



(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)



# **Annual Comprehensive Financial Report**

**For the Fiscal Year Ended on June 30, 2022**



10400 Detrick Avenue  
Kensington, MD 20895-2484  
(240) 627-9400



**HOUSING OPPORTUNITIES COMMISSION OF  
MONTGOMERY COUNTY, MARYLAND  
(A Component Unit of Montgomery County, Maryland)**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Issued by  
Finance Department  
Timothy Goetzinger, CDFO & Acting Chief Financial Officer  
Eugenia Pascual, Controller

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
TABLE OF CONTENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**I. INTRODUCTORY SECTION**

<b>CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING</b>	<b>ii</b>
<b>LETTER OF TRANSMITTAL</b>	<b>iii</b>
<b>ORGANIZATIONAL CHART</b>	<b>xiii</b>
<b>LIST OF PRINCIPAL OFFICERS</b>	<b>xiv</b>

**II. FINANCIAL SECTION**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>5</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>COMMISSION-WIDE FINANCIAL STATEMENTS:</b>	
<b>STATEMENTS OF NET POSITION</b>	<b>16</b>
<b>STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>	<b>18</b>
<b>STATEMENTS OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES</b>	<b>19</b>
<b>COMBINING STATEMENTS OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS</b>	<b>21</b>
<b>COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS</b>	<b>23</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>25</b>

**REQUIRED SUPPLEMENTARY INFORMATION**

<b>SCHEDULE OF THE COMMISSION'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY</b>	<b>103</b>
<b>SCHEDULE OF THE COMMISSION PENSION CONTRIBUTIONS</b>	<b>104</b>
<b>SCHEDULE OF CHANGES IN THE COMMISSION'S NET OPEB LIABILITY AND RELATED RATIOS</b>	<b>105</b>
<b>SCHEDULE OF THE COMMISSION'S OPEB CONTRIBUTIONS</b>	<b>106</b>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
 (A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
 TABLE OF CONTENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**SUPPLEMENTARY INFORMATION**

**SUB-FUND FINANCIAL STATEMENTS**

<b>SCHEDULE OF NET POSITION</b>	<b>108</b>
<b>SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>	<b>110</b>
<b>SCHEDULE OF CASH FLOWS</b>	<b>112</b>

**III. STATISTICAL SECTION**

<b>STATISTICAL SECTION NARRATIVE</b>	<b>116</b>
<b>NET POSITION BY COMPONENT</b>	<b>117</b>
<b>CHANGE IN NET POSITION BY ENTERPRISE SUB-FUND</b>	<b>118</b>
<b>REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>	<b>119</b>
<b>SIGNIFICANT OWN SOURCE REVENUE</b>	<b>120</b>
<b>OPERATING REVENUES BY SOURCES</b>	<b>121</b>
<b>LONG-TERM DEBT</b>	<b>122</b>
<b>PROPERTY RELATED DEBT</b>	<b>123</b>
<b>SINGLE FAMILY BONDS – DEBT OUTSTANDING, ISSUED, AND RETIRED</b>	<b>124</b>
<b>MULTIFAMILY BONDS – DEBT OUTSTANDING, ISSUED, AND RETIRED</b>	<b>125</b>
<b>MULTIFAMILY BONDS – NONOBLIGATION DEBT</b>	<b>126</b>
<b>NUMBER OF UNITS BY PROGRAM</b>	<b>127</b>
<b>PROPERTY CHARACTERISTICS AND DWELLING UNIT COMPOSITION</b>	<b>128</b>
<b>REGULAR STAFF HEADCOUNT BY DEPARTMENT</b>	<b>131</b>
<b>DEMOGRAPHIC AND ECONOMIC STATISTICS</b>	<b>132</b>
<b>PRINCIPAL EMPLOYERS</b>	<b>132</b>
<b>HOUSING CHOICE VOUCHER STATISTICS – ALL PROPERTIES</b>	<b>134</b>

## I. INTRODUCTORY SECTION



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Housing Opportunities Commission  
of Montgomery County, Maryland**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO



November 2, 2022

Members of the Commission  
Housing Opportunities Commission of Montgomery County

We are pleased to present the Annual Comprehensive Financial Report (“ACFR”) of the Housing Opportunities Commission of Montgomery County (the “Commission” or “HOC” or “Agency”) for the fiscal year ending June 30, 2022. The report was prepared by the Commission’s Finance Division staff and audited by the independent public accounting firm of CliftonLarsonAllen LLP.

The data presented in this report are the responsibility of the management of the Commission. To the best of our knowledge and belief, the data is accurate in all material respects and presented in a manner designed to fairly state the financial position and operations of the Commission. Further, all necessary disclosures have been included to allow a complete understanding of the Commission’s financial affairs and position.

The ACFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory section includes this transmittal letter, the organizational chart of the Commission, and a list of its principal officers. The Financial section includes the independent auditors’ report on the basic financial statements, management’s discussion and analysis, the basic financial statements, notes to financial statements, and supplementary information consisting of financial statements for the Commission’s sub-funds. The Statistical section offers, on a multi-year basis, selected financial and demographic information for the Commission and Montgomery County.

This report includes all funds and component units of the Commission. The Commission’s Financial Statements include five enterprise sub-funds: General Sub-Fund, Opportunity Housing Sub-Fund, Public Sub-Fund, Single Family Sub-Fund, and the Multifamily Sub-Fund. In addition, twenty-two (22) discrete component units are included in the Financial Statements.

In 1966, the Montgomery County Council activated the Housing Authority of Montgomery County (“HAMC”). In 1974, parallel State and County legislation were enacted to establish a broader housing mission for the County and restructure HAMC into the Housing Opportunities Commission of Montgomery County, Maryland. HOC is Montgomery County’s designated Public Housing Authority (“PHA”) and Housing Finance Agency (“HFA”). HOC’s governing body is the Board of Commissioners comprised of seven members, who are appointed by the County Executive and confirmed by the County Council. The Commission appoints an Executive Director to administer the operations of the Commission. The primary sources of funds for Commission activities are dwelling rental income from Commission-owned properties, interest on mortgage and construction loans earned by the Single Family and Multifamily mortgage loan programs, as well as Housing Assistance Payments and Administrative Fees funded by the U.S. Department of Housing and Urban Development (“HUD”).

The Commission’s mission is to provide affordable housing and supportive services that enhance the lives of low- and moderate-income families and individuals throughout Montgomery County, Maryland. To accomplish these objectives, the Commission participates in a number of programs, which are discussed in the Management’s Discussion and Analysis (“MD&A”) and in the notes to financial statements sections of this report.

#### **COVID-19 Pandemic**

Due to the prolonged duration of the COVID-19 pandemic and its economic impact on many of HOC’s customers, combined with the eviction moratorium through August 15, 2021, HOC has experienced a significant reduction in rent collection. Nevertheless, HOC continues to seek opportunities to provide rent supplement for its customers and offset some of the increased operating expenses brought on by the pandemic.

The Federal Government, in response to the ongoing COVID-19 pandemic, established the Emergency Rental Assistance Program (“ERAP”), which makes funding available to assist households that are unable to pay rent or utilities. Two separate programs were established: ERAP 1 provides up to \$25 billion under the Consolidated Appropriations Act, 2021, which was enacted on December 27, 2020, and ERAP 2 provides up to \$21.55 billion under the American Rescue Plan Act of 2021, which was enacted on March 11, 2021. The funds are provided directly to states, U.S. territories and local governments. Grantees use the funds to aid eligible households through existing or newly created rental assistance programs.

Montgomery County received its \$60.4 million in ERAP 1 funding in two components: a direct amount of \$32.3 million and a \$28.1 million amount via funds provided to the State for allocation to its various counties and municipalities. Additionally, Montgomery County received \$41 million in ERAP 2 funding. HOC diligently worked with its residents to maximize benefits from these programs; however, the program requirements were stringent, and HOC’s arrearages are approximately \$6.68 million as of June 2022. Given the difficulties with the ERAP programs, HOC sought for creative solutions. The County Executive recommended and the County Council approved a \$3 million arrearage relief package for HOC. The Agency and was also allowed to utilize \$1.4 million in unspent Housing Initiative Fund moneys, previously allocated for the Rent Supplement Program, towards rental arrearages. Finally, HOC is currently administering a \$3.4 million State pass-through grant to the County through the CDBG-CV emergency rental assistance program to help with arrearages. This funding will be allocated to reduce arrearages for HOC and Montgomery County non-profit housing developers.

Additionally, HOC received \$7.4 million in funding from HUD through the CARES Act. The majority of this funding was earmarked for housing assistance payments. Administrative funding was also received, which was prioritized to enhance IT and to help monitor the program.

HOC has been applying to FEMA for reimbursement of COVID-19 related expenses for prevention and remediation because of the pandemic. FEMA will reimburse 100% of all eligible expenses. HOC is closely monitoring the cash flow needs of the agency and does not anticipate cash flow shortages at this time.

### **National, State & Local Economy**

The U.S. Department of Labor’s Bureau of Labor Statistics (“BLS”) released state jobs and unemployment data. According to the preliminary survey data, as of July 2022, Maryland’s total jobs increased by 78,600 (year over year) and the unemployment rate decreased to 3.9%.<sup>1</sup> The BLA reported that Montgomery County reached its peak unemployment rate of 6.1% in August 2021.<sup>2</sup> As of June 2022, the Montgomery County unemployment rate stood at 4.4%<sup>3</sup> equating to 24,526 unemployed.<sup>4</sup> These figures represent an increase of 15.2% quarter over quarter. The Washington DC Metro area unemployment rate as of June 30, 2021 was 3.7%.<sup>5</sup>

The national unemployment rate as of June 30, 2022 was 3.6%. In comparison, the national unemployment rate in August 2021 was 5.2%. This is down from the peak of 14.7% reached in April 2020, and is comparable to the unemployment rate of 3.5% posted in February 2020.<sup>6</sup>

The following charts, updated on September 1, 2022, provide additional insight to the national, state, and local economy.<sup>7</sup>

---

<sup>1</sup> Division of Workforce Development & Adult Learning Office, Maryland Department of Labor (<https://www.bls.gov/news.release/laus.nr0.htm>)

<sup>2</sup> Bureau of Labor Statistics (<https://www.bls.gov/news.release/laus.nr0.htm>)

<sup>3</sup> Bureau of Labor Statistics (<https://data.bls.gov/timeseries/LASST240000000000003>)

<sup>4</sup> Maryland Department of Labor (<https://www.dlr.state.md.us/lmi/laus/lauscounties.shtml>)

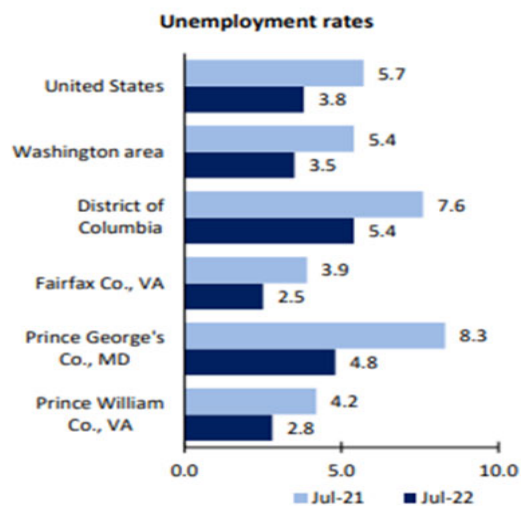
<sup>5</sup> Bureau of Labor Statistics ([https://www.bls.gov/regions/mid-atlantic/dc\\_washington\\_msa.htm](https://www.bls.gov/regions/mid-atlantic/dc_washington_msa.htm))

<sup>6</sup> Bureau of Labor Statistics (<https://www.bls.gov/news.release/pdf/empsit.pdf>)

<sup>7</sup> Bureau of Labor Statistics ([https://www.bls.gov/regions/mid-atlantic/summary/blssummary\\_washington.pdf](https://www.bls.gov/regions/mid-atlantic/summary/blssummary_washington.pdf))



**Unemployment rates** for the nation and selected areas

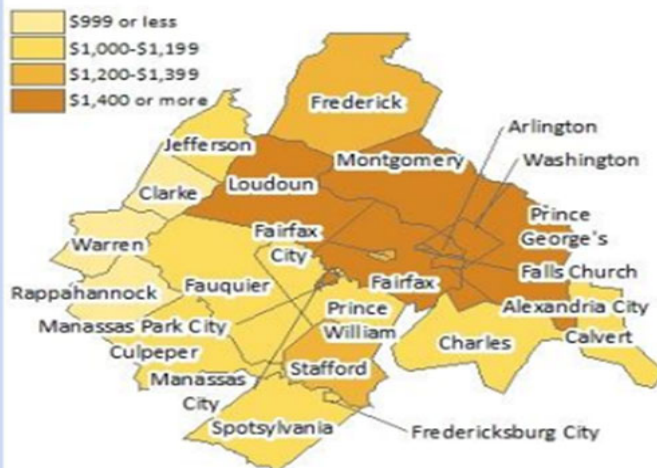


Source: U.S. BLS, Local Area Unemployment Statistics.

**Average weekly wages** for all industries by county

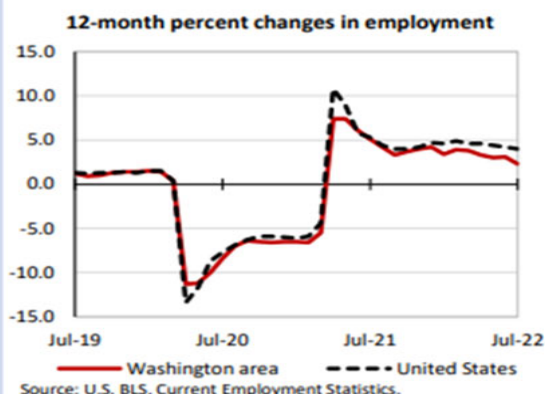
Washington area, fourth quarter 2021

(U.S. = \$1,418; Area = \$1,858)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

**Over-the-year changes in employment on nonfarm payrolls and employment by major industry sector**



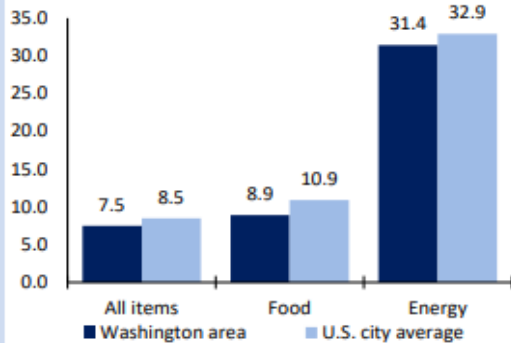
Source: U.S. BLS, Current Employment Statistics.

Washington area employment (number in thousands)	Jul. 2022	Change from Jul. 2021 to Jul. 2022	
		Number	Percent
Total nonfarm	3,315.7	75.0	2.3
Mining, logging, and construction	166.5	2.8	1.7
Manufacturing	56.3	0.7	1.3
Trade, transportation, and utilities	407.6	10.0	2.5
Information	79.4	2.2	2.8
Financial activities	152.2	-6.4	-4.0
Professional and business services	805.9	14.8	1.9
Education and health services	438.1	18.4	4.4
Leisure and hospitality	316.4	32.9	11.6
Other services	199.7	2.8	1.4
Government	693.6	-3.2	-0.5

Source: U.S. BLS, Current Employment Statistics.

**Over-the-year change in the prices paid by urban consumers for selected categories**

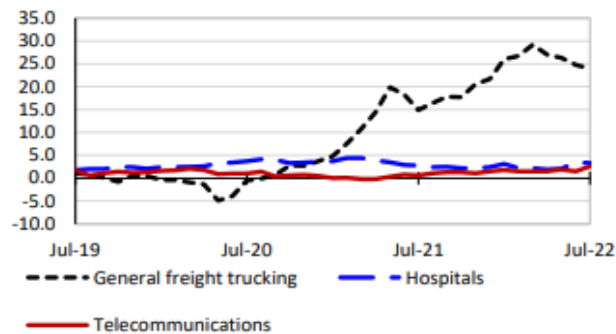
**12-month percent change in CPI-U, July 2022**



Source: U.S. BLS, Consumer Price Index.

**Over-the-year changes in the selling prices received by producers for selected industries nationwide**

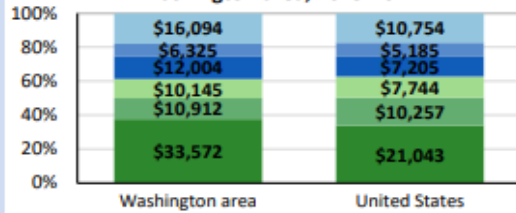
**12-month percent changes in PPI**



Source: U.S. BLS, Producer Price Index.

**Average annual spending and percent distribution for selected categories**

**Average annual expenditures, United States and Washington area, 2019-20**



Source: U.S. BLS, Consumer Expenditure Survey.

**Average hourly wages for selected occupations**

Occupation	Washington area	United States
All occupations	\$38.69	\$28.01
Lawyers	89.72	71.17
Economists	66.02	58.09
Political scientists	62.08	57.90
Statisticians	54.75	47.81
Public relations specialists	49.39	35.22
Social science research assistants	31.12	27.13

Source: U.S. BLS, Occupational Employment and Wage Statistics, May 2021.

**Employer costs per hour worked for wages and selected employee benefits by geographic division**

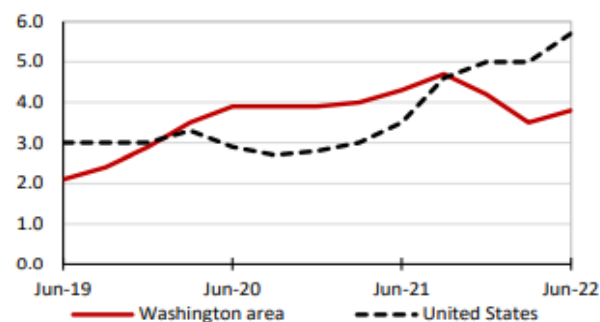
Private industry, March 2022	South Atlantic	United States
Total compensation	\$35.26	\$38.61
Wages and salaries	25.50	27.19
Total benefits	9.76	11.42
Paid leave	2.63	2.88
Vacation	1.34	1.47
Supplemental pay	1.10	1.37
Insurance	2.34	2.93
Retirement and savings	1.05	1.33
Legally required benefits	2.64	2.91

(1) The states that compose the South Atlantic census division are: DE, DC, FL, GA, MD, NC, SC, VA, and WV.

Source: U.S. BLS, Employer Costs for Employee Compensation.

**Over-the-year changes in wages and salaries**

**12-month percent changes in ECI**



Source: U.S. BLS, Employment Cost Index.

The above charts illustrate fluctuations in two key macroeconomic factors. Firstly, the unemployment rate greatly improved since the height of the global pandemic, and secondly, financial markets are relatively turbulent. The Agency greatly benefitted from a period of unusually and historically low interest rates, which are now normalizing. Rates are expected to rise to between 4.50% - 6.50% by the end of the calendar year. This is driven by several determinants including national

economic conditions including inflation levels in excess of 8.0%, which is the highest it has been in over forty (40) years, and global conditions including military conflicts and supply-chain issues. In response to accelerating inflation, the Federal Reserve instituted several rate hikes that have ranged from 25 to 75 basis points this year. The Federal Funds rate, which is the interest rate that banks charge each other to borrow or lend, is expected to rise to between 4.25% - 4.50% by the end of the calendar year. This compares to an effective rate of what was essentially 0% at the beginning of calendar year 2022.

The Agency is prepared to respond to the changing financial markets. Several strategies have or will be instituted. These include 1) planning for fixed rate financing to avoid fluctuating interest rates, 2) building an interest rate cushion into the underwriting of upcoming transactions, 3) utilizing variable rate transactions to lower borrowing costs, 4) managing variable rate risk by utilizing interest rate swaps to fix interest rates, and 5) to be prepared to delay project starts if necessary. These measures will help the Agency to remain financially stable during this period of economic turbulence.

### **HOC Housing Path**

In early FY 2016, HOC launched HOC Housing Path, effectively re-imagining our wait list management, designed to extend greater access to people in need of affordable housing, while improving operational efficiency. Unlike the previous wait lists, HOC Housing Path allows customers to complete one application and be considered for every HOC program for which they may be eligible. The electronic wait list ensures data remain accurate by keeping the list perpetually open and providing applicants with online access to update their information. As of March 2022, more than 46,000 households affirmed their need for affordable housing by applying to the HOC Housing Path wait list. HOC Housing Path connects customers with Housing Choice Vouchers, opportunity and tax-credit housing units, as well as Project-Based Vouchers. Early in FY 2018, HOC's new Call Center became the central point of entry for all incoming inquiries from the former wait list phone line. Throughout the year, divisions have been working to integrate Housing Path Customer Relationship Management, Yardi and Housing Path systems to support data exchange between systems and to prepare for the development and launch of a Customer Relationship Management self-service tool. In FY 2019, a property-listing page on the Housing Path site was deployed to enable wait list customers to check property details and availability outside of wait list opportunities. Additionally, the Agency continues to add new site-based wait lists to the Housing Path site, enabling applicants to extend their housing preferences beyond general geographic location to specific properties within the HOC portfolio.

### **Housing Choice Voucher and Public Housing Operating Subsidy**

HUD's allocation of vouchers includes Mainstream Disabled ("MSD"), Moderate Rehabilitation ("MR"), Family Unification Program ("FUP"), Rental Assistance Demonstration ("RAD"), Veterans Affairs Supportive Housing ("VASH"), and Emergency Housing Vouchers ("EHV"). The voucher programs provide housing subsidy assistance through an array of categories such as Non-Elderly Disabled vouchers, Witness Protection vouchers and Opt-Out vouchers. HOC also administers a Project-Based Voucher ("PBV") Program wherein the subsidy is tied to the actual unit. PBV contracts cannot exceed 20% of HOC's program baseline of 7,659 units, granted through the Request for Proposal ("RFP") process. At the end of the fiscal year 2022, HOC had a HAP Utilization Rate of 93.82%, accounting for 7,186 HAP-assisted units. Additionally, HOC supports a Voucher Homeownership program, which allows eligible voucher customers to use their voucher subsidy towards mortgage payments.

HOC is currently working with the Homeowners' Association at Tobytown to transfer the Tobytown community center and common areas to the Home Owners Association. Once completed, HOC will have left the Federal Public Housing program in favor of not only more stable subsidy, but also a financial model that promotes improved cost management and sustainability. HOC continues to refine operations with respect to Federal housing programs to ensure strong financial performance, efficient delivery of services as well as full compliance with program regulations.

### **Property Management**

The Agency's focus is on enhancing customer service, increasing leasing efforts through improvements to processes, and maintaining the highest physical standard for its properties. The Property Management staff continued to lease to applicants from Housing Path through the pandemic to increase and maintain steady occupancy. With the persistence of the COVID-19 pandemic, the division continues to focus its efforts to ensure the safety and well-being of employees and residents alike. HOC continues to promote and follow Federal, State and Local guidelines related to disinfecting common

areas, practicing social distancing and mask wearing at all multifamily properties. The division has also prioritized establishing repayment agreements and connecting customers that were financially impacted by the pandemic to rental assistance resources. Currently the County has several vehicles through which the Agency and our customers can obtain rental relief funds. The Division is actively working to submit rental relief applications on behalf of the Agency and to assist customers with submitting applications on their behalf. If approved and funding is received, these funds will help to offset rental revenue lost by the Agency due to the impact of the COVID-19 pandemic.

### **Property Maintenance**

The Maintenance Division supervises and coordinates all HUB maintenance operations, fire and safety programs, and equipment inventory control, and ensures that the condition and appearance of the properties meet HOC standards. To ensure the housing stock is well maintained, the Maintenance Division addresses requests for emergency and routine repair requests, creates Requests for Proposals (“RFPs”) and Invitations for BID (“IFBs”), generates new service contracts, and approves purchase requisitions for all HOC owned properties. As the units in our portfolio continue to age, annual budget adjustments are made to account for increased maintenance requirements, the replacement of capital items, and the turnover of vacant units within our portfolio.

Like Fiscal Year 2021, Fiscal Year 2022 continued to be a particularly challenging year. The Maintenance Division was significantly affected by the COVID-19 pandemic. The COVID-19 Maintenance Protocols that were put in place in FY 2021 remained throughout this year with some slight modifications. Despite these efforts, again, throughout the year nearly everyone in the Maintenance Division was quarantined because they were exposed to someone infected with Coronavirus, or contracted the virus themselves. Some were quarantined more than once. Our parts and service vendors also experienced these struggles. Additionally, the division dealt with supply shortages of critical materials such as appliances, and HVAC systems.

Fortunately, through the efforts of HOC and others, over 90 percent of the maintenance staff received vaccines during the year. Many have also received booster shots. Consequently, the Maintenance Division slightly modified the COVID-19 Maintenance Protocols half way through the year to afford Maintenance Supervisors some discretion to increase the assignment of non-exigent High Priority work and Regular Priority work orders. The number of completed work orders is beginning to increase and the completion time for work orders in the Emergency Priority category is beginning to significantly decrease compared to the final effort in Fiscal Year 2021. Unfortunately, due to the increased wear and tear on our units attributed to our customers being at home for longer periods during the pandemic, work requests have increased.

Also during this fiscal year, across the Nation, there has been a significant increase in the price of supplies due to decreased manufacturing and significant supply chain problems. Maintenance supplies did not escape this phenomenon. HOC experienced significant cost increases in maintenance supplies such as HVAC units, stoves, refrigerators, microwaves, hot water heaters and even plywood. The increase in these prices combined with the increase in maintenance work effort and the additional wear and tear on our units has caused increases in maintenance expenses during this fiscal year. These increases also obviously apply to supplies and appliances used for turnover of vacant units. Lastly, there were additional expenses associated with the cost to hire temporary replacement staff required to support the division’s activities during periods of multiple and extended staff quarantine throughout the year.

### **Real Estate Development**

Presently, HOC has in design, in predevelopment, and under construction/renovation thirteen (13) developments throughout the County totaling 3,270 units with 1,812-units designated as affordable for an aggregate total of nearly \$894 million in construction value.

HOC also has more than 2,000 additional units of renovation and new construction slated to enter the pipeline shortly. Just within the past year, HOC closed on 625 units of naturally occurring affordable housing inside the Bethesda Central Business District (“CBD”). Highlights of selected projects under construction and in the pipeline are provided below.

*The Laureate (Under Construction)*

The Laureate is the first new development to utilize HOC's Housing Production Fund ("HPF"). The Laureate (formerly Building D of the western half of the County Service Park redevelopment) is a 268-unit, transit-oriented community in Rockville, just steps from the Shady Grove Metro Station. As required by the HPF, 20% of units will be set aside at 50% of the area median income ("AMI"), and 10% of units will be set aside at MPDU limits. Construction was funded without LIHTC equity or long-term HIF funding.

*The Leggett (Under Construction)*

The Leggett is a new construction, mixed-use, mixed-income senior apartment development over the future South County Regional Recreation and Aquatics Center ("SCRRAC"), located in Silver Spring. The Leggett (formerly, Elizabeth House III) includes 267 residential units, with 106 RAD replacement homes for the current residents at Elizabeth House whose incomes are below 30% of the AMI. An additional 14 units are restricted to households with incomes at or below 60% of the AMI and 118 units to 80% of the AMI. Residential units are expected to be completed in October with the SCRRAC following in early 2023.

*Residences on the Lane (Under Construction)*

Residences on the Lane is a new construction, mixed-use, mixed-income senior rental apartment development located in Rockville Town Center. Residences on the Lane (formerly Upton II) includes 150 age-restricted residential units, 112 of which are replacement homes for HOC's nearby Town Center Apartments. Of the 150 units, 30 are restricted to 40% of AMI households (22 of which are subsidized with Project Based Rental Assistance), 82 are restricted to 60% of AMI households, and 23 are restricted to 80% of AMI households. The building opened for occupancy in December 2021 and is nearly 100% occupied.

*The Metropolitan Apartments (Design / Planning Phase)*

The Metropolitan Apartments is a high-rise, 308-unit rental community above Montgomery County Garage 49 located in Bethesda, MD. Staff continues to advance the design and planning efforts for the future comprehensive renovation, which is expected to commence in calendar year 2023. The 216 market rate units benefitted from minor renovations between 2012 and 2013, but now require substantial renovations to remain competitive within the Bethesda market. The 92 affordable units have not been renovated since construction in 1997. With the proposed renovation, staff is aiming to achieve National Green Building Standard ("NGBS") Silver certification.

*HOC HQ (Design / Planning Phase)*

After decades of occupying office space in a former elementary school in residential Kensington, a proposed 9-story building to serve as HOC's Headquarters located across from Elizabeth Square located in Silver Spring, MD is planned. Construction documents and plans are in progress and staff are currently procuring the services of a general contractor with plans to close on the financing and break ground in FY23. Application for Mandatory Referral was approved by the Planning Commission in May 2020, which shortened the entitlement process. Part 1 was submitted to the Planning Commission in fall 2020, and Part 2 was submitted to Planning Commission in March 2021. The building consolidates HOC's existing Silver Spring Customer Service Center located at 880 Bonifant St., Silver Spring, MD, HOC's current headquarters at Kensington, and a number of its staff currently housed in its East Deer Park location.

*Wheaton Gateway (Design / Planning Phase)*

Wheaton Gateway is proposed as a vibrant new mixed-use residential and retail property on 5+ acres in Wheaton, MD, featuring mixed-income, multifamily housing, and exciting public and commercial spaces at the site of the Lindsay Ford automotive dealership. Wheaton Gateway will include a variety of unit types (i.e., 1-, 2-, and 3-bedroom units) offered at a variety of prices (target of 70% market-rate and 30% MPDUs). Current plans anticipate the delivery of approximately 730 units plus retail use on the lower floor. Buildings will be designed to meet Passive House standards. HOC intends to explore a variety of potential construction technology systems including mass timber, steel, and concrete.



#### *Hillandale Gateway (Design / Planning Phase)*

Hillandale Gateway is a planned new mixed-use, mixed-income community located on the site of Holly Hall Apartments, a former 96-unit Public Housing community in Silver Spring. Hillandale Gateway will consist of 155 age-restricted residential units, 308 multifamily apartments, retail, and parking. Both buildings will be built to Passive House standards. The senior building will strive to achieve Zero Net Energy through Passive House construction techniques, energy efficient mechanical systems, and the installation of solar panels on the site. HOC anticipates closing on LIHTC and construction financing on or around FY 23. The age-restricted building will offer 113 units (73%) to households with incomes at or below 50% of the AMI and 42 units (27) at or below 80% of the AMI. The non-age-restricted building will offer 93 units (30%) to households with incomes at 30%, 40%, 50%, and 80% of the AMI and the 216 units at market rates.

**Resident Services and Other Supportive Programming:** HOC offers expanded customer services designed to help families and children break the cycle and realize their fullest potential while remaining stably housed. HOC's Resident Services and Housing Resources divisions offer supportive programming for HOC households to give them access to educational opportunities and help in gaining skills to become upwardly mobile.

HOC's Family Self-Sufficiency Program ("FSS") is funded by HUD and helps families in the Housing Choice Voucher ("Section 8" or "HCV") programs move toward financial independence by providing the support they need to enhance their education, training skills, and employment goals, so that they may achieve long-term career success. HOC's program provides ongoing case management, resources, and financial support to help low-income families increase job skills, education and vocational training to obtain better employment, and relies on volunteer services, referrals, and grants from partners to connect with customers for its success. At the end of FY 2022, the program had graduated 995 participants since its inception in 1993. The average earned income of the FY 2022 graduates more than doubled – from an average of \$21,687 to \$58,271 annually – and 100% were gainfully employed for at least 12 months. The program continues to seek new ways to support the growth of FSS participants, including strengthening partnerships with other service providers in the County through the Program Coordinating Committee, ensuring FSS and other providers can take a holistic approach towards supporting upward mobility of FSS participants. HOC works to empower its households in accessing services and programs designed to create opportunities that break the cycle of intergenerational poverty and promote stability and sustainable upward mobility.

HOC also supports parents through the Fatherhood Initiative and HOC Academy. HOC was the first Public Housing Authority to be awarded the Fatherhood Initiative grant from the U.S. Department of Health and Human Services Administration for Children and Families. HOC received a second five-year grant award in 2021 for \$998,000, which provides resources for classes, counseling, workforce development training, and other services to fathers and their families. HOC's Fatherhood Initiative program has served over 1,200 fathers since its 2015 inception. Fatherhood Initiative has coordinated 24/7 Dad Workshops, job preparation boot camps, health workshops, and a financial well-being curriculum in collaboration with partners such as Montgomery County's Department of Health and Human Resources, Montgomery College, African American Health Program, and PNC Bank.

HOC Academy ("HOCA") began in 2014, with the expressed purpose of offering expanded customer services designed to help families and children break the cycle of intergenerational poverty. These services include an adult educational and workforce development program ("AEWD") that has provided about \$175,000 in scholarships for residents to pursue a degree/certification and training programs to advance career goals.

In FY 2022, AEWD provided approximately \$38,500 in tuition assistance and workforce development and training opportunities in collaboration with Montgomery College, Career Catchers, WorkSource Montgomery, Morning Star Academy, and a number of other colleges and universities, and licensing and certification entities for various industries.

In addition to providing workforce and development opportunities, AEWD officially launched its Small Business Development program for HOC's customers. HOC Academy in partnership with ALSTNTEC, LLC provided business training opportunities for 200 customers in FY 2022. The Academy hosted monthly webinars to include various business topics, as well as provided five (5) cohorts of a virtual Small Business Strategy Course that focused on creating a business plan,

legalizing and maintaining a business. Twenty-seven (27) customers completed the Small Business Strategy Course (SBSC) and 20 customers have legalized their businesses. In FY 2023, AEWD will continue to offer tuition assistance and small business development opportunities to include funding for additional scholarship opportunities to establish small businesses.

The youth enrichment program has offered approximately 55 afterschool and summer program series and annual Back-to-School Supply Distributions since its inception, accommodating approximately 400 youth in FY 2022. In addition, HOC Academy provided 75 youth with virtual STEAM enrichment to include programs like Computer Assisted Design (“CAD”), Media Production, and At Home Science Explorers Program for middle school aged youth and an introductory STEAM program for elementary-aged youth 3<sup>rd</sup> through 5<sup>th</sup> grade. In FY 2023, HOC Academy will team up with the Service Coordination Unit to host site-based community engagement events to re-engage with residents in person, including the distribution of school supplies and STEAM enrichment. Further, with the support of Housing Opportunities Community Partners and other grantees, HOCA will continue to recruit for its new middle and high school initiative, STEAM Forward program, which will include STEAM enrichment and HOC’s College Success Program administered in partnership with First Generation College Bound, Inc. (“FGCB”). In FY 2022, HOC Academy recruited 12 high school juniors and seniors who received one-on-one coaching to navigate the college admissions process. Ninety-percent (90%) of graduating high school seniors matriculated to college with the assistance of the FGCB coaches. The FGCB partnership allows the Resident Services staff to track long-term success of our youth and families. Lastly, the STEAM Forward Program awarded eight (8) middle school youth with scholarships to attend Montgomery College’s Black Rocket Saturday STEM special events.

#### **Housing Opportunities Community Partners (“HOCP”)**

In 1999, HOC formed HOCP, a non-profit corporation whose mission is to provide services that strengthen the housing stability and increase the self-sufficiency of low- and moderate-income families and individuals living in Montgomery County’s affordable housing so that:

- No one has unmet needs that threaten their housing stability;
- Adults and children have the tools that help them reach their fullest potential; and
- Households can attain their vision for a more fulfilling quality of life.

#### **HOCP programming includes:**

- Kids’ STEM Summer Day Camps and After-School Clubs offer youth the opportunity for “out of school” learning experiences that encourage alternative ways of learning complex math and science material and that expand their appreciation of arts and culture.
- The Back-To-School Supply Drive, a collaborative effort with HOC, county businesses, local organizations, and congregations, which provides essential school supplies for nearly 1,000 low-income youth served by HOC affordable housing programs.
- Housing Counseling Plus Program, which provides moving cost assistance to homeless families relocating to permanent housing.
- Matched Savings Account programs, which provide asset building assistance with financial literacy education to help low-income households pursue homeownership, create small businesses, increase their post-secondary education and to better prepare for emergency expenses.
- Small Business Development programs, which teach adults various aspects of small business operation ranging from registration and licensing through marketing and inventory. The course is followed up by three months of mentoring to complete business plans and to establish legal entities, if applicable.

HOCP’s gross income for FY 2022 was \$140,870 and total expenses were \$138,636. The organization’s budget for FY 2023 is \$285,760. Throughout the course of FY 2022, HOCP supported summer STEM camps, HOC’s Back to School supply drive, matched savings accounts programming to help participants increase their assets, AEWD programming, and small business development opportunities for adult customers.

## Financial Information

The Commission's management is responsible for establishing and maintaining a proper internal control structure to safeguard its assets and ensure accounting data are accurately stated and presented in the financial statements in conformity with generally accepted accounting principles. To ensure the cost of internal controls does not outweigh the benefit, the internal control structure provides reasonable, rather than absolute, assurance that these objectives are met. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Commission is a recipient of Federal and Montgomery County grants and must ensure the proper internal control structure for compliance with applicable laws and regulations related to these programs. The Federal programs are subject to periodic review by an internal compliance department.

**Budgeting Process:** The Commission, on an annual basis in conjunction with division heads and Executive Staff, prepares an annual Agency-wide budget by department and program. The annual budget is submitted to the Executive Director for approval, and then presented to the Budget, Finance and Audit ("BF&A") Committee, a subset of the full Commission, for review. It is subsequently recommended to the full Commission for approval. During the year, budget amendments for all accounts and divisions are presented to the BF&A Committee for review and the Commission for approval. Each division director or program head is responsible for monitoring the 'Budget to actual' performance. On a quarterly basis, 'Budget to actual' reports are prepared and presented to the BF&A Committee for review and the Commission for approval.

**Component Units:** The Commission has 22 discretely presented component units. Each LIHTC limited partnership represents a property, which provides rental housing to eligible households. As the initial 15-year compliance period for the LIHTC partnerships expire, HOC has the right of first refusal to purchase the properties or purchase the interests of the Investor Limited Partners. These properties are typically absorbed into the Commission's Opportunity Housing Fund and continue to provide affordable housing for the Commission's target population, in accordance with Extended Use Covenants.

**Acknowledgements:** The preparation of this report has been accomplished by the efforts of the Finance Division in conjunction with the support of various division directors and staff throughout the Agency. We would also like to thank the Board of Commissioners for their continued support and guidance throughout the year.

