BRIDGE MEADOWS

Consolidated Financial Statements for the year ended December 31, 2018 and Independent Auditor’s Report
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INDEPENDENT AUDITOR’S REPORT

The Board of Directors of
Bridge Meadows
Portland, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of Bridge Meadows (a nonprofit organization) and affiliated entities (“Bridge Meadows and Affiliated Entities”) which comprise the consolidated statement of financial position as of December 31, 2018, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 19 through 22 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information for is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Bjorklund & Montplaisir

Portland, Oregon
August 5, 2019
ASSETS

CURRENT ASSETS:

- Cash and cash equivalents: $779,537
- Accounts receivable: 13,352
- Contributions receivable: 284,174
- Prepaid expenses: 28,341

Total current assets: 1,105,404

NONCURRENT ASSETS:

- Tenant security deposits held in trust: 45,300
- Restricted deposits: 1,015,948
- Tax credit fees - net: 80,611
- Land held for sale: 1,184,000
- Other assets: 207,484

Fixed assets:

- Land and land improvements: 3,481,104
- Buildings and improvements: 22,833,464
- Furnishings and equipment: 760,299
- Website: 26,353

Total fixed assets: 27,101,220

Less accumulated depreciation: (2,819,108)

Fixed assets - net: 24,282,112

Total noncurrent assets: 26,815,455

TOTAL: $27,920,859

(Continued)
BRIDGE MEADOWS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT LIABILITIES:</strong></td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities $227,247</td>
</tr>
<tr>
<td>Prepaid rents 612</td>
</tr>
<tr>
<td>Accrued interest 4,550</td>
</tr>
<tr>
<td>Current portion of notes payable 77,625</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong> 310,034</td>
</tr>
<tr>
<td><strong>NONCURRENT LIABILITIES:</strong></td>
</tr>
<tr>
<td>Refundable security deposits 45,060</td>
</tr>
<tr>
<td>Notes payable, net 7,716,804</td>
</tr>
<tr>
<td>Deferred interest 120,526</td>
</tr>
<tr>
<td><strong>Total noncurrent liabilities</strong> 7,882,390</td>
</tr>
<tr>
<td><strong>Total liabilities</strong> 8,192,424</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets without donor restrictions:</td>
</tr>
<tr>
<td>Controlling interests 6,999,085</td>
</tr>
<tr>
<td>Noncontrolling interests 11,296,692</td>
</tr>
<tr>
<td><strong>Total net assets without donor restrictions</strong> 18,295,777</td>
</tr>
<tr>
<td>Net assets with donor restrictions 1,432,658</td>
</tr>
<tr>
<td><strong>Total net assets</strong> 19,728,435</td>
</tr>
<tr>
<td><strong>TOTAL</strong> 27,920,859</td>
</tr>
</tbody>
</table>

(Concluded)

See notes to consolidated financial statements.
BRIDGE MEADOWS
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>Net assets without donor restrictions</th>
<th>Net assets with donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPPORT AND REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>$ 953,086</td>
<td>$ 462,000</td>
<td>$ 1,415,086</td>
</tr>
<tr>
<td>Donated land and other materials</td>
<td>77,394</td>
<td>1,184,000</td>
<td>1,261,394</td>
</tr>
<tr>
<td>Special events, net</td>
<td>254,574</td>
<td>-</td>
<td>254,574</td>
</tr>
<tr>
<td>Total support</td>
<td>1,285,054</td>
<td>1,646,000</td>
<td>2,931,054</td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net rental revenue</td>
<td>678,191</td>
<td>-</td>
<td>678,191</td>
</tr>
<tr>
<td>Interest income</td>
<td>2,791</td>
<td>-</td>
<td>2,791</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>856</td>
<td>-</td>
<td>856</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>1,864,514</td>
<td>(1,864,514)</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues</td>
<td>2,546,352</td>
<td>(1,864,514)</td>
<td>681,838</td>
</tr>
<tr>
<td>Total support and revenue</td>
<td>3,831,406</td>
<td>(218,514)</td>
<td>3,612,892</td>
</tr>
</tbody>
</table>

| **EXPENSES:**          |                                      |                                   |         |
| Program services        |                                      |                                   |         |
| Affordable housing      | 1,517,284                             | -                                 | 1,517,284 |
| Community development   | 141,532                               | -                                 | 141,532  |
| Resident services       | 386,359                               | -                                 | 386,359  |
| Total program services  | 2,045,175                             | -                                 | 2,045,175 |
| Support services        |                                      |                                   |         |
| Management and general  | 358,258                               | -                                 | 358,258  |
| Fundraising             | 339,252                               | -                                 | 339,252  |
| Total support services  | 697,510                               | -                                 | 697,510  |
| Total expenses          | 2,742,685                             | -                                 | 2,742,685 |

**CHANGE IN NET ASSETS**

|                                | $ 1,088,721 | $(218,514) | $ 870,207 |

(Continued)
### BRIDGE MEADOWS

**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2018**

<table>
<thead>
<tr>
<th>Net Assets without Donor Restrictions</th>
<th>Controlling Interests</th>
<th>Non-controlling Interests</th>
<th>Total</th>
<th>Net assets with donor restrictions</th>
<th>Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET ASSETS, DECEMBER 31, 2017</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital contributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>2,009,882</td>
<td>(921,161)</td>
<td>1,088,721</td>
<td>(218,514)</td>
<td>870,207</td>
</tr>
<tr>
<td><strong>NET ASSETS, DECEMBER 31, 2018</strong></td>
<td>6,999,085</td>
<td>11,296,692</td>
<td>18,295,777</td>
<td>1,432,658</td>
<td>19,728,435</td>
</tr>
</tbody>
</table>

See notes to consolidated financial statements.

