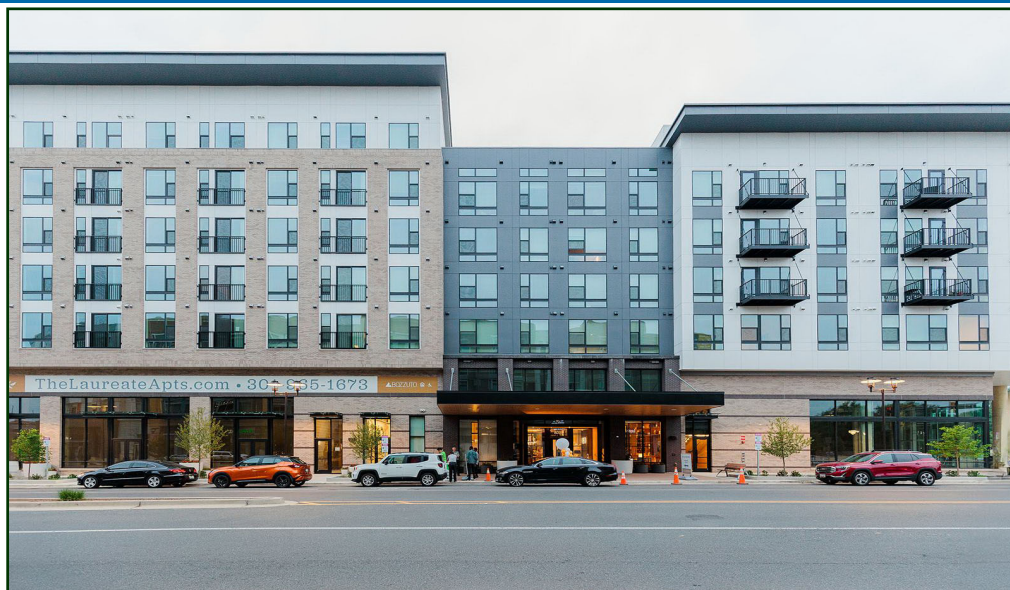




(A Component Unit of Montgomery County, Maryland)

# Annual Comprehensive Financial Report

For the Fiscal Year Ended on June 30, 2024





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



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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Issued by  
Finance Department  
Timothy Goetzinger, Senior VP, Finance/CFO  
Eugenia Pascual, Controller

[www.hocmc.org](http://www.hocmc.org)

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
 (A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
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 (A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
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## I. INTRODUCTORY SECTION



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

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

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morrell*

Executive Director/CEO



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



November 8, 2024

Members of the Commission  
Housing Opportunities Commission of Montgomery County

We are pleased to present the Annual Comprehensive Financial Report (“ACFR”) of the Housing Opportunities Commission of Montgomery County (the “Commission” or “HOC” or “Agency”) for the fiscal year ending June 30, 2024. The report was prepared by the Commission’s Finance Division staff and audited by the independent public accounting firm of CliftonLarsonAllen LLP.

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

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

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

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

The Commission’s mission is to provide people with low and moderate incomes the opportunity to live in high-quality, safe, and affordable housing in Montgomery County. We strengthen families by offering opportunities for personal and economic growth through partnerships and supportive services. To accomplish these objectives, the Commission participates in a number of programs, which are discussed in the Management’s Discussion and Analysis (“MD&A”) and in the notes to financial statements sections of this report.

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

Notwithstanding the continued impact of the COVID-19 pandemic on both the agency and our communities, HOC has stayed the course and remains resilient. We are optimistic as we chart our course of expanding affordability, enhancing programs and supportive services, and delivering agency excellence — all with the goal of positively impacting the lives of our residents.

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Nearly five years after the devastation caused by the COVID-19 pandemic, there are still lingering impacts on many industries. In particular, for the affordable housing industry, COVID hardship meets already burdened populations with an inability to pay rent, utilities, and other basic housing expenses.

HOC worked in partnership with local, state and federal government, community partners, and other stakeholders to leverage new programs and resources to assist residents. We are grateful to the County, as well as state and federal agencies that have made funds available to our residents. During this difficult time, and in alignment with our mission to support the county's most vulnerable residents, we took steps to avoid displacement of our residents. As such, HOC was amongst the last property management owners and managers in the county to pursue lease enforcement activities for rental delinquency.

Acknowledging that the decision would have an adverse fiscal impact on our agency, in FY 2024 and FY 2025 we are now moving forward with lease enforcement and eviction proceedings to address past and growing rental arrearages to ensure that we can continue to provide high-quality housing and services. Simultaneously, however, we are working to identify other local, state and federal resources to support residents that are facing eviction.

Moreover, during the pandemic, HOC had limited ability to access many rental units to assess their conditions. This limited access resulted in deferred maintenance at several properties, including our scattered sites. With the addition of new leadership in HOC's Asset Management, Property Management and Maintenance divisions, we have been actively assessing the portfolio and creating a comprehensive Capital Improvement Plan to address property renovations, preventive maintenance, as well as Third-Party property management oversight. The results of these efforts will include investments in renovating and bringing vacant scattered site units back online to serve larger families across the county; changing management companies at several HOC communities; and shoring up our multifamily rental portfolio to bring in revenue that was lost during COVID and the county's rent moratorium.

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

The U.S. Department of Labor's Bureau of Labor Statistics ("BLS") released state jobs and unemployment data. According to the preliminary survey data, as of August 2024, Maryland's total jobs increased by 2,700 (month over month) despite the unemployment rate increasing to 2.9%, a 0.8% increase year over year.<sup>1</sup> The BLS reported that Montgomery County reached its peak unemployment rate of 6.1% in August 2021.<sup>2</sup> As of July 2024, the Montgomery County unemployment rate stood at 3.0% equating to 17,158 unemployed.<sup>3</sup> The Washington DC Metro area unemployment rate as of August 2024 was 3.5% up from 2.7% in July 2023.<sup>4</sup>

The national unemployment rate as of August 2024 was 4.2%. By comparison, the national unemployment rate in August 2023 was 3.8%. This is down from the peak of 14.7% reached in April 2020, and is relatively comparable, albeit slightly higher, to the unemployment rate of 3.5% posted in February 2020.<sup>5</sup>

The following charts, updated in August 2024, provide additional insight to the national, state, and local economy.<sup>6</sup>

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

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

<sup>3</sup> *Maryland Department of Labor*  
([https://mwejobs.maryland.gov/admin/gsipub/htmlarea/uploads/MonthlyLaborReview07\\_Jul24.pdf](https://mwejobs.maryland.gov/admin/gsipub/htmlarea/uploads/MonthlyLaborReview07_Jul24.pdf))

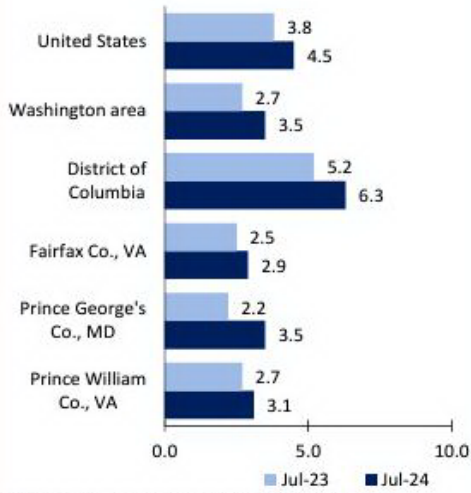
<sup>4</sup> *Bureau of Labor Statistics* ([https://www.bls.gov/regions/mid-atlantic/dc\\_washington\\_msa.htm](https://www.bls.gov/regions/mid-atlantic/dc_washington_msa.htm))

<sup>5</sup> *Bureau of Labor Statistics* (<https://www.bls.gov/news.release/pdf/empsit.pdf>)

<sup>6</sup> *Bureau of Labor Statistics* ([https://www.bls.gov/regions/mid-atlantic/summary/blssummary\\_washington.pdf](https://www.bls.gov/regions/mid-atlantic/summary/blssummary_washington.pdf))

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

**Unemployment rates**

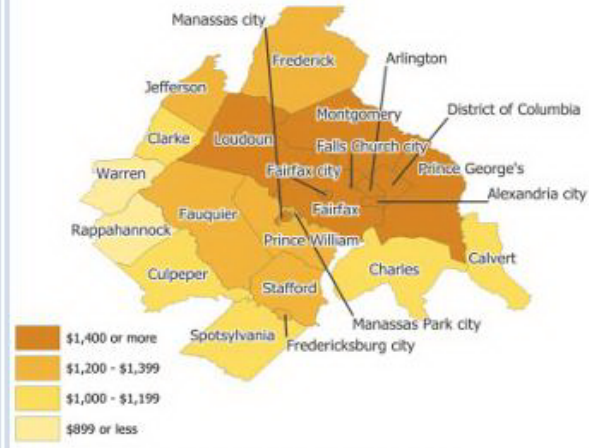


Source: U.S. BLS, Local Area Unemployment Statistics.

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

**Washington area, fourth quarter 2023**

(U.S. = \$1,435; Area = \$1,899)



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

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

**12-month percent changes in employment**



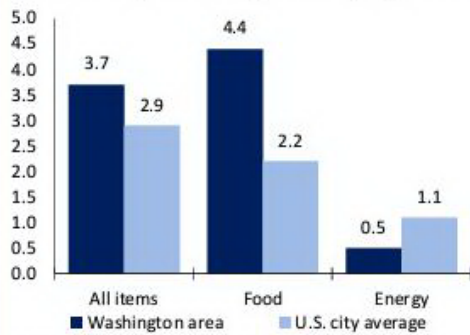
Source: U.S. BLS, Current Employment Statistics.

Washington area employment (number in thousands)	Jul. 2024	Change from Jul. 2023 to Jul. 2024	
		Number	Percent
Total nonfarm	3,417.2	28.4	0.8
Mining, logging, and construction	167.0	1.9	1.2
Manufacturing	59.2	1.0	1.7
Trade, transportation, and utilities	406.1	1.4	0.3
Information	79.8	-0.8	-1.0
Financial activities	152.5	-2.4	-1.5
Professional and business services	825.1	-0.6	-0.1
Education and health services	457.1	5.1	1.1
Leisure and hospitality	338.5	0.0	0.0
Other services	203.0	5.9	3.0
Government	728.9	16.9	2.4

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

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

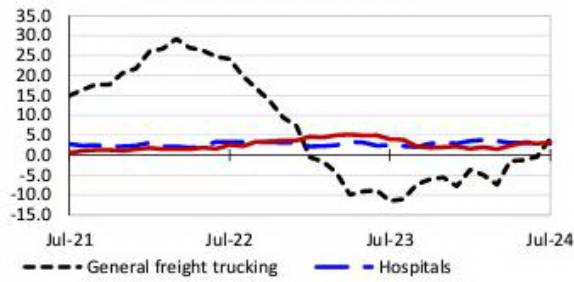
**12-month percent change in CPI-U, July 2024**



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

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

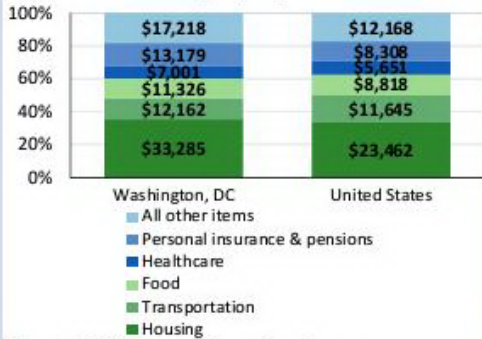
**12-month percent changes in PPI**



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

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

**Average annual expenditures, United States and Washington, DC, 2021-22**



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

**Average hourly wages for selected occupations**

Occupation	Washington area	United States
All occupations	\$42.49	\$31.48
Lawyers	107.64	84.84
Economists	75.92	63.78
Political scientists	71.02	63.47
Statisticians	61.64	52.50
Public relations specialists	52.28	37.37
Social science research assistants	34.39	29.99

Source: U.S. BLS, Occupational Employment and Wage Statistics, May 2023.