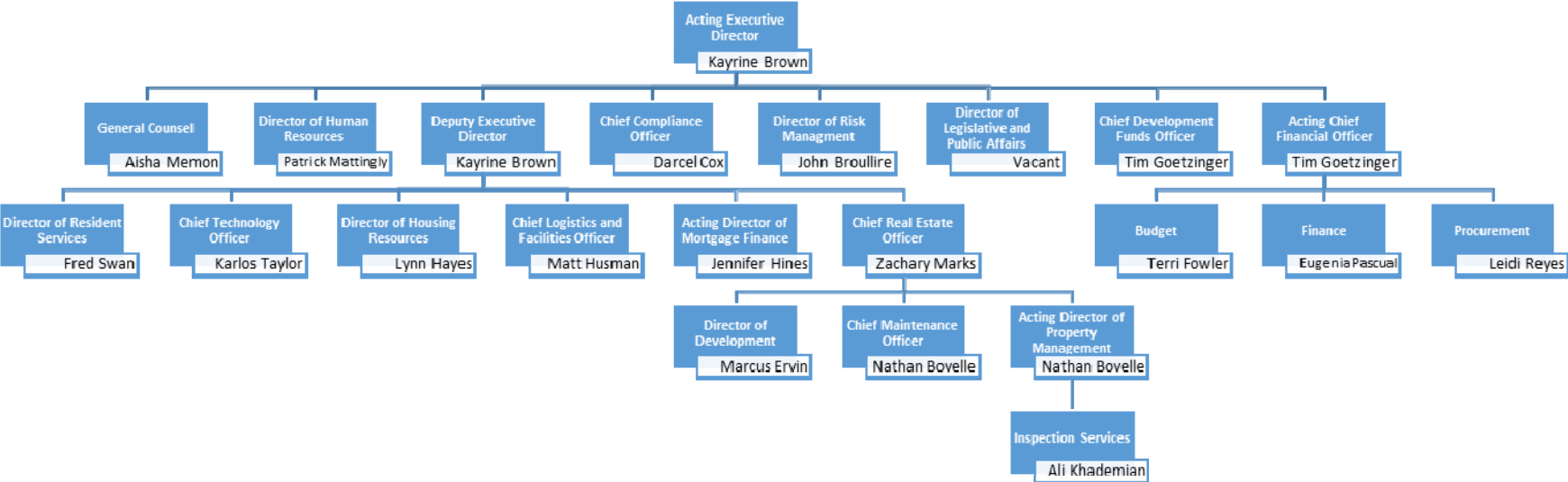
Respectfully submitted,

*Tim Goetzinger*

Tim Goetzinger  
Acting Chief Financial Officer



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
ORGANIZATIONAL CHART**



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
 (A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
 LIST OF PRINCIPAL OFFICERS**

<b>Name, Title</b>	<b>Expiration of Term</b>
<b>BOARD OF COMMISSIONERS</b>	
Roy Priest, Chair	August, 2024
Frances Kelleher, Vice Chair	August, 2024
Richard Y. Nelson, Jr., Chair Pro Tem	August, 2023
Pamela Byrd, Commissioner	August, 2023
Linda Croom, Commissioner	Serving until replacement/reappointment
Jeffrey Merkowitz, Commissioner	Serving until replacement/reappointment
Jackie Simon, Commissioner	Serving until replacement/reappointment

**SENIOR MANAGEMENT**

Kayrine Brown, Acting Executive Director  
 Aisha Memon, General Counsel

**EXECUTIVE STAFF**

Kayrine Brown, Deputy Executive Director  
 Lynn Hayes, Director of Housing Resources  
 Timothy Goetzinger, CDFO & Acting Chief Financial Officer  
 Patrick Mattingly, Director of Human Resources  
 Fred Swan, Director of Resident Services  
 Karlos Taylor, Chief Technology Officer  
 John Broullire, Director of Risk Management  
 Darcel Cox, Chief Compliance Officer  
 Nathan Bovelle, Chief Maintenance Officer  
 Zachary Marks, Chief Real Estate Officer  
 Marcus Ervin, Director of Development  
 Vacant, Director of Property Management  
 Vacant, Director of Legislative and Public Affairs

## II. FINANCIAL SECTION



## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Housing Opportunities Commission of  
Montgomery County, Maryland  
Kensington, Maryland

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Opportunities Commission of Montgomery County (the Commission), a component unit of Montgomery County, Maryland, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commission'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 Commission, as of June 30, 2022, and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of 900 Thayer Limited Partnership, Alexander House Apartments Limited Partnership, Arcola Towers RAD Limited Partnership, Bauer Park Apartments Limited Partnership, CCL Multifamily LLC, Forest Oak Towers Limited Partnership, Greenhills Apartments Limited Partnership, 4913 Hampden Lane Limited Partnership, HOC at Georgian Court LLC, HOC at Shady Grove, LLC, HOC at Stewartown Homes, LLC, HOC Westside Shady Grove, LLC, HOC at Upton II LLC, Spring Garden One Associate Limited Partnership, Tanglewood and Sligo Limited Partnership, Waverly House RAD Limited Partnership, Wheaton Venture, HOC at 11250 Veirs Mall, Hillandale, HOC at Willow Manor LLC, Wheaton Metro Limited Partnership, Elizabeth House III Limited Partnership, which represent 75%, 64% and 98% respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements, which were prepared in accordance with the accounting standards issued by the Financial Accounting Standards Board, were audited by other auditors whose reports have been furnished to us. We have applied limited audit procedures on the conversion adjustments to conform the presentation of the financial statements of the discretely presented component units which conform those financial statements to accounting standards issued by the Government Accounting Standards Board. Our opinion, insofar as it relates to the amounts included for the discretely presented component units prior to these conversion adjustments, is based solely on the reports of the other auditors.

### ***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*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission 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.

### ***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 Commission'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.

### ***Auditors' 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 auditors' 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 Commission'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 Commission'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 discussion and analysis on pages 5-15, Schedule of the Commission's Proportionate Share of the Net Pension Liability on page 103, the Schedule of Commission Pension Contributions on page 104, the Schedule of the Commission's Net OPEB Liability and related ratios on page 105 and the Schedule of Commission OPEB Contributions on page 106, 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 GAAS, 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 Commission's basic financial statements. The Sub-Fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Sub-Fund financial statements are 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 GAAS. In our opinion, the supplementary information is 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 and statistical sections but does not include the basic financial statements and our auditors' 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.

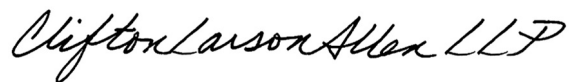
Board of Commissioners  
Housing Opportunities Commission of  
Montgomery County, Maryland

In connection with our audit of the basic 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.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Commission's basic financial statements as of and for the year ended June 30, 2021, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the business-type activities and the aggregate discretely presented component units. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements as a whole. The Sub-Fund Financial Statements for the year ended June 30, 2021, are presented for purposes of additional analysis and are not a required part of the basic 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 2021 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2021 Sub-Fund Financial Statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2022, on our consideration of the Commission'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 Commission'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 Commission's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
November 10, 2022

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

As management of the Housing Opportunities Commission of Montgomery County, Maryland (the Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information furnished in the audited basic financial statements and related notes. This discussion and analysis is focused on the activities of the Commission as a primary governmental entity.

**Financial Highlights**

The Commission's net position increased by \$61.2 million during fiscal year 2022, compared to the \$235.9 million balance at June 30, 2021.

The Commission's current ratio (ratio of current assets to current liabilities) increased from 2.01 at June 30, 2021 to 2.68 at June 30, 2022, due primarily to an increase in the current assets attributed to the proceeds from the Shady Grove Apartments, Georgian Court Apartments and the three Manor Properties (The Manor at Colesville LLC, The Manor at Cloppers Mill LLC and The Manor at Fair Hill Farm LLC) real estate transactions.

Outstanding mortgage and construction loans receivable increased from \$519.7 million at June 30, 2021 to \$664.7 million at June 30, 2022. This is mainly attributed to the Multifamily Sub-fund mortgage receivables on the Multifamily Housing Development Bonds ("MHDB") 2021 Series C&D for HOC Willow Manor LLC ("Willow Manor"), HOC at Georgian Court LLC ("Georgian Court") and HOC at Shady Grove LLC ("Shady Grove"), and the Housing Production Fund ("HPF") Series 2021 Limited Obligation Bonds. Additionally, the Opportunity Housing Sub-fund also increased mainly due to the Seller Notes for these same real estate transactions. The increase is partially offset by a decrease in the Single Family Sub-fund due to mortgage loan payoffs and prepayments as well as the scheduled principal amortizations in both the Single Family and the Multifamily Sub-fund.

The amount of U.S. Department of Housing and Urban Development (HUD) Section 8 Housing Assistance Payments (HAP) administered by the Commission increased by 4.6% from \$120.3 million in fiscal year 2021 to \$125.8 million in fiscal year 2022.

During fiscal year 2022, the Multifamily Sub-fund retired and refunded bonds in the amount of \$29.5 million which consisted of \$14.9 million from the 1996 indenture, \$11.3 million from the 2009 Indenture and \$3.3 million from the other indentures.

The Single Family Sub-fund retired and refunded bonds in the amount of \$57.6 million which consisted of \$28.0 million from the 1979 indenture, \$20.6 million from the 2009 indenture and \$9.0 million from the Program Revenue 2019 Indenture.

**Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The annual financial report is comprised of three components: management's discussion and analysis, the financial statements, and notes to the financial statements.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

The financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business. These statements are prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as applied to governmental units using the economic resources measurement focus and the accrual basis of accounting. Under this basis of accounting, revenues are recognized in the period they are earned, while expenses are recognized in the period they are incurred. Depreciation and amortization of capital and deferred assets are recognized in the statement of revenues, expenses, and changes in net position.

The statement of net position presents information on all of the Commission's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual amount reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information on how the Commission's net position changed during the fiscal year.

The statement of cash flows explains the sources and uses of cash during the fiscal year.

The Commission maintains only proprietary funds. Such funds are accounted for in a manner similar to that of businesses operating in the private-sector. Proprietary funds provide both long- and short-term financial information. The following is a brief description of the activity accounted for in each of the sub-funds.

### **Sub-Funds**

**General Sub-Fund** – the Commission's primary operating sub-fund. The entire administration and overhead of the Commission is maintained within this sub-fund. In addition, in FY 2014, HUD required all public housing authorities to implement a Central Office Cost Center (COCC). As a result, the General Sub-fund was split into two components: one to reflect Agency overhead related to Federal programs and corresponding Fee Income, and one to reflect the Agency overhead related to Non-Federal Programs. All activities are consolidated for reporting purposes under the General Sub-Fund.

**Opportunity Housing Sub-Fund** – accounts for properties that provide affordable housing to low and moderate income residents. Properties owned by the Commission make up the primary assets in this sub-fund.

**Public Sub-Fund** – accounts for grants from federal, state, and county governments. These grants are used to provide Housing Assistance Payments and supportive services for residents. Activities related to the Housing Choice Voucher Programs are maintained in this sub-fund.

**Single Family Sub-Fund** – accounts for taxable and non-taxable bonds. These bonds are used to finance mortgage loans for qualifying first-time homebuyers. The primary assets are mortgage loans receivable and restricted cash and investments.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

**Multifamily Sub-Fund** – accounts for taxable and non-taxable bonds. These bonds are used to finance the acquisition, rehabilitation, and/or construction of affordable multifamily housing. The primary assets are mortgage loans receivable and restricted cash and investments.

**Discretely Presented Component Units**

Real Estate Limited Partnerships – The Commission is the managing general partner in 17 real estate limited partnerships. All of the partnerships have calendar year ends.

The Commission is the sole member and 100% owner of HOC at Hillandale Gateway LLC (HOC Hillandale), a Maryland limited liability company, which is addressed as a blended component unit. HOC Hillandale is an owner member of Hillandale Gateway LLC, which has a calendar year end and is included as a discrete component unit.

The Commission is the managing member and 50% owner of CCL Multifamily LLC, a Maryland limited liability company, which is addressed as a partnership with a private foundation. CCL Multifamily LLC, in turn, owns the Lindley, a 200-unit mixed-income apartment building. This entity has a calendar year end and is included as a discrete component unit.

The Commission is a partner of a joint venture known as Wheaton Venture LLC which will undertake the redevelopment of Wheaton Gateway, consisting of the Lindsay Ford parcels, Ambassador Apartments and Mattress Firm property located in Wheaton, Maryland. This entity has a calendar year end and is included as a discrete component unit.

The Commission is a partner of a joint venture known as HOC at West Side Shady Grove LLC which will develop a 268-unit mixed-income building, to include 81 affordable housing units and mixed use development adjacent to the Shady Grove Metro Station. This entity has a calendar year end and is included as a discrete component unit.

HOC at 11250 Veirs Mill Road – this is part of the Wheaton Venture LLC redevelopment project. This entity has a calendar year end and is included as a discrete component unit.

Accordingly, the amounts that comprise the aggregate Balance Sheet and Statement of Operations of the discretely presented component units described above are as of and for the respective year ends that fall within the year ended June 30, 2022.

**Blended Component Units**

Development Corporation – The Commission has 56 properties that are considered blended component units and presented with the Opportunity Housing Sub-Fund in the appropriate fund financial statement and combining statements.

**Financial Analysis of the Commission as a Whole**

The Commission's total net position in fiscal year 2022 increased by 25.9%.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

Net investment in capital assets is -45.7% of the Commission's net position. These capital assets are used primarily to provide housing to low-income residents.

36.2% of the Commission's net position reflects cash and investments, which are restricted as to their use. The preponderance of these restricted assets are used to finance and fund low-income housing.

109.5% of the Commission's net position is unrestricted. These non-restricted resources are used in the operations of the Commission.

**Housing Opportunities Commission's Net Position**  
*(In millions of dollars)*

	2022	2021	Change (\$)	Change (%)
<b>Assets:</b>				
Current Assets	\$ 477.3	\$ 462.9	\$ 14.4	3.1%
Other Assets	216.2	200.7	15.5	7.7%
Capital Assets	681.1	691.2	(10.1)	(1.5)%
Mortgage and Construction Loans Receivable, Net of Current	651.6	511.3	140.3	27.4%
<b>Total Assets</b>	<b>2,026.2</b>	<b>1,866.1</b>	<b>160.1</b>	<b>8.6%</b>
Deferred Outflows of Resources	60.4	81.0	(20.6)	(25.4)%
<b>Liabilities:</b>				
Current Liabilities	119.6	148.7	(29.1)	(19.6)%
Current Portion of Long-Term Debt and Bonds Payable	58.3	81.8	(23.5)	(28.7)%
<b>Total Current Liabilities</b>	<b>177.9</b>	<b>230.5</b>	<b>(52.6)</b>	<b>(22.8)%</b>
<b>Noncurrent Liabilities:</b>				
Bonds Payable	741.6	612.1	129.5	21.2%
Other Liabilities	818.9	809.3	9.6	1.2%
<b>Total Liabilities</b>	<b>1,738.4</b>	<b>1,651.9</b>	<b>86.5</b>	<b>5.2%</b>
Deferred Inflows of Resources	51.1	59.3	(8.2)	(13.8)%
<b>Net Position</b>				
Net Investment in Capital Assets	(135.7)	(131.2)	(4.5)	3.4%
Restricted for:				
Debt Service	99.1	110.2	(11.1)	(10.1)%
Customer Deposits and Other	2.4	2.3	0.1	4.3%
Closing Cost Assistance Program	6.0	1.9	4.1	215.8%
Unrestricted	325.3	252.7	72.6	28.7%
<b>Total Net Position</b>	<b>\$ 297.1</b>	<b>\$ 235.9</b>	<b>\$ 61.2</b>	<b>25.9%</b>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

Total assets of the Commission increased by \$160.1 million or 8.6%, with a corresponding increase in total liabilities of \$86.5 million or 5.2% from fiscal year 2021.

The increase in total assets was largely attributed to an increase in mortgage and construction loans receivable and unrestricted cash and cash equivalents partially offset by a decrease in restricted cash, cash equivalents and investments and net capital assets. The increase in mortgage and construction loans receivable was mainly due to an increase in loans financed through the Multifamily Sub-fund for discrete component units, which include Willow Manor, Shady Grove, Georgian Court and HOC at Westside Shady Grove LLC ("Westside Shady Grove"). The increase in unrestricted cash and cash equivalents is attributed primarily to the excess settlement proceeds from the Shady Grove and Georgian Court real estate transactions. Also contributing to the increase are the development fees and commitment fees from Willow Manor, Alexander House LP, Shady Grove, Georgian Court, 900 Thayer LP and Westside Shady Grove.

The decrease in net capital assets is largely attributed to the sale of Shady Grove Apartments, Georgian Court Apartments and the three Manor Properties to their respective special purpose owner entities as well as the fiscal year normal depreciation of assets. This decrease is partially offset by the acquisition of several multifamily properties at Avondale ("HOC at Avondale LLC") and Battery Lane ("HOC at Battery Lane LLC") in Bethesda.

The increase in liabilities resulted from the issuance of bonds to finance mortgage loans receivable and entering mortgage loans payable for the acquisition, rehabilitation, or construction of properties. These bond proceeds are drawn by the borrower as needed during construction and the liability is offset by restricted cash.

Current liabilities decreased by \$52.6 million while noncurrent liabilities (including bonds and mortgage loans payable) increased by \$139.1 million. The Commission issued bonds totaling \$193.5 million and retired bonds totaling \$87.2 million during the year. The issuance of \$68.4 million in mortgage loans payable partially offset by repayment of \$50.2 million also contributed to the increase in liabilities. The new mortgage loans consist of \$48.5 million for the acquisition of the Battery Lane properties and \$19.9 million draw on the PNC line of credit for several properties under construction or rehabilitation.

Based on Government Accounting Standards Board State No.(GASB) 53, *Accounting and Financial Reporting for Derivative Instruments*, the termination value of all swaps, either negative or positive, are presented as either deferred outflows or inflows in the statement of net position. HOC had a negative fair value of \$1.7 million on June 30, 2022 compared to a negative fair value of \$9.6 million on June 30, 2021.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

**Housing Opportunities Commission's Changes in Net Position**  
*(In millions of dollars)*

	2022	2021	Change (\$)	Change (%)
<b>Operating Revenues</b>				
Dwelling Rental	\$ 102.4	\$ 99.3	\$ 3.1	3.1%
Governmental Grants	153.6	142.1	11.5	8.1%
Investment Income	11.5	7.4	4.1	55.4%
Unrealized (Losses) Gains on Investments	(15.1)	(4.5)	(10.6)	235.6%
Interest on Mortgage and Construction Loans Receivable	7.1	6.3	0.8	12.7%
Management Fees and Other Income	19.6	15.9	3.7	23.3%
<b>Total Operating Revenues</b>	<u>279.1</u>	<u>266.5</u>	<u>12.6</u>	<u>4.7%</u>
<b>Operating Expenses</b>				
Housing Assistance Payments	125.8	120.3	5.5	4.6%
Administration	46.6	44.7	1.9	4.3%
Maintenance	28.2	24.1	4.1	17.0%
Depreciation and Amortization	21.2	20.8	0.4	1.9%
Utilities	7.4	7.0	0.4	5.7%
Fringe Benefits	11.9	16.2	(4.3)	(26.5)%
Interest Expense	35.8	32.6	3.2	9.8%
Other Expenses	14.7	13.5	1.2	8.9%
<b>Total Operating Expenses</b>	<u>291.6</u>	<u>279.2</u>	<u>12.4</u>	<u>4.4%</u>
<b>Operating (Loss) Income</b>	(12.5)	(12.7)	0.2	(1.6)%
<b>Nonoperating Revenues, Net</b>	<u>74.0</u>	<u>18.3</u>	<u>55.7</u>	<u>304.4%</u>
<b>Income Before Contributions and Transfers</b>	61.5	5.6	55.9	998.2%
Transfers From (To) Discrete Component Units	-	0.2	(0.2)	(100.0)%
Capital Contributions	(0.3)	15.2	(15.5)	(102.0)%
<b>Change in Net Position</b>	61.2	21.0	40.2	191.4%
<b>Total Net Position - Beginning of Year</b>	<u>235.9</u>	<u>214.9</u>	<u>21.0</u>	<u>9.8%</u>
<b>Total Net Position - End of Year</b>	<u><u>\$ 297.1</u></u>	<u><u>\$ 235.9</u></u>	<u><u>\$ 61.2</u></u>	<u><u>25.9%</u></u>

In January 2006, HUD issued PIH Notice 2006-03, which requires that the Annual Budget Authority (ABA) that the Commission receives be reported as income in the same fiscal year regardless of the total housing assistance payments incurred. As of June 30, 2022, the Commission has recorded all ABA received as income.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

Dwelling rent increased by \$3.1 million and is mainly attributed to Bradley Crossing LLC ("Bradley Crossing"), HOC at Battery Lane LLC, Cider Mill Apartments, VPC Two Corporation and Alexander House Development Corporation, partly reduced by the sale of the three Manor Properties, Georgian Court and Shady Grove.

Governmental grants increased by \$11.5 million as a result of an increase in Housing Assistance Payments (HAP) revenue, and HAP administrative fee income.

Investment income and unrealized gains on investments decreased by \$6.5 million in FY 2022 due to changes in interest rates and the investing environment.

HAP expense increased by \$5.5 million in FY 2022 due to an increase in leasing and leasing cost attributable to the impact of COVID-19 as well as new programs.

Administrative expense increased by \$1.9 million in FY 2022 attributed primarily to the addition of Bradley Crossing and Battery Lane expenses. Also contributing to the increase are the legal and miscellaneous operating expenses within the Opportunity Housing Sub-fund, on-line information services, consulting and other operating professional services within the General Sub-fund, and tenant services, landlord incentives, tuition assistance, inspection services and other operating services contract and administrative expenses within the Public Sub-fund.

Fringe benefits decreased by \$4.3 million mainly attributed to a decrease in pension expense, and other postemployment benefits ("OPEB"), due to the changes in the Commission's proportionate share of the Net Pension Liability and Net OPEB Liability as of the measurement date of June 30, 2021. As a participating employer, the Commission is required to follow Governmental Accounting Standards Board ("GASB") Statement 68 No.'s and 75 to report the Commission's proportionate share of the net pension and OPEB liability.

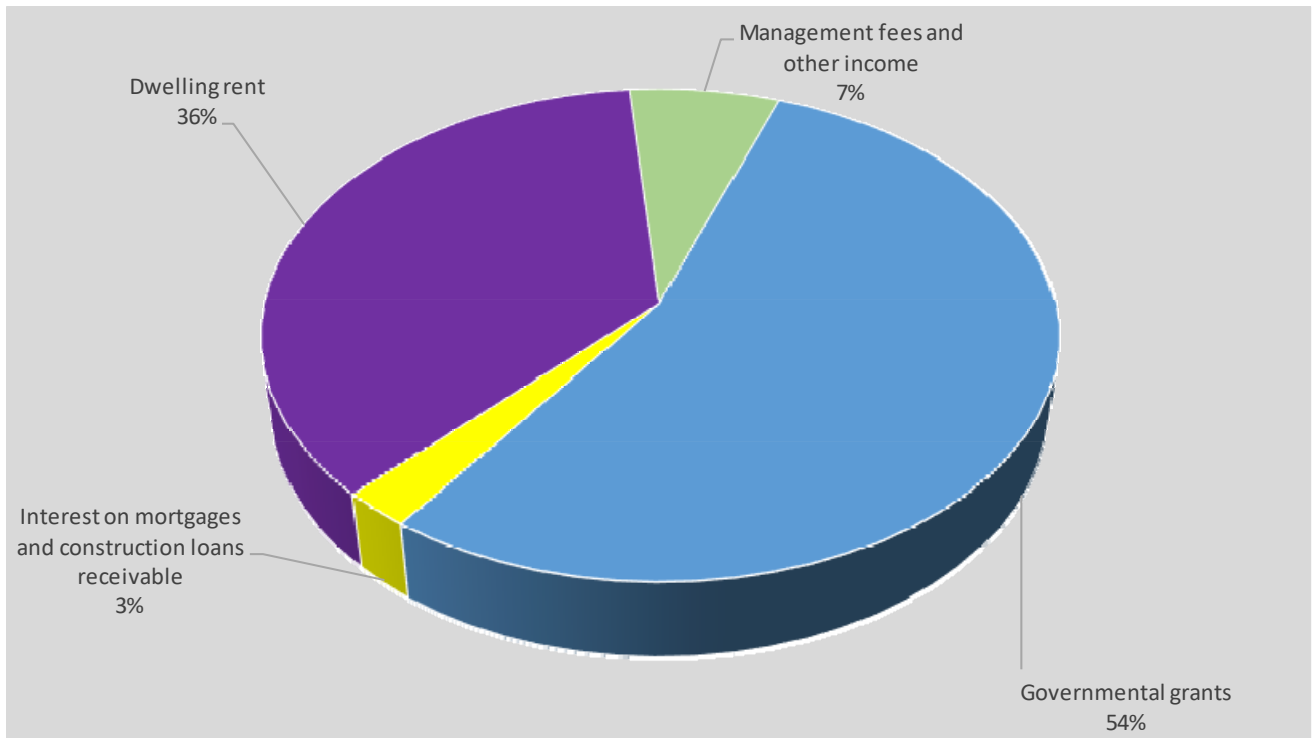
Other expenses increased by \$1.2 million primarily due to an increase in the FHA Risk sharing reserve for loss, COVID-19 expenses, Housing Choice Voucher outgoing portability administrative fees, incentive fees and various other expenses.

Non-operating revenue increased by \$55.7 million mainly due to the net gain from the sale of Shady Grove Apartments, Georgian Court Apartments and the three Manor Properties.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022**

The following chart illustrates the Commission's sources of revenue as a percentage of total operating revenue. The primary sources of operating revenue for the Commission are grants from federal, state, and local governments, and dwelling rental income.

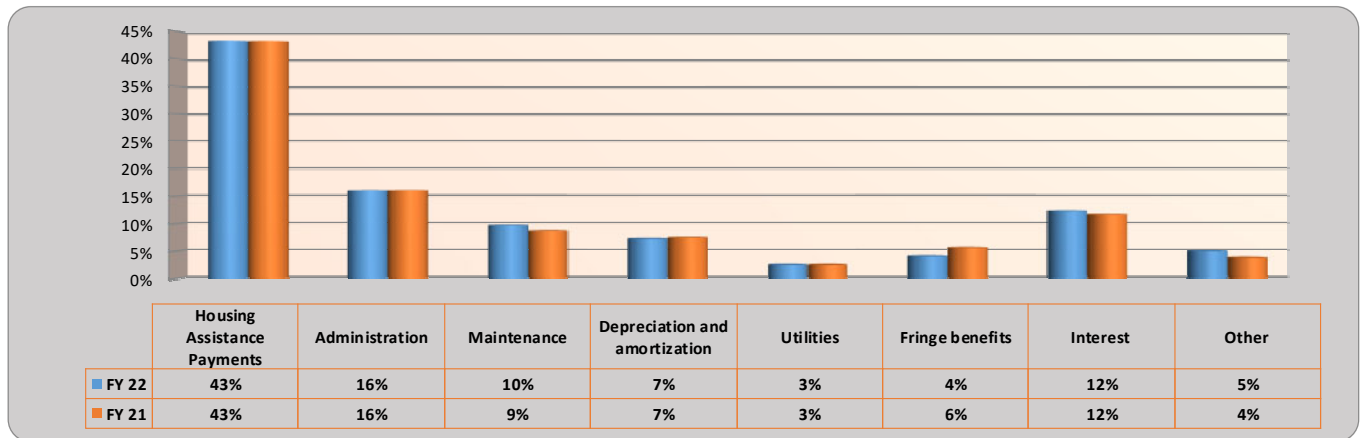
**FY 2022 SOURCES OF OPERATING REVENUE**



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

The following chart is a comparison of the Commission's current and prior year operating expenses as a percentage of total expenses:

**FY 2022 vs. FY 2021 OPERATING EXPENSES**



Housing Assistance Payments are the major contributor to the total operating expenses of the Commission and remained at 43% of the total operating expenses.

The proportionate shares of administrative expenses, maintenance, depreciation and amortization, fringe benefits, interest expense and other expense categories have not changed significantly from the prior year.

**Housing Opportunities Commission's Capital Assets**  
**Net of Accumulated Depreciation**  
*(In millions of dollars)*

	2022	2021	Change (\$)	Change (%)
Property and Equipment, Net of Depreciation	\$ 681.1	\$ 691.2	\$ (10.1)	(1.5)%

The decrease in capital assets is primarily driven by the sale of Shady Grove, Georgian Court and the three Manor Properties, as well as the normal depreciation of assets, partly reduced by the purchase of HOC at Avondale LLC and HOC at Battery Lane LLC.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

**Housing Opportunities Commission's Outstanding Debt**  
*(In millions of dollars)*

	2022	2021	Change (\$)	Change (%)
Multifamily Bonds	\$ 574.5	\$ 442.6	\$ 131.9	29.8%
Single Family Mortgage Purchase Program Bonds	199.1	224.6	(25.5)	(11.4)%
Mortgage Notes and Loans Payable	652.9	634.7	18.2	2.9%
Loans Payable to Montgomery County	87.8	105.0	(17.2)	(16.4)%
Total	<u>\$ 1,514.3</u>	<u>\$ 1,406.9</u>	<u>\$ 107.4</u>	<u>7.6%</u>

The following are key elements of the Commission's outstanding debt as of June 30, 2022:

- As of June 30, 2022, \$574.5 million of Multifamily mortgage bonds was outstanding. Sources of payments for the bonds are Multifamily mortgages receivable of \$480.5 million and restricted cash, cash equivalents and investments of \$202 million.
- As of June 30, 2022, \$199.1 million of Single Family mortgage bonds was outstanding. Sources of payment for the bonds are Single Family mortgages receivable of \$38.1 million and restricted cash, cash equivalents and investments of \$184.9 million.

The outstanding debt is secured by real estate or by first mortgages on real estate. The exception is the closing cost assistance program.

Note 8 (Bonds, Mortgage Notes, and Loans Payable) provides detailed information about long-term debt activity.

**Economic Outlook**

HOC's FY 2023 budget reflects a continued commitment to our work as Housers and the focus areas established in the agency's 2018 – 2022 Strategic Plan: Getting People Housed; Keeping People Housed; and Helping Customers Reach Their Fullest Potential. HOC remains dedicated to developing Community Connected Housing, providing pathways to opportunity through equitable and inclusive community development that capitalizes on the assets and potential of a community and creates spaces that promote residents' health, happiness, and well-being.

While the Strategic Plan goals reinforce our mission and approach for serving customers, HOC's FY 2023 budget also demonstrates our awareness of, and strategy for, adapting to the COVID-19 pandemic environment and the imminent housing instability and economic distress that many of our customers will face. The COVID-19 pandemic laid bare the social, racial, and economic inequities facing the population we serve. We have seen some of the strongest advocacy in years for addressing those gaps: the fight to raise the national minimum wage; an infrastructure package that recognizes critical supports like senior and childcare; and the recent increase in the area median income limit in Montgomery County. Many customers faced job and wage loss, underemployment, and financial hardship throughout the past year, and that has been reflected in people's ability to pay routine bills, like rent. These families have felt these impacts twofold because they lack the savings to help them weather an emergency or economic downturn.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2022**

Despite these pressures, HOC is up to the challenge and is committed to the investment in the overall quality of Montgomery County's housing stock, a strategy that will yield critically important increased housing supply and improved mixed-income communities that get people housed to meet the range of housing needs throughout the county. Using innovative financing and development tactics, HOC has created a new, more sustainable model for affordable housing development that will help us integrate neighborhoods and bring critical resources to the families that need them while maintaining financial self-sustainability that ensures we serve and support the greatest number of families for the long-term.

At HOC, our charge is clear: focus on building housing, building communities that help Montgomery County residents achieve the goals they hold for themselves and their families, regardless of race, ethnicity, age or economic circumstances. We believe a community like Montgomery County deserves world-class housing options so that all of its citizens may thrive and have a place to call home.

**Request for information**

This financial report is designed to provide a general overview of the Commission's finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 10400 Detrick Avenue, Kensington, Maryland, 20895.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2022**

	Primary Government	Discrete Component Units
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Unrestricted:		
Cash and Cash Equivalents	\$ 141,338,502	\$ 10,494,888
Advances to Component Units	4,066,220	-
Accounts Receivable and Other Assets, Net	27,678,413	10,324,495
Due From Related Parties	-	852,306
Accrued Interest Receivable	14,093,802	-
Mortgage and Construction Loans Receivable, Current	13,157,945	-
Lease Receivable, Current	1,305,017	-
Total Unrestricted Current Assets	201,639,899	21,671,689
Restricted Cash, Cash Equivalents and Investments:		
Restricted Cash and Cash Equivalents	225,725,994	21,946,165
Restricted Short-Term Investments	3,596,993	-
Restricted for Current Bonds Payable	40,703,219	-
Restricted for Customer Deposits	5,608,621	657,616
Total Restricted Cash, Cash Equivalents, and Investments	275,634,827	22,603,781
Total Current Assets	477,274,726	44,275,470
<b>NONCURRENT ASSETS</b>		
Restricted Long-Term Investments	169,381,806	-
Mortgage and Construction Loans Receivable, Net of Current Portion	651,531,537	-
Capital Assets Being Depreciated, Net	525,490,625	409,222,763
Capital Assets, Not being Depreciated	155,654,459	260,029,083
Right-to-Use Asset, Net	536,556	-
Lease Receivable	8,296,033	-
Derivative Asset	2,193,576	-
Other Noncurrent Assets	-	9,627,474
Investment in Partnership	-	16,372,489
Investment in Component Units	35,860,438	-
Total Noncurrent Assets	1,548,945,030	695,251,809
Total Assets	2,026,219,756	739,527,279
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Derivative Instrument	21,270,199	-
Fair Value of Hedging Derivatives	1,727,682	-
Employer-Related Pension Activities	30,990,437	-
Employer-Related OPEB Activities	6,401,277	-
Total Deferred Outflows of Resources	60,389,595	-
Total Assets and Deferred Outflows of Resources	\$ 2,086,609,351	\$ 739,527,279

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENTS OF NET POSITION (CONTINUED)**  
**JUNE 30, 2022**

**LIABILITIES AND NET POSITION**

	Primary Government	Discrete Component Units
<b>CURRENT LIABILITIES</b>		
Current Unrestricted Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 28,684,325	\$ 24,719,093
Undrawn Mortgage Proceeds Payable	68,050,006	-
Accrued Interest Payable	9,389,990	13,699,960
Loans Payable to Montgomery County - Current	241,243	-
Lease Payable - Current	318,242	-
Mortgage Notes and Loans Payable - Current	26,091,520	2,449,783
Due To Related Parties	-	8,752,230
Total Current Unrestricted Liabilities	132,775,326	49,621,066
Current Liabilities Payable from Restricted Assets:		
Customer Deposits Payable	4,575,032	571,660
Accrued Interest Payable	8,595,765	-
Bonds Payable - Current	31,988,733	-
Total Current Liabilities Payable from Restricted Assets	45,159,530	571,660
Total Current Liabilities	177,934,856	50,192,726
<b>NONCURRENT LIABILITIES</b>		
Bonds Payable	741,557,113	-
Mortgage Notes and Loans Payable	626,827,946	520,882,812
Loans Payable to Montgomery County	87,549,922	30,388,277
Lease Payable	221,748	-
Unearned Revenue	34,702,518	-
Advances Due to Primary Government	-	2,474,104
Other Noncurrent Liabilities	-	17,903,078
Escrow and Other Deposits	19,106,708	-
Net Pension Liability	32,216,643	-
Net OPEB Liability	16,573,819	-
Derivative Instruments - Hedging	1,727,682	-
Total Noncurrent Liabilities	1,560,484,099	571,648,271
Total Liabilities	1,738,418,955	621,840,997
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Derivative Instrument	2,193,576	-
Unamortized Pension Net Difference	23,992,290	-
Unamortized OPEB Net Difference	15,320,515	-
Unamortized Lease Receivable	9,582,722	-
Total Deferred Inflows of Resources	51,089,103	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	(135,707,939)	115,530,974
Restricted for:		
Debt Service	99,157,634	-
Customer Deposits and Other	2,385,144	22,032,121
Closing Cost Assistance Program	5,965,095	-
Unrestricted	325,301,359	(19,876,813)
Total Net Position	297,101,293	117,686,282
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,086,609,351	\$ 739,527,279

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED JUNE 30, 2022**

	Primary Government	Discrete Component Units
<b>OPERATING REVENUES</b>		
Dwelling Rental	\$ 102,431,660	\$ 22,063,850
Investment Income	11,460,500	-
Unrealized Losses on Investments	(15,055,059)	-
Interest on Mortgage and Construction Loans Receivable	7,065,206	-
Management Fees and Other Income	19,607,700	1,417,088
U.S. Department of Housing and Urban Development Grants:		
Housing Assistance Payments (HAP)	124,356,627	-
HAP Administrative Fees	10,634,727	-
Other Grants	5,843,650	-
State and County Grants	12,814,562	-
Total Operating Revenues	279,159,573	23,480,938
<b>OPERATING EXPENSES</b>		
Housing Assistance Payments	125,824,236	-
Administration	46,619,931	3,791,843
Maintenance	28,219,691	3,372,239
Depreciation and Amortization	21,159,850	9,885,351
Utilities	7,418,333	1,926,909
Fringe Benefits	11,901,923	783,231
Interest Expense	35,782,923	11,378,021
Other Expenses	14,661,403	3,195,144
Bad Debt Expense	-	165,540
Total Operating Expenses	291,588,290	34,498,278
<b>OPERATING INCOME (LOSS)</b>	(12,428,717)	(11,017,340)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment Income	3,851,428	1,847
Interest on Mortgage and Construction Loans Receivable	3,515,446	-
Interest Expense	(2,976,589)	-
Other Grants	216,195	-
Gain on Sale of Assets	69,386,118	-
Total Nonoperating Revenue	73,992,598	1,847
<b>INCOME (LOSS) BEFORE DISTRIBUTIONS AND CONTRIBUTIONS</b>	61,563,881	(11,015,493)
Partner Equity Distributions	-	(25,548,630)
Capital Contributions	(324,475)	62,784,392
<b>CHANGE IN NET POSITION</b>	61,239,406	26,220,269
Net Position - Beginning of Year	235,861,887	91,466,013
<b>NET POSITION - END OF YEAR</b>	\$ 297,101,293	\$ 117,686,282

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES**  
**YEAR ENDED JUNE 30, 2022**

	Business-Type Activities
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers	\$ 107,302,460
Intergovernmental Revenue	153,275,470
Investment Income Received	11,607,666
Mortgage Interest Received	6,754,013
Mortgage Loan Principle Received	34,743,815
Management Fees and Other Income	26,710,293
Mortgage Loans Issued	(156,684,903)
Payments to Suppliers	19,588,842
Payments to Employees	(54,289,867)
Interest Paid	(37,592,727)
Housing Assistance Payments	(125,824,236)
Net Cash Used by Operating Activities	(14,409,174)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Advances/Investment to Component Units	(4,192,827)
Issuance of Notes Receivable	(63,084,868)
Receipt of Payments on Notes Receivable	10,105,070
Investments Sold	3,396,948
Investments Purchased	(17,563,017)
Investment Income Received	3,851,428
Mortgage Interest Received	8,280,474
Net Cash Used by Investing Activities	(59,206,792)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Proceeds from Sale of Bonds (MF Capital and SF Non-Capital)	192,963,817
Bond Repayments	(85,961,763)
Intergovernmental Revenue	(75,106)
Net Cash Provided by Noncapital Financing Activities	106,926,948
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Payments for Property and Equipment	(67,536,501)
Proceeds from Sale of Capital Assets	56,443,869
Proceeds from Loans Payable to Montgomery County	9,059,456
Payments on Loans Payable to Montgomery County	(26,298,927)
Proceeds from New Mortgage Notes and Loans Payable	89,336,654
Payments on Mortgage Notes and Loans Payable	(77,027,703)
Interest Paid on Mortgages	(9,822,359)
Capital Contributions and Transfers	(324,475)
Net Cash Used by Capital and Related Financing Activities	(26,169,986)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	7,140,996
Cash and Cash Equivalents - Beginning of Year	406,235,340
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 413,376,336

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**

	Business-Type Activities
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS, END OF YEAR TO AMOUNTS IN THE STATEMENT OF NET POSITION</b>	
Current Unrestricted Cash and Cash Equivalents	\$ 141,338,502
Restricted Cash and Cash Equivalents	225,725,994
Restricted Current Bonds Payable	40,703,219
Restricted Customer Deposits	5,608,621
Total Cash and Cash Equivalents	\$ 413,376,336
 <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (12,428,717)
Adjustments to Reconcile Operating Loss Net Cash	
Provided by Operating Activities:	
Depreciation	21,159,850
Amortization	(672,703)
Unrealized Losses on Investments	15,055,061
Gain on Sale of Assets	69,386,118
Effects of Changes in Operating Assets and Liabilities:	
Accounts Receivable and Other Assets	1,204,121
Mortgage and Construction Loans Receivables	(121,913,877)
Accrued Interest Receivable	(1,785,103)
Prepaid Expenses and Other Assets	312,061
Deferred Outflows of Resources - Pension	11,327,994
Deferred Outflows of Resources - OPEB	780,904
Interfund Receivable/Payable	514,371
Other Real Estate Owned	(39,600)
Accounts Payable	5,489,409
Unearned Revenue	6,327,531
Accrued Interest Payable	336,161
Derivative Instrument	632,287
Net OPEB Liability	(3,319,618)
Net Pension Liability	10,860,837
Deferred Inflows of Resources - Pension	(7,794,702)
Deferred Inflows of Resources - OPEB	(12,184,133)
Escrow and Other Deposits	2,342,574
Net Cash Used by Operating Activities	\$ (14,409,174)

