

Columbia Community Land Trust and Columbia Missouri Community Housing Development Organization Agreement

This agreement by and between Columbia Community Land Trust and its representatives, designees, officers, directors, employees, agents, successors and their assigns (“Agency”) and Central Missouri Community Action (CMCA), a Community Housing Development Organization (“CHDO”) and is effective as of the date of signing by both parties.

CHDO Responsibilities

In consideration for Agency’s agreement to engage CHDO and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CHDO agrees that the requirements in this agreement apply to ALL work performed by CHDO for Agency regardless of when or where the work is performed and regardless of the specific project on which the work is performed. In addition, CHDO also agrees that the terms of any other agreement(s) between the parties do not extinguish or supersede the requirements of this agreement.

Specifically, CHDO agrees with Agency as follows:

Terms and Conditions of Work

To perform and oversee all work involving the construction of affordable homes at 210 and 212 Hickman Ave, as set forth in the CHDO’s proposal and specs as described in their November 8, 2022 proposal for Fiscal Year 2020 and 2021 HOME CHDO Set Aside funds (Exhibit A). 210 and 212 Hickman Ave are legally described as:

Lots Seven (7) and Eight(8) of the **Woodlawn Addition**, as shown by the plat thereof recorded in Plat Book 3, Page 21, Records of Boone County, Missouri.

Ownership

1. CHDO has inspected the site and is familiar with the condition of the land.
2. CHDO agrees to own the land as legally described during the development process. The Agency and the CHDO agree that upon completion of development of a single family residential home, defined as receiving a Certificate of Occupancy through the City of Columbia, Community Development Department, Division of Building and Site Development, the land as legally described within this document shall be donated to the Agency.
3. The CHDO shall maintain ownership of only the improvements and be solely responsible for selling only the improvements to a qualified buyer. Sale of the home shall be in accordance with U.S. Department of Housing and Urban Development (HUD) eligible activities as defined by HOME regulations at 24 CFR Part 92.206
4. The improvements shall be sold subject to the Agency’s Ground Lease (Exhibit B) and Homebuyer Selection Policy (Exhibit C). The Agency shall have the final responsibility and authority in determining buyer eligibility according to its Homebuyer Selection policy.
5. The sale by CHDO is subject to all requirements, conditions, limitations, and restrictions established by the Trust for sale of property. That CHDO acknowledges that those requirements, conditions, limitations and restrictions may limit the marketability and

limit the pool of prospective buyers. CHDO acknowledges it is familiar with all such requirements, conditions, limitations, and restrictions and accepts and agrees to abide by same.

6. Should the CHDO not sell the home within 9 months from the date of receiving a Certificate of Occupancy from the City of Columbia Division of Building and Site Development, the CHDO shall be required to market the home as a rental property to a HOME eligible household at 60% or below the HUD defined area median income level. Rental occupant income verification shall be completed according to HUD's Part 5 definition of income and with source documentation in accordance with 24 CFR 92.203(a)(1)(i). In the event the home is offered as rental property under this section CHDO shall continue to market the property for sale upon completion of any rental term.

Safety

7. CHDO agrees that the safety of workers engaged in the work under this agreement is solely its responsibility. CHDO specifically agrees to take appropriate precautions to ensure the safety of all persons, including, but not limited to, its own employees and other contractors and CHDOs and their employees, whose safety might otherwise be jeopardized by any risk of harm relating to or arising out of the work.
8. CHDO must comply with all applicable safety federal, state and local laws, rules, regulations, statutes, ordinances and directives ("laws") that are in force or that may come into force during the work as they relate to CHDO's operations, materials and personnel.
9. CHDO will apply to obtain all necessary permits and conform strictly to laws and ordinances in force in the locality where its work must be performed.
10. At all times, CHDO will provide sufficient, safe and proper facilities to allow Agency, or an authorized representative, to inspect CHDO's work and performance. Upon request, CHDO will also produce all the documents necessary to evaluate the quality of the materials used in its work.
11. CHDO must submit copies of all accidents or injury reports to Agency, or an authorized representative as soon as practicable or prescribed by law.

Indemnity

12. The work performed by CHDO shall be at its exclusive risk. To the fullest extent permitted by law, CHDO will defend, indemnify and hold harmless all indemnified parties from any and all claims for bodily injury and property damage (other than damage to the work itself), which arise or are in any way connected with the work performed, materials furnished or services provided by CHDO, CHDO's subcontractors or anyone employed directly or indirectly by any of them under this agreement.

Indemnified parties include the, Agency representatives, designees, officers, directors, employees, agents, successors and their assigns.

Claims include any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgments, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and consultants' fees).

13. CHDO is not obligated to indemnify and defend Agency for claims due to the sole negligence or willful misconduct of indemnified parties. Any obligations assumed pursuant to this agreement will not be construed to negate, abridge or reduce other statutory or common law rights or obligations of indemnity, which otherwise exist as to a party or person described in this agreement.

14. CHDO's indemnification and defense obligations under this contract extend to claims made after this agreement is terminated as well as while it is in force and continue until such claims are finally adjudicated or until such time that any and all actions against the indemnified parties for such matters which are indemnified hereunder are fully and finally barred by applicable laws.
15. CHDO shall, within sixty (60) days of filing, cause the discharge of record of any mechanics' lien filed against the Premises by payment, deposit, bond or court order. CHDO shall indemnify and hold Agency harmless from any liability arising from the imposition of any mechanics' lien or other lien on the Premises.

Insurance

16. Prior to the beginning of the work, CHDO must provide to Agency certificates of insurance showing that CHDO has coverage for itself and its employees, agents and CHDOs as set forth in the insurance requirements section. The certificate of insurance shall provide that the insurer will give the Agency 30 days' prior written notice or cancellation and termination of the CHDOs coverage thereunder. If any of these policies is terminated, CHDO must provide to Agency certificates of insurance showing replacement coverage with an effective date no later than the day coverage under the policy being replaced is cancelled or terminate.
17. All coverage must be placed with insurance companies duly admitted in the state of Missouri and must be approved by the Agency.
18. All CHDO insurance carriers must maintain an A.M. Best rating of "A-" or better.

CHDO's general liability policy must name Agency representatives, designees, officers, directors, employees, agents, successors and their assigns as an additional insured (This should be on a standard ISO form or equivalent General Liability form with no modifications limiting coverage.) Coverage must include coverage for completed operations. Additional insured coverage must apply as primary and non-contributory with respect to any other insurance afforded to the Agency and Contractor.
19. Each insurer must give to Agency written notice of cancellation and termination of Contractor's coverage at least 30 days before the effective date of such cancellation or termination. This shall be verified in writing on the certificate of insurance.
20. At least two weeks prior to the expiration, cancellation or termination of any insurance policy required by this agreement, CHDO must provide Agency with a new and replacement certificates of insurance and additional insured endorsements.
21. CHDO must provide Agency with a waiver of subrogation from each of CHDO's insurers on commercial general liability in favor of Agency with respect to losses arising out of or in connection with the work.
22. The insurance coverage required must be of sufficient type, scope and duration to ensure Agency is covered for the liability related to any manifestation date within the applicable statutes of limitation and/or response to any work performed by or on behalf of Agency in relation to the project. CHDO agrees to maintain the above insurance for the benefit of Contractor for a period of three (3) years or the expiration of any statute of limitation as may be applicable, whichever is later.
23. CHDO must secure a workers' compensation insurance policy. The workers' compensation policy must cover all of CHDO's work and performance and provide coverage for all employees, executive officers, sole proprietors, partners and members of a limited liability company, in the amounts required by all applicable laws and must include employers liability coverage to cover the damages that become due in case of bodily injury, occupational sickness or disease or death of CHDOs employees. This policy must be written with limits of (\$500,000) for each accident, (\$500,000) for each disease and (\$500,000) per disease, per each employee.

24. CHDO shall require its design professional(s) to maintain professional liability insurance coverage with a company acceptable to the Agency with limits no less than \$1,000,000 per claim and \$1,000,000 general aggregate. Such insurance shall have a maximum deductible of \$25,000 per claim.
25. CHDO must secure a commercial general liability insurance policy to cover the damages that become due in case of bodily injury, property damage and personal or advertising injury arising out of or related to:
 - All CHDO's operations and premises;
 - All CHDO's products and completed operations;
 - All liability or responsibility assumed by the CHDO in the Indemnity section of this agreement;
 - All liability assumed in a business contract;
 - Agency as an additional insured; and
 - Defense expenses paid in addition to the policy limits.

In addition, CHDO must provide Contractor proof of insurance with a Certificate of Insurance and Additional Insured Endorsement on ISO form CG 2010 and CG 2037 (or substitute forms providing equivalent coverage). CHDO is responsible for maintaining this insurance policy.

The coverage available to Agency, as additional insured, in the types of insurance policies mentioned above must be at least:

- \$1,000,000 for each occurrence;
 - \$2,000,000 for general aggregate
 - \$2,000,000 for products/completed operations aggregate; and
 - \$1,000,000 for personal and advertising injury limits.
26. CHDO must secure an umbrella liability insurance policy with limits of at least \$1,000,000 to cover the damages that become due in case of bodily injury, property damage and personal and advertising injury with, at least, the same terms and conditions as the policies mentioned above. Certificate of insurance must indicate the umbrella policy is follow form for additional insured and waiver of subrogation.
 27. CHDO must secure an automobile liability insurance policy to cover the damages that become due in case of bodily injury, death of a person or property damage arising out of Agencyship, maintenance or use of any motor vehicle or trailer owned, hired, leased, used on behalf of or borrowed by CHDO. The policy must also include coverage for any equipment subject to motor vehicle laws. Business auto liability insurance must be written in the amount of not less than \$1,000,000 for each accident. CHDO's automobile liability policy must name Agency as an additional insured.

Agency Responsibilities

Agency, in consideration of the provisions contained in this agreement, agrees with CHDO as follows:

28. Agency will provide homebuyer orientation and education to prospective homebuyers regarding its ground lease.
29. Agency will determine buyer eligibility according to its Homebuyer Selection Policy.

Additional provisions:

30. The time requirements of this contract may be extended by agreement of the parties in the event that CHDO is delayed by acts of the Agency's required alterations or damage occurring from fire or other casualty.
31. No verbal order, objection, claim or notice of either party to the other will be of effect or binding and no evidence of such order, objection, claim or notice will be admissible in any lawsuit. Both parties, Agency and CHDO, agree to execute and deliver in writing all communications that affect and bind the other. Any verbal communication between the parties will be considered as immaterial and nonbinding.
32. No provision of this contract can be waived or interpreted by reason or any other act. A waiver from this contract or any of its provisions is valid only if it is an express waiver, definitely agreed to and entered into by the parties in writing.
33. Upon signing by all parties, this document shall be recorded by the Boone County, Missouri Recorder of Deeds.
34. Agency will receive \$1,000 from the sales proceeds at closing. All remaining proceeds shall be retained by the CHDO.
35. CHDO shall be responsible for covering all closing and Realtor costs associated with selling the home to a qualified buyer.
36. The term of this agreement shall expire upon closing to a program eligible homeowner.

Project Information

Project # and /or Address:

Signatures

This agreement is entered into by the parties listed below, effective as of the date specified above.

Columbia Community Land Trust
 11 N 7th Street
 Columbia, MO 65201

Central Missouri Community Action
 807-B N. Providence Road
 Columbia, MO 65203

Print Name: _____

Print Name: _____

Signature: _____

Signature: _____

Date: _____

Date: _____

Letter of Commitment

City of Columbia Housing Programs Staff:

This letter is to inform you of our organization's commitment to utilize these CHDO funds being applied for. These funds will be utilized to prep the two lots being donated and construct a single-family home on each lot. These homes will be built to serve low-income families and applicants. We serve low-income families in 8 counties in Central Missouri and understand the need for housing for low to moderate income individuals in our community. We believe these home builds will assist in achieving the City's goals of increasing the number of affordable housing units in Columbia.

Sincerely,

A handwritten signature in blue ink that reads "Darin Preis". The signature is fluid and cursive, with the first letters of "Darin" and "Preis" being capitalized and prominent.

Darin Preis
Executive Director

November 9, 2022

Housing and Community Development Commission
701 E. Broadway
Columbia, MO 65201

Re: HOME CHDO set aside funds

To Whom it May Concern,

The Central Missouri Community Action Board of Directors approved the attached proposal for HOME CHDO Set Aside funds on November 8, 2022. We appreciate the opportunity to help address the housing crises in Columbia. Our plans are to build homes that people can afford and sell them with gifts of equity to low to moderate income home buyers per HUD regulations.

Central Missouri Community Action has a long history of building quality housing and making them available to purchase for low income buyers. This kind of housing stability and equity building is transformative for families and for the entire community.

Sincerely,

Susan Hart

11/09/2022

Susan Hart
Board President



A. Organization

Completed by sheilaw@cmca.us on 12/13/2022 12:58 PM

Case Id: 12313

Name: Central Missouri Community Action - 2021

Address: 807 N. Providence Rd

A. Organization

Please provide the following information.

A. ORGANIZATION

A.1. Organization Name

Central Missouri Community Action

A.2. Doing Business As

Central Missouri Community Action

A.3. Address

807 N. Providence Rd Columbia, MO 65203

A.4. Federal EIN

43-0835026

A.5. DUNS Number

188596456

CONTACT INFORMATION

A.6. Contact Name

Benjamin Burgett

A.7. Contact Title

Housing Development Director

A.8. Phone

(573) 777-5263

A.9. Email

benb@cmca.us

B. Certification

Completed by sheilaw@cmca.us on 12/13/2022 12:58 PM

Case Id: 12313

Name: Central Missouri Community Action - 2021

Address: 807 N. Providence Rd

B. Certification

Please certify the following information.

B.1. Confirm that the following items are included within the Organization's Articles of Incorporation:

No part of the Organization's net earnings inure to the benefit of any member, founder, contributor, or individual.

The nonprofit organization has, among its purposes, the provision of decent housing that is affordable to low- and moderate-income people.

B.2. Confirm that the following items are included within the Organization's By-Laws:

The nonprofit organization provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development and management of affordable housing projects.

The non profit organization is not controlled, nor receives directions from individuals, or entities seeking profit from the organization.

The Organization's financial accountability standards conform to 2 CFR 200.

No more than 1/3 of the Organization's board is represented by public officials and no less than 1/3 of the Organization's board is represented from low-moderate income individuals or low-moderate income neighborhood organization representatives

C. Organization Capacity

Completed by benb@cmca.us on 12/14/2022 1:16 PM

Case Id: 12313

Name: Central Missouri Community Action - 2021

Address: 807 N. Providence Rd

C. Organization Capacity

Please provide the following information.

C.1. Please describe staff capacity with regards to professional housing development experience.

Darin Preis has been the Executive Director of CMCA since 2005. Since then CMCA has designed and built eleven single family homes in Fulton and Columbia. Mr. Preis has provided consistent oversight of community conversations, design, funding, accountability and reporting for all projects regardless of the direct manager. Benjamin Burgett has been hired as the Housing Development Director and will be heavily involved the oversight and coordination. Ben has a background in residential construction, and residential energy efficiency, and has worked in the industry since 2019.

C.2. Please describe demonstrated organizational success at housing development.

CMCA has partnered with various for profit developers and nonprofit partners (such as Habitat for Humanity and Job Point Youth Build programs) to complete a number of multi- and single-family housing units throughout its eight county service area. For profit developers and partners have included JES, MACO, HRM, ACTion Management, Cohen-Esrey Communities, and most recently R. Anthony Development Group. Other housing development related activities include Weatherization (including implementation of a federal geo-thermal and solar pilot project), HeRO, and multi-family housing management.

C.3. Provide an overview of the organization's history and experience in developing affordable housing and homeownership opportunities. Identify your experience in working with City programs, including the CDBG or HOME programs

CMCA has received \$977,979 from the City of Columbia between 1994 and 2019 in HOME & CDBG funds. Those funds have been used to develop affordable apartment units and to construct eleven single family homes. Most recent projects include 804 King Ave and 1105 8th Street. CMCA was a partner in the Cullimore Cottages project and donated the property to the Columbia Community Land Trust per our agreement upon final sale. CMCA works with the City and local banks to identify and train eligible home buyers.

C.4. Provide names and describe the role, experience, and capacity of all personnel (including engineers, architects, contractors, construction managers, etc.) involved in the project.

This project will be put out for bid, but in the past, R. Anthony Development Group, LLC has been the General Contractor on the most previous development and was responsible for project design, accounting, and insurance. The Nehemiah Group, a certified MBE in the City of Columbia owned by Kelly and Giselle Ballenger, could possibly act as the Project Manager and provide much of the project labor. This group has managed the development of two of CMCA's recent projects at 103 Lynn Street and 804 King Avenue.

C.5. Briefly describe the staff positions and qualifications of those individuals who will carry out the construction project. Describe any existing commitments that would impact your ability to implement the project immediately

Darin Preis (MPA), Executive Director, and Benjamin Burgett (B.S. Environmental Science), Housing Development Director, will oversee the construction project. Greg Shinn, CFO, will manage the billing and accounting. Benjamin Burgett will coordinate all phases of development including project concept, planning, administration, and construction oversight. No existing commitments will impact CMCA's ability to implement the project immediately.

Printed By: Darcie Clark on 1/4/2023

C.6. Have any persons employed by your agency been debarred by HUD or are otherwise restricted from entering into contracts with any federal agency?

No

If yes, please explain:

C.7. List of all board members including denotation of public officials and low-moderate income members or representative of low to moderate income neighborhoods/census tracts.

Board Member Name	Type of Board Member	Term Start Date	Term End Date
Cotton Walker	Public Official	10/01/2020	09/30/2023
Karen Digh-Allen	Public Official	10/01/2020	09/30/2023
Michael Bickell	Public Official	10/01/2021	09/30/2024
Paula Sims	Public Official	10/01/2001	09/30/2024
Heather Berkemeyer	Low Income Representative	10/01/2018	09/30/2024
Ruby Young	Low Income Representative	10/01/2020	09/30/2023
Michael Pryor	Low Income Representative	10/01/2021	09/30/2024
Stephanie Schmidt	Other	10/01/2020	09/30/2023
John Flanders	Other	10/01/2021	09/30/2024
Tiffany Burns	Other	10/01/2021	09/30/2024
Elizabeth Anderson	Other	09/22/2022	09/22/2025
Jeremy Dawson	Public Official	10/27/2022	10/27/2025
Inman Phillip	Low Income Representative	10/27/2022	10/27/2025
Janet Thompson	Public Official	10/01/2017	09/30/2023

D. Project Information

Completed by benb@cmca.us on 12/14/2022 1:25 PM

Case Id: 12313

Name: Central Missouri Community Action - 2021

Address: 807 N. Providence Rd

D. Project Information

Please provide the following information.

D.1. Provide a projection of the time frame for completion. Identify key tasks and completion dates that identify how your project is ready to proceed.

CMCA will finalize the contract with the builder upon final City Council approval of funds. Site preparation, infrastructure, and construction schedules will be established in partnership with the Housing Development Director and the developer to maximize efficiency and cost savings. CMCA's awarded contractor will understand the required deadlines and commit to meeting them. CMCA anticipates that the houses will have occupancy permits by the end of 2023 and sold within a year per grant requirements.

D.2. Provide a project development budget, using the CHDO Sources and Uses spreadsheet below. The budget should include cost estimates for project components and the proposed developer fee (if any).

[CHDO Sources and Uses](#)



CHDO Sources and Uses

CHDO Sources and Uses - final - PER LOT.xlsx

D.3. Proposals shall include a preliminary set of plans and specifications of sufficient detail and completeness to allow determination as to which proposal best meets the City's needs. Once a successful respondent has been identified, final plans will be required and included in the final contract documents. Please upload the Preliminary Plans in the Required Documents section.

E. Required Documents

Completed by benb@cmca.us on 12/14/2022 2:11 PM

Case Id: 12313

Name: Central Missouri Community Action - 2021

Address: 807 N. Providence Rd

E. Required Documents

Documentation



Non-profit 501c3 status *Required

IRS Determination Letter_501 (C) 3.pdf



Articles of Incorporation *Required

17854_Articles of Incorporation.pdf



CHDO By-Laws *Required

CMCA Revised Bylaws 09.24.2020.pdf



Good Standing Certificate with Missouri Secretary of State *Required

2022 - 2023 Certificate of Good Standing.pdf



Most Recent Third Party Financial Statements *Required

3rd Party Financial Documents_09-30-2021.pdf



Letters of Commitment *Required

Letter of Commitment_CHDO Funds_City of Columbia_Signed.pdf



Transmittal letter and board authorization for submission of proposal *Required

Board Approval_Hickman Lots_2022 HOME CHDO.pdf

 **CHDO Sources and Uses *Required**

CHDO Sources and Uses - final - PER LOT.xlsx

 **Preliminary Plans *Required**

804 King - Exterior Floor Plan.pdf

804 King - Main Floor Plan.pdf

Submit

Completed by benb@cmca.us on 12/20/2022 9:59 AM

Case Id: 12313

Name: Central Missouri Community Action - 2021

Address: 807 N. Providence Rd

Submit

LEAD AGENCY

I certify that I have been authorized by the applicant's governing body to submit this application and that the information contained herein is true and correct to the best of my knowledge.