(Concluded)
**BRIDGE MEADOWS**

**CONSOLIDATED STATEMENT OF CASH FLOWS**
**YEAR ENDED DECEMBER 31, 2018**

<table>
<thead>
<tr>
<th>CASH FLOWS FROM OPERATING ACTIVITIES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided by operating activities:</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
</tr>
<tr>
<td>Deferred lease income</td>
</tr>
<tr>
<td>Donated land</td>
</tr>
<tr>
<td>Decrease (increase) in operating assets:</td>
</tr>
<tr>
<td>Accounts and contributions receivable</td>
</tr>
<tr>
<td>Prepaid expenses</td>
</tr>
<tr>
<td>Tenant security deposits held in trust</td>
</tr>
<tr>
<td>Increase (decrease) in operating liabilities:</td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities</td>
</tr>
<tr>
<td>Prepaid rents</td>
</tr>
<tr>
<td>Accrued and deferred interest</td>
</tr>
<tr>
<td>Refundable security deposits</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH FLOWS FROM INVESTING ACTIVITIES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net change in restricted deposits</td>
</tr>
<tr>
<td>Additions to fixed assets</td>
</tr>
<tr>
<td>Predevelopment costs paid</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH FLOWS FROM FINANCING ACTIVITIES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term borrowings</td>
</tr>
<tr>
<td>Principal payments on notes payable</td>
</tr>
<tr>
<td>Capital contributions from limited partners of tax credit partnerships</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET CHANGE IN CASH AND CASH EQUIVALENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1,085,919)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,865,456</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH AND CASH EQUIVALENTS AT END OF YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 779,537</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest incurred</td>
</tr>
<tr>
<td>Interest paid</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NON-CASH INVESTING AND FINANCING ACTIVITIES-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions to fixed assets through incurrence of -</td>
</tr>
<tr>
<td>Accounts payable</td>
</tr>
</tbody>
</table>

See notes to consolidated financial statements.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Bridge Meadows is a nonprofit organization that was formed to develop and sustain supportive intergenerational communities for families of children who have experienced foster care and to promote permanency, community, and caring relationships, while offering safety and meaningful purpose in the daily lives of other adults. At December 31, 2018, Bridge Meadows has an ownership interest in four affordable housing entities (“Affiliated Entities”) as follows:

<table>
<thead>
<tr>
<th></th>
<th>Number of Units</th>
<th>Percentage Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridge Meadows Senior Apartments LLC</td>
<td>-</td>
<td>100.00%</td>
</tr>
<tr>
<td>Bridge Meadows Senior Housing Limited Partnership</td>
<td>27</td>
<td>.01%</td>
</tr>
<tr>
<td>Bridge Meadows GP LLC - General Partner in-</td>
<td>-</td>
<td>100.00%</td>
</tr>
<tr>
<td>Bridge Meadows-Beaverton Limited Partnership</td>
<td>41</td>
<td>.01%</td>
</tr>
<tr>
<td>Bridge Meadows Family Homes LLC</td>
<td>9</td>
<td>100.00%</td>
</tr>
<tr>
<td>New Meadows Property LLC</td>
<td>15</td>
<td>98.00%</td>
</tr>
</tbody>
</table>

Tax Credit Partnerships - Bridge Meadows Senior Housing Limited Partnership and Bridge Meadows-Beaverton Limited Partnership (“Tax Credit Partnerships”) were organized to develop affordable housing units in conformity with the provisions of Section 42 of the Internal Revenue Code which include, but are not limited to, compliance with tenant income eligibility and rent restrictions during a fifteen year compliance period (“Compliance Period”). Pursuant to Section 42, each of these entities are subject to an extended use agreement that requires continued compliance with the tenant eligibility rent restrictions for a fifteen year period after the initial Compliance Period.

Bridge Meadows is the General Partner in each of the Tax Credit Partnerships through sole member limited liability companies that were organized by Bridge Meadows. Bridge Meadows has an option to purchase the 99.99% ownership interest owned by the limited partner in each of these entities at the end of the Compliance Period.

The housing project located in Portland, Oregon, which is owned by Bridge Meadows Senior Housing Limited Partnership, includes 27 apartments for seniors and an intergenerational community center for the use of all residents, including the residents of the nine adjacent homes owned by Bridge Meadows Family Homes LLC.

The housing project located in Beaverton, Oregon, which is owned by Bridge Meadows-Beaverton Limited Partnership, includes nine homes for adoptive families and children, 32 apartments for elders, and an intergenerational community center for all residents.

Bridge Meadows Family Homes LLC (“Family Homes”) - Family Homes was organized to finance and develop nine family homes to serve adoptive families and children. The nine family homes are located adjacent to the housing project owned by Bridge Meadows Senior Housing Limited Partnership.
1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**New Meadows Property LLC (“New Meadows”)** - Bridge Meadows has partnered with New Avenues for Youth to finance and develop a 15-unit apartment complex located in close proximity to Bridge Meadows which was completed and placed in service in July 2018. New Meadows was organized to house and serve young people aging out of the foster care system and provide life skills training, academic support, counseling services and an intergenerational community to help them build life-long bonds. Ownership in New Meadows is based on the amount of capital contribution made by each owner.