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS**  
**JUNE 30, 2022**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE
	Alexander House	Greenhills	Elizabeth House III LP	Spring Garden	Wheaton Venture	HOC at 11250 Veirs Mill	Wheaton Metro	Forest Oak	Tanglewood/ Sligo	Hampden Lane
<b>Assets</b>										
Current Assets:										
Cash and Cash Equivalents	\$ 1,923,299	\$ 664,098	\$ 6,319	\$ 360,306	\$ 1,321	\$ -	\$ 622,954	\$ 1,759,593	\$ 773,619	\$ 198,870
Accounts Receivable and Other Assets, Net	409,550	83,591	3,866,421	56,174	148,520	99,900	24,025	109,355	107,961	891
Interfund Receivable (Payable)	-	2,511	-	-	467,364	-	-	-	-	-
Total Unrestricted Current Assets	2,332,849	750,200	3,872,740	416,480	617,205	99,900	646,979	1,868,948	881,580	199,761
Restricted Cash and Cash Equivalents:										
Customer Deposits	26,697	31,867	-	42,307	-	-	24,663	48,775	104,821	3,858
Restricted Cash and Cash Equivalents	2,606,164	862,754	267,000	509,744	-	-	447,444	603,879	2,135,859	454,125
Total Restricted Cash and Cash Equivalents	2,632,861	894,621	267,000	552,051	-	-	472,107	652,654	2,240,680	457,983
Noncurrent Assets:										
Investment in Partnership	-	-	-	-	16,372,489	-	-	-	-	-
Property and Equipment, Net of Depreciation	35,760,668	20,766,165	71,498,944	6,661,798	1,965,598	17,625,331	7,908,760	19,040,606	23,012,714	3,008,987
Deferred Charges and Other Noncurrent Assets	10,942	24,240	2,043,587	-	170,051	-	5,247	-	51,935	5,972
Total Noncurrent Assets	35,771,610	20,790,405	73,542,531	6,661,798	18,508,138	17,625,331	7,914,007	19,040,606	23,064,649	3,014,959
Total Assets	\$ 40,737,320	\$ 22,435,226	\$ 77,682,271	\$ 7,630,329	\$ 19,125,343	\$ 17,725,231	\$ 9,033,093	\$ 21,562,208	\$ 26,186,909	\$ 3,672,703
<b>Liabilities</b>										
Current Unrestricted Liabilities:										
Accounts Payable and Accrued Liabilities	\$ 328,780	\$ 54,589	\$ 5,095,771	\$ 68,230	\$ 188,662	\$ 689,833	\$ 112,654	\$ 105,698	\$ 137,812	\$ 349,753
Accrued Interest Payable	60,641	677,696	1,973,343	3,538,332	-	-	14,382	63,254	311,935	-
Mortgage Notes and Loans Payable - Current	206,801	172,358	-	219,348	-	-	37,148	556,515	241,391	-
Advances from Primary Government	1,528,996	19,500	1,705,120	59,425	-	(218,806)	3,074,162	-	315,097	514,417
Total Unrestricted Current Liabilities	2,125,218	924,143	8,774,234	3,885,335	188,662	471,027	3,238,346	725,467	1,006,235	864,170
Current Liabilities Payable from Restricted Assets:										
Customer Deposits Payable	24,015	29,710	-	41,240	-	-	23,696	42,824	73,347	2,667
Noncurrent Liabilities:										
Mortgage Notes and Loans Payable	30,761,991	18,297,593	59,147,637	7,263,447	579,908	649,144	4,337,984	11,385,353	15,190,125	319,024
Advances Due to Primary Government	-	-	-	-	12,000	-	-	-	-	-
Notes Payable to HOC	-	-	-	-	-	-	-	-	-	-
Loans Payable to Montgomery County	-	-	8,000,000	1,382,000	-	-	865,279	1,223,393	-	944,829
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Other Noncurrent Liabilities	3,610,290	69,247	-	-	-	-	408,822	326,385	-	230,468
Total Noncurrent Liabilities	34,372,281	18,366,840	67,147,637	8,645,447	591,908	649,144	5,612,085	12,935,131	15,190,125	1,494,321
Total Liabilities	36,521,514	19,320,693	75,921,871	12,572,022	780,570	1,120,171	8,874,127	13,703,422	16,269,707	2,361,158
<b>Net Position</b>										
Investment in Capital Assets, Net of Related Debt	4,791,876	2,296,214	4,351,307	(2,202,997)	1,385,690	16,976,187	2,668,349	5,875,345	7,581,198	1,745,134
Restricted Net Position	2,608,846	864,911	267,000	510,811	-	-	448,411	609,830	2,167,333	455,316
Unrestricted Net Position	(3,184,916)	(46,592)	(2,857,907)	(3,249,507)	16,959,083	(371,127)	(2,957,794)	1,373,611	168,671	(888,905)
Total Net Position	4,215,806	3,114,533	1,760,400	(4,941,693)	18,344,773	16,605,060	158,966	7,858,786	9,917,202	1,311,545
Total Liabilities and Net Position	\$ 40,737,320	\$ 22,435,226	\$ 77,682,271	\$ 7,630,329	\$ 19,125,343	\$ 17,725,231	\$ 9,033,093	\$ 21,562,208	\$ 26,186,909	\$ 3,672,703

See accompanying Notes to Financial Statements.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**  
**JUNE 30, 2022**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	Totals
	Arcola	Waverly	Hillandale	CCL Multifamily	900 Thayer LP	HOC at Upton II LLC	Bauer Park LP	HOC at West Side Shady Grove	HOC at Willow Manor LLC	HOC at Stewartown	HOC at Georgian Court LLC	HOC at Shady Grove LLC		
<b>Assets</b>														
Current Assets:														
Cash and Cash Equivalents	\$ 392,786	\$ 776,805	\$ 19,450	\$ 252,132	\$ 600,151	\$ -	\$ 1,232,501	\$ -	\$ 261,507	\$ 380,492	\$ 64,000	\$ 204,685	\$ 10,494,888	
Accounts Receivable and Other Assets, Net	51,140	314,428	13,152	107,317	259,260	2,433	70,008	625,333	1,175,109	298,043	1,127,869	1,374,015	10,324,495	
Interfund Receivable (Payable)	29,634	-	-	-	-	25,000	-	-	-	327,797	-	-	852,306	
Total Unrestricted Current Assets	473,560	1,091,233	32,602	359,449	859,411	27,433	1,302,509	625,333	1,436,616	1,006,332	1,191,869	1,578,700	21,671,689	
Restricted Cash and Cash Equivalents:														
Customer Deposits	42,127	51,179	-	75,623	60,017	-	64,975	-	-	38,033	-	42,674	657,616	
Restricted Cash and Cash Equivalents	1,532,137	1,780,038	-	746,117	1,152,754	66,764	320,799	7,641,251	343,200	-	220,501	255,635	21,946,165	
Total Restricted Cash and Cash Equivalents	1,574,264	1,831,217	-	821,740	1,212,771	66,764	385,774	7,641,251	343,200	38,033	220,501	298,309	22,603,781	
Noncurrent Assets:														
Investment in Partnership	-	-	-	-	-	-	-	-	-	-	-	-	16,372,489	
Property and Equipment, Net of Depreciation	24,601,135	37,681,813	6,531,359	64,655,425	42,108,715	43,890,443	32,284,850	51,710,615	61,950,432	21,558,995	37,581,147	37,447,346	669,251,846	
Deferred Charges and Other Noncurrent Assets	147,063	227,463	12,136	6,565,328	83,435	-	52,959	-	-	-	120,759	106,357	9,627,474	
Total Noncurrent Assets	24,748,198	37,909,276	6,543,495	71,220,753	42,192,150	43,890,443	32,337,809	51,710,615	61,950,432	21,558,995	37,701,906	37,553,703	695,251,809	
Total Assets	\$ 26,796,022	\$ 40,831,726	\$ 6,576,097	\$ 72,401,942	\$ 44,264,332	\$ 43,984,640	\$ 34,026,092	\$ 59,977,199	\$ 63,730,248	\$ 22,603,360	\$ 39,114,276	\$ 39,430,712	\$ 739,527,279	
<b>Liabilities</b>														
Current Unrestricted Liabilities:														
Accounts Payable and Accrued Liabilities	\$ 172,892	\$ 124,735	\$ 106,360	\$ 154,649	\$ 67,854	\$ 2,563,908	\$ 2,643,987	\$ 9,259,980	\$ 65,371	\$ 1,428,812	\$ 490,111	\$ 508,652	\$ 24,719,093	
Accrued Interest Payable	121,151	4,118,792	-	-	796,903	866,281	773,850	-	-	339,159	15,105	29,136	13,699,960	
Mortgage Notes and Loans Payable - Current	89,026	122,628	-	527,032	277,536	-	-	-	-	-	-	-	2,449,783	
Advances from Primary Government	99,669	213,685	-	-	305,278	-	419,334	-	716,353	-	-	-	8,752,230	
Total Unrestricted Current Liabilities	482,738	4,579,840	106,360	681,681	1,447,571	3,430,189	3,837,171	9,259,980	781,724	1,767,971	505,216	537,788	49,621,066	
Current Liabilities Payable from Restricted Assets:														
Customer Deposits Payable	38,221	39,435	-	74,702	58,646	-	44,718	-	-	35,766	-	42,673	571,660	
Noncurrent Liabilities:														
Mortgage Notes and Loans Payable	20,034,762	31,370,530	4,051,518	59,527,210	28,875,034	29,968,788	25,522,342	42,994,939	46,989,351	17,423,150	31,554,382	34,638,600	520,882,812	
Advances Due to Primary Government	-	-	1,629	1,241,146	-	145,576	-	-	-	-	630,597	443,156	2,474,104	
Notes Payable to HOC	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans payable to Montgomery County	-	-	-	-	-	5,000,000	-	-	12,972,776	-	-	-	30,388,277	
Unearned Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Noncurrent Liabilities	1,778,112	-	-	-	1,018,284	2,913,496	2,040,369	-	-	1,585,189	1,992,386	1,930,030	17,903,078	
Total Noncurrent Liabilities	21,812,874	31,370,530	4,053,147	60,768,356	29,893,318	38,027,860	27,562,711	42,994,939	59,962,127	19,008,339	34,177,365	37,011,786	571,648,271	
Total Liabilities	22,333,833	35,989,805	4,159,507	61,524,739	31,399,535	41,458,049	31,444,600	52,254,919	60,743,851	20,812,076	34,682,581	37,592,247	621,840,997	
<b>Net Position</b>														
Net Investment in Capital Assets	4,477,347	6,188,655	2,479,841	4,601,183	12,956,145	8,921,655	6,762,508	8,715,676	1,988,305	4,135,845	6,026,765	2,808,746	115,530,974	
Restricted Net Position	1,536,043	1,791,782	-	747,038	1,154,125	66,764	341,056	7,641,251	343,200	2,267	220,501	255,636	22,032,121	
Unrestricted Net Position	(1,551,201)	(3,138,516)	(63,251)	5,528,982	(1,245,473)	(6,461,828)	(4,522,072)	(8,634,647)	654,892	(2,346,828)	(1,815,571)	(1,225,917)	(19,876,813)	
Total Net Position	4,462,189	4,841,921	2,416,590	10,877,203	12,864,797	2,526,591	2,581,492	7,722,280	2,986,397	1,791,284	4,431,695	1,838,465	117,686,282	
Total Liabilities and Net Position	\$ 26,796,022	\$ 40,831,726	\$ 6,576,097	\$ 72,401,942	\$ 44,264,332	\$ 43,984,640	\$ 34,026,092	\$ 59,977,199	\$ 63,730,248	\$ 22,603,360	\$ 39,114,276	\$ 39,430,712	\$ 739,527,279	

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**YEAR ENDED JUNE 30, 2022**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE
	Alexander House	Greenhills	Elizabeth House III LP	Spring Garden	Wheaton Venture	HOC at 11250 Veirs Mill	Wheaton Metro	Forest Oak	Tanglewood/ Sligo	Hampden Lane
<b>OPERATING REVENUES</b>										
Dwelling Rental	\$ 1,924,691	\$ 1,423,930	\$ -	\$ 1,113,618	\$ -	\$ 399,600	\$ 822,900	\$ 2,840,050	\$ 1,899,775	\$ 186,497
Management Fees and Other Income	11,994	13,416	-	7,708	-	-	5,381	157,015	68,362	83,416
Total Operating Revenues	1,936,685	1,437,346	-	1,121,326	-	399,600	828,281	2,997,065	1,968,137	269,913
<b>OPERATING EXPENSES</b>										
Administration	250,641	195,579	-	172,275	-	-	218,458	369,323	273,423	85,301
Maintenance	229,674	165,959	-	201,116	-	-	123,247	422,640	332,274	56,871
Depreciation and Amortization	1,482,730	558,271	-	401,732	28,456	-	563,192	535,148	728,349	147,674
Utilities	124,730	64,594	-	106,850	-	-	46,236	187,227	246,312	29,249
Fringe Benefits	33,382	39,096	-	36,228	-	-	42,090	85,176	66,177	18,868
Interest Expense	1,500,788	737,762	-	417,924	-	-	221,983	705,562	579,244	18,897
Other	136,509	154,764	-	100,172	300	300	77,329	630,003	144,965	14,796
Bad Debt Expense	8,164	8,875	-	24,915	-	-	6,369	-	47,145	802
Total Operating Expenses	3,766,618	1,924,900	-	1,461,212	28,756	300	1,298,904	2,935,079	2,417,889	372,458
<b>OPERATING INCOME (LOSS)</b>	(1,829,933)	(487,554)	-	(339,886)	(28,756)	399,300	(470,623)	61,986	(449,752)	(102,545)
<b>NONOPERATING REVENUES</b>										
Investment Income	9	82	-	72	-	-	94	81	617	103
Total Nonoperating Revenue	9	82	-	72	-	-	94	81	617	103
Capital Contributions	3,348,240	164,133	-	-	-	-	-	141,615	-	-
Partner Equity Distributions	-	-	-	-	-	-	-	(357,657)	(3)	-
<b>CHANGE IN NET POSITION</b>	1,518,316	(323,339)	-	(339,814)	(28,756)	399,300	(470,529)	(153,975)	(449,138)	(102,442)
Net Position - Beginning of Year	2,697,490	3,437,872	1,760,400	(4,601,879)	18,373,529	16,205,760	629,495	8,012,761	10,366,340	1,413,987
<b>NET POSITION - END OF YEAR</b>	\$ 4,215,806	\$ 3,114,533	\$ 1,760,400	\$ (4,941,693)	\$ 18,344,773	\$ 16,605,060	\$ 158,966	\$ 7,858,786	\$ 9,917,202	\$ 1,311,545

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	Totals
	Arcola	Waverly	Hillandale	CCL Multifamily	900 Thayer LP	HOC at Upton II LLC	Bauer Park LP	HOC at West Side Shady Grove	HOC at Willow Manor LLC	HOC at Stewartown	HOC at Georgian Court LLC	HOC at Shady Grove LLC	
<b>OPERATING REVENUES</b>													
Dwelling Rental	\$ 1,400,639	\$ 1,580,012	\$ -	\$ 4,453,373	\$ 1,599,673	\$ -	\$ 1,614,801	\$ -	\$ (10,276)	\$ 729,574	\$ -	\$ 84,993	\$ 22,063,850
Management Fees and Other Income	157,840	182,894	-	461,382	243,449	-	19,726	36	-	4,469	-	-	1,417,088
Total Operating Revenues	1,558,479	1,762,906	-	4,914,755	1,843,122	-	1,634,527	36	(10,276)	734,043	-	84,993	23,480,938
<b>OPERATING EXPENSES</b>													
Administration	286,352	343,244	-	715,473	207,710	7,276	465,353	-	22,685	158,310	2,866	17,574	3,791,843
Maintenance	342,724	268,089	-	530,992	236,774	-	364,194	-	5,777	85,895	-	6,013	3,372,239
Depreciation and Amortization	695,571	1,139,044	-	1,866,146	1,044,230	-	448,699	-	-	78,887	83,889	83,333	9,885,351
Utilities	229,485	139,108	-	230,659	135,621	-	194,688	-	8,938	176,996	-	6,216	1,926,909
Fringe Benefits	76,291	64,139	-	100,259	50,792	-	93,705	-	5,467	62,772	29	8,760	783,231
Interest Expense	659,572	1,119,886	-	3,266,652	696,451	-	1,067,591	-	-	339,473	15,899	30,337	11,378,021
Other	78,151	205,980	-	1,220,970	184,057	-	139,562	-	-	100,963	6,323	-	3,195,144
Bad Debt Expense	19,110	-	-	49,264	-	-	-	-	-	-	-	896	165,540
Total Operating Expenses	2,387,256	3,279,490	-	7,980,415	2,555,635	7,276	2,773,792	-	42,867	1,003,296	109,006	153,129	34,498,278
<b>OPERATING INCOME (LOSS)</b>	(828,777)	(1,516,584)	-	(3,065,660)	(712,513)	(7,276)	(1,139,265)	36	(53,143)	(269,253)	(109,006)	(68,136)	(11,017,340)
<b>NONOPERATING REVENUES</b>													
Investment Income	213	528	-	40	6	-	-	-	-	-	1	1	1,847
Total Nonoperating Revenues	213	528	-	40	6	-	-	-	-	-	1	1	1,847
Capital Contributions	-	-	551,455	32,948,353	4,603,270	1,202,188	2,666,054	7,722,244	3,039,540	(50,000)	4,540,700	1,906,600	62,784,392
Partner Equity Distributions	-	-	-	(25,165,970)	-	-	(25,000)	-	-	-	-	-	(25,548,630)
<b>CHANGE IN NET POSITION</b>	(828,564)	(1,516,056)	551,455	4,716,763	3,890,763	1,194,912	1,501,789	7,722,280	2,986,397	(319,253)	4,431,695	1,838,465	26,220,269
Net Position - Beginning of Year	5,290,753	6,357,977	1,865,135	6,160,440	8,974,034	1,331,679	1,079,703	-	-	2,110,537	-	-	91,466,013
<b>NET POSITION - END OF YEAR</b>	\$ 4,462,189	\$ 4,841,921	\$ 2,416,590	\$ 10,877,203	\$ 12,864,797	\$ 2,526,591	\$ 2,581,492	\$ 7,722,280	\$ 2,986,397	\$ 1,791,284	\$ 4,431,695	\$ 1,838,465	\$ 117,686,282

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Commission**

The Housing Opportunities Commission of Montgomery County, Maryland (a component unit of Montgomery County, Maryland) (the Commission) is a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law. In addition, Chapter 41 of the laws of Montgomery County, Maryland, known as the Housing Opportunities Act, permits Montgomery County (the County) to authorize the Commission to perform various housing functions either through a Memorandum of Understanding with the County or by local law.

Specific powers of the Commission include:

- Acquiring land,
- Utilizing federal/state housing subsidies,
- Making mortgage loans and rent subsidy payments,
- Making construction loans,
- Providing permanent mortgage financing,
- Purchasing mortgages, and
- Issuing bonds.

Housing activities sponsored by the Commission include:

**Housing Choice Voucher (HCV) Program**, sponsored by the U.S. Department of Housing and Urban Development (HUD), through which eligible persons may seek housing in the private marketplace. The HCV program allows eligible families to obtain adequate rental housing while paying a minimum of 30% of their monthly income for rent.

**Opportunity Housing Program**, which is a local program administered by the Commission for families of eligible income and includes both sales and rental housing.

**Tax Credit Partnerships**, which provide rental housing for low- and moderate-income households. The Commission manages these properties and is a 1% or less general partner.

**Home-Ownership Program**, whereby families pay a minimum of 30% of their adjusted gross income each month to the Commission. A portion of this monthly payment is placed in an earned home-payment account, and another sum is placed in a nonroutine maintenance reserve. Once a family's income is high enough to secure a mortgage, these reserve accounts can be used for the down payment and/or closing costs. Title to the home is then transferred to the family, and they assume ownership of the home along with all rights and responsibilities of home ownership.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**A. Description of the Commission (Continued)**

The above activities are supported by a network of tenant services. Funding for these services is provided by federal, state, and county government agencies.

Bonds issued by the Commission include Single Family Mortgage Revenue Bonds, Program Revenue Bonds and Multifamily Housing Revenue Bonds. Single Family Mortgage Revenue Bonds and Program Revenue Bonds provide below-market interest rate mortgage loans for the purchase of single family homes for low- to moderate-income families on an equal opportunity basis. The Multifamily Housing Revenue Bonds provide below-market rental units within multifamily developments for low- to moderate-income families.

Except as noted below, the Single Family Mortgage Revenue Bonds, Program Revenue Bonds and the Multifamily Housing Revenue Bonds do not constitute a liability or obligation, either direct or indirect, of the County, the state of Maryland (the State) or any political subdivision thereof and are not backed by the full faith and credit of the County, the State or any political subdivision thereof, but are limited obligations of the Commission payable solely from the revenue and other assets of the Commission pursuant to individual Bond Resolutions. The Multifamily Housing Revenue Bonds, 1998 Issue A, are guaranteed as general obligation bonds of the County.

The County has determined that the Commission is a discretely presented component unit of the County. Accordingly, the County is required to report the financial data of the Commission in a column separate from the financial data of the County, to emphasize that the Commission is legally separate from the County.

**B. Financial Reporting Entity**

In determining how to define the reporting entity, management has considered all potential component units. The decision to include component units in the reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board (GASB) Statements relating to reporting entity requirements (Statements No. 90, No. 80, No. 61, No. 14 and No. 34). These include financial accountability, imposition of will, financial burden or benefit on the primary organization, and financial accountability as a result of fiscal dependency.

The Commission determined, based on the criteria above, that the entities described below should be presented as either blended component units or discretely presented component units in the Commission's financial statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Blended Component Units (Development Corporations and Other Entities)

The Development Corporations (the Corporations) and other entities operate exclusively for nonprofit purposes and were created to assist in carrying out housing projects for persons of eligible income. Housing projects undertaken, financed, or assisted by the Corporations and other entities, and their related expenditures must be approved by the Commission. The Corporations and other entities are legally separate from the Commission and are included in the Opportunity Housing Sub-Fund as blended component units, since the Commission can significantly influence the programs, projects, or activities of, or the level of service performed by the Corporations and other entities, and their boards of directors are substantially the same as the Commission. The 56 blended component units report on a June 30 year-end unless indicated below.

- **HOC YR 15 LLC** – is a wholly owned and controlled entity of HOC. It holds the individual investor limited partnership interests in several LIHTC-financed properties (Barclay One Associates LP, Georgian Court Silver Spring LP, Metropolitan of Bethesda LP, MV Affordable Housing Associates LP and Strathmore Court Associates LP) which are now considered blended component units of HOC. The components of HOC YR 15 LLC are shown on the blended component unit combining schedule by property.
- **900 Thayer GP LLC** – 900 Thayer GP LLC is HOC’s investment in the 900 Thayer Limited Partnership.
- **Alexander House Development Corporation** – Owns and operates 183 units located in Silver Spring, Maryland, to serve market and low to moderate income residents.
- **Alexander House GP LLC** – Alexander House GP LLC is HOC’s investment in the Alexander House Apartments Limited Partnership.
- **Ambassador One Associates, LP** – The Ambassador was originally constructed as a hotel but converted into a 162-unit apartment building in 1994. The Ambassador is an aging structure and was demolished in preparation of significant future renovations.
- **Arcola Tower RAD GP LLC** – Arcola Tower RAD GP LLC is HOC’s investment in the Arcola Towers RAD Limited Partnership.
- **Barclay Development Corporation** – Owns and operates 76 condominium units located in Chevy Chase, Maryland, to serve market and low to moderate income residents. The units are subject to a ground lease held by Montgomery County.
- **Barclay One Associates Partnership** – Owns and operates 81 rental unit apartments for low- and moderate-income families located in Bethesda, Maryland.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Blended Component Units (Development Corporations and Other Entities) (Continued)

- **Bauer Park GP LLC** – HOC’s investment in Bauer Park Apartments Limited Partnership.
- **Bradley Crossing LLC** – Owns and operates 401 naturally affordable housing units in Bethesda, Maryland.
- **Brookside Glen Limited Partnership (The Glen)** – Owns and operates 90 apartment units located in Wheaton, Maryland, to serve market and low to moderate income residents.
- **Camp Hill Square** – Owns and operates 51 apartment units located in Gaithersburg, Maryland, to serve market and low to moderate income elderly residents.
- **Chevy Chase Development Corporation** – The site has been redeveloped into the Lindley – an 11-story structure with 200 units that includes affordable housing, work-force housing and market rate units.
- **Diamond Square Limited Partnership** – Owns and operates 124 furnished single room occupancy units located in Silver Spring, Maryland, to serve market and low to moderate income residents.
- **Elizabeth House III GP LLC** – Elizabeth House III GP LLC is HOC’s investment in the Elizabeth House III Limited Partnership.
- **Georgian Court Silver Spring Limited Partnership** – Owns and operates a 147-unit apartment rental complex in Silver Spring, Maryland for low- and moderate-income renters. The property was sold to HOC at Georgian Court LLC on December 20, 2021.
- **Glenmont Crossing Development Corporation** – Owns and operates 97 townhouse units located in Silver Spring, Maryland to serve market and low to moderate income residents.
- **Glenmont Westerly Development Corporation** – Owns and operates 102 garden style apartment units located in Silver Spring, Maryland to serve market and low to moderate income residents.
- **Greenhill’s Apartments GP** – Greenhills Apartments GP is HOC’s investment in the Greenhills Apartments Limited Partnership.
- **HOC at CCL Multifamily, LLC** – HOC at Multifamily LLC is HOC’s investment in the CCL Multifamily LLC (the Lindley) joint venture project.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Blended Component Units (Development Corporations and Other Entities) (Continued)

- **HOC at Hillandale Gateway, LLC** – 70% owner member of Hillandale Gateway LLC, a venture entity between The Duffie Companies and HOC. HOC is the sole member of HOC at Hillandale Gateway, LLC.
- **HOC MM at Upton II, LLC** – HOC MM at Upton II, LLC is HOC's investment in the HOC at the Upton II, LLC.
- **HOC MM at Westside Shady Grove LLC** – HOC MM at Westside Shady Grove LLC is HOC's investment in HOC at Westside Shady Grove LLC.
- **HOC MM at Willow Manor LLC** – HOC's investment in the HOC at Willow Manor LLC.
- **HOC at Wheaton Gateway LLC** – Created to acquire, hold and develop land located in Wheaton, Maryland.
- **HOC at Avondale LLC** – Owns and operates 17 units of rental housing located at Avondale Street, Bethesda Maryland.
- **HOC at Battery Lane LLC** – Owns and operates 212 units of rental housing units located at Battery lane, Bethesda Maryland.
- **Housing Opportunities Community Partners, Inc.** – A nonprofit corporation formed in 1998 which qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code. It was formed to assist the Commission in its goals of providing affordable housing and self-sufficiency services of various types to residents of Montgomery County, Maryland.
- **Magruder's Discovery Development Corporation** – Owns and operates 134 apartment units located in Bethesda, Maryland to serve low-income families and receives federal rent subsidies under a Project Based Rental Assistance Section 8 Housing Assistance Payment (HAP) contract with HUD.
- **Manchester Manor Apartments Limited Partnership** – Owns and operates a 53-unit apartment rental complex for low- and moderate-income families located in Silver Spring, Montgomery County, Maryland.
- **Metropolitan of Bethesda Limited Partnership** – Owns and operates 92 luxury residential apartment units for low- and moderate-income families in Bethesda, Maryland.
- **The Metropolitan Development Corporation** – Owns and operates 216 luxury condominium units, a retail rental area, a public plaza and metro office space, and the top level parking garage of the building, located in Bethesda, Maryland to serve market and low to moderate income residents.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Blended Component Units (Development Corporations and Other Entities) (Continued)

- **Montgomery Arms Development Corporation** – Owns and operates 129 apartment units located in Silver Spring, Maryland serving market and low to moderate income residents.
- **Montgomery Homes Limited Partnership VII (MHLP VII)** – Owns and operates 35 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **Montgomery Homes Limited Partnership VIII (MHLP VIII)** – Owns and operates 49 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **Montgomery Homes Limited Partnership IX (MHLP IX)** – Owns and operates 116 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **Montgomery Homes Limited Partnership X (MHLP X)** – Owns and operates 75 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **MV Affordable Housing Associates Limited Partnership** – Owns and operates 94 moderately priced dwelling units known as Stewartown Homes for low- and moderate-income families located in Gaithersburg, Maryland. This entity was sold to HOC at Stewartown Homes LLC on June 30, 2021.
- **MV Gateway LLC (Cider Mill)** – Owns and operates an 861-unit garden style multifamily apartment community located in Gaithersburg, Maryland.
- **Oaks at Four Corner Development Corporation (The Oaks)** – Owns and operates 120 apartment units located in Silver Spring, Maryland, to serve market and low to moderate income residents and rentals to persons 62 years of age or older or who are disabled.
- **Paddington Square Development Corporation** – Owns and operates 165 garden style apartment units located in Silver Spring, Maryland to serve market and low to moderate income residents.
- **Pooks Hill Development Corporation** – Owns and operates 189 apartment units located in Bethesda, Maryland and serves market and low to moderate income residents.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Blended Component Units (Development Corporations and Other Entities) (Continued)

- **RAD 6 Development Corporation** – Owns and operates 268 former public housing multifamily apartment units located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Scattered Site One Development Corporation** – Owns and operates 190 units, located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Scattered Site Two Development Corporation** – Owns and operates 54 units, located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Shady Grove Apartments Limited Partnership** – Owns and operates a 144-unit apartment rental complex for low- and moderate-income families located in Derwood, Maryland. This property was sold to HOC at Shady Grove LLC on December 20, 2021.
- **Sligo Hill Development Corporation (MPDU III)** – Owns and operates 23 units, located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Strathmore Court Associates Limited Partnership** – Owns and operates 51 rental unit apartments for low- and moderate-income families located in Rockville, Maryland.
- **TPP - Timberlawn Pomander Properties LLC (TPP LLC)** – Owns and operates 131 apartment units and townhouses in Bethesda and Silver Spring, Maryland.
- **TPM Development Corporation (MPDU II)** – Owns and operates 59 MPDU's located throughout Montgomery County.
- **VPC One Development Corporation** – Owns and operates 399 former public housing scattered site units, located in various parts of Montgomery County, Maryland approved for disposition by HUD to serve persons of eligible income.
- **VPC Two Development Corporation** – Owns and operates 280 former public housing scattered site units, located in various parts of Montgomery County, Maryland approved for disposition by HUD to serve persons of eligible income.
- **Waverly House GP LLC** – Waverly House GP LLC is HOC's investment in the Waverly House RAD Limited Partnership.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Blended Component Units (Development Corporations and Other Entities) (Continued)

- **Wheaton Metro Development Corporation** – Owns and operates 120 apartment units, two retail spaces and one parking garage to serve market and low to moderate income residents.
- **Willow Manor at Clopper’s Mill** – This is a 102-unit age-restricted (62+) apartment development located in Germantown, Maryland. This property was sold to HOC at Willow Manor LLC on December 14, 2021.
- **Willow Manor at Colesville** – This is an 83-unit age-restricted (62+) apartment development located in Silver Spring, Maryland. This property was sold to HOC at Willow Manor LLC on December 14, 2021.
- **Willow Manor at Fair Hill** – This is a 101-unit age-restricted (62+) apartment development located in Olney, Maryland. This property was sold to HOC at Willow Manor LLC on December 14, 2021.
- **Willows of Gaithersburg Associates Limited Partnership** – Owns and operates 195-unit rental unit apartments for low-income families located in Gaithersburg, Maryland.

Discretely Presented Component Units

**Real Estate Limited Partnerships.** The Commission is the managing general partner in 17 real estate limited partnerships. The limited partnership interests are held by third parties unrelated to the Commission. As managing general partner, the Commission has certain rights and responsibilities, which enable it to impose its will on the limited partnerships. Additionally, the Commission is financially accountable for the limited partnerships as the Commission is legally obligated to fund operating deficits in accordance with the terms of the partnership agreements. All of the partnerships have calendar year ends. Accordingly, the amounts included for each discretely presented component unit that comprise the aggregate component units column in the combined financial statements are as of, and for the respective year ends that fall within the year ended June 30, 2022. Separate financial statements for the individual limited partnerships can be obtained from the Commission.

The Commission has five other discretely presented component units other than real estate limited partnerships (CCL Multifamily LLC, Hillandale Gateway LLC, HOC at 11250 Veirs Mill Road, HOC at West Side Shady Grove LLC and Wheaton Venture LLC). Four of these five entities do not have separately available financial statements.

- **900 Thayer Limited Partnership** – Owns and operates a 124-unit apartment rental complex for low- and moderate-income families located in Silver Spring, Maryland.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Discretely Presented Component Units (Continued)

- **Alexander House Apartments Limited Partnership** – Owns and operates a 122-unit apartment rental complex for low- and moderate-income families located in Silver Spring, Maryland.
- **Arcola Towers RAD Limited Partnership** – Owns and operates a 141-unit apartment rental complex for low- and moderate-income families located in Silver Spring, Maryland.
- **Bauer Park Apartments Limited Partnership** – Owns and operates a 142-unit senior garden community for low- and moderate-income seniors located in Rockville, Maryland.
- **CCL Multifamily LLC (The Lindley)** – HOC is the managing member and 50% owner of CCL Multifamily LLC, which in turn, owns the Lindley. HOC, working with Eakin-Youngentob and Associates (EYA), developed an 11-story structure with 200 units that include affordable housing, workforce housing, and market rate units. Plans also include an underground garage and a walkway that connects the neighborhood park with the future site of the Purple Line Metro station.
- **Elizabeth House III Limited Partnership** – This is a new senior housing building located in Silver Spring currently under construction with an estimated completion date of September 2022.
- **Forest Oak Towers Limited Partnership** – Owns and operates a 175-unit apartment rental complex for elderly low- and moderate-income renters located in Gaithersburg, Maryland.
- **Greenhills Apartments Limited Partnership** – Owns and operates a 7- unit apartment rental complex for low- and moderate-income families located in Damascus, Maryland.
- **Hampden Lane Limited Partnership** – Owns and operates 12 rental unit apartments for low- and moderate-income families located in Bethesda, Maryland.
- **Hillandale Gateway LLC** – The Commission is the sole member and 100% owner of HOC at Hillandale Gateway LLC, which serves as the managing member and 70% owner of Hillandale Gateway LLC. Hillandale Gateway LLC currently owns an approximately one-acre site located in Silver Spring with no improvements. It is anticipated that HOC's Holly Hall property, once converted out of Public Housing via the Rental Assistance Demonstration program, would also be contributed to this entity for a redevelopment of the two sites into a mixed-use, mixed-income property. The entity reports on a calendar year-end.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Discretely Presented Component Units (Continued)

- **HOC at Georgian Court LLC** – Owns and operates a 147-unit apartment rental complex for low and moderate families in Silver Spring, Maryland.
- **HOC at Shady Grove LLC** – Owns and operates a 144-unit apartment rental complex for low and moderate income families in Derwood, Maryland.
- **HOC at Stewartown Homes LLC** – Owns and operates 94 townhomes units within 12 structures for low- and moderate-income families in Montgomery Village, Maryland.
- **HOC at 11250 Veirs Mill Road** – this is part of the Wheaton Venture LLC redevelopment project. This entity has a calendar year end and is included as a discrete component unit.
- **HOC at the Upton II LLC (Residences on the Lane)** – Owns and operates a 150-unit mixed-use, mixed-income senior rent apartments, and a replacement housing for nearby Town Center Apartments in Rockville, Maryland.
- **HOC at West Side Shady Grove LLC** – A new mixed-use, mixed-income 268-unit development, with 81 affordable units located in Rockville, Maryland. The structure will also house the HOC Upcounty Service Center.
- **HOC at Willow Manor LLC** -- Owns and operates scattered site units consisting of 102-unit apartments in Germantown, Maryland, 101-unit apartments in Olney, Maryland, and 83-unit apartments in Silver Spring, Maryland.
- **Spring Garden One Associates Limited Partnership** – Owns and operates 82 low-income tax credit apartment units and 24 units at market rate for low- and moderate-income families in Silver Spring, Maryland.
- **Tanglewood-Sligo Hills** – Owns and operates 132 rental unit apartments for low- and moderate-income families located in Silver Spring, Maryland.
- **Waverly House RAD Limited Partnership** – Owns and operates a 157-unit apartment rental complex for low- and moderate-income families located in Bethesda, Maryland.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**B. Financial Reporting Entity (Continued)**

Discretely Presented Component Units (Continued)

- **Wheaton Venture LLC** – The Commission is a partner of a joint venture which will undertake the redevelopment of Wheaton Gateway, consisting of the Lindsay Ford parcels, Ambassador Apartments and Mattress Firm property located in Wheaton, Maryland.
- **Wheaton Metro Limited Partnership** – Owns and operates 53 rental unit apartments for low-income families located in Wheaton, Maryland.

**C. Basis of Presentation**

The financial statements of the Commission have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Commission is a Special Purpose Government engaged only in business-type activities and, therefore, presents only the financial statements required for an enterprise fund, in accordance with GASB Statement 34 paragraph 138.

The Commission has multiple programs which are accounted for in one enterprise fund. In accordance with the enterprise fund method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This requires the Commission to account for operations in a manner similar to private business.

**D. Basis of Accounting**

The financial activities of the Commission are recorded in five sub-funds as shown in the schedules provided in the Supplementary Information section. A brief description of each of the Commission's sub-funds follows:

**General Sub-Fund**

Includes all operations with the exception of publicly funded programs, opportunity housing programs, and bond-funded activities. This sub-fund also includes any private grants received and the development costs of tax credit partnerships.

**Opportunity Housing Sub-Fund**

Includes all operating, capital improvements and capital development related to the Commission's opportunity housing portfolio.

**Public Sub-Fund**

Includes all funds the HOC receives from federal, state, and local government agencies, and related activities.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**D. Basis of Accounting (Continued)**

**Multifamily Sub-Fund**

Used to account for the proceeds of Multifamily Housing Revenue Bonds, the debt service requirements on the bonds, investments held pursuant to the indenture authorizing the issuance of the bonds and the related mortgage-loan financing for newly constructed or rehabilitated multifamily rental housing in the County.

**Single Family Sub-Fund**

Used to account for the proceeds of Single Family Mortgage Revenue Bonds and Program Revenue Bonds, the debt service requirements on the bonds, investments held pursuant to the indenture authorizing the issuance of the bonds and debt service collected from mortgage loans purchased for the financing of owner-occupied, single family residences in the County.

The Commission's financial statements distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with a sub-fund's principal ongoing operations. The principal operating revenues of the General and Opportunity Housing Sub-Funds are dwelling rental, management fees and other income. The principal operating revenues of the Public Sub-Fund are intergovernmental grants. The principal operating revenues of the Single Family and Multifamily Sub-Funds are investment income and interest on mortgage and construction loans receivable. Operating expenses for the General, Opportunity Housing and Public Sub-Funds include administrative, maintenance, depreciation and amortization, utilities, and other expenses. Interest expense is included as an operating expense of the Opportunity Housing Sub-Fund. Housing Assistance Payments are considered operating expenses of the Public Sub-Fund. The principal operating expenses of the Single Family and Multifamily Sub-Funds are interest and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The effect of inter-subfund activity has been eliminated from the combined financial statements.

**E. Use of Estimates in Preparing Financial Statements**

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

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**F. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Commission considers all cash on hand, cash in checking, cash in money market accounts and all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Cash on hand is not included in the calculation of required collateral.

**G. Investments**

Investments of the General Sub-Fund, the Public Sub-Fund, and the Opportunity Housing Sub-Fund consist of those permitted by the Commission's investment policy including obligations of the U.S. Government and federal agencies, bankers' acceptances, repurchase agreements, certificates of deposit, money market mutual funds, investments in the Maryland Local Government Investment Pool, commercial paper, and investments in the Montgomery County investment pool. Investments of the Multifamily Sub-Fund and the Single Family Sub-Fund consist of those permitted by the respective bond trust indentures adopted by the Commission providing for the issuance of bonds. Investments are recorded at fair value. Fair value is based upon quoted market prices. The Commission classifies its investments as current or noncurrent based on the maturity dates. Short-term investments have maturities within one year.

**H. Mortgage and Construction Loans Receivable**

Mortgage and construction loans are carried at amounts advanced, net of collections and reserves for loan losses, if any. As of June 30, 2022, there were no reserves for loan losses. Loans that become past due as to principal and interest are evaluated for collectability. Generally, loans are placed on nonaccrual status when the mortgage insurance claim has settled. The Commission continually monitors the collectability of all loans in foreclosure and REO status against the sales proceeds and mortgage insurance held by the Commission in determining the need for an allowance for loan loss. Additionally, the Commission has an active loan mitigation procedure in place which ensures that servicer activities are monitored and losses to the Commission are minimized. Historically, the Commission's loan losses have been insignificant.

**I. Allowance for Doubtful Accounts**

Receivables from tenants and others are reported net of an allowance for doubtful accounts. Management estimates this allowance based on historical collection experience. Management believes amounts due from federal, state and local governments are fully collectable.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**J. Mortgage Risk Sharing Agreement**

The Commission participates in a mortgage risk-sharing agreement with HUD to provide for full mortgage insurance through the Federal Housing Administration (FHA) of loans for affordable housing. The Commission was approved by HUD as both a Level I and Level II participant. Level I participants assume 50% or more, in 10% increments of the risk of loss from mortgage default and Level II participants assume either 25% or 10% of the risk of loss from mortgage default.

The Commission also participates in the HUD / Federal Financing Bank (FFB) Risk Sharing Initiative Program, under which FFB provides capital for multifamily loans insured under FHA's Risk Sharing program. The program is available to Housing Finance Agencies (HFAs) that a) participate in 542(c) Risk Sharing lending at Level I; b) are in good standing with HUD; c) have and maintain an independent agency rating of "A" or better; and d) agree to assume 50% of the risk on all loans originated under the FFB initiative. Loans are available at significantly lower interest rates than tax-exempt bond financing.

