<u>RAD</u>	<u>SRO</u>	<u>TBRA</u>	<u>VOCC</u>	<u>Villages, VOE &amp; VOS</u>	<u>Total</u>
2015	154	901	112	112	63	-	27	10	285	360	2,024
2016	154	916	121	121	64	-	-	5	285	360	2,026
2017	70	870	115	115	60	69	-	-	-	360	1,659
2018	70	983	122	122	63	19	-	-	-	360	1,739
2019	70	969	119	119	99	-	-	-	-	360	1,736
2020	70	956	133	133	141	-	-	-	-	359	1,792
2021	70	1,108	143	13	196	-	-	-	-	315	1,845
2022	48	1,144	142	23	208	-	-	-	-	315	1,880
2023	15	1,140	155	22	237	-	-	-	-	302	1,871
2024	-	1,122	167	18	239	-	-	-	-	310	1,856

Source: Housing Catalyst tenant records.

## Housing Catalyst

Table 12 - Property Characteristics and Unit Composition - Last Ten Fiscal Years  
(Unaudited)

Name of Development	Address	Number of Units	Year Built
Villages:			
Village on Bryan	100 S Bryan Avenue	27	1988
Village on Castlerock	1204 Castlerock Drive	4	1961
Village on Cherry	1321 Cherry Street	4	1980
Village on Cowen	615 Cowan Street	19	1971
First - SRO	300 1st Street	13	1981
Village on Leisure	2700 Leisure Drive	26	1971
Village on Maple	1216 Maple Street	4	1994
Village on Matuka	1200 Matuka Court	20	1991
Myrtle - SRO	811 E Myrtle Street	16	1950
Village on Stanford	2831 Stanford Road	6	1969
Duplexes	813 Cherry Street	10	1960
Single Family Home - 327 Howes	327 N Howes Street	1	1934
Single Family Home - 331 Howes	331 N Howes Street	1	1900
Single Family Home - 1711 Remington	1711 Remington Street	1	1957
Single Family Home - 1713 Remington	1713 Remington Street	1	1957
Single Family Home - Stuart	124 E Stuart Street	1	1939
Remington Row	705-715 Remington Street	11	2014
Plum Place	2155 W. Plum Street	<u>15</u>	1980
		180	
Village on Elizabeth:	2209 W Elizabeth Street	48	1970
Village on Stanford:	2631 Stanford Road	<u>82</u>	2009
	Total Units	<u><u>310</u></u>	

Source: Housing Catalyst Property Records

## Housing Catalyst

Table 13 - Number of Housing Catalyst Staff - Last Ten Fiscal Years  
(Unaudited)

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<u>Fiscal Year</u>	<u>Administration</u>	<u>Development</u>	<u>Finance</u>	<u>Housing</u>	<u>Maintenance</u>	<u>Total</u>
2015	8	6	7	24	16	61
2016	8	6	7	27	15	63
2017	8	6	6	27	16	63
2018	8	4	6	28	14	60
2019	9	4	7	36	16	72
2020	6	7	10	45	17	85
2021	10	8	8	48	16	90
2022	8	6	9	52	16	91
2023	8	7	9	53	14	91
2024	9	7	10	52	14	92

Source: Housing Catalyst employment records.

# Housing Catalyst

Fort Collins, Colorado

## ***Single Audit Section:***

Independent Auditors' Reports

Schedule of Findings and Questioned Costs

Schedule of Prior Year Audit Findings

Schedule of Expenditures of Federal Awards





**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 Commissioners  
Housing Catalyst  
Fort Collins, Colorado

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 (*Government Auditing Standards*), the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Catalyst (the Authority) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 18, 2025. The financial statements of the discretely presented component units 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 the discretely presented component units.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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 or significant deficiencies may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority 's financial statements are free from 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 financial statements. 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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Fargo, North Dakota  
June 18, 2025



## **Independent Auditor’s Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance**

To the Board of Commissioners  
Housing Catalyst  
Fort Collins, Colorado

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on the Major Federal Program***

We have audited Housing Catalyst’s (the Authority) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the major federal program of the Authority for the year ended December 31, 2024. The Authority’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended December 31, 2024.

#### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority’s compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority 's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on 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 a 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 a 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 attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Fargo, North Dakota  
June 18, 2025

**Section I – Summary of Auditor’s Results**

**FINANCIAL STATEMENTS**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516 (a):	No

**Identification of major programs:**

Name of Federal Program	Federal Financial Assistance Listing
Housing Voucher Cluster:	
Section 8 Housing Choice Vouchers	14.871
Mainstream Vouchers	14.879
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

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**Section II – Financial Statement Findings**

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**None Reported**

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**Section III – Federal Award Findings and Questioned Costs**

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**None Reported**

## Housing Catalyst

Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2024

Federal Agency / Pass-Through Grantor Program Title	Federal Financial Assistance Listing / Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
United States Department of Housing and Urban Development:			
Housing Choice Voucher Cluster			
Section 8 Housing Choice Vouchers **	14.871	-	\$ 18,325,210
Mainstream Vouchers **	14.879	-	2,688,281
Emergency Housing Vouchers **	14.871	-	394,056
Total Housing Choice Voucher Cluster			21,407,547
Public and Indian Housing	14.850	-	-
Family Self-Sufficiency Program	14.896	-	254,870
Continuum of Care Program	14.267	-	370,950
Total Direct Awards			22,033,367
Passed through the City of Fort Collins:			
HOME Investment Partnership Program - Development Funds	14.239	2155 Plum	689,000
Community Development Block Grants / Entitlement Grants	14.218	330 Impala, 2155 Plum	714,402
Total Pass-Through Awards			1,403,402
Blended Component Unit (Larimer County Housing Authority)			
United States Department of Housing and Urban Development:			
Housing Choice Voucher Cluster ***			
Section 8 Housing Choice Vouchers	14.871	-	522,194
Mainstream Vouchers	14.879	-	800,595
Total Housing Choice Voucher Cluster			1,322,789
Total Federal Expenditures			\$ 24,759,558

\*\* - Denotes a Major Program

\*\*\* - Denotes operations tested as part of the Larimer County Housing Authority Single Audit and was not included in the Major Program determination of Housing Catalyst

# Housing Catalyst

Notes to Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2024

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## **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Housing Catalyst under programs of the federal government for the year ended December 31, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) 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 Housing Catalyst, it is not intended to and does not present the financial position, changes in net position or cash flows of Housing Catalyst.

## **Note 2 - Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

## **Note 3 - Indirect Cost Rate**

Housing Catalyst has not elected to use the 10-percent de minimis indirect cost rate.