Authorized Name and Title

Benjamin Burgett, Housing Development Director

Telephone

(573) 777-5263

Authorized Signature

Benjamin Burgett

Electronically signed by benb@cmca.us on 12/20/2022 9:58 AM

Signature Date

12/20/2022



U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR

MAY 31 1967

St. Louis, Missouri 63101
May 29, 1967

IN REPLY REFER TO
Form L-178
A:R
StL:EO:67-93

Central Missouri Counties' Human
Development Corporation
P.O. Box 914
Columbia, Missouri 65201

PURPOSE Educational & Charitable	
ADDRESS INQUIRIES & FILE RETURNS WITH DISTRICT DIRECTOR OF INTERNAL REVENUE	
St. Louis	
FORM 990-A RE- QUIRED	ACCOUNTING PERIOD ENDING
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	July 31

Gentlemen:

On the basis of your stated purposes and the understanding that your operations will continue as evidenced to date or will conform to those proposed in your ruling application, we have concluded that you are exempt from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code. Any changes in operation from those described, or in your character or purposes, must be reported immediately to your District Director for consideration of their effect upon your exempt status. You must also report any change in your name or address.

You are not required to file Federal income tax returns so long as you retain an exempt status, unless you are subject to the tax on unrelated business income imposed by section 511 of the Code, in which event you are required to file Form 990-T. Our determination as to your liability for filing the annual information return, Form 990-A, is set forth above. That return, if required, must be filed on or before the 15th day of the fifth month after the close of your annual accounting period indicated above.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of section 2055, 2106 and 2522 of the Code.

You are not liable for the taxes imposed under the Federal Insurance Contributions Act (social security taxes) unless you file a waiver of exemption certificate as provided in such act. You are not liable for the tax imposed under the Federal Unemployment Tax Act. Inquiries about the waiver of exemption certificate for social security taxes should be addressed to this office, as should any questions concerning excise, employment or other Federal taxes.

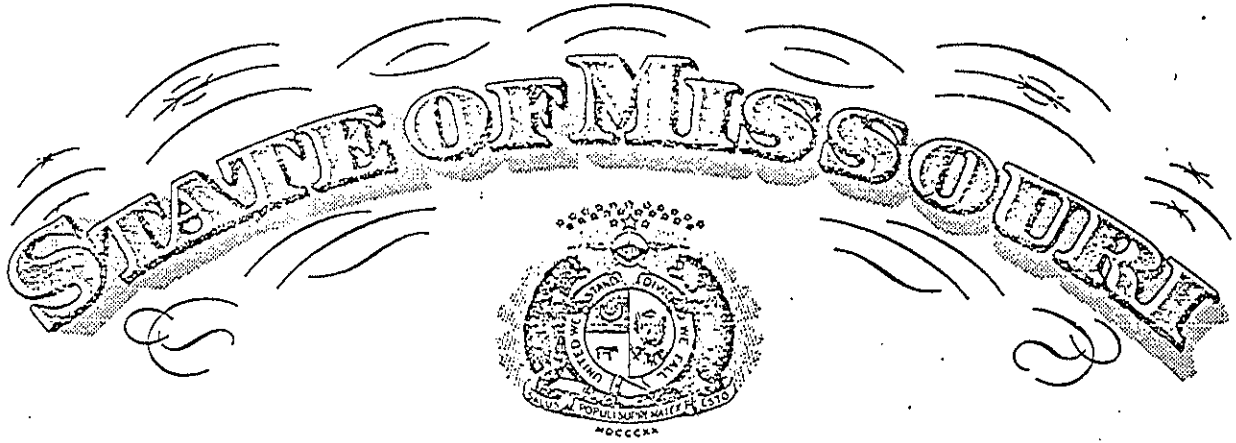
This is a determination letter.

Very truly yours,

E. P. Haines
aas

District Director

#43-0835026



Certificate of Incorporation

WHEREAS, An Association organized under the name of

CENTRAL MISSOURI COUNTIES' HUMAN DEVELOPMENT CORPORATION

has filed in the office of the Secretary of State, Articles of Incorporation in writing as provided by law and has, in all respects, complied with the requirements of The General Not For Profit Corporation Act of Missouri:

NOW, THEREFORE, I, JAMES C. KIRKPATRICK, Secretary of State of the State of Missouri, in virtue and by authority of law, do hereby certify that said association has, on the date hereof, become a body corporate duly organized under the name of

CENTRAL MISSOURI COUNTIES' HUMAN DEVELOPMENT CORPORATION

and the address of its Initial Registered Office in Missouri is: 617 Walnut Street,

Columbia,

and is entitled to all the rights and privileges granted to corporations organized under The General Not For Profit Corporation Act of Missouri for a term of perpetual years.

IN TESTIMONY WHEREOF, I hereunto set my hand and affix the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this

6th day of December A. D., Nineteen
Hundred and Sixty-Five

James Kirkpatrick
Secretary of State.
T. R. Clow
Deputy Secretary of State.

RECEIVED OF: CENTRAL MISSOURI COUNTIES' HUMAN DEVELOPMENT CORPORATION
Ten and no/100-----Dollars, \$ 10.00-----

For Credit of General Revenue Fund, on Account of Incorporation Fee.

Dean Mitchell
Deputy Collector of Revenue

(Continued)

Name	Address	City	State
Gerald Lansford		Linn,	Missouri
Wilfred Stigemann		Westphalia,	Missouri
Thurman Willette		Linn,	Missouri
Floyd Weisser		Jamestown,	Missouri
Galveston Shipley		Tipton,	Missouri
Dale J. DeLong		California	Missouri
Mrs. Cecil Griswell	300 Hickman Ave.	Columbia,	Missouri
Rabbi A. Pimontel	1107 University Ave.	Columbia,	Missouri
Alt. Herbert Gessert	307 Hitt	Columbia,	Missouri
Major Wayne Lockhart	414 Jefferson	Jefferson City,	Missouri
William Quigg	1330 Winston Dr.	Jefferson City,	Missouri
Alonza Brown	751 Locust	Jefferson City,	Missouri

5. The purpose or purposes for which the corporation is organized are:

Aiding, promoting and assisting by all possible means and through all possible avenues the economic, social, cultural and educational development and progress of the counties of central Missouri, taking advantage of any and all United States Government or State of Missouri assistance programs which are now or may in the future become available. The Corporation shall have the right to accept gifts of money, property or services, to borrow money, to buy, sell or lease real estate or other property, to enter into contracts and to do all other acts authorized by law.

6. Each director and officer of the Corporation shall be indemnified by the Corporation against all reasonable costs and expenses including counsel fees, actually and necessarily incurred by or imposed upon him or his estate in connection with the defense of any action, suit or proceeding to which he shall be made a party by reason, of his being or having been a director or officer of the Corporation (whether or not he continues to be a director or officer at the time of incurring such costs or expenses), except in relation to any matter as to which he shall be adjudged in any such action, suit or proceeding, without such judgment being reversed, to have been liable for negligence or misconduct in the performance of his duties as such director or officer. In the event of the settlement of any such action, suit or proceeding, prior to the final judgment, the Corporation shall also make reimbursement for payment of the costs, expenses and amounts paid or to be paid in settling any such action, suit or proceeding when such settlement appears to be in the interests of the corporation in the opinion of the majority of the directors who are not involved, or if all are involved, in the opinion of independent legal counsel selected by the board of directors. No director or officer of the Corporation shall be liable to any other director or officer or other person for any action taken or refused to be taken by him as director or officer with respect to any matter within the scope of his official duty except such action or neglect or failure to act as shall constitute negligence or misconduct in the performance of his duties as director or officer.

FILED AND CERTIFICATE OF
INCORPORATION ISSUED

DEC 3 1965

James C. [Signature]

ARTICLES OF INCORPORATION
 UNDER THE
 GENERAL NOT FOR PROFIT CORPORATION ACT

To The Secretary of State, Jefferson City, Missouri:

We, the undersigned,

Name	Address	City	State
<i>Reb. Pimontel</i>	<i>1107 University</i>	<i>Columbia</i>	<i>Mo.</i>
<i>Chas. A. Repp</i>	<i>514 Poplar st</i>	<i>Boonville</i>	<i>MO.</i>
<i>Wayne Lockhart</i>	<i>414 Jefferson st</i>	<i>Jefferson City</i>	<i>MO</i>
<i>R. L. L. Ansell</i>	<i>308 Saline</i>	<i>Glasgow</i>	<i>Mo.</i>
<i>Paul Farley</i>	<i>21 Bartley Lane</i>	<i>Fulton</i>	<i>MO.</i>

being natural persons of the age of twenty-one years or more and citizens of the United States, for the purpose of forming a corporation under the "General Not For Profit Corporation Act" of the State of Missouri, do hereby adopt the following Articles of Incorporation:

- The name of the corporation is: Central Missouri Counties' Human Development Corporation
- The period of duration of the corporation is: Perpetual
- The address of its initial Registered Office in the State of Missouri is: 617 Walnut Street, Columbia, Missouri, County of Boone and the name of its initial Registered Agent at said Address is: Rabbi Pimontel
- The first Board of Directors shall be twenty-four in number, their names and addresses being as follows:

Name	Address	City	State
Rev. C. G. Shaw		Pilot Grove,	Missouri
Chas. A. Repp	514 Poplar	Boonville,	Missouri
Floyd Coleman	106 Bell	Boonville,	Missouri
Jack McBride	Rte. #1	Fulton,	Missouri
Edith McClellan		New Bloomfield,	Missouri
Paul Farley	21 Bartley Lane	Fulton,	Missouri
Robert R. Walker	Box 450	Fayette,	Missouri
Sam Richardson	201 Green St.	Armstrong,	Missouri
Ron Ansell	308 Saline	Glasgow	Missouri
Rev. W. C. Williams	602 Allen	Moberly,	Missouri
Mrs. Hazel Burton	408 S. 4th	Moberly,	Missouri
D. A. Pierce	Court House	Moberly,	Missouri

(Continued)

(Continued)

(INCORPORATORS MUST SIGN BELOW)

Abel Pimontel
Chas. A. Repp
Wayne Lockhart
Ronald L. Ancell
Paul Farley

Incorporators

VERIFICATION

STATE OF Missouri }
 County Of Boone } ss.

I, Minerva S. Botkin, a Notary Public,
 do hereby certify that on the twenty-fourth day of September,
 1965, Rabbi A. Pimontel, Charles A. Repp, Wayne Lockhart,
Ronald L. Ancell, Paul Farley

personally appeared before me and being first duly sworn by me severally
 acknowledged that they signed as their free act and deed the foregoing
 document in the respective capacities therein set forth and declared
 that the statements therein contained are true, to their best knowledge
 and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day
 and year above written.

Minerva S. Botkin
 Notary Public

My commission expires: Sept. 26, 1968

FILED AND CERTIFICATE OF
 INCORPORATION ISSUED

DEC 6 1965

James C. [Signature]
 Secretary of State

NR-6257

FILED AND CERTIFICATE OF
INCORPORATION ISSUED

DEC 6 1965

James C. Patrick

Corporation Dept. SECRETARY OF STATE

STATE OF MISSOURI



John R. Ashcroft
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING

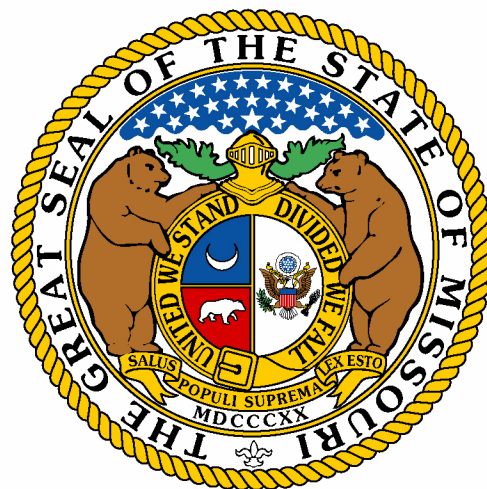
I, JOHN R. ASHCROFT, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

Central Missouri Community Action
N00006257

was created under the laws of this State on the 6th day of December, 1965, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 2nd day of June, 2022.


Secretary of State



Certification Number: CERT-06022022-0106

**CENTRAL MISSOURI
COMMUNITY ACTION**
Columbia, Missouri

Independent Auditors' Report and
Consolidated Financial Statements with
Supplementary Information

For the Year Ended September 30, 2021

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
Independent Auditors' Report	1-2
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities	4
Consolidated Statement of Functional Expenses	5
Consolidated Statement of Cash Flows	6
Notes to the Consolidated Financial Statements	7-18
Supplementary Information:	
Schedules Required by Funders	
Low Income Housing Energy Assistance	
Program – Grant No. ERS11020001	19
Community Services Block Grant – Grant No PG282000001	20
Weatherization Program – Grant No. G-20-EE0007930-04-07	21
Weatherization Program – Grant No. G-21-EE0007930-05-07	22
Weatherization Program–LIHEAP-Grant No. G21-LIHEAP-21-07	23
Weatherization Program–LIHEAP-Grant No. G21-LIHEAP-CARES-07	24
HUD Financial Data Schedule	25-29
Federal Compliance Section:	
Schedule of Expenditures of Federal Awards	30-32
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	33-34
Independent Auditors’ Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	35-36
Schedule of Findings and Questioned Costs	37
Summary Schedule of Prior Audit Findings	38

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Central Missouri Community Action
Columbia, Missouri

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Central Missouri Community Action (a nonprofit organization), which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Emphasis of Matter

As discussed in Note 18 to the financial statements, the September 30, 2020 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Central Missouri Community Action as of September 30, 2021, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The HUD Financial Data Schedule (presented on Pages 25-29) is prepared for additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary schedules (presented on pages 19-24) are presented for purposes of additional analysis as required by grantors and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and, accordingly, we express no opinion on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2022, on our consideration of Central Missouri Community Action'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 Central Missouri Community Action'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 Central Missouri Community Action's internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

March 27, 2022
Chanute, Kansas

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri
Consolidated Statement of Financial Position
September 30, 2021

ASSETS

Current Assets	
Cash in Bank - Cash and Cash Equivalents	\$ 2,974,860.64
Certificates of Deposit	103,079.28
Receivables, Net	1,124,953.64
Prepaid Expenses	46,543.15
Inventory	230,190.73
Current Portion of Notes Receivable	43,591.78
Total Current Assets	4,523,219.22
Note Receivable	343,590.29
Less: Current Portion	(43,591.78)
Long-Term Notes Receivable	299,998.51
Capital Assets, Net	2,270,954.51
TOTAL ASSETS	\$ 7,094,172.24

LIABILITIES AND NET ASSETS

Liabilities	
Current Liabilities	
Accounts Payable	\$ 314,550.28
Accrued Payroll	520,674.62
Accrued Annual Leave	387,004.78
Accrued Payroll Withholdings	234,889.05
Refundable Grant Advances	1,310,777.46
Accrued Interest	203.64
Current Portion of Notes Payable	12,539.90
Total Current Liabilities	2,780,639.73
Long-Term Liabilities	
Notes Payable	113,789.88
Less: Current Portion	(12,539.90)
Total Long-Term Liabilities	101,249.98
TOTAL LIABILITIES	2,881,889.71
Net Assets	
Without Donor Restrictions	3,495,710.67
With Donor Restrictions	716,571.86
TOTAL NET ASSETS	4,212,282.53
TOTAL LIABILITIES AND NET ASSETS	\$ 7,094,172.24

The accompanying notes are an integral part of the financial statements.

CENTRAL MISSOURI COMMUNITY ACTION

Columbia, Missouri

Consolidated Statement of Activities

For the Year Ended September 30, 2021

CHANGES IN NET ASSETS

Net Assets without Donor Restrictions	
Revenues and Gains	
Contributions	\$ 17,577,411.14
Interest Income	2,129.85
Other Income	666,348.76
Gain (Loss) on Sale of Assets	-
Total Revenues and Gains	<u>18,245,889.75</u>
Expenses	
Program Services	
Early Childhood Development	8,988,449.30
Elderly Services	411,952.35
Weatherization Services	1,070,818.60
Energy Assistance	2,520,345.61
Housing Services	1,709,277.86
Community Services	2,787,722.57
Supporting Activities	
Management and General	1,336,383.46
Fundraising	31,808.91
Total Expenses	<u>18,856,758.66</u>
Net Assets Released From Restrictions through Satisfaction of Program Restrictions	<u>1,799,379.50</u>
 Increase (Decrease) in Net Assets without Donor Restrictions	<u>1,188,510.59</u>
 Net Assets with Donor Restrictions	
Contributions	1,732,751.83
Interest	22.85
Other Income	4,825.72
Net Assets Released From Restrictions Through Satisfaction of Program Restrictions	<u>(1,799,379.50)</u>
Increase (Decrease) in Net Assets with Donor Restrictions	<u>(61,779.10)</u>
 Increase (Decrease) in Net Assets	<u>1,126,731.49</u>
 Net Assets - Beginning of the Year, As Previously Reported	2,966,975.95
Prior Period Adjustment (Note 18)	<u>118,575.09</u>
Net Assets - Beginning of the Year, Restated	<u>3,085,551.04</u>
 Net Assets - End of the Year	<u>\$ 4,212,282.53</u>

The accompanying notes are an integral part of the financial statements.

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri
Consolidated Statement of Functional Expenses
For the Year Ended September 30, 2021

	Program Services				
	Early Childhood Development	Elderly Services	Weatherization Services	Energy Assistance	Housing Services
Salaries	\$ 4,869,932.47	\$ 98,941.52	\$ 387,350.57	\$ 202,713.23	\$ 159,391.45
Fringe	1,510,392.83	27,695.46	110,478.94	57,009.93	45,000.85
Consultant	101,048.32	430.00	-	-	15,088.00
Travel	127,889.16	11,518.60	13,942.07	11.28	1,966.89
Space Cost	1,044,113.99	6,971.61	26,759.55	22,755.99	49,315.80
Supplies	783,259.55	28,593.47	230,532.87	8,871.11	7,833.70
Equipment	31,137.29	-	9,678.53	843.20	4,760.00
Contractual	-	-	-	-	1,942.72
Participants	81,808.56	231,312.50	270,163.51	2,223,998.00	1,383,273.35
Depreciation	148,812.00	-	7,645.90	-	21,904.43
Other	290,055.13	6,489.19	14,266.66	4,142.87	18,800.67
Total Expenses	<u>\$ 8,988,449.30</u>	<u>\$ 411,952.35</u>	<u>\$ 1,070,818.60</u>	<u>\$ 2,520,345.61</u>	<u>\$ 1,709,277.86</u>
	Program Services		Supporting Activities		
	Community Services	Total Program Services	Management and General	Fundraising	Total Organization Services
Salaries	\$ 1,515,043.98	\$ 7,233,373.22	\$ 781,657.74	\$ 18,605.20	\$ 8,033,636.16
Fringe	349,854.62	2,100,432.63	171,948.40	4,092.76	2,276,473.79
Consultant	10,753.38	127,319.70	-	-	127,319.70
Travel	15,042.27	170,370.27	3,473.21	82.67	173,926.15
Space Cost	209,548.16	1,359,465.10	122,346.77	2,912.13	1,484,724.00
Supplies	49,173.30	1,108,264.00	35,956.23	855.84	1,145,076.07
Equipment	911.56	47,330.58	8,220.51	195.67	55,746.76
Contractual	7,288.19	9,230.91	116,270.26	2,767.49	128,268.66
Participants	554,229.28	4,744,785.20	8,316.82	197.96	4,753,299.98
Depreciation	-	178,362.33	6,000.25	142.82	184,505.40
Other	75,877.83	409,632.35	82,193.26	1,956.38	493,781.99
Total Expenses	<u>\$ 2,787,722.57</u>	<u>\$ 17,488,566.29</u>	<u>\$ 1,336,383.46</u>	<u>\$ 31,808.91</u>	<u>\$ 18,856,758.66</u>

The accompanying notes are an integral
part of the financial statements.

CENTRAL MISSOURI COMMUNITY ACTION

Columbia, Missouri

Consolidated Statement of Cash Flows
For the Year Ended September 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 1,126,731.49
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities	
Depreciation Expense	184,505.40
(Increase) Decrease in Receivables	475,311.75
(Increase) Decrease in Prepaid Expense	(6,048.82)
(Increase) Decrease in Inventory	(86,666.49)
Increase (Decrease) in Accounts Payable	61,193.08
Increase (Decrease) in Accrued Payroll	(46,631.95)
Increase (Decrease) in Accrued Annual Leave	111,570.77
Increase (Decrease) in Accrued Payroll Withholdings	152,747.49
Increase (Decrease) in Refundable Grant Advances	(306,494.85)
Increase (Decrease) in Accrued Interest	(12.12)
	<hr/>
Net Cash Provided by (Used in) Operating Activities	1,666,205.75
CASH FLOWS FROM INVESTING ACTIVITIES	
Payments for Purchase of Capital Assets	(958,314.06)
Reinvestment of Interest from Investments	(232.00)
Proceeds from the Collection of Notes Receivable	21,406.20
Cash Received from Sale of Assets	-
	<hr/>
Net Cash Provided by (Used in) Investing Activities	(937,139.86)
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal Payments on Notes Payable	(19,376.51)
	<hr/>
Net Cash Provided by (Used in) Financing Activities	(19,376.51)
	<hr/>
Net Increase (Decrease) in Cash and Cash Equivalents	709,689.38
Cash and Cash Equivalents, Beginning of the Year	2,265,171.26
	<hr/>
Cash and Cash Equivalents, End of the Year	\$ 2,974,860.64
	<hr/> <hr/>
Supplementary Information:	
Cash Paid for Interest	\$ 3,188.12
	<hr/> <hr/>

The accompanying notes are an integral
part of the financial statements.