Upon default of a mortgage and the filing of a claim with FHA by the Commission, HUD will pay the claim in full, so the Commission can redeem the bonds. Upon receipt of the cash payment from FHA, the Commission will execute a debenture with HUD for the full amount of the claim within 30 calendar days of the initial claim payment. The instrument will be dated as of the date that the initial claim payment is issued. The debenture shall have a term of five years. The Commission will agree to reimburse HUD the full amount of the debenture upon maturity. The Commission must pay annual interest on the debenture at HUD's published debenture rate as of the earlier of the initial endorsement date or the final endorsement date. Upon the sale of the project and settlement of the claim, the Commission will assume a portion of the loss based on the proportion of risk borne by the Commission. The Commission's maximum potential risk of loss as of June 30, 2022, is \$355,025,984 which is collateralized primarily by the underlying properties. As of June 30, 2022, the Commission had \$14,751,021 of mortgage insurance premium deposits on hand for any future loss.

**K. Grants/Contributions from Governmental Agencies**

The Commission receives reimbursement from federal, state, and county governmental agencies for the cost of sponsored projects, including administrative costs. Revenue is recognized to the extent of reimbursable costs incurred subject to limitations in the agreements with the sponsoring governmental agencies.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**L. Capital Assets**

Capital assets include property held for and under development, operating properties, and capital assets used in operations that cost \$5,000 or more and have an estimated useful life of at least two years. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

The Commission capitalizes costs associated with properties held for and under development, including interest costs during the construction period. The carrying amount of such properties does not exceed the estimated net realizable value.

Operating properties are carried at cost and are depreciated on a straight-line basis. Estimated useful lives are 40 years for buildings and 3 to 15 years for building improvements, site improvements and furniture and equipment.

The Commission is exempt from county property taxes under specific payment-in-lieu of taxes (PILOT) agreements for all Public Housing and Opportunity Housing properties.

**M. Bond Discounts and Premiums**

Bond discounts and premiums are amortized using a method which approximates the effective interest method.

**N. Compensated Absences and Severance**

The Commission's policy provides for the accrual of annual leave only. The accrual is based on the employee's current leave balance and the current hourly rate of pay. The outstanding annual leave accrual as of June 30, 2022, amounted to \$2,731,776 and is included in accounts payable and accrued liabilities in the accompanying statement of net position. The Commission adopted a personnel policy for senior executive staff which provides for a severance package including payments of up to twenty-six weeks of wages and other benefits.

**O. Deferred Inflows and Outflows of Resources**

Deferred inflows of resources, reported after total liabilities, is defined by GASB, represent an acquisition of net assets that applies to future periods. The revenue is recognized in the applicable future period(s). The Commission has two items that are required to be reported in this category: (1) the deferred inflow from pension/OPEB and (2) derivative instruments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**O. Deferred Inflows and Outflows of Resources (Continued)**

Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until the future period. The Commission has three items that are required to be reported in this category: (1) the deferred outflow from pension/OPEB, (2) the fair value of hedging derivatives, and (3) a derivative instrument.

**P. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from its fiduciary net position have been determined on the same basis as they are reported by the pension system. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension system reports investments at fair value.

**Q. Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Montgomery County Retiree Health Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except money market investments and participating interest-earning investment contracts with a maturity at time of purchase of one year or less, which are reported at cost.

**R. Net Position**

It is the Commission's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Net position is displayed in three components as follows:

*Net Investment in Capital Assets* – this component of net position consists of all capital assets, reduced by the outstanding balance of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Net Position* – this component of net position consists of restricted assets when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**R. Net Position (Continued)**

*Unrestricted Net Position* – this component of net position consists of resources that do not meet the definition of net investment in capital assets or restricted net position.

**S. Adoption of New Accounting Standards**

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Commission adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard in the current year.

**T. Leases**

The Commission is the lessee for noncancelable leases of office space and office equipment. The Commission recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the Statement of Net Position. The Commission recognizes lease liabilities with an initial, individual value of \$5,000 or more. The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses its estimated incremental borrowing rate as the discount rate for leases.

The Commission, acting as lessor, leases office facilities under long-term, non-cancelable lease agreements. The Commission recognizes lease receivables with an initial, individual value of \$5,000 or more. The Commission uses the interest rate charged as the discount rate.

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS**

**Business-Type Activities**

**A. Cash**

The Commission's cash balances as of June 30, 2022, were entirely insured or collateralized with securities held by the Commission's agent in the Commission's name.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Business-Type Activities (Continued)**

**A. Cash (Continued)**

	Carrying Amount	Bank Balances
Cash:		
General Sub-Fund	\$ 31,862,386	\$ 31,965,953
Opportunity Housing Sub-Fund	93,839,310	93,830,630
Public Sub-Fund	9,027,056	8,798,325
Total Cash	\$ 134,728,752	\$ 134,594,908

**B. Cash Equivalents and Investments**

The General Sub-Fund cash and cash equivalents balance at June 30, 2022, includes \$6,078,487 of cash and cash equivalents restricted for closing cost programs, the Single Family Mortgage Purchase Program and various escrows. The Opportunity Housing Sub-Fund cash and cash equivalents balance at June 30, 2022, includes \$48,483,389 of cash and cash equivalents restricted in accordance with various loan agreements with agencies of the state of Maryland and Montgomery County, in bond indentures and security deposits. The Public Sub-Fund cash and cash equivalent balance includes \$3,513,278 as of June 30, 2022, of security deposits, housing choice voucher funding and home ownership reserves restricted in accordance with the HUD regulations.

**Interest Rate Risk**

The Commission's investment policy which applies to the General, Public and Opportunity Housing Sub-Funds requires that the majority of the investments of the Commission must be on a short-term basis (less than one year); however, a portion of the portfolio may be invested in investments with longer maturities (up to two years).

The investment requirements for the Multifamily and Single Family Sub-Funds are specified within each of the bond trust indentures. The bond trustee is required to invest money in obligations with the objective that sufficient money will be available to pay the interest due on the Bonds and will mature or be subject to redemption with the objective that sufficient money will be available for the purposes intended in accordance with the Indenture.

**Credit Risk**

The Commission's investment policy for the General, Public and Opportunity Housing Sub-Funds permit the following investment types: U.S. Government and federal agencies; repurchase agreements; bankers acceptances; money market mutual funds; Maryland Local Government Investment Pool; Montgomery County Local Government Investment Pool; certificate of deposits and time deposits; and commercial paper. Bankers acceptances of domestic banks and commercial paper must maintain the highest rating from one of the Nationally Recognized Statistical Rating Organizations (NRSRO) as designated by the SEC or State Treasurer. Repurchase agreements require collateralization at 102% of the principal amount by an obligation of the United States, its agencies or instrumentalities provided the collateral is held by a custodian other than the seller. Certificates of deposit or time deposits must be collateralized at 102% of the fair value and held by a custodian other than the seller. At June 30, 2022, the Commission had sufficient collateral to meet requirements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Business-Type Activities (Continued)**

**B. Cash Equivalents and Investments (Continued)**

**Credit Risk (Continued)**

The Commission invests in the Maryland Local Government Investment Pool (MLGIP). The pool is not subject to regulatory oversight by the SEC. The State Legislature created MLGIP with the passage of Article 95 22G, of the Annotated Code of Maryland. The MLGIP, under the administrative control of the State Treasurer, has been managed by PNC Bank. The pool has a AAAM rating from Standard and Poors, maintains a \$1.00 per share value, and measures all investments at amortized cost for reporting purposes. GASB 79 enables MLGIP to utilize amortized costs for valuation and financial reporting so that the \$1.00 per unit value they pursue will not need to change due to fluctuating prices. There are no limitations or restrictions on withdrawals. An MLGIP Advisory Committee of current participants was formed to review, on a semi-annual basis, the activities of the fund and to provide suggestions to enhance the pool. The fair value of the pool is the same as the value of the pool shares. The MLGIP issues a publicly available financial report that includes financial statements and required supplementary information for the MLGIP. This report can be obtained online at <https://www.mlgip.pnc.com/Public/AnnualReport>.

The Single Family and Multifamily Sub-Funds require that the Trustee invest moneys on deposit under the respective Indentures in Investment Obligations as defined by the respective Bond Indenture Agreements. Investment Obligations are defined as the following: (i) Government obligations; (ii) bond debentures or other obligation issued by government agencies or corporations; (iii) time deposits or certificate of deposits insured by the Federal Deposit Insurance Corporation; (iv) repurchase agreements backed by obligations described in (i) and (ii) above; (v) investment agreements; (vi) tax exempt obligations; and (vii) money market funds.

**Concentration of Credit Risk**

The Commission places no limits on the amount that it may invest in any one issuer provided the investments meet the requirements of any applicable Bond resolutions. The Commission does not have a formal policy for concentration of credit risk.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Business-Type Activities (Continued)**

**B. Cash Equivalents and Investments (Continued)**

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Amounts held in trust accounts and other demand accounts within the General, Opportunity Housing and Public Sub-Funds are covered by federal depository insurance, or collateralized at a level of at least 100% of fair value of principal and accrued interest. The collateral is held by the bank's agent in the Commission's name, with the exception of the repurchase agreement collateral for the MLGIP which is segregated and held in the name of PNC Bank's Safe Deposit and Trust's account at the Federal Reserve Bank. The cash and cash equivalents held by PNC Bank for the General, Opportunity Housing and Public Sub-Funds are in bank money market accounts and interest-bearing accounts. These accounts are not rated by an independent rating agency. The Moody's rating for PNC Bank short-term deposits as of June 30, 2022, was P-1.

Amounts held in money market funds and investment agreements within the Multifamily and Single Family Sub-Funds are typically collateralized at 102% by either U.S. Treasuries or other government guaranteed securities. The Bond Indenture agreements permit investments in funds that contain agency debt which are not collateralized by U.S. Treasuries or other guaranteed government securities. As of June 30, 2022, the Commission held investments in agency securities which were not collateralized but were rated Aaa, AA+, Aa2, and AAAm.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Business-Type Activities (Continued)**

**B. Cash Equivalents and Investments (Continued)**

**Custodial Credit Risk (Continued)**

As of June 30, 2022, the Commission had the following cash equivalents and investments with maturities of one year or less:

<u>Cash Equivalents</u>	<u>Fair Value</u>	<u>Ratings</u>
Cash Equivalents		
General Sub-Fund:		
Money Market Accounts	\$ 28,994,758	N/A
Opportunity Housing Sub-Fund:		
Investment in Maryland Local Government Investment Pool	3,193,246	AAAm
Money Market Accounts	26,714,401	N/A
Public Sub-Fund:		
Investment in Maryland Local Government Investment Pool	1,949,464	AAAm
Multifamily Sub-Fund:		
Money Market Accounts	137,520,918	N/A
Single Family Sub-Fund:		
Money Market Accounts	80,274,797	N/A
Total Cash Equivalents	<u>\$ 278,647,584</u>	
Short-Term Investments		
Single Family Sub-Fund:		
Federal Home Loan Mtg Corp	\$ 38,294	Aaa
FNMA Pass-through Certificates	773,778	Aaa
GNMA Pass-through Certificates	829,222	Aaa
FHLMC MBS	104,539	Aaa
U.S. Treasuries	1,851,160	Aaa
Total Short-Term Investments	<u>\$ 3,596,993</u>	



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Business-Type Activities (Continued)**

**B. Cash Equivalents and Investments (Continued)**

As of June 30, 2022, the Commission had the following investments with maturities greater than one year:

<u>Long-Term Investments</u>	<u>Fair Value</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>Greater Than 10 Years</u>	<u>Rating</u>
Multifamily Sub-Fund:					
Bank One Investment Agreement	\$ 592,506	\$592,506	\$ -	\$ -	AA/Aa2
Fannie Mae	2,808,460	-	2,808,460	-	Aaa
Federal Farm Credit Banks	5,555,733	582,093	1,247,325	3,726,315	Aaa
Federal Home Loan Banks	873,556	-	873,556	-	Aaa
Federal Home Loan Mtg Corp	812,111	-	-	812,111	Aaa
Mass Mutual Life Ins GIC	55,000,000	55,000,000	-	-	Unrated
U.S. Treasuries	1,161,756	1,161,756	-	-	N/A
Single Family Sub-Fund:					
Fannie Mae	955,213	-	955,213	-	Aaa
Federal Farm Credit Banks	6,063,305	-	6,063,305	-	Aaa
Federal Home Loan Banks	8,599,608	-	-	8,599,608	Aaa
Federal Home Loan Mtg Corp	3,885,602	-	1,472,794	2,412,808	Aaa
FHLMC MBS	4,730,523	-	-	4,730,523	Aaa
FNMA Pass-through Certificates	36,570,799	-	-	36,570,799	Aaa
GNMA Pass-through Certificates	36,844,419	-	-	36,844,419	Aaa
Tennessee Valley Authority	3,765,374	-	-	3,765,374	AA+
U.S. Treasuries	1,162,841	-	1,162,841	-	N/A
Total Long-Term Investments	<u>\$ 169,381,806</u>	<u>\$ 57,336,355</u>	<u>\$ 14,583,494</u>	<u>\$ 97,461,957</u>	
Total Cash, Cash Equivalents, and Investments	<u>\$ 586,355,135</u>				
Reconciliation of Cash, Cash Equivalents, and Investments to Amounts in the Statement of Net Position:					
Current Unrestricted Cash and Cash Equivalents	\$ 141,338,502				
Restricted Cash and Cash Equivalents	225,725,994				
Restricted Short-Term Investments	3,596,993				
Restricted Cash and Cash Equivalents for Current Liabilities	40,703,219				
Restricted Customer Deposits	5,608,621				
Noncurrent Restricted Investments	169,381,806				
Total	<u>\$ 586,355,135</u>				

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Business-Type Activities (Continued)**

**B. Cash Equivalents and Investments (Continued)**

The following table details types of investments if they represent 5% or more of total investments in accordance with accounting guidance issued by GASB:

<u>Investment Category</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>
Federal Home Loan Banks	\$ 9,473,164	5.48%
Federal Farm Credit Banks	11,619,038	6.72%
Mass Mutual Life Ins GIC	55,000,000	31.80%
GNMA Pass-Through Certificates	37,673,641	21.78%
FNMA Pass-Through Certificates	37,344,577	21.59%

**Fair Value Measurements**

The Commission categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs such as prices for similar assets; Level 3 inputs are significant unobservable inputs. As of June 30, 2022, fair value of investments is as follows:

<u>Investments by Fair Value Level</u>	<u>June 30, 2022</u>	<u>Fair Value Measurements Using</u>	
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
<b>Debt Securities:</b>			
Fannie Mae	\$ 2,808,460	\$ -	\$ 2,808,460
Federal Farm Credit Banks	11,619,038	-	11,619,038
Federal Home Loan Banks	9,473,164	-	9,473,164
Federal Home Loan Mortgage Corp	4,736,007	-	4,736,007
FNMA Pass-Through Certificates	37,344,577	-	37,344,577
GNMA Pass-Through Certificates	37,673,641	-	37,673,641
FHLMC Pass-Through Certificates	4,835,062	-	4,835,062
Investment Agreements	592,506	-	592,506
Mass Mutual Life Insurance GIC	55,000,000	-	55,000,000
Tennessee Valley Authority	3,765,374	-	3,765,374
Freddie Mac	955,213	-	955,213
U.S. Treasuries	4,175,757	4,175,758	-
Subtotal - Debt Securities	172,978,799	4,175,758	168,803,042
<b>Investment Derivative Instruments:</b>			
Hedging Derivative Instrument - Asset	2,193,576	-	2,193,576
Hedging Derivative Instrument - Liability	(1,727,682)	(393,712)	(1,333,970)
Total Investments by Fair Value Level	<u>\$ 173,444,693</u>	<u>\$ 3,782,046</u>	<u>\$ 169,662,648</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**Business-Type Activities (Continued)**

**C. Discretely Presented Component Units**

The Discretely Presented Component unit cash and cash equivalents balances are as follows:

	Fair Value	Rating
Cash	\$ 27,621,194	N/A
Cash Equivalents:		
Money Market Accounts	5,477,475	N/A
Total Cash, Cash Equivalents, and Investments	\$ 33,098,669	
Reconciliation of Cash and Cash Equivalents to Amounts in the Statement of Net Position:		
Current Unrestricted Cash and Cash Equivalents	\$ 10,494,888	
Restricted Cash and Cash Equivalents for Current Liabilities	21,946,165	
Restricted Cash and Cash Equivalents for Customer Deposits	657,616	
Total	\$ 33,098,669	

All cash equivalents have maturities of three months or less. The Discretely Presented Component Units follow the Commission's investment policy.

**NOTE 3 MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE**

Mortgage and construction loans receivable are secured by deeds of trust evidencing first mortgage liens on applicable real property and are either insured by private mortgage insurance, the U.S. Federal Housing Administration or the Maryland Housing Fund or are guaranteed by the U.S. Department of Veterans Affairs.

Mortgage and construction loans receivable as of June 30, 2022, consisted of the following:

Description	Interest Rate	Balance
General Sub-Fund:		
Closing Cost Assistance Loans	5.00%	\$ 5,969,767
Component Unit Loans	-	144,678,544
Emory Grove Redevelopment	-	660,110
Woodfield Commons	-	10,239,493
Subtotal		161,547,914

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (CONTINUED)**

Description	Interest Rate	Balance
Opportunity Housing Sub-Fund:		
900 Thayer LP	-	\$ 14,030,843
Alexander House Limited Partnership	-	14,218,641
Bauer Park Apartments LP	-	7,112,596
Elizabeth House III	-	18,894,665
Fenwick Silver Spring	-	2,005,925
Greenhills LP	-	7,523,156
Hampden Lane Limited Partnership	-	138,281
Hillandale Gateway Limited Liability Company	-	5,122,136
HOC at 11250 Veirs Mill Road LLC	-	703,909
HOC at Georgian Court LLC	-	19,773,652
HOC at Shady Grove LLC	-	11,044,184
HOC at Stewartown Homes LLC	-	9,044,240
HOC at Upton II	-	7,367,760
HOC at Willow Manor LLC	-	7,670,962
Rental Assistance Security Deposit Loan	-	14,040
Spring Garden One Associates Limited Partnership	-	3,274,431
Tanglewood Apartments	-	3,190,410
Town Center	-	196,957
Wheaton Gateway LLC	-	432,023
Wheaton Venture LLC	-	268,350
Woodfield Commons	-	350,000
Subtotal		<u>132,377,161</u>
Multifamily Sub-Fund:		
Arcola	4.55%	5,724,524
Bauer Park LP	3.75%	25,665,000
Charter House	4.98%	9,742,100
Forest Oak	4.93%	12,151,508
Greenhills	4.10%	11,551,750
HOC at Georgian Court LLC	2.77%	28,990,000
HOC at Shady Grove LLC	2.77%	28,700,000
HOC at Stewartown Homes LLC	2.95%	16,045,000
HOC at Westside Shady Grove	2.20%	99,250,000
HOC at Westside Shady Grove	-	14,300,000
HOC at Willow Manor LLC	2.79%	49,550,000
Landing's Edge	4.95%	2,306,608
MetroPointe LP	6.50%	2,637,151
Ring House	6.10%	8,712,314
Rockville Housing	5.21%	3,085,312
Spring Garden	4.55%	4,395,318
Waverly	4.55%	7,885,179
Subtotal		<u>330,691,764</u>
Single Family Sub-Fund:		
Mortgage Loans Receivable, Net	3.67 to 5.55%	38,067,028
Public Sub-Fund:		
Arcola Towers RAD LP	-	1,898,330
Tobytown Homeownership	-	107,285
Subtotal		<u>2,005,615</u>
Total		<u>\$ 664,689,482</u>
Current		\$ 13,157,945
Long-term		651,531,537
Total		<u>\$ 664,689,482</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (CONTINUED)**

As of June 30, 2022, the amount available or committed for additional advances or new loans is \$38,142,168 for the Single Family Sub-Fund and \$68,050,006 for the Multifamily Sub-Fund.

Included in the mortgage and construction loans receivable balance of the General Sub-Fund at June 30, 2022 are inter sub-fund mortgage loans receivable from the Opportunity Housing Sub-Fund and General Sub-Fund amounting to \$306,360,643 and \$2,246,338, respectively, which have been eliminated in the accompanying financial statements. The related interest revenue, amounting to \$6,845,770 for the year ended June 30, 2022, has also been eliminated.

Included in the mortgage and construction loans receivable balance of the Opportunity Housing Sub-Fund at June 30, 2022, are inter sub-fund mortgage loans receivables from several Opportunity Housing properties amounting to \$44,616,415 and inter sub-fund mortgage loans receivable from the General Sub-Fund amounting to \$336,496 which have been eliminated in the accompanying financial statements.

Included in the mortgage and construction loans receivable balance of the Multifamily Sub-Fund are inter sub-fund mortgage loans receivable from the Opportunity Housing Sub-Fund amounting to \$149,817,840 as of June 30, 2022, which have been eliminated. The related interest revenue, amounting to \$7,662,383 for the year ended June 30, 2022, has also been eliminated.

Construction loans in the Opportunity Housing and Multifamily Sub-Funds generally have maturities of less than one year. Mortgage loans receivable in the Single Family Sub-Fund and the Multifamily Sub-Fund have maturities extending up to 40 years.

**Single Family Sub-Fund**

Currently the Commission has conventional and FHA single family mortgage loans in its portfolio. FHA mortgage loans are insured 100% by HUD. Conventional mortgage loans with a loan to value greater than 80% are insured with primary mortgage insurance. All conventional loans are insured with pool insurance. Three of the mortgage pool insurance policies carry a 1% deductible against losses. The amount of each deductible is 1% of the bond issue. Each of the three deductible amounts is approximately \$300,000. The Commission absorbs losses up to the 1% amount for each individual pool policy before the pool insurance begins to pay on claims. The deductible does not apply to the primary insurance on the conventional loans.

Management takes into consideration the potential for loan losses based on the number of loans in foreclosure and other real estate owned status against the sale proceeds from properties sold as well as the mortgage insurance received in determining if an allowance for loan losses is necessary. It employs an active loss mitigation process to ensure that servicer activities are monitored and losses to the Commission are minimized. Based on the history of loan losses and the potential exposure to the Commission after sales proceeds and mortgage insurance receipts, the Commission does not believe that an allowance for loan losses is necessary at this time. Further, based on prior analysis, losses are not expected to reach a material threshold for establishing an allowance at this time.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 CAPITAL ASSETS**

**A. Capital Assets of Business-Type Activities**

The Commission's capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Deletions	Capitalization	Transfer In / (Out)	Ending Balance
Land:						
General Sub-Fund	\$ 3,464,437	\$ -	\$ -	\$ -	\$ -	\$ 3,464,437
Opportunity Housing Sub-Fund	137,089,668	13,478,238	(14,094,696)	-	-	136,473,210
Public Sub-Fund	<u>724,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>772,711</u>	<u>1,496,785</u>
Total Land	<u>141,278,179</u>	<u>13,478,238</u>	<u>(14,094,696)</u>	<u>-</u>	<u>772,711</u>	<u>141,434,432</u>
Site Improvements:						
Public Sub-Fund	392,300	-	-	-	(315,273)	77,027
Accumulated Depreciation	<u>(392,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>315,273</u>	<u>(77,027)</u>
Total Site Improvements, Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Building and Improvements:						
General Sub-Fund	8,689,842	-	-	-	-	8,689,842
Accumulated Depreciation	<u>(5,049,667)</u>	<u>(235,910)</u>	<u>-</u>	<u>-</u>	<u>(57,838)</u>	<u>(5,343,415)</u>
Opportunity Housing Sub-Fund	761,722,269	49,004,735	(58,311,755)	703,850	4,710,531	757,829,630
Accumulated Depreciation	<u>(243,554,788)</u>	<u>(19,372,648)</u>	<u>16,934,901</u>	<u>-</u>	<u>-</u>	<u>(245,992,535)</u>
Public Sub-Fund	14,328,755	-	-	-	(3,360,761)	10,967,994
Accumulated Depreciation	<u>(10,418,349)</u>	<u>(199,656)</u>	<u>-</u>	<u>-</u>	<u>3,255,208</u>	<u>(7,362,797)</u>
Total Building and Improvements, Net	<u>525,718,062</u>	<u>29,196,521</u>	<u>(41,376,854)</u>	<u>703,850</u>	<u>4,547,140</u>	<u>518,788,719</u>
Furniture and Equipment:						
General Sub-Fund	11,989,086	92,621	-	-	-	12,081,707
Accumulated Depreciation	<u>(11,679,843)</u>	<u>(152,881)</u>	<u>-</u>	<u>-</u>	<u>57,838</u>	<u>(11,774,886)</u>
Opportunity Housing Sub-Fund	21,108,711	529,429	(2,771,994)	-	1,041,236	19,907,382
Accumulated Depreciation	<u>(14,299,308)</u>	<u>(1,199,323)</u>	<u>1,981,942</u>	<u>-</u>	<u>-</u>	<u>(13,516,689)</u>
Public Sub-Fund	401,641	-	-	-	(50,400)	351,241
Accumulated Depreciation	<u>(401,245)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,400</u>	<u>(350,845)</u>
Total Furniture and Equipment, Net	<u>7,119,042</u>	<u>(730,154)</u>	<u>(790,052)</u>	<u>-</u>	<u>1,099,074</u>	<u>6,697,910</u>
Construction in Progress:						
General Sub-Fund	3,246,965	958,387	-	-	-	4,205,352
Opportunity Housing Sub-Fund	12,675,796	1,640,033	(178,254)	(703,850)	(4,206,850)	9,226,875
Public Sub-Fund	<u>1,170,813</u>	<u>1,833,058</u>	<u>-</u>	<u>-</u>	<u>(2,212,075)</u>	<u>791,796</u>
Total Construction in Progress	<u>17,093,574</u>	<u>4,431,478</u>	<u>(178,254)</u>	<u>(703,850)</u>	<u>(6,418,925)</u>	<u>14,224,023</u>
Total Capital Assets, Net	<u>\$ 691,208,857</u>	<u>\$ 46,376,083</u>	<u>\$ (56,439,856)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 681,145,084</u>

Commission capital assets not being depreciated include land and construction in progress. The net transfer out relates to the transfer of several blended component units to discrete component units following investment by outside partners.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

**B. Reconciliation of Net Investment in Capital Assets**

Net Investment in Capital Assets:	
Land	\$ 141,434,432
Construction in Progress	14,224,023
Building and Improvements, Net of Depreciation	518,788,719
Furniture and Equipment, Net of Depreciation	6,697,910
Less: Related Bonds, Mortgages, and Notes Payable	<u>(816,853,023)</u>
Total Net Investment in Capital Assets	<u><u>\$ (135,707,939)</u></u>

**C. Discretely Presented Component Units Capital Assets**

	Beginning Balance	Additions	Deletions	Capitalization	Transfer In / (Out)	Ending Balance
Discretely Presented Component Units:						
Land	\$ 59,336,121	\$ 11,100,000	\$ -	\$ -	\$ -	\$ 70,436,121
Building and Improvements	328,193,460	117,059,048	-	-	13,685,799	458,938,307
Accumulated Depreciation	(44,716,448)	(9,436,209)	-	-	-	(54,152,657)
Furniture and Equipment	7,155,188	503,598	-	-	(547,270)	7,111,516
Accumulated Depreciation	(2,246,294)	(428,109)	-	-	-	(2,674,403)
Construction in Progress	<u>74,042,802</u>	<u>128,688,689</u>	<u>-</u>	<u>-</u>	<u>(13,138,529)</u>	<u>189,592,962</u>
Net Component Unit Capital Assets	<u><u>\$ 421,764,829</u></u>	<u><u>\$ 247,487,017</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 669,251,846</u></u>

**NOTE 5 LEASES**

**Lessee**

The Commission leases vehicles as well as certain operating and office facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2027 and provide for renewal options ranging from one years to six years.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 318,242	\$ 1,652	\$ 319,894
2024	97,244	755	97,999
2025	65,350	392	65,742
2026	52,414	123	52,537
2027	6,740	6	6,746
Total	<u><u>\$ 539,990</u></u>	<u><u>\$ 2,928</u></u>	<u><u>\$ 542,918</u></u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 5 LEASES (CONTINUED)**

***Lessee (Continued)***

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	<u>Business-Type Activities</u>
Vehicles	\$ 507,780
Buildings	1,084,110
Less: Accumulated Depreciation	<u>(1,055,334)</u>
Total Right-To-Use Assets	<u><u>\$ 536,556</u></u>

***Lessor***

The Commission, acting as lessor, leases office facilities under long-term, non-cancelable lease agreements. The leases expire at various dates through 2042 and provide for renewal options ranging from one years to six years. During the year ended June 30, 2022, the Commission recognized \$1,249,230 and \$44,898 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,305,017	\$ 40,947	\$ 1,345,964
2024	1,177,659	35,653	1,213,312
2025	1,042,224	30,970	1,073,194
2026	771,804	26,739	798,543
2027	613,165	23,816	636,981
2028-2032	2,758,109	79,349	2,837,458
2023-2037	1,620,003	17,513	1,637,516
2038-2042	313,069	564	313,633
Total	<u><u>\$ 9,601,050</u></u>	<u><u>\$ 255,551</u></u>	<u><u>\$ 9,856,601</u></u>

**NOTE 6 ADVANCES TO DISCRETELY PRESENTED COMPONENT UNITS**

Advances to component units represent additional funds provided by the Commission to facilitate the purchase of the rental Moderately Priced Dwelling Units (MPDUs) and to fund operating deficits incurred by the component units. The purchases of the rental MPDUs are collateralized by certain notes receivable of the Partnerships due from the limited partners in connection with the purchase of their limited partnership interests.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 6 ADVANCES TO DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

The table below documents Advances to Component Units and Investments in Component Units. Due to differences in fiscal year ends, Advances to Component Units differ from Advances from the Primary Government at June 30, 2022.

Receivable Entity	Payable Entity	Amount
Advances to Component Units:		
Primary Government - General Sub-Fund	Component Units - Tax Credit Limited Partnerships	\$ 3,624,400
Primary Government - Opportunity Housing Sub-Fund	Component Units - Tax Credit Limited Partnerships	441,820
Total		<u>4,066,220</u>
Investment in Component Units:		
Primary Government - General Sub-Fund	Component Units - Tax Credit Limited Partnerships	2,073,221
Primary Government - Opportunity Housing Sub-Fund	Component Units - Tax Credit Limited Partnerships	33,787,217
Total		<u>35,860,438</u>
Total Due from Primary Government and Component Units		<u><u>\$ 39,926,658</u></u>

Interfund transfers were made during the fiscal year to reduce the interfund receivable and payables. The transfers occur routinely and are approved by the Board of Commissioners.

**NOTE 7 ACCOUNTS RECEIVABLE AND OTHER ASSETS**

Accounts receivable consists of grants and loans due from HUD and Montgomery County, tenant rents receivable, and amounts due from property managers. All amounts are deemed to be collectible within one year. Accounts receivable and other assets consisted of the following as of June 30, 2022:

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multi Family Sub-Fund	Total
Accounts Receivable:						
HUD	\$ -	\$ -	\$ 515,702	\$ -	\$ -	\$ 515,702
Montgomery County, Maryland	-	98,958	4,849,110	-	-	4,948,068
Tenant Accounts Receivable	-	7,778,475	699,619	-	-	8,478,094
Other Receivables	4,090,093	6,604,295	5,554,451	431,329	-	16,680,168
Prepaid Expenses	1,494,055	1,736,351	-	30,930	23,679	3,285,015
Other Assets	307,623	-	-	-	-	307,623
Total	<u>5,891,771</u>	<u>16,218,079</u>	<u>11,618,882</u>	<u>462,259</u>	<u>23,679</u>	<u>34,214,670</u>
Less: Allowance	<u>(5,163)</u>	<u>(4,729,640)</u>	<u>(1,801,454)</u>	<u>-</u>	<u>-</u>	<u>(6,536,257)</u>
Net Accounts Receivable and Other Assets	<u><u>\$ 5,886,608</u></u>	<u><u>\$ 11,488,439</u></u>	<u><u>\$ 9,817,428</u></u>	<u><u>\$ 462,259</u></u>	<u><u>\$ 23,679</u></u>	<u><u>\$ 27,678,413</u></u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 8 INTER SUB-FUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Inter sub-fund receivables and payables result from cash collections and disbursements for all funds being processed through the General Sub-Fund. All amounts are expected to be repaid within one year. All amounts have been eliminated on the basic financial statements.

**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT**

Bonds and mortgage notes have been issued to provide financing for the Commission's housing programs and are collateralized as follows:

- Mortgage loans receivable made on the related developments or single family residential mortgage loans purchased.
- Substantially all revenue, mortgage payments, and recovery payments received by the Commission from mortgage loans made on the related developments.
- Certain accounts, generally debt service reserve funds, established pursuant to the indenture authorizing issuance of the bonds.
- Interest rates on bonds payable ranged from 0.16% to 11.25% as of June 30, 2022. Maturity dates of the bonds payable range from 2021 to 2064.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT  
(CONTINUED)**

**A. Bonds Payable**

The Commission has the following bonds payable outstanding as of June 30, 2022:

	Outstanding Beginning of Year	Issued This Year	Retired/ Refunded This Year	Outstanding End of Year	Amount Due Within One Year
Single Family Sub-Fund Bonds:					
2007 Series E	\$ 8,315,000	\$ -	\$ -	\$ 8,315,000	\$ -
2008 Series D	17,200,000	-	-	17,200,000	-
2013 Series A	13,010,000	-	(4,215,000)	8,795,000	3,710,000
2013 Series B	2,040,000	-	(25,000)	2,015,000	-
2016 Series A	18,285,000	-	(5,955,000)	12,330,000	2,745,000
2016 Series B	3,035,000	-	(2,010,000)	1,025,000	1,025,000
2017 Series A	16,140,000	-	(8,025,000)	8,115,000	2,150,000
2017 Series B	8,385,000	-	(845,000)	7,540,000	865,000
2018 Series A	24,115,000	-	(4,520,000)	19,595,000	1,565,000
2018 Series B	8,450,000	-	(140,000)	8,310,000	290,000
2021 Series A	22,750,000	-	(830,000)	21,920,000	885,000
2021 Series B	5,650,000	-	(210,000)	5,440,000	720,000
2021 Series C	10,000,000	-	-	10,000,000	-
2022 Series A	-	14,660,000	-	14,660,000	-
2022 Series B	-	2,940,000	-	2,940,000	-
2022 Series C	-	3,000,000	-	3,000,000	-
2022 Series D	-	11,000,000	-	11,000,000	-
NIBP 2009 Series C-1	4,890,000	-	(4,890,000)	-	-
NIBP 2009 Series C-2	7,850,000	-	(7,850,000)	-	-
NIBP 2009 Series C-3	1,960,000	-	(1,960,000)	-	-
NIBP 2009 Series C-4	4,120,000	-	(1,370,000)	2,750,000	1,240,000
NIBP 2009 Series C-5	2,370,000	-	-	2,370,000	-
NIBP 2010 Series A	800,000	-	(800,000)	-	-
NIBP 2011 Series A	2,325,000	-	(2,325,000)	-	-
NIBP 2012 Series A	3,660,000	-	(1,410,000)	2,250,000	1,195,000
PRB 2019 Series A	22,670,000	-	(5,545,000)	17,125,000	1,770,000
PRB 2019 Series B	3,510,000	-	(1,025,000)	2,485,000	540,000
PRB 2019 Series C	8,525,000	-	(2,485,000)	6,040,000	1,320,000
Total	<u>220,055,000</u>	<u>31,600,000</u>	<u>(56,435,000)</u>	<u>195,220,000</u>	<u>20,020,000</u>
Add: Unamortized Premium	4,522,403	533,467	(1,206,170)	3,849,700	-
Total Single Family Bonds Payable	<u>\$ 224,577,403</u>	<u>\$ 32,133,467</u>	<u>\$ (57,641,170)</u>	<u>\$ 199,069,700</u>	<u>\$ 20,020,000</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT  
(CONTINUED)**

**A. Bonds Payable (Continued)**

	Outstanding Beginning of Year	Issued This Year	Retired/ Refunded This Year	Outstanding End of Year	Amount Due Within One Year
Multifamily Sub-Fund Bonds:					
1984 Series A - Accretions	\$ 338,446	\$ 3,817	\$ (309,989)	\$ 32,274	\$ 3,733
1998 Issue A	5,430,000	-	(570,000)	4,860,000	595,000
2004 Series A	9,645,000	-	(405,000)	9,240,000	425,000
2004 Series B	3,225,000	-	(75,000)	3,150,000	80,000
2005 Series B	3,705,000	-	(205,000)	3,500,000	210,000
2005 Series C	21,170,000	-	(875,000)	20,295,000	910,000
2009 Series A-2	8,040,000	-	(8,040,000)	-	-
2010 Series A	3,320,000	-	(3,320,000)	-	-
2011 Series A	29,630,000	-	(545,000)	29,085,000	570,000
2011 Series B	2,685,000	-	(50,000)	2,635,000	50,000
2012 Series A	17,085,000	-	(1,005,000)	16,080,000	1,035,000
2012 Series B	1,765,000	-	(250,000)	1,515,000	260,000
2012 Series C	10,215,000	-	(6,490,000)	3,725,000	375,000
2012 Series D	26,095,000	-	(1,185,000)	24,910,000	1,210,000
2014 Series A	21,655,000	-	(545,000)	21,110,000	555,000
2015 Series A-1	14,175,000	-	(250,000)	13,925,000	250,000
2017 Series A	11,730,000	-	(210,000)	11,520,000	210,000
2019 Series A-1	51,420,000	-	-	51,420,000	-
2019 Series A-2	3,580,000	-	-	3,580,000	-
2019 Series B	7,165,000	-	(400,000)	6,765,000	405,000
2019 Series C	9,330,000	-	(520,000)	8,810,000	530,000
2020 Series A	25,665,000	-	-	25,665,000	-
2020 Series B	24,735,000	-	(1,120,000)	23,615,000	1,180,000
2020 Series C	16,000,000	-	(855,000)	15,145,000	895,000
2021 Series A	99,250,000	-	-	99,250,000	-
2021 Series B	16,145,000	-	-	16,145,000	-
2021 Series C	-	104,245,000	-	104,245,000	-
2021 Series D	-	7,115,000	-	7,115,000	-
Series 2021 A (50M)	-	50,000,000	(2,395,000)	47,605,000	2,220,000
	<u>443,198,446</u>	<u>161,363,817</u>	<u>(29,619,989)</u>	<u>574,942,274</u>	<u>11,968,733</u>
Less: Unamortized Discount	(559,354)	-	93,226	(466,128)	-
Total Multifamily Bonds Payable	<u>442,639,092</u>	<u>161,363,817</u>	<u>(29,526,763)</u>	<u>574,476,146</u>	<u>11,968,733</u>
Total Bonds Payable	<u>\$ 667,216,495</u>	<u>\$ 193,497,284</u>	<u>\$ (87,167,933)</u>	<u>\$ 773,545,846</u>	<u>\$ 31,988,733</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT (CONTINUED)**

**B. Mortgage Notes and Loans Payable**

The Commission has the following Opportunity Housing Sub-Fund and General Sub-Fund mortgage notes and loans payable as of June 30, 2022:

	Outstanding Beginning of Year	Issued This Year	Retired This Year	Outstanding End of Year	Amount Due Within One Year
Opportunity Housing Sub-Fund:					
9845 Lost Knife Road	\$ 1,884,422	\$ -	\$ (37,733)	\$ 1,846,689	\$ -
Bradley Crossing LLC	81,200,000	-	-	81,200,000	-
CDBG-9611 McAlpine Road	107,493	-	(6,325)	101,168	-
Dale Drive	600,000	-	-	600,000	-
Diamond Square	2,000,000	-	-	2,000,000	-
HOC at Battery Lane LLC	-	48,450,000	-	48,450,000	-
Montgomery Arms	84,158	-	(4,911)	79,247	5,291
MV Gateway II LLC	12,048,970	-	-	12,048,970	-
Paddington Square Dev. Corp.	18,605,391	-	(17,157)	18,588,234	315,901
Scattered Site Two Dev. Corp.	4,079,800	-	(121,700)	3,958,100	-
Southbridge	1,826,919	-	(42,569)	1,784,350	44,552
State Partnership Rental Programs	8,795,567	65,955	-	8,861,522	-
State Partnership VII	4,712,864	-	-	4,712,864	-
The Glen	1,211,707	-	-	1,211,707	-
The Manor at Cloppers Mill	10,361,160	-	(10,361,160)	-	-
The Manor at Colesville	7,596,060	-	(7,596,060)	-	-
The Manor at Fair Hill Farm	11,336,354	-	(11,336,354)	-	-
VPC One Corp.	28,571,906	-	(547,728)	28,024,178	684,579
VPC Two Corp.	20,340,295	-	(388,683)	19,951,612	521,366
Westwood Tower	20,400,000	-	(126,796)	20,273,204	20,273,204
Total	<u>235,763,066</u>	<u>48,515,955</u>	<u>(30,587,176)</u>	<u>253,691,845</u>	<u>21,844,893</u>
General Sub-Fund:					
Alexander Dev Corp (FFB)	50,626,628	-	(645,594)	49,981,034	668,140
Alexander House LP (FFB)	18,190,705	-	(202,690)	17,988,015	210,996
Cider Mill (FFB)	120,549,874	-	(1,631,733)	118,918,141	1,688,977
Glenmont Crossing (FFB)	13,767,941	-	(230,554)	13,537,387	238,184
Glenmont Westerty (FFB)	13,670,296	-	(228,920)	13,441,376	236,495
The Lindley (FFB)	61,606,538	-	(511,171)	61,095,367	538,662
Timberlawn (FFB)	19,167,730	-	(247,984)	18,919,746	257,653
Woodfield Commons (FFB)	10,362,290	-	(122,797)	10,239,493	127,380
900 Thayer (FFB)	15,819,528	-	(274,957)	15,544,571	280,140
Line of Credit with PNC Bank	75,149,336	19,924,506	(15,511,351)	79,562,491	-
Total	<u>398,910,866</u>	<u>19,924,506</u>	<u>(19,607,751)</u>	<u>399,227,621</u>	<u>4,246,627</u>
Total Mortgage Notes and Loans Payable	<u>\$ 634,673,932</u>	<u>\$ 68,440,461</u>	<u>\$ (50,194,927)</u>	<u>\$ 652,919,466</u>	<u>\$ 26,091,520</u>

Interest rates on mortgage notes and loans payable ranged from 1.67% to 4.51% as of June 30, 2022.