Bridge Meadows and New Avenues for Youth also formed New Meadows Operations LLC which leases the 15-unit apartment complex from New Meadows. Services to residents, which are discussed above, are provided by New Avenues for Youth. As of December 31, 2018, Bridge Meadows has not made a capital contribution to New Meadows Operations LLC.

**Principles of Consolidation** – The accompanying consolidated financial statements include the accounts of Bridge Meadows and Affiliated Entities. The Affiliated Entities are included in the consolidated financial statements in accordance with generally accepted accounting principles because Bridge Meadows is deemed to be in control of each of these entities. All intercompany transactions and balances have been eliminated in consolidation.

**Noncontrolling Interest** – The amounts shown as noncontrolling interest represent the aggregate balance of the limited partners or member’s equity interest in the non-wholly owned entities that are included in the consolidated financial statements.

**Basis of Presentation** – The financial statements are presented on the accrual basis. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Financial Accounting Standards Board issued Accounting Standards Update No. 2016-14, Not-for-Profit Entities (Topic 958) *Presentation of Financial Statements of Not-for-Profit Entities* (“Update”) that is effective for fiscal years beginning after December 15, 2017. The Update requires changes in the presentation of financial statements for Not-for-Profit Entities related to net asset classification, liquidity, investment returns, the statement of cash flows and functional expenses.

The Update simplifies the treatment of net assets in financial statements by focusing on the existence or absence of donor imposed restrictions as opposed to the current three classes of net assets (unrestricted, temporarily restricted, and permanently restricted). Accordingly, the Update eliminates the three required classes of net assets and replaces them with two new classes, those with donor restrictions and those without donor restrictions. Temporarily restricted net assets in prior years financial statements are presented as net assets with donor restrictions.

**Cash and Cash Equivalents** – For purposes of the statement of cash flows, Bridge Meadows and Affiliated Entities consider all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accounts Receivable and Bad Debts – Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. 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.

Contributions receivable at December 31, 2018 represent unconditional promises to give and are due within one year.

Fixed Assets are recorded at costs or at the estimated fair value of donated assets on the date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets which are 40 years for buildings, 3 to 10 years for furniture and equipment, and 5 years for website costs.

Management reviews fixed assets for financial impairment and will continue to evaluate assets if events or circumstances indicate the carrying amount of an asset may not be fully recoverable.

Debt Issuance Costs – Debt issuance costs are being amortized using the straight-line method over the terms of the related notes. Accounting principles generally accepted in United States of America require the effective yield method be used to amortize debt issuance costs; however, the effect of using the straight-line method is not materially different from the results that would be obtained using the effective yield method. Amortization of debt issuance costs of $4,901 for the year ended December 31, 2018 is included in interest expense. Accumulated amortization of debt issuance costs was $34,246 at December 31, 2018.

Tax Credit Fees are recorded at cost and are amortized on the straight-line method over the fifteen year tax credit compliance period. Accumulated amortization was $26,274 at December 31, 2018. Amortization was $7,124 for the year ended December 31, 2018. Amortization of tax credit fees for each of the next five years will be $7,124 each year.

Tax Credits – The Tax Credit Partnerships have received an allocation of Low-Income Housing Tax Credits (“LIHTC”) for their qualifying rental property. The benefits of the LIHTC are provided to the partners through the partnerships’ annual Federal income tax return filing and are not reflected in the accompanying financial statements. The LIHTC is a 15-year credit that is generally claimed by the partnerships over a 10-year period. The credit is a certain percentage (as determined by the Internal Revenue Service) of the qualified basis of the property. The partnerships may only lease qualified units to tenants who meet certain income restrictions and whose rent payments also are restricted under guidelines set by the Internal Revenue Service.

Because the LIHTC is subject to complying with certain requirements, there can be no assurance that the aggregate amount of LIHTC will be realized. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period could result in the loss of LIHTC and the recapture of previously claimed LIHTC plus interest.
Federal and State Taxes – Bridge Meadows and Family Homes are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state statutes and did not have any unrelated business income for the year ended December 31, 2018. Due to its tax exempt status, Bridge Meadows and Family Homes are not subject to income taxes. Accordingly, these financial statements do not reflect a provision for income taxes and there are no other tax positions which must be considered for disclosure. Bridge Meadows is required to file tax returns with the IRS and other taxing authorities.

The Tax Credit Partnerships and New Meadows are taxable entities, however, each of the entities have elected to be treated as a pass-through entity for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its partners or members on their respective income tax returns. The Tax Credit Partnerships and New Meadows’ federal tax statuses are based on their legal status as a partnership. Accordingly, the Tax Credit Partnerships and New Meadows are not required to take any tax positions in order to qualify as a pass-through entity. Accordingly, these financial statements do not reflect a provision for income taxes and the Tax Credit Partnerships and New Meadows have no other tax positions which must be considered for disclosure. The Tax Credit Partnerships and New Meadows are required to file and do file tax returns with the Internal Revenue Service and other taxing authorities.

Income tax returns filed by each of the entities are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2015 remain open and subject to examination.