CENTRAL MISSOURI COMMUNITY ACTION

Columbia, Missouri

Notes to the Consolidated Financial Statements
September 30, 2021

1. NATURE OF ACTIVITIES

Central Missouri Community Action (the "Organization") is a nonprofit organization established in 1965 which serves the economically and socially disadvantaged persons in Audrain, Boone, Callaway, Cole, Cooper, Howard, Moniteau, Osage counties. The consolidated financial statements include the accounts of Central Missouri Community Action, two affiliated organizations, and a 'disregarded' LLC entity. The affiliated Organizations are Boone County Housing Agency (PHA) and CMCHDC Properties Ltd., each can sue and be sued, and can buy, sell, or lease real property. The 'disregarded' entity is Ccommunity Micro Business, LLC.

The Organization provides services to stimulate a better focusing of all available local, state, federal and private resources upon the goal of enabling low income families and individuals to attain the skills, knowledge, motivations, and to secure the opportunities needed for them to become more fully self sufficient. The Organization administers the following major sources of revenue to meet the needs of the area it serves: Head Start Programs, Weatherization Assistance Programs, Low-Income Home Energy Assistance Programs, Community Services Block Grant Programs, Housing Choice Vouchers Program, and others. The affiliated organization, CMCHDC Properties Ltd., is the general partner for the seven limited partnerships established to provide affordable housing for low income individuals. Expenses are broken down by program services. The following is a description of the program services:

Early Childhood Development - Provides high quality comprehensive child and family development services to income and age eligible children and their families, which includes education, health, nutrition, mental health, and parent involvement.

Elderly Services - Coordinates a volunteer program to assist with providing early childhood experiences and education.

Weatherization Services - Weatherizes the homes of low income individuals and families in order to reduce their monthly energy costs.

Energy Assistance - Assist qualified individuals and families by providing limited payments to have electricity and/or gas bills paid and services restored.

Workforce Development - Services designed to prepare low-income workers facing serious barriers to employment for entry and re-entry into the labor force.

Housing Services - Provides home ownership, down payment assistance, and transitional housing for those who are income eligible, including housing rehabilitation and rental assistance.

Community Services - Community services programs strive to reduce poverty and empower low-income families to become self-sufficient.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's program policy is to prepare its financial statements on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Assets are recorded at cost when purchased, or in the case of gifts, at fair value at the date of the gift. Investments are valued at fair value for financial statement presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Estimates

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

Liquidity

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid instruments with a maturity of three months or less when acquired.

Allowance for Doubtful Accounts

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of their grantors to meet their obligations. Receivables are considered impaired if full payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Inventory

Inventory consists of office supplies and works in progress and are valued at cost, using the first-in, first-out method (FIFO).

Capital Assets

Capital assets are stated at cost, if purchased, and at fair value at the date of donation, if donated. The Organization's capitalization policy includes items with a useful life of more than one year and an initial value of \$5,000.00 or more. Such items acquired under grants from Federal and state sources are considered to be owned by the Organization while used in the programs for which they are purchased or in programs authorized in the future. However, the funding source has a reversionary interest in the property. Property and equipment purchased or donated to the corporate account are depreciated based on estimated useful lives using the straight-line method as follows:

Equipment	3-7 Years
Vehicles	5 Years
Buildings and Improvements	15-40 Years

Contributions and Unconditional Promises to Give

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions that increases that net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

The Organization's net assets and changes thereto are classified and reported as follows:

Net assets without donor restrictions – consists of amounts that are available for use in carrying out the activities of The Organization and are not subject to donor-imposed restrictions.

Net assets with donor restrictions – Net assets subject to donor or certain grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Income Taxes

The Organization is exempt from Federal income taxes under IRS Code Section 501(c)3. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Revenue Recognition

The Organization recognizes revenue when (or as) the Organization satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset. The Organization has no contracts as defined by FASB ASC 606- Revenue from Contracts with Customers.

Non Cash Contributions

Contributed personnel services are recognized and recorded at fair value only to the extent they create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. Contributed goods are recognized at fair value on the date received.

Allocated Costs

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated using various allocation methods.

3. CONCENTRATION OF CREDIT RISK

At year-end, the carrying amount of the Organization’s deposits including certificates of deposit was \$3,077,282.54. The bank balance was held at one bank resulting in a concentration of credit risk. The bank balance was \$3,094,491.56. Of the bank balance, \$181,491.56 was covered by FDIC insurance, and \$2,913,000 was collateralized with repurchase sweep accounts held by a third-party bank in the Organization’s name.

4. CERTIFICATES OF DEPOSIT

The certificate bears an interest rate of 0.40% and has a maturity of twelve months, with penalty for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. At year end, cost approximates fair value.

5. INVESTMENTS IN AREA COMMUNITY FOUNDATION

The Organization has donated and had potential donors donate into the Area Community Foundation creating a charitable advised endowment fund. Under the donor advised endowment, all earnings are pledged to the Organization upon annual approval of the Area Community Foundation’s Board of Directors. The investment balance carried by the Area Community Foundation at September 30, 2021 is \$10,612.27 In accordance with FASB ASC 958-605-55, the assets invested with the Area Community Foundation are not recorded on the Organization’s books as assets because the Organization has given up variance power to the Area Community Foundation.

6. RECEIVABLES, NET

Grant and Contract receivables, net at September 30, 2021, consist of amounts due under the following programs:

Grant and Contract Receivables:	
Head Start	\$ 114,993.31
Bridge Grant	43,345.46
Community Services Block Grant	356,130.81
Foster Grand Parents Program	30,953.91
Health Marriage Initiative	66,575.28
Retired Senior Volunteer Program	15,512.02
LISC	51,951.82
Mid Mo Regional Planning	5,281.09
Columbia Affordable Housing	25,623.71
Skill Up FNS	1,701.81
Skill Up TANF	5,825.88
Children Trust Licenses Plate	1,343.00
USDA – Head Start Meals	27,016.77
Weatherization DOE	124,198.66
Weatherization LiHEAP	51,998.00
Women’s Business Center	<u>75,593.12</u>
Total Grants and Contracts	998,044.65

6. RECEIVABLES, NET (Continued)

Other Receivables	
Daycare Fees	\$ 116,126.29
Section 8 Fraud Receivables	2,542.00
Miscellaneous Reimbursements	<u>7,962.54</u>
Total Receivables, Net	<u>\$ 1,124,675.48</u>

The Organization uses the allowance method to account for uncollectible accounts receivable. Accounts receivable are presented net of an allowance for uncollectible accounts of \$119,793.54 at September 30, 2021.

7. INVENTORY

Inventory consists of the following at September 30, 2021:

Weatherization Supplies	\$ 12,466.54
Audrain Lots Held of Sale	85,460.55
Weatherization Work In Progress – Materials	66,976.53
Weatherization Work In Progress – Labor	<u>65,287.11</u>
Total Inventory	<u>\$ 230,190.73</u>

8. NOTES RECEIVABLE

Notes receivable are reported at their outstanding principal adjusted for discounts. Discounts on notes receivable are amortized to income using the interest method over the remaining period to contractual maturity, adjusted for anticipated prepayments. Notes receivable are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. In making that determination, management evaluated the financial condition of the borrower's, the estimated value of the underlying collateral and current economic conditions.

The Organization has entered into an agreement with the City of Columbia, Missouri for the use of CHDO funds for the development of low income housing. The Organization has in-turn loaned the funds to various development companies for the construction of the housing. The notes require monthly payments of principal and interest at 1.0% over a term of 30 to 40 years. The Organization has three loans outstanding at September 30, 2021. The balance due at September 30, 2021 is \$165,363.49

The Organization loaned funds to the Woodcrest Village for the construction of a low-income housing unit. The note requires monthly payments of principal only of \$1,241.38, maturing May 10, 2032. The balance due at September 30, 2021 is \$162,618.48.

The Organization entered into an agreement for the sale of a lot in Vandalia, Missouri. The note is secured with a second mortgage on the lots sold. The loan agreement calls for payment including interest at 8.50%, maturing March 3, 2001. The loan is currently in default. The Organization fully expects to recover the outstanding amount when the property is sold. The outstanding balance at September 30, 2021 is \$15,200.00.

9. CAPITAL ASSETS

Following are the changes in capital assets for the year ended September 30, 2021:

	Balance 9/30/2020	Additions	Retirements	Balance 9/30/2021
Capital Assets Not Being Depreciated				
Land	\$ 62,668.03	\$ -	\$ -	\$ 62,668.03
Construction In Progress	-	94,848.82	-	94,848.82
Other Capital Assets				
Buildings and Improvements	1,823,442.03	248,971.23	-	2,072,413.26
Equipment	1,062,914.69	554,414.01	-	1,617,328.70
Vehicles	316,944.00	60,080.00	-	377,024.00
Total Capital Assets	<u>3,265,968.75</u>	<u>958,314.06</u>	<u>-</u>	<u>4,224,282.81</u>
Accumulated Depreciation				
Buildings and Improvements	(603,026.01)	(94,207.15)	-	(697,233.16)
Equipment	(926,531.78)	(69,707.65)	-	(996,239.43)
Vehicles	(239,265.11)	(20,590.60)	-	(259,855.71)
Total Accumulated Depreciation	<u>(1,768,822.90)</u>	<u>(184,505.40)</u>	<u>-</u>	<u>(1,953,328.30)</u>
Total Net Capital Assets	<u>\$ 1,497,145.85</u>	<u>\$ 773,808.66</u>	<u>\$ -</u>	<u>\$ 2,270,954.51</u>

10. REFUNDABLE GRANT ADVANCES

Refundable grant advances at September 30, 2021, consist of grant funds received in excess of expenses in the following programs:

LiHEAP ECIP Grant	\$ 860,293.85
LISC Alternative	13,029.12
Shelter Plus Care	8,639.22
Daycare Fees Due Back to State	233,974.93
City of Columbia Housing Program	23,165.89
Women's Business Center COVID	28,663.03
Early Head Start	9,285.71
Fourth Avenue	2.00
Missouri Foundation for Health	96,593.08
Housing Choice Vouchers COVID	<u>37,130.63</u>
Total Grant Advances	<u>\$ 1,310,777.46</u>

11. NOTES PAYABLE

The Organization signed an agreement dated March 18, 2021, with Callaway Bank for the construction of a home to be used by CMCA. The note requires monthly payments of \$426.05, including interest at 4.25%, maturing March 18, 2040. The note is secured by the home constructed. The balance on this note at September 30, 2021, is \$65,097.90

The Organization signed an agreement dated May 2, 2005, with Central Bank of Boone County to purchase a building to be used by Head Start. The note requires monthly payments of \$1,489.84, including interest at 4.00%, maturing May 2, 2022. The note is secured by the building purchased. The balance on this note at September 30, 2021, is \$10,185.98.

The Organization signed an agreement dated June 19, 2007, with the City of Columbia, Missouri for the purchase of real estate under the HOME program. The note is payable and contingent upon the sale, conveyance, or other disposition of the real property. The balance on this note at September 30, 2021, is \$38,506.00.

The following is a summary of changes in notes payable for the year ended September 30, 2021:

<u>Obligations:</u>	<u>Principal September 30, 2020</u>	<u>Principal Received (Paid)</u>	<u>Principal September 30, 2021</u>	<u>Interest Paid</u>
Fourth – 2 Fourth Ave. Central Bank of Boone County – Head Start	\$ 67,336.03	\$ (2,238.13)	\$ 65,097.90	\$ 2,448.42
City of Columbia – HOME	27,324.36	(17,138.38)	10,185.98	739.70
	<u>38,506.00</u>	<u>0.00</u>	<u>38,506.00</u>	<u>0.00</u>
Total Notes Payable	<u>\$ 133,166.39</u>	<u>\$ (19,376.51)</u>	<u>\$ 113,789.88</u>	<u>\$ 3,188.12</u>

The schedule of maturities of notes payable is as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2022	\$ 12,539.90
2023	2,457.37
2024	2,558.23
2025	2,677.83
2026	2,795.50
Thereafter	<u>90,761.05</u>
Total	<u>\$ 113,789.88</u>

12. OPERATING LEASES

As of September 30, 2021, the Organization has entered into a number of operating leases for various office equipment, classroom, and office space. Total payments for the year ended September 30, 2021, were \$427,455.98. Under the current lease agreements, the future minimum lease rentals are as follows:

2022	\$	364,402.00
2023		293,035.50
2024		206,376.00
2025		191,676.00
2026		124,560.00

13. COMPENSATED ABSENCES

Vacation Pay

All regular, full-time and part-time employees are eligible for vacation benefits based upon the employee’s anniversary date. Vacation time is accrued or earned based upon the employee’s length of service and on the time actually worked. Full-time employees who have been employed by the Agency for five continuous years or less will earn five hours of annual leave per pay period; those employed for six through ten continuous years will earn six hours per pay period; and those employed more than ten continuous years will earn eight hours per pay period. Annual leave may be accrued up to a total of 120, 144, or 192 hours for full-time employees, depending on the applicable rate of accrual. The limits for part-time employees will be proportional to that of full-time employees who have been employed for the same number of years. Once the limit is reached accrual will cease until use of annual leave drops the accumulated total below the limit, at which time accrual would resume until the limit is reached again.

Sick Leave

All regular and annual, full-time and part-time employees earn paid sick leave annually. Sick time is accrued or earned based upon the employee’s length of service and on the time actually worked. Full-Time employees who have been employed by the Agency for five consecutive years or less will earn four hours of sick leave per pay period; those employed for six through ten consecutive years will earn six hours per pay period; and those employed for more than ten consecutive years will earn eight hours per pay period. Sick leave may be accrued up to a total of eighty (80) days (640 hours) for full-time employees or the appropriate portioned amount for part-time employees employed for the same number of years. Sick leave is lost upon termination.

The Organization determines a liability for compensated absences when the following conditions are met:

1. The Organization’s obligation relating to employees’ rights to receive compensation for future absences is attributable to employee services already rendered;
2. The obligation relates to rights that vest or accumulate;
3. Payment of the compensation is probable; and
4. The amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, the Organization has accrued a liability for vacation pay which has been earned, but not taken, by Organization employees. The Organization has not accrued a liability for sick leave earned, but not taken, by Organization employees, in accordance with guidance provided by FASB ASC 710-10-25-7, as the amounts cannot be reasonably estimated at this time.

14. EMPLOYEE BENEFIT PLANS

The Organization has a tax sheltered retirement program available for its employees. An employee is eligible after two years of full-time or part-time service, minimum of 800 hours of service. The Organization contributes to eligible employee's account based on a percentage determined annual by the Board of Directors. Total contributions made by the Organization into the plan on behalf of the employees for the year ended September 30, 2021, was \$161,523.90.

15. NET ASSETS

Net assets without donor restrictions

At September 30, 2021, all unrestricted net assets are undesignated as to their use.

Net assets with donor restrictions

Net assets with donor restrictions consist of donations of cash received & restricted to use. Below is a detailed list of net assets by donor restriction:

The Bridge Donations	\$ 2,470.39
Head Start Donations	43,953.05
Foster Grandparents Donations	11,895.57
UE Gas Donation	289,802.72
Women's Business Center – Aspire Donation	2,811.34
Women's Business Center Donations	35,621.43
Micro Loan Program	44,516.48
JR Albert Foundation	48,691.52
County Donations	21,882.95
HUD – Housing Choice Voucher Program	<u>214,926.41</u>
Total Net Assets with Donor Restrictions	<u>\$ 716,571.86</u>

16. LIQUIDITY

At September 30, 2021, all net assets with donor restrictions are available for payment of qualifying expenses within the respective The Organization funds as such expenses are incurred, except for contributions receivable which are available when the receivable is collected, which is expected within the next year, and the expense is incurred. Likewise, as of September 30, 2021, all net assets without donor restrictions are available to meet cash needs for general expenses of the Organization within one year.

Cash and Cash Equivalents	\$ 2,974,860.64
Certificates of Deposit	103,079.28
Accounts Receivable, Net	1,124,675.48
Less: Grant Advances	(1,310,777.46)
Less: Cash Received with Donor Restrictions	<u>(716,571.86)</u>
Net Liquidity	<u>\$ 2,175,266.08</u>

17. PRIOR PERIOD ADJUSTMENT

During the year, while management was working with year end reconciliations it noted the accounting system automatically setup the next month’s insurance payables when they are accruing salaries. It was determined this was actual insurance expense that should have been for October rather than September. As a result management has recorded a prior period adjustment to properly reduce the accrued insurance benefit portion of the payroll accrual at September 30, 2020. Accordingly, the Organization has restated its results for the prior year. The effect of the restatement on the Statement of Financial Position for the year ended September 30, 2020 is a follows:

Net Assets, as previously reported	\$ 2,966,675.95
Insurance payable reduction	<u>118,575.09</u>
Net Assets, as restated	<u>\$ 3,085,551.04</u>

The effect of the restatement on the Statement of Activities for September 30, 2020 would have increased expenses by \$659.76 (net of 2019 accruals \$117,915.33 and 2020 accruals \$118,575.09)

18. IN-KIND CONTRIBUTIONS

Under the grant agreements, the Organization (grantee) receives a percentage of total estimated project funds from the Federal government. The balance of the project funds is contributed to the Organization from non-Federal sources in the form of “in-kind” contributions of services or goods from the Organization, delegated agencies, the community, or non-Federal governmental organizations. The services and goods donated are valued according to the grant guidelines. The Organization only reports amounts up to the required match. In-kind revenues and in-kind expenses that are allowable under generally accepted accounting principles (GAAP) have been recognized in programs as follows:

	<u>Head Start</u>	<u>Foster Grandparents</u>	<u>Women’s Bus. Center</u>	<u>Totals</u>
Volunteers	\$ 2,064,623.67	\$ 0.00	\$ 0.00	\$ 2,064,623.67
Professional	63,984.69	100.00	5,453.75	69,538.44
Space Costs	157,848.84	0.00	40,636.00	198,484.84
Supplies	186,864.48	0.00	0.00	186,864.48
Travel	2,724.00	765.00	0.00	3,489.00
Participants	0.00	19,518.44	0.00	19,518.44
Other	<u>77,449.34</u>	<u>0.00</u>	<u>0.00</u>	<u>77,449.34</u>
Program In-Kind	2,553,495.02	20,383.44	46,089.75	2,619,968.21
Non-GAAP	<u>(2,064,623.67)</u>	<u>(0.00)</u>	<u>(0.00)</u>	<u>(2,064,623.67)</u>
Total In-Kind	<u>\$ 488,871.35</u>	<u>\$ 20,383.44</u>	<u>\$ 46,089.75</u>	<u>\$ 555,344.54</u>

19. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

December 2020, the novel coronavirus “COVID-19” pandemic in the United States has resulted in classroom buildings being closed, activities canceled and the temporary closure of operating hours for the offices. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Organization as of the date of this report, management believes that a material impact on the Organization’s financial position and results of future operations is reasonably possible.

20. REAL ESTATE JOINT VENTURES

Pleasant Hill Associates, L.P., a limited partnership, owns and operates a twenty four unit affordable housing development project in Pleasant Hill, Missouri. CMCHDC Properties, Ltd. is a general partner. The limited partners have a 99.9949% ownership interest. CMCHDC Properties, Ltd. has a .0051% interest in the limited partnership. The Organization’s capital contribution was \$100. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of the project’s total cost.

Centralia Associates II, L.P., a limited partnership, owns and operates a sixteen unit affordable housing development project in Centralia, Missouri. CMCHDC Properties, Ltd. is a general partner. The limited partners have a 99% ownership interest. CMCHDC Properties, Ltd. has a 1.0% interest in the limited partnership. The Organization’s capital contribution was \$100. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of the project’s total cost.

Mexico Associates I, L.P., a limited partnership, owns and operates a forty eight unit affordable housing development project in Mexico, Missouri. CMCHDC Properties, Ltd. is a general partner. The limited partners have a 99.99% ownership interest. CMCHDC Properties, Ltd. has a .01% interest in the limited partnership. The Organization’s capital contribution was \$100. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of the project’s total cost.

Mexico Associates II, L.P., a limited partnership, owns and operates a twenty unit affordable housing development project in Mexico, Missouri. CMCHDC Properties, Ltd. is a general partner. The limited partners have a 99% ownership interest. CMCHDC Properties, Ltd. has a 1.0% interest in the limited partnership. The Organization’s capital contribution was \$100. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of the project’s total cost.

20. REAL ESTATE JOINT VENTURES (Continued)

Weathered Rock II, L.P., a limited partnership, owns and operates a forty unit affordable housing development project in Jefferson City, Missouri. The Organization is a special limited partner. The Organization has a .01% interest in the limited partnership. The Organization's capital contribution was the donation of AHAP tax credits. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of the project's total cost.

Chapel Hill Commons, L.P., a limited partnership, owns and operates a forty four unit affordable housing development project in Jefferson City, Missouri. The Organization is a special limited partner. The Organization has a .005% interest in the limited partnership. The Organization's capital contribution was the donation of AHAP tax credits. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of the project's total cost.

Booneville Associates I, a limited partnership, owns and operates a forty eight unit affordable housing development project in Booneville, Missouri. The Organization is a general partner. The limited partners have a 99.99% ownership interest. The Organization has a .01% interest in the limited partnership. The Organization's capital contribution was \$100. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of the project's total cost.

The primary reason for admission of the Organization and CMCHDC Properties (a related entity) as a general partner in these real estate joint ventures is to qualify the projects for federal and state grants, tax credits, and permanent financing which are favorable to the development of the low income housing projects. While the Organization and CMCHDC Properties (a related entity) have an ownership interest in these real estate joint ventures, the financial nature of these interests are de minimis and are, therefore, not reported in the financial statements.