Included in the mortgage notes and loans payable balance of the Opportunity Housing Sub-Fund at June 30, 2022, are inter sub-fund mortgage loans payable to the Multifamily Sub-Fund amounting to \$149,817,840 which have been eliminated in the accompanying financial statements. The related interest expense, amounting to \$7,662,383 for the year ended June 30, 2022, has also been eliminated.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT  
(CONTINUED)**

**B. Mortgage Notes and Loans Payable (Continued)**

Included in the mortgage notes and loans payable balance of the Opportunity Housing Sub-Fund at June 30, 2022, are inter sub-fund mortgage loans payable to the General Sub-Fund amounting to \$306,360,643, which have been eliminated in the accompanying financial statements. The related interest expense, amounting to \$6,845,770 for the year ended June 30, 2022, has also been eliminated.

Included in the mortgage notes and loans payable balance of the Opportunity Housing Sub-Fund at June 30, 2022, are inter sub-fund mortgage loans payable to the Opportunity Housing Reserve Fund (OHRF), Multipurpose Indenture Bond Fund (OH Bond Fund) and other Opportunity Housing properties amounting to \$44,616,415, which have been eliminated in the accompanying financial statements.

Included in the mortgage notes and loans payable balance of the General Sub-Fund at June 30, 2022, are inter-subfund mortgage loans payable to the Opportunity Housing Sub-Fund and General Sub-Fund amounting to \$336,496 and \$2,246,338, respectively, which have been eliminated in the accompanying financial statements.

The Commission's outstanding notes and mortgages of \$652,919,466 from direct borrowings are secured with collateral of the related land and/or structures. These notes also contain provisions that in the event of default, outstanding amounts are due immediately.

The Commission also has three lines of credit with unused amounts totaling \$130,437,610 as of June 30, 2022.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT (CONTINUED)**

**C. Maturities**

Bonds, mortgage notes, and loans payable mature in the years and in the principal and interest amounts as follows:

	Notes from Direct Borrowings		Bonds		Combined
	Principal				
	General Sub-Fund	Opportunity Housing Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	
<u>Year Ending June 30,</u>					
2023	\$ 4,246,627	\$ 21,844,893	\$ 20,020,000	\$ 11,968,733	\$ 58,080,253
2024	83,965,108	132,345,640	8,295,000	12,809,165	237,414,913
2025	4,564,601	48,982,787	5,300,000	18,505,502	77,352,890
2026	4,732,820	445,596	5,470,000	28,716,199	39,364,615
2027	4,907,525	460,039	5,785,000	18,286,837	29,439,401
2028-2032	27,404,123	15,815,928	25,905,000	93,387,825	162,512,876
2033-2037	32,908,638	2,570,574	22,645,000	90,672,633	148,796,845
2038-2042	39,578,686	2,969,167	50,185,000	69,854,746	162,587,599
2043-2047	47,674,362	3,455,765	27,335,000	55,922,790	134,387,917
2048-2052	57,516,962	3,658,963	24,280,000	132,382,845	217,838,770
2053-2057	66,000,215	3,756,400	-	17,590,000	87,346,615
2058-2062	25,727,954	-	-	17,255,000	42,982,954
2063-2067	-	-	-	7,590,000	7,590,000
Upon Sale of Property	-	17,386,093	-	-	17,386,093
Total	399,227,621	253,691,845	195,220,000	574,942,275	1,423,081,741
Unamortized Bond Discount/Premium	-	-	3,849,700	(466,129)	3,383,571
Total	<u>\$ 399,227,621</u>	<u>\$ 253,691,845</u>	<u>\$ 199,069,700</u>	<u>\$ 574,476,146</u>	<u>\$ 1,426,465,312</u>

	Notes from Direct Borrowings		Bonds		Combined
	Interest				
	General Sub-Fund	Opportunity Housing Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	
<u>Year Ending June 30,</u>					
2023	\$ 10,160,359	\$ 6,702,506	\$ 4,054,639	\$ 14,670,966	\$ 35,588,470
2024	8,762,080	7,192,178	3,869,978	14,423,099	34,247,335
2025	8,214,593	3,072,721	3,742,754	13,312,263	28,342,331
2026	8,090,211	1,175,838	3,626,768	13,666,234	26,559,051
2027	7,961,244	1,161,394	3,498,479	13,212,450	25,833,567
2028-2032	37,698,624	3,568,865	15,545,997	58,950,870	115,764,356
2033-2037	33,677,590	2,261,088	12,389,648	46,650,348	94,978,674
2038-2042	28,848,854	1,843,276	9,594,622	35,104,209	75,390,961
2043-2047	23,043,339	1,356,678	6,012,825	27,232,806	57,645,648
2048-2052	16,054,954	808,725	2,193,525	19,096,918	38,154,122
2053-2057	7,720,861	267,293	-	5,461,551	13,449,705
2058-2062	668,738	-	-	2,796,254	3,464,992
2063-2067	-	-	-	341,161	341,161
Total	<u>\$ 190,901,447</u>	<u>\$ 29,410,562</u>	<u>\$ 64,529,235</u>	<u>\$ 264,919,129</u>	<u>\$ 549,760,373</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 10 DERIVATIVE INSTRUMENTS**

At June 30, 2022, the Commission had several derivative instruments outstanding as noted in the table below. The Commission used the synthetic instrument method to evaluate the hedge effectiveness of some interest rate swaps. This method evaluates effectiveness by combining the cash flows on the derivative with the cash flows on the hedged item to create a new instrument. The synthetic rate on the cash flows is calculated based on the combination of all the cash flows and is compared against the fixed rate on the derivative. A potential hedging derivative instrument is effective if the actual synthetic rate is within a range of 90% to 111% of the fixed rate of the potential hedging derivative instrument to be substantially fixed.

The Commission also used the regression analysis method to evaluate the hedge effectiveness of the forward starting interest rate swaps. This method evaluates effectiveness by utilizing statistical regression analysis to compare quantitative information about the relationship between the price of the hedged item and that of the hedging derivative.

At June 30, 2022, all hedging derivative instruments shown on the next page met the criteria for effectiveness.

Objective of the Swaps

In order to protect against the potential of rising interest rates, the Commission entered into six separate pay-fixed, receive variable interest rate swaps. The net interest paid on the swaps and variable rate debt is anticipated to be less than the interest paid had the Commission issued fixed-rate debt.

Terms

The notional amounts of the swaps match the principal amounts of the associated variable rate debt. Except as discussed under rollover risk, the swap agreements contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or anticipated reductions in the associated "bonds payable" category during the period that the bonds are hedged. The Commission may terminate the swap at fair value at any time.

Fair Value

The termination value of all swaps had either a negative or positive fair value as of June 30, 2022. Because the coupons on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes. The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 10 DERIVATIVE INSTRUMENTS (CONTINUED)**

Fair Value (Continued)

Associated Bond Issue	Notional Amounts	Trade Date	Terms	Fair Values	Swap Termination Date	Counterparty/ Credit Rating
Single Family 2018 Series B	\$ 8,310,000	6/10/2008	Receive 63.6% LIBOR + 0.31%, pay 2.41%	\$ (21,220)	7/1/2039	BANA Aa2 / A+ / AA
Single Family 2021 Series C	10,000,000	6/29/2022	70% SOFR +0.08% 2.61%	(166,111)	1/1/2041	BANA Aa2 / A+ / AA
Single Family 2022 Series D	11,000,000	6/29/2022	70% SOFR +0.08% 2.68%	(206,381)	1/1/2049	BANA Aa2 / A+ / AA
Multifamily 2011 Series A	28,075,000	4/3/2006	Receive 64.0% LIBOR + 0.19%, pay 4.02%	(970,811)	1/1/2049	MLCS Aa2 / A+ / AA
Multifamily 2011 Series B	2,495,000	4/3/2006	Receive 100% LIBOR + 0.10%, pay 6.067%	(134,136)	1/1/2049	MLCS Aa2 / A+ / AA
Upton II (Permanent)	<u>27,000,000</u>	3/6/2019	Receive 70% LIBOR, pay 2.39%	<u>(229,023)</u>	7/1/2062	Royal Bank of Canada Aa1/AA-AA+
	\$ 86,880,000		Derivative Liability	<u>\$ (1,727,682)</u>		
Elizabeth House III MHDB 2019 A Hedge	-	11/20/2019	Receive 100% LIBOR, pay 1.402%	\$ 2,193,576	5/1/2024	Wells Fargo Aa1/A+/AA-
			Derivative Asset	<u>\$ 2,193,576</u>		

Credit Risk

The Commission's counterparties may become unable to meet their obligations under the swap agreement. The counterparties for the Commission's swaps are Merrill Lynch Capital Services (MLCS), Bank of America (BANA), RBC Capital Markets, and Wells Fargo. Merrill Lynch Derivative Products (MLDP), a Aaa rated structured entity, guarantees termination payments under all of the Multifamily and Single Family swap agreements. As of June 30, 2022, the Commission was not exposed to credit risk with respect to termination payments on its swap agreements that had negative fair value on this date. The Commission was exposed to credit risk on its swap agreements that had positive fair value in the amount of the corresponding fair value. The swap agreements do not contain any collateral agreements with the counterparties.

Interest Rate Risk

The Commission is exposed to interest rate risk on its pay-fixed, receive variable interest rate swaps as the Commission's net payment increases as the LIBOR or the SIFMA swap index decreases.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 10 DERIVATIVE INSTRUMENTS (CONTINUED)**

Basis Risk

The Commission is exposed to basis risk on its pay-fixed interest rate swaps because the variable rate payments received on these derivative instruments are based on a rate or index other than interest rates the Commission pays on its hedged variable-rate debt, which is remarketed every seven days. Should the relationship between the floating rate received on the swap and the floating rate paid on the bonds diverge from historical relationships, the Commission pays more interest than originally anticipated. The Commission considered basis risk when it structured its interest rate swaps and has experienced little basis risk over time.

Rollover Risk

The Commission is not exposed to rollover risk on its hedging derivative instruments.

Market-Access Risk

The objectives of the hedging derivative instruments do not involve any plans to issue or refund bonds, so the Commission is not exposed to market-access risk.

Foreign Currency Risk

The Commission is not exposed to foreign currency risk on its hedging derivative instruments.

HOC had in place two interest rate hedges with Royal Bank of Canada (RBC) for Alexander House and Barclays Bank, PLC (Barclay) for The Lindley which were both terminated on September 1, 2019. Both hedges were issued with a termination date to coincide with the expected closing of the permanent financing with a FFB mortgage loan for both properties. Both hedges performed as expected, however interest rates were volatile and declined significantly over the last few months leading up to the swap termination date due to macro events as the U.S./China trade war, currency manipulations, interest rate cuts by the Federal Reserve Bank of the United States and concern of a recession. As a result, HOC was required to make termination payments on the interest rate hedge agreements with both RBC and Barclay. HOC's termination payment to RBC was \$12,590,000 and the termination amount to Barclays was \$12,701,474. HOC recorded the termination payments as a deferred outflow of resources and will amortize the payments over 40 years to coincide with the amortization of the FFB mortgage loans. As of June 30, 2022, the balance of deferred outflows of resources related to these derivative instruments was \$21,270,199.

**NOTE 11 LONG-TERM DEBT – DISCRETELY PRESENTED COMPONENT UNITS**

The long-term debt of the discretely presented component units are primarily nonrecourse debt of each of the limited partnerships, which is collateralized by the land, structures, and equipment of each limited partnership and have varying repayment terms and interest rates ranging from 0.68% to 6.50%.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 11 LONG-TERM DEBT – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

The annual maturities of the discretely presented component units' long-term debt are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,449,783	\$ 6,715,007
2023	2,624,184	6,608,227
2024	2,736,923	6,496,444
2025	2,854,947	6,379,415
2026	2,978,511	6,256,886
Thereafter	509,688,247	111,085,323
Total	<u>\$ 523,332,595</u>	<u>\$ 143,541,302</u>

**NOTE 12 LONG-TERM DEBT – COMPENSATED ABSENCES**

A summary of changes in compensated absences which is included in Accounts Payable and Accrued Liabilities are as follows:

	<u>Outstanding Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Outstanding End of Year</u>	<u>Amount Due Within One Year</u>
Compensated Absences	<u>\$ 2,677,911</u>	<u>\$ 972,118</u>	<u>\$ (918,253)</u>	<u>\$ 2,731,776</u>	<u>\$ 2,731,776</u>

**NOTE 13 LOANS PAYABLE TO MONTGOMERY COUNTY**

The County advances funds to the Commission and the real estate limited partnership component units (RELP component units) through two Capital Improvement Program Funds. The Commission and the RELP component units use County funds to purchase or construct various housing developments in expectation that permanent financing will be provided through a combination of state, county, or federal grants or that loans or bonds will be issued by the Commission or the RELP component units. If the development is funded from another source, the Commission or the RELP component units repay the County. If no alternative funding is found for a development, the County may agree to forgive the Commission's or the RELP component unit's debt. The Commission and the RELP component units paid no interest on funds received from the County for the year ended June 30, 2022. There is no set maturity date or repayment term on borrowings from the County for the projects.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 13 LOANS PAYABLE TO MONTGOMERY COUNTY (CONTINUED)**

The Commission has the following Opportunity Housing Sub-Fund, General Sub-Fund and discrete component unit loans payable to Montgomery County as of June 30, 2022:

	Outstanding Beginning of Year	Issued This Year	Retired This Year	Transfers In / (Out)	Outstanding End of Year	Amount Due Within One Year
Opportunity Housing Sub-Fund	\$ 78,859,412	\$ 7,559,456	\$ (26,298,927)	\$ -	\$ 60,119,941	\$ 241,243
General Sub-Fund	26,171,224	1,500,000	-	-	27,671,224	-
Total	<u>\$ 105,030,636</u>	<u>\$ 9,059,456</u>	<u>\$ (26,298,927)</u>	<u>\$ -</u>	<u>\$ 87,791,165</u>	<u>\$ 241,243</u>
Real Estate Limited Partnership Component Units	<u>\$ 22,873,296</u>	<u>\$ 12,972,776</u>	<u>\$ (5,457,795)</u>	<u>\$ -</u>	<u>\$ 30,388,277</u>	<u>\$ -</u>

**NOTE 14 UNRESTRICTED NET POSITION**

A certain portion of the unrestricted net position has been committed by the Commission for specific purposes and are therefore not available for general operating purposes. This nonspendable fund balance is comprised of the FHA Risk Sharing Fund and the Opportunity Housing Reserve Fund (OHRF).

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 14 UNRESTRICTED NET POSITION (CONTINUED)**

**OHRF**

The Commission established the OHRF in 1980 initially to address the use of revenues generated from the sale of bonds under the Single Family Mortgage Purchase Program. The OHRF is now a repository of proceeds from various activities of the agency. The Commission makes the final decisions about how funds from the OHRF are spent by a resolution of the Board of Commissioners. By policy, the Commission has chosen to use the OHRF primarily for future affordable housing production.

As of June 30, 2022, the Commission committed the following OHRF obligations in the Opportunity Housing Sub-Fund by resolutions of the Board of Commissioners:

Ambassador	\$ 122,871
Avondale	70,000
Barclay Apartments	76,688
Elizabeth House IV	31,058
Emory Grove	21,405
Fenwick Silver Spring, LLC	994,075
Forest Glen Metro	230,000
Georgian Court	3,500,000
Hillandale Gateway	2,266,142
Holly Hall	681,649
Lindsay Ford	109,630
Metropolitan	254,788
Pre-development Fund (Real Estate Division)	771,276
Sandy Spring Meadow	615,872
Shady Grove	13,600,000
The Lindley	5,181,714
Town Center Apartments	200,332
Westwood Towers	259,300
Willows RAD	96,250
Total	<u>\$ 29,083,050</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15 PENSION PLAN**

**A. Employees' Retirement System**

Plan Description

All of the Commission's full-time employees hired before October 1, 1994, participate in the Employees' Retirement System of Montgomery County (the ERS), a cost-sharing multiple-employer defined benefit pension plan. The ERS was established under Chapter 33 of the Montgomery County Code (Code), 1965, as amended. In July 2009, a new retirement option, the Guaranteed Retirement Income Plan (GRIP), was implemented for employees hired on or after October 1, 1994. During fiscal year 2009, employees participating in the Retirement Savings Plan (RSP) were provided a one-time irrevocable election opportunity to transfer from the RSP to the GRIP effective July 1, 2009. New employees hired on or after July 1, 2009, have the option to participate in RSP or GRIP with a six (6) month waiting period beginning with date of hire. If no election is made, the employee defaults into the RSP. The one-time irrevocable election must be made within 150 days of date of hire. Membership begins after 180 days from date of hire. Participation is mandatory for full-time employees and optional for part-time employees. Membership for part-time employees begins with their election to join either the RSP or the GRIP after the waiting period.

Benefits Provided

Benefit provisions are established under the Code beginning with Section 33-35. All benefits vest at five years of service. There are different retirement groups within the ERS. Members enrolled before July 1, 1978, belong to either the optional nonintegrated group or the optional integrated group. Members enrolled on or after July 1, 1978, belong to the mandatory integrated group. Within the groups are different retirement membership classes. The retirement group assigned depends upon the job classification of the member. Normal and early retirement eligibility, the formula for determining the amount of benefit, and the cost-of-living adjustment varies depending upon the retirement group, retirement membership class and retirement date. Normal retirement is 2% of average final earnings (AFE) multiplied by years of credited service. AFE for optional, nonintegrated group members and optional integrated group members is defined as the highest consecutive 12 months and for mandatory integrated plan members, the highest consecutive 36 months. The AFE, maximum years of credited service, and the cost-of-living adjustment varies depending upon the retirement membership class, group, and date of retirement. Members who retire early receive normal retirement benefits reduced by a minimum of 0.17% to a maximum of 60% depending on the number of years and months early retirement precedes normal retirement. The ERS provides options for disability and death benefits to eligible participants. Annual cost-of-living adjustments are provided to retirees and beneficiaries based on the percentage change in the Consumer Price Index and the date of retirement.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15 PENSION PLAN (CONTINUED)**

**A. Employees' Retirement System (Continued)**

Benefits Provided (Continued)

For the members of the GRIP, employee contributions and earnings thereon vest immediately, and employer contributions and earnings thereon are vested after three years of membership in the plan or upon death, disability, or reaching normal retirement age. At separation, a participant's benefit is the account balance which includes employee contributions and earnings along with employer contributions and earning, if vested. No loans or rollover from other retirement plans are allowed.

Employees Covered by Benefit Terms

At June 30, 2021, the date of the latest actuarial valuation, the following employees were covered by the benefit terms:

Retirees and Beneficiaries Receiving Benefits	6,843
Terminated Plan Members Entitled to, but Not Yet Receiving Benefits	603
Active Plan Members	6,214
Total Plan Members	13,660

Contributions

The ERS is a contributory plan with employees contributing a percentage of their base annual salary. Contribution rates range from 6% to 11.25% of regular earnings annually based on group classifications and contributions earn interest at the rate of 4% per annum as specified under Section 33-39(b) of the Code. The Commission is required to contribute the remaining amounts necessary to fund the ERS using the actuarial basis as specified in Section 33-40 of the Code.

The GRIP plan requires all participants to contribute 4% of their salary. Participants earning salaries exceeding the Social Security wage base must contribute 8% of the excess over the wage base. Section 33-40 of the Code requires the Commission as a participating agency to contribute 8% of regular earnings for all participants. For the year ended June 30, 2022, the Commission paid 6.29% and the balance came from plan earnings.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15 PENSION PLAN (CONTINUED)**

**A. Employees' Retirement System (Continued)**

Net Pension Liability

The Commission's net pension liability (NPL) of \$32,216,643 was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The net pension liability is allocated among all employers which includes the County and participating agencies. Each employer's portion of the net pension liability was determined by the respective employer's share of the unfunded actuarial accrued liability, which is based on the number of participants each employer had participating in the System, relative to all participants in the System, as of July 1, 2021. The Commission's employer allocation percentage is -4.364%.

Actuarial Assumptions:

Valuation Date	July 1, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method for Funding	Level Percentage of Payroll, Separate Closed Period Bases
Amortization Period for Funding	For Public Safety and GRIP. Initial amortization period of 20 years for the base established July 1, 2015. Initial amortization period of 20 years for subsequent bases. For non-Public Safety Single closed amortization period of nine years established July 1, 2015. Average amortization period of seven years for total ERS.
Asset Valuation Method	Fair Market value
Investment Rate of Return	7.50%
Projected Salary Increases	3.00% - 10.75%
Cost-of-Living (Inflation Rate)	2.50% on the benefit attributable to credited service earned prior to June 30, 2011.
Adjustments	2.20% on the benefit attribution to credited service earned thereafter, reflecting the 2.5% cap.
Post-Retirement Increases	Consumer Price Index - by Group
Mortality Rates After Retirement	Pub-2010 Public Sector Mortality Table (for General and Safety Employees), sex-distinct with rates projected from 2010 using projection scale MP-2018.

An experience study was conducted for the period July 1, 2014 to July 1, 2018 in September 2019. An actuarial experience study is conducted every five years. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15 PENSION PLAN (CONTINUED)**

**A. Employees' Retirement System (Continued)**

Net Pension Liability (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 (see the discussion of the System's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equities	3.40%
International Equities	3.90%
Emerging Market Equities	65.50%
Global Equities	4.20%
Private Equity	6.60%
Credit Opportunities	4.10%
High Yield Bonds	0.90%
Directional Hedge Funds	1.00%
Long Duration Fixed Income	0.80%
Cash	-1.20%
Diversifying Hedge Funds	2.00%
Global IL's	1.90%
Private Real Assets	4.90%
Public Real Assets	3.90%

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and contributions from the County and other participating agencies will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15 PENSION PLAN (CONTINUED)**

**A. Employees' Retirement System (Continued)**

Additional Financial and Actuarial Information

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of Pension amounts by Employer (including the disclosure of the net pension liability and the unmodified opinion on the financial statements) is located in the Montgomery County Employee Retirement Plans' Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. The supporting actuarial information is included in the June 30, 2021, GASB Statements No. 67 and 68, *Accounting and Financial Reporting for Pensions* actuarial valuation for the System. The additional financial and actuarial information is available at: Montgomery County Employee Retirement Plans, 101 Monroe Street, 15th Floor, Rockville, Maryland 20850 or by calling 240-777-8220.

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the Commission share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	1% Decrease (6.50)%	Current Discount (7.50)%	1% Increase (8.50)%
Total System Net Pension Liability (Asset)	\$ (253,513,792)	\$ (738,231,281)	\$ (1,146,470,857)
Commission's Proportionate Share	11,063,342	32,216,643	50,031,988

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the Commission recognized pension expense of \$14,283,646. At June 30, 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,439,592	\$ -
Changes of Assumptions	1,637,153	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	25,579,558	-
Change in Proportionate Share	-	23,992,290
Contributions Made Subsequent to the Measurement Date	1,334,134	-
Total	<u>\$ 30,990,437</u>	<u>\$ 23,992,290</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15 PENSION PLAN (CONTINUED)**

**A. Employees' Retirement System (Continued)**

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The \$1,334,134 reported as deferred outflows of resources related to Commission pension contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 1,601,271
2024	1,428,283
2025	1,236,118
2026	1,398,341
Total	<u>\$ 5,664,013</u>

**B. Defined Contribution Plan**

Full-time employees and part-time employees of the Commission who elect to participate in a retirement plan, hired after October 1, 1994, who did not elect to participate in the GRIP, participate in the Montgomery County Government Employees' Retirement Savings Plan (RSP), a cost-sharing, multiple-employer defined contribution plan. The Plan was established by Montgomery County under Chapter 33 of the Montgomery County Code.

The plan requires all participants to contribute 4% of their salaries. Participants earning salaries exceeding the Social Security wage base as determined each year by Social Security must contribute 8% of the excess over the wage base. The plan provides that the Commission must contribute 8% of each participant's annual salary. Employee and employer contributions must remain in the participant's account until retirement or termination of employment. No loans are allowed. Rollovers from qualified retirement plans are allowed.

Payroll from the Commission covered by the plan for the year ended June 30, 2022, totaled \$14,256,072. Commission and employee contributions to the plan totaled \$1,140,742 and \$581,581, respectively, for the year ended June 30, 2022.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 16 POSTRETIREMENT HEALTH CARE BENEFITS**

**Plan Description**

The Commission is a component unit of Montgomery County, Maryland and a participant in the Montgomery County Retiree Health Benefit Plan (the Plan), a cost-sharing multiple-employer defined healthcare plan sponsored by the County. The benefits, benefit levels, employee contributions and employer contributions are governed by and can be amended by the Montgomery County Council. The Plan is considered part of the County's financial reporting entity and is included in the County's basic financial statements under Other Postemployment Benefits (OPEB). Separate financial statements are also issued for the Plan.

**Benefits Provided**

Substantially all retirees of Montgomery County Government, Montgomery County Revenue Authority, Housing Opportunities Commission of Montgomery County, Washington Suburban Transit Commission, Strathmore Hall Foundation, Village of Friendship Heights, SkyPoints Federal Credit Union and certain retirees of the State Department of Assessments and Taxation, are provided postemployment benefits such as medical, life, dental, vision, and prescription coverage under the Plan. These benefits are provided through the Montgomery County Group Insurance Plan. Retirees may also elect coverage for their eligible dependents. Postemployment benefit provisions and eligibility requirements for retirees are described in the Montgomery County Group Insurance Summary Plan Description.

**Employees Covered by Benefit Terms**

At June 30, 2021, the date of the latest actuarial valuation, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently	
Receiving Benefit Payments	7,441
Active Plan Members	9,962
Total Plan Members	<u>17,403</u>

**Contributions**

The County Council has the authority to establish and amend contribution requirements of the Plan's members and the County. The Plan is a contributory plan in which the County and the retired members and beneficiaries contribute, based on an actuarial valuation, certain amounts toward the current cost of healthcare benefits. The Plan contributes percentages ranging from 50% to 80% of the cost of group medical and life insurance premiums of retirees, depending on years of service in the plan. Expenditures for postretirement health care benefits are recognized as the County bills the Commission on a monthly basis. The annual pay-as-you-go expenditures amounted to \$1,373,485 during fiscal year 2022.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 16 POSTRETIREMENT HEALTH CARE BENEFITS (CONTINUED)**

**Contributions (Continued)**

The Commission prepaid the fiscal year 2021 annual required contribution in fiscal year 2020. On May 13, 2020, the County Council approved the savings plan submitted by the Montgomery County Government for their General Fund fiscal year 2020 contribution to OPEB, as part of the County fiscal year 2021 budget process. The savings plan adopted the actuarial valuation and actuarially determined contribution prepared by a new actuary versus the actuarial valuation prepared by the prior actuary. At the time of the County's savings plan decision, participating agencies' contributions had already been made to the Trust based on the prior actuarial valuation. This resulted in the participating agencies effectively having over contributed to the Trust for fiscal year 2020. The Commission prepaid contribution amount of \$295,750 was applied for fiscal year 2021 and fiscal year 2022 contributions.

**Net OPEB Liability**

The Commission's net OPEB liability of \$16,573,819 was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The net OPEB liability is allocated among all employers which includes the County and participating agencies. Each employer's portion of the net OPEB liability was based on the proportion of each agency's actuarially determined contribution as of June 30, 2021. The Commission's employer allocation percentage is 1.9667%.

**Actuarial Assumptions**

The total OPEB liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Amortization	30-Year Open
Discount Rate	5.28%
20-Year Municipal Bond Rate	1.92%
Municipal Bond Rate Basis	20-year tax-exempt general obligation municipal bond with average rating of AA/Aa.
Expected Return on Assets	7.50%
Salary Increases	4.25% - 8.25%, depending on service
General Inflation	3.00%

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 16 POSTRETIREMENT HEALTH CARE BENEFITS (CONTINUED)**

**Actuarial Assumptions (Continued)**

Mortality:

Healthy Retirees

Group A,H,J, GRIP - Pub-2010 Healthy Mortality, Headcount weighted, General Employees, Sex-Distinct, Full Generational projected from 2010 using scale MP-2018.

Group E,F,G, GRIP - Pub-2010 Healthy Mortality, Headcount weighted, General Employees, Sex-Distinct, Full Generational projected from 2010 using scale MP-2018.

Disabled Retirees

Group A,H,J, GRIP - Pub-2010 Disabled Mortality, Headcount weighted, General Employees, Sex-Distinct, Full Generational projected from 2010 using scale MP-2018.

Group E,F,G, GRIP - Pub-2010 Disabled Mortality, Headcount weighted, General Employees, Sex-Distinct, Full Generational projected from 2010 using scale MP-2018.

Healthcare Cost Trend Rates

The medical trend assumption was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model, version 2019 b. The model was adjusted to include the effects of the Cadillac tax set to take effect in 2022. The initial rate is 5.40% and the ultimate rate is 3.68%.

The actuarial assumptions used in the June 30, 2020, valuation, with the exception of the mortality assumptions, were based on the results of an actuarial experience study for the period July 1, 2014 to July 1, 2018 in September 2019.

The long-term expected rate of return on the Plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 16 POSTRETIREMENT HEALTH CARE BENEFITS (CONTINUED)**

**Actuarial Assumptions (Continued)**

Best estimates of geometric real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equities	3.40%
International Equities	3.90%
Emerging Market Equities	5.50%
Global Equities	4.20%
Private Equity	6.60%
Credit Opportunities	4.10%
High Yield Bonds	0.90%
Emerging Market Debt	1.00%
Directional Hedge Funds	2.00%
Long Duration Fixed Income	-0.80%
Cash	-1.20%
Diversifying Hedge Funds	2.00%
Global IL's	4.19%
Private Real Assets	4.90%
Public Real Assets	3.90%

**Discount Rate**

A single discount rate of 5.28% was used to measure the total OPEB liability as of June 30, 2021. This single discount rate was blended based on the expected long-term rate of return on OPEB plan investments of 7.50% and the municipal long-term high quality bond index yield (at the measurement date) of 1.92% as described under the terms of the GASB standard. The projection of cash flows used to determine the single discount rate assumes that employer contributions will be made based on the current funding policy (contributions equal to the employer normal cost plus a 30-year open level percent of pay amortization of the unfunded employer liability). Based on these assumptions, the OPEB plan's fiduciary net position was projected to not be sufficient to make all projected future benefit payments on behalf of current plan members. Therefore, the long-term expected rate of return on plan investments was applied only to those payments prior to the depletion of the fiduciary net position and the bond yield index rate was applied to those benefit payments subsequent to the projected depletion of the fiduciary net position. For this valuation, the bond rate used as of June 30, 2021, was 1.92%. Therefore, the blended discount rate used as of June 30, 2021, was 5.28%.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 16 POSTRETIREMENT HEALTH CARE BENEFITS (CONTINUED)**

**Additional Financial and Actuarial Information**

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of OPEB Amounts by Employer (including the disclosure of the net OPEB liability and the unmodified audit opinion on the financial statements) is located in the Montgomery County Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. The supporting actuarial information is included in the June 30, 2020, actuarial valuation titled GASB Statements No. 74 and 75 *Accounting and Financial Reporting for OPEB*. The additional financial and actuarial information is available at: Montgomery County Employee Retirement Plans, 101 Monroe Street, 15th floor, Rockville, Maryland 20850 or by calling 240-777-8220.

**Sensitivity of the Commission's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the Commission's proportionate share of the net OPEB liability calculated using the discount rate of 5.28%, as well as what the Commission's share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.28%) or one percentage point higher (6.28%) than the current discount rate:

	1% Decrease <u>(4.28)%</u>	Current Discount <u>(5.28)%</u>	1% Increase <u>(6.28)%</u>
Total Net OPEB Liability	\$ 1,067,743,706	\$ 842,722,273	\$ 658,001,946
Commission's Proportionate Share	20,999,315	16,573,819	12,940,924

**Sensitivity of the Commission's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the Commission's proportionate share of the net OPEB liability as well as what the Commission's share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (2.68%) or one percentage point higher (4.68%) than the current healthcare cost trend rates:

	1% Decrease <u>(2.68)%</u>	Current Discount <u>(3.68)%</u>	1% Increase <u>(4.68)%</u>
Total Net OPEB Liability	\$ 645,804,992	\$ 842,722,273	\$ 1,088,288,866
Commission's Proportionate Share	12,701,047	16,573,819	21,403,377



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 16 POSTRETIREMENT HEALTH CARE BENEFITS (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2022, the Commission recognized an OPEB expense of \$2,530,102. At June 30, 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,726,188	\$ 5,893,681
Changes of Assumptions	2,252,329	6,127,993
Net Differences Between Projected and Actual		
Investment Earnings on OPEB Plan Investments	-	1,743,386
Differences Between Employer Contributions and Proportionate Share of Contributions	1,049,275	1,555,455
Contributions Made Subsequent to the Measurement Date	<u>1,373,485</u>	<u>-</u>
Total	<u>\$ 6,401,277</u>	<u>\$ 15,320,515</u>

The \$1,373,485 reported as deferred outflows of resources related to Commission OPEB contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (3,180,425)
2023	(3,155,019)
2024	(2,880,184)
2025	(1,178,544)
2026	149,955
Thereafter	(48,506)
Total	<u>\$ (10,292,723)</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 17 CONTINGENCIES**

**A. Litigation**

There is no pending or, to the Commission's knowledge, threatened litigation pending against the Commission, which is not insured or, if uninsured, if concluded unfavorably to the Commission would have a materially adverse effect upon the ability of the Commission to meet its obligations or conduct its business.

**B. HUD Program Grant**

The Commission participates in a number of Federal, State and County assisted grant programs, principal of which are the Department of Housing and Urban Development Housing Assistance Payments (Housing Choice Voucher), Comprehensive Grants, Lower Income Housing Assistance Program (Housing Choice Voucher Moderate Rehabilitation), and Supportive Housing. These programs are subject to financial and compliance audits by grantors or their representatives.

**NOTE 18 RISK MANAGEMENT**

The Commission is exposed to various risks of losses related to torts; thefts of, damages to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Commission participates in Montgomery County's self-insurance fund or purchases insurance to address such exposures. The County fund is maintained for property, comprehensive general liability (CGL), automobile and professional liability, fire and theft, the liability for errors, omissions, worker's compensation and other selected areas which require coverage. Additionally, commercial insurance is purchased for property, CGL, excess umbrella insurance cyber liability insurance, sexual abuse and molestation insurance and automobile claims that are not covered by the County self-insurance fund. The Commission's liability for claims includes a deductible of up to \$250,000 for property claims with the exception of Residences on the Lane which is subject to a \$50,000 deductible via the policy secured by the COA: 'Master Council of Unit Owners of Rockville Town Center Phase II Master Condominium'. In fiscal year 2022 when the Commission renewed CGL, as part of the renewal negotiations, all properties, with the exception of Hillandale Gateway LLC are subject to a deductible of up to \$1,000. Hillandale Gateway LLC is subject to a \$2,500 deductible.

During the year, there were no significant reductions in commercial insurance coverage. For the past five years, no insurance settlements exceeded commercial insurance coverage.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 19 CONDUIT DEBT OBLIGATIONS**

Conduit debt obligations refer to certain limited-obligation revenue bonds or similar debt instruments issued by the Commission for the purpose of providing capital financing for a third party that is not part of the Commission’s reporting entity. The Commission has issued a number of individual bonds for financing for multifamily developments for which the Commission has no legal liability for repayment or administration. The Commission participates in such issuances in order to increase the availability of affordable housing in the County. The bonds are secured by the facilities financed and are payable from revenues or monies made available to the Commission for such purpose. The bonds do not constitute a debt or charge against the general credit of the Commission, the County, the State, or a political subdivision thereof.