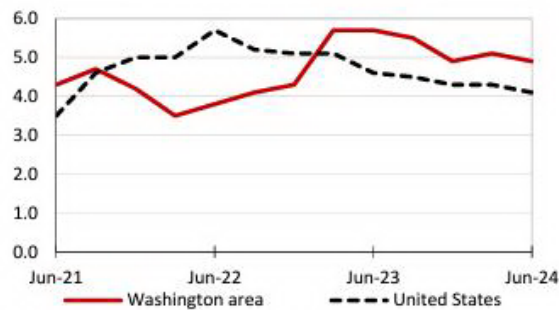
**Employer costs per hour worked for wages and selected employee benefits by geographic division**

Private industry, March 2024	South Atlantic	United States
Total compensation	\$40.93	\$43.78
Wages and salaries	29.31	30.76
Total benefits	11.62	13.02
Paid leave	3.15	3.31
Vacation	1.64	1.69
Supplemental pay	1.48	1.77
Insurance	2.79	3.20
Retirement and savings	1.26	1.52
Legally required benefits	2.95	3.21

(1) The states that compose the South Atlantic census division are: DE, DC, FL, GA, MD, NC, SC, VA, and WV.  
Source: U.S. BLS, Employer Costs for Employee Compensation.

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

**12-month percent changes in ECI**



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

The above charts illustrate two key macroeconomic factors. First, the unemployment rate greatly improved since the height of the global pandemic, and second, financial market turbulence has improved. Previously, the Agency greatly benefitted from a period of unusually and historically low interest rates, which are now normalizing. Rates rose from 5.25% to 5.5% in September 2023 after a 25bps increase in July 2023. These rates remained until September 2024, when rates were cut by 50bps to 5.0%. The Federal Reserve has signaled the reasonable possibility of additional reductions by the end of the Calendar Year 2024. National economic conditions are still being impacted by inflationary containment measures. These

measures have proven effective as inflation continues to decline, and has declined each month for the past five consecutive months. Inflation is at 2.5% as of August 2024, compared to 3.7% in August 2023, which is remarkable given that levels were previously in excess of 8% in the summer of 2022. Geopolitical conditions including military conflicts and supply-chain issues continue to plague economies and HOC is not immune to these impacts. Although the Federal Funds rate, which is the interest rate that banks charge each other to borrow or lend has risen—the rate was essentially 0% at the beginning of calendar year 2022—as previously mentioned, it was recently cut, and in all likelihood will continue to be cut. This will be favorable for borrowing to fund development projects as well as to promote homeownership opportunities. The opposite will be true for investment yield and generating interest income.

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

### **HOC Housing Path**

In early FY 2016, HOC launched HOC Housing Path, effectively re-imagining its wait list management, designed to extend greater access to people in need of affordable housing, while improving operational efficiency. Unlike the previous wait lists, HOC Housing Path allows customers to complete one application and be considered for every HOC program for which they may be eligible. The electronic wait list ensures data remain accurate by keeping the list perpetually open and providing applicants with online access to update their information. At the end of FY 2024, more than 29,256 households affirmed their need for affordable housing by applying to the HOC Housing Path wait list. The majority of applicants report incomes at or below 30 percent of the area median income. HOC Housing Path connects customers with Housing Choice Vouchers, opportunity and tax-credit housing units, as well as Project-Based Vouchers. Early in FY 2018, HOC's new Call Center became the central point of entry for all incoming inquiries from the former wait list phone line. In FY 2019, a property-listing page on the Housing Path site was deployed to enable wait list customers to check property details and availability outside of wait list opportunities. Additionally, the Agency continues to add new site-based wait lists to the Housing Path site, enabling applicants to extend their housing preferences beyond general geographic location to specific properties within the HOC portfolio. While HOC Housing Path is the current waitlist management system, HOC continues to seek new ways to enhance the customer experience and to ensure transparency and compliance with regulatory processes.

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

HUD's allocation of vouchers includes Mainstream Disabled ("MSD"), Moderate Rehabilitation ("MR"), Family Unification Program ("FUP"), Rental Assistance Demonstration ("RAD"), Veterans Affairs Supportive Housing ("VASH"), Housing Stability Vouchers, and Emergency Housing Vouchers ("EHV"). The voucher programs provide housing subsidy assistance through an array of categories such as Non-Elderly Disabled ("NED") vouchers, Witness Protection vouchers and Opt-Out vouchers. HOC also administers a Project-Based Voucher ("PBV") program wherein the subsidy is tied to the actual unit. PBV contracts cannot exceed 20% of HOC's program baseline of 7,791 units, granted through the Request for Proposal ("RFP") process. At the end of the fiscal year 2024, HOC had a HAP Utilization Rate of 96.39%, accounting for 7,510 HAP-assisted units. Additionally, HOC supports a Voucher Homeownership program, which allows eligible voucher customers to use their voucher subsidy towards mortgage payments.

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

### **Property Management**

The Property Management Division has consistently prioritized the enhancement of customer service and augmentation of leasing initiatives through improvements to processes. As we continue to recover from the COVID 19 pandemic, we have

intensified our commitment to provide excellent customer service and meet the needs of our residents. Specifically, heightened attention is directed towards unit inspections, program compliance, deferred maintenance, and rent collection.

Leasing vacant homes continues to be a focus and we continue to source applicants from the Housing Path waitlist or those who have submitted applications directly to properties. In doing so, we expect to make significant progress towards improving occupancy levels throughout the portfolio and ensure that all low- and moderate-income units are fully utilized and market rate units are optimized.

During the pandemic, eviction moratoria precluded lease enforcement actions while the agency offered rental assistance to eligible residents. The Property Management Division is now focused on lease enforcement since the expiration of the eviction moratoria with the goal of ensuring tenants are paying the rent according to their lease. In the meantime, we continue to offer resources to those tenants who are unable to pay their rents by working with various county resources.

In collaboration with the Maintenance Division, deferred maintenance is a high priority while ensuring routine maintenance meets all local and federal codes. There is also renewed efforts by the Property Management Division to update policies and procedures as well as train staff in areas of program compliance. Finally, with fully staffed Asset Management team, a heightened focus on operational oversight is anticipated, contributing to improved outcomes for the Property Management Division. This comprehensive approach reflects our unwavering commitment to excellence and resilience in the face of evolving challenges.

### **Property Maintenance**

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

Like FY 2023, FY 2024 continued to be a particularly challenging year. The Maintenance Division was significantly impacted with the large influx of inspections as multiple agencies resumed work following the shut down due to the Pandemic. The COVID-19 Maintenance Protocols that were put in place in Fiscal Year 2021 were completely lifted and staff has begun working on the over 2,500 deferred maintenance work orders accumulated during the shutdown period. Aggressive efforts to reduce this backlog, has resulted in a decrease in this backlog of work orders. This will assist the HOC Maintenance Division in better serving its customers more efficiently and timely.

During the COVID-19 pandemic and proceeding years we experienced a negative effect on supplies across the nation resulting in significant price increases in materials and equipment products such as HVAC units, stoves, refrigerators, microwaves, hot water heaters and even plywood. The increase in these prices combined with the increase in maintenance work effort and the additional wear and tear on units have caused increases in maintenance expenses during this fiscal year. These increases also apply to supplies and appliances used for turn-over of vacant units. There is however hope in sight! Supply chains issues continue to abate, operations have improved, returning to a better balance in the supply and demand environment. Suppliers have benefited from lessons learned during COVID-19 resulting in better communication, collaboration and transparency. This has resulted in better deliver times and additional products and supplies now more readily available. This will assist the HOC Maintenance Division in better servicing its customers in a more efficiently and timely.

### **Real Estate Development**

The Real Estate Development (“RED”) Division operates to preserve and expand the number of mixed income rental and for sale homes in Montgomery County. Through partnerships with local government agencies and both non-profit and profit motivated developers, the RED Division creates high quality affordable housing and increases the capacity of other sponsors to provide affordable housing, resulting in changed lives and communities.

The RED Division acquires existing multifamily housing to create and preserve low- to moderate-income and market rate housing and to avoid the loss of subsidies for properties developed with federal assistance, as well as to preserve properties with naturally occurring affordable housing. The RED Division also develops new multifamily rental housing, typically for residents with a wide range of incomes. These developments are part of HOC's Opportunity Housing portfolio and serve low-, moderate-income, and market rate households.

In Fiscal Year 2025, the Real Estate Development Division will continue its work on the Hillandale Gateway new construction project that closed in June of FY24. Additionally, the RED staff will begin renovations of The Metropolitan, MetroPointe, and Forest Oak Towers; as well as start construction on two new developments, Garnkirk Farms and Westside Shady Grove Building B at Westside Shady Grove. The volume of renovation projects largely stems from RED staff efforts around preserving existing affordable properties and enhancing the quality of the properties for its tenants.

Highlights of selected projects under construction and in the pipeline are provided below.

*Hillandale Gateway (Under Construction)*

Hillandale Gateway will be a new mixed-use, mixed-income, multigenerational community located at 10100, 10110, 10120 and 10140 New Hampshire Avenue in Silver Spring, MD, on the site of the former 96-unit Public Housing Holly Hall Apartments community. The property will be the first major multifamily investment in the East County in decades and will create its first destination mixed-use community. Hillandale Gateway will also set the bar for innovation and energy efficiency in residential development in the Mid-Atlantic.

In terms of affordability, the senior apartment building at Hillandale Gateway will have 155 affordable units ranging from 30% - 80% AMI, will be built using 4% LIHTC and tax-exempt bonds. The building will strive to achieve Zero Net Energy ("ZNE") through Passive House construction techniques, energy efficient mechanical systems, and the installation of solar panels on the site. The multifamily apartment building will consist of two condos – one condo (the "LIHTC Condo") will have 93 affordable units at 30%, 40%, 50% and 80% AMI and the other condo (the "Market Condo") will have 215 market-rate units. The LIHTC Condo will be built using 4% LIHTC and tax-exempt bonds. The building will be "ZNE-Ready" through Passive House construction techniques, energy efficient mechanical systems, and the installation of solar panels on the site.

Hillandale Gateway will be a contemporary, amenity-rich, mixed-income development in a location with convenient access to major arterials, services, recreational activities and amenities. Hillandale Gateway will provide a full spectrum of affordability, not only site-wide, but in the age restricted ("AR") and ("NAR") Buildings individually. Hillandale Gateway will bring worthy new amenities and improvements to the Hillandale neighborhood and eastern Montgomery County, and is intended to be the catalyst for achieving broader transformations in Hillandale, attracting the new restaurants, new shops, new residents, new businesses, and new jobs that the White Oak Science Gateway Master Plan specifically seeks to encourage.

Additionally, the property will incorporate a variety of methodologies in an effort to set new benchmarks for sustainability and high-performance development in Montgomery County. By using Passive House construction methodologies, the energy consumption of the buildings will be significantly reduced. At the same time, the site will include a renewable energy system (in the form of rooftop solar on both the senior and multifamily building and on the parking garage), which the Development Team anticipates will be sufficient to allow the AR building to become a Zero-Net Energy ("ZNE") building – producing as much energy as it consumes. The NAR Building will be ZNE-Ready. During periods of grid outage, Hillandale Gateway will be used to provide a resiliency center for residents and the surrounding neighborhood. Resiliency hubs are designed to provide emergency heating and cooling capability; refrigeration of temperature sensitive medications; plug power for charging of cell phones, computer batteries, certain durable medical equipment; and emergency lighting.

At the entrance of Hillandale Gateway will be a centralized green space ("Central Green"), usable by the public as well as residents, consisting of approximately 17,000 square feet of contiguous open space. This public open space will include an amphitheater and will be a centerpiece and foreground for the development, establishing a focal point for the multi-building project. The site will provide additional open space, walkable sidewalks, a "loop path", streetscaping, a

programmable “Festival Street”, landscaping and other site improvements, all of which will be dispersed throughout the entirety of the site.