21. SUBSEQUENT EVENTS

The Organization evaluated events and transactions occurring subsequent to September 30, 2021, through March 27, 2022, the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

CENTRAL MISSOURI COMMUNITY ACTION

Columbia, Missouri

LOW INCOME HOUSING ENERGY ASSISTANCE PROGRAM

GRANT NO. ERS11020001

For the Program Period October 1, 2020 to September 30, 2021

Schedule of Revenue and Expenses

Revenue	
Grant Revenue-LIHEAP	
Special Start-up	
Current (initial + amendments)	\$ 2,194,504.17
Transfer Rev/Private grants/misc	50,312.16
	<hr/>
Total Revenue	2,244,816.33
Expenditures	
Personnel	192,918.65
Employee Benefits	54,173.88
Travel/Training	11.28
Rent/Space	16,529.41
Utilities	3,746.90
Equipment	947.43
Supplies	7,999.30
Other:Advertising	793.77
Insurance/repairs	1,200.44
Other:Overtime	288.00
Indirect Costs	34,633.27
Total Administrative/ Program Services	313,242.33
	<hr/>
ECIP Direct Services	
Winter	1,044,866.00
Summer	885,176.00
Emergency Services	1,532.00
Total ECIP Direct Services	1,931,574.00
	<hr/>
Total Expenditures	2,244,816.33
	<hr/>
Revenue over (under) Expenditures	-
Transfer from LIHEAP	-
	<hr/>
Ending Program Balance	\$ -
	<hr/>

CENTRAL MISSOURI COMMUNITY ACTION

Columbia, Missouri

COMMUNITY SERVICES BLOCK GRANT PROGRAM

GRANT NO. PG282000001

For the Program Period October 1, 2019 to September 30, 2021

Schedule of Revenue and Expenses

Beginning CSBG Residual Receipts	\$	-
Revenue		
Grant Revenue-CSBG		1,088,467.76
Other Revenues		79.24
		<hr/>
Total Revenue		1,088,547.00
Expenditures		
Salaries		644,704.50
Fringe		172,148.44
In-Direct		114,359.41
Travel/Training		4,552.41
Rent/Space		67,642.61
Utilities		29,697.23
Equipment		7,315.21
Supplies/Printing		14,161.38
Contracting/Consulting		9,533.36
Direct Client Svcs/Program expense		13,658.32
Other - Dues & Subscriptions		3,719.42
Other - Insurance		6,061.76
Other - Advertizing/Recruit		992.95
Sub Total Program Expenses		1,088,547.00
		<hr/>
Total Expenditures		1,088,547.00
Revenue over(under) Expense		-
		<hr/>
Ending CSBG Residuals	\$	-
		<hr/> <hr/>

Central Missouri Community Action
Grant No. G-20-EE0007930-04-07
RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF July 1, 2020 to June 30, 2021

DIVISION OF ENERGY

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) _____ -

Revenue

Grant Income (funds that have been reimbursed to the agency from DNR) 476,969

Program Income _____ -

Total Revenue _____ 476,969

Expenditures

Administration 27,574

Insurance 4,730

Financial Audit -

Leveraging -

T & TA 10,965

Program Operations _____ 433,700

Total Expenditures _____ 476,969

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenditures) _____ -

SUBGRANTEE

Beginning Fund Balance _____ -

Revenue

Grant Income 476,969

Program Income _____ -

Total Revenue _____ 476,969

Expenditures

Administration 27,574

Insurance 4,730

Financial Audit -

Leveraging -

T & TA 10,965

Program Operations _____ 433,700

Total Expenditures _____ 476,969

Ending Fund Balance _____ -

Ending Cash on Hand _____ -

Ending Inventory _____ -

Central Missouri Community Action
 Grant No. G-21-EE0007930-05-07
 RECONCILIATION OF REVENUES AND EXPENSES
 FOR THE PERIOD OF July 1, 2021 to September 30, 2021

DIVISION OF ENERGY

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) _____ -

Revenue

Grant Income (funds that have been reimbursed to the agency from DNR) 184,893

Program Income _____ -

Total Revenue _____ 184,893

Expenditures

Administration 7,692

Insurance 3,890

Financial Audit -

Leveraging -

T & TA 8,866

Program Operations _____ 164,445

Total Expenditures _____ 184,893

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenditures) _____ -

SUBGRANTEE

Beginning Fund Balance _____ -

Revenue

Grant Income 184,893

Program Income _____ -

Total Revenue _____ 184,893

Expenditures

Administration 7,692

Insurance 3,890

Financial Audit -

Leveraging -

T & TA 8,866

Program Operations _____ 164,445

Total Expenditures _____ 184,893

Ending Fund Balance _____ -

Ending Cash on Hand _____ -

Ending Inventory _____ -

Central Missouri Community Action
Grant No. G-21-LIHEAP-21-07
RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF October 1, 2020 to September 30, 2021

DIVISION OF ENERGY

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) _____ -

Revenue

Grant Income (funds that have been reimbursed to the agency from DNR) 413,601

Program Income _____ -

Total Revenue _____ 413,601

Expenditures

Administration 20,317

Insurance -

Financial Audit -

Leveraging -

T & TA 7,218

Program Operations _____ 386,066

Total Expenditures _____ 413,601

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenditures) _____ -

SUBGRANTEE

Beginning Fund Balance _____ -

Revenue

Grant Income 413,601

Program Income _____ -

Total Revenue _____ 413,601

Expenditures

Administration 20,317

Insurance -

Financial Audit -

Leveraging -

T & TA 7,218

Program Operations _____ 386,066

Total Expenditures _____ 413,601

Ending Fund Balance _____ -

Ending Cash on Hand _____ -

Ending Inventory _____ -

Central Missouri Community Action
Grant No. G-21-LIHEAP-CARES-07
RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF October 1, 2020 to September 30, 2021

DIVISION OF ENERGY

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) _____ -

Revenue

Grant Income (funds that have been reimbursed to the agency from DNR) 116,128

Program Income _____ -

Total Revenue _____ 116,128

Expenditures

Administration 7,949

Insurance -

Financial Audit -

Leveraging -

T & TA -

Program Operations _____ 108,179

Total Expenditures _____ 116,128

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenditures) _____ -

SUBGRANTEE

Beginning Fund Balance _____ -

Revenue

Grant Income 116,128

Program Income _____ -

Total Revenue _____ 116,128

Expenditures

Administration 7,949

Insurance -

Financial Audit -

Leveraging -

T & TA -

Program Operations _____ 108,179

Total Expenditures _____ 116,128

Ending Fund Balance _____ -

Ending Cash on Hand _____ -

Ending Inventory _____ -

Boone County Public Housing Agency (MO198)
Columbia, MO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2021

	14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
111 Cash - Unrestricted	\$181,915	\$848	\$37,058	\$219,821	\$219,821
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$0	\$34,666		\$34,666	\$34,666
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$181,915	\$35,514	\$37,058	\$254,487	\$254,487
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$0			\$0	\$0
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts - Tenants					
126.2 Allowance for Doubtful Accounts - Other					
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery	\$24,295			\$24,295	\$24,295
128.1 Allowance for Doubtful Accounts - Fraud	-\$21,753			-\$21,753	-\$21,753
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,542	\$0	\$0	\$2,542	\$2,542
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$103		\$402	\$505	\$505
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$184,560	\$35,514	\$37,460	\$257,534	\$257,534
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements					
166 Accumulated Depreciation					
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$184,560	\$35,514	\$37,460	\$257,534	\$257,534
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$978		\$329	\$1,307	\$1,307
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$4,170			\$4,170	\$4,170
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					

Boone County Public Housing Agency (MO198)

Columbia, MO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2021

	14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue			\$37,131	\$37,131	\$37,131
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other					
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$5,148	\$0	\$37,460	\$42,608	\$42,608
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$5,148	\$0	\$37,460	\$42,608	\$42,608
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets					
511.4 Restricted Net Position	\$0	\$34,666	\$0	\$34,666	\$34,666
512.4 Unrestricted Net Position	\$179,412	\$848	\$0	\$180,260	\$180,260
513 Total Equity - Net Assets / Position	\$179,412	\$35,514	\$0	\$214,926	\$214,926
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$184,560	\$35,514	\$37,460	\$257,534	\$257,534

Boone County Public Housing Agency (MO198)

Columbia, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2021

	14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$1,537,588	\$52,587	\$14,676	\$1,604,851	\$1,604,851
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted					
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery	\$4,318			\$4,318	\$4,318
71500 Other Revenue	\$507		\$6	\$513	\$513
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted	\$19			\$19	\$19
70000 Total Revenue	\$1,542,432	\$52,587	\$14,682	\$1,609,701	\$1,609,701
91100 Administrative Salaries	\$81,433			\$81,433	\$81,433
91200 Auditing Fees					
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$47			\$47	\$47
91500 Employee Benefit contributions - Administrative	\$26,444			\$26,444	\$26,444
91600 Office Expenses	\$12,907		\$6,196	\$19,103	\$19,103
91700 Legal Expense					
91800 Travel	\$395		\$1,200	\$1,595	\$1,595
91810 Allocated Overhead	\$15,110			\$15,110	\$15,110
91900 Other	\$16,014		\$7,286	\$23,300	\$23,300
91000 Total Operating - Administrative	\$152,350	\$0	\$14,682	\$167,032	\$167,032
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense	\$4,141			\$4,141	\$4,141
93000 Total Utilities	\$4,141	\$0	\$0	\$4,141	\$4,141
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and Other					
94300 Ordinary Maintenance and Operations Contracts	\$4,760			\$4,760	\$4,760
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$4,760	\$0	\$0	\$4,760	\$4,760

Boone County Public Housing Agency (MO198)

Columbia, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2021

	14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$136			\$136	\$136
96120 Liability Insurance	\$1,149			\$1,149	\$1,149
96130 Workmen's Compensation	\$54			\$54	\$54
96140 All Other Insurance					
96100 Total insurance Premiums	\$1,339	\$0	\$0	\$1,339	\$1,339
96200 Other General Expenses					
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$162,590	\$0	\$14,682	\$177,272	\$177,272
97000 Excess of Operating Revenue over Operating Expenses	\$1,379,842	\$52,587	\$0	\$1,432,429	\$1,432,429
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$1,352,271	\$17,073		\$1,369,344	\$1,369,344
97350 HAP Portability-In	\$0			\$0	\$0
97400 Depreciation Expense	\$0			\$0	\$0
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,514,861	\$17,073	\$14,682	\$1,546,616	\$1,546,616
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$27,571	\$35,514	\$0	\$63,085	\$63,085
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0

Boone County Public Housing Agency (MO198)

Columbia, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2021

	14.871 Housing Choice Vouchers	14.879 Mainstream Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
11030 Beginning Equity	\$151,841	\$0	\$0	\$151,841	\$151,841
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0			\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity	\$179,412			\$179,412	\$179,412
11180 Housing Assistance Payments Equity	\$0			\$0	\$0
11190 Unit Months Available	4932	320		5252	5252
11210 Number of Unit Months Leased	3379	67		3446	3446
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Grant Year End	CFDA #	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
<u>Corporation for National and Community Services</u>					
Direct Programs:					
Foster Grandparents/Senior Companion Cluster					
Foster Grandparents	3/31/2021	94.011	N/A	\$ -	199,290.90
Foster Grandparents	3/31/2022	94.011	N/A	-	190,051.83
Retired Senior Volunteer Program		94.002	N/A	-	15,512.02
Total Corporation for National and Community Services				-	404,854.75
<u>U.S. Department of Health and Human Services</u>					
Direct Programs:					
Head Start Cluster					
Head Start	4/30/2021	93.600	N/A	-	4,122,072.74
Head Start	4/30/2022	93.600	N/A	-	2,666,339.06
Head Start-Start Up	6/30/2024	93.600	N/A		167,155.75
COVID-19 Head Start	4/30/2021	93.600	N/A	-	46,124.68
Head Start - Expansion	6/30/2022	93.600	N/A	-	328,360.93
Head Start - Expansion	6/30/2021	93.600	N/A	-	1,003,390.16
COVID-19 Head Start - Expansion	6/30/2021	93.600	N/A	-	9,196.92
COVID-19 Head Start	3/31/2023	93.600	N/A	-	5,815.23
Head Start-American Rescue Plan	3/31/2023	93.600	N/A		136,810.58
			TOTAL Head Start Cluster	-	8,485,266.05
Missouri Department of Social Services Family Support Division					
SkillUP Program (TANF)	9/30/2019	93.558	CS190278001	-	127,064.62
The Curators of The University of Missouri					
Show Me Healthy Marriages and Relationships	9/29/2021	93.086	C00064081-2	-	242,993.28
State of Missouri Division of Support Services					
Low-Income Home Energy Assistance Program (LIHEAP- ECIP)	9/30/2020	93.568	ER11020001		311,159.72
Low-Income Home Energy Assistance Program (LIHEAP- ECIP)	9/30/2021	93.568	ER11021001	-	2,194,504.17
Missouri Department of Economic Development					
Low-Income Home Energy Assistance Program (LIHEAP- WZN)	9/30/2021	93.568	G-21-LIHEAP-20-07		413,601.00
COVID-19 Low-Income Home Energy Assistance Program (LIHEAP- WZN)	9/30/2021	93.568	G-21-LIHEAP_CARES-07	-	116,128.00
		Total 93.568		-	3,035,392.89

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Grant Year End	CFDA #	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
<u>U.S. Department of Health and Human Services (Continued)</u>					
State of Missouri Division of Support Services					
COVID-19 Community Services Block Grant	9/30/2022	93.569	PG282000051	\$ -	\$ 488,465.59
Community Services Block Grant	9/30/2020	93.569	PG282000001	-	381,741.22
Community Services Block Grant	9/30/2021	93.569	PG282100001	-	712,335.21
		Total 93.569		-	1,582,542.02
Total U.S. Department of Health and Human Services				-	13,473,258.86
<u>U.S. Department of Energy</u>					
Passed-through:					
Missouri Department of Economic Development					
Weatherization Assistance for Low-Income Individuals	6/30/2021	81.042	G-20-EE007930-4-07	-	250,769.85
Weatherization Assistance for Low-Income Individuals	6/30/2022	81.042	G-21-EE007930-4-07	-	191,302.69
		TOTAL 81.042		-	442,072.54
Total U.S. Department of Energy				-	442,072.54
<u>U.S. Department of Housing and Urban Development</u>					
Passed-through:					
Boone County Public Housing Agency					
Housing Voucher Cluster					
Section 8 Housing Choice Vouchers	9/30/2021	14.871	MO198	-	1,537,588.16
COVID-19 Section 8 Housing Choice Vouchers CARES	9/30/2021	14.871	MO198	-	14,675.89
		Total 14.871		-	1,552,264.05
Section 8 Mainstream Vouchers	9/30/2021	14.879	MO198	-	52,587.00
Total Housing Voucher Cluster				-	1,604,851.05
Local Initiative Support Corporation					
HUD Section 4 Grant	9/30/2017	14.252	41181-0037	-	46,788.53
City of Columbia, Missouri					
CDBG - Entitlement Grants Cluster					
Community Development Block Grant	12/30/2021	14.218	CDBG 20-04	-	593.12
Columbia Affordable Housing	11/30/2019	14.239	26704130	-	96,266.06
Total U.S. Department of Housing and Urban Development				-	1,748,498.76

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Grant Year End	CFDA #	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
<u>U.S. Department of Agriculture</u>					
Missouri Community Action Network					
SNAP Cluster					
Skill UP - FNS	9/30/2021	10.551	CS190278001	\$ -	\$ 87,347.00
State of Missouri Department of Health					
Child and Adult Care Food Program	9/30/2021	10.558	ERS46110023	-	267,294.06
COVID-19 Child and Adult Care Food Program	9/30/2021	10.558	ERS46110023	-	31,537.26
		Total 10.558		-	298,831.32
Total U.S. Department of Agriculture				-	386,178.32
<u>U.S. Department of the Treasury</u>					
Passed-through:					
Boone County					
COVID-19 Coronavirus Relief Fund	12/31/2021	21.019	Not Assigned	-	494,957.20
Callaway County					
COVID-19 Coronavirus Relief Fund	12/31/2021	21.019	Not Assigned	-	1,669.00
Howard County					
COVID-19 Coronavirus Relief Fund	12/31/2021	21.019	Not Assigned	-	28,678.50
Missouri Department of Economic Development					
COVID-19 Coronavirus Relief Fund	12/31/2021	21.019	Not Assigned	-	216,084.27
		Total 21.019		-	741,388.97
Total U.S. Department of the Treasury				-	741,388.97
<u>U.S. Small Business Administration</u>					
Direct Programs:					
Women's Business Ownership Assistance	9/30/2020	59.043	N/A	-	150,000.00
COVID-19 Women's Business Ownership Assistance	9/30/2020	59.043	N/A	-	167,196.65
		Total 59.043		-	317,196.65
Total U.S. Small Business Administration				-	317,196.65
Total Expenditures of Federal Awards				\$ -	\$ 17,513,448.85

NOTE A -- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Central Missouri Community Action and presents expenditures on the accrual basis of accounting, except for subsidy programs, which follows REAC PHA - Financial Accounting Brief - Accounting Issue #10, which defines a Federal expenditure expended for single audit purposes as when dollars are received.

NOTE B: INDIRECT COST RATE

Central Missouri Community Action did not elect to use the 10% de minimis cost rate.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Central Missouri Community Action
Columbia, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Central Missouri Community Action (a nonprofit organization), which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 27, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Central Missouri Community Action's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Missouri Community Action's internal control. Accordingly, we do not express an opinion on the effectiveness of Central Missouri Community Action's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

March 27, 2022
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

Board of Directors
Central Missouri Community Action
Columbia, Missouri

Report on Compliance for Each Major Federal Program

We have audited Central Missouri Community Action's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Central Missouri Community Action's major federal programs for the year ended September 30, 2021. Central Missouri Community Action's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal programs. However, our audit does not provide a legal determination of Central Missouri Community Action's compliance.

Opinion on Each of the Other Major Federal Programs

In our opinion, Central Missouri Community Action complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of Central Missouri Community Action is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Central Missouri Community Action's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Central Missouri Community Action's internal control over compliance.

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

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

Purpose of this Report

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

March 27, 2022
Chanute, Kansas

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2021

I. SUMMARY OF AUDITORS' RESULTS

Consolidated Financial Statements:

The auditors' report expresses an unmodified opinion on the consolidated financial statements of Central Missouri Community Action

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiencies identified?	_____	Yes	<u> X </u>	None Reported
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i> ?	_____	Yes	<u> X </u>	No

Federal Awards:

Internal control over major programs:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiencies identified?	_____	Yes	<u> X </u>	None Reported

The auditors' report on compliance for the major federal award programs for Central Missouri Community Action expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

U.S. Department of Health and Human Services

Head Start – CFDA 93.600

U.S. Department of Energy

Weatherization Assistance for Low-Income Individuals – CFDA 81.042

The threshold for distinguishing Types A and B programs was \$750,000.00.