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The bonds outstanding at June 30, 2022, are summarized below:

Bonds Outstanding, Beginning of Year	\$ 143,616,664
Issuances During the Year	-
Redemptions During the Year	<u>(1,299,111)</u>
Bonds Outstanding, End of Year	<u>\$ 142,317,553</u>

**NOTE 20 ARBITRAGE**

The Internal Revenue Code of 1986 placed significant restrictions regarding arbitrage on housing finance agencies throughout the United States. Arbitrage occurs when investments of bond proceeds not used to purchase mortgage loans earn more than the interest rate on the bonds or when the housing finance agency has net earnings of more than 1.125% on mortgages purchased with bond proceeds. Under the IRS regulations, payment of any positive arbitrage on a bond issue must be made no later than five years after the original issuance and every five years thereafter. At June 30, 2022, there was an arbitrage rebate liability of \$935,396 which is included in accounts payable.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS**

	Blended Component Units							
	The Oaks	Alexander House	Sligo MPDU III	Metropolitan Dev Corp	Metropolitan of Bethesda LP	TPM Dev MPDU II / 59	TPP LLC	Pooks Hill Highrise
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
Cash	\$ 184,301	\$ 197,386	\$ 4,176	\$ 3,106,854	\$ 9,597	\$ 1,538	\$ 1,521,387	\$ 405,584
Restricted Cash	699,622	1,378,118	45,933	1,212,346	96,978	107,530	976,054	1,517,031
Current Assets	14,409	3,934,768	441,901	1,936,724	26,405	472,192	137,338	162,474
Noncurrent Assets	9,039	16,622,773	1,221,193	13,681,354	-	-	-	-
Capital Assets	2,345,580	25,678,580	1,085,381	14,398,534	4,854,440	67,220	17,132,817	14,021,205
Deferred Outflows	-	-	-	-	-	59,312	-	-
Total Assets and Deferred Outflows	<u>3,252,951</u>	<u>47,811,625</u>	<u>2,798,584</u>	<u>34,335,812</u>	<u>4,987,420</u>	<u>707,792</u>	<u>19,767,596</u>	<u>16,106,294</u>
<b>LIABILITIES AND DEFERRED INFLOWS</b>								
Current Liabilities	472,585	2,520,863	17,063	1,606,563	1,417,311	39,566	1,828,684	735,246
Noncurrent Liabilities	2,166,259	49,491,032	-	20,246,363	18,950,026	-	18,310,427	13,743,520
Deferred Inflows	-	-	88,955	-	-	68,473	-	-
Total Liabilities and Deferred Inflows	<u>2,638,844</u>	<u>52,011,895</u>	<u>106,018</u>	<u>21,852,926</u>	<u>20,367,337</u>	<u>108,039</u>	<u>20,139,111</u>	<u>14,478,766</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	(36,982)	(24,480,591)	1,085,381	(5,847,829)	(14,308,689)	67,220	(1,435,263)	(217,883)
Restricted	570,946	1,329,244	40,772	1,044,779	52,045	87,443	892,663	1,459,680
Unrestricted	80,143	18,951,077	1,566,413	17,285,936	(1,123,273)	445,090	171,085	385,731
Total Net Position	<u>614,107</u>	<u>(4,200,270)</u>	<u>2,692,566</u>	<u>12,482,886</u>	<u>(15,379,917)</u>	<u>599,753</u>	<u>(371,515)</u>	<u>1,627,528</u>
Total Liabilities and Net Position	<u>\$ 3,252,951</u>	<u>\$ 47,811,625</u>	<u>\$ 2,798,584</u>	<u>\$ 34,335,812</u>	<u>\$ 4,987,420</u>	<u>\$ 707,792</u>	<u>\$ 19,767,596</u>	<u>\$ 16,106,294</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	Wheaton Metro	Paddington Square	HOC at Hillandale Gateway	Barclay Apartments	Barclay One Associates LLP	Scattered Site One	Scattered Site Two	
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ 229,471	\$ 479,656	\$ -	\$ 34,778	\$ 37,091	\$ -	\$ -	\$ -
Restricted Cash	448,852	1,062,188	-	537,435	500,682	3,891,005	1,312,051	4,045,568
Current Assets	1,527,642	142,429	21,670	976,172	293,441	6,291,301	2,740,697	3,156,831
Noncurrent Assets	67	-	1,820,619	162,110	201,464	-	-	-
Capital Assets	24,129,997	17,916,841	-	4,866,898	4,611,467	9,627,497	4,270,612	37,539,647
Deferred Outflows	-	148,594	-	-	-	212,056	76,769	444,525
Total Assets and Deferred Outflows	<u>26,336,029</u>	<u>19,749,708</u>	<u>1,842,289</u>	<u>6,577,393</u>	<u>5,644,145</u>	<u>20,021,859</u>	<u>8,400,129</u>	<u>45,186,571</u>
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	815,668	2,169,752	-	469,679	338,393	1,493,092	92,126	1,825,238
Noncurrent Liabilities	35,418,089	23,685,365	2,328,473	8,840,664	7,009,340	7,034,492	4,543,574	29,780,407
Deferred Inflows	-	190,661	63,613	-	-	-	224,676	1,535,314
Total Liabilities and Deferred Inflows	<u>36,233,757</u>	<u>26,045,778</u>	<u>2,392,086</u>	<u>9,310,343</u>	<u>7,347,733</u>	<u>8,527,584</u>	<u>4,860,376</u>	<u>33,140,959</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	(7,568,764)	(5,551,723)	(2,328,473)	(4,319,649)	(2,619,408)	2,352,163	(272,962)	7,074,649
Restricted	356,749	976,101	-	503,735	468,685	3,843,140	1,307,508	3,951,152
Unrestricted	<u>(2,685,713)</u>	<u>(1,720,448)</u>	<u>1,778,676</u>	<u>1,082,964</u>	<u>447,135</u>	<u>5,298,972</u>	<u>2,505,207</u>	<u>1,019,811</u>
Total Net Position	<u>(9,897,728)</u>	<u>(6,296,070)</u>	<u>(549,797)</u>	<u>(2,732,950)</u>	<u>(1,703,588)</u>	<u>11,494,275</u>	<u>3,539,753</u>	<u>12,045,612</u>
Total Liabilities and Net Position	<u>\$ 26,336,029</u>	<u>\$ 19,749,708</u>	<u>\$ 1,842,289</u>	<u>\$ 6,577,393</u>	<u>\$ 5,644,145</u>	<u>\$ 20,021,859</u>	<u>\$ 8,400,129</u>	<u>\$ 45,186,571</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	VPC Two	Glenmont Crossing	Glenmont Westerly	Magruders	RAD 6	Community Partners	Ambassador	MHLP VII
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
Cash	\$ -	\$ 812,801	\$ 1,461,680	\$ 1,993	\$ 643,922	\$ 541,342	\$ 141,275	\$ 19,129
Restricted Cash	2,581,499	2,689,407	2,311,731	575,607	219,676	-	831,347	63,587
Current Assets	930,692	122,642	28,049	514,622	1,787,422	-	-	71,189
Noncurrent Assets		304,298	300,036	-	-	-	-	-
Capital Assets	25,838,193	13,076,443	10,410,586	4,603,980	25,631,505	-	173,528	1,582,651
Deferred Outflows	283,420	-	-	136,609	345,266	-	-	-
Total Assets and Deferred Outflows	<u>29,633,804</u>	<u>17,005,591</u>	<u>14,512,082</u>	<u>5,832,811</u>	<u>28,627,791</u>	<u>541,342</u>	<u>1,146,150</u>	<u>1,736,556</u>
<b>LIABILITIES AND DEFERRED INFLOWS</b>								
Current Liabilities	1,284,867	419,305	386,331	493,881	4,676,016	16,094	3,645,808	513,939
Noncurrent Liabilities	21,138,493	16,149,203	14,730,283	9,083,409	20,622,981	-	4,060,106	2,458,609
Deferred Inflows	1,099,725	-	-	504,135	854,269	-	-	-
Total Liabilities and Deferred Inflows	<u>23,523,085</u>	<u>16,568,508</u>	<u>15,116,614</u>	<u>10,081,425</u>	<u>26,153,266</u>	<u>16,094</u>	<u>7,705,914</u>	<u>2,972,548</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	4,178,334	(3,303,314)	(4,541,041)	(5,002,712)	(16,659,165)	-	(3,886,579)	1,094,102
Restricted	2,517,310	2,664,221	2,292,352	503,113	117,695	-	831,347	53,813
Unrestricted	(584,925)	1,076,176	1,644,157	250,985	19,015,995	525,248	(3,504,532)	(2,383,907)
Total Net Position	<u>6,110,719</u>	<u>437,083</u>	<u>(604,532)</u>	<u>(4,248,614)</u>	<u>2,474,525</u>	<u>525,248</u>	<u>(6,559,764)</u>	<u>(1,235,992)</u>
Total Liabilities and Net Position	<u>\$ 29,633,804</u>	<u>\$ 17,005,591</u>	<u>\$ 14,512,082</u>	<u>\$ 5,832,811</u>	<u>\$ 28,627,791</u>	<u>\$ 541,342</u>	<u>\$ 1,146,150</u>	<u>\$ 1,736,556</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	MHLP VIII	Diamond Square	Brookside Glen	MV Gateway	HOC at Wheaton Gateway	Manchester Manor	Shady Grove Apartments	Willows of Gaithersburg
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
Cash	\$ 9,631	\$ 283,828	\$ 823,874	\$ 1,589,619	\$ -	\$ 240,688	\$ 365,880	\$ 195,816
Restricted Cash	91,886	3,312,097	1,038,292	6,082,704	-	57,069	1,385,639	1,546,215
Current Assets	94,663	135,296	117,269	1,214,355	244,142	35,085	350,979	92,793
Noncurrent Assets	-	-	97,863	2,381,915	15,246,691	23,426	11,044,184	27,918
Capital Assets	2,102,592	2,896,769	5,861,410	133,812,134	3,000,028	1,131,846	-	3,841,697
Deferred Outflows	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>2,298,772</u>	<u>6,627,990</u>	<u>7,938,708</u>	<u>145,080,727</u>	<u>18,490,861</u>	<u>1,488,114</u>	<u>13,146,682</u>	<u>5,704,439</u>
<b>LIABILITIES AND DEFERRED INFLOWS</b>								
Current Liabilities	24,716	183,749	720,885	4,912,468	35,100	1,771,137	32,092	1,682,163
Noncurrent Liabilities	3,243,331	5,617,687	5,303,493	135,229,160	13,511,590	1,588,486	6,288	2,005,655
Deferred Inflows	-	-	-	-	-	-	-	-
Total Liabilities and Deferred Inflows	<u>3,268,047</u>	<u>5,801,436</u>	<u>6,024,378</u>	<u>140,141,628</u>	<u>13,546,690</u>	<u>3,359,623</u>	<u>38,380</u>	<u>3,687,818</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	2,102,592	(2,818,110)	267,739	(3,106,005)	(10,511,562)	(598,790)	(6,288)	1,671,235
Restricted	77,919	3,247,403	984,365	5,943,016	-	29,174	1,385,639	1,373,595
Unrestricted	<u>(3,149,786)</u>	<u>397,261</u>	<u>662,226</u>	<u>2,102,088</u>	<u>15,455,733</u>	<u>(1,301,893)</u>	<u>11,728,951</u>	<u>(1,028,209)</u>
Total Net Position	<u>(969,275)</u>	<u>826,554</u>	<u>1,914,330</u>	<u>4,939,099</u>	<u>4,944,171</u>	<u>(1,871,509)</u>	<u>13,108,302</u>	<u>2,016,621</u>
Total Liabilities and Net Position	<u>\$ 2,298,772</u>	<u>\$ 6,627,990</u>	<u>\$ 7,938,708</u>	<u>\$ 145,080,727</u>	<u>\$ 18,490,861</u>	<u>\$ 1,488,114</u>	<u>\$ 13,146,682</u>	<u>\$ 5,704,439</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	Camp Hill Square	HOC at CCL Multifamily	MHLP IX	MHLP X	Willow Manor at Fair Hill	Willow Manor at Cloppers Mill	Willow Manor at Colesville	Montgomery Arms
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ -	\$ -	\$ 13,360	\$ 35,524	\$ 94,202	\$ 157,871	\$ 25,672	\$ 291,176
Restricted Cash	530,430	-	276,608	218,720	550,735	559,761	506,704	367,072
Current Assets	982,743	988,560	136,859	87,392	17,587	19,799	12,706	1,033,955
Noncurrent Assets	-	9,692,410	56,956	31,120	2,749,140	2,935,268	1,986,554	181,870
Capital Assets	340,393	-	3,636,593	1,155,167	-	-	-	7,899,139
Deferred Outflows	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>1,853,566</u>	<u>10,680,970</u>	<u>4,120,376</u>	<u>1,527,923</u>	<u>3,411,664</u>	<u>3,672,699</u>	<u>2,531,636</u>	<u>9,773,212</u>
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	118,350	426,481	5,668,149	439,146	132,036	22,023	55,426	2,944,111
Noncurrent Liabilities	-	2,098,417	4,888,194	4,784,095	476,160	435,200	319,057	7,465,352
Deferred Inflows	-	-	235,222	-	-	-	-	-
Total Liabilities and Deferred Inflows	<u>118,350</u>	<u>2,524,898</u>	<u>10,791,565</u>	<u>5,223,241</u>	<u>608,196</u>	<u>457,223</u>	<u>374,483</u>	<u>10,409,463</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	340,393	-	(1,590,472)	(3,811,584)	(476,160)	(435,200)	(319,057)	(1,264,090)
Restricted	505,206	-	241,204	(4,588,352)	550,735	559,761	506,704	298,498
Unrestricted	889,617	8,156,072	(5,321,921)	4,704,618	2,728,893	3,090,915	1,969,506	329,341
Total Net Position	<u>1,735,216</u>	<u>8,156,072</u>	<u>(6,671,189)</u>	<u>(3,695,318)</u>	<u>2,803,468</u>	<u>3,215,476</u>	<u>2,157,153</u>	<u>(636,251)</u>
Total Liabilities and Net Position	<u>\$ 1,853,566</u>	<u>\$ 10,680,970</u>	<u>\$ 4,120,376</u>	<u>\$ 1,527,923</u>	<u>\$ 3,411,664</u>	<u>\$ 3,672,699</u>	<u>\$ 2,531,636</u>	<u>\$ 9,773,212</u>



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	Strathmore Court LP	Chevy Chase	Georgian Court Silver Spring LP	MV Affordable Hsng Assoc LP	Bradley Crossing LLC	HOC at Battery Lane LLC	HOC at Avondale LLC	Other Blended Component Units
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ 688,806	\$ 279,102	\$ 347,599	\$ 571,501	\$ 1,337,063	\$ 235,383	\$ 106,579	\$ -
Restricted Cash	280,357	204,877	1,769,471	281,522	397,940	158,237	408,152	-
Current Assets	18,867	-	510,176	802,049	1,290	727,504	215,228	-
Noncurrent Assets	-	-	19,773,652	9,044,240	960,559	-	-	5,807,351
Capital Assets	10,157,671	86,555	-	-	92,385,033	54,198,610	6,864,858	300
Deferred Outflows	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>11,145,701</u>	<u>570,534</u>	<u>22,400,898</u>	<u>10,699,312</u>	<u>95,081,885</u>	<u>55,319,734</u>	<u>7,594,817</u>	<u>5,807,651</u>
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	2,225,443	219,602	44,495	11,380	978,804	439,454	40,120	26,960
Noncurrent Liabilities	14,404,858	-	23,001	-	95,996,677	52,098,300	7,500,000	2,806
Deferred Inflows	-	-	-	-	-	-	-	-
Total Liabilities and Deferred Inflows	<u>16,630,301</u>	<u>219,602</u>	<u>67,496</u>	<u>11,380</u>	<u>96,975,481</u>	<u>52,537,754</u>	<u>7,540,120</u>	<u>29,766</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	(5,530,828)	86,555	(23,001)	-	(3,611,644)	1,288,610	(635,142)	5,485,789
Restricted	174,078	204,877	1,769,471	281,522	115,761	305	391,415	-
Unrestricted	(127,850)	59,500	20,586,932	10,406,410	1,602,287	1,493,065	298,424	292,096
Total Net Position	<u>(5,484,600)</u>	<u>350,932</u>	<u>22,333,402</u>	<u>10,687,932</u>	<u>(1,893,596)</u>	<u>2,781,980</u>	<u>54,697</u>	<u>5,777,885</u>
Total Liabilities and Net Position	<u>\$ 11,145,701</u>	<u>\$ 570,534</u>	<u>\$ 22,400,898</u>	<u>\$ 10,699,312</u>	<u>\$ 95,081,885</u>	<u>\$ 55,319,734</u>	<u>\$ 7,594,817</u>	<u>\$ 5,807,651</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Total Blended	Primary Government	Total
<b>ASSETS AND DEFERRED</b>			
<b>OUTFLOWS</b>			
Cash	\$ 17,527,135	\$ 123,811,367	\$ 141,338,502
Restricted Cash	47,128,735	224,909,099	272,037,834
Current Assets	33,570,307	30,328,083	63,898,390
Noncurrent Assets	116,364,070	751,435,876	867,799,946
Capital Assets	593,234,397	87,910,687	681,145,084
Deferred Outflows	1,706,551	58,683,044	60,389,595
Total Assets and Deferred Outflows	809,531,195	1,277,078,156	2,086,609,351
<b>LIABILITIES AND DEFERRED</b>			
<b>INFLOWS</b>			
Current Liabilities	50,432,360	127,502,496	177,934,856
Noncurrent Liabilities	686,788,922	873,695,177	1,560,484,099
Deferred Inflows	4,865,043	46,224,060	51,089,103
Total Liabilities and Deferred Inflows	742,086,325	1,047,421,733	1,789,508,058
<b>NET POSITION</b>			
Net Investment in Capital Assets	(110,024,198)	(25,683,741)	(135,707,939)
Restricted	39,916,789	67,591,084	107,507,873
Unrestricted	137,552,279	187,749,080	325,301,359
Total Net Position	67,444,870	229,656,423	297,101,293
Total Liabilities and Net Position	\$ 809,531,195	\$ 1,277,078,156	\$ 2,086,609,351

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	The Oaks	Alexander House	Sligo MPDU III	Metropolitan Dev Corp	Metropolitan of Bethesda LP	TPM Dev MPDU II / 59	TPP LLC	Pooks Hill Highrise
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 1,423,205	\$ 3,599,580	\$ 258,418	\$ 6,589,664	\$ 849,058	\$ 840,440	\$ 2,826,455	\$ 2,832,310
Other Revenues	7,370	803,771	84,020	3,245	30,756	6,676	8,626	45,375
Total Operating Revenues	<u>1,430,575</u>	<u>4,403,351</u>	<u>342,438</u>	<u>6,592,909</u>	<u>879,814</u>	<u>847,116</u>	<u>2,835,081</u>	<u>2,877,685</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	245,148	305,140	83,615	831,064	224,673	166,872	250,433	454,702
Utilities	107,855	243,505	1,288	419,469	155,504	4,972	203,309	171,018
Ordinary Maintenance and Operations	392,969	450,935	175,789	613,719	234,538	245,546	484,243	373,056
General Expenses	353,474	2,455,568	57,592	3,397,434	466,656	456,817	1,040,085	1,307,571
Depreciation	195,648	1,223,821	62,290	1,080,357	318,861	14,071	414,841	527,844
Total Operating Expenses	<u>1,295,094</u>	<u>4,678,969</u>	<u>380,574</u>	<u>6,342,043</u>	<u>1,400,232</u>	<u>888,278</u>	<u>2,392,911</u>	<u>2,834,191</u>
<b>OPERATING INCOME (LOSS)</b>	135,481	(275,618)	(38,136)	250,866	(520,418)	(41,162)	442,170	43,494
<b>NONOPERATING REVENUES (EXPENSES)</b>	-	183	59,984	1,564	33	34	84	49
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	135,481	(275,435)	21,848	252,430	(520,385)	(41,128)	442,254	43,543
Capital Contributions (Distributions)	-	-	-	-	-	-	(546,615)	-
Prior period adjustment	-	-	-	-	-	-	-	-
Operating Transfers In (Out)	-	-	-	-	-	-	-	-
<b>CHANGE IN NET POSITION</b>	135,481	(275,435)	21,848	252,430	(520,385)	(41,128)	(104,361)	43,543
Net Position - Beginning of Year	<u>478,626</u>	<u>(3,924,835)</u>	<u>2,670,718</u>	<u>12,230,456</u>	<u>(14,859,532)</u>	<u>640,881</u>	<u>(267,154)</u>	<u>1,583,985</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 614,107</u>	<u>\$ (4,200,270)</u>	<u>\$ 2,692,566</u>	<u>\$ 12,482,886</u>	<u>\$ (15,379,917)</u>	<u>\$ 599,753</u>	<u>\$ (371,515)</u>	<u>\$ 1,627,528</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	Wheaton Metro	Paddington Square	HOC at Hillandale Gateway	Barclay Apartments	Barclay One Associates LP	Scattered Site One	Scattered Site Two	
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 2,641,195	\$ 2,897,367	\$ -	\$ 1,235,347	\$ 986,794	\$ 2,619,119	\$ 727,744	\$ 6,600,106
Other Revenues	4,982	107,977	-	67,399	8,522	187,211	15,342	229,039
Total Operating Revenues	<u>2,646,177</u>	<u>3,005,344</u>	<u>-</u>	<u>1,302,746</u>	<u>995,316</u>	<u>2,806,330</u>	<u>743,086</u>	<u>6,829,145</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	384,723	311,222	-	165,771	169,954	572,977	155,266	1,173,852
Utilities	63,016	288,803	-	74,500	232,430	23,123	9,771	39,046
Ordinary Maintenance and Operations	316,302	556,773	-	354,946	364,511	1,057,857	302,902	1,904,284
General Expenses	1,711,057	1,978,161	(1,817)	498,662	317,092	1,065,146	277,802	2,511,772
Depreciation	961,204	627,004	-	392,118	436,186	326,583	91,434	960,614
Total Operating Expenses	<u>3,436,302</u>	<u>3,761,963</u>	<u>(1,817)</u>	<u>1,485,997</u>	<u>1,520,173</u>	<u>3,045,686</u>	<u>837,175</u>	<u>6,589,568</u>
<b>OPERATING INCOME (LOSS)</b>	(790,125)	(756,619)	1,817	(183,251)	(524,857)	(239,356)	(94,089)	239,577
<b>NONOPERATING REVENUES (EXPENSES)</b>	164	589	-	120	174	998	10	1,088
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(789,961)	(756,030)	1,817	(183,131)	(524,683)	(238,358)	(94,079)	240,665
Capital Contributions (Distributions)	98,753	-	-	-	(37,144)	-	-	(838,668)
Prior period adjustment	-	-	-	-	-	20,832	10,879	-
Operating Transfers In (Out)	-	-	-	-	-	-	-	-
<b>CHANGE IN NET POSITION</b>	(691,208)	(756,030)	1,817	(183,131)	(561,827)	(217,526)	(83,200)	(598,003)
Net Position - Beginning of Year	<u>(9,206,520)</u>	<u>(5,540,040)</u>	<u>(551,614)</u>	<u>(2,549,819)</u>	<u>(1,141,761)</u>	<u>11,711,801</u>	<u>3,622,953</u>	<u>12,643,615</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (9,897,728)</u>	<u>\$ (6,296,070)</u>	<u>\$ (549,797)</u>	<u>\$ (2,732,950)</u>	<u>\$ (1,703,588)</u>	<u>\$ 11,494,275</u>	<u>\$ 3,539,753</u>	<u>\$ 12,045,612</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	VPC Two	Glenmont Crossing	Glenmont Westerly	Magruders	RAD 6	Community Partners	Ambassador	MHLP VII
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 4,611,369	\$ 1,867,007	\$ 1,659,232	\$ 2,457,320	\$ 3,623,587	\$ -	\$ -	\$ 435,136
Other Revenues	153,542	6,103	5,319	139,853	282,594	-	39,556	8,174
Total Operating Revenues	<u>4,764,911</u>	<u>1,873,110</u>	<u>1,664,551</u>	<u>2,597,173</u>	<u>3,906,181</u>	<u>-</u>	<u>39,556</u>	<u>443,310</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	906,351	175,392	190,101	186,002	458,323	169,102	5,800	114,143
Utilities	31,401	213,657	79,430	149,663	353,289	-	-	13,365
Ordinary Maintenance and Operations	1,129,421	310,141	316,292	331,063	1,183,432	-	-	153,545
General Expenses	1,913,454	904,023	765,366	1,760,203	2,112,292	-	98,281	111,548
Depreciation	649,916	304,166	214,358	292,292	825,147	-	-	87,866
Total Operating Expenses	<u>4,630,543</u>	<u>1,907,379</u>	<u>1,565,547</u>	<u>2,719,223</u>	<u>4,932,483</u>	<u>169,102</u>	<u>104,081</u>	<u>480,467</u>
<b>OPERATING INCOME (LOSS)</b>	134,368	(34,269)	99,004	(122,050)	(1,026,302)	(169,102)	(64,525)	(37,157)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>759</u>	<u>510</u>	<u>292</u>	<u>90</u>	<u>96</u>	<u>-</u>	<u>394</u>	<u>20</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	135,127	(33,759)	99,296	(121,960)	(1,026,206)	(169,102)	(64,131)	(37,137)
Capital Contributions (Distributions)	(546,977)	-	-	-	-	171,336	-	(20,513)
Prior period adjustment	-	(33,684)	(19,334)	-	15,182	-	-	-
Operating Transfers In (Out)	-	-	-	-	-	-	-	-
<b>CHANGE IN NET POSITION</b>	(411,850)	(67,443)	79,962	(121,960)	(1,011,024)	2,234	(64,131)	(57,650)
Net Position - Beginning of Year	<u>6,522,569</u>	<u>504,526</u>	<u>(684,494)</u>	<u>(4,126,654)</u>	<u>3,485,549</u>	<u>523,014</u>	<u>(6,495,633)</u>	<u>(1,178,342)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 6,110,719</u>	<u>\$ 437,083</u>	<u>\$ (604,532)</u>	<u>\$ (4,248,614)</u>	<u>\$ 2,474,525</u>	<u>\$ 525,248</u>	<u>\$ (6,559,764)</u>	<u>\$ (1,235,992)</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	MHLP VIII	Diamond Square	Brookside Glen	MV Gateway	HOC at Wheaton Gateway	Manchester Manor	Shady Grove Apartments	Willows of Gaithersburg
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 597,627	\$ 1,324,914	\$ 1,496,238	\$ 13,356,011	\$ 210,600	\$ 766,277	\$ 1,254,481	\$ 2,286,364
Other Revenues	155,135	466	5,623	242,599	-	2,491	29,028,537	68,053
Total Operating Revenues	<u>752,762</u>	<u>1,325,380</u>	<u>1,501,861</u>	<u>13,598,610</u>	<u>210,600</u>	<u>768,768</u>	<u>30,283,018</u>	<u>2,354,417</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	159,987	194,156	181,954	1,586,425	-	132,020	141,377	350,850
Utilities	11,059	191,415	169,029	578,450	-	140,404	75,658	439,670
Ordinary Maintenance and Operations	247,522	313,625	455,773	2,850,685	-	263,521	132,774	857,774
General Expenses	126,093	208,027	522,411	7,307,763	930	248,228	392,347	562,034
Depreciation	121,296	202,197	347,897	3,017,926	-	158,417	192,788	285,086
Total Operating Expenses	<u>665,957</u>	<u>1,109,420</u>	<u>1,677,064</u>	<u>15,341,249</u>	<u>930</u>	<u>942,590</u>	<u>934,944</u>	<u>2,495,414</u>
<b>OPERATING INCOME (LOSS)</b>	86,805	215,960	(175,203)	(1,742,639)	209,670	(173,822)	29,348,074	(140,997)
<b>NONOPERATING REVENUES (EXPENSES)</b>	29	2,380	406	542	-	41	7	1,018
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	86,834	218,340	(174,797)	(1,742,097)	209,670	(173,781)	29,348,081	(139,979)
Capital Contributions (Distributions)	(98,495)	-	-	222,191	-	-	-	(111,743)
Prior period adjustment	-	(20,060)	-	(377,426)	-	-	-	(30,394)
Operating Transfers In (Out)	-	-	-	-	-	-	(18,879,890)	-
<b>CHANGE IN NET POSITION</b>	(11,661)	198,280	(174,797)	(1,897,332)	209,670	(173,781)	10,468,191	(282,116)
Net Position - Beginning of Year	<u>(957,614)</u>	<u>628,274</u>	<u>2,089,127</u>	<u>6,836,431</u>	<u>4,734,501</u>	<u>(1,697,728)</u>	<u>2,640,111</u>	<u>2,298,737</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (969,275)</u>	<u>\$ 826,554</u>	<u>\$ 1,914,330</u>	<u>\$ 4,939,099</u>	<u>\$ 4,944,171</u>	<u>\$ (1,871,509)</u>	<u>\$ 13,108,302</u>	<u>\$ 2,016,621</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	Camp Hill Square	HOC at CCL Multifamily	MHLP IX	MHLP X	Willow Manor at Fair Hill	Willow Manor at Cloppers Mill	Willow Manor at Colesville	Montgomery Arms
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 614,919	\$ -	\$ 1,396,028	\$ 1,115,463	\$ 687,712	\$ 656,926	\$ 558,748	\$ 1,893,460
Other Revenues	212,538	-	352,397	26,411	15,658	22,051	18,028	7,706
Total Operating Revenues	<u>827,457</u>	<u>-</u>	<u>1,748,425</u>	<u>1,141,874</u>	<u>703,370</u>	<u>678,977</u>	<u>576,776</u>	<u>1,901,166</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	82,659	-	351,980	211,806	149,618	117,646	130,226	250,918
Utilities	133,893	-	35,831	3,022	48,443	47,406	40,603	142,527
Ordinary Maintenance and Operations	292,344	-	733,820	338,621	328,385	167,155	114,621	367,194
General Expenses	178,226	-	384,170	309,292	88,843	61,215	49,590	976,501
Depreciation	59,692	-	398,540	302,159	193,000	191,002	144,185	338,733
Total Operating Expenses	<u>746,814</u>	<u>-</u>	<u>1,904,341</u>	<u>1,164,900</u>	<u>808,289</u>	<u>584,424</u>	<u>479,225</u>	<u>2,075,873</u>
<b>OPERATING INCOME (LOSS)</b>	80,643	-	(155,916)	(23,026)	(104,919)	94,553	97,551	(174,707)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>14</u>	<u>-</u>	<u>91</u>	<u>33</u>	<u>3,839,850</u>	<u>4,551,460</u>	<u>2,966,132</u>	<u>44,993</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	80,657	-	(155,825)	(22,993)	3,734,931	4,646,013	3,063,683	(129,714)
Capital Contributions (Distributions)	(11,052)	-	-	(59,465)	-	(32,455)	(27,585)	-
Prior period adjustment	-	-	-	(13,786)	-	-	-	(47,811)
Operating Transfers In (Out)	-	-	-	-	-	-	-	-
<b>CHANGE IN NET POSITION</b>	69,605	-	(155,825)	(96,244)	3,734,931	4,613,558	3,036,098	(177,525)
Net Position - Beginning of Year	<u>1,665,611</u>	<u>8,156,072</u>	<u>(6,515,364)</u>	<u>(3,599,074)</u>	<u>(931,463)</u>	<u>(1,398,082)</u>	<u>(878,945)</u>	<u>(458,726)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,735,216</u>	<u>\$ 8,156,072</u>	<u>\$ (6,671,189)</u>	<u>\$ (3,695,318)</u>	<u>\$ 2,803,468</u>	<u>\$ 3,215,476</u>	<u>\$ 2,157,153</u>	<u>\$ (636,251)</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							Other Blended Component Units
	Strathmore Court LP	Chevy Chase	Georgian Court Silver Spring LP	MV Affordable Hsng Assoc LP	Bradley Crossing LLC	HOC at Battery Lane LLC	HOC at Avondale LLC	
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 917,370	\$ -	\$ 780,292	\$ -	\$ 6,541,255	\$ 480,188	\$ 92,205	\$ -
Other Revenues	17,536	20	43,737	733	27,213	-	-	(1,243,365)
Total Operating Revenues	<u>934,906</u>	<u>20</u>	<u>824,029</u>	<u>733</u>	<u>6,568,468</u>	<u>480,188</u>	<u>92,205</u>	<u>(1,243,365)</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	189,284	2,500	128,524	(2,696)	840,820	91,152	2,407	7,050
Utilities	95,954	-	73,144	10,312	473,197	52,572	2,095	-
Ordinary Maintenance and Operations	293,141	-	159,629	8,826	973,480	35,440	18,131	-
General Expenses	519,008	-	225,684	107,980	3,856,208	119,755	15,021	2,400
Depreciation	300,116	-	158,703	-	1,901,715	99,289	-	-
Total Operating Expenses	<u>1,397,503</u>	<u>2,500</u>	<u>745,684</u>	<u>124,422</u>	<u>8,045,420</u>	<u>398,208</u>	<u>37,654</u>	<u>9,450</u>
<b>OPERATING INCOME (LOSS)</b>	(462,597)	(2,480)	78,345	(123,689)	(1,476,952)	81,980	54,551	(1,252,815)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>9</u>	<u>-</u>	<u>29,358,007</u>	<u>678,783</u>	<u>56</u>	<u>-</u>	<u>146</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(462,588)	(2,480)	29,436,352	555,094	(1,476,896)	81,980	54,697	(1,252,815)
Capital Contributions (Distributions)	(4,733,450)	-	(10,059,036)	(7,087)	-	2,700,000	-	321,099
Prior period adjustment	-	(811)	-	(2,475,351)	-	-	-	-
Operating Transfers In (Out)	<u>8,329,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	3,133,646	(3,291)	19,377,316	(1,927,344)	(1,476,896)	2,781,980	54,697	(931,716)
Net Position - Beginning of Year	<u>(8,618,246)</u>	<u>354,223</u>	<u>2,956,086</u>	<u>12,615,276</u>	<u>(416,700)</u>	<u>-</u>	<u>-</u>	<u>6,709,601</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (5,484,600)</u>	<u>\$ 350,932</u>	<u>\$ 22,333,402</u>	<u>\$ 10,687,932</u>	<u>\$ (1,893,596)</u>	<u>\$ 2,781,980</u>	<u>\$ 54,697</u>	<u>\$ 5,777,885</u>



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	<u>Total Blended</u>	<u>Primary Government</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Tenant Revenue	\$ 88,607,531	\$ 13,824,129	\$ 102,431,660
Other Revenues	31,249,019	145,478,894	176,727,913
Total Operating Revenues	<u>119,856,550</u>	<u>159,303,023</u>	<u>279,159,573</u>
<b>OPERATING EXPENSES</b>			
Housing Assistance Payments	-	125,824,236	125,824,236
Administrative	13,001,289	33,618,642	46,619,931
Utilities	5,643,098	1,775,235	7,418,333
Ordinary Maintenance and Operations	20,204,725	8,014,966	28,219,691
General Expenses	41,819,965	20,526,284	62,346,249
Depreciation	18,419,362	2,740,488	21,159,850
Total Operating Expenses	<u>99,088,439</u>	<u>192,499,851</u>	<u>291,588,290</u>
<b>OPERATING INCOME (LOSS)</b>	20,768,111	(33,196,828)	(12,428,717)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>41,511,232</u>	<u>32,481,366</u>	<u>73,992,598</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	62,279,343	(715,462)	61,563,881
Capital Contributions (Distributions)	(13,616,906)	13,292,431	(324,475)
Prior period adjustment	(2,971,764)	2,971,764	-
Operating Transfers In (Out)	<u>(10,550,206)</u>	<u>10,550,206</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	35,140,467	26,098,939	61,239,406
Net Position - Beginning of Year	<u>32,304,403</u>	<u>203,557,484</u>	<u>235,861,887</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 67,444,870</u>	<u>\$ 229,656,423</u>	<u>\$ 297,101,293</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	The Oaks	Alexander House	Sligo MPDU III	Metropolitan Dev Corp	Metropolitan of Bethesda LP	TPM Dev MPDU II / 59	TPP LLC	Pooks Hill Highrise
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 383,734	\$ 603,562	\$ 92,465	\$ 500,537	\$ (181,577)	\$ (50,757)	\$ 866,564	\$ 632,723
Investing Activities	-	36,411	(82,198)	(306,561)	(131,274)	60,991	(644,165)	-
Noncapital Financing Activities	(422,271)	(645,594)	-	(375,171)	64,156	-	(794,597)	(479,862)
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	(38,537)	(5,621)	10,267	(181,195)	(248,695)	10,234	(572,198)	152,861
Cash and Cash Equivalents - Beginning of Year	922,460	1,581,125	39,842	4,500,395	355,270	98,834	3,069,639	1,769,754
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 883,923</u>	<u>\$ 1,575,504</u>	<u>\$ 50,109</u>	<u>\$ 4,319,200</u>	<u>\$ 106,575</u>	<u>\$ 109,068</u>	<u>\$ 2,497,441</u>	<u>\$ 1,922,615</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	Wheaton Metro	Paddington Square	HOC at Hillandale Gateway	Barclay Apartments	Barclay One Associates LP	Scattered Site One	Scattered Site Two	
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 320,456	\$ 281,758	\$ 1,818	\$ 225,333	\$ (246,268)	\$ 524,896	\$ 250,470	\$ 1,204,422
Investing Activities	79,846	-	104,682	14,039	(65,356)	(199,087)	(147,284)	(21,472)
Noncapital Financing Activities	(433,815)	(226,567)	(106,500)	(215,730)	(211,699)	(210,618)	(183,619)	(993,137)
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	(33,513)	55,191	-	23,642	(523,323)	115,191	(80,433)	189,813
Cash and Cash Equivalents - Beginning of Year	711,836	1,486,653	-	548,571	1,061,096	3,775,814	1,392,484	3,855,755
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 678,323</u>	<u>\$ 1,541,844</u>	<u>\$ -</u>	<u>\$ 572,213</u>	<u>\$ 537,773</u>	<u>\$ 3,891,005</u>	<u>\$ 1,312,051</u>	<u>\$ 4,045,568</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	VPC Two	Glenmont Crossing	Glenmont Westerly	Magruders	RAD 6	Community Partners	Ambassador	MHLP VII
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 775,368	\$ 224,025	\$ 352,444	\$ 275,483	\$ 331,154	\$ 17,966	\$ 15,868	\$ 79,816
Investing Activities	(17,298)	(5,275)	-	(16,241)	27,450	-	(15,773)	(4,384)
Noncapital Financing Activities	(660,102)	(230,554)	(228,919)	(251,413)	(511,600)	-	-	(54,689)
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	97,968	(11,804)	123,525	7,829	(152,996)	17,966	95	20,743
Cash and Cash Equivalents - Beginning of Year	2,483,531	3,514,012	3,649,886	569,771	1,016,594	523,376	972,527	61,973
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,581,499</u>	<u>\$ 3,502,208</u>	<u>\$ 3,773,411</u>	<u>\$ 577,600</u>	<u>\$ 863,598</u>	<u>\$ 541,342</u>	<u>\$ 972,622</u>	<u>\$ 82,716</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	MHLP VIII	Diamond Square	Brookside Glen	MV Gateway	HOC at Wheaton Gateway	Manchester Manor	Shady Grove Apartments	Willows of Gaithersburg
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 173,506	\$ 337,669	\$ 369,562	\$ 889,440	\$ 927	\$ 115,630	\$ 28,973,502	\$ 359,704
Investing Activities	-	(11,047)	-	(487,387)	(15,247,618)	-	4,525,679	(91,409)
Noncapital Financing Activities	(150,049)	(65,304)	(274,799)	(745,628)	15,246,691	(136,117)	(33,908,689)	(268,737)
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	23,457	261,318	94,763	(343,575)	-	(20,487)	(409,508)	(442)
Cash and Cash Equivalents - Beginning of Year	78,060	3,334,607	1,767,403	8,015,898	-	318,244	2,161,027	1,742,473
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 101,517</u>	<u>\$ 3,595,925</u>	<u>\$ 1,862,166</u>	<u>\$ 7,672,323</u>	<u>\$ -</u>	<u>\$ 297,757</u>	<u>\$ 1,751,519</u>	<u>\$ 1,742,031</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	Camp Hill Square	HOC at CCL Multifamily	MHLP IX	MHLP X	The Manors at Fair Hill	The Manors at Cloppers Mill	The Manors at Colesville	
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 176,061	\$ -	\$ 401,729	\$ 390,235	\$ 2,081,207	\$ 2,683,228	\$ 1,773,458	\$ 373,608
Investing Activities	(149,694)	(2,098,417)	(21,477)	(38,812)	18,421,467	17,651,887	13,545,285	-
Noncapital Financing Activities	(11,052)	2,098,417	(338,879)	(307,648)	(20,661,999)	(20,674,416)	(15,489,750)	(385,006)
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	15,315	-	41,373	43,775	(159,325)	(339,301)	(171,007)	(11,398)
Cash and Cash Equivalents - Beginning of Year	515,115	-	248,595	210,469	804,262	1,056,933	703,383	669,646
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 530,430</u>	<u>\$ -</u>	<u>\$ 289,968</u>	<u>\$ 254,244</u>	<u>\$ 644,937</u>	<u>\$ 717,632</u>	<u>\$ 532,376</u>	<u>\$ 658,248</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							Other Blended Component Units
	Strathmore Court LP	Chevy Chase	Georgian Court Silver Spring LP	MV Affordable Hsng Assoc LP	Bradley Crossing LLC	Hoc at Battery Lane LLC	HOC at Avondale LLC	
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 8,389,498	\$ (2,471)	\$ 33,798,503	\$ 520,759	\$ (746,358)	\$ (236,895)	\$ (140,597)	\$ (1,252,815)
Investing Activities	(13,844,704)	2,500	(164,732)	-	(228,168)	(54,144,594)	(6,844,672)	1,249,046
Noncapital Financing Activities	6,121,340	-	(33,854,852)	(738,357)	1,880,000	54,775,109	7,500,000	3,769
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	666,134	29	(221,081)	(217,598)	905,474	393,620	514,731	-
Cash and Cash Equivalents - Beginning of Year	303,029	483,950	2,338,151	1,070,621	829,529	-	-	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 969,163</u>	<u>\$ 483,979</u>	<u>\$ 2,117,070</u>	<u>\$ 853,023</u>	<u>\$ 1,735,003</u>	<u>\$ 393,620</u>	<u>\$ 514,731</u>	<u>\$ -</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Total Blended	Primary Government	Total
<b>NET CASH PROVIDED (USED) BY</b>			
Operating Activities	\$ 86,911,350	\$ (101,320,524)	\$ (14,409,174)
Investing Activities	(39,309,816)	(19,896,976)	(59,206,792)
Noncapital Financing Activities	(47,558,257)	154,485,205	106,926,948
Capital and Related Financing Activities	-	(26,169,986)	(26,169,986)
 <b>NET INCREASE (DECREASE) IN CASH</b>	 43,277	 7,097,719	 7,140,996
 Cash and Cash Equivalents - Beginning of Year	 64,612,593	 341,622,749	 406,235,342
 <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	 \$ 64,655,870	 \$ 348,720,468	 \$ 413,376,338



**REQUIRED SUPPLEMENTARY INFORMATION**

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF THE COMMISSION'S PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY**  
**YEAR ENDED JUNE 30, 2022**

Last 10 Fiscal Years\*

Employees' Retirement and Pension System:

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commission's Proportion of the Net Pension (Liability) Asset	-4.36%	19.48%	12.03%	3.87%	3.10%	2.16%	1.82%
Commission's Proportionate Share of the Net Pension Liability	\$ 32,216,643	\$ 21,355,806	\$ 6,318,486	\$ 7,459,885	\$ 10,595,603	\$ 11,681,661	\$ 7,661,755
Commission's Covered Payroll	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539	\$ 9,231,794	\$ 8,319,336	\$ 7,802,241
Commission's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	314.20%	212.04%	61.41%	76.76%	114.77%	140.42%	98.20%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	116.20%	97.53%	98.80%	95.55%	92.00%	87.06%	89.69%

\*The amounts presented for each fiscal year were determined as of July 1 of two years prior, using membership data as of that day, projected forward to June 30 of the previous year. Additionally, the Commission implemented GASB 68 during Fiscal Year 2015. As such, only seven years of information is available.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF COMMISSION PENSION CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2022**