*Garnkirk Farms Apartments (Pipeline – New Construction)*

Garnkirk Farms is a master-planned community of 392 residential dwelling units (including a minimum of 12.5% MPDUs) consisting of 18 single-family detached units, 190 townhouses, and 184 multi-family units. The multifamily component of the community is the final phase of the development, which will provide high-quality mixed-income housing, which is limited in this part of the County. The proposed 184-unit rental property will be located at Shawnee Lane and Observation Drive in Clarksburg, Montgomery County, Maryland. The property will comprise one, two, and three-bedroom units, with 184-units (100%) restricted to serve households with incomes at 30, 40, 50, 60, 70 and 80% of AMI. This is achieved via the income averaging provision of the low income housing tax credit program such that the average house income in the community is 60% of the AMI. The community will offer garden-style units within a four-story, elevator-served building and 254-space parking structure.

*Westside Shady Grove Building B (Pipeline – New Construction)*

Westside Shady Grove Building B is the third and final phase of a master-planned community of 413 wood-framed residential units. The proposed 413-unit rental property will be located at Columbus Avenue in Derwood, Montgomery County, Maryland. The property will comprise of studio, one, two-bedroom, and three-bedroom units, with 123-units (29.7%) affordable and 290 market-rate units (70.3%). The community will offer midrise-style units within a six-story, elevator-served building. Similar to The Laureate, this development is located at the Shady Grove metro, aligning with HOC’s goals of expanding affordable housing that are accessible to public transportation, employment centers and amenities.

*Metropolitan Apartments (Pipeline – Renovation)*

The Metropolitan is located in downtown Bethesda, Maryland, at 7620 Old Georgetown Road. The 308-unit high-rise property was constructed in 1997 on 3.88 acres via an air rights lease with the County’s Bethesda Parking Lot district. The units are divided into a condominium where 216 market-rate units are owned by an instrumentality of HOC and 92 affordable units are owned by The Metropolitan of Bethesda Limited Partnership, whose general partner is HOC. The construction was funded with 4% LIHTC equity. A moderate renovation of the market-rate units and common areas was performed between 2008 and 2011. HOC seeks to resyndicate the 92 affordable units as part of a comprehensive renovation of the affordable units. As part of this mobilization, HOC would look to update the market rate units, common areas, building exterior, and systems. HOC intends to pursue 4% credits to raise equity to support the renovation.

*MetroPointe (Pipeline – Renovation)*

MetroPointe is 173 units in the heart of Wheaton, Maryland, offering stylish modern apartments in a vibrant neighborhood with every convenience, including a Safeway across the street. Built within air rights for the Wheaton Metro station’s Kiss & Ride, MetroPointe is right on the Red Line. The project consists of 120 market rate and 53 affordable apartments. Of the 53 affordable units, 35 are reserved for families with incomes at or below 50% of the area median income (“AMI”) and 18 are reserved for families at 30% of the AMI, with the latter benefitting from Project Based Vouchers (“PBVs”).

MetroPointe’s 173 units are owned in two condominiums, each with a different owner. Wheaton Metro LP owns the 53 affordable units originally funded with the LIHTC equity proceeds. The 120 unrestricted units are owned by an instrumentality of HOC, Wheaton Metro Development Corporation. Delivered in 2008, during the Global Financial Crisis, MetroPointe Development Corporation has consistently struggled to maintain positive net operating income, but HOC has supported the property by funding its operating shortfalls. A major focus of the prospective resyndication of the property will be eliminating these annual shortfalls and putting MetroPointe onto a sound financial path. Renovation will include interior and exterior upgrades to enhance the asset’s marketability, reinforcement of structural components, and reinvestment in building systems. Property condition assessment and energy audit were conducted in February 2024, which were utilized to outline a scope for architectural services.

**Resident Services and Other Supportive Programming:** The Resident Services Division provides social services and programs to customers and residents. Social services include homelessness prevention, information and referral, service

linkage, and crisis intervention. Staff also provides a broad range of programs that promote self-sufficiency and wellness, such as monthly educational workshops for adults, after-school youth programs focusing on life skills, educational enrichment and wellness and senior programs that promote community engagement, wellness, and socialization. Specialized services include Financial Literacy workshops and coaching as well as Resource Services to assist people with disabilities to access critical resources and services.

#### *HOC Academy*

HOC Academy (“HOCA”) began in 2014 with the expressed purpose of offering expanded customer services designed to help families and children break the cycle of intergenerational poverty. These services include an Adult Education and Workforce Development Program (“AEWD”) and Youth Enrichment Services (“YES”).

AEWD has provided approximately \$293,000 in scholarships for residents to pursue a degree/certification and training programs to advance career goals. In FY 2024, AEWD provided career and small business development training in collaboration with Career Catchers, WorkSource Montgomery, and ALSTNTEC, LLC. The Small Business Development Opportunities began in 2019, and now includes small business training courses. To date, HOCA has assisted residents with legalizing 45 businesses. In FY 2024, the workforce development opportunities include a collaboration with WorkSource Montgomery’s Mobile Bus that will provide workforce development assistance and referrals. HOC Academy plans to continue to provide education and career training, small business development opportunities, training and employment referrals in FY 2025.

YES offers STEM and STEAM programming opportunities via after-school camps, summer programs, and special events. In FY 2024, YES hosted five camps (Mad Science Camp, Chess Camp, Sphero Engineering Camp, Audio Engineering Camp, and Drone Soccer Camp), five field trips (Microsoft, Top Golf, Tesla, iFly, and UMD Chemistry), and two large events (Esport event and Dads and Drone Event). Additionally, the annual Back to School STEM Carnival served over 600 participants and a new program - the Dare to Dream ESTEAM program was offered.

With the support of Housing Opportunities Community Partners and other grantors, YES will continue to provide resources and services to middle and high school students participating in STEAM Forward Academy (“SFA”), which supports students with serious STEM/STEAM aspirations through providing scholarships for field related programs. SFA is an active community for youth who have a serious interest in STEAM/STEM and live in a household that participates in one of HOC’s housing programs. SFA includes scholarship opportunities to participate in regional STEM/STEAM learning opportunities. Participants receive up to \$700 per calendar year to participate in accredited/vetted enrichment programs of their choice.

#### *Fatherhood Initiative*

HOC’s Fatherhood Initiative Program has served over 2,670 (as of 6/30/2024) fathers since the 2015 inception. Strong relationships with our local community college and partners like the National Fatherhood Initiative Program and PNC Bank help connect fathers and families to career counseling, financial literacy workshops, parenting support groups, and more. The Fatherhood Initiative Program has awarded approximately \$717K in education/vocational training to over 800 fathers.

The funding in the new grant cycle has increased from \$695,177 to \$998,000. This is an increase of \$302,823. Along with the increase in funding, the Fatherhood Initiative Program has increased its target enrollment numbers. In the previous grant cycle, the program had an annual enrollment target of 150 fathers, and now it is 356 fathers. The annual enrollment target has more than doubled, which can be attributed not only to the amount of funding received but also performing and serving fathers on such a high level.

In continuation of MDRC’s Strengthening the Implementation of Responsible Fatherhood Programs (“SIRF”) study which the Fatherhood Initiative Program was selected for in 2020, in FY 2024 the Fatherhood Initiative was selected to participate on a second National study - Testing Identified Elements for Success in Fatherhood Programs (Fatherhood TIES). Building on the insights gained from the SIRF Study, the Fatherhood TIES Study will identify and test the essential functions, principles, elements, and components that are most effective at improving the lives of fathers who participate in fatherhood programs and their children. HOC’s project will study the impact of financial incentives, financial coaching, and case management. As part of the study, HOC will receive an award of almost \$300K for implementation.

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

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

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

Calendar year 2024 is the 50th anniversary of the founding of HOC (as the Housing Authority of Montgomery County) and the 25th anniversary of our non-profit affiliate Housing Opportunities Community Partners. It promises to be a year full of celebration of our many years of serving Montgomery County residents and providing innovative solutions for inclusive affordable housing.

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

- Kids’ STEM Summer Day Camps and After-School Clubs offer youth the opportunity for “out of school” learning experiences that encourage alternative ways of learning complex math and science material and that expand their appreciation of arts and culture.
- The Back-To-School Supply Drive, a collaborative effort with HOC, county businesses, local organizations, and congregations, which provides essential school supplies for nearly 750 low-income youth served by HOC affordable housing programs.
- Housing Counseling Plus Program, which provides moving cost assistance to homeless families relocating to permanent housing.
- Small Business Development programs, which teach adults various aspects of small business operation ranging from registration and licensing through marketing and inventory. The course is followed up by three months of mentoring to complete business plans and to establish legal entities, if applicable.
- Adult Education/Workforce Development programs, which provide tuition assistance and soft skills development services to adults pursuing degree and vocational certification programs.

HOCP’s gross income for FY 2024 was \$309,765 and total expenses were \$370,773. The organization’s budget for FY 2025 is \$492,394. Throughout the course of FY 2024, HOCP supported summer STEM camps, HOC’s Back to School supply drive, matched savings accounts programming to help participants increase their assets, AEWD programming, and small business development opportunities for adult customers.

#### **Financial Information**

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

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

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

quarterly basis, 'Budget to Actual' reports are prepared and presented to the BF&A Committee for review and the Commission for approval.

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

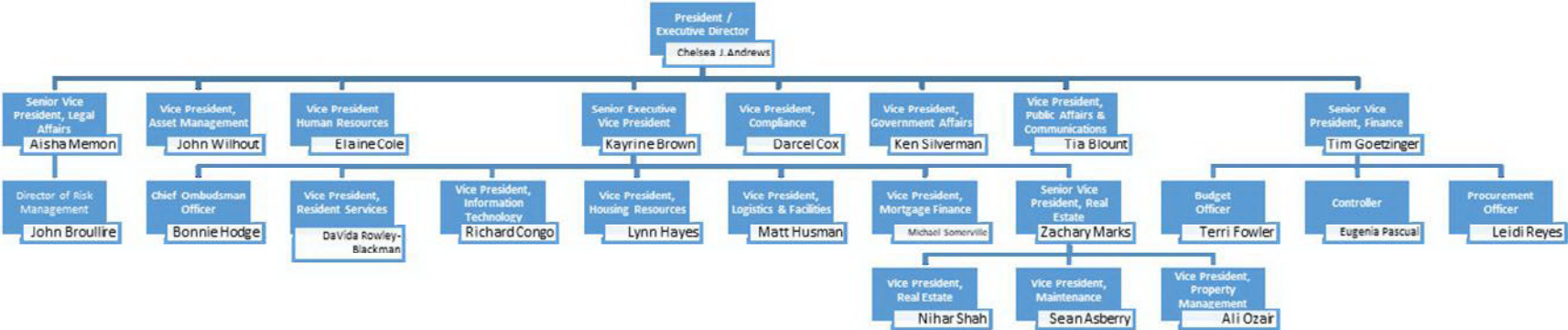
**Acknowledgements:** The preparation of this report has been accomplished by the efforts of the Finance Division in conjunction with the support of the Vice President and staff of various divisions throughout the Agency. We would also like to acknowledge and thank the Board of Commissioners for their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

Respectfully submitted,

*Tim Goetzinger*

Tim Goetzinger  
Senior VP, Finance / CFO

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



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

<b>Name, Title</b>	<b>Expiration of Term</b>
<b>BOARD OF COMMISSIONERS</b>	
Roy Priest, Chair	August, 2024
Jeffrey Merkowitz, Vice Chair	August, 2026
Robin Salomon, Chair Pro Term	August, 2025
Linda Croom, Commissioner	August, 2027
Frances Kelleher, Commissioner	August, 2024
Pamela Byrd, Commissioner	August, 2023- Serving until replacement/reappointment
Vacant	

**SENIOR MANAGEMENT**

Chelsea J. Andrews, President / Executive Director  
 Kayrine V. Brown, Senior Executive Vice President