Auditee qualified as a low risk auditee? X Yes _____ No

II. FINANCIAL STATEMENT FINDINGS

None

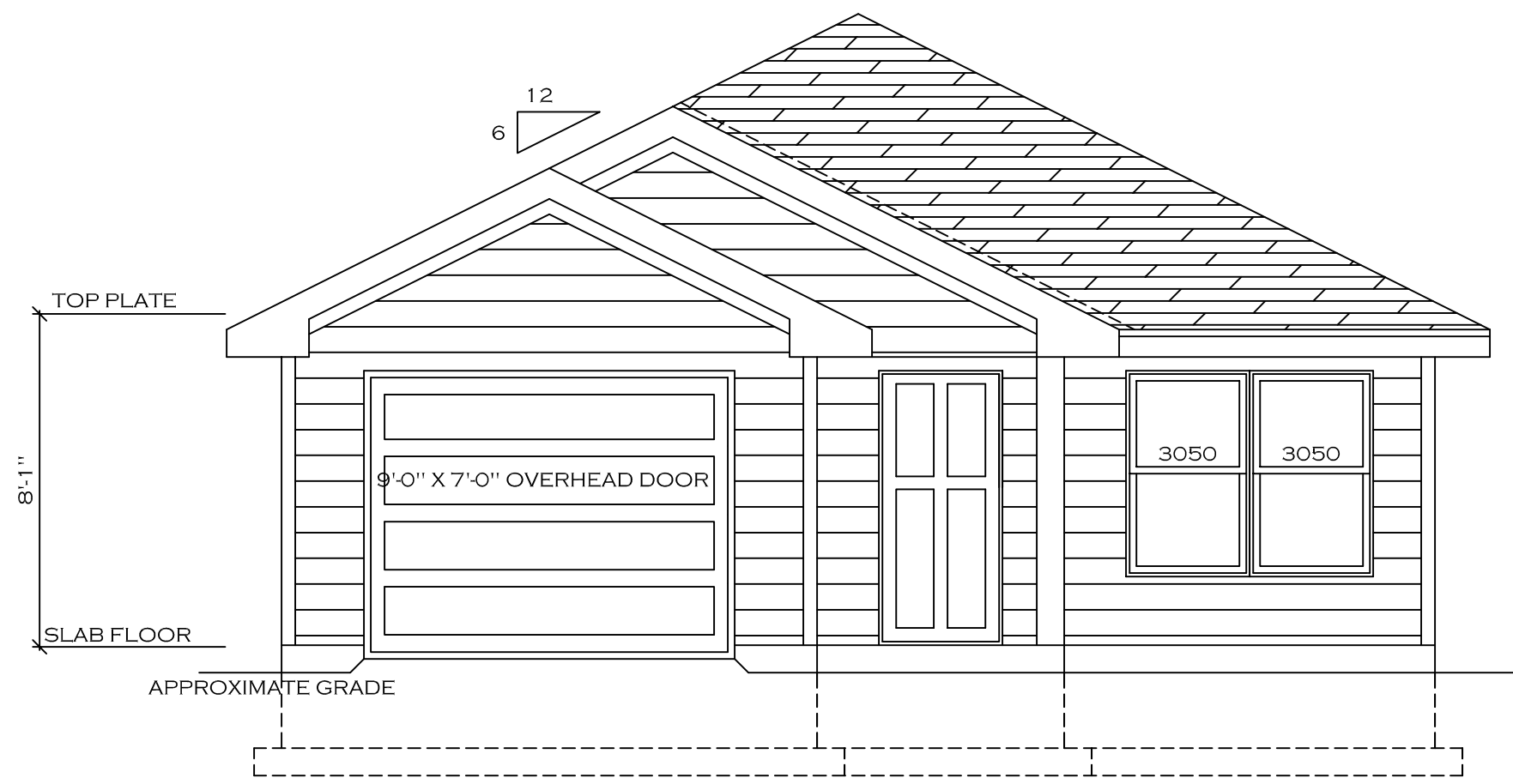
III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri

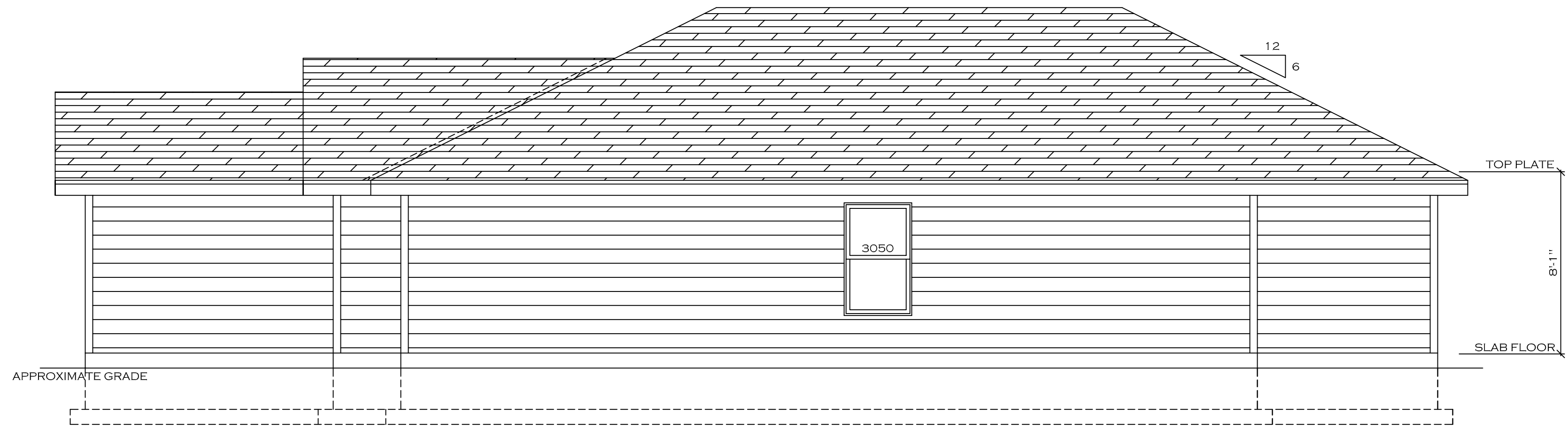
Summary Schedule of Prior Audit Findings
For the Year Ended September 30, 2021

None



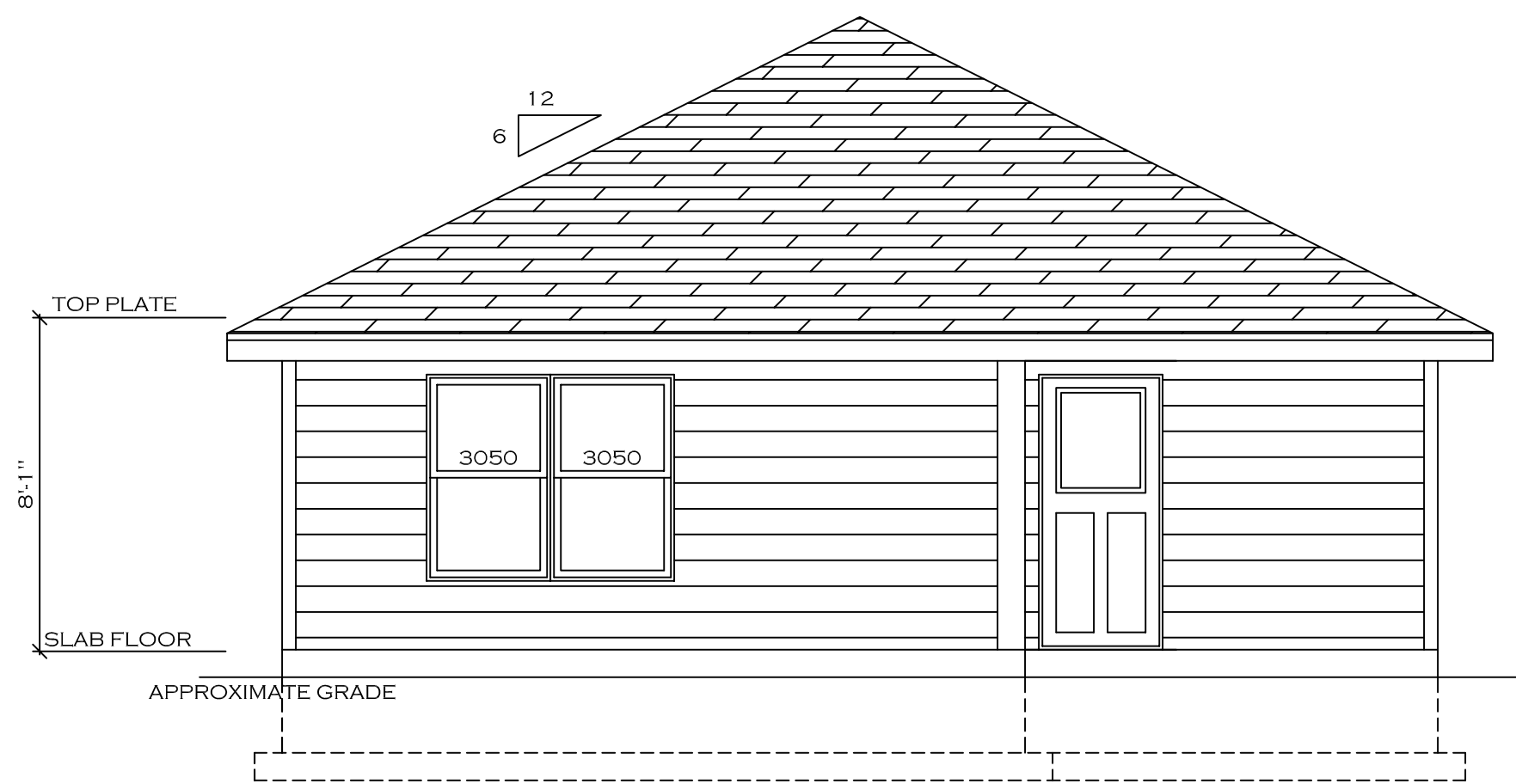
FRONT ELEVATION

SCALE: 1/4" = 1'-0"



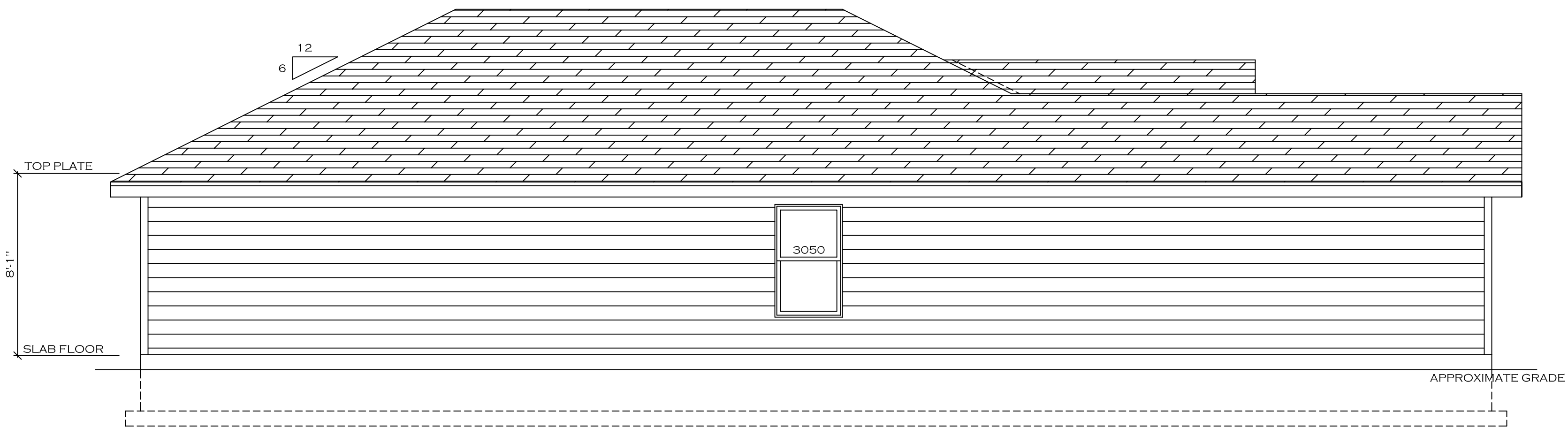
RIGHT ELEVATION

SCALE: 1/4" = 1'-0"



REAR ELEVATION

SCALE: 1/4" = 1'-0"



LEFT ELEVATION

SCALE: 1/4" = 1'-0"

NOTE: EVERY EFFORT WAS MADE TO PREPARE THESE PLANS WITHOUT MISTAKES; HOWEVER, THE DESIGNER IS NOT AN ARCHITECT NOR AN ENGINEER AND ASSUMES NO RESPONSIBILITY FOR STRUCTURAL FAILURES DUE TO OMISSIONS OR ERRORS. THE CONTRACTOR ON THE JOB MUST VERIFY ALL DETAILS AND DIMENSIONS CONFORM WITH LOCAL BUILDING CODES. THANK YOU

CLEAN LINE HOME DESIGN, LLC
 800 CANTERBURY DR. COLUMBIA, MO 65203
 CLEANLINEPLANS@GMAIL.COM
 MCMXCVIII (573) 219-0426

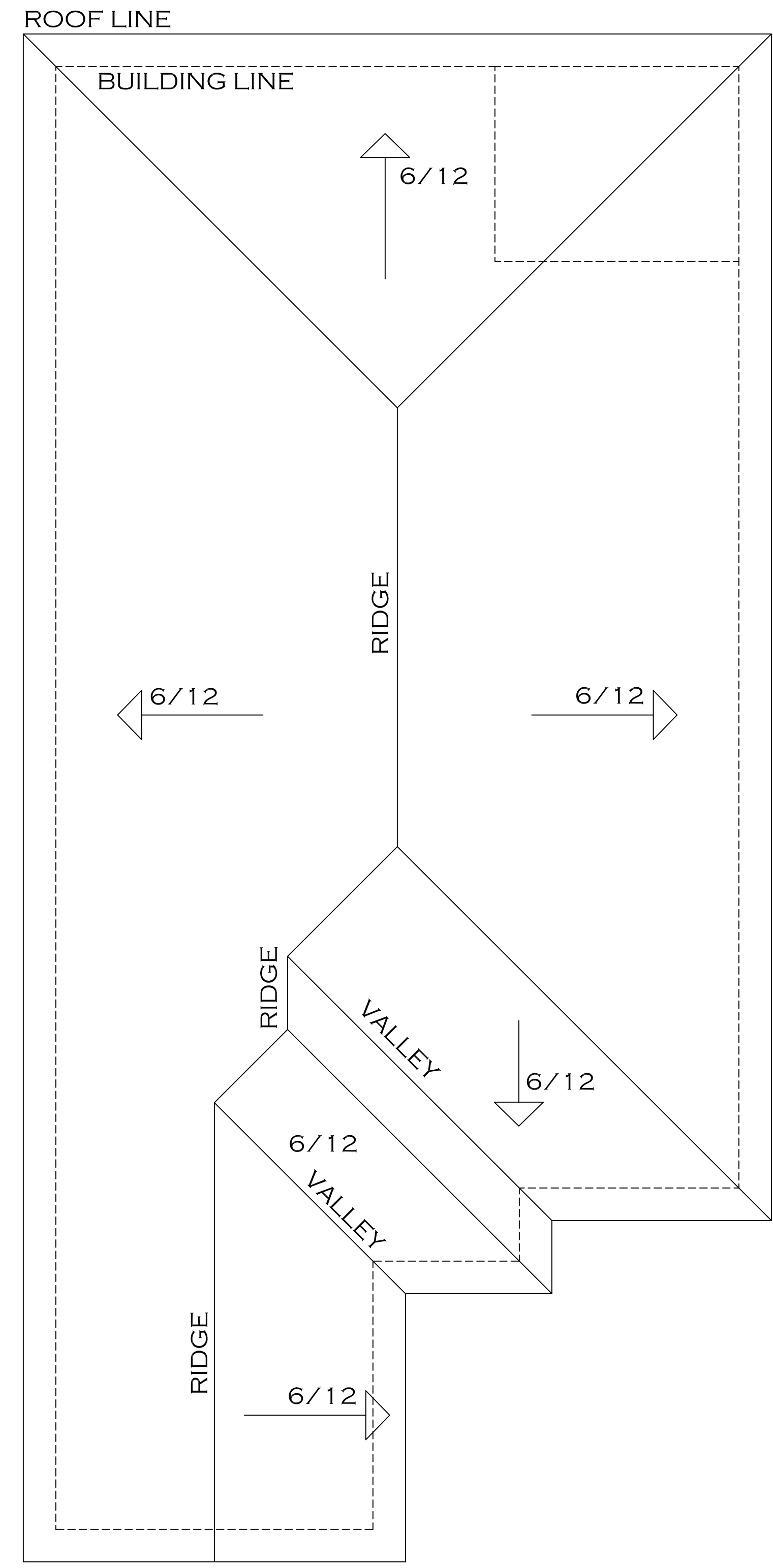
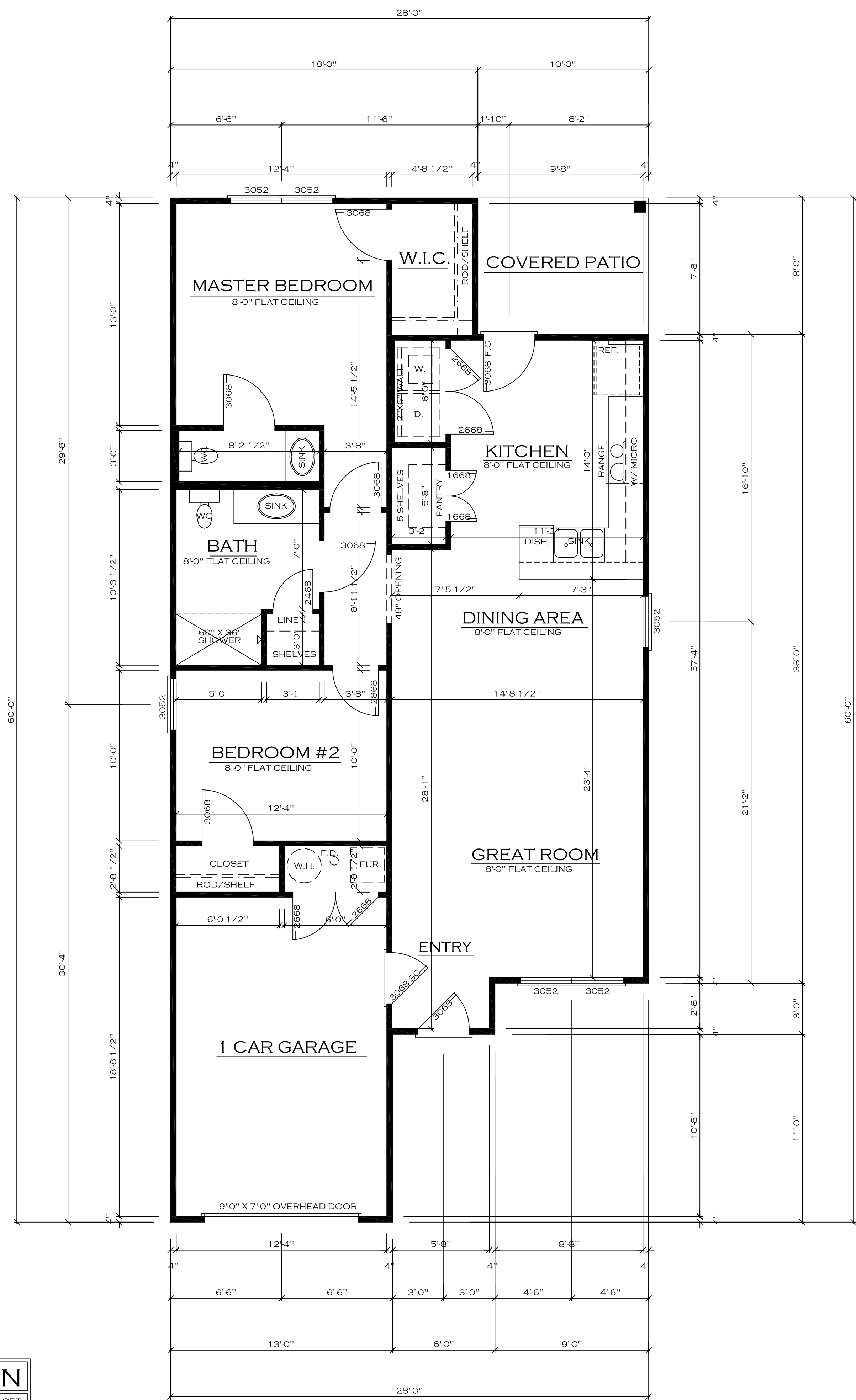
R. ANTHONY DEVELOPMENT
 573-999-6551
 KING ST.

ELEVATIONS
 SCALE: 1/4" = 1'-0"
 DATE: 8/13/2018
 JOB #: 180813
 DRAWN BY: TRH

PLAN NOTES:
 - VERIFY ALL LOCAL CODES, ENERGY TYPES AND SITE CONDITIONS PRIOR TO CONSTRUCTION
 - REVIEW SUB-CONTRACTORS LOCATIONS OF HVAC(S) AND WATER HEATER(S) PRIOR TO CONSTRUCTION
 - ALL INTERIOR WALLS ARE 3/2" UNLESS DIMENSIONED OTHERWISE

MAIN FLOOR PLAN

SCALE: 1/4" = 1'-0" 1163 SQFT



ROOF PLAN

SCALE: 1/4" = 1'-0"

PLAN NOTES:

- VERIFY ALL LOCAL CODES, ENERGY TYPES AND SITE CONDITIONS PRIOR TO CONSTRUCTION
- REVIEW SUB-CONTRACTORS LOCATIONS OF HVAC(S) AND WATER HEATER(S) PRIOR TO CONSTRUCTION
- ALL INTERIOR WALLS ARE 3 1/2" UNLESS DIMENSIONED OTHERWISE

MAIN FLOOR PLAN

A1 OF **2**

SCALE: 1/4" = 1'-0"
DATE: 8/13/2018
JOB #: 180813
DRAWN BY: TRH

R. ANTHONY DEVELOPMENT
573-999-6551
KING ST.

CLEAN LINE HOME DESIGN, LLC
800 CANTERBURY DR. COLUMBIA, MO 65203
CLEANLINEPLANS@GMAIL.COM
MCMXCVIII (573) 219-0426

NOTE: EVERY EFFORT WAS MADE TO PREPARE THESE PLANS WITHOUT MISTAKES; HOWEVER, THE DESIGNER IS NOT AN ARCHITECT NOR AN ENGINEER AND ASSUMES NO RESPONSIBILITY FOR STRUCTURAL FAILURES DUE TO OMISSIONS OR ERRORS. THE CONTRACTOR ON THE JOB MUST VERIFY ALL DETAILS AND DIMENSIONS CONFORM WITH LOCAL BUILDING CODES. THANK YOU

Sources and Uses of Funds CMCA for Hickman Lots. - Form X

Development Sources of Funds			Development Uses of Funds			
2023 Build			Proposed		Proposed	
Total Sources		% of costs	Acquisition & General Requirements		Thermal & Moisture	
City CHDO	\$ 92,500.00	51.39%	Lot/Land	\$ -	Insulation	\$ 4,396.00
CMCA Financing	\$ 87,500.00	48.61%	Permits	\$ 620.00	Shingles/Roofing	\$ 6,000.00
			Labor	\$ -	Gutters	\$ 1,700.00
			Surveys/Appraisals	\$ 500.00	Siding	\$ 14,000.00
			Temporary Facilities/Utilities	\$ -	Soffit/Fascia	
			Equipment Rental	\$ -	Total Thermal/Moisture	\$ 26,096.00
			Insurance	\$ 2,000.00	Doors and Windows	
Total	\$ 180,000.00	100%	Plans/Architect	\$ -	Exterior Entrance Doors	\$ 2,000.00
			Interest/Bank Fees	\$ -	Interior Pre-Hung Doors	\$ 4,100.00
			Realtor Fees	\$ 3,500.00	Patio Doors	
			Advertising & Sales	\$ -	Garage Door(s)	\$ 1,600.00
			Legal Fees	\$ -	Windows	\$ 2,200.00
			Developer Fees	\$ 18,000.00	Hardware	\$ 500.00
			Other Fees: Disbursement fee	\$ 1,600.00	Total Doors and Windows	\$ 10,400.00
			Maint/ Clean-up	\$ -	Finishes	
			Total Acq/General Req.	\$ 26,220.00	Drywall	\$ 8,000.00
			Sitework		Vinyl	\$ 1,000.00
			Site Preparation	\$ 2,000.00	Tile	\$ 1,200.00
			Earthwork/Excavation	\$ 3,000.00	Carpet	\$ 1,200.00
			Sewer	\$ 1,000.00	Painting Interior	\$ 3,800.00
			Utilities Installation	\$ 2,000.00	Painting Exterior	\$ -
			Landscaping	\$ 1,000.00	Total Finishes	\$ 15,200.00
			Total Sitework	\$ 9,000.00	Equipment	
			Concrete		Appliance kitchen	\$ 3,000.00
			Reinforcement		Appliance laundry	\$ 1,200.00
			Rock	\$ 1,000.00	Total Equipment	\$ 4,200.00
			Footings/Foundations	\$ 5,000.00	Furnishings	
			Flatwork	\$ -	Cabinets	\$ 5,200.00
			Total Concrete	\$ 6,000.00	Countertops	\$ 1,400.00
			Carpentry/millwork		Sinks	\$ 600.00
			Rough Carpentry	\$ 44,000.00	Mirrors	\$ 300.00
			Trusses/Pre-Fabs	\$ 8,000.00	Total Furnishings	\$ 7,500.00
			Finish Carpentry	\$ 6,000.00	Mechanical	
			Total Wood	\$ 58,000.00	Plumbing	\$ 8,500.00
					HVAC	\$ 8,200.00
					ERV	
					Other - SOLAR PANELS	\$ 6,000.00
					Total Mechanical	\$ 14,200.00
					Electrical	
					Service & Distribution	\$ 6,200.00
					Lighting	\$ 750.00
					Communications	\$ 500.00
					Fixtures	\$ 507.00
					Total Electrical	\$ 7,957.00
					Builder Fee (15% max)	\$ 13,227.00
					Total Development Costs	\$ 198,000.00

**COLUMBIA COMMUNITY LAND TRUST
GROUND LEASE
TABLE OF CONTENTS**

RECITALS

DEFINITIONS

ARTICLE 1: Homeowner’s Letter of Agreement and Attorney’s Letter of Acknowledgment are Attached as Exhibits.