Functional Expenses – The costs of providing program services and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services and supporting services based on an allocation of employees’ time incurred and on usage of resources. Bridge Meadows core programs are as follows:

- **Affordable Housing** – Bridge Meadows has an ownership interest in 92 units of affordable rental housing and is responsible for the management of these units through a third-party property management company except for New Meadows which is managed by New Avenues for Youth. The affordable housing units include 18 homes which are available for adoptive families and children, 59 apartments for senior citizens and 15 apartments for young people aging out of the foster care system.

- **Community Development** – Bridge Meadows have developed 92 housing units through new construction over the last decade. Currently the developments of two additional communities in Oregon are in a predevelopment phase.

- **Resident Services** – Bridge Meadows provides services to the tenants of the affiliated affordable housing units in order to improve the social, economic, and environmental conditions affecting their lives. The program offers better access to community services, skill building workshops, a resident newsletter, and activities for young and adult residents.
1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - Continued

   **Revenue Recognition**

   Rental income, principally short-term leases on apartment units, is recognized as the rentals become due.

   Grants and Contributions – Bridge Meadows receives grants and contributions from private foundations and government sources. Government grants, which generally reflect cost reimbursement agreements are recognized when earned. Contributions, which include unconditional promises to give, are recorded as revenue at estimated net realizable value in the period Bridge Meadows is notified of the commitment. Conditional promises to give are not included as revenue until the conditions are substantially met. Grants and contributions whose restrictions, if any, are met in the same reporting period are reported as contributions without donor restrictions in the period of receipt.

   Donated Assets and Services – Donated assets and services are recorded as support at their estimated fair value at the date of donation. Such donations are reported as contributions without donor restrictions unless the donor has restricted the use of donated goods to a specific purpose. Bridge Meadows recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individually possessing those skills, and would typically need to be purchased if not provided by donation.

   Special Events – Contributions from special fundraising events are reported net of direct costs of benefits received by the participants of such events. For the year ended December 31, 2018, such costs were $139,870.

   Development Fees – Bridge Meadows earns fees for development of properties and generally recognize development fees as earned over the period of development. Development fees earned cover development costs plus a profit margin. Development fees earned, in excess of actual development costs incurred, have been eliminated in consolidation.

   Bridge Meadows provides tenant services for the Affiliated Entities. Income is earned in accordance with the terms of the agreements and recorded as revenue when earned. Such intercompany revenue has been eliminated in the consolidated financial statements.

2. **RESTRICTED DEPOSITS**

   Restricted deposits at December 31, 2018 include the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating reserves</td>
<td>$452,395</td>
</tr>
<tr>
<td>Replacement reserves</td>
<td>159,133</td>
</tr>
<tr>
<td>Resident services reserve</td>
<td>277,907</td>
</tr>
<tr>
<td>Mortgage escrow deposits</td>
<td>26,213</td>
</tr>
<tr>
<td>Community development reserve</td>
<td>50,300</td>
</tr>
<tr>
<td>Other donor restricted reserve</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,015,948</strong></td>
</tr>
</tbody>
</table>


2. **RESTRICTED DEPOSITS** - Continued

*Operating Reserves* are required by certain organizational agreements of the Tax Credit Partnerships. Such funds are available to pay operating expenses to the extent that collected gross revenues are insufficient for such purposes. Withdrawals from operating reserves generally require the approval and consent of the limited partners.

*Replacement Reserves* are required by various loans and partnership agreements and are to be used for the replacement or repairs of capital assets.

*Resident Services Reserve* – Bridge Meadows-Beaverton Limited Partnership has established a resident services reserve in the initial amount of $300,000 to pay a portion of the resident services fee payable to Bridge Meadows.

*Community Development Reserve* – The funds in the community development reserves are restricted to be used for the predevelopment costs of future community development projects.

*Mortgage Escrow Deposits* – The Tax Credit Partnerships are required to fund an insurance reserve which will be sufficient to pay insurance premiums when due.

3. **NOTES PAYABLE**

*Columbia Bank*
Mortgage payable in monthly installments of $1,606 including interest at 5.75%, maturing April 26, 2023. Fixed assets owned by Family Homes pledged as collateral. $ 76,822

*City of Beaverton*
Note payable, non-interest bearing and maturing September 1, 2054. Fixed assets owned by Bridge Meadows-Beaverton, subject to prior liens, pledged as collateral. 200,000

*Portland Housing Bureau*
Note payable, non-interest bearing due October 1, 2079. Fixed assets owned by New Meadows pledged as collateral. Provided that New Meadows has complied with the terms and conditions of the note agreement, the borrowings will be forgiven at maturity. 1,377,173

Note payable is non-interest bearing and is due on May 2, 2066. Annual payments equal to 50% of Excess Cash Flow, as defined in the promissory note, are due on April 1 of each year. Fixed assets owned by Bridge Meadows Senior Housing, subject to prior liens, pledged as collateral. 710,725

2,087,898

*Oregon Housing Community Services (“OHCS”)*
Note payable pursuant to a Tax Credit Assistance Program Loan Agreement provides for interest at 1% per annum beginning on January 1, 2014 with principal and accrued interest to be paid in full on December 31, 2065. Fixed assets owned by Bridge Meadows Senior Housing pledged as collateral. 2,325,511