**EXECUTIVE STAFF**

Sean Asberry, Vice President, Maintenance  
 Tia Blount, Vice President, Public Affairs & Communications  
 John Broullire, Director of Risk Management  
 Elaine Cole, Vice President Human Resources / Chief Human Resources Officer  
 Richard Congo, Vice President, Information Technology / Chief Information Officer  
 Darcel Cox, Vice President, Compliance  
 Timothy Goetzinger, Senior Vice President, Finance / Chief Financial Officer  
 Lynn Hayes, Vice President, Housing Resources  
 Bonnie Hodge, Chief Ombudsman Officer  
 Matt Husman, Vice President, Logistics & Facilities  
 Zachary Marks, Senior Vice President, Real Estate  
 Aisha Memon, Senior Vice President, Legal Affairs / General Counsel  
 Ali Ozair, Vice President, Property Management  
 DaVida Rowley-Blackman, Vice President, Resident Services  
 Nihar Shah, Vice President, Real Estate  
 Ken Silverman, Vice President, Government Affairs  
 Michael Somerville, Vice President, Mortgage Finance  
 John Wilhoit, Vice President, Asset Management

## II. FINANCIAL SECTION



## INDEPENDENT AUDITORS' REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Opportunities Commission of Montgomery County (the Commission), a component unit of Montgomery County, Maryland, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Commission, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of 900 Thayer Limited Partnership, Alexander House Apartments Limited Partnership, Arcola Towers RAD Limited Partnership, Bauer Park Apartments Limited Partnership, CCL Multifamily LLC, Elizabeth House III Limited Partnership, Forest Oak Towers Limited Partnership, Greenhills Apartments Limited Partnership, 4913 Hampden Lane Limited Partnership, HOC at Georgian Court LLC, HOC at Shady Grove, LLC, HOC at Stewartown Homes, LLC, HOC Westside Shady Grove, LLC, HOC at Upton II LLC, Spring Garden One Associate Limited Partnership, Tanglewood and Sligo Limited Partnership, Waverly House RAD Limited Partnership, HOC at Willow Manor LLC, Wheaton Metro Limited Partnership, which represent 94%, 51% and 99% respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements, which were prepared in accordance with the accounting standards issued by the Financial Accounting Standards Board, were audited by other auditors whose reports have been furnished to us. We have applied limited audit procedures on the conversion adjustments to conform the presentation of the financial statements of the discretely presented component units which conform those financial statements to accounting standards issued by the Government Accounting Standards Board. Our opinion, insofar as it relates to the amounts included for the discretely presented component units prior to these conversion adjustments, is based solely on the reports of the other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of 900 Thayer Limited Partnership, Alexander House Apartments Limited Partnership, Arcola Towers RAD Limited Partnership, Bauer Park Apartments Limited Partnership, CCL Multifamily LLC, Elizabeth House III Limited Partnership, Forest Oak Towers Limited Partnership, Greenhills Apartments Limited Partnership, HOC at Georgian Court LLC, HOC at Shady Grove, LLC, HOC at Stewartown Homes, LLC, HOC Westside Shady Grove, LLC, HOC at Upton II LLC, Spring Garden One Associate Limited Partnership, Waverly House RAD Limited Partnership, and HOC at Willow Manor LLC were not performed in accordance with *Government Auditing Standards*.

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

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the management discussion and analysis on pages 6-17, Schedule of the Commission's Proportionate Share of the Total Pension Liability on page 105, the Schedule of Commission Pension Contributions on page 106, the Schedule of the Commission's Total OPEB Liability and related ratios on page 107 and the Schedule of Commission OPEB Contributions on page 108, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The Sub-Fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Sub-Fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

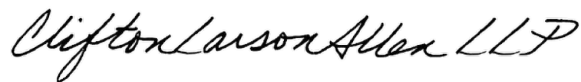
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Commission's basic financial statements as of and for the year ended June 30, 2023, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the business-type activities and the aggregate discretely presented component units. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements as a whole. The Sub-Fund Financial Statements for the year ended June 30, 2023, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 Sub-Fund Financial Statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Board of Commissioners  
Housing Opportunities Commission of  
Montgomery County, Maryland

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2024, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Commission's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
November 8, 2024

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

As management of the Housing Opportunities Commission of Montgomery County, Maryland (the Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information furnished in the audited basic financial statements and related notes. This discussion and analysis is focused on the activities of the Commission as a primary governmental entity.

**Financial Highlights**

The Commission's net position decreased slightly by \$0.9 million during fiscal year 2024, compared to the \$296.8 million balance at June 30, 2023.

The Commission's current ratio (ratio of current assets to current liabilities) decreased from 3.62 at June 30, 2023 to 3.42 at June 30, 2024, attributed primarily to a decrease in restricted cash, cash equivalents and investments due to additional bond draws for HOC at Westside Shady Grove LLC ("Westside Shady Grove"), HOC at Georgian Court LLC ("Georgian Court") and Bauer Park Apartments LP ("Bauer Park"). The mortgage-backed securities ("MBS") purchases under the Single Family Sub-fund also contributed to the decrease.

Outstanding mortgage and construction loans receivable increased from \$728 million at June 30, 2023 to \$749 million at June 30, 2024. This is mainly due to an increase in mortgage loans receivables from HOC at Willow Manor LLC ("Willow Manor"), EH III LP ("EHIII/The Leggett"), Wheaton Gateway development, Westside Shady Grove Building B ("WSSG B"), HOC at Shady Grove LLC ("Shady Grove"), Hillandale Gateway LLC ("Hillandale") and Georgian Court, attributed to additional draws from the PNC Bank, N.A. Real Estate Line of Credit ("RELOC") and Opportunity Housing Reserve Fund ("OHRF"). The Multifamily Sub-fund also contributed to the increase due to the mortgage receivables on the new bond issued under the Multifamily Housing Development Bonds ("MHDB") 2024 Series A for the Hillandale development.

The amount of U.S. Department of Housing and Urban Development (HUD) Section 8 Housing Assistance Payments (HAP) administered by the Commission increased by 5.9% from \$135 million fiscal year 2023 to \$142.9 million in fiscal year 2024.

During fiscal year 2024, the Multifamily Sub-fund issued a \$153.5 million new bond under the Multiple Purpose ("MP") 2023 indenture (Series A, B, C Bonds) for the scattered site properties and HOC Headquarters, and MHDB 2024 Series bonds for Hillandale. The Multifamily Sub-fund redeemed and retired bonds in the amount of \$15 million which consisted of \$11.8 million from the 1996 indenture, and \$3.2 million from the Stand Alone 1998 Issue.

The Single Family Sub-fund issued a \$30 million new bond under the Mortgage Revenue Bonds 2024 Series A&B, and redeemed and retired bonds in the amount of \$29.1 million which consisted of \$25.8 million from the 1979 indenture, \$2.7 million from the 2019 Indenture and \$0.6 million from the 2009 indenture.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

**Overview of Financial Statements**

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

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

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

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

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

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

**Sub-Funds**

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

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

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

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

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

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

**Discretely Presented Component Units**

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

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

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

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

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

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

Accordingly, the amounts that comprise the aggregate Balance Sheet and Statement of Operations of the discretely presented component units described above are as of and for the respective year ends that fall within the year ended June 30, 2024.

**Blended Component Units**

Development Corporation – The Commission has 59 properties that are considered blended component units and presented with the Opportunity Housing Sub-Fund in the appropriate fund financial statement and combining statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

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

The Commission's total net position in fiscal year 2024 decreased by 0.3%.

Net investment in capital assets is -73% of the Commission's net position. These capital assets are used primarily to provide housing to low-income residents.

37.5% of the Commission's net position reflects cash and investments, which are restricted as to their use. The preponderance of these restricted assets are used to finance and fund low-income housing.

135.5% of the Commission's net position is unrestricted. These non-restricted resources are used in the operations of the Commission.

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

	2024	2023	Change (\$)	Change (%)
<b>Assets:</b>				
Current Assets	\$ 406.0	\$ 416.2	\$ (10.2)	(2.5)%
Other Assets	320.5	224.5	96.0	42.8%
Capital Assets	669.3	669.1	0.2	0.0%
Mortgage and Construction Loans Receivable, Net of Current	736.3	716.1	20.2	2.8%
<b>Total Assets</b>	<b>2,132.1</b>	<b>2,025.9</b>	<b>106.2</b>	<b>5.2%</b>
Deferred Outflows of Resources	56.1	31.7	24.4	77.0%
<b>Liabilities:</b>				
Current Liabilities	85.7	69.1	16.6	24.0%
Current Portion of Long-Term Debt and Bonds Payable	32.9	45.9	(13.0)	(28.3)%
<b>Total Current Liabilities</b>	<b>118.6</b>	<b>115.0</b>	<b>3.6</b>	<b>3.1%</b>
Noncurrent Liabilities:				
Bonds Payable	906.7	755.6	151.1	20.0%
Other Liabilities	801.7	842.7	(41.0)	(4.9)%
<b>Total Liabilities</b>	<b>1,827.0</b>	<b>1,713.3</b>	<b>113.7</b>	<b>6.6%</b>
Deferred Inflows of Resources	65.3	47.5	17.8	37.5%
<b>Net Position</b>				
Net Investment in Capital Assets	(216.0)	(139.7)	(76.3)	54.6%
Restricted for:				
Debt Service	99.2	96.8	2.4	2.5%
Customer Deposits and Other	2.3	2.2	0.1	4.5%
Closing Cost Assistance Program	9.6	7.4	2.2	29.7%
Unrestricted	400.8	330.1	70.7	21.4%
<b>Total Net Position</b>	<b>\$ 295.9</b>	<b>\$ 296.8</b>	<b>\$ (0.9)</b>	<b>(0.3)%</b>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

Total assets of the Commission increased by \$106.2 million to \$2.13 billion in fiscal year 2024 from \$2.03 billion in fiscal year 2023. Total liabilities increased by \$113.7 million or 6.6% from \$1.71 billion in fiscal year 2023.

The increase in total assets was largely due to an increase in restricted long-term investments driven by the investment of the undrawn bond proceeds from the issuance of the MP 2023 Series C bonds for the HOC Headquarters and MBS purchases under the Single Family Sub-fund. The mortgage and construction loans receivables also increased attributed primarily to additional RELOC and OHRF draws for several discrete component units, as well as the MHDB 2024 Series A for Hillandale.

The increase in total liabilities was mainly attributed to an increase in the outstanding bonds payable. The Commission issued new bonds totaling \$183.5 million and retired bonds totaling \$44.1 million. The Commission also issued \$21.6 million in mortgage loans payable and paid back \$74.5 million during the fiscal year.

Based on Government Accounting Standards Board State (GASB) No. 53, Accounting and Financial Reporting for Derivative Instruments, the termination value of all swaps, either negative or positive, are presented as either deferred outflows or inflows in the statement of net position. HOC had a positive fair value of \$4.5 million (derivative asset) on June 30, 2024 compared to a positive value of \$4.3 million on June 30, 2023.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

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

	2024	2023	Change (\$)	Change (%)
<b>Operating Revenues</b>				
Dwelling Rental	\$ 98.1	\$ 103.5	\$ (5.4)	(5.2)%
Governmental Grants	172.9	167.2	5.7	3.4%
Investment Income	21.2	18.2	3.0	16.5%
Unrealized (Losses) Gains on Investments	(2.0)	(7.3)	5.3	(72.6)%
Interest on Mortgage and Construction Loans Receivable	10.2	9.6	0.6	6.3%
Management Fees and Other Income	15.4	13.0	2.4	18.5%
Total Operating Revenues	<u>315.8</u>	<u>304.2</u>	<u>11.6</u>	<u>3.8%</u>
<b>Operating Expenses</b>				
Housing Assistance Payments	142.9	135.0	7.9	5.9%
Administration	52.9	53.5	(0.6)	(1.1)%
Maintenance	31.6	26.5	5.1	19.2%
Depreciation and Amortization	21.2	21.7	(0.5)	(2.3)%
Utilities	8.8	7.4	1.4	18.9%
Fringe Benefits	5.5	9.3	(3.8)	(40.9)%
Interest Expense	49.1	43.9	5.2	11.8%
Other Expenses	13.4	12.7	0.7	5.5%
Total Operating Expenses	<u>325.4</u>	<u>310.0</u>	<u>15.4</u>	<u>5.0%</u>
Operating Loss	(9.6)	(5.8)	(3.8)	65.5%
Nonoperating Revenues, Net	<u>8.7</u>	<u>5.7</u>	<u>3.0</u>	<u>52.6%</u>
Income Before Contributions and Transfers	(0.9)	(0.1)	(0.8)	800.0%
Capital Contributions	<u>-</u>	<u>(0.2)</u>	<u>0.2</u>	<u>(100.0)%</u>
<b>Change in Net Position</b>	(0.9)	(0.3)	(0.6)	200.0%
Total Net Position - Beginning of Year	<u>296.8</u>	<u>297.1</u>	<u>(0.3)</u>	<u>(0.1)%</u>
<b>Total Net Position - End of Year</b>	<u><u>\$ 295.9</u></u>	<u><u>\$ 296.8</u></u>	<u><u>\$ (0.9)</u></u>	<u><u>(0.3)%</u></u>

In January 2006, HUD issued PIH Notice 2006-03, which requires that the Annual Budget Authority (ABA) that the Commission receives be reported as income in the same fiscal year regardless of the total housing assistance payments incurred. As of June 30, 2024, the Commission has recorded all ABA received as income.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

Dwelling rent decreased by \$5.4 million and is mainly attributed to Cider Mill Apartments, Elizabeth House RAD Interim Property, VPC One Corporation, VPC Two Corporation, Paddington Square Apartments, Brookside Glen LP, HOC at Battery Lane LLC ("Battery Lane"), Montgomery Arms Development Corporation and MHLP X.