ARTICLE 2: Leasing of Rights to the Land

- 2.1 CLT LEASES THE LAND TO HOMEOWNER:
- 2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER

ARTICLE 3: Term of Lease, Change of Land Owner

- 3.1 TERM OF LEASE IS 99 YEARS
- 3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS
- 3.3 WHAT HAPPENS IF CLT DECIDES TO SELL THE LEASED LAND

ARTICLE 4: Use of Leased Land

- 4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES
- 4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBLY AND IN COMPLIANCE WITH THE LAW
- 4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS
- 4.4 HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST 10 MONTHS EACH YEAR
- 4.5 LEASED LAND MAY NOT BE SUBLEASED WITHOUT CLT’S PERMISSION
- 4.6 CLT HAS A RIGHT TO INSPECT THE LEASED LAND
- 4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT

ARTICLE 5: Lease Fee

- 5.1 AMOUNT OF LEASE FEE
- 5.2 WHEN THE LEASE FEE IS TO BE PAID
- 5.3 HOW THE AMOUNT OF THE LAND USE FEE HAS BEEN DETERMINED
- 5.4 CLT MAY REDUCE OR SUSPEND THE LEASE FEE TO IMPROVE AFFORDABILITY
- 5.5 FEES MAY BE INCREASED FROM TIME TO TIME
- 5.6 LAND USE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED
- 5.7 IF PAYMENT IS LATE, INTEREST CAN BE CHARGED
- 5.8 CLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD

ARTICLE 6: Taxes and Assessments

- 6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS
- 6.2 CLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER
- 6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES
- 6.4 IF HOMEOWNER FAILS TO PAY TAXES, CLT MAY INCREASE LEASE FEE
- 6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF

ARTICLE 7: The Home

- 7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND
- 7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE

- 7.3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS
- 7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME
- 7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS
- 7.6 REPAIR RESERVE FUNDS IS ESTABLISHED TO SUPPORT FUTURE REPAIRS AND REPLACEMENTS
- 7.7 WHEN LEASE ENDS, OWNERSHIP REVERTS TO CLT, WHICH SHALL REIMBURSE HOMEOWNER

ARTICLE 8: Financing

- 8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT CLT's PERMISSION
- 8.2 BY SIGNING LEASE, CLT GIVES PERMISSION FOR ORIGINAL MORTGAGE
- 8.3 CLT PERMISSION IS REQUIRED FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES
- 8.4 CLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE"
- 8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE
- 8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE
- 8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO CLT

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

- 9.1 HOMEOWNER ASSUMES ALL LIABILITY
- 9.2 HOMEOWNER MUST DEFEND CLT AGAINST ALL CLAIMS OF LIABILITY
- 9.3 HOMEOWNER MUST REIMBURSE CLT
- 9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND
- 9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED
- 9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE
- 9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED
- 9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, CLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER CLT HOME

ARTICLE 10: Transfer of the Home

- 10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY
- 10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO CLT OR QUALIFIED PERSONS
- 10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER
- 10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL
- 10.5 AFTER RECEIVING NOTICE, CLT SHALL COMMISSION AN APPRAISAL
- 10.6 CLT HAS AN OPTION TO PURCHASE THE HOME
- 10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS
- 10.8 AFTER ONE YEAR CLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE
- 10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE
- 10.10 HOW THE FORMULA PRICE IS CALCULATED
- 10.11 QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE
- 10.12 PURCHASER MAY BE CHARGED A TRANSFER FEE
- 10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER

ARTICLE 11: Reserved

ARTICLE 12: Default

- 12.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE REQUIRED PAYMENTS TO THE CLT

- 12.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE
- 12.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS
- 12.4 A DEFAULT (UNCURED VIOLATION) GIVES CLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION

ARTICLE 13: Mediation and Arbitration

- 13.1 MEDIATION AND ARBITRATION ARE PERMITTED
- 13.2 HOMEOWNER AND CLT SHALL SHARE COST OF ANY MEDIATION OR ARBITRATION

ARTICLE 14: General Provisions

- 14.1 NOTICES
- 14.2 NO BROKERAGE
- 14.3 SEVERABILITY AND DURATION OF LEASE
- 14.4 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION
- 14.5 WAIVER
- 14.6 CLT'S RIGHT TO PROSECUTE OR DEFEND
- 14.7 CONSTRUCTION
- 14.8 HEADINGS AND TABLE OF CONTENTS
- 14.9 PARTIES BOUND
- 14.10 GOVERNING LAW
- 14.11 RECORDING

Exhibits That Must Be Attached

- Exhibit LETTER OF AGREEMENT
- Exhibit LEASED LAND
- Exhibit DEED
- Exhibit PERMITTED MORTGAGES
- Exhibit FIRST REFUSAL
- Exhibit INITIAL APPRAISAL
- Exhibit ZONING

Other Exhibits to be Attached, as Appropriate

- Exhibit RESTRICTIONS

THIS LEASE (“this Lease” or “the Lease”) entered into this _____ day of _____, 20____, between Columbia Community Land Trust (hereinafter “CLT” or “the CLT”) and _____ (“Homeowner”).

RECITALS

- A.** The CLT is organized exclusively for charitable purposes, including the purpose of providing homeownership opportunities for low- and moderate-income people who would otherwise be unable to afford homeownership.
- B.** A goal of the CLT is to preserve affordable homeownership opportunities through the long-term leasing of land under owner-occupied homes.
- C.** The Leased Land described in this Lease has been acquired and is being leased by the CLT in furtherance of this goal.
- D.** The Homeowner shares the purposes of the CLT and has agreed to enter into this Lease not only to obtain the benefits of homeownership, but also to further the charitable purposes of the CLT.
- E.** Homeowner and CLT recognize the special nature of the terms of this Lease, and each of them accepts these terms, including those terms that affect the marketing and resale price of the property now being purchased by the Homeowner.
- F.** Homeowner and CLT agree that the terms of this Lease further their shared goals over an extended period of time and through a succession of owners.

NOW THEREFORE, Homeowner and CLT agree on all of the terms and conditions of this Lease as set forth below.

DEFINITIONS: Homeowner and CLT agree on the following definitions of key terms used in this Lease.

Leased Land: the parcel of land, described in Exhibit: LEASED LAND, which is leased to the Homeowner.

Home: the residential structure and other permanent improvements located on the Leased Land and owned by the Homeowner, including both the original Home described in Exhibit: DEED, and all permanent improvements added thereafter by Homeowner at Homeowner’s expense.

Base Price: the total price that is paid for the Home by the Homeowner (including the amount provided by a first mortgage loan but not including subsidy in the form of deferred loans to the Homeowner).

Purchase Option Price: the maximum price the Homeowner is allowed to receive for the sale of the Home and the Homeowner’s right to possess, occupy and use the Leased Land, as defined in Article 10 of this Lease.

Lease Fee: The monthly fee that the Homeowner pays to the CLT for the continuing use of the Leased Land and any additional amounts that the CLT charges to the Homeowner for reasons permitted by this Lease.

Permitted Mortgage: A mortgage or deed of trust on the Home and the Homeowner’s right to possess, occupy and use the Leased Land granted to a lender by the Homeowner with the CLT’s Permission. The Homeowner may not mortgage the CLT’s interest in the Leased Land, and may not grant any mortgage or deed of trust without CLT’s Permission.

Event of Default: Any violation of the terms of the Lease unless it has been corrected (“cured”) by Homeowner or the holder of a Permitted Mortgage in the specified period of time after a written Notice of Default has been given by CLT.

ARTICLE 1: Homeowner’s Letter of Agreement and Attorney’s Letter of Acknowledgment are Attached as Exhibits.

Attached as Exhibit HOMEOWNER’S LETTER OF AGREEMENT AND ATTORNEY’S LETTER OF ACKNOWLEDGMENT and made part of this Lease by reference are a Letter of Agreement from the Homeowner, describing the Homeowner’s understanding and acceptance of this Lease (including the parts of the Lease that affect the resale of the Home) and a Letter of Acknowledgment from the Homeowner’s attorney, describing the attorney’s review of the Lease with the Homeowner.

ARTICLE 2: Leasing of Rights to the Land

2.1 CLT LEASES THE LAND TO HOMEOWNER: The CLT hereby leases to the Homeowner, and Homeowner hereby accepts, the right to possess, occupy and use the Leased Land (described in the attached Exhibit LEASED LAND) in accordance with the terms of this Lease. CLT has furnished to Homeowner a copy of the most current title report, if any, obtained by CLT for the Leased Land, and Homeowner accepts title to the Leased Land in its condition “as is” as of the signing of this Lease.

2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER: CLT does not lease to Homeowner the right to remove from the Leased Land any minerals lying beneath the Leased Land’s surface. Ownership of such minerals remains with the CLT, but the CLT shall not remove any such minerals from the Leased Land without the Homeowner’s written permission.

ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS: This Lease shall remain in effect for 99 years, beginning on the ___ day of _____, 20___, and ending on the _____ day of _____, 20___, unless ended sooner or renewed as provided below.

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS: Homeowner may renew this Lease for one additional period of 99 years. The CLT may change the terms of the Lease for the renewal period prior to the beginning of the renewal period but only if these changes do not materially and adversely interfere with the rights possessed by Homeowner under the Lease. Not more than 365 nor less than 180 days before the last day of the first 99-year period, CLT shall give Homeowner a written notice that states the date of the expiration of the first 99-year period and the conditions for renewal as set forth in the following paragraph (“the Expiration Notice”). The Expiration Notice shall also describe any changes that CLT intends to make in the Lease for the renewal period as permitted above.

The Homeowner shall then have the right to renew the Lease only if the following conditions are met: (a) within 60 days of receipt of the Expiration Notice, the Homeowner shall give CLT written notice stating the Homeowner’s desire to renew (“the Renewal Notice”); (b) this Lease shall be in effect on the last day of the original 99-year term, and (c) the Homeowner shall not be in default under this Lease or under any Permitted Mortgage on the last day of the original 99-year term.

When Homeowner has exercised the option to renew, Homeowner and CLT shall sign a memorandum stating that the option has been exercised. The memorandum shall comply with the requirements for

a notice of lease as stated in Section 14.12 below. The CLT shall record this memorandum in accordance with the requirements of law promptly after the beginning of the renewal period.

3.3 WHAT HAPPENS IF CLT DECIDES TO SELL THE LEASED LAND: If ownership of the Leased Land is ever transferred by CLT (whether voluntarily or involuntarily) to any other person or institution, this Lease shall not cease, but shall remain binding on the new land-owner as well as the Homeowner. If CLT agrees to transfer the Leased Land to any person or institution other than a non-profit corporation, charitable trust, government agency or other similar institution sharing the goals described in the Recitals above, the Homeowner shall have a right of first refusal to purchase the Leased Land. The details of this right shall be as stated in the attached Exhibit FIRST REFUSAL. Any sale or other transfer contrary to this Section 3.3 shall be null and void.

ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES:

Homeowner shall use, and allow others to use, the Home and Leased Land only for residential purposes and any activities related to residential use that were permitted by local zoning law when the Lease was signed, as indicated in the attached Exhibit ZONING.

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBLY AND IN COMPLIANCE WITH THE LAW: Homeowner shall use the Home and Leased Land in a way that will not cause harm to others or create any public nuisance. Homeowner shall dispose of all waste in a safe and sanitary manner. Homeowner shall maintain all parts of the Home and Leased Land in safe, sound and habitable condition, in full compliance with all laws and regulations, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease.

4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS: Homeowner shall be responsible for the use of the Home and Leased Land by all residents and visitors and anyone else using the Leased Land with Homeowner's permission and shall make all such people aware of the restrictions on use set forth in this Lease.

4.4 HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST TEN MONTHS EACH YEAR: Homeowner shall occupy the Home for at least ten (10) months of each year of this Lease, unless otherwise agreed by CLT. Occupancy by Homeowner's child, spouse, domestic partner or other persons approved by CLT shall be considered occupancy by Homeowner. Neither compliance with the occupancy requirement nor CLT's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and Home, which is addressed in Section 4.5 below.

4.5 LEASED LAND MAY NOT BE SUBLEASED WITHOUT CLT'S PERMISSION: Except as otherwise provided in Article 8 and Article 10, Homeowner shall not sublease, sell or otherwise convey any of Homeowner's rights under this Lease, for any period of time, without the written permission of CLT. Homeowner agrees that CLT shall have the right to withhold such consent in order to further the purposes of this Lease.

If permission for subleasing is granted, the sublease shall be subject to the following conditions.

- a) Any sublease shall be subject to all of the terms of this Lease.
- b) The rental or occupancy fee charged the sub-lessee shall not be more than the amount of the Lease Fee charged the Homeowner by the CLT, plus an amount approved by CLT to cover Homeowner's costs in owning the Home, including but not limited to the cost of taxes, insurance and mortgage interest.

4.6 CLT HAS A RIGHT TO INSPECT THE LEASED LAND: The CLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, at any reasonable time, after notifying the Homeowner at least 48 hours before the planned inspection. No more than one (1) regular inspection may be carried out in a single year, except in the case of an emergency. In an emergency, the CLT may inspect any part of the Leased Land including the interiors of fully enclosed buildings, after making reasonable efforts to inform the Homeowner before the inspection.

If the CLT has received an Intent-To-Sell Notice (as described in Section 10.4 below), then the CLT has the right to inspect the interiors of all fully enclosed buildings to determine their condition prior to the sale. The CLT must notify the Homeowner at least 48 hours before carrying out such inspection.

4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT: Homeowner has the right to quiet enjoyment of the Leased Land. The CLT has no desire or intention to interfere with the personal lives, associations, expressions, or actions of the Homeowner in any way not permitted by this Lease.

ARTICLE 5: Lease Fee

5.1 AMOUNT OF LEASE FEE: The Homeowner shall pay a monthly Lease Fee in the amount of thirty dollars (\$30.00) to be paid in return for the continuing right to possess, occupy and use the Leased Land, plus (b) a Repair Reserve Fee of \$10 to be held by the CLT and used for the purpose of preserving the physical quality of the Home for the long term in accordance with Section 7.6 below.

5.2 WHEN THE LEASE FEE IS TO BE PAID (DUE DATE): The Lease Fee shall be payable to CLT on the first day of each month for as long as this Lease remains in effect, unless the Lease Fee is to be escrowed and paid by a Permitted Mortgagee, in which case payment shall be made as directed by that Mortgagee.

5.3 HOW THE AMOUNT OF THE LEASE FEE HAS BEEN DETERMINED: The amount of the Land Use Fee stated in Section 5.1 above has been determined as follows. First, the approximate monthly fair rental value of the Leased Land has been established, as of the beginning of the Lease term, recognizing that the fair rental value is reduced by certain restrictions imposed by the Lease on the use of the Land. Then the affordability of this monthly amount, plus the amount of the Repair Reserve Fee, for the Homeowner has been analyzed and, if necessary, the Land Use has been reduced to an amount considered to be affordable for Homeowner.

5.4 CLT MAY REDUCE OR SUSPEND THE LEASE FEE TO IMPROVE AFFORDABILITY: CLT may reduce or suspend the total amount of the Lease Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension must be in writing and signed by CLT.

5.5 FEES MAY BE INCREASED FROM TIME TO TIME: The CLT may increase the amount of the Land Use Fee and/or the Repair Reserve Fee from time to time, but not more often than once every fifth (5th) year. Each time such amounts are increased, the total percentage of increase since the date this Lease was signed shall not be greater than the percentage of increase, over the same period of time, in Area Median Income (AMI) for the City of Columbia Missouri.

5.6 LAND USE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED: If, for any reason, the provisions of Article 10 regarding transfers of the Home or Sections 4.4 and 4.5 regarding occupancy and subleasing are suspended or invalidated for any period of time, then during that time the Land Use Fee shall be increased to an amount calculated by CLT to equal the fair rental value of the Leased

Land for use not restricted by the suspended provisions, but initially an amount not exceeding five hundred dollars (\$500). Such increase shall become effective upon CLT's written notice to Homeowner. Thereafter, for so long as these restrictions are not reinstated in the Lease, the CLT may, from time to time, further increase the amount of such Land Use Fee, provided that the amount of the Land Use Fee does not exceed the fair rental value of the property, and provided that such increases do not occur more often than once every year.

5.7 IF PAYMENT IS LATE, \$5.00 PER DAY LATE FEE MAY BE CHARGED: If the CLT has not received any monthly installment of the Lease Fee on or before the date on which the such installment first becomes payable under this Lease (the "Due Date"), the CLT may, at its sole discretion, assess a late fee in the amount of five dollars (\$5.00) for every day that the Lease Fee is delinquent until the total amount due is paid in full.

5.8 CLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD: In the event that any amount of payable Lease Fee remains unpaid when the Home is sold, the outstanding amount of payable Lease Fee, including any interest as provided above, shall be paid to CLT out of any proceeds from the sale that would otherwise be due to Homeowner. The CLT shall have, and the Homeowner hereby consents to, a lien upon the Home for any unpaid Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Home except (a) liens and encumbrances recorded before the recording of this Lease, (b) Permitted Mortgages as defined in section 8.1 below; and (c) liens for real property taxes and other governmental assessments or charges against the Home.

ARTICLE 6: Taxes and Assessments

6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS: Homeowner shall pay directly, when due, all taxes and governmental assessments that relate to the Home and the Leased Land (including any taxes relating to the CLT's interest in the Leased Land).

6.2 CLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER: In the event that the local taxing authority bills CLT for any portion of the taxes on the Home or Leased Land, CLT shall pass the bill to Homeowner and Homeowner shall promptly pay this bill.

6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES: Homeowner shall have the right to contest the amount or validity of any taxes relating to the Home and Leased Land. Upon receiving a reasonable request from Homeowner for assistance in this matter, CLT shall join in contesting such taxes. Homeowner shall pay all costs of such proceedings.

6.4 IF HOMEOWNER FAILS TO PAY TAXES, CLT MAY INCREASE LEASE FEE: In the event that Homeowner fails to pay the taxes or other charges described in Section 6.1 above, CLT may increase Homeowner's Lease Fee to offset the amount of taxes and other charges owed by Homeowner. Upon collecting any such amount, CLT shall pay the amount collected to the taxing authority in a timely manner.

6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF: When either party pays taxes relating to the Home or Leased Land, that party shall furnish satisfactory evidence of the payment to the other party. A photocopy of a receipt shall be the usual method of furnishing such evidence.

ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND: All structures, including the house, fixtures, and other improvements purchased, constructed, or

installed by the Homeowner on any part of the Leased Land at any time during the term of this Lease (collectively, the "Home") shall be property of the Homeowner. Title to the Home shall be and remain vested in the Homeowner. However, Homeowner's rights of ownership are limited by certain provisions of this Lease, including provisions regarding the sale or leasing of the Home by the Homeowner and the CLT's option to purchase the Home. In addition, Homeowner shall not remove any part of the Home from the Leased Land without CLT's prior written consent.

7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE: Upon the signing of this Lease, Homeowner is simultaneously purchasing the Home located at that time on the Leased Land, as described in the Deed, a copy of which is attached to this Lease as Exhibit: DEED.

7.3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS: Any construction in connection with the Home is permitted only if the following requirements are met: (a) all costs shall be paid for by the Homeowner; (b) all construction shall be performed in a professional manner and shall comply with all applicable laws and regulations; (c) all changes in the Home shall be consistent with the permitted uses described in Article 4; (d) material or structural changes to the Home's footprint, square-footage, or height of the house shall not be increased and rooms reconfigured or interior walls modified and new structures shall not be built or installed on the Leased Land without the prior written consent of CLT.