Unamortized debt issuance costs (195,943) 2,129,568

(Continued)
BRIDGE MEADOWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

3. NOTES PAYABLE - Continued

JPMorgan Chase
Notes payable, due September 19, 2023. Substantially all assets of Bridge Meadows-Beaverton pledged as collateral.
Payable in monthly installments of $5,790 including interest at 1.00% per annum. $1,791,467
Payable in monthly installments of $3,758 including interest at 5.00% per annum. 698,412
Unamortized debt issuance costs (35,048)

Washington County
Note payable is due January 31, 2058 with interest accruing at one-half of one percent (0.5%) simple interest per annum beginning on January 31, 2018. Annual principal and interest payments from Available Cash Flow (as defined in the promissory note) not to exceed $12,000 per annum until the year following the year in which the term loan with Chase shall have been fully repaid or refinanced. Thereafter principal and interest payments from Available Cash Flow of $16,000 per annum for the remainder of the term loan with remaining principal balance and accrued interest due at maturity. Fixed assets owned by Bridge Meadows-Beaverton, subject to prior liens, pledged as collateral. 850,075
Unamortized debt issuance costs (4,765)

Total notes payable 8,030,185
Total unamortized debt issuance costs (235,756)
Net of unamortized debt issuance costs 7,794,429
Less current portion (77,625)
Notes payable, net $ 7,716,804

Principal payments due over the next five years and thereafter are as follows:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$ 77,625</td>
</tr>
<tr>
<td>2020</td>
<td>79,262</td>
</tr>
<tr>
<td>2021</td>
<td>81,271</td>
</tr>
<tr>
<td>2022</td>
<td>83,201</td>
</tr>
<tr>
<td>2023</td>
<td>73,358</td>
</tr>
<tr>
<td>Thereafter</td>
<td>7,635,468</td>
</tr>
<tr>
<td>Total notes payable</td>
<td>$8,030,185</td>
</tr>
</tbody>
</table>

4. OTHER COMMITMENTS AND CONTINGENCIES

Grant and Property Use Restrictions – Certain of the properties operated by Bridge Meadows and Affiliated Entities were developed using funds provided by grants and low interest rate loans. The terms of these grants and loans restrict the use of the property and generally require the property to be rented to low-income qualified tenants for the period of the grant or related loan term. Failure to comply with the terms of the grants or the loans may result in a requirement to repay a portion or all of the proceeds received.
4. OTHER COMMITMENTS AND CONTINGENCIES - Continued

**Management Fee** – The Affiliated Entities pay a third party service provider a management fee equal to 7% of gross revenue collected to manage the daily operations of the low-income housing projects.

**Other** – As the general partner in the Tax Credit Partnerships, Bridge Meadows may be subject to other liabilities, should affected partnerships’ assets become insufficient to meet its obligations. This includes guarantees to fund future operating deficits of the limited partnership over the periods as defined under the limited partnership agreements. The operating deficit guarantee periods typically require the limited partnerships to meet certain conditions based on the operational results. Bridge Meadows has not been required to fund any amounts associated with the operating deficit guarantees to date.

5. CONCENTRATIONS OF CREDIT RISK

Bridge Meadows maintains its cash balances with banks and other financial instruments, which may exceed depository insurance limits. Bridge Meadows has not experienced any losses from these accounts and does not believe they are exposed to significant credit risk.

6. OPERATING LEASE

New Meadows Property LLC has leased its 15-unit apartment complex to New Meadows Operations LLC, an affiliated party, under the terms of an operating lease that provides for an initial term of 10 years beginning June 1, 2018 with an option to extend the term for two additional five-year terms. In addition to the base rent of $6,000 per year, increasing 3% annually, the lessee is responsible for all costs and expenses related to the operation of the premises.

Minimum future rentals for the next five years and thereafter are as follows:

<table>
<thead>
<tr>
<th>Year Ending December 31,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$ 6,180</td>
</tr>
<tr>
<td>2020</td>
<td>6,365</td>
</tr>
<tr>
<td>2021</td>
<td>6,556</td>
</tr>
<tr>
<td>2022</td>
<td>6,753</td>
</tr>
<tr>
<td>2023</td>
<td>6,956</td>
</tr>
<tr>
<td>Thereafter</td>
<td>29,973</td>
</tr>
<tr>
<td>Total</td>
<td>$68,783</td>
</tr>
</tbody>
</table>

7. GROUND LEASE WITH CITY OF PORTLAND

Bridge Meadows has entered into a ground lease agreement with the City of Portland for the land where the buildings of Family Homes and Bridge Meadows Senior Housing are situated. The Ground Lease Agreement with the City of Portland dated January 8, 2009 has a term of 99 years and provides for annual lease payments of $1.
8. **DONATED LAND**

Bridge Meadows received land donation in 2018 that was recorded as land held for sale at fair value on the date of donation for $1,184,000. The donor has restricted the sales proceeds of the land to be used for the development, construction and operation of the Lynwood project in Portland, Oregon. Such land donation has been recorded as net assets with donor restrictions at December 31, 2018.