Governmental grants increased by \$5.7 million as a result of an increase in Housing Assistance Payments (HAP) revenue, partially offset by a decrease in rental assistance from the County, CDBG and HIF Rental Assistance program.

Investment income and unrealized gains on investments increased by \$8.3 million in fiscal year 2024 due to changes in interest rates and the investing environment.

Interest income on mortgage and construction loans receivable increased by \$0.6 million primarily driven by MHDB 2023 Series A and MHDB 2021 Series ABCD within the Multifamily Sub-fund.

Management fees and other income increased by \$2.4 million mainly due to the receipt of accrued development fees.

HAP expense increased by \$7.9 million in FY 2024 due to an increase in leasing and leasing cost as well as new programs.

Administrative expense decreased by \$0.6 million in FY 2024. This is largely due a decrease in Public Sub-fund expenses attributed primarily to the completion of the County, CDBG and HIF Rental Assistance Program, partially offset by the cost of issuance related to the new bonds for the scattered site properties and HOC Headquarters.

Fringe benefits decreased by \$3.8 million largely driven by a decrease in pension expense, and other postemployment benefits ("OPEB"), due to the changes in the Commission's proportionate share of the Total Pension Liability and Total OPEB Liability as of the measurement date of June 30, 2023. As a participating employer, the Commission is required to follow Governmental Accounting Standards Board ("GASB") Statement No.'s 68 and 75 to report the Commission's proportionate share of the total pension and OPEB liability.

Interest expense increased by \$5.2 million mainly attributable to new bonds issued under the Multifamily Sub-fund and Single Family Sub-fund as well as higher variable interest rate.

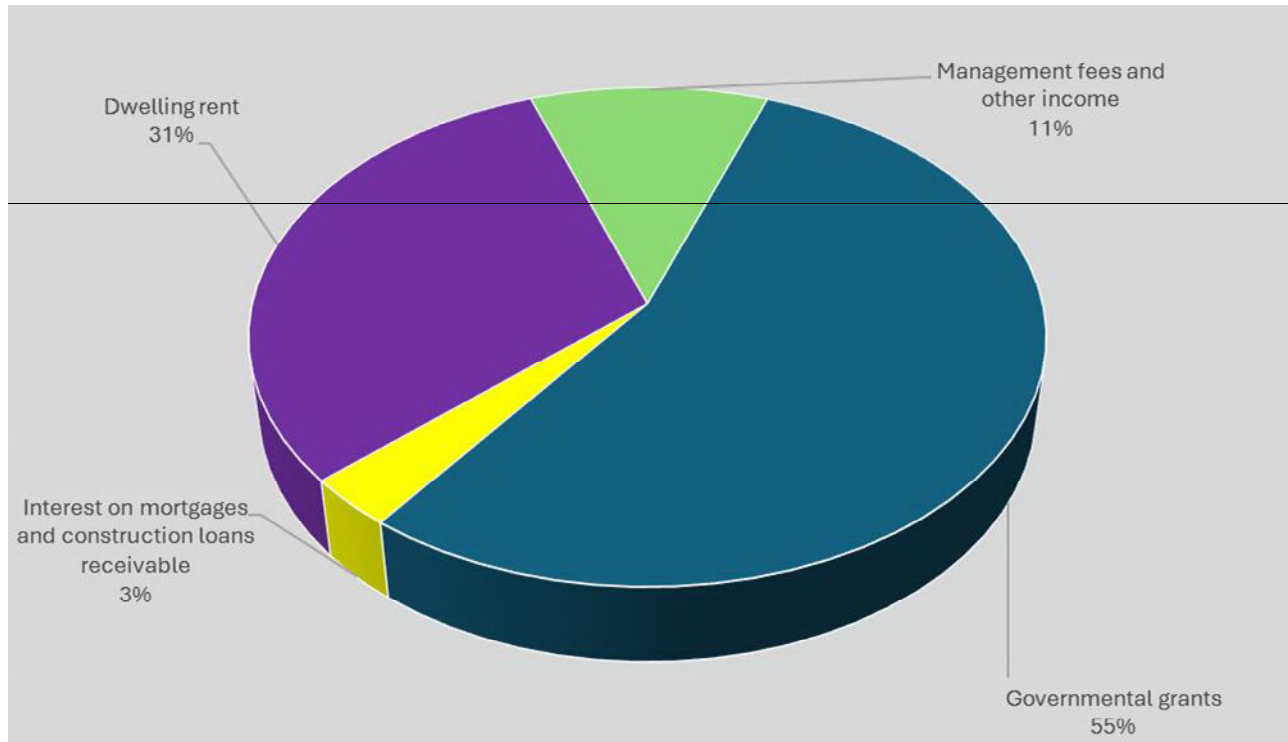
Other expenses increased by \$0.7 million primarily due to an increase in the properties and offices' security contracts, liability insurance and solid waste tax.

Non-operating revenue increased by \$3 million mainly due to an increase in investment income and interest income on mortgage and construction loans receivable, partially offset by an increase in non-operating interest expense.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

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

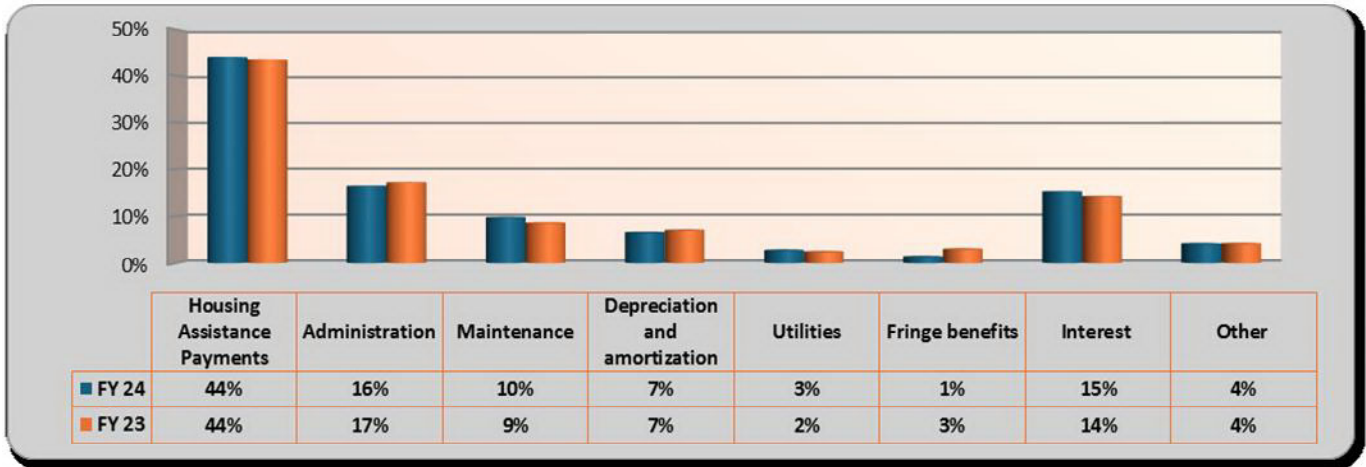
**FY 2024 SOURCES OF OPERATING REVENUE**



**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

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

FY 2024 vs. FY 2023 OPERATING EXPENSES



Housing Assistance Payments are the major contributor to the total operating expenses of the Commission at 44% of the total operating expenses.

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

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

	2024	2023	Change (\$)	Change (%)
Property and Equipment, Net of Depreciation	\$ 669.3	\$ 669.1	\$ 0.2	0.0%

The slight increase in capital assets is primarily driven by the capital development costs at HOC Headquarters, Garnkirk Farms, Sandy Spring Missing Middle and capital improvements at The Metropolitan and various scattered site units, partially offset by the normal depreciation of assets.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

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

	2024	2023	Change (\$)	Change (%)
Multifamily Bonds	\$ 730.0	\$ 591.5	\$ 138.5	23.4%
Single Family Mortgage Purchase Program Bonds	204.6	203.7	0.9	0.4%
Mortgage Notes and Loans Payable	622.9	675.8	(52.9)	(7.8)%
Loans Payable to Montgomery County	93.8	94.0	(0.2)	(0.2)%
Total	<u>\$ 1,651.3</u>	<u>\$ 1,565.0</u>	<u>\$ 86.3</u>	<u>5.5%</u>

The following are key elements of the Commission's outstanding debt as of June 30, 2024:

- As of June 30, 2024, \$730 million of Multifamily mortgage bonds were outstanding. Sources of payments for the bonds are Multifamily mortgages receivable of \$647.1 million and restricted cash, cash equivalents and investments of \$220 million.
- As of June 30, 2024, \$204.6 million of Single Family mortgage bonds were outstanding. Sources of payment for the bonds are Single Family mortgages receivable of \$31.6 million and restricted cash, cash equivalents and investments of \$190.5 million.

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

Note 9 (Bonds, Mortgage Notes, and Loans Payable) provides detailed information about long-term debt activity.

**Economic Outlook**

As we look ahead to the future, HOC will continue to take proactive steps to reposition operations as we move past the impacts of the pandemic and despite inherent challenges, we will deliver a balanced budget in fiscal year 2025 to accomplish our mission. With the adoption of the new Five-Year Strategic Plan in FY 2024, HOC is poised to advance on its renewed vision and mission through three main goals:

**EXPAND** Affordable Housing in Montgomery County,

**ENHANCE** the Lives We Touch through Supportive Services & Partnerships,

**EXCEL** as a World-Class Organization.

As such, our efforts in FY 2025 will reflect investments needed to support the successful implementation of our new strategic plan and commitment to our new mission and vision statements, and for the first time, core values.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

**Vision:** It is our vision that everyone in Montgomery County has access to the safe, affordable, high-quality housing, and attendant services that they need to reach their fullest potential.

**Mission:** HOC exists to provide people with low and moderate incomes the opportunity to live in high-quality, safe, and affordable housing in Montgomery County. We strengthen families by offering opportunities for personal and economic growth through partnerships and supportive services.

**Core Values:**

1. People-First with Dignity & Respect | Our Staff
2. People-First with Dignity & Respect | Our Customers
3. Innovative and Entrepreneurial
4. Equity in Everything We Do
5. Power of Partnerships
6. Community-Enhanced Housing Stewardship

At a macro-level, the environment in which we operate will impact our ability to deliver housing opportunities by taking advantage of new and existing housing production tools that advance goals set forth for Montgomery County. This means navigating the changing interest rate environment by utilizing traditional financing tools, adjusting to new cost structures following a period of inflationary spike in construction cost, and deploying other available resources. We will do our part!