For any construction requiring CLT's prior written consent, Homeowner shall submit a written request to the CLT. Such request shall include:

- a) a written statement of the reasons for undertaking the construction;
- b) a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;
- c) a list of the necessary materials, with quantities needed;
- d) a statement of who will do the work;

If the CLT finds it needs additional information it shall request such information from Homeowner within two weeks of receipt of Homeowner's request. The CLT then, within two weeks of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting. Before construction can begin, Homeowner shall provide CLT with copies of all necessary building permits, if not previously provided.

7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME: No lien of any type shall attach to the CLT's title to the Leased Land. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or the Home that remains more than 60 days after it has been filed. Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If Homeowner fails to discharge such lien within the 60-day period, then Homeowner shall immediately notify CLT of such failure. CLT shall have the right to discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond or other acceptable surety in an amount sufficient to release the Leased Land from such lien. Any amounts paid by CLT to discharge such liens shall be treated as an additional Lease Fee payable by Homeowner upon demand.

7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS: Homeowner hereby assumes responsibility for furnishing all services or facilities on the Leased Land, including but not limited to heat, electricity, air conditioning and water. CLT shall not be required to furnish any services or facilities or to make any repairs to the Home. Homeowner shall maintain the Home and Leased Land as required by Section 4.2 above and shall see that all necessary repairs and replacements are accomplished when needed.

7.6 A REPAIR RESERVE FUND IS ESTABLISHED TO SUPPORT FUTURE REPAIRS AND REPLACEMENTS: In an effort to ensure that the physical quality of the Home will be preserved for the long term, a stewardship fee shall be collected from Homeowner as a component of the Lease Fee, as provided in Section 5.1 above, and shall be held by the CLT in a Repair and Replacement Reserve Fund. A separate Repair and Replacement Reserve Fund shall be maintained by the CLT for each Home and shall remain with the Home, rather than with Homeowner, when the Home is sold. The Reserve Fund for a Home may be supplemented, at the discretion of the CLT, through an allocation of some portion of the Transfer Fee collected by the CLT upon the initial purchase and/or the resale of the Home as provided in Section 10.12 and/or from other resources.

The Repair and Replacement Reserve Fund shall be used, at the discretion of the CLT, to pay for major repairs or replacements that become necessary as a result of aging or obsolescence. The Fund shall not be used to pay for repairs or replacements that are needed as a result of neglect or misuse or that are desired by Homeowner only for aesthetic reasons.

The Homeowner may request release of funds from the reserve for use in accomplishing such repairs or replacements, and the CLT may grant such requests if it determines that the requested use is needed to preserve the quality of the Home, and that the need is not a result of Homeowner's neglect or misuse, and that the Reserve is sufficiently funded to cover the cost in question.

The Homeowner may also request release of funds from the Reserve to cover costs of repairs for which Homeowner is responsible at the time Homeowner sells the Home, in accordance with section 10.13 below. CLT, at its discretion, may agree to release funds from the Reserve for such purpose, but only if such repairs have become necessary as a result of aging or obsolescence, not as a result of neglect or misuse, and only if the Reserve is sufficiently funded to cover the costs in question.

7.7 WHEN LEASE ENDS, OWNERSHIP REVERTS TO CLT, WHICH SHALL REIMBURSE HOMEOWNER: Upon the expiration or termination of this Lease, ownership of the Home shall revert to CLT. Upon thus assuming title to the Home, CLT shall promptly pay Homeowner and Permitted Mortgagee(s), as follows:

FIRST, CLT shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner;

SECOND, CLT shall pay the Homeowner the balance of the Purchase Option Price calculated in accordance with Article 10 below, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of this Lease. The Homeowner shall be responsible for any costs necessary to clear any additional liens or other charges related to the Home that may be assessed against the Home. If the Homeowner fails to clear such liens or charges, the balance due the Homeowner shall also be reduced by the amount necessary to release such liens or charges, including reasonable attorney's fees incurred by the CLT.

ARTICLE 8: Financing

8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT CLT's PERMISSION: The Homeowner may mortgage the Home only with the written permission of CLT. Any mortgage or deed of trust permitted in writing by the CLT is defined as a Permitted Mortgage, and the holder of such a mortgage or deed of trust is defined as a Permitted Mortgagee.

8.2 BY SIGNING LEASE, CLT GIVES PERMISSION FOR ORIGINAL MORTGAGE. By signing this Lease, CLT gives written permission for any mortgage or deed of trust signed by the Homeowner effective on the day this Lease is signed for the purpose of financing Homeowner's purchase of the Home.

8.3 CLT MUST GET SPECIFIC PERMISSION FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES. If, at any time subsequent to the purchase of the Home and signing of the Lease, the Homeowner seeks a loan that is to be secured by a mortgage on the Home (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homeowner must inform CLT, in writing, of the proposed terms and conditions of such mortgage loan at least 30 days prior to the expected closing of the loan. The information to be provided to the CLT must include:

- a) the name of the proposed lender;
- b) Homeowner's reason for requesting the loan;
- c) the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
- d) expected closing costs;
- e) the rate of interest;
- f) the repayment schedule;
- g) a copy of the appraisal commissioned in connection with the loan request.

CLT may also require Homeowner to submit additional information. CLT will not permit such a mortgage loan if the loan increases Homeowner's total mortgage debt to an amount greater than 80% of the then current Purchase Option Price, calculated in accordance with Article 10 below, or if the terms of the transaction otherwise threaten the interests of either the Homeowner or the CLT.

8.4 CLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE." The CLT shall be required to permit any mortgage for which the mortgagee has signed a "Standard Permitted Mortgage Agreement" as set forth in "Exhibit: Permitted Mortgages, Part C," and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than ___% of the then current Purchase Option Price, calculated in accordance with Article 10 below.

8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE. Any Permitted Mortgagee shall be bound by each of the requirements stated in "Exhibit: Permitted Mortgages, Part A, Obligations of Permitted Mortgagee," which is made a part of this Lease by reference, unless the particular requirement is removed, contradicted or modified by a Rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE. Any Permitted Mortgagee shall have all of the rights and protections stated in "Exhibit: Permitted Mortgages, Part B, Rights of Permitted Mortgagee," which is made a part of this Lease by reference.

8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO CLT. Homeowner and CLT recognize that it would be contrary to the purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the

foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to CLT all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to pay such excess amount directly to CLT. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to CLT.

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

9.1 HOMEOWNER ASSUMES ALL LIABILITY. Homeowner assumes all responsibility and liability related to Homeowner's possession, occupancy and use of the Leased Land.

9.2 HOMEOWNER MUST DEFEND CLT AGAINST ALL CLAIMS OF LIABILITY. Homeowner shall defend, indemnify and hold CLT harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Leased Land. Homeowner waives all claims against CLT for injury or damage on or about the Leased Land. However, CLT shall remain liable for injury or damage due to the grossly negligent or intentional acts or omissions of CLT or CLT's agents or employees.

9.3 HOMEOWNER MUST REIMBURSE CLT. In the event the CLT shall be required to pay any sum that is the Homeowner's responsibility or liability, the Homeowner shall reimburse the CLT for such payment and for reasonable expenses caused thereby.

9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the CLT prior to the commencement of the Lease. Thereafter, if the CLT determines that the replacement value to be insured should be increased, the CLT shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the CLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without CLT's approval.

Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.

The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance covering the Home and the Leased Land using ISO Form HO 00 03 or its equivalent in the amount of _____ dollars (\$ _____) per occurrence and in the aggregate. The CLT shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to the CLT prior to the commencement of the Lease and at each anniversary date thereof.

The dollar amounts of such coverage may be increased from time to time at the CLT's request but not more often than once in any one-year period. CLT shall inform the Homeowner of such required

increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.

9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.

If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify CLT of this problem, and CLT may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and CLT.

If Homeowner and CLT cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give CLT written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.

FIRST, to the expenses of their collection;

SECOND, to any Permitted Mortgagee(s), to the extent required by the Permitted Mortgage(s);

THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;

FOURTH, to the CLT for any amounts owed under this Lease;

FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above;

SIXTH, the balance, if any, to the CLT.

9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE. If all of the Leased Land is taken by eminent domain or otherwise for public purposes, or if so much of the Leased Land is taken that the Home is lost or damaged beyond repair, the Lease shall terminate as of the date when Homeowner is required to give up possession of the Leased Land. Upon such termination, the entire amount of any award(s) paid shall be allocated in the way described in Section 9.5 above for insurance proceeds.

In the event of a taking of a portion of the Leased Land that does not result in damage to the Home or significant reduction in the usefulness or desirability of the Leased Land for residential purposes, then any monetary compensation for such taking shall be allocated entirely to CLT.

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED. In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, CLT shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not exceed the monthly fair rental value of the Land for use as restricted by the Lease.

9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, CLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER CLT HOME. If this Lease is terminated as a result of damage, destruction or taking, CLT shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by CLT if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available, and shall have no claim against CLT if such a home is not made available.

ARTICLE 10: Transfer of the Home

10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY: Homeowner and CLT agree that the provisions of this Article 10 are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households.

10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO CLT OR QUALIFIED PERSONS: Homeowner may transfer the Home only to the CLT or an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers are to be completed only in strict compliance with this Article 10. Any purported transfer that does not follow the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

“Income-Qualified Person” shall mean a person or group of persons whose household income does not exceed eighty percent (80%) of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor.

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner can no longer occupy the home or if the Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner’s estate shall notify CLT within ninety (90) days of the date of the death. Upon receiving such notice CLT shall consent to a transfer of the Home and Homeowner’s rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as “a,” “b,” or “c,” provided that a Letter of Agreement and a Letter of Attorney’s Acknowledgement (as described in Article 1 above) are submitted to CLT to be attached to the Lease when it is transferred to the heirs.

- a) the spouse of the Homeowner; or
- b) the child or children of the Homeowner; or

- c) member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death and is able to document this full year of occupancy.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Acknowledgment as provided above, must demonstrate to CLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article 10.

10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell Homeowner's Property, Homeowner shall notify CLT in writing of such wish (the Intent-to-Sell Notice). This Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

10.5 AFTER RECEIVING NOTICE, CLT SHALL COMMISSION AN APPRAISAL: No later than fifteen (15) days after CLT's receipt of Homeowner's Intent-to-Sell Notice, CLT shall commission a market valuation of the Leased Land and the Home (The Appraisal) to be performed by a duly licensed appraiser who is acceptable to CLT and Homeowner. CLT shall pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Leased Land and Home were held in fee simple absolute by a single party, disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. Copies of the Appraisal are to be provided to both CLT and Homeowner.

10.6 CLT HAS AN OPTION TO PURCHASE THE HOME. Upon receipt of an Intent-to-Sell Notice from Homeowner, CLT shall have the option to purchase the Home at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner.

If CLT elects to purchase the Home, the CLT shall exercise the Purchase Option by notifying Homeowner, in writing, of such election (the Notice of Exercise of Option) within thirty (30) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, CLT may either proceed to purchase the Home directly or may assign the Purchase Option to an Income-Qualified Person.

The purchase (by CLT or CLT's assignee) must be completed within forty-five (45) days of CLT's Notice of Exercise of Option, or Homeowner may sell the Home and Homeowner's rights to the Leased Land as provided in Section 10.7 below. The time permitted for the completion of the purchase may be extended by mutual agreement of CLT and Homeowner.

Homeowner may recommend to CLT a prospective buyer who is an Income-Qualified Person and is prepared to submit a Letter of Agreement indicating informed acceptance of the terms of this Lease. CLT shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless CLT determines that its charitable mission is better served by retaining the Home for another purpose or transferring the Home to another party.

10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS: If the Purchase Option has expired or if CLT has failed to complete the purchase within the sixty-day period allowed

by Section 10.6 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price. If Homeowner has made diligent efforts to sell the Home for at least six months after the expiration of the Purchase Option (or six months after the expiration of such sixty-day period) and the Home still has not been sold, Homeowner may then sell the Home, for a price no greater than the then applicable Purchase Option Price, to any party regardless of whether that party is an Income-Qualified Person.

10.8 AFTER ONE YEAR CLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE: If CLT does not exercise its option and complete the purchase of Homeowner's Property as described above, and if Homeowner (a) is not then residing in the Home and (b) continues to hold Homeowner's Property out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one year of the date of the Intent to Sell Notice, Homeowner does hereby appoint CLT its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Lease, sell the property, and pay to the Homeowner the proceeds of sale, minus CLT's costs of sale and any other sums owed CLT by Homeowner.

10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE: In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the value of the combined value of the Leased Land and the Home, as determined by the Appraisal commissioned and conducted as provided in 10.5 above or (b) the price calculated in accordance with the formula described below (the Formula Price).

10.10 HOW THE FORMULA PRICE IS CALCULATED: The Formula Price shall be equal to Homeowner's Base Price, as stated below, plus 25% of the increase in market value of the Home and Leased Land, if any, calculated in the way described below.

Homeowner's Base Price: The parties agree that the Homeowner's Base Price for Homeowner's Property as of the signing of this Lease is \$_____.

Initial Appraised Value: The parties agree that the appraised value of the Home and Leased Land at the time of Homeowner's purchase (the Initial Appraised Value) is \$_____, as documented by the appraiser's report attached to this Lease as Exhibit INITIAL APPRAISAL.

Increase in Market Value: The increase in market value of the Home and Leased Land equals the appraised value of the Home and Leased Land at time of sale, calculated according to Section 10.5 above, minus the Initial Appraised Value.

Homeowner's share of Increase in Market Value: Homeowner's share of the increase in the market value of the Home and Leased Land equals twenty-five percent (25%) of the increase in market value as calculated above.

Summary of Formula Price: The Formula Price equals Homeowner's Base Price plus Homeowner's Share of Increase in Market Value.

10.11 QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE: The CLT shall issue a new lease to any person who purchases the Home in accordance with the terms of this Article 10. The terms of such lease shall be the same as those of new leases issued to homebuyers at that time for land not previously leased by the CLT.

10.12 PURCHASER MAY BE CHARGED A TRANSFER FEE. In the event that Homeowner sells the home to a party other than the CLT (whether directly to such party or as a result of CLT's assignment of its Purchase Option to such party), the price to be paid by such purchaser shall include in addition to the Purchase Option Price, at the discretion of the CLT, a transfer fee to compensate the CLT for carrying out its responsibilities with regard to the transaction. The amount of the transfer fee shall be no more than ___% of the Purchase Option Price.

10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER: The Homeowner is required to make necessary repairs when she voluntarily transfers the Home as follows:

- a) The person purchasing the Home ("Buyer") shall, prior to purchasing the Home, hire at her sole expense a home inspector with a current Home Inspector license to assess the condition of the Home and prepare a written report of the condition ("Inspection Report"). The Homeowner shall cooperate fully with the inspection.
- b) The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and the CLT within 10 days after receiving the Inspection Report.
- c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.
- d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, the CLT may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in a CLT-approved escrow account. Homeowner shall allow CLT, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.
- e) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

ARTICLE 11: RESERVED

ARTICLE 12: DEFAULT

12.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE PAYMENTS TO THE CLT THAT ARE REQUIRED BY THE LEASE: It shall be an event of default if Homeowner fails to pay the Lease Fee or other charges required by the terms of this Lease and such failure is not cured by Homeowner or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner makes a good faith partial payment of at least two-thirds (2/3) of the amount owed during the 30-day cure period, then the cure period shall be extended by an additional 30 days.

12.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE: It shall be an event of default if Homeowner fails to abide by any other requirement or restriction stated in this Lease, and such failure is not cured by Homeowner or a Permitted Mortgagee within sixty (60) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner or Permitted Mortgagee has begun to cure such default within the 60-day

cure period and is continuing such cure with due diligence but cannot complete the cure within the 60-day cure period, the cure period shall be extended for as much additional time as may be reasonably required to complete the cure.

12.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS: It shall be an event of default if the estate hereby created is taken on execution or by other process of law, or if Homeowner is judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of Homeowner for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Home or Homeowner's interest in the Leased Land by a court of competent jurisdiction, or if a petition is filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

12.4 A DEFAULT (UNCURED VIOLATION) GIVES CLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION:

a) **TERMINATION:** In the case of any of the events of default described above, CLT may terminate this lease and initiate summary proceedings under applicable law against Homeowner, and CLT shall have all the rights and remedies consistent with such laws and resulting court orders to enter the Leased Land and Home and repossess the entire Leased Land and Home, and expel Homeowner and those claiming rights through Homeowner. In addition, CLT shall have such additional rights and remedies to recover from Homeowner arrears of rent and damages from any preceding breach of any covenant of this Lease. If this Lease is terminated by CLT pursuant to an Event of Default, then, as provided in Section 7.7 above, upon thus assuming title to the Home, CLT shall pay to Homeowner and any Permitted Mortgagee an amount equal to the Purchase Option Price calculated in accordance with Section 10.9 above, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of this Lease and all reasonable costs (including reasonable attorneys' fees) incurred by CLT in pursuit of its remedies under this Lease.

If CLT elects to terminate the Lease, then the Permitted Mortgagee shall have the right (subject to Article 8 above and the attached Exhibit: Permitted Mortgages) to postpone and extend the specified date for the termination of the Lease for a period sufficient to enable the Permitted Mortgagee or its designee to acquire Homeowner's interest in the Home and the Leased Land by foreclosure of its mortgage or otherwise.

b) **EXERCISE OF OPTION:** In the case of any of the events of default described above, Homeowner hereby grants to the CLT (or its assignee) the option to purchase the Home for the Purchase Option Price as such price is defined in Article 10 above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 12.1 or 12.2 above or within 30 days after any of the events constituting an Event of Default under Section 12.3 above, CLT shall notify the Homeowner and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 12.4(b). Not later than ninety (90) days after the CLT gives notice to the Homeowner of the CLT's intent to exercise its option under this Section 12.4(a), the CLT or its assignee shall purchase the Home for the Purchase Option Price.

12.5 WHAT HAPPENS IF CLT DEFAULTS: CLT shall in no event be in default in the performance of any of its obligations under the Lease unless and until CLT has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to CLT properly specifying CLT’s failure to perform any such obligation.

ARTICLE 13: Mediation and Arbitration

13.1 Nothing in this Lease shall be construed as preventing the parties from utilizing any process of mediation or arbitration in which the parties agree to engage for the purpose of resolving a dispute.

13.2 Homeowner and CLT shall each pay one half (50%) of any costs incurred in carrying out mediation or arbitration in which the parties have agreed to engage.

ARTICLE 14: GENERAL PROVISIONS

14.1 NOTICES: Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to CLT: Columbia Community Land Trust (insert address here)

If to Homeowner: _____ (name of Homeowner)

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

14.2 NO BROKERAGE: Homeowner warrants that it has not dealt with any real estate broker other than _____ in connection with the purchase of the Home. If any claim is made against CLT regarding dealings with brokers other than _____, Homeowner shall defend CLT against such claim with counsel of CLT’s selection and shall reimburse CLT for any loss, cost or damage which may result from such claim.

14.3 SEVERABILITY AND DURATION OF LEASE: If any part of this Lease is unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Homeowner or CLT against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law. It is the intention of the parties that CLT’s option to purchase and all other rights of both parties under this Lease shall continue in effect for the full term of this Lease and any renewal thereof, and shall be considered to be coupled with an interest. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration of such option or right, the time period for the exercising of such option or right shall be construed to expire twenty (20) years after the death of the last survivor of the following persons: the children living as of the date of this Lease.

14.4 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the purchase option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, CLT shall nevertheless have a right of first refusal to purchase the Home at the highest documented bona fide purchase price offer made to Homeowner. Such right shall be as specified in Exhibit FIRST REFUSAL. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

14.5 WAIVER: The waiver by CLT at any time of any requirement or restriction in this Lease, or the failure of CLT to take action with respect to any breach of any such requirement or restriction, shall

not be deemed to be a waiver of such requirement or restriction with regard to any subsequent breach of such requirement or restriction, or of any other requirement or restriction in the Lease. CLT may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by CLT before being effective.

The subsequent acceptance of Lease Fee payments by CLT shall not be deemed to be a waiver of any preceding breach by Homeowner of any requirement or restriction in this Lease, other than the failure of the Homeowner to pay the particular Lease Fee so accepted, regardless of CLT's knowledge of such preceding breach at the time of acceptance of such Lease Fee payment.

14.6 CLT'S RIGHT TO PROSECUTE OR DEFEND: CLT shall have the right, but shall have no obligation, to prosecute or defend, in its own or the Homeowner's name, any actions or proceedings appropriate to the protection of its own or Homeowner's interest in the Leased Land. Whenever requested by CLT, Homeowner shall give CLT all reasonable aid in any such action or proceeding.

14.7 CONSTRUCTION: Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

14.8 HEADINGS AND TABLE OF CONTENTS: The headings, subheadings and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

14.9 PARTIES BOUND: This Lease sets forth the entire agreement between CLT and Homeowner with respect to the leasing of the Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by CLT and Homeowner or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.

14.10 GOVERNING LAW: This Lease shall be interpreted in accordance with and governed by the laws of the State of Missouri. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against CLT or Homeowner.

14.11 RECORDING: The parties agree, as an alternative to the recording of this Lease, to execute a so-called Notice of Lease or Short Form Lease in form recordable and complying with applicable law and reasonably satisfactory to CLT's attorneys. In no event shall such document state the rent or other charges payable by Homeowner under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease

IN WITNESS WHEREOF, the parties have executed this lease at _____ on the day and year first above written.