**Employees' Retirement and Pension System**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 579,891	\$ 623,273	\$ 593,105	\$ 571,897	\$ 515,352	\$ 1,088,949	\$ 1,782,014	\$ 1,849,962	\$ 1,452,873	\$ 1,724,145
Contributions in Relation to the Contractually Required Contribution	<u>1,334,134</u>	<u>1,377,516</u>	<u>1,347,348</u>	<u>1,501,891</u>	<u>515,352</u>	<u>1,088,949</u>	<u>1,782,014</u>	<u>1,849,962</u>	<u>1,452,873</u>	<u>1,724,145</u>
Contribution Deficiency (Excess)	<u>\$ (754,243)</u>	<u>\$ (754,243)</u>	<u>\$ (754,243)</u>	<u>\$ (929,994)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Commission's Covered Payroll	\$ 9,341,320	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539	\$ 9,231,794	\$ 8,319,336	\$ 7,802,241	\$ 3,272,000	\$ 4,292,000
Contributions as a Percentage of Covered Payroll	14.28%	13.43%	13.38%	14.60%	5.30%	11.80%	21.42%	23.71%	44.40%	40.17%

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CHANGES IN THE COMMISSION'S NET OPEB LIABILITY AND RELATED RATIOS**  
**YEAR ENDED JUNE 30, 2022**

Last 10 Fiscal Years\*

Employees' Retirement and Pension System:

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Commission's Proportion of the Net OPEB Liability	1.9664%	1.9667%	2.3198%	2.0856%	1.7637%					
Commission's Proportionate Share of the Net OPEB Liability	\$ 16,573,819	\$ 19,893,437	\$ 19,797,919	\$ 27,760,241	\$ 26,847,382					
Commission's Covered Employee Payroll	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539	\$ 9,231,794	*Information prior to fiscal year 2018 was not available. The Commission will accumulate each year until ten years of data becomes available.				
Commission's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	161.64%	197.52%	192.40%	285.64%	290.81%					
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	49.28%	38.02%	39.35%	26.99%	22.38%					

\*The amounts presented for each fiscal year were determined as of July 1 of the prior year, using membership data as of that day, projected forward to June 30 of the previous year. Additionally, the Commission implemented GASB 75 during Fiscal Year 2018. As such, only five years of information is available.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF THE COMMISSION'S OPEB CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 1,373,485	\$ 1,143,838	\$ 1,595,063	\$ 2,050,985	\$ 1,910,942	Information prior to fiscal year 2018 was not available. The Commission will accumulate each year until 10 years of data becomes available.				
Contributions in Relation to the Contractually Required Contribution	<u>1,373,485</u>	<u>1,143,838</u>	<u>1,595,063</u>	<u>2,050,985</u>	<u>1,910,942</u>					
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Commission's Covered Employee Payroll	\$ 9,341,320	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539					
Contributions as a percentage of Covered Payroll	14.70%	11.16%	15.84%	19.93%	19.66%					

## **SUPPLEMENTARY INFORMATION**

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF NET POSITION – SUB-FUNDS**  
**JUNE 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

ASSETS	General	Opportunity	Public	Single Family	Multifamily	Eliminations	Combined Totals	
	Sub-Fund	Housing Sub-Fund					Sub-Fund	Sub-Fund
<b>CURRENT ASSETS</b>								
Unrestricted:								
Cash and Cash Equivalents	\$ 54,778,657	\$ 75,263,568	\$ 7,463,242	\$ 1,513,533	\$ 2,319,502	\$ -	\$ 141,338,502	\$ 114,255,018
Interfund Receivable	-	20,327,327	1,619,723	-	-	(21,947,050)	-	-
Advances to Component Units	3,624,400	441,820	-	-	-	-	4,066,220	2,292,242
Accounts Receivable and Other Assets, Net	5,886,608	11,488,439	9,817,428	462,259	23,679	-	27,678,413	29,193,066
Accrued Interest Receivable	6,965,030	5,719,820	-	769,193	1,549,224	(909,465)	14,093,802	10,229,505
Lease Receivable Current	-	1,305,017	-	-	-	-	1,305,017	-
Mortgage and Construction Loans Receivable, Current	5,444,459	1,423,793	-	8,361,255	9,580,277	(11,651,839)	13,157,945	8,404,989
Total Unrestricted Current Assets	<u>76,699,154</u>	<u>115,969,784</u>	<u>18,900,393</u>	<u>11,106,240</u>	<u>13,472,682</u>	<u>(34,508,354)</u>	<u>201,639,899</u>	<u>164,374,820</u>
Restricted Cash, Cash Equivalents, and Investments:								
Restricted Cash and Cash Equivalents	6,078,487	45,036,491	1,351,555	56,628,747	116,630,714	-	225,725,994	223,822,777
Restricted Short-Term Investments	-	-	-	3,596,993	-	-	3,596,993	6,590,395
Restricted for Current Bonds Payable	-	-	-	22,132,517	18,570,702	-	40,703,219	62,991,620
Restricted for Customer Deposits	-	3,446,898	2,161,723	-	-	-	5,608,621	5,165,927
Total Restricted Cash, Cash Equivalents, and Investments	<u>6,078,487</u>	<u>48,483,389</u>	<u>3,513,278</u>	<u>82,358,257</u>	<u>135,201,416</u>	<u>-</u>	<u>275,634,827</u>	<u>298,570,719</u>
Total Current Assets	<u>82,777,641</u>	<u>164,453,173</u>	<u>22,413,671</u>	<u>93,464,497</u>	<u>148,674,098</u>	<u>(34,508,354)</u>	<u>477,274,726</u>	<u>462,945,539</u>
<b>NONCURRENT ASSETS</b>								
Restricted Long-Term Investments	-	-	-	102,577,685	66,804,121	-	169,381,806	167,277,397
Lease Receivable, Net of Current	-	8,296,033	-	-	-	-	8,296,033	-
Mortgage and Construction Loans Receivable, Net of Current	464,710,436	175,906,280	2,005,615	29,705,773	470,929,327	(491,725,894)	651,531,537	511,248,638
Capital Assets Being Depreciated, Net	3,653,239	518,231,794	3,605,592	-	-	-	525,490,625	532,847,351
Capital Assets, Not being Depreciated	7,669,798	145,696,079	2,288,582	-	-	-	155,654,459	158,361,506
Right-to-Use Asset	536,556	-	-	-	-	-	536,556	-
Derivative Asset	-	2,193,576	-	-	-	-	2,193,576	-
Investment in Component Units	2,073,221	33,787,217	-	-	-	-	35,860,438	33,441,589
Total Noncurrent Assets	<u>478,643,250</u>	<u>884,110,979</u>	<u>7,899,789</u>	<u>132,283,458</u>	<u>537,733,448</u>	<u>(491,725,894)</u>	<u>1,548,945,030</u>	<u>1,403,176,481</u>
Total Assets	<u>561,420,891</u>	<u>1,048,564,152</u>	<u>30,313,460</u>	<u>225,747,955</u>	<u>686,407,546</u>	<u>(526,234,248)</u>	<u>2,026,219,756</u>	<u>1,866,122,020</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
Derivative Instrument	-	21,270,199	-	-	-	-	21,270,199	21,902,466
Fair Value of Hedging Derivatives	-	-	-	393,712	1,333,970	-	1,727,682	9,606,660
Employer-Related Pension Activities	16,928,070	3,358,708	10,703,659	-	-	-	30,990,437	43,170,695
Employer-Related OPEB Activities	4,620,667	323,673	1,456,937	-	-	-	6,401,277	6,329,917
Total Deferred Outflows of Resources	<u>21,548,737</u>	<u>24,952,580</u>	<u>12,160,596</u>	<u>393,712</u>	<u>1,333,970</u>	<u>-</u>	<u>60,389,595</u>	<u>81,009,738</u>
Total Assets and Deferred Outflows	<u>\$ 582,969,628</u>	<u>\$ 1,073,516,732</u>	<u>\$ 42,474,056</u>	<u>\$ 226,141,667</u>	<u>\$ 687,741,516</u>	<u>\$ (526,234,248)</u>	<u>\$ 2,086,609,351</u>	<u>\$ 1,947,131,758</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF NET POSITION – SUB-FUNDS (CONTINUED)**  
**JUNE 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2022	2021
<b>LIABILITIES</b>								
<b>CURRENT LIABILITIES</b>								
Accounts Payable and Accrued Liabilities	\$ 9,548,425	\$ 14,363,278	\$ 3,331,652	\$ 1,216,764	\$ 224,206	\$ -	\$ 28,684,325	\$ 22,879,628
Undrawn Mortgage Proceeds Payable	-	-	-	-	68,050,006	-	68,050,006	103,957,909
Interfund Payable	21,780,610	-	-	123,381	43,059	(21,947,050)	-	-
Accrued Interest Payable	-	10,299,455	-	-	-	(909,465)	9,389,990	9,753,133
Loans Payable to Montgomery County - Current	-	241,243	-	-	-	-	241,243	445,585
Lease Payable Current	318,242	-	-	-	-	-	318,242	-
Mortgage Notes and Loans Payable - Current	4,246,627	33,496,732	-	-	-	(11,651,839)	26,091,520	26,284,984
Total Current Unrestricted Liabilities	35,893,904	58,400,708	3,331,652	1,340,145	68,317,271	(34,508,354)	132,775,326	163,321,239
Current Liabilities Payable from Restricted Assets:								
Customer Deposits Payable	-	2,908,079	1,666,953	-	-	-	4,575,032	4,240,817
Accrued Interest Payable	-	-	-	1,993,795	6,601,970	-	8,595,765	7,896,462
Bonds Payable - Current	-	-	-	20,020,000	11,968,733	-	31,988,733	55,095,158
Total Current Liabilities Payable from Restricted Assets	-	2,908,079	1,666,953	22,013,795	18,570,703	-	45,159,530	67,232,437
Total Current Liabilities	35,893,904	61,308,787	4,998,605	23,353,940	86,887,974	(34,508,354)	177,934,856	230,553,676
<b>NONCURRENT LIABILITIES</b>								
Bonds Payable	-	-	-	179,049,700	562,507,413	-	741,557,113	612,121,337
Mortgage Notes and Loans Payable	397,563,828	720,990,012	-	-	-	(491,725,894)	626,827,946	608,388,948
Loans Payable to Montgomery County	27,671,224	59,878,698	-	-	-	-	87,549,922	104,585,051
Lease Payable Net of Current	221,748	-	-	-	-	-	221,748	-
Unearned Revenue	18,722,294	12,407,327	3,572,897	-	-	-	34,702,518	28,374,987
Escrow and Other Deposits	16,704,414	-	-	-	2,402,294	-	19,106,708	17,098,349
Net Pension Liability	19,150,477	2,885,951	10,180,215	-	-	-	32,216,643	21,355,806
Net OPEB Liability	7,254,792	931,303	8,387,724	-	-	-	16,573,819	19,893,437
Derivative Instruments - Hedging	-	-	-	393,712	1,333,970	-	1,727,682	9,606,640
Total Noncurrent Liabilities	487,288,777	797,093,291	22,140,836	179,443,412	566,243,677	(491,725,894)	1,560,484,099	1,421,424,555
Total Liabilities	523,182,681	858,402,078	27,139,441	202,797,352	653,131,651	(526,234,248)	1,738,418,955	1,651,978,231
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Derivative Instrument	-	2,193,576	-	-	-	-	2,193,576	-
Unamortized Lease Receivable	-	9,582,722	-	-	-	-	9,582,722	-
Unamortized Pension Net Difference	15,888,812	1,993,836	6,109,642	-	-	-	23,992,290	44,832,002
Unamortized OPEB Net Difference	8,736,288	1,168,662	5,415,565	-	-	-	15,320,515	14,459,638
Total Deferred Inflows of Resources	24,625,100	14,938,796	11,525,207	-	-	-	51,089,103	59,291,640
<b>NET POSITION</b>								
Net Investment in Capital Assets	9,076,699	(150,678,812)	5,894,174	-	-	-	(135,707,939)	(131,205,426)
Restricted for:								
Debt Service	-	45,036,491	-	21,830,781	32,290,362	-	99,157,634	110,183,032
Customer Deposits and Other	-	538,819	1,846,325	-	-	-	2,385,144	2,337,567
Closing Cost Assistance Program	5,965,095	-	-	-	-	-	5,965,095	1,869,243
Unrestricted	20,120,053	305,279,360	(3,931,091)	1,513,534	2,319,503	-	325,301,359	252,677,471
Total Net Position	35,161,847	200,175,858	3,809,408	23,344,315	34,609,865	-	297,101,293	235,861,887
Total Liabilities, Deferred Inflows, and Net Position	\$ 582,969,628	\$ 1,073,516,732	\$ 42,474,056	\$ 226,141,667	\$ 687,741,516	\$ (526,234,248)	\$ 2,086,609,351	\$ 1,947,131,758



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – SUB-FUNDS**  
**YEAR ENDED JUNE 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2022	2021
<b>OPERATING REVENUES</b>								
Dwelling Rental	\$ -	\$ 101,707,910	\$ 723,750	\$ -	\$ -	\$ -	\$ 102,431,660	\$ 99,291,398
Investment Income	-	-	-	3,520,620	7,939,880	-	11,460,500	7,401,324
Unrealized (Losses) Gains on Investments	-	-	-	(12,906,502)	(2,148,557)	-	(15,055,059)	(4,470,524)
Interest on Mortgage and Construction Loans Receivable	-	-	-	1,625,156	13,102,433	(7,662,383)	7,065,206	6,257,481
Management Fees and Other Income	27,128,121	6,058,798	2,229,704	-	-	(15,808,923)	19,607,700	15,945,903
U.S. Department of Housing and Urban Development Grants:								
Housing Assistance Payments (HAP)	-	-	124,356,627	-	-	-	124,356,627	115,115,799
HAP Administrative Fees	-	-	10,634,727	-	-	-	10,634,727	9,542,757
Other Grants	374,096	-	5,469,554	-	-	-	5,843,650	5,537,664
State and County Grants	-	-	12,814,562	-	-	-	12,814,562	11,922,676
Total Operating Revenues	<u>27,502,217</u>	<u>107,766,708</u>	<u>156,228,924</u>	<u>(7,760,726)</u>	<u>18,893,756</u>	<u>(23,471,306)</u>	<u>279,159,573</u>	<u>266,544,478</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	125,824,236	-	-	-	125,824,236	120,292,490
Administration	14,514,149	17,254,688	17,873,387	1,725,883	2,386,487	(7,134,663)	46,619,931	44,668,915
Maintenance	3,533,410	24,631,003	55,278	-	-	-	28,219,691	24,127,944
Depreciation and Amortization	392,236	20,567,958	199,656	-	-	-	21,159,850	20,766,087
Utilities	190,247	6,924,981	303,105	-	-	-	7,418,333	7,068,692
Fringe Benefits	5,640,895	2,991,026	2,872,452	157,127	240,423	-	11,901,923	16,231,881
Interest Expense	-	25,182,359	-	2,972,017	15,290,929	(7,662,382)	35,782,923	32,559,770
Other Expenses	2,022,171	15,499,025	5,644,752	169,716	-	(8,674,261)	14,661,403	13,463,824
Total Operating Expenses	<u>26,293,108</u>	<u>113,051,040</u>	<u>152,772,866</u>	<u>5,024,743</u>	<u>17,917,839</u>	<u>(23,471,306)</u>	<u>291,588,290</u>	<u>279,179,603</u>
<b>OPERATING INCOME (LOSS)</b>	1,209,109	(5,284,332)	3,456,058	(12,785,469)	975,917	-	(12,428,717)	(12,635,125)

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – SUB-FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2022	2021
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Investment Income	\$ 2,339,191	\$ 1,509,836	\$ 2,401	\$ -	\$ -	\$ -	\$ 3,851,428	\$ 857,242
Interest on Mortgage and Construction								
Loans Receivable	9,415,932	945,284	-	-	-	(6,845,770)	3,515,446	5,854,982
Interest Expense	(9,190,072)	(632,287)	-	-	-	6,845,770	(2,976,589)	(3,877,311)
Other Grants	-	216,195	-	-	-	-	216,195	267,891
Gain on Sale of Assets	-	69,386,118	-	-	-	-	69,386,118	15,150,844
Total Nonoperating Revenues (Expenses)	<u>2,565,051</u>	<u>71,425,146</u>	<u>2,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,992,598</u>	<u>18,253,648</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	3,774,160	66,140,814	3,458,459	(12,785,469)	975,917	-	61,563,881	5,618,523
Transfer to/from Discrete Component Units	-	-	-	-	-	-	-	166,727
Capital Contributions	-	(324,475)	-	-	-	-	(324,475)	15,185,752
Operating Transfers In (Out)	<u>3,397,733</u>	<u>(3,106,435)</u>	<u>-</u>	<u>-</u>	<u>(291,298)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN NET POSITION</b>	7,171,893	62,709,904	3,458,459	(12,785,469)	684,619	-	61,239,406	20,971,002
Net Position - Beginning of Year	<u>27,989,954</u>	<u>137,465,954</u>	<u>350,949</u>	<u>36,129,784</u>	<u>33,925,246</u>	<u>-</u>	<u>235,861,887</u>	<u>214,890,885</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 35,161,847</u>	<u>\$ 200,175,858</u>	<u>\$ 3,809,408</u>	<u>\$ 23,344,315</u>	<u>\$ 34,609,865</u>	<u>\$ -</u>	<u>\$ 297,101,293</u>	<u>\$ 235,861,887</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CASH FLOWS – SUB-FUNDS**  
**YEAR ENDED JUNE 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Receipts from Customers	\$ -	\$ 106,050,279	\$ 1,252,181	\$ -	\$ -	\$ -	\$ 107,302,460	\$ 93,814,466
Intergovernmental Revenue	-	-	153,275,470	-	-	-	153,275,470	141,771,199
Investment Income Received	-	-	-	3,482,405	8,125,261	-	11,607,666	6,739,285
Mortgage Interest Received	-	-	-	1,767,420	12,702,451	(7,715,858)	6,754,013	6,299,289
Mortgage Loan Principal Received	-	-	-	9,122,690	25,621,125	-	34,743,815	42,491,128
Management Fees and Other Income	33,953,681	9,406,708	(841,173)	-	-	(15,808,923)	26,710,293	27,591,990
Mortgage Loans Issued	-	-	-	-	(156,684,903)	-	(156,684,903)	(50,058,813)
Payments to Suppliers	(3,925,926)	25,045,395	(6,003,135)	(1,820,299)	(2,381,454)	8,674,261	19,588,842	(35,038,021)
Payments to Employees	(17,896,623)	(22,088,467)	(21,439,440)	-	-	7,134,663	(54,289,867)	(57,352,099)
Interest Paid	-	(27,072,282)	-	(4,128,696)	(14,107,606)	7,715,857	(37,592,727)	(33,677,082)
Housing Assistance Payments	-	-	(125,824,236)	-	-	-	(125,824,236)	(120,292,490)
Net Cash Provided (Used) by Operating Activities	12,131,132	91,341,633	419,667	8,423,520	(126,725,126)	-	(14,409,174)	22,288,852
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Advances/Investment to Component Units	(1,540,201)	(2,652,626)	-	-	-	-	(4,192,827)	5,940,204
Issuance of Notes Receivable	(12,510,538)	(50,574,330)	-	-	-	-	(63,084,868)	(63,215,079)
Repayments of Notes Receivable	9,693,558	411,512	-	-	-	-	10,105,070	22,016,685
Investments Sold	-	-	-	3,396,948	-	-	3,396,948	42,317,539
Investments Purchased	-	-	-	(13,448,975)	(4,114,042)	-	(17,563,017)	(10,079,068)
Investment Income Received	2,339,191	1,509,836	2,401	-	-	-	3,851,428	857,242
Interest Received on Notes Receivable	7,335,190	945,284	-	-	-	-	8,280,474	12,908,996
Net Cash (Used) Provided by Investing Activities	5,317,200	(50,360,324)	2,401	(10,052,027)	(4,114,042)	-	(59,206,792)	10,746,519
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>								
Proceeds from Sale of Bonds	-	-	-	31,600,000	161,363,817	-	192,963,817	221,175,089
Payments on Mortgage	-	-	-	-	-	-	-	-
Bond Repayments	-	-	-	(56,435,000)	(29,526,763)	-	(85,961,763)	(94,720,002)
Proceeds from Issuance of Mortgage	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	216,195	-	-	(291,301)	-	(75,106)	(179,879)
Net Cash Provided (Used) by Noncapital Financing Activities	-	216,195	-	(24,835,000)	131,545,753	-	106,926,948	126,275,208

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CASH FLOWS – SUB-FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2022	2021
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>								
Payments for Property and Equipment	\$ (1,051,008)	\$ (64,652,435)	\$ (1,833,058)	\$ -	\$ -	\$ -	\$ (67,536,501)	\$ (104,565,535)
Proceeds from Sale of Capital Assets	-	54,898,952	1,544,917	-	-	-	56,443,869	30,759,139
Proceeds from Loans Payable to Montgomery County	1,500,000	7,559,456	-	-	-	-	9,059,456	5,503,630
Payments on Loans Payable to Montgomery County	-	(26,298,927)	-	-	-	-	(26,298,927)	(6,556,269)
Proceeds from New Mortgage Notes and Loans Payable	10,770,902	72,629,169	-	-	-	5,936,583	89,336,654	104,146,317
Payments on Mortgage Notes and Loans Payable	(9,393,824)	(61,697,296)	-	-	-	(5,936,583)	(77,027,703)	(18,608,877)
Interest Paid on Mortgages	(9,190,072)	(632,287)	-	-	-	-	(9,822,359)	(9,875,095)
Capital Contributions and Transfers	-	(324,475)	-	-	-	-	(324,475)	15,494,093
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(7,364,002)</u>	<u>(18,517,843)</u>	<u>(288,141)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,169,986)</u>	<u>16,297,403</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	10,084,330	22,679,661	133,927	(26,463,507)	706,585	-	7,140,996	175,607,982
Cash and Cash Equivalents - Beginning of Year	<u>50,772,814</u>	<u>101,067,296</u>	<u>10,842,593</u>	<u>106,738,304</u>	<u>136,814,333</u>	<u>-</u>	<u>406,235,340</u>	<u>230,627,360</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 60,857,144</u>	<u>\$ 123,746,957</u>	<u>\$ 10,976,520</u>	<u>\$ 80,274,797</u>	<u>\$ 137,520,918</u>	<u>\$ -</u>	<u>\$ 413,376,336</u>	<u>\$ 406,235,342</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS - END OF YEAR TO AMOUNTS IN THE STATEMENT OF NET POSITION</b>								
Current Unrestricted Cash and Cash Equivalents	\$ 54,778,657	\$ 75,263,568	\$ 7,463,242	\$ 1,513,533	\$ 2,319,502	\$ -	\$ 141,338,502	\$ 114,255,018
Restricted Cash and Cash Equivalents	6,078,487	45,036,491	1,351,555	56,628,747	116,630,714	-	225,725,994	223,822,777
Restricted Current Bonds Payable	-	-	-	22,132,517	18,570,702	-	40,703,219	62,991,620
Restricted Customer Deposits	-	3,446,898	2,161,723	-	-	-	5,608,621	5,165,927
Total Cash and Cash Equivalents	<u>\$ 60,857,144</u>	<u>\$ 123,746,957</u>	<u>\$ 10,976,520</u>	<u>\$ 80,274,797</u>	<u>\$ 137,520,918</u>	<u>\$ -</u>	<u>\$ 413,376,336</u>	<u>\$ 406,235,342</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CASH FLOWS – SUB-FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2022	2021
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>								
Operating Income (Loss)	\$ 1,209,109	\$ (5,284,332)	\$ 3,456,058	\$ (12,785,469)	\$ 975,917	\$ -	\$ (12,428,717)	\$ (12,635,125)
Adjustments to Reconcile Operating Income (Loss) to Net Cash (Used) Provided by Operating Activities:								
Increase in Capital Appreciation Bonds	-	-	-	-	-	-	-	-
Depreciation	392,236	20,567,958	199,656	-	-	-	21,159,850	20,752,991
Amortization	-	-	-	(672,703)	-	-	(672,703)	317,713
Unrealized Losses (Gains) on Investments	-	-	-	12,906,503	2,148,558	-	15,055,061	4,470,524
Gain on Sale of Assets	-	69,386,118	-	-	-	-	69,386,118	11,695,588
Effects of Changes in Operating Assets and Liabilities:								
Accounts Receivable and Other Assets	82,749	4,536,585	(3,386,773)	(28,440)	-	-	1,204,121	(9,254,589)
Mortgage and Construction Loans Receivable	-	-	-	9,190,584	(131,104,461)	-	(121,913,877)	(7,216,378)
Accrued Interest Receivable	-	(1,473,305)	-	104,050	(362,373)	(53,475)	(1,785,103)	(613,889)
Prepaid Expenses and Other Assets	-	-	-	-	312,061	-	312,061	(300,541)
Deferred Outflows - Pension	7,640,140	-	3,687,854	-	-	-	11,327,994	(20,684,412)
Deferred Outflows - OPEB	(42,898)	846,922	(23,120)	-	-	-	780,904	3,416,270
Interfund Receivable / (Payable)	3,704,990	(1,758,419)	(1,432,200)	-	-	-	514,371	201,460
Other Real Estate Owned	-	-	-	(39,600)	-	-	(39,600)	-
Accounts Payable and Accrued Liabilities	2,137,881	2,081,999	1,103,523	232,571	(66,565)	-	5,489,409	2,718,154
Unearned Revenue	2,663,725	3,347,910	315,896	-	-	-	6,327,531	6,430,881
Accrued Interest Payable	-	(416,618)	-	(483,976)	1,183,280	53,475	336,161	(681,572)
Derivative Instrument	-	632,287	-	-	-	-	632,287	632,287
Net OPEB Liability	(1,995,543)	(248,554)	(1,075,521)	-	-	-	(3,319,618)	95,518
Net Pension Liability	6,528,843	813,196	3,518,798	-	-	-	10,860,837	15,037,320
Deferred Inflows - Pension	517,504	(1,560,356)	(6,751,850)	-	-	-	(7,794,702)	(8,583,628)
Deferred Inflows - OPEB	(12,527,506)	64,458	278,915	-	-	-	(12,184,133)	15,198,151
Escrow and Other Deposits	1,819,902	(194,216)	528,431	-	188,457	-	2,342,574	1,292,129
Net Cash Provided (Used) by Operating Activities	<u>\$ 12,131,132</u>	<u>\$ 91,341,633</u>	<u>\$ 419,667</u>	<u>\$ 8,423,520</u>	<u>\$ (126,725,126)</u>	<u>\$ -</u>	<u>\$ (14,409,174)</u>	<u>\$ 22,288,852</u>

### III. STATISTICAL SECTION

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATISTICAL SECTION NARRATIVE**  
**FISCAL YEAR ENDED JUNE 30, 2022**

This part of the Commission's comprehensive annual financial report presents detailed information as a context for understanding the information in the management's discussion and analysis, financial statements, notes and required supplementary information in relation to the Commission's overall financial health.

**Contents**

**Financial Trends**

These schedules contain trend information to assist the reader in understanding how the Commission's financial performance and well-being have changed over time. See pages 117-119.

**Revenue Capacity**

These schedules contain information to assist the reader in assessing the factors affecting the Commission's ability to generate its own source revenue. See pages 120-121.

**Debt Capacity**

These schedules present information to assist the reader in assessing the affordability of the Commission's current levels of outstanding debt and the Commission's ability to issue additional debt in the future. See pages 122-126.

**Operating Information**

These schedules contain information about the Commission's operations and resources to assist the reader in understanding how the Commission's financial information relates to the services the Commission provides and the activities it performs. See pages 127-131.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to assist the reader in understanding the environment within the Commission's financial activities and to assist in making comparisons over time with other housing authorities. See pages 132-134.

**Source:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position
2013	\$ 21,051,981	\$ 61,935,432	\$ 112,406,902	\$ 195,394,315
2014	16,074,021	76,183,757	88,379,877	180,637,655
2015	(10,442,753)	78,479,015	113,739,608	181,775,870
2016	(19,296,755)	83,955,847	155,769,239	220,428,331
2017	(12,002,563)	86,190,974	173,458,770	247,647,181
2018	(37,987,591)	91,803,524	180,485,391	234,301,324
2019	(86,013,198)	102,120,635	215,045,988	231,153,425
2020	(108,608,231)	125,209,337	198,289,779	214,890,885
2021	(131,205,426)	114,839,842	252,677,471	235,861,887
2022	(135,707,939)	107,507,873	325,301,359	297,101,293



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**CHANGE IN NET POSITION BY ENTERPRISE SUB-FUND**  
**LAST TEN FISCAL YEARS**

Fiscal Year	General Sub-Fund			Opportunity Housing Sub-Fund			Public Sub-Fund		
	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position
2013	\$ 14,693,427	\$ 27,663,976	\$ (12,970,549)	\$ 80,487,987	\$ 56,472,382	\$ 24,015,605	\$ 118,477,738	\$ 121,685,876	\$ (3,208,138)
2014	17,821,727	27,858,709	(10,036,982)	65,624,561	61,731,480	3,893,081	112,756,686	122,710,906	(9,954,220)
2015	28,025,115	21,513,649	6,511,466	110,071,212	70,725,192	39,346,020	121,446,115	160,654,836	(39,208,721)
2016	19,693,992	21,421,529	(1,727,537)	77,134,168	75,659,074	1,475,094	158,327,659	124,274,422	34,053,237
2017	60,238,382	23,160,320	37,078,062	100,660,125	81,349,017	19,311,108	121,388,721	157,557,358	(36,168,637)
2018	44,217,823	24,401,561	19,816,262	100,831,789	88,112,430	12,719,359	135,676,139	147,284,664	(11,608,525)
2019	31,520,231	31,132,278	387,953	88,703,507	98,478,407	(9,774,900)	144,175,736	144,101,670	74,066
2020	46,909,279	31,132,278	15,777,001	113,162,649	144,429,879	(31,267,230)	144,755,080	148,291,553	(3,536,473)
2021	35,864,515	37,761,629	(1,897,114)	140,105,517	108,559,411	31,546,106	147,966,888	153,202,137	(5,235,249)
2022	42,655,073	35,483,180	7,171,893	179,499,666	116,789,762	62,709,904	156,231,325	152,772,866	3,458,459

Fiscal Year	Single Family Sub-Fund			Multifamily Sub-Fund		
	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position
2013	\$ 9,731,627	\$ 15,907,696	\$ (6,176,069)	\$ 16,650,293	\$ 19,319,152	\$ (2,668,859)
2014	18,082,818	10,597,451	7,485,367	18,662,498	15,105,122	3,557,376
2015	10,207,010	9,516,276	690,734	16,685,755	15,409,579	1,276,176
2016	11,282,058	8,761,396	2,520,662	15,475,153	13,144,148	2,331,005
2017	5,171,633	7,187,364	(2,015,731)	13,850,518	13,463,134	387,384
2018	4,569,599	8,072,371	(3,502,772)	14,246,940	13,672,081	574,859
2019	12,931,920	8,302,633	4,629,287	14,594,643	13,058,948	1,535,695
2020	19,008,454	8,371,319	10,637,135	17,469,715	15,348,718	2,120,997
2021	2,942,400	6,501,887	(3,559,487)	14,572,336	14,455,590	116,746
2022	(7,760,726)	5,024,743	(12,785,469)	18,893,756	18,209,137	684,619

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>OPERATING REVENUES</b>										
Dwelling Rental	\$ 102,431,660	\$ 99,291,398	\$ 97,195,902	\$ 90,166,092	\$ 77,458,610	\$ 67,965,004	\$ 68,309,329	\$ 68,471,662	\$ 65,395,495	\$ 62,210,614
Investment Income	11,460,500	7,401,324	9,983,462	6,094,363	4,445,182	3,818,167	3,520,175	5,523,274	3,711,854	7,274,297
Unrealized Gains (Losses) on Investments	(15,055,059)	(4,470,524)	7,211,811	4,738,484	(2,928,181)	(3,560,708)	3,420,019	(379,610)	798,251	(8,251,610)
Interest on Mortgage and Construction Loans Receivable	7,065,206	6,257,481	7,200,335	8,770,360	9,699,259	11,109,346	12,135,882	13,933,659	14,979,124	16,877,656
Management Fees and Other Income	19,607,700	15,945,903	16,026,727	12,366,617	13,126,870	12,801,771	10,186,560	11,139,945	11,181,613	18,504,567
U.S. Department of Housing and Urban Development Grants;										
Housing Assistance Payments (HAP)	124,356,627	115,115,799	113,580,367	108,622,547	100,265,523	92,038,041	89,041,875	88,010,013	81,090,732	84,760,830
HAP Administrative Fees	10,634,727	9,542,757	8,399,973	7,913,123	6,998,217	6,984,926	6,583,770	6,158,651	5,385,511	5,352,487
Other Grants	5,843,650	5,537,664	6,333,829	5,849,318	6,148,090	6,953,599	8,421,269	9,629,839	9,601,698	10,152,883
State and County Grants	12,814,562	11,922,676	12,570,640	11,619,715	15,116,301	12,511,780	11,893,150	11,399,128	9,639,934	10,158,784
Total Operating Revenues	<u>279,159,573</u>	<u>266,544,478</u>	<u>278,503,046</u>	<u>256,140,619</u>	<u>230,329,871</u>	<u>210,621,926</u>	<u>213,512,029</u>	<u>213,886,561</u>	<u>201,784,212</u>	<u>207,040,508</u>
<b>OPERATING EXPENSES</b>										
Housing Assistance Payments	125,824,236	120,292,490	112,758,509	110,109,543	102,470,927	95,523,485	91,387,603	90,324,278	89,425,241	86,882,476
Administration	46,619,931	44,668,915	47,496,728	43,820,160	43,817,962	39,442,722	35,563,087	34,514,669	33,983,811	33,869,057
Maintenance	28,219,691	24,127,944	24,729,701	22,305,874	18,737,186	16,972,165	17,395,244	16,965,337	16,845,515	15,810,786
Depreciation and Amortization	21,159,850	20,766,087	20,081,582	18,247,474	15,570,948	14,273,372	13,882,152	15,684,194	17,440,751	19,428,350
Utilities	7,418,333	7,068,692	6,253,441	6,207,588	5,890,629	4,912,538	5,406,906	5,832,573	5,309,368	5,342,576
Fringe Benefits	11,901,923	16,231,881	19,373,064	12,307,209	10,841,963	11,262,349	11,215,320	9,712,384	11,145,646	10,086,973
Interest Expense	35,782,923	32,559,770	31,159,600	23,896,447	22,727,232	21,946,813	22,328,322	23,766,914	24,157,117	29,306,374
Other Expenses	14,661,403	13,463,824	15,420,713	13,986,247	13,100,212	11,626,153	9,928,960	9,854,552	9,054,221	8,134,409
Bad Debt Expense	-	-	-	-	-	-	-	-	-	1,067,155
Total Operating Expenses	<u>291,588,290</u>	<u>279,179,603</u>	<u>277,273,338</u>	<u>250,880,542</u>	<u>233,157,059</u>	<u>215,959,597</u>	<u>207,107,594</u>	<u>206,654,901</u>	<u>207,361,670</u>	<u>209,928,156</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(12,428,717)</u>	<u>(12,635,125)</u>	<u>1,229,708</u>	<u>5,260,077</u>	<u>(2,827,188)</u>	<u>(5,337,671)</u>	<u>6,404,435</u>	<u>7,231,660</u>	<u>(5,577,458)</u>	<u>(2,887,648)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>										
Investment Income	3,851,428	857,242	1,583,784	2,304,096	2,378,528	2,019,037	1,096,003	1,008,868	420,759	452,092
Interest on Mortgage and Construction Loans Receivable	3,515,446	5,854,982	2,519,844	1,223,632	1,031,590	289,597	179,651	177,022	188,841	203,121
Interest Expense	(2,976,589)	(3,877,311)	(6,422,301)	(7,580,560)	(2,543,362)	(937,167)	(545,782)	(430,115)	(188,415)	(108,011)
Gain (Loss) on Transfer of Component Unit Entities	-	-	-	-	-	-	-	197,129	(774,123)	-
Other Grants	216,195	267,891	169,986	461,470	192,661	352,264	204,554	244,484	33,359	42,325
State and County Grants	-	-	-	-	-	-	4,536	4,536	371,962	241,004
Gain on Sale of Assets	69,386,118	15,150,844	8,230,038	4,152,550	13,512,924	30,574,480	27,896,767	-	-	-
Total Nonoperating Revenues	<u>73,992,598</u>	<u>18,253,648</u>	<u>6,081,351</u>	<u>561,188</u>	<u>14,572,341</u>	<u>32,298,211</u>	<u>28,835,729</u>	<u>1,201,924</u>	<u>52,383</u>	<u>830,531</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<u>61,563,881</u>	<u>5,618,523</u>	<u>7,311,059</u>	<u>5,821,265</u>	<u>11,745,153</u>	<u>26,960,540</u>	<u>35,240,164</u>	<u>8,433,584</u>	<u>(5,525,075)</u>	<u>(2,057,117)</u>
Transfers from Discrete Component Units	-	166,727	(25,309,362)	(9,170,539)	4,269,759	-	-	-	-	-
Capital Contributions	(324,475)	15,185,752	1,735,763	201,375	1,984,271	258,310	3,412,297	182,091	469,697	1,049,107
<b>CHANGES IN NET POSITION</b>	<u>\$ 61,239,406</u>	<u>\$ 20,971,002</u>	<u>\$ (16,262,540)</u>	<u>\$ (3,147,899)</u>	<u>\$ 17,999,183</u>	<u>\$ 27,218,850</u>	<u>\$ 38,652,461</u>	<u>\$ 8,615,675</u>	<u>\$ (5,055,378)</u>	<u>\$ (1,008,010)</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SIGNIFICANT OWN-SOURCE REVENUE**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year Ending June 30,</u>	<u>Dwelling Rental Revenue Total</u>	<u>% Total Operating Revenue</u>
2013	\$ 62,210,614	30.05%
2014	65,395,495	32.41%
2015	68,471,662	32.01%
2016	68,309,329	31.99%
2017	67,965,004	32.27%
2018	77,458,610	33.63%
2019	90,166,092	35.20%
2020	97,195,902	34.90%
2021	99,291,398	37.25%
2022	102,431,660	36.69%
Average	<u>\$ 79,889,577</u>	<u>31.15%</u>

*Opportunity Housing Sub-Fund and Public Sub-Fund*  
*Principal Payors: Low and Moderate Income Residents*

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**OPERATING REVENUES BY SOURCES**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Dwelling Rental		Investment Income		Unrealized Gains (Losses) on Investments		Interest on Mortgage and Construction Loans Receivable	
	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue
	2013	\$ 62,210,614	30.05%	\$ 7,274,297	3.51%	\$ (8,251,610)	(3.99)%	\$ 16,877,656
2014	65,395,495	32.41%	3,711,854	1.84%	798,251	0.40%	14,979,124	7.42%
2015	68,471,662	32.01%	5,523,274	2.58%	(379,610)	(0.18)%	13,933,659	6.51%
2016	68,309,329	31.99%	3,520,175	1.65%	3,420,019	1.60%	12,135,882	5.68%
2017	67,965,004	32.27%	3,818,167	1.81%	(3,560,708)	(1.69)%	11,109,346	5.27%
2018	77,458,610	33.63%	4,445,182	1.93%	(2,928,181)	(1.27)%	9,699,259	4.21%
2019	90,166,092	35.20%	6,094,363	2.38%	4,738,484	1.85%	8,770,360	3.42%
2020	97,195,902	34.90%	9,983,462	3.58%	7,211,811	2.59%	7,200,335	2.59%
2021	99,291,398	37.25%	7,401,324	2.78%	(4,470,524)	(1.68)%	6,257,481	2.35%
2022	102,431,660	36.69%	11,460,500	4.11%	(15,055,059)	(5.39)%	7,065,206	2.53%

Fiscal Year	Management Fees and Other Income		Housing Assistance Payment Subsidies		State, County and Other Federal Grants		Total Operating Revenue	
	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue
	2013	\$ 18,504,567	8.94%	\$ 90,113,317	43.52%	\$ 20,311,667	9.81%	\$207,040,508
2014	11,181,613	5.54%	86,476,243	42.86%	19,241,632	9.54%	201,784,212	100.00%
2015	11,139,945	5.21%	94,168,664	44.03%	21,028,967	9.83%	213,886,561	100.00%
2016	10,186,560	4.77%	95,625,645	44.79%	20,314,419	9.51%	213,512,029	100.00%
2017	12,801,771	6.08%	99,022,967	47.01%	19,465,379	9.24%	210,621,926	100.00%
2018	13,126,870	5.70%	107,263,740	46.57%	21,264,391	9.23%	230,329,871	100.00%
2019	12,366,617	4.83%	116,535,670	45.50%	17,469,033	6.82%	256,140,619	100.00%
2020	16,026,727	5.75%	121,980,340	43.80%	18,904,469	6.79%	278,503,046	100.00%
2021	15,945,903	5.98%	124,658,556	46.77%	17,460,340	6.55%	266,544,478	100.00%
2022	19,607,700	7.02%	134,991,354	48.36%	18,658,212	6.68%	279,159,573	100.00%