9. **LIQUIDITY**

<table>
<thead>
<tr>
<th>Cash and cash equivalent and current receivables</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridge Meadows</td>
<td>$ 728,760</td>
</tr>
<tr>
<td>Less donor restricted net assets except for land donated</td>
<td>(248,658)</td>
</tr>
<tr>
<td>Bridge Meadows, net</td>
<td>480,102</td>
</tr>
<tr>
<td>Affiliated Entities</td>
<td>354,240</td>
</tr>
<tr>
<td>Current resources available</td>
<td>$ 834,342</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current liabilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridge Meadows</td>
<td>$ 54,407</td>
</tr>
<tr>
<td>Affiliated Entities</td>
<td>177,078</td>
</tr>
<tr>
<td>Current obligations</td>
<td>$ 231,485</td>
</tr>
</tbody>
</table>

The resources of the Affiliated Entities are not available for general purposes of Bridge Meadows. Such resources are only available for use by the specific entity that holds the resources. Allowable distributions to Bridge Meadows from these entities are determined by the respective Partnership or Operating Agreement.

In addition to the current resources as summarized above, each of the Affiliated Entities have restricted deposits available to fund operating deficits or capital expenditures, etc. as more fully described in Note 4. Total restricted deposits were $915,648 at December 31, 2018.

Bridge Meadows has adequate financial resources to pay its current obligations when due and expects to generate sufficient cash flow from operations to continue the normal operation of major programs.

10. **EMPLOYEE BENEFIT PLAN**

All employees of Bridge Meadows (other than union employees, certain nonresident clients and leased employees) that meet certain requirements are eligible to participate in Bridge Meadows’ defined contribution plan under Section 401(k) of the Internal Revenue Code. Eligible employees can elect to defer a percentage of their compensation each year up to the dollar limit set by law. The plan further provides that Bridge Meadows will make safe harbor nonelective contributions each year equal to 3% of eligible compensation. Employer contributions to the benefit plan were $21,003 for the year ended December 31, 2018.
<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th>Support Services</th>
<th>Year Ended 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Affordable Housing</td>
<td>Community Development</td>
<td>Resident Management and General</td>
</tr>
<tr>
<td>Salaries and related expenses</td>
<td>$100,926</td>
<td>$123,552</td>
<td>$328,690</td>
</tr>
<tr>
<td>Accounting and audit</td>
<td>$15,170</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Legal</td>
<td>-</td>
<td>$2,068</td>
<td>-</td>
</tr>
<tr>
<td>Other professional service fees</td>
<td>$12,540</td>
<td>$4,976</td>
<td>$2,228</td>
</tr>
<tr>
<td>License, fees and permits</td>
<td>-</td>
<td>$119</td>
<td>$17,350</td>
</tr>
<tr>
<td>Office expense</td>
<td>$27,198</td>
<td>$417</td>
<td>$16,722</td>
</tr>
<tr>
<td>Program supplies</td>
<td>-</td>
<td>$3,500</td>
<td>$14,035</td>
</tr>
<tr>
<td>Taxes and insurance</td>
<td>$64,966</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Travel and meetings</td>
<td>-</td>
<td>$6,900</td>
<td>$6,444</td>
</tr>
<tr>
<td>Utilities</td>
<td>$91,981</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>$132,419</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Management fees</td>
<td>$48,451</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Residence administration</td>
<td>$16,489</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Asset management fees</td>
<td>$10,269</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest</td>
<td>$283,776</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest - amortization</td>
<td>$4,901</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$691,408</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amortization</td>
<td>$16,790</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>890</td>
</tr>
<tr>
<td>Total expenses</td>
<td>$1,517,284</td>
<td>$141,532</td>
<td>$386,359</td>
</tr>
</tbody>
</table>
12. OTHER ASSETS

At December 31, 2018, other assets include the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community development costs</td>
<td>$127,791</td>
</tr>
<tr>
<td>Deferred OHCS monitoring fee</td>
<td>67,667</td>
</tr>
<tr>
<td>Other</td>
<td>12,027</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$207,484</strong></td>
</tr>
</tbody>
</table>

Community development costs represent the predevelopment costs incurred for the future housing projects and will be transferred to affiliated entities when the construction begins.

Deferred OHCS monitoring fees were recorded at cost and are being amortized on the straight-line method over 15 years of the tax credit compliance period of Bridge Meadows Senior Housing Limited Partnership. The amortization expense for the year ended December 31, 2018 was $9,667 and accumulated amortization at December 31, 2018 was $77,333.

13. SUBSEQUENT EVENTS

Management of Bridge Meadows and Affiliated Entities has evaluated events and transactions occurring after December 31, 2018 through August 5, 2019, the date the financial statements were available for issuance, for potential recognition or disclosure in the financial statements and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.
# CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2018

<table>
<thead>
<tr>
<th>Bridge Meadows Family Property LLC</th>
<th>Bridge Meadows Senior Housing LP</th>
<th>Bridge Meadows-Beaverton LP</th>
<th>Eliminations</th>
<th>Consolidated</th>
</tr>
</thead>
</table>

## ASSETS

### CURRENT ASSETS:

- **Cash and cash equivalents**: $444,586, $14,541, $15,889, $51,901, $252,620, $779,537
- **Accounts receivable**: 158,675, 1,634, 2,500, 6,322, 8,833, 164,612, 13,352
- **Contributions receivable**: 284,174, 4,174, 6,174, 11,174, 284,174
- **Prepaid expenses**: 11,507, 1,520, 4,117, 11,197, 28,341