HOC will be rolling out a comprehensive Capital Improvement Plan to renovate several units across its scattered site portfolio. HOC has received County funds, via the Capital Improvements Program, and will begin the renovation of 10 properties, followed by 10 additional properties that were recently approved. We are also preparing to request approval for two additional rounds of 10 units, increasing the total to **40 newly substantially renovated homes** for larger families in the County. In our efforts to **expand affordable housing** in the County, HOC successfully funded the first Housing Production Fund loan to develop **The Laureate**, a 268-unit, mixed-income, mixed-use **new construction project** located in Rockville, just steps away from the Shady Grove Metro station. Twenty-five percent of the units were set aside for households at 50% of the area median income ("AMI") and 5% as Moderately Priced Dwelling Units ("MPDUs"). This building, which leased up quickly and ahead of schedule, is currently over 91.79% occupied, reflective of pent up demand for this housing resource at this transit location. In FY 2024, HOC also opened the doors of our **new HOC Service Center**, which is co-located at The Laureate. The new center **enhances our services** to those in the Gaithersburg, Rockville and Derwood areas.

**The Leggett** is another example of HOC's success in **expanding housing while preserving affordability for seniors**. A component of the broader Elizabeth Square investment, The Leggett is a 267-unit, 16-story high-rise development for seniors aged 62 and older. The property provides 106 Rental Assistance Demonstration replacement units (converted from Public Housing) set aside for former Elizabeth House residents at 30% of the AMI, with the balance serving residents up to 80% of the AMI. Twenty-nine units lease at market rate with no restrictions. This mixed-income, mixed-use community began lease up in FY 2024 and is currently 89% occupied.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2024**

This community is also the home of the new County-owned Silver Spring Recreation and Aquatic Center ("SSRAC") and the Holy Cross Wellness Center. The Holy Cross facility serves the broader surrounding community, in addition to residents of Elizabeth Square. This complex, along with its community-serving amenities and services, allows us to **enhance the lives of the residents we serve**. HOC, in collaboration with the County Council and Department of Housing and Community Affairs, has created a **new Non-Profit Preservation Fund ("NPPF") to preserve affordable housing** in our County. The NPPF is envisioned as a revolving acquisition fund to finance the purchase of Naturally Occurring Affordable Housing ("NOAH"). This is yet another HOC financing innovation for the preservation of affordable housing. The NPPF will provide 7-10 year, low-cost acquisition financing. After acquisition, permanent financing would need to be obtained so that the fund can be repaid in 7-10 years and revolve into another qualified project. The formal NPPF proposal was introduced by Council Member Andrew Friedson and approved by the Council in FY 2024.

At the micro-level, HOC must find new ways to grow our revenue, both from real estate and mortgage finance fees, while stabilizing revenue from our properties. Throughout the budget process, we have discerned opportunities whereby stronger management of our properties can result in lower vacancies, lower concessions, and higher net incomes. Additionally, controlling our expenses, though difficult in a relatively high inflationary environment, will allow us to realize stable cash flow, strengthen our assets, and better serve our residents through some of the Resident Service initiatives funded by our properties.

And while we are focusing squarely on the fiscal aspects of our operations, it is imperative that we use the available financial and educational resources to assist customers to reestablish their housing status and become financially stable. This will enable them to focus more clearly on meeting the needs of their families, repaying delinquent rents that will allow HOC's financial operations to return to normal, and move their families closer to self-sufficiency. Staff are cautiously optimistic that as the environmental effects from the COVID-19 pandemic improve, the risk of evictions from HOC's properties will decrease, allowing our customers to remain housed. If we hope to continue serving our customers and community as effectively and efficiently as possible, HOC will need to continue to be innovative in our service delivery.

Crucial to this work are the partners – big and small; government, private, and nonprofit – who demonstrate an enduring commitment to bettering Montgomery County and serving its residents. Working together, we are able to help more families and communities determine the trajectory of their own lives. Our ability to continue innovating and investing in Montgomery County requires strong partnerships and collaboration with the County Executive and County Council. Finally, with the steady guidance of our Commissioners and the hard work of our staff, HOC will continue to pursue a vision of Montgomery County where individuals can improve their economic status, remain stably housed and reach their definition of success.

### **Request for information**

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

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2024**

**ASSETS**

	Primary Government	Discrete Component Units
<b>CURRENT ASSETS</b>		
Unrestricted:		
Cash and Cash Equivalents	\$ 114,873,529	\$ 19,843,674
Advances to Component Units	16,808,349	-
Accounts Receivable and Other Assets, Net	37,731,364	4,198,378
Due From Related Parties	-	499,415
Accrued Interest Receivable	23,407,961	-
Mortgage and Construction Loans Receivable, Current	12,401,536	-
Lease Receivable, Current	1,061,140	-
Total Unrestricted Current Assets	206,283,879	24,541,467
Restricted Cash, Cash Equivalents, and Investments:		
Restricted Cash and Cash Equivalents	151,807,000	25,122,947
Restricted Short-Term Investments	2,766,617	-
Restricted for Current Bonds Payable	38,170,899	-
Restricted for Customer Deposits	6,970,303	1,054,280
Total Restricted Cash, Cash Equivalents, and Investments	199,714,819	26,177,227
Total Current Assets	405,998,698	50,718,694
<b>NONCURRENT ASSETS</b>		
Restricted Long-Term Investments	268,880,650	-
Mortgage and Construction Loans Receivable, Net of Current Portion	736,246,613	-
Capital Assets Being Depreciated and Amortized, Net	493,077,437	586,713,255
Capital Assets, Not being Depreciated	176,247,246	223,712,000
Lease Receivable	7,507,219	-
Derivative Asset	4,512,438	-
Other Noncurrent Assets	-	7,087,175
Investment in Partnership	-	16,372,489
Investment in Component Units	39,607,616	-
Total Noncurrent Assets	1,726,079,219	833,884,919
Total Assets	2,132,077,917	884,603,613
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Derivative Instrument	20,005,625	-
Employer-Related Pension Activities	31,161,638	-
Employer-Related OPEB Activities	4,972,776	-
Total Deferred Outflows of Resources	56,140,039	-
Total Assets and Deferred Outflows of Resources	\$ 2,188,217,956	\$ 884,603,613

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENTS OF NET POSITION (CONTINUED)**  
**JUNE 30, 2024**

**LIABILITIES AND NET POSITION**

	Primary Government	Discrete Component Units
<b>CURRENT LIABILITIES</b>		
Current Unrestricted Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 36,546,684	\$ 12,649,696
Undrawn Mortgage Proceeds Payable	17,475,000	-
Accrued Interest Payable	12,233,751	21,670,055
Loans Payable to Montgomery County - Current	74,535	-
Lease Payable - Current	330,432	-
Mortgage Notes and Loans Payable - Current	4,953,729	28,703,587
Due To Related Parties	-	6,470,373
Total Current Unrestricted Liabilities	71,614,131	69,493,711
Current Liabilities Payable from Restricted Assets:		
Customer Deposits Payable	5,717,348	1,024,062
Accrued Interest Payable	13,375,131	-
Bonds Payable - Current	27,873,721	-
Total Current Liabilities Payable from Restricted Assets	46,966,200	1,024,062
Total Current Liabilities	118,580,331	70,517,773
<b>NONCURRENT LIABILITIES</b>		
Bonds Payable	906,722,108	-
Mortgage Notes and Loans Payable	617,935,898	663,308,193
Loans Payable to Montgomery County	93,773,624	30,317,388
Lease Payable	3,537,432	-
Unearned Revenue	39,476,194	-
Advances Due to Primary Government	-	7,793,087
Other Noncurrent Liabilities	-	35,116,290
Escrow and Other Deposits	22,064,981	-
Pension Liability	11,931,037	-
OPEB Liability	12,981,074	-
Total Noncurrent Liabilities	1,708,422,348	736,534,958
Total Liabilities	1,827,002,679	807,052,731
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Derivative Instrument	4,512,438	-
Unamortized Pension Net Difference	40,544,784	-
Unamortized OPEB Net Difference	12,212,769	-
Unamortized Lease Receivable	8,067,195	-
Total Deferred Inflows of Resources	65,337,186	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	(216,000,952)	88,096,087
Restricted for:		
Debt Service	99,230,751	-
Customer Deposits and Other	2,297,429	25,153,165
Closing Cost Assistance Program	9,579,006	-
Unrestricted	400,771,857	(35,698,370)
Total Net Position	295,878,091	77,550,882
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 2,188,217,956	\$ 884,603,613

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED JUNE 30, 2024**

	Primary Government	Discrete Component Units
<b>OPERATING REVENUES</b>		
Dwelling Rental	\$ 98,121,808	\$ 39,419,670
Investment Income	21,189,434	-
Unrealized Losses on Investments	(2,020,869)	-
Interest on Mortgage and Construction Loans Receivable	10,226,834	-
Management Fees and Other Income	15,448,576	1,638,318
U.S. Department of Housing and Urban Development Grants:		
Housing Assistance Payments (HAP)	139,899,712	-
HAP Administrative Fees	12,501,670	-
Other Grants	5,248,724	-
State and County Grants	15,230,110	-
Total Operating Revenues	315,845,999	41,057,988
<b>OPERATING EXPENSES</b>		
Housing Assistance Payments	142,873,491	-
Administration	52,903,350	10,722,622
Maintenance	31,551,741	6,480,283
Depreciation and Amortization	21,217,510	25,071,934
Utilities	8,885,354	3,349,402
Fringe Benefits	5,498,542	1,654,900
Interest Expense	49,119,622	26,477,540
Other Expenses	13,384,437	5,731,683
Total Operating Expenses	325,434,047	79,488,364
<b>OPERATING LOSS</b>	(9,588,048)	(38,430,376)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment Income	7,353,537	358,296
Interest on Mortgage and Construction Loans Receivable	6,219,338	-
Interest Expense	(6,177,220)	-
Other Grants	386,452	-
Partner Equity Distributions	-	9,989,036
Gain on Sale of Assets	889,954	-
Total Nonoperating Revenue	8,672,061	10,347,332
<b>LOSS BEFORE CONTRIBUTIONS</b>	(915,987)	(28,083,044)
Capital Contributions	-	4,103,379
<b>CHANGE IN NET POSITION</b>	(915,987)	(23,979,665)
Net Position - Beginning of Year	296,794,078	101,530,547
<b>NET POSITION - END OF YEAR</b>	\$ 295,878,091	\$ 77,550,882

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**

	<u>Business-Type Activities</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers	\$ 92,745,345
Intergovernmental Revenue	172,880,216
Investment Income Received	21,478,052
Mortgage Interest Received	7,843,465
Mortgage Loan Principal Received	3,704,928
Management Fees and Other Income	13,501,264
Mortgage Escrow Receipts	160,192
Mortgage Loans Issued	(72,576,113)
Payoff of Undrawn Proceeds	(10,155,085)
Payments to Suppliers	(52,906,572)
Payments to Employees	(50,411,162)
Interest Paid	(46,877,243)
Housing Assistance Payments	(142,873,491)
Net Cash Used by Operating Activities	<u>(63,486,204)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Advances/Investment to Component Units	(11,404,213)
Issuance of Notes Receivable	(24,043,987)
Receipt of Payments on Notes Receivable	22,924,655
Investments Sold	1,406,470
Investments Purchased	(97,793,550)
Investment Income Received	7,353,537
Mortgage Interest Received	16,403,084
Net Cash Used by Investing Activities	<u>(85,154,004)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Proceeds from Sale of Bonds (MF Capital and SF Non-Capital)	183,465,494
Payment of Mortgage	(240,000)
Bond Repayments	(43,583,138)
Intergovernmental Revenue	386,452
Net Cash Provided by Noncapital Financing Activities	<u>140,028,808</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Payments for Capital Assets	(21,452,377)
Proceeds from Loans Payable to Montgomery County	1,500,000
Payments on Loans Payable to Montgomery County	(1,609,220)
Proceeds from New Mortgage Notes and Loans Payable	100,306,416
Payments on Mortgage Notes and Loans Payable	(91,696,207)
Interest Paid on Mortgages	(17,095,789)
Proceeds from Capital Lease	3,532,313
Net Cash Used by Capital and Related Financing Activities	<u>(26,514,864)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(35,126,264)</u>
Cash and Cash Equivalents - Beginning of Year	<u>346,947,995</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 311,821,731</u></u>

