

**HOMES FOR AMERICA, INC. AND SUBSIDIARIES**  
**CONSOLIDATED AND COMBINED STATEMENT OF FINANCIAL POSITION**  
**3/31/2012**

**ASSETS**

<b>CURRENT ASSETS</b>	
Cash & investments	\$ 10,831,130
Accounts receivable	232,270
Predevelopment expenses	130,755
Miscellaneous current assets	5,173
Prepaid expenses	<u>1,261,485</u>
Total current assets	<u>12,460,813</u>
<b>DEPOSITS HELD IN TRUST - FUNDED</b>	
Tenant deposits held in trust	<u>1,301,099</u>
<b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b>	
	<u>13,247,806</u>
<b>PROPERTY AND EQUIPMENT, NET</b>	
	<u>259,231,621</u>
<b>INTANGIBLE AND OTHER ASSETS</b>	
Investments in limited partnerships	52,688
Development fee receivable	320,101
Loan fees, net	5,546,271
Miscellaneous other assets	<u>2,127,936</u>
Total intangible and other assets	<u>8,046,996</u>
Total assets	<u><u>\$ 294,288,335</u></u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>	
Accounts payable & accrued expenses	\$ 2,507,100
Mortgages & notes payable - current maturities	2,094,956
Prepaid revenue	<u>164,765</u>
Total current liabilities	<u>4,766,821</u>
<b>DEPOSITS LIABILITY</b>	
Tenant deposits held in trust (contra)	<u>1,234,718</u>
<b>LONG TERM LIABILITIES</b>	
Accrued property taxes	314,812
Mortgages & notes payable, net of current maturities	105,600,725
Mortgages and notes payable from surplus cash, net of current maturities	64,465,437
Other obligations payable from surplus cash	5,379,296
Losses in excess of noncontrolled investments in limited partnerships	<u>49,685</u>
Total long-term liabilities	<u>175,809,955</u>
Total liabilities	181,811,494
<b>NET ASSETS</b>	
Noncontrolling ownership interest	90,639,531
Unrestricted net assets	21,767,229
Temporarily restricted	<u>70,081</u>
Total net assets	<u>112,476,841</u>
Total liabilities and net assets	<u><u>\$ 294,288,335</u></u>

**HOMES FOR AMERICA, INC. AND SUBSIDIARIES**  
**CONSOLIDATED AND COMBINED STATEMENT OF ACTIVITIES**  
For the Year Ended March 31, 2012

**REVENUE AND SUPPORT**

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT &amp; REVENUE</b>			
Fee revenue	\$ 1,003,722	\$ -	\$ 1,003,722
Financial revenue	54,360		54,360
Grants & contributions	714,088	43,000	757,088
Other revenue	84,494		84,494
Satisfaction of program restrictions	34,888	(34,888)	-
	<u>1,891,552</u>	<u>8,112</u>	<u>1,899,664</u>
Total operating revenue	1,891,552	8,112	1,899,664
<b>RENTAL INCOME</b>	<u>31,036,779</u>	<u>                    </u>	<u>31,036,779</u>
Total revenue and support	<u>32,928,331</u>	<u>8,112</u>	<u>32,936,443</u>
<b>EXPENSES</b>			
<b>PROGRAM EXPENSES</b>	1,913,638	-	1,913,638
<b>RENTAL EXPENSES</b>	19,281,322		19,281,322
<b>OTHER INCOME (EXPENSES)</b>			
Financial	(8,056,140)	-	(8,056,140)
Depreciation and amortization	(8,863,331)	-	(8,863,331)
Other income (expenses)	(812,338)		(812,338)
	<u>(17,731,809)</u>	<u>                    </u>	<u>(17,731,809)</u>
Total other income (expenses)	(17,731,809)	-	(17,731,809)
Change in net assets before noncontrolling ownership interest	(5,998,438)	8,112	(5,990,326)
<b>NONCONTROLLING OWNERSHIP INTEREST</b>	<u>4,607,053</u>	<u>                    </u>	<u>4,607,053</u>
<b>CHANGE IN NET ASSETS</b>	<u>\$ (1,391,385)</u>	<u>\$ 8,112</u>	<u>\$ (1,383,273)</u>

**HOMES FOR AMERICA, INC.**

**STATEMENT OF FINANCIAL POSITION**

**3/31/2012**

**ASSETS**

**CURRENT ASSETS**

Cash & short term investments	\$ 5,019,996
Other current assets	<u>835,481</u>

Total current assets	<u>5,855,477</u>
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PROPERTY AND EQUIPMENT, NET	<u>10,467</u>
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**OTHER ASSETS**

Investment in affiliates	57,428
Accounts receivable - affiliates	2,990,073
Development fee receivable	2,334,156
Miscellaneous other assets	5,379,175
Deferred loan fees	<u>8,260</u>

Total other assets	<u>10,769,092</u>
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	<u>\$ 16,635,036</u>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	<u>\$ 11,686</u>
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**RESTRICTED DEPOSIT LIABILITIES**

Tenant security deposits	<u>5,000</u>
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**LONG-TERM LIABILITIES**

Notes payable	180,001
Deferred developer fees	1,623,415
Development and consulting expenses payable	<u>411,703</u>

Total long-term liabilities	<u>2,215,119</u>
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**COMMITMENTS AND CONTINGENCIES**

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**NET ASSETS**

Unrestricted - unreserved	11,905,095
Unrestricted - board designated	2,428,055
Temporarily restricted	<u>70,081</u>

Total net assets	<u>14,403,231</u>
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Total liabilities and net assets	<u>\$ 16,635,036</u>
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**HOMES FOR AMERICA, INC.**

**STATEMENT OF ACTIVITIES**

**For the year ended March 31, 2012**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE & SUPPORT			
Fee revenue	\$ 1,291,570	\$ -	\$ 1,291,570
Financial revenue	215,846	-	215,846
Grants & contributions	23,474	43,000	66,474
Other revenue	84,494	-	84,494
Satisfaction of program restrictions	34,888	(34,888)	-
	<u>1,650,272</u>	<u>8,112</u>	<u>1,658,384</u>
EXPENSES			
Program services - affordable housing	1,235,619	-	1,235,619
Supporting services - management & general	242,707	-	242,707
	<u>1,478,326</u>	<u>-</u>	<u>1,478,326</u>
TOTAL - OPERATING EXPENSES			
CHANGE IN NET ASSETS BEFORE OTHER INCOME (EXPENSE)	171,946	8,112	180,058
OTHER INCOME (EXPENSE)			
Loss on investment in affiliates	(145,176)	-	(145,176)
	<u>26,770</u>	<u>8,112</u>	<u>34,882</u>
CHANGE IN NET ASSETS			
NET ASSETS, BEGINNING	14,306,380	61,969	14,368,349
NET ASSETS, END	<u>\$ 14,333,150</u>	<u>\$ 70,081</u>	<u>\$ 14,403,231</u>