**Total current assets**: $898,942, $17,695, $18,389, $62,340, $272,650, 1,105,404

### NONCURRENT ASSETS:

- **Tenant security deposits held in trust**: 100,300, 12,973, 406,680, 495,995, 1,015,948
- **Restricted deposits**: 4,126,489, - , 4,126,489
- **Investments in affiliates**: 602,496, - , 602,496
- **Due from affiliates**: 1,863,646, - , 1,863,646
- **Interest receivable**: 154,524, - , 154,524
- **Tax credit fees - net**: 26,353, - , 26,353
- **Land held for sale**: 1,184,000
- **Other assets**: 138,305, 1,512, 67,667

**Fixed assets**:

- **Land and land improvements**: 47,111, 1,966,574, 668,361, 1,142,487, 1,670,256, 3,481,104
- **Buildings and improvements**: 20,758, 28,584, 141,024, 347,433, 222,500, 760,299
- **Website**: 26,353

**Total fixed assets**: 47,111, 1,995,158, 3,763,642, 7,652,253, 13,828,178, 21,101,220

**Less accumulated depreciation**: (28,623), (408,283), (47,958), (1,883,056), (467,186), (2,819,108)

**Fixed assets - net**: 18,488, 1,586,875, 3,715,684, 5,769,197, 13,360,992, 24,282,112

**Total noncurrent assets**: 8,188,248, 1,605,248, 3,717,196, 6,277,888, 13,943,154, 26,815,455

**TOTAL**: $9,087,190, $1,622,943, $3,735,585, $6,340,228, $14,215,804, $7,080,891, $27,920,859

(Continued)
BRIDGE MEADOWS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>Bridge</th>
<th>Bridge</th>
<th>New</th>
<th>Bridge</th>
<th>Bridge</th>
<th>Eliminations</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Meadows</td>
<td>Meadows</td>
<td>Meadows</td>
<td>Meadows</td>
<td>Meadows</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Family</td>
<td>Homes LLC</td>
<td>Property</td>
<td>Senior</td>
<td>Beaverton</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nonprofit</td>
<td>LLC</td>
<td>LLC</td>
<td>Housing</td>
<td>LP</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>LP</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIABILITIES AND NET ASSETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>CURRENT LIABILITIES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities</td>
<td>$ 54,407</td>
<td>$ 8,269</td>
<td>$ 104,955</td>
<td>$ 121,469</td>
<td>$ 102,759</td>
<td>(164,612)</td>
<td>$ 227,247</td>
</tr>
<tr>
<td>Prepaid rents</td>
<td>-</td>
<td>33</td>
<td>-</td>
<td>579</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,550</td>
<td>-</td>
<td>4,550</td>
</tr>
<tr>
<td>Current portion of notes payable</td>
<td>16,158</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>61,467</td>
<td>-</td>
<td>77,625</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>70,565</td>
<td>8,302</td>
<td>104,955</td>
<td>122,048</td>
<td>168,776</td>
<td>(164,612)</td>
<td>310,034</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NONCURRENT LIABILITIES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refundable security deposits</td>
<td>-</td>
<td>5,400</td>
<td>-</td>
<td>10,700</td>
<td>28,960</td>
<td>-</td>
<td>45,060</td>
</tr>
<tr>
<td>Notes payable, net</td>
<td>260,664</td>
<td>-</td>
<td>1,377,173</td>
<td>3,003,939</td>
<td>4,783,579</td>
<td>(1,708,551)</td>
<td>7,716,804</td>
</tr>
<tr>
<td>Deferred interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>128,281</td>
<td>146,769</td>
<td>(154,524)</td>
<td>120,526</td>
</tr>
<tr>
<td>Development fee payable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>234,494</td>
<td>368,002</td>
<td>(602,496)</td>
<td>-</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>260,664</td>
<td>5,400</td>
<td>1,377,173</td>
<td>3,377,414</td>
<td>5,327,310</td>
<td>(2,465,571)</td>
<td>7,882,390</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>331,229</td>
<td>13,702</td>
<td>1,482,128</td>
<td>3,499,462</td>
<td>5,496,086</td>
<td>(2,630,183)</td>
<td>8,192,424</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET ASSETS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets without donor restrictions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Controlling interests</td>
<td>7,323,303</td>
<td>1,609,241</td>
<td>2,208,585</td>
<td>(242)</td>
<td>308,906</td>
<td>(4,450,708)</td>
<td>6,999,085</td>
</tr>
<tr>
<td>Net assets with donor restrictions</td>
<td>1,432,658</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total net assets without donor restrictions</td>
<td>7,323,303</td>
<td>1,609,241</td>
<td>2,253,457</td>
<td>2,840,766</td>
<td>8,719,718</td>
<td>(4,450,708)</td>
<td>18,295,777</td>
</tr>
<tr>
<td>Net assets</td>
<td>8,755,961</td>
<td>1,609,241</td>
<td>2,253,457</td>
<td>2,840,766</td>
<td>8,719,718</td>
<td>(4,450,708)</td>
<td>19,728,435</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 9,087,190</td>
<td>$ 1,622,943</td>
<td>$ 3,735,585</td>
<td>$ 6,340,228</td>
<td>$ 14,215,804</td>
<td>(7,080,891)</td>
<td>$ 27,920,859</td>
</tr>
</tbody>
</table>