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**LONG-TERM DEBT**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Bonds Payable	Mortgage Notes and Loans Payable	Loans Payable to Montgomery County	Lease Obligations	Other	Total	Percent Net Position to Debt	Dollar Total Debt Per Capita	Percent Total Debt to Personal Income
2013	\$ 610,041,974	\$ 59,366,795	\$ 61,900,801	\$ 20,308,586	\$ 13,377,243	\$ 764,995,399	25.54%	\$ 754	1024%
2014	579,609,553	57,250,235	73,591,111	20,133,711	13,922,795	744,507,405	24.26%	727	970%
2015	527,757,419	124,737,678	64,500,829	19,953,420	13,991,621	750,940,967	24.21%	727	911%
2016	564,245,749	144,587,849	66,661,759	19,949,804	14,340,488	809,785,649	27.22%	780	927%
2017	512,653,341	165,616,533	62,918,123	19,945,907	14,792,410	775,926,314	31.92%	741	862%
2018	526,647,756	356,126,796	58,095,542	-	15,365,427	956,235,521	24.50%	912	1040%
2019	477,681,952	422,420,506	107,351,211	-	15,115,489	1,022,569,158	22.61%	973	1080%
2020	540,363,564	552,223,573	105,205,622	-	16,440,785	1,214,233,544	17.70%	1,143	1239%
2021	667,216,495	634,673,932	105,030,636	-	17,098,349	1,424,019,412	16.56%	1,332	1496%
2022	773,545,846	652,919,466	87,791,165	-	19,106,708	1,533,363,185	19.38%	1,425	1496%

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**PROPERTY RELATED DEBT**  
**FISCAL YEAR ENDED JUNE 30, 2022**

Property	Purpose	Amount Outstanding	Property	Purpose	Amount Outstanding
<u>Intra-Commission mortgages made from bond issues</u>			<u>Other Mortgages</u>		
Barclay Apartments Dev Corp	Mortgage	\$ 6,725,628	9845 Lost Knife Road	Sandy Spring Bank	\$ 1,846,689
Barclay One Associates LP	Mortgage	4,339,472	Bradley Crossing LLC	Eagle Bank	81,200,000
Brookside Glen (The Glen) LP	Mortgage	3,793,875	HOC at Battery Lane	Eagle Bank	48,450,000
Diamond Square	Mortgage	968,535	MV Gateway II, LLC	Cafritz	12,048,970
Magruder's Discovery	Mortgage	9,606,693	Paddington Square	Love Funding	18,588,234
Manchester Manor Apts	Mortgage	1,047,274	Scattered Site Two Dev Corp	PNC Bank	3,958,100
Metropolitan Dev Corp	Mortgage	20,676,758	Southbridge	Sandy Spring Bank	1,784,350
Metropolitan of Bethesda LP	Mortgage	4,915,254	VPC One Development Corporation	PNC Bank	28,024,178
MHLP IX-MPDU	Mortgage	1,341,897	VPC Two Development Corporation	PNC Bank	19,951,612
MHLP IX-Pond Ridge	Mortgage	786,347	Westwood Tower	United Bank	20,273,204
MHLP X	Mortgage	1,894,849	Subtotal		236,125,337
Montgomery Arms	Mortgage	6,061,539			
Pooks Hill Highrise	Mortgage	14,239,088	<u>Other Loans/OHRF</u>		
Pooks Hill Midrise	Mortgage	1,232,355	9845 Lost Knife Road	Acquisition	50,000
RAD 6	Mortgage	21,156,088	Alexander House Dev Corp	Rehab	178,138
Scattered Site One Dev Corp	Mortgage	7,275,334	Ambassador One Assoc. LP	Rehab	197,612
Strathmore Court Associates LP	Mortgage	13,584,021	Barclay Apartments Dev Corp	Rehab	119,765
The Oaks @ Four Corners (Dev Corp)	Mortgage	1,020,985	Bradley Crossing LLC	Acquisition	5,200,000
The Willows of Gaithersburg Assoc. LP	Mortgage	1,260,057	Development In Process	Rehab	1,033,769
Wheaton Metro Dev Corp	Mortgage	27,891,790	EH - IV (Elizabeth House IV)	Acquisition	1,782,300
Subtotal		149,817,839	Emory Grove Redevelopment	Rehab	128,595
<u>Notes Payable to State of Maryland</u>			HOC at 11250 Veirs Mill road	Acquisition	1,980,709
Brookside Glen (The Glen) LP	RHPP	1,211,707	HOC at CCL MF-member	Acquisition	866,740
CDBG-9611 McAlpine Road	Rehab	101,168	HOC at Hillandale Gateway	Acquisition	2,328,473
Dale Drive	RHPP	600,000	Holly Hall interim	Rehab	383,410
Diamond Square	RHPP	2,000,000	Metropolitan Dev Corp	Acquisition	466,057
Montgomery Arms	PHRP	79,247	Metropolitan of Bethesda LP	Rehab	1,175,775
State Rental Consolidated	PHRP	8,861,522	Montgomery Arms	Acquisition	1,340,037
State Rental VII	RHPP	4,712,864	MV Gateway LLC (Cider Mill)	Acquisition	3,000,000
Subtotal		17,566,508	Paddington Square	Rehab	923,038
<u>Notes Payable to Montgomery County</u>			Sandy Spring Middle	Acquisition	394,129
Ambassador	Acquisition	2,000,000	The Willows of Gaithersburg Assoc. LP	Rehab/purchase	43,750
Brooke Park Apartments	Acquisition	4,959,179	Westwood Tower	Rehab	40,700
CDBG	Acquisition	604,275	Wheaton Metro Dev Corp	Rehab	1,379,283
CDBG McAlpine Road	Acquisition	107,785	Subtotal		23,032,280
Chelsea Towers	Acquisition	1,176,114			
Chelsea Towers	Home Funds	225,000	<u>Other Loans</u>		
County Revolving CCAP	Acquisition	1,583,158	8800 Brookville Road	Acquisition	10,850,000
Dale Drive	Construction	1,738,012	Alexander House Dev Corp	Construction-FFB	49,981,033
Diamond Square	Rehab	2,746,344	Ambassador One Assoc. LP	Line of Credit	1,862,495
Glenmont Crossing	Rehab	2,850,000	Avondale Apartments	Acquisition	5,824,451
Glenmont Westerly	Rehab	1,510,250	Barclay Apartments Dev Corp	Rehab	2,341,154
Georgian Court SilverSpring LP		23,001	Barclay One Associates LP	Rehab	2,891,404
HOC at Avondale LLC	Acquisition	7,500,000	Bradley Crossing LLC	Acquisition	9,596,677
Jubilee Housing	Predevelopment	965,231	Brooke Park Apartments	Acquisition	3,398,150
King Farm Village Center	Acquisition & Rehab	1,697,078	Dev In Process - Year 15 Properties	Note Payable	1,844,176
Manchester Manor Apts	Housing Initiative Funds	683,362	Development In Process	Note Payable	16,878,337
McHAF (MC Homeownership Assistance Fund)	Acquisition	4,500,000	Fairfax Court Apts	Refinancing	306,122
Mchome	Acquisition & Rehab	2,005,646	Glenmont Crossing Dev Corp	Rehab/Purchase-FFB	13,537,387
MHLP IX- MPDU		800,000	Glenmont Westerly Dev Corp	Rehab/Purchase-FFB	13,441,376
MHLP IX- Pond Ridge		605,500	HOC at Battery Lane	Acquisition	4,460,000
MHLP X		765,424	HOC at CCL MF-member	Acquisition	1,211,677
Montgomery Arms	Acquisition & Rehab	1,699,307	HOC Fenwick & Second Headquarters	Acquisition	2,246,338
MV Gateway LLC	Acquisition	15,000,000	HOC at Gankirk	Acquisition	96,787
NCI I	Acquisition & Rehab	4,039,752	HOC at Wheaton Gateway, LLC	Acquisition	11,530,881
NSP I	Acquisition & Rehab	1,993,071	Metropolitan of Bethesda LP	Loan/advance	13,072,099
Oaks @ Four Corners	Acquisition & Rehab	1,361,575	MHLP IX-MPDU	Acquisition	1,304,877
Paddington Square	Acquisition	5,196,232	MHLP IX-Pond Ridge	Acquisition	409,552
Pooks Hill Midrise	Acquisition	200,863	MHLP VII	Refinancing	488,549
Scattered Site Two Development Corp	Acquisition	609,160	MHLP X	Acquisition	1,095,812
Shady Grove Apts LP	Home Funds	6,289	MPDU I / 64	Refinancing	895,819
Southbridge	Acquisition & Rehab	5,974,031	MV Gateway LLC (Cider Mill)	Acquisition - FFB	118,918,139
State rental combined	Acquisition	60,000	Strathmore Court Associates LP	Loan/advance	2,104,479
State Rental VII	Acquisition	1,668,050	The Manor At Cloppers Mill, LLC	Acquisition	435,200
The Glen	Acquisition	588,089	The Manor At Colesville, LLC	Acquisition	319,057
The Willows of Gaithersburg Assoc. LP	Home Funds	573,473	The Manor At Fair Hill Farm, LLC	Acquisition	476,161
Wheaton Metro Dev Corp.	Rehab	2,984,721	The Willows of Gaithersburg Assoc. LP	Rehab/purchase	293,182
Subtotal		80,999,973	TPP LLC - Pomander	Rehab-FFB	2,053,731
<u>Loans from Montgomery County Revolving Fund</u>			TPP LLC - Timberlawn	Rehab-FFB	16,866,015
Ambassador	Interim Financing	2,284,066	VPC One Corp.	Rehab	2,446,912
Bonifant Office	Interim Financing	4,304,000	VPC Two Corp.	Rehab	1,713,088
Holiday Park Townhouse	Interim Financing	203,126	Subtotal		315,191,117
Subtotal		6,791,192	Total Property Related Debt		\$ 829,524,245

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SINGLE FAMILY BONDS – DEBT OUTSTANDING, ISSUED, AND RETIRED**  
**FISCAL YEAR ENDED JUNE 30, 2022**

Series	Authorized	Outstanding Beginning of Year	Issued		Retired/Refunded		Outstanding End of Year	Interest Expensed This Year	Current Maturities
			Prior Years	This Year	Prior Years	This Year			
Single Family Sub-Fund Bonds:									
2007 Series E	\$ 13,000,000	\$ 8,315,000	\$ 13,000,000	\$ -	\$ 4,685,000	\$ -	\$ 8,315,000	\$ 29,483	\$ -
2008 Series D	17,200,000	17,200,000	17,200,000	-	-	-	17,200,000	61,218	-
2013 Series A	38,645,000	13,010,000	38,645,000	-	29,850,000	4,215,000	8,795,000	322,100	3,710,000
2013 Series B	14,825,000	2,040,000	14,825,000	-	12,785,000	25,000	2,015,000	79,270	-
2016 Series A	32,805,000	18,285,000	32,805,000	-	14,520,000	5,955,000	12,330,000	361,645	2,745,000
2016 Series B	9,850,000	3,035,000	9,850,000	-	6,815,000	2,010,000	1,025,000	310,623	1,025,000
2017 Series A	22,000,000	16,140,000	22,000,000	-	5,860,000	8,025,000	8,115,000	350,598	2,150,000
2017 Series B	11,300,000	8,385,000	11,300,000	-	2,915,000	845,000	7,540,000	225,525	865,000
2018 Series A	29,435,000	24,115,000	29,435,000	-	5,320,000	4,520,000	19,595,000	741,384	1,565,000
2018 Series B	8,450,000	8,450,000	8,450,000	-	-	140,000	8,310,000	182,255	290,000
2021 Series A	22,750,000	22,750,000	22,750,000	-	-	830,000	21,920,000	552,024	885,000
2021 Series B	5,650,000	5,650,000	5,650,000	-	-	210,000	5,440,000	46,548	720,000
2021 Series C	10,000,000	10,000,000	10,000,000	-	-	-	10,000,000	23,090	-
2022 Series A	14,660,000	-	-	14,660,000	-	-	14,660,000	2,809	-
2022 Series B	2,940,000	-	-	2,940,000	-	-	2,940,000	758	-
2022 Series C	3,000,000	-	-	3,000,000	-	-	3,000,000	740	-
2022 Series D	11,000,000	-	-	11,000,000	-	-	11,000,000	573	-
NIBP 2009 Series C-1	9,000,000	4,890,000	9,000,000	-	4,110,000	4,890,000	-	-	-
NIBP 2009 Series C-2	16,170,000	7,850,000	16,170,000	-	8,320,000	7,850,000	-	-	-
NIBP 2009 Series C-3	2,450,000	1,960,000	2,450,000	-	490,000	1,960,000	-	-	-
NIBP 2009 Series C-4	9,770,000	4,120,000	9,770,000	-	5,650,000	1,370,000	2,750,000	88,872	1,240,000
NIBP 2009 Series C-5	2,610,000	2,370,000	2,610,000	-	240,000	-	2,370,000	67,071	-
NIBP 2010 Series A	6,000,000	800,000	6,000,000	-	8,215,000	800,000	-	-	-
NIBP 2011 Series A	12,425,000	2,325,000	12,425,000	-	14,760,000	2,325,000	-	-	-
NIBP 2012 Series A	12,545,000	3,660,000	12,545,000	-	9,545,000	1,410,000	2,250,000	76,510	1,195,000
PRB 2019 Series A	28,280,000	22,670,000	-	-	5,610,000	5,545,000	17,125,000	629,760	1,770,000
PRB 2019 Series B	4,610,000	3,510,000	-	-	1,100,000	1,025,000	2,485,000	66,771	540,000
PRB 2019 Series C	11,220,000	8,525,000	-	-	2,830,000	2,485,000	6,040,000	217,527	1,320,000
Subtotal	382,590,000	220,055,000	306,880,000	31,600,000	143,620,000	56,435,000	195,220,000	4,437,154	20,020,000
Add: Unamortized Premium	-	4,522,403	-	533,467	2,133,302	1,206,170	3,849,700	(1,058,381)	-
Total Single Family Bonds Payable	<u>\$ 382,590,000</u>	<u>\$ 224,577,403</u>	<u>\$ 306,880,000</u>	<u>\$ 32,133,467</u>	<u>\$ 145,753,302</u>	<u>\$ 57,641,170</u>	<u>\$ 199,069,700</u>	<u>\$ 3,378,773</u>	<u>\$ 20,020,000</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MULTIFAMILY BONDS – DEBT OUTSTANDING, ISSUED, AND RETIRED**  
**FISCAL YEAR ENDED JUNE 30, 2022**

	Authorized	Unissued	Outstanding Beginning of Year	Issued		Retired/Refunded		Outstanding End of Year	Interest Expensed This Year	Current Maturities
				Prior Years	This Year	Prior Years	This Year			
Multifamily Sub-Fund Bonds:										
1984 Series A - Accretions	\$ 585,000	\$ -	\$ 338,446	\$ 338,446	\$ 3,817	\$ -	\$ 309,989	\$ 32,274	\$ 3,817	\$ 3,733
1998 Issue A	12,900,000	-	5,430,000	12,900,000	-	6,930,000	570,000	4,860,000	245,430	595,000
2004 Series A	13,700,000	-	9,645,000	13,700,000	-	4,055,000	405,000	9,240,000	433,216	425,000
2004 Series B	4,085,000	-	3,225,000	4,085,000	-	860,000	75,000	3,150,000	152,560	80,000
2005 Series B	5,440,000	-	3,705,000	5,440,000	-	1,735,000	205,000	3,500,000	171,450	210,000
2005 Series C	28,630,000	-	21,170,000	28,630,000	-	7,460,000	875,000	20,295,000	1,011,325	910,000
2009 Series A-2	8,040,000	-	8,040,000	8,040,000	-	-	8,040,000	-	241,629	-
2010 Series A	4,860,000	-	3,320,000	4,860,000	-	1,540,000	3,320,000	-	100,636	-
2011 Series A	33,585,000	-	29,630,000	33,585,000	-	3,955,000	545,000	29,085,000	1,098,281	570,000
2011 Series B	3,020,000	-	2,685,000	3,020,000	-	335,000	50,000	2,635,000	150,205	50,000
2012 Series A	24,935,000	-	17,085,000	24,935,000	-	7,850,000	1,005,000	16,080,000	592,540	1,035,000
2012 Series B	18,190,000	-	1,765,000	18,190,000	-	16,425,000	250,000	1,515,000	48,608	260,000
2012 Series C	24,230,000	-	10,215,000	24,230,000	-	14,015,000	6,490,000	3,725,000	227,232	375,000
2012 Series D	34,975,000	-	26,095,000	34,975,000	-	8,880,000	1,185,000	24,910,000	759,010	1,210,000
2014 Series A	24,000,000	-	21,655,000	24,000,000	-	2,345,000	545,000	21,110,000	789,116	555,000
2015 Series A-1	15,010,000	-	14,175,000	15,010,000	-	835,000	250,000	13,925,000	538,230	250,000
2017 Series A	12,000,000	-	11,730,000	12,000,000	-	270,000	210,000	11,520,000	400,505	210,000
2019 Series A-1	51,420,000	-	51,420,000	51,420,000	-	-	-	51,420,000	1,577,553	-
2019 Series A-2	3,580,000	-	3,580,000	3,580,000	-	-	-	3,580,000	64,440	-
2019 Series B	7,565,000	-	7,165,000	7,565,000	-	400,000	400,000	6,765,000	150,820	405,000
2019 Series C	9,840,000	-	9,330,000	9,840,000	-	510,000	520,000	8,810,000	223,369	530,000
2020 Series A	25,665,000	-	25,665,000	25,665,000	-	-	-	25,665,000	673,444	-
2020 Series B	25,270,000	-	24,735,000	25,270,000	-	535,000	1,120,000	23,615,000	430,501	1,180,000
2020 Series C	16,410,000	-	16,000,000	16,410,000	-	410,000	855,000	15,145,000	348,998	895,000
2021 Series A	99,250,000	-	99,250,000	99,250,000	-	-	-	99,250,000	2,084,250	-
2021 Series B	16,500,000	-	16,145,000	16,145,000	-	-	-	16,145,000	391,550	-
2021 Series C	-	-	-	-	104,245,000	-	-	104,245,000	1,461,540	-
2021 Series D	-	-	-	-	7,115,000	-	-	7,115,000	80,318	-
Series 2021 A (50M)	-	-	-	-	50,000,000	-	2,395,000	47,605,000	747,135	2,220,000
Subtotal	523,685,000	-	443,198,446	523,083,446	161,363,817	79,345,000	29,619,989	574,942,274	15,197,708	11,968,733
Less: Unamortized Discount	-	-	(559,354)	-	-	(93,227)	(93,225)	(466,128)	-	-
Total Multi Family Bonds Payable	<u>\$ 523,685,000</u>	<u>\$ -</u>	<u>\$ 442,639,092</u>	<u>\$ 523,083,446</u>	<u>\$ 161,363,817</u>	<u>\$ 79,251,773</u>	<u>\$ 29,526,764</u>	<u>\$ 574,476,146</u>	<u>\$ 15,197,708</u>	<u>\$ 11,968,733</u>



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MULTIFAMILY BONDS – NONOBLIGATION DEBT**  
**FISCAL YEAR ENDED JUNE 30, 2022**

Current Property Name	Owner	Final Maturity	Original Bonds Issued	Amount Outstanding
Blair Park	Private	10/14/2032	\$ 2,700,000	\$ 1,487,880
Covenant Village	Private	11/30/2044	6,418,000	5,661,990
Victory Forest	Private	9/1/2045	6,600,000	1,144,387
Draper Lane	Private	3/1/2040	35,000,000	35,000,000
Draper Lane	Private	3/1/2040	11,000,000	11,000,000
Draper Lane	Private	3/1/2040	6,000,000	6,000,000
Victory Court	Private	1/1/2030	8,400,000	7,308,868
Hillside Senior Living	Private	2/1/2060	26,270,000	20,170,000
Olde Towne Gaithersburg Apts ( Y-Site)	Private	3/31/2044	25,525,000	23,875,088
Lakeview House Apts.	Private	7/1/2050	34,225,000	30,669,340
Total			<u>\$ 162,138,000</u>	<u>\$ 142,317,553</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NUMBER OF UNITS BY PROGRAM**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Public Housing Rental</u>	<u>Public Housing Homeownership</u>	<u>Housing Choice Voucher</u>	<u>Opportunity Housing</u>	<u>Transitional Housing</u>	<u>Specialized Program</u>	<u>Component Units</u>	<u>Total</u>
2013	1,546	7	6,461	3,638	165	557	1,893	14,267
2014	1,094	7	7,044	3,992	165	538	1,892	14,732
2015	557	7	7,050	4,585	165	559	1,808	14,731
2016	256	7	7,174	4,533	227	511	2,106	14,814
2017	256	7	7,174	4,406	217	521	2,227	14,808
2018	136	-	7,179	5,519	228	687	1,861	15,610
2019	136	-	7,271	5,978	243	378	1,870	15,876
2020	-	-	7,611	6,482	240	374	1,529	16,236
2021	-	-	7,657	6,871	239	288	1,527	16,582
2022	-	-	7,659	6,420	239	290	2,348	16,956

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**PROPERTY CHARACTERISTICS AND DWELLING UNIT COMPOSITION**  
**FISCAL YEAR ENDED JUNE 30, 2022**

**Housing Choice Voucher/Transitional Housing**

<b>Name of Development</b>	<b>Address</b>	<b>Number of Units</b>
Housing Choice Voucher	Various	7,659
Transitional Housing Program	Various	239
Specialized Program	Various	290
<i>Total Housing Choice Voucher/Transitional Housing Units</i>		<u>8,188</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**PROPERTY CHARACTERISTICS AND DWELLING UNIT COMPOSITION (CONTINUED)**  
**FISCAL YEAR ENDED JUNE 30, 2022**

Opportunity Housing		
Name of Development	Address	Number of
<b>Elderly Communities</b>		
Elizabeth House RAD Interim Property	1400 Fenwick Avenue, Silver Spring MD 20910	54
The Oaks at Four Corners	321 University Boulevard West, Silver Spring MD 20901	120
	<i>Total Elderly Communities</i>	<u>174</u>
<b>Family Communities</b>		
617 Olney Sandy Spring	617 Sandy Spring Road Olney MD 20860	1
Alexander House	8560 Second Avenue, Silver Spring MD 20910	183
HOC at Avondale LLC	4500-4522 Avondale Street, Bethesda MD 20814	38
The Barclay	4716 Bradley Boulevard, Chevy Chase MD 20815	76
Barclay Affordable	4716 Bradley Boulevard, Chevy Chase, MD 20815	81
HOC at Battery Lane	4857-4858-4998 Battery Ln, Bethesda, MD 20814	212
Bradley Crossing	4816 Bradley Blvd, Bethesda, MD 20815	402
Brooke Park Apartments	6301-6307 MacArthur Blvd, Bethesda, MD 20816	17
Brookside Glen (The Glen)	2399 Jones Lane, Wheaton MD 20902	90
Camp Hill Square	17825 Washington Grove RD, Gaithersburg, MD 20877	50
Chelsea Towers	7401 Westlake Terrace, Bethesda MD 20817	21
Cider Mill Apartments	18205 Lost Knife Circle, Montgomery Village, MD 20886	861
Dale Drive	527 Dale Drive, Silver Spring MD 20910	10
Diamond Square	80 Bureau Drive, Gaithersburg MD 20878	124
Fairfax Court Apts	1 Fairfax Court, Chevy Chase MD 20815	18
Glenmont Crossing(Dev. Corp.)	2301 Shorefield Road, Silver Spring, MD 20902	97
Glenmont Westerly (Dev. Corp.)	2309 Shorefield Road, Silver Spring, MD 20902	102
Jubilee Falling Creek	2408 Falling Creek Road, Silver Spring MD 20904	3
Jubilee Hermitage	2305 Hermitage Avenue, Silver Spring MD 20902	3
Jubilee Horizon	10 Horizon Court, Derwood, MD 20855	3
Jubilee Woodedge	2715 Woodedge Road, Silver Spring MD 20906	3
King Farm Village Center	404 King Farm Boulevard #9, Rockville, MD 20850	1
Magruder's Discovery	10508 Westlake Drive, Bethesda MD 20817	134
Manchester Manor Apartments	8401 Manchester Road, Silver Spring, MD 20901	53
MetroPointe	11175 Georgia Avenue, Silver Spring MD 20902	120
The Metropolitan	7620 Old Georgetown Road, Bethesda MD 20814	216
Metropolitan Affordable	7620 Old Georgetown Road, Bethesda MD 20814	92
Montgomery Arms	8615 Fenton Street, Silver Spring MD 20910	129
Paddington Square	8800 Lanier Drive, Silver Spring MD 20910	165
TPP LLC Pomander	1620 University Boulevard West, Silver Spring MD 20902	24
Pooks Hill High-rise	3 Pooks Hill Road, Bethesda MD 20814	189
Pooks Hill Mid-rise	3 Pooks Hill Road, Bethesda MD 20814	50
RAD 6 - Ken Gar	Shaftsbury Street, Kensington, MD 20895	19
RAD 6 - Parkway Woods	12933 Twinbrook Parkway, Rockville, MD 20851	24
RAD 6 - Sandy Spring	1 Branchwood Court, Sandy Spring, MD 20860	55
RAD 6 - Seneca Ridge	19568 Scenery Drive, Germantown, MD 20876	71
RAD 6 - Towne Center Place	3502 Morningwood Drive, Olney, MD 20832	49
RAD 6 - Washington Square	8343 Fairhaven Drive, Gaithersburg, MD 20877	50
Southbridge	7423 Aspen Court, Tacoma Park MD 20912	39
Strathmore Court LP	5440 Marinelli Drive, North Bethesda MD 20852	202
TPP LLC Timberlawn	5707 Luxemburg Street, Rockville MD 20852	107
Westwood Towers	5401 Westbard Avenue, Bethesda MD 20816	212
The Willows of Gaithersburg	429 West Diamond Avenue, Gaithersburg, MD 20877	195
	<i>Total Family Communities</i>	<u>4,591</u>
<b>Scattered Units</b>		
CDBG Units	Various addresses throughout Montgomery County	3
Holiday Park	Various addresses throughout Montgomery County	20
McHome	Various addresses throughout Montgomery County	38
McKendree	Various addresses throughout Montgomery County	13
MPDU 2007 - Phase II	Various addresses throughout Montgomery County	6
MPDU I	Various addresses throughout Montgomery County	64
MPDU II	Various addresses throughout Montgomery County	59
MPDU III	Various addresses throughout Montgomery County	23
NCI Units	Various addresses throughout Montgomery County	14
NSP Units	Various addresses throughout Montgomery County	7
Paint Branch	Various addresses throughout Montgomery County	14
Scattered Site One Dev Corp	Various addresses throughout Montgomery County	190
Scattered Site Two Dev Corp	Various addresses throughout Montgomery County	54
VPC One Development Corporation	Various addresses throughout Montgomery County	399
VPC Two Development Corporation	Various addresses throughout Montgomery County	280
Montgomery Homes Limited Partnership VII	Various addresses throughout Montgomery County	35
Montgomery Homes Limited Partnership VIII	Various addresses throughout Montgomery County	49
Montgomery Homes Limited Partnership IX - MPDU units	Various address spread throughout Montgomery County	76
Montgomery Homes Limited Partnership IX - Pond Ridge	18100 Pond Ridge Court, Olney, MD 20832	40
Montgomery Homes Limited Partnership X	Various addresses throughout Montgomery County	75
State Rental Combined	Various addresses throughout Montgomery County	196
	<i>Total Scattered Sites</i>	<u>1,655</u>
	<i>Total Opportunity Housing Units</i>	<u><u>6,420</u></u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
PROPERTY CHARACTERISTICS AND DWELLING UNIT COMPOSITION (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2022**

<b>Component Units</b>		
<b>Name of Development</b>	<b>Address</b>	<b>Number of Units</b>
<b>Elderly Communities</b>		
Arcola Towers LP	1135 University Boulevard, Silver Spring MD 20902	141
Bauer Park	14635 Bauer Park Drive, Rockville, MD 20853	142
HOC at Willow Manor -Cloppers Mill, LLC	18003 Mateny Road, Germantown, MD 20874	102
HOC at Willow Manor -Colesville, LLC	601 East Randolph Road, Silver Spring, MD 20904	83
HOC at Willow Manor -Fair Hill Farm, LLC	18301 Georgia Avenue, Olney, MD 20832	101
Town Center Apts.	90 Monroe Street, Rockville, MD 20850	110
Waverly House LP	4521 East West Highway, Bethesda MD 20814	157
	<i>Total Elderly Communities</i>	<u>836</u>
<b>Family Communities</b>		
Wheaton Metro LP	11175 Georgia Avenue, Silver Spring, MD 20902	53
Spring Garden One Associates LP	8007-A Eastern Avenue, Silver Spring, MD 20910	82
Hampden Lane Apartments LP	4913 Hampden Lane, Bethesda, MD 20814	12
HOC at Georgian Court LLC	3600 Bel Pre Road, Silver Spring, MD 20906	147
HOC at Shady Grove LLC	16125 Crabbs Branch Way, Derwood, MD 20855	144
HOC at Stewartown Homes LLC	9310 Merust Lane, Gaithersburg, MD 20879	94
HOC at Upton II	2 Helen Heneghan Way, Rockville, MD 20850	150
Forest Oak Towers LP	101 Odenhal Road, Gaithersburg, MD 20877	175
Greenhills LP	10560 Tralee Terrace, Damascus MD 20872	77
Tanglewood/Sligo Hills LP	8902 Manchester Road, Silver Spring, MD 20901	132
Alexander House LP	8560 Second Avenue, Silver Spring MD 20910	122
Fenton Silver Spring LP	8240 Fenton St, Silver Spring, MD 20910	124
CCL Multifamily LLC (The Lindley)	8405 Chevy Chase Lake Drive, Chevy Chase, MD 20815	200
	<i>Total Family Communities</i>	<u>1,512</u>
	<i>Total units - Component Units</i>	<u><u>2,348</u></u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**REGULAR STAFF HEADCOUNT BY DEPARTMENT**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Executive	Finance	Property Management	Maintenance *	Housing Resources	Mortgage Finance	Real Estate	Resident Services	Total
2013	41.00	46.00	138.10	-	48.00	14.50	6.00	89.70	383.30
2014	53.00	52.00	94.60	-	54.00	15.50	9.00	87.70	365.80
2015	60.00	49.00	94.00	-	55.00	13.50	11.00	82.20	364.70
2016	82.00	52.00	22.00	64.00	52.00	14.00	13.00	68.10	367.10
2017	80.00	50.00	27.00	63.00	52.00	14.00	13.00	67.60	366.60
2018	77.00	50.00	24.00	63.00	51.00	14.00	14.00	73.60	366.60
2019	80.50	52.00	26.00	61.00	54.00	14.00	14.00	65.60	367.10
2020	73.50	52.00	33.00	61.00	54.00	14.00	14.00	65.60	367.10
2021	78.00	52.00	33.00	61.00	54.00	14.00	14.00	66.60	372.60
2022	83.00	53.00	27.00	61.00	63.00	15.00	14.00	66.00	382.00

*Note: Staff headcount is expressed in terms of full-time equivalent workers*

*\* Maintenance division was created in FY2016; maintenance was previously part of Property Management*

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**CURRENT AND NINE YEARS AGO**

Calendar Year	Population (1)	Personal Income (\$ thousands) (2)	Per Capita Income (3)	Civilian Labor Force (4)	Resident Employment (5)	Unemployment Rate (6)	Average Registered Number of Pupils as of September (7)
2013	1,015,172	\$ 74,736,876	\$ 73,620	543,134	516,469	4.90%	148,779
2014	1,024,617	76,751,191	74,907	544,271	520,698	4.30%	151,298
2015	1,032,814	82,460,250	79,840	547,229	526,310	3.80%	153,852
2016	1,038,846	87,319,432	84,054	544,649	526,510	3.30%	156,447
2017	1,046,822	90,014,129	85,988	554,112	536,053	3.30%	159,010
2018	1,048,478	91,903,198	87,654	556,234	539,139	3.10%	161,545
2019	1,050,688	94,708,400	90,139	565,463	549,296	2.90%	162,680
2020	1,062,061	98,000,000	92,273	548,398	513,663	6.30%	165,267
2021	1,069,320	95,200,000	89,029	537,620	506,133	5.90%	160,564
2022	1,076,176	102,500,000	95,245	552,640	534,430	3.30%	158,232

**NOTES:**

- (1) Sources: Data for 2013-2019 is from the Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Data for 2020 is from the Census Bureau, and data for 2021 and 2022 is estimated by the Montgomery County Department of Finance. Data from 2013 through 2019 was revised by BEA.
- (2) Source: Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Personal income includes money from wages and salaries; transfer payments such as social security and public assistance; income from rent, interest, and dividends. Data for 2013-2019 was revised by BEA. Data for 2020 is from BEA, and data for 2021 and 2022 is estimated by the Montgomery County Department of Finance
- (3) Per capita income is derived by dividing personal income by population and was revised by BEA from 2013 through 2019.
- (4) Source: Bureau of Labor Statistics (BLS), U.S. Department of Labor. Civilian labor force data include all persons in the civilian noninstitutional population classified as either employed or unemployed and counted by place of residence and is published by BLS for 2013-2021. Data from 2017 through 2021 was revised by BLS. Data for 2022 is estimated by the Montgomery County Department of Finance based on the monthly average of the first five months of 2022 compared to the first five months of 2021.
- (5) Source: Bureau of Labor Statistics (BLS), U.S. Department of Labor. Resident employment includes all persons who during the survey week (a) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their family, or (b) were not working but who had jobs from which they were temporarily absent because of vacation, illness, bad weather, etc. Each employed person is counted only once, even if he or she holds more than one job, and is counted by place of residence and not by place of employment. Data for 2013-2021 was revised by BLS. Data for 2022 is estimated by the Montgomery County Department of Finance based on the monthly average of the first five months of 2022 compared to the first five months of 2021.
- (6) The unemployment rates for 2013 through 2021 were published by the Bureau of Labor Statistics, U.S. Department of Labor. The unemployment rates for 2017 through 2021 were revised by BLS. The unemployment rate for 2022 is estimated by the Montgomery County Department of Finance based on the estimate of the civilian labor force and the estimate of resident employment.
- (7) Source: Indicators provided by the Montgomery County Public Schools, a component unit organization.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**PRINCIPAL EMPLOYERS**  
**CURRENT AND NINE YEARS AGO**

Employer	Fiscal Year 2022			Fiscal Year 2013		
	Rank	Employees (1)	Percentage of Total County Employees (2,3)	Rank	Employees (1)	Percentage of Total County Employees (2,3)
U.S. Department of Health and Human Services	1	30,000 - 35,000	7.17%	1	25,000 - 30,000	5.77%
Montgomery County Public Schools	2	25,000 - 30,000	6.07%	2	20,000 - 25,000	4.72%
Montgomery County Government	3	10,000-15,000	2.76%	4	10,000 - 15,000	2.62%
U.S. Department of Defense	4	5,000-10,000	1.65%	3	10,000 - 15,000	2.62%
U.S. Department of Commerce	5	5,000-10,000	1.65%	5	5,000 - 10,000	1.57%
Adventist Healthcare	6	5,000-10,000	1.65%	6	5,000 - 10,000	1.57%
Holy Cross Hospital of Silver Spring	7	2,500-5,000	0.83%		*	-
AstraZeneca Pharmaceuticals LP	8	2,500-5,000	0.83%		*	-
Government Employees Insurance Co.	9	2,500-5,000	0.83%		*	-
Montgomery College	10	2,500-5,000	0.83%		*	-
Marriott International Admin Svcs, Inc.		*	-	7	5,000 - 10,000	1.57%
Lockheed Martin Corporation		*	-	8	5,000 - 10,000	1.57%
Verizon		*	-	9	2,500 - 5,000	0.79%
Giant Food Corporation		*	-	10	2,500 - 5,000	0.79%
<b>Total</b>			<b>24.27%</b>			<b>23.59%</b>

NOTES:

\* Employer is not one of the ten largest employers during the year noted.

Source: Department of Labor, Licensing and Regulation

Analysis and Information - Major Employer List - 4th quarter CY2022 and CY2013.

(1) Information such as the actual number of employees is not available for disclosure.

(2) Percentages are based on the midpoint of the employment range and average total Montgomery County employment of FY22 and FY13 according to Bureau of Labor Statistics, U.S. Department of Labor. Employee counts for federal and military facilities excludes contractors to the extent possible.

(3) Total average payroll employment in FY22 was 453,409, and in FY13, 477,000.



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
HOUSING CHOICE VOUCHER STATISTICS – ALL PROPERTIES  
AS OF JUNE 30, 2022**

Income Source	# of Households
Business	318
Child Support	1126
Federal Wage	17
General Assistance	427
Imputed Welfare	2
Military	7
Other Non-Wage Income	677
Other Wage	4653
Pension	492
Social Security	3520
SSI	2659
TANF	344
Unemployment	578

Gender	Male	Female	Total
Count of Head of Household	1,635	6,530	8,165
% of Head of Households	20.02%	79.98%	100%
Count of All Family Members	6,718	11,556	18,274
% of All Family Members	36.76%	63.24%	100%

Disabled	
Count of Head of Household	2707
Count of All Family Members (Incl HOH)	3431

**Housing Choice Voucher  
Statistics  
As of 06/30/2022  
Includes Homeownership & Portables**

Seniors	Under 62	62 +	Totals
Count of HOH	5,467	2,698	8,165
% of HOH	66.96%	33.04%	100%
Count All Members	15,196	3,078	18,274
% All Members	83.16%	16.84%	100%

Income Ranges	Under \$5,000	\$5,000 - \$9,999	\$10,000 - \$14,999	\$15,000 - \$19,999	\$20,000 - \$24,999	\$25,000 - \$29,999	\$30,000 - \$34,999	\$35,000 - \$40,000	Over \$40,000	Totals
# of Families	1156	1310	1791	920	645	445	426	365	1107	8,165
Average Income in Range	\$ 1,222	\$ 8,712	\$ 11,759	\$ 17,252	\$ 22,267	\$ 27,485	\$ 32,398	\$ 37,324	\$ 53,712	\$ 20,706
Cumulative % of Families	14.16%	30.20%	52.14%	63.40%	71.30%	76.75%	81.97%	86.44%	100.00%	

Age Ranges	Under 21	21-29	30-39	40-49	50-61	62-69	70-79	80-99	100+	Totals
Count of Head of Household	3	351	1,471	1,758	1,884	1,175	937	583	3	8,165
Count of All Family Members	7,525	1,810	1,816	1,977	2,068	1,307	1,097	671	3	18,274

Race	American Indian	Asian	Black	Multiple	Pacific Islander	Unknown	White	Totals
Count of Head of Household	49	412	5,574	38	53	0	2,039	8,165
% of Head of Household	0.60%	5.05%	68.27%	0.47%	0.65%	0.00%	24.97%	100%
Count of All Family Members	108	680	13,567	101	111	314	3,393	18,274
% of All Family Members	0.59%	3.72%	74.24%	0.55%	0.61%	1.72%	18.57%	100%

Ethnicity	Hispanic	Non-Hispanic	Not Reported	Totals
HOH	940	7,225	0	8,165
% HOH	11.51%	88.49%	0.00%	100%
Fam Mbrs	2,090	15,708	476	18,274
% FM	11.44%	85.96%	2.60%	100%

Family Size by Bedroom Size	# of HCV Units	Occupied Units	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8+ People
Efficiency	N/A	228	162	28	20	8	6	2	2	0
1 Bedroom	N/A	2,830	2,619	201	9	1	0	0	0	0
2 Bedrooms	N/A	2,739	661	1,303	630	112	29	4	0	0
3 Bedrooms	N/A	1,887	101	237	438	645	348	99	14	5
4 Bedrooms	N/A	396	9	18	39	83	65	113	49	20
5 Bedrooms	N/A	69	1	1	3	8	6	12	10	28
6 Bedrooms or Larger	N/A	16	0	0	1	0	1	3	0	11
<b>Total # of HCV Units</b>	<b>N/A</b>	<b>8,165</b>	<b>3,553</b>	<b>1,788</b>	<b>1,140</b>	<b>857</b>	<b>455</b>	<b>233</b>	<b>75</b>	<b>64</b>

Average Family Size
1.6 Person
1.1 People
2.1 People
3.7 People
5.1 People
6.4 People
7.1 People
2.3 People