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

	<u>Business-Type Activities</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS, END OF YEAR TO AMOUNTS IN THE STATEMENT OF NET POSITION</b>	
Current Unrestricted Cash and Cash Equivalents	\$ 114,873,529
Restricted Cash and Cash Equivalents	151,807,000
Restricted Current Bonds Payable	38,170,899
Restricted Customer Deposits	6,970,303
Total Cash and Cash Equivalents	<u>\$ 311,821,731</u>
 <b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (9,588,048)
Adjustments to Reconcile Operating Loss Net Cash Used by Operating Activities:	
Depreciation	21,218,567
Amortization	(515,162)
Unrealized Losses on Investments	2,020,869
Gain on Sale of Assets	889,954
Effects of Changes in Operating Assets and Liabilities:	
Accounts Receivable and Other Assets	(12,157,755)
Mortgage and Construction Loans Receivables	(80,834,706)
Accrued Interest Receivable	(5,039,801)
Prepaid Expenses and Other Assets	(2,350)
Deferred Outflows of Resources - Pension	(22,742,857)
Deferred Outflows of Resources - OPEB	(2,351,951)
Interfund Receivable/Payable	(10,861)
Accounts Payable	11,534,965
Unearned Revenue	5,478,630
Accrued Interest Payable	5,419,087
Undrawn Proceeds	2,464,664
Derivative Instrument	585,494
OPEB Liability	(1,142,037)
Pension Liability	1,673,883
Deferred Inflows of Resources - Pension	6,952,010
Deferred Inflows of Resources - OPEB	10,755,073
Escrow and Other Deposits	1,906,128
Net Cash Used by Operating Activities	<u>\$ (63,486,204)</u>

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS**  
**JUNE 30, 2024**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE
	Alexander House	Greenhills	Elizabeth House III LP	Spring Garden	Wheaton Venture	HOC at 11250 Veirs Mill	Wheaton Metro	Forest Oak	Tanglewood/ Sligo	Hampden Lane
<b>Assets</b>										
Current Assets:										
Cash and Cash Equivalents	\$ 133,905	\$ 564,189	\$ 302,957	\$ 45,088	\$ 1,321	\$ -	\$ 716,133	\$ 1,831,932	\$ 617,520	\$ 125,025
Accounts Receivable and Other Assets, Net	508,944	361,418	182,294	71,314	148,520	45,500	17,527	220,035	89,860	30,112
Interfund Receivable (Payable)	11,985	-	-	-	467,364	-	-	-	-	-
Total Unrestricted Current Assets	654,834	925,607	485,251	116,402	617,205	45,500	733,660	2,051,967	707,380	155,137
Restricted Cash and Cash Equivalents:										
Customer Deposits	26,758	33,119	28,876	44,636	-	-	30,093	46,638	79,821	4,523
Restricted Cash and Cash Equivalents	2,130,971	936,307	394,164	525,070	-	-	577,838	784,320	2,278,455	466,040
Total Restricted Cash and Cash Equivalents	2,157,729	969,426	423,040	569,706	-	-	607,931	830,958	2,358,276	470,563
Noncurrent Assets:										
Investment in Partnership	-	-	-	-	16,372,489	-	-	-	-	-
Property and Equipment, Net of Depreciation	33,167,118	19,654,938	104,641,336	5,902,472	3,040,792	19,181,189	6,817,895	18,086,484	21,571,839	2,759,827
Deferred Charges and Other Noncurrent Assets	7,778	20,198	205,691	-	143,240	-	-	-	36,113	3,500
Total Noncurrent Assets	33,174,896	19,675,136	104,847,027	5,902,472	19,556,521	19,181,189	6,817,895	18,086,484	21,607,952	2,763,327
Total Assets	\$ 35,987,459	\$ 21,570,169	\$ 105,755,318	\$ 6,588,580	\$ 20,173,726	\$ 19,226,689	\$ 8,159,486	\$ 20,969,409	\$ 24,673,608	\$ 3,389,027
<b>Liabilities</b>										
Current Unrestricted Liabilities:										
Accounts Payable and Accrued Liabilities	\$ 389,217	\$ 86,154	\$ 390,727	\$ 55,776	\$ 188,662	\$ 624,355	\$ 59,785	\$ 119,202	\$ 114,002	\$ 461,054
Accrued Interest Payable	59,226	1,181,985	5,907,134	25,684	-	-	104,810	68,669	481,476	-
Mortgage Notes and Loans Payable - Current	224,096	187,061	24,000,000	240,204	-	-	42,290	614,023	257,426	-
Advances from Primary Government	80,504	20,944	-	101,375	-	-	2,030,350	-	321,935	555,147
Total Unrestricted Current Liabilities	753,043	1,476,144	30,297,861	423,039	188,662	624,355	2,237,235	801,894	1,174,839	1,016,201
Current Liabilities Payable from Restricted Assets:										
Customer Deposits Payable	21,809	23,627	54,820	42,620	-	-	28,901	42,169	78,965	2,931
Noncurrent Liabilities:										
Mortgage Notes and Loans Payable	30,398,583	17,973,078	73,560,285	6,834,564	1,482,361	927,230	4,280,782	10,247,474	14,656,920	185,624
Advances Due to Primary Government	-	-	5,473,620	-	187,666	232,448	-	-	-	-
Notes Payable to HOC	-	-	-	-	-	-	-	-	-	-
Loans Payable to Montgomery County	-	-	8,000,000	1,382,000	-	-	865,279	1,152,504	-	944,829
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Other Noncurrent Liabilities	4,674,610	64,928	3,704,486	3,737,615	-	-	1,482,346	333,956	-	230,468
Total Noncurrent Liabilities	35,073,193	18,038,006	90,738,391	11,954,179	1,670,027	1,159,678	6,628,407	11,733,934	14,656,920	1,360,921
Total Liabilities	35,848,045	19,537,777	121,091,072	12,419,838	1,858,689	1,784,033	8,894,543	12,577,997	15,910,724	2,380,053
<b>Net Position</b>										
Investment in Capital Assets, Net of Related Debt	2,544,439	1,494,799	(918,949)	(2,554,296)	1,558,431	18,253,959	1,629,544	6,072,483	6,657,493	1,629,374
Restricted Net Position	2,135,920	945,799	368,220	527,086	-	-	579,030	788,789	2,279,311	467,632
Unrestricted Net Position	(4,540,945)	(408,206)	(14,785,025)	(3,804,048)	16,756,606	(811,303)	(2,943,631)	1,530,140	(173,920)	(1,088,032)
Total Net Position	139,414	2,032,392	(15,335,754)	(5,831,258)	18,315,037	17,442,656	(735,057)	8,391,412	8,762,884	1,008,974
Total Liabilities and Net Position	\$ 35,987,459	\$ 21,570,169	\$ 105,755,318	\$ 6,588,580	\$ 20,173,726	\$ 19,226,689	\$ 8,159,486	\$ 20,969,409	\$ 24,673,608	\$ 3,389,027

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**  
**JUNE 30, 2024**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	Totals
	Arcola	Waverly	Hillandale	CCL Multifamily	900 Thayer LP	HOC at Upton II LLC	Bauer Park LP	HOC at West Side Shady Grove	HOC at Willow Manor LLC	HOC at Stewartown	HOC at Georgian Court LLC	HOC at Shady Grove LLC	
<b>Assets</b>													
Current Assets:													
Cash and Cash Equivalents	\$ 412,378	\$ 704,364	\$ 18,640	\$ 181,695	\$ 556,394	\$ 2,089,563	\$ 1,086,677	\$ 1,382,937	\$ 2,901,054	\$ 1,422,737	\$ 1,543,954	\$ 3,205,211	\$ 19,843,674
Accounts Receivable and Other Assets, Net	130,281	161,202	13,152	103,196	490,079	213,701	202,912	318,035	241,997	179,170	325,161	143,968	4,198,378
Interfund Receivable (Payable)	-	-	-	-	-	20,066	-	-	-	-	-	-	499,415
Total Unrestricted Current Assets	542,659	865,566	31,792	284,891	1,046,473	2,323,330	1,289,589	1,700,972	3,143,051	1,601,907	1,869,115	3,349,179	24,541,467
Restricted Cash and Cash Equivalents:													
Customer Deposits	43,550	52,908	-	88,345	64,676	137,431	50,982	-	111,259	70,738	86,459	53,468	1,054,280
Restricted Cash and Cash Equivalents	1,715,525	1,503,282	-	798,186	1,243,963	1,362,438	305,410	7,207,489	349,540	1,347,464	327,105	869,380	25,122,947
Total Restricted Cash and Cash Equivalents	1,759,075	1,556,190	-	886,531	1,308,639	1,499,869	356,392	7,207,489	460,799	1,418,202	413,564	922,848	26,177,227
Noncurrent Assets:													
Investment in Partnership	-	-	-	-	-	-	-	-	-	-	-	-	16,372,489
Property and Equipment, Net of Depreciation	23,318,900	35,600,261	15,411,070	61,036,933	40,204,507	45,675,865	36,841,908	101,084,402	81,992,566	29,621,958	52,261,450	52,551,545	810,425,255
Deferred Charges and Other Noncurrent Assets	124,741	192,923	8,410	5,685,060	70,599	91,238	60,823	-	172,724	67,303	104,657	92,177	7,087,175
Total Noncurrent Assets	23,443,641	35,793,184	15,419,480	66,721,993	40,275,106	45,767,103	36,902,731	101,084,402	82,165,290	29,689,261	52,366,107	52,643,722	833,884,919
Total Assets	\$ 25,745,375	\$ 38,214,940	\$ 15,451,272	\$ 67,893,415	\$ 42,630,218	\$ 49,590,302	\$ 38,548,712	\$ 109,992,863	\$ 85,769,140	\$ 32,709,370	\$ 54,648,786	\$ 56,915,749	\$ 884,603,613
<b>Liabilities</b>													
Current Unrestricted Liabilities:													
Accounts Payable and Accrued Liabilities	\$ 156,636	\$ 123,821	\$ 174,450	\$ 135,435	\$ 163,218	\$ 245,991	\$ 109,578	\$ 3,019,448	\$ 1,612,015	\$ 90,214	\$ 2,279,117	\$ 2,050,839	\$ 12,649,696
Accrued Interest Payable	21,182	5,082,011	26,263	-	1,319,324	1,664,447	2,086,155	-	-	1,833,660	1,083,900	724,129	21,670,055
Mortgage Notes and Loans Payable - Current	97,491	134,288	-	585,246	288,098	325,479	325,783	1,146,675	-	235,427	-	-	28,703,587
Advances from Primary Government	402,074	14,065	548,697	-	42,512	702,956	269,137	152,624	375,889	132,771	332,098	387,295	6,470,373
Total Unrestricted Current Liabilities	677,383	5,354,185	749,410	720,681	1,813,152	2,938,873	2,790,653	4,318,747	1,987,904	2,292,072	3,695,115	3,162,263	69,493,711
Current Liabilities Payable from Restricted Assets:													
Customer Deposits Payable	38,596	41,257	-	87,345	62,254	128,968	45,648	-	110,927	67,747	83,968	61,510	1,024,062
Noncurrent Liabilities:													
Mortgage Notes and Loans Payable	19,883,741	31,167,534	12,290,843	58,475,804	28,371,628	30,558,158	30,624,453	101,329,991	65,706,173	27,919,376	46,424,266	50,009,325	663,308,193
Advances Due to Primary Government	-	-	-	1,899,353	-	-	-	-	-	-	-	-	7,793,087
Notes Payable to HOC	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans payable to Montgomery County	-	-	-	-	-	5,000,000	-	-	12,972,776	-	-	-	30,317,388
Unearned Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Noncurrent Liabilities	2,558,106	-	-	-	1,018,284	250,000	2,750,194	-	3,561,340	1,902,226	4,462,528	4,385,203	35,116,290
Total Noncurrent Liabilities	22,441,847	31,167,534	12,290,843	60,375,157	29,389,912	35,808,158	33,374,647	101,329,991	82,240,289	29,821,602	50,886,794	54,394,528	736,534,958
Total Liabilities	23,157,826	36,562,976	13,040,253	61,183,183	31,265,318	38,875,999	36,210,948	105,648,738	84,339,120	32,181,421	54,665,877	57,618,301	807,052,731
<b>Net Position</b>													
Net Investment in Capital Assets	3,337,668	4,298,439	3,120,227	1,975,883	11,544,781	9,792,228	5,891,672	(1,392,264)	3,313,617	1,467,155	5,837,184	2,542,220	88,096,087
Restricted Net Position	1,720,479	1,514,933	-	799,186	1,246,385	1,370,901	310,744	7,207,489	349,872	1,350,455	329,596	861,338	25,153,165
Unrestricted Net Position	(2,470,598)	(4,161,408)	(709,208)	3,935,163	(1,426,266)	(448,826)	(3,864,652)	(1,471,100)	(2,233,469)	(2,289,661)	(6,183,871)	(4,106,110)	(35,698,370)
Total Net Position	2,587,549	1,651,964	2,411,019	6,710,232	11,364,900	10,714,303	2,337,764	4,344,125	1,430,020	527,949	(17,091)	(702,552)	77,550,882
Total Liabilities and Net Position	\$ 25,745,375	\$ 38,214,940	\$ 15,451,272	\$ 67,893,415	\$ 42,630,218	\$ 49,590,302	\$ 38,548,712	\$ 109,992,863	\$ 85,769,140	\$ 32,709,370	\$ 54,648,786	\$ 56,915,749	\$ 884,603,613