(Concluded)
**BRIDGE MEADOWS**

**CONSOLIDATING STATEMENT OF ACTIVITIES**

**YEAR ENDED DECEMBER 31, 2018**

<table>
<thead>
<tr>
<th>SUPPORT AND REVENUES:</th>
<th>Bridge Meadows Nonprofit</th>
<th>Bridge Meadows Family Homes LLC</th>
<th>New Meadows Property LLC</th>
<th>Bridge Meadows Senior Housing LP</th>
<th>Bridge Meadows-Beaverton LP</th>
<th>Eliminations</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>$1,161,086</td>
<td>$ -</td>
<td>$254,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$1,415,086</td>
</tr>
<tr>
<td>Donated land and other materials</td>
<td>1,261,394</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>1,261,394</td>
</tr>
<tr>
<td>Special events, net</td>
<td>254,574</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>254,574</td>
</tr>
<tr>
<td>Total support</td>
<td>2,677,054</td>
<td>-</td>
<td>254,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,931,054</td>
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<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net rental income</td>
<td>-</td>
<td>88,585</td>
<td>4,012</td>
<td>199,870</td>
<td>385,724</td>
<td>-</td>
<td>678,191</td>
</tr>
<tr>
<td>Interest income</td>
<td>80,130</td>
<td>-</td>
<td>-</td>
<td>274</td>
<td>286</td>
<td>(77,899)</td>
<td>2,791</td>
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<tr>
<td>Income from equity investments</td>
<td>155,262</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(155,262)</td>
<td>-</td>
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<tr>
<td>Management fee</td>
<td>95,224</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(95,224)</td>
<td>-</td>
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<tr>
<td>Miscellaneous income</td>
<td>537</td>
<td>-</td>
<td>-</td>
<td>100</td>
<td>1,361</td>
<td>(1,142)</td>
<td>856</td>
</tr>
<tr>
<td>Total revenues</td>
<td>331,153</td>
<td>88,585</td>
<td>4,012</td>
<td>200,244</td>
<td>387,371</td>
<td>(329,527)</td>
<td>681,838</td>
</tr>
<tr>
<td>Total support and revenues</td>
<td>3,008,207</td>
<td>88,585</td>
<td>258,012</td>
<td>200,244</td>
<td>387,371</td>
<td>(329,527)</td>
<td>3,612,892</td>
</tr>
</tbody>
</table>

(Continued)
## BRIDGE MEADOWS

### CONSOLIDATING STATEMENT OF ACTIVITIES

**YEAR ENDED DECEMBER 31, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Bridge Meadows Nonprofit</th>
<th>Bridge Meadows Family Property LLC</th>
<th>New Meadows Housing LP</th>
<th>Bridge Meadows Senior Housing LP</th>
<th>Bridge Meadows-Beaverton LP</th>
<th>Eliminations</th>
<th>Consolidated</th>
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</thead>
<tbody>
<tr>
<td><strong>EXPENSES:</strong></td>
<td></td>
<td></td>
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<td>Program services:</td>
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<tr>
<td>Affordable housing</td>
<td>$</td>
<td>-</td>
<td>$ 135,014</td>
<td>$ 52,986</td>
<td>$ 492,372</td>
<td>$ 1,019,752</td>
<td>$ (182,840)</td>
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<tr>
<td>Community development</td>
<td>141,532</td>
<td>-</td>
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<td>-</td>
<td>-</td>
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<td>141,532</td>
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<tr>
<td>Resident services</td>
<td>386,359</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>386,359</td>
</tr>
<tr>
<td>Total program services</td>
<td>527,891</td>
<td>135,014</td>
<td>52,986</td>
<td>492,372</td>
<td>1,019,752</td>
<td>(182,840)</td>
<td>2,045,175</td>
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<tr>
<td>Support services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>358,258</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>358,258</td>
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<tr>
<td>Fundraising</td>
<td>339,252</td>
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<td>-</td>
<td>339,252</td>
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<tr>
<td>Total support services</td>
<td>697,510</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>697,510</td>
</tr>
<tr>
<td>Total expenses</td>
<td>1,225,401</td>
<td>135,014</td>
<td>52,986</td>
<td>492,372</td>
<td>1,019,752</td>
<td>(182,840)</td>
<td>2,742,685</td>
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<tr>
<td><strong>CHANGE IN NET ASSETS</strong></td>
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</tr>
<tr>
<td></td>
<td>1,782,806</td>
<td>(46,429)</td>
<td>205,026</td>
<td>(292,128)</td>
<td>(632,381)</td>
<td>(146,687)</td>
<td>870,207</td>
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<tr>
<td><strong>NET ASSETS, BEGINNING OF YEAR</strong></td>
<td>6,973,155</td>
<td>1,655,670</td>
<td>1,242,145</td>
<td>3,132,894</td>
<td>1,634,562</td>
<td>(3,219,628)</td>
<td>11,418,798</td>
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<tr>
<td>Contributions</td>
<td></td>
<td>-</td>
<td>-</td>
<td>806,286</td>
<td></td>
<td>7,717,537</td>
<td>(1,084,393)</td>
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<tr>
<td><strong>NET ASSETS, END OF YEAR</strong></td>
<td>$ 8,755,961</td>
<td>$ 1,609,241</td>
<td>$ 2,253,457</td>
<td>$ 2,840,766</td>
<td>$ 8,719,718</td>
<td>$(4,450,708)</td>
<td>$ 19,728,435</td>
</tr>
</tbody>
</table>

(Concluded)