Columbia Community Land Trust

Witness

By: _____
Its duly authorized agent

Witness

_____ (Homeowner):

[notarize signatures]

Exhibit LETTER OF AGREEMENT

To: Columbia Community Land Trust (“the CLT”)

Date: _____

This letter is given to the CLT to become an exhibit to a Lease between the CLT and me. I will be leasing a parcel of land from the CLT and will be buying the home that sits on that parcel of land. I will therefore become what is described in the Lease as a “the Homeowner.”

I have reviewed the terms and conditions of the Lease and other legal documents that are part of this transaction and have had the opportunity to have my legal counsel, if any, review the same.

I understand the way these terms and conditions will affect my rights as a CLT homeowner, now and in the future.

In particular I understand and agree with the following points.

- One of the goals of the CLT is to keep CLT homes affordable for lower income households from one CLT homeowner to the next. I support this goal as a CLT homeowner and as a member of the CLT.
- The terms and conditions of my Lease will keep my home affordable for future “income-qualified persons” (as defined in the Lease). If and when I want to sell my home, the lease requires that I sell it either to the CLT or to another income-qualified person. The terms and conditions of the lease also limit the price for which I can sell the home, in order to keep it affordable for such income-qualified persons.
- It is also a goal of the CLT to promote resident ownership of CLT homes. For this reason, my Lease requires that, if my family and I move out of our home permanently, we must sell it. We cannot continue to own it as absentee owners.
- I understand that I can leave my home to my child or children or other members of my household and that, when I am no longer able to live in my home or after my death, they can own the home for as long as they want to live in it and abide by the terms of the Lease, or they can sell it on the terms permitted by the Lease.
- As a CLT homeowner and a member of the CLT, it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to others and me.

Sincerely

Sample

Exhibit LETTER OF ATTORNEYS ACKNOWLEDGMENT

I, _____, have been independently employed by _____ (hereinafter "the Client") who intends to purchase a house and other Home (the "Home") on land to be leased from Columbia Community Land Trust. The house and land are located at _____.

In connection with the contemplated purchase of the Home and the leasing of the land, I reviewed with the Client the following documents:

- a) this Letter of Attorney's Acknowledgment and a Letter of Agreement from the Client;
- b) a proposed Deed conveying the Home to the Client;
- c) a proposed Ground Lease conveying the "Leased Land" to the Client;
- d) other written materials provided by the CLT.

The Client has received full and complete information and advice regarding this conveyance and the foregoing documents. In my review of these documents my purpose has been to reasonably inform the Client of the present and foreseeable risks and legal consequences of the contemplated transaction.

The Client is entering the aforesaid transaction in reliance on her own judgment and upon her investigation of the facts. The advice and information provided by me was an integral element of such investigation.

Name

Date

Title

Firm/Address

Exhibit LAND

Correct legal description of area of Leased Land and appurtenant title rights and obligations

Exhibit DEED

Use actual deed

Exhibit: PERMITTED MORTGAGES

The rights and provisions set forth in this Exhibit shall be understood to be provisions of Section 8.2 of the Lease. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease.

A. OBLIGATIONS OF PERMITTED MORTGAGEE. Any Permitted Mortgagee shall be bound by each of the following requirements unless the particular requirement is removed, contradicted or modified by a rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

1. If Permitted Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Permitted Mortgage, the Permitted Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Permitted Mortgagee.
2. If, after the cure period has expired, the Permitted Mortgagee intends to accelerate the note secured by the Permitted Mortgage or begin foreclosure proceedings under the Permitted Mortgage, the Permitted Mortgagee shall first notify CLT of its intention to do so, and CLT shall then have the right, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of such notice, to acquire the Permitted Mortgage by paying off the debt secured by the Permitted Mortgage.
3. If the Permitted Mortgagee acquires title to the Home through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give CLT written notice of such acquisition and CLT shall then have an option to purchase the Home from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, CLT must give written notice to the Permitted Mortgagee of CLT's intent to purchase the Home within thirty (30) days following CLT's receipt of the Permitted Mortgagee's notice. CLT must then complete the purchase of the Home within sixty (60) days of having given written notice of its intent to purchase. If CLT does not complete the purchase within this 60-day period, the Permitted Mortgagee shall be free to sell the Home to another person.
4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Permitted Mortgage.
5. Nothing in the Permitted Mortgage or related documents shall be construed as rendering CLT or any subsequent Mortgagee of CLT's interest in this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt secured by the Permitted Mortgage or any part thereof.
6. The Permitted Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner, Homeowner's interest in the Leased Land, and the Home for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties hereto that CLT's consent to such the Permitted Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)
7. In the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Permitted Mortgagee in accordance with the provisions of ARTICLE 9 hereof.

8. CLT shall not be obligated to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

B. RIGHTS OF PERMITTED MORTGAGEE. The rights of a Permitted Mortgagee as referenced under Section 8.6 of the Lease to which this Exhibit is attached shall be as set forth below.

1. Any Permitted Mortgagee shall, without further consent by CLT, have the right to (a) cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance being effective as if it had been performed by Homeowner; (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Homeowner by this Lease or otherwise by law, subject to the provisions, if any, in the Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and (c) rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

2. A Permitted Mortgagee shall not be required, as a condition to the exercise of its rights under the Lease, to assume personal liability for the payment and performance of the obligations of the Homeowner under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Home and Leased Land. In the event Permitted Mortgagee does take possession of the Home and Leased Land and thereupon transfers such property, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.

3. In the event that title to the estates of both CLT and Homeowner are acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage.

4. If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, CLT shall enter into a new lease for the Leased Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to CLT's approval, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to CLT for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Homeowner thereunder. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Land as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by CLT, Homeowner and the Permitted Mortgagee.

5. The CLT shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.

6. In the event that CLT sends a notice of default under the Lease to Homeowner, CLT shall also send a notice of Homeowner’s default to Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 14.2 of the Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to CLT by a written notice to CLT sent in the manner set forth in said Section 14.2 of the Lease.

7. In the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure in accordance with the provisions of the Lease, at the election of the Permitted Mortgagee the provisions of Article 10, Sections 10.1 through 10.11 shall be deleted and thereupon shall be of no further force or effect as to only so much of the Security so foreclosed upon or transferred.

8. Before becoming effective, any amendments to this Lease must be approved in writing by Permitted Mortgagee, which approval shall not be unreasonably withheld. If Permitted Mortgagee has neither approved nor rejected a proposed amendment within 60 days of its submission to Permitted Mortgagee, then the proposed amendment shall be deemed to be approved.

C. STANDARD PERMITTED MORTGAGE AGREEMENT. A Standard Permitted Mortgage Agreement, as identified in Section 8.4 of this Lease, shall be written as follows, and shall be signed by Mortgagee and Homeowner.

This Agreement is made by and among:

_____ (Mortgagee) and
_____ (“Homeowner”),

Whereas:

- a) *Columbia Community Land Trust (the “CLT”) and Homeowner have entered, or are entering, into a ground lease (“the Lease”), conveying to Homeowner a leasehold interest in the Land located at _____ (“the Leased Land”); and Homeowner has purchased, or is purchasing, the Home located on the Leased Land (“the Home”).*
- b) *The Mortgagee has been asked to provide certain financing to the Homeowner, and is being granted concurrently herewith a mortgage and security interest (the “Mortgage”) in the Leased Land and Home, all as more particularly set forth in the Mortgage, attached hereto as Schedule A.*
- c) *The Ground Lease states that the Homeowner may mortgage the Leased Land only with the written consent of CLT. The Ground Lease further provides that CLT is required to give such consent only if the Mortgagee signs this Standard Permitted Mortgage Agreement and thereby agrees to certain conditions that are stipulated herein (“the Stipulated Conditions”).*

Now, therefore, *the Homeowner/Mortgagor and the Mortgagee hereby agree that the terms and conditions of the Mortgage shall include the Stipulated Conditions stated below.*

Stipulated Conditions:

1) *If Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Mortgage, the Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the “cure period”), the CLT shall have the right to cure the default on the Homeowner’s behalf, provided that all current*

payments due the Permitted Mortgagee since the notice of default was given are made to the Mortgagee.

2) If, after such cure period, the Mortgagee intends to accelerate the note secured by the Mortgage or initiate foreclosure proceedings under the Mortgage, in accordance with the provisions of the Lease, the Mortgagee shall first notify CLT of its intention to do so and CLT shall have the right, but not the obligation, upon notifying the Mortgagee within thirty (30) days of receipt of said notice, to purchase the Mortgagee loans and to take assignment of the Mortgage.

3) If the Mortgagee acquires title to the Home and Homeowner's interest in the Leased Land through foreclosure or acceptance of a deed in lieu of foreclosure, the Mortgagee shall give the CLT written notice of such acquisition and the CLT shall have an option to purchase the Home and Homeowner's interest in the Leased Land from the Mortgagee for the full amount owing to the Mortgagee; provided, however, that the CLT notifies the Mortgagee in writing of the CLT's intent to make such purchase within thirty (30) days following the CLT's receipt of the Mortgagee's notice of such acquisition of the Home and Homeowner's interest in the Leased Land; further provided that CLT shall complete such purchase within sixty (60) days of having given written notice of its intent to purchase; and provided that, if the CLT does not complete the purchase within such period, the Mortgagee shall be free to sell the Home and Homeowner's interest in the Leased Land to another person;

4) Nothing in the Mortgage or related documents shall be construed as giving the Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Mortgage.

5) Nothing in the Mortgage shall be construed as rendering CLT or any subsequent holder of the CLT's interest in and to the Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof.

6) The Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner and Homeowner's interest in the Leased Land and the Home for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that CLT's consent to the Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)

7) In the event that any part of the Leased Land is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Mortgagee in accordance with the provisions of Article 9 of the Lease.

8) Nothing in the Mortgage shall obligate CLT to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

By:

_____ for Mortgagee Date: _____

_____ for Homeowner/Mortgagor Date: _____

Exhibit FIRST REFUSAL

Whenever any party under the Lease shall have a right of first refusal as to certain property, the following procedures shall apply. If the owner of the property offering it for sale ("Offering Party") shall within the term of the Lease receive a bona fide third party offer to purchase the property which such Offering Party is willing to accept, the holder of the right of first refusal (the "Holder") shall have the following rights:

- a) Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.
- b) If Holder exercises the right to purchase the property, such purchase shall be completed within sixty (60) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.
- c) Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to the Holder having a renewed right of first refusal in said property.

Exhibit ZONING

Attach copy of ZONING classification for property, as of the commencement of the Lease

Exhibit INITIAL APPRAISAL

Attach copy of initial appraisal

Exhibit STANDARD PERMITTED MORTGAGE AGREEMENT

Attach agreement signed by lender and by homeowner, as specified section 8.c of the 'Permitted Mortgage Agreement' exhibit above.

CCLT Board Approved-6-13-2017

COLUMBIA COMMUNITY LAND TRUST HOME BUYER SELECTION POLICIES & PROCEDURES

I. OVERVIEW

This policy is intended to guide both general and project-specific homebuyer selection procedures administered by the Columbia Community Land Trust (CCLT). This policy shall be reviewed at least annually by the CCLT Board of Directors for effectiveness in guiding the CCLT in the pursuit of its mission.

II. GOALS

The goals of the CCLT that these policies are intended to support are:

- a) To provide as wide a range of opportunities as possible for low and moderate income people to secure housing that is decent, safe and affordable;
- b) To ensure the preservation of the quality and affordability of housing for future low and moderate income residents of the community;

III. SELECTION CRITERIA

A. THRESHOLD SELECTION CRITERIA

The following criteria reflect the CCLT's goal to reasonably match household size to unit size and household income to housing costs. [Note: some funding sources which the CCLT may rely on to develop its housing opportunities establish maximum eligible incomes of between 50% to 80% of the area median. See Appendix 3 for CCLT's "Resource Allocation Policy"]

1. Citizen of USA or registered alien.
2. Dependent students are eligible if they are over age 23, a veteran, a ward of the Court, or a graduate student with a B.A. or B.S. degree.
3. Income Eligibility -
 - a) Maximum Income: To be considered for selection, a household must have an annual income which does not exceed 80 % of the median income of households of equal size residing in the statistical area (as defined by the U.S. Department of Housing and Urban Development or its successor agency) within which the housing unit is located. There are, however, three exceptions that will be considered:
 - (1) Households at any income level who wish to place land which they own in the CCLT, or;

- (2) who wish to undertake a sale-leaseback arrangement with the CCLT, or
- (3) who agree to be bound by the CCLT's resale restrictions.

4. Creditworthiness: In all cases, a household must be able to demonstrate a sense of ownership of its financial obligations, and a history of responsible effort to meet them. The household, must be "pre-qualified" through the CCLT's application process to determine whether mortgage financing is likely to be obtained by the household based on the applicants available cash resources and the known requirements of various mortgage programs for which the household may be eligible. The applicant must have an average combined credit score within 20 points of the current Fannie Mae and Freddie Mac credit requirements.

a) Minimum Income: To be considered for CCLT's homeownership opportunities, a household's monthly income, when multiplied by the appropriate debt-to-income ratio, must be sufficient to support the housing costs for the housing opportunity in question. In general, households that require a cosigner in order to obtain a mortgage will not be considered.

(1) Affordability - (i.e. matching household income to housing cost). In general, affordable means that the monthly cost of occupying a particular housing unit does not exceed 35% of monthly household income, and monthly housing costs and total debt payments do not exceed 45% of monthly household income.

(2) Assets - To be considered for CCLT's homeownership opportunities, a review of a household's financial resources and circumstances should clearly indicate a limited ability to compete successfully in the conventional housing market, however applicants with more than \$15,000 of liquid assets available for the purchase of a home are ineligible. The applicant is also required to provide \$500 toward the purchase, from the buyers own funds.

B. SECONDARY SELECTION CRITERIA

The following circumstances, not necessarily in order of priority or importance, will be considered in those instances when there are two or more households expressing interest in a particular unit and who meet the Threshold Eligibility Criteria outlined above.

1. First-come first served: First applicants submitting a complete application and demonstrating the ability to qualify for a mortgage in a manner that satisfies requirements stated in Section "A. Threshold Selection Criteria."
2. Application on File. Length of time which a household's application for home ownership has been on file.

IV. APPLICATION PROCESS

This process is not necessarily sequential in nature, however each component of the process is essential to ensure that each of the CCLT's prospective home buyers is fully informed as to the fundamental details and atypical nature of the CCLT's real estate transaction (i.e. involving a leasehold interest in the land and restrictions imbedded in the ground lease agreement on the resale of the improvements located on the leased premises.)

A. OUTREACH & MARKETING. Applicant responds to project specific marketing or general community outreach by contacting any one of the following for project specific, or general (as the case may be), information.

1. Columbia Community Land Trust

B. INFORMATION/ORIENTATION SESSION. Applicant is advised of the next periodically scheduled CCLT information/orientation session. Attendance at one or more of these sessions is required.

C. APPLICATION REVIEW. Applicant is provided with an application form to complete and return to CCLT staff. Assistance with filling out application will be provided by staff on an as-needed basis. Application is reviewed by staff in comparison to established threshold and secondary criteria. Staff determines whether applicant is likely to qualify for currently available housing units (or for the general waiting list, as the case may be).

D. HOME BUYER TRAINING. Applicant is directed to periodically scheduled sessions conducted by the City of Columbia. Applicant is advised to meet with local lender for a mortgage "pre-qualification" session to determine whether applicant is likely to obtain mortgage financing approval.

E. PRELIMINARY APPROVAL / DENIAL. Following mortgage "pre-qualification", and verifications, CCLT Board of Directors may preliminarily approve or deny an application. Qualified individuals/households will be so notified and placed on a waiting list to participate in the selection process for particular housing opportunities, as they become available. Applicants that do not meet application criteria will be so notified in writing. Staff or Selection Committee may provide tips or advise on how the applicant may improve financial or other obstacles to a successful application.

F. SELECTION PROCESS. The selection process for each housing opportunity may vary depending on the number of eligible and qualified persons on the waiting list relative to the number of housing opportunities available at a particular time. In general the selection process will be conducted according to the steps outlined in Section V below.

G. PURCHASE AND SALES CONTRACT / FORMAL MORTGAGE APPLICATION / ADVANCED ORIENTATION SESSION. The applicant and the CCLT Board President sign a purchase and sale agreement. Applicant applies for mortgage financing. A detailed review of the CCLT Lease and other legal documents associated with a particular transaction is scheduled with applicant.

H. MORTGAGE APPLICATION PROCESSING AND CLOSING Applicant moves through the mortgage application and approval process.

I. INDEPENDENT LEGAL REVIEW. Applicant must retain, at applicants expense, an attorney who reviews all the CCLT legal documents on behalf of applicant and who provides independent advise and counsel regarding the transaction.

V. SELECTION PROCESS

A. WHO MAKES THE DECISION

1. Regarding Threshold and Secondary Eligibly Criteria -
 - a) CCLT Staff – CCLT staff shall make a recommendation to the Board of Directors in a form acceptable to the Board regarding whether an application will be placed in the qualified applicant pool.
 - b) Board of Directors - The Board of Directors will have final say as to whether an applicant meets the threshold and/or secondary criteria discussed herein.
2. Regarding Credit Risk and Overall Creditworthiness -
 - a) The mortgage underwriting guidelines of the lending programs available to the CCLT's qualified home buyers shall be the deciding factors regarding credit risk and the overall creditworthiness of a particular applicant

B. HOW IS DECISION MADE

1. Regarding Threshold and Secondary Eligibly Criteria -
 - a) Using the definitions found in Appendix 1 and considering the resource allocation policy in Appendix 3, staff will review both project-specific applications and general interest applications to determine whether the Threshold Criteria outlined above have been met. Applicants to be selected will come from among those who meet **all** of the Threshold Eligibility Criteria.
 - b) Once this pool of applicants is used up, or if there are more eligible and qualified applicants than housing opportunities available, applications will be considered based on a review of the Secondary Selection Considerations.
2. Regarding Secondary Selection Considerations -
 - a) Staff will provide to the CCLT Board of Directors a summary of its findings along with each applicant's application.

APPENDIX 1 - DEFINITIONS

The Columbia Community Land Trust (CCLT) has adopted the following definitions for the purposes of assessing affordability and monitoring its ability to achieve its goals.

"Affordable" means that the monthly Occupancy Cost of a particular housing unit generally does not exceed 30% of household income. (See discussion of Housing Costs, defined below, for exceptions regarding single-family ownership housing.)

"Debt-to-Income Ratio" (DTI) means the maximum percentage of income which a particular lender will allow a household to spend on Housing Costs.

"Household" means a person, or group of persons who occupy the same housing unit as their primary residence.

"Median Income" shall be as set forth in regulations promulgated from time to time by the United States Department of Housing and Urban Development (HUD) pursuant to 42 U.S.C. Sec. 1437 *et seq.*

"Moderate Income" shall mean a household whose combined gross annual income, adjusted for Household Size (defined below), does not exceed 80% of the Median Income for the Statistical Area within which the housing is located as defined by HUD or a successor agency.

"Low Income" shall mean a household whose combined gross annual income, Adjusted for Household Size, does not exceed 50% of the Median Income for households of that size residing in the Statistical Area within which the housing is located.

"Very Low Income" shall mean a household whose combined gross annual income, Adjusted for Household Size, does not exceed 30% of the Median Income for households of that size residing in the Statistical Area within which the housing is located

"Statistical Area(s)" shall be as set forth in regulations promulgated from time to time by the United States Department of Housing and Urban Development (HUD) pursuant to 42 U.S.C. Sec. 1437 *et seq.*

"Housing Cost": shall mean:

1. When measuring the affordability to a known household of a known unit size:

A. for "Single-Family" Ownership: the sum of the monthly payments due on

- the mortgage (principal & interest); plus
- the property taxes due on the property; plus
- the hazard insurance policy; plus
- the Ground Lease Fee, if applicable; plus
- the repair and maintenance serve fund fee.

[NOTE: The debt-to-income ratios dictated by the underwriting guidelines for a particular mortgage program shall be controlling for the purpose of determining the maximum percentage of income allocable to these monthly Housing Costs.]

2. When calculating the affordability of projected occupancy costs for a particular unit, (for example to determine or establish a purchase price or rent level), the CCLT will make the following calculations:
 - A. The controlling Debt-to-Income Ratio for households of the appropriate size will be determined (Housing Debt to Income Ratio is 35% and Total Debt to Income Ratio is 45%).
 - B. Prevailing property tax assessments, insurance rates and condominium association fees (as applicable) for comparable properties will be examined and deducted from the controlling percentage of income allocable to occupancy costs in order to determine the amount of household income remaining to make a mortgage payment.
 - C. Prevailing loan terms and interest rates of the State's Mortgage Revenues Bonding Authority (usually the state housing finance agency) will be used to calculate the maximum mortgage amount which could be amortized by a payment of this size.

The amount resulting from these calculations will be the maximum purchase price considered to be affordable to the desired household income level.

APPENDIX 2 - HOME BUYER / LEASEHOLDER APPLICATION

See City of Columbia Housing Programs Application.

APPENDIX 3- RESOURCE ALLOCATION POLICY

100% of the CCLT's resources will be dedicated to benefit households earning at or below 80% of the median income (adjusted for household size in Boone County – see attached chart) to the extent such allocation is not inconsistent with conditions or restrictions placed on the use of such financing by those providing the financing.

APPENDIX 4 - Current AREA MEDIAN INCOMES BY HOUSEHOLD SIZE (U.S. Department of Housing and Urban Development)

U.S. Dept. of HUD: 2017 Income Limits: 80% AMI	
1 Person	\$41,650
2 Person	\$47,600
3 Person	\$53,550
4 Person	\$59,500
5 Person	\$64,300
6 Person	\$69,050
7 Person	\$73,800
8 Person	\$78,550