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**YEAR ENDED JUNE 30, 2024**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE
	Alexander House	Greenhills	Elizabeth House III LP	Spring Garden	Wheaton Venture	HOC at 11250 Veirs Mill	Wheaton Metro	Forest Oak	Tanglewood/ Sligo	Hampden Lane
<b>OPERATING REVENUES</b>										
Dwelling Rental	\$ 1,945,743	\$ 1,449,481	\$ 1,092,561	\$ 1,155,040	\$ -	\$ 430,800	\$ 813,588	\$ 2,990,851	\$ 1,903,462	\$ 187,421
Management Fees and Other Income	102,094	7,255	36,149	8,284	-	-	28,742	67,299	19,380	36,988
Total Operating Revenues	2,047,837	1,456,736	1,128,710	1,163,324	-	430,800	842,330	3,058,150	1,922,842	224,409
<b>OPERATING EXPENSES</b>										
Administration	238,991	209,686	2,918,326	206,602	2,625	-	207,932	429,229	231,074	70,260
Maintenance	379,669	189,218	196,591	197,683	-	-	140,025	582,219	369,556	65,677
Depreciation and Amortization	1,145,246	557,634	5,241,571	408,673	13,406	-	552,651	541,358	728,349	138,056
Utilities	161,934	80,550	153,332	118,703	-	-	52,783	241,591	246,741	34,026
Fringe Benefits	27,173	42,850	253,627	34,088	-	-	48,940	137,321	62,907	16,530
Interest Expense	1,530,962	717,545	8,338,576	387,294	-	-	217,138	616,013	562,006	18,897
Other	186,074	155,427	1,020,014	233,365	300	3,704	78,510	259,228	144,443	21,527
Bad Debt Expense	45,551	20,000	2,827	2,685	-	-	(12,854)	-	51,359	(3,844)
Total Operating Expenses	3,715,600	1,972,910	18,124,864	1,589,093	16,331	3,704	1,285,125	2,806,959	2,396,435	361,129
<b>OPERATING INCOME (LOSS)</b>	(1,667,763)	(516,174)	(16,996,154)	(425,769)	(16,331)	427,096	(442,795)	251,191	(473,593)	(136,720)
<b>NONOPERATING REVENUES</b>										
Investment Income	15,993	18,855	-	11,167	-	-	45,544	32,415	15,690	2,326
Total Nonoperating Revenue	15,993	18,855	-	11,167	-	-	45,544	32,415	15,690	2,326
Capital Contributions	-	-	-	-	-	-	-	(90,420)	-	-
Partner Equity Distributions	-	-	(100,000)	-	-	-	-	-	-	-
<b>CHANGE IN NET POSITION</b>	(1,651,770)	(497,319)	(17,096,154)	(414,602)	(16,331)	427,096	(397,251)	193,186	(457,903)	(134,394)
Net Position - Beginning of Year	1,791,184	2,529,711	1,760,400	(5,416,656)	18,331,368	17,015,560	(337,806)	8,198,226	9,220,787	1,143,368
<b>NET POSITION - END OF YEAR</b>	\$ 139,414	\$ 2,032,392	\$ (15,335,754)	\$ (5,831,258)	\$ 18,315,037	\$ 17,442,656	\$ (735,057)	\$ 8,391,412	\$ 8,762,884	\$ 1,008,974

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	12/31 FYE	Totals
	Arcola	Waverly	Hillandale	CCL Multifamily	900 Thayer LP	HOC at Upton II LLC	Bauer Park LP	HOC at West Side Shady Grove	HOC at Willow Manor LLC	HOC at Stewartown	HOC at Georgian Court LLC	HOC at Shady Grove LLC	
<b>OPERATING REVENUES</b>													
Dwelling Rental	\$ 1,426,631	\$ 1,594,194	\$ -	\$ 4,825,819	\$ 1,610,358	\$ 3,332,682	\$ 2,212,175	\$ 3,218,111	\$ 3,263,556	\$ 1,821,728	\$ 1,521,069	\$ 2,624,400	\$ 39,419,670
Management Fees and Other Income	131,741	140,950	-	501,099	232,142	16,980	71,749	27,157	96,597	20,049	93,663	-	1,638,318
Total Operating Revenues	1,558,372	1,735,144	-	5,326,918	1,842,500	3,349,662	2,283,924	3,245,268	3,360,153	1,841,777	1,614,732	2,624,400	41,057,988
<b>OPERATING EXPENSES</b>													
Administration	288,092	319,637	134	710,858	262,496	850,741	333,105	992,456	1,223,924	393,123	289,208	544,123	10,722,622
Maintenance	409,107	323,963		568,681	416,367	418,732	382,116	536,148	586,701	230,008	275,728	212,094	6,480,283
Depreciation and Amortization	657,630	1,044,793	3,726	2,273,093	1,053,454	1,114,001	1,102,796	2,224,293	2,096,605	917,869	1,752,365	1,504,365	25,071,934
Utilities	261,221	223,285		315,604	232,011	144,235	114,423	200,607	302,851	151,336	155,426	158,743	3,349,402
Fringe Benefits	95,501	61,752		117,385	32,610	51,196	85,219	129,079	153,147	117,145	68,165	120,265	1,654,900
Interest Expense	670,866	1,147,098		3,222,562	696,336	1,876,445	1,339,226	1,422,078	-	1,544,821	1,130,041	1,039,636	26,477,540
Other	158,020	188,970	-	96,171	158,935	195,184	493,384	1,012,861	435,664	163,432	269,582	191,654	5,466,449
Bad Debt Expense	9,137			49,307				73,949	24,292		(369)	3,195	265,235
Total Operating Expenses	2,549,574	3,309,498	3,860	7,353,661	2,852,209	4,650,534	3,850,269	6,591,471	4,823,184	3,517,734	3,940,146	3,774,075	79,488,365
<b>OPERATING INCOME (LOSS)</b>	(991,202)	(1,574,354)	(3,860)	(2,026,743)	(1,009,709)	(1,300,872)	(1,566,345)	(3,346,203)	(1,463,031)	(1,675,957)	(2,325,414)	(1,149,675)	(38,430,377)
<b>NONOPERATING REVENUES</b>													
Investment Income	44,398	69,261	-	30,965	9,090	-	-	33,089	-	-	13,056	16,447	358,296
Total Nonoperating Revenues	44,398	69,261	-	30,965	9,090	-	-	33,089	-	-	13,056	16,447	358,296
Capital Contributions	-	-	-	1,664,256	-	-	419,206	-	-	2,110,337	-	-	4,103,379
Partner Equity Distributions	-	-	-	(1,664,256)	-	11,753,292	-	-	-	-	-	-	9,989,036
<b>CHANGE IN NET POSITION</b>	(946,804)	(1,505,093)	(3,860)	(1,995,778)	(1,000,619)	10,452,420	(1,147,139)	(3,313,114)	(1,463,031)	434,380	(2,312,358)	(1,133,228)	(23,979,666)
Net Position - Beginning of Year	3,534,353	3,157,057	2,414,879	8,706,010	12,365,519	261,883	3,484,903	7,657,239	2,893,051	93,569	2,295,267	430,676	101,530,548
<b>NET POSITION - END OF YEAR</b>	\$ 2,587,549	\$ 1,651,964	\$ 2,411,019	\$ 6,710,232	\$ 11,364,900	\$ 10,714,303	\$ 2,337,764	\$ 4,344,125	\$ 1,430,020	\$ 527,949	\$ (17,091)	\$ (702,552)	\$ 77,550,882

See accompanying Notes to Financial Statements.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Commission**

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

Specific powers of the Commission include:

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

Housing activities sponsored by the Commission include:

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

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

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

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

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

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

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

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

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

The County has determined that the Commission is a discretely presented component unit of the County. On August 17, 2021, the Commission closed on the issuance of \$50M in Limited Obligation Bonds ("Housing Production Fund" or "HPF") Series 2021 (Federally Taxable). Developments funded by the HPF will incur interest costs at 5% of the loan and such interest will be remitted to the County. The County will pay all bond debt service for 20 years subject to appropriation. Accordingly, the County is required to report the financial data of the Commission in a column separate from the financial data of the County, to emphasize that the Commission is legally separate from the County.

**B. Financial Reporting Entity**

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

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

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

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

Blended Component Units (Development Corporations and Other Entities)

The Development Corporations (the Corporations) and other entities operate exclusively for nonprofit purposes and were created to assist in carrying out housing projects for persons of eligible income. Housing projects undertaken, financed, or assisted by the Corporations and other entities, and their related expenditures must be approved by the Commission. The Corporations and other entities are legally separate from the Commission and are included in the Opportunity Housing Sub-Fund as blended component units, since the Commission can significantly influence the programs, projects, or activities of, or the level of service performed by the Corporations and other entities, and their boards of directors are substantially the same as the Commission. The 59 blended component units report on a June 30 year-end unless indicated below.

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

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

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

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

- **Barclay One Associates Partnership** – Owns and operates 81 rental unit apartments for low- and moderate-income families located in Bethesda, Maryland.
- **Bauer Park GP LLC** – HOC’s investment in Bauer Park Apartments Limited Partnership.
- **Bradley Crossing LLC** – Owns and operates 401 naturally affordable housing units in Bethesda, Maryland.
- **Brookside Glen Limited Partnership (The Glen)** – Owns and operates 90 apartment units located in Wheaton, Maryland, to serve market and low to moderate income residents.
- **Camp Hill Square** – Owns and operates 51 apartment units located in Gaithersburg, Maryland, to serve market and low to moderate income elderly residents.
- **Chevy Chase Development Corporation** – The site has been redeveloped into the Lindley – an 11-story structure with 200 units that includes affordable housing, work-force housing and market rate units.
- **Diamond Square Limited Partnership** – Owns and operates 124 furnished single room occupancy units located in Silver Spring, Maryland, to serve market and low to moderate income residents.
- **Elizabeth House III GP LLC** – Elizabeth House III GP LLC is HOC’s investment in the Elizabeth House III Limited Partnership.
- **Georgian Court Silver Spring Limited Partnership** – Owns and operates a 147-unit apartment rental complex in Silver Spring, Maryland for low- and moderate-income renters. The property was sold to HOC at Georgian Court LLC on December 20, 2021.
- **Glenmont Crossing Development Corporation** – Owns and operates 97 townhouse units located in Silver Spring, Maryland to serve market and low to moderate income residents.
- **Glenmont Westerly Development Corporation** – Owns and operates 102 garden style apartment units located in Silver Spring, Maryland to serve market and low to moderate income residents.
- **Greenhill’s Apartments GP** – Greenhills Apartments GP is HOC’s investment in the Greenhills Apartments Limited Partnership.

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

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

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

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

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

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

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

- **The Metropolitan Development Corporation** – Owns and operates 216 luxury condominium units, a retail rental area, a public plaza and metro office space, and the top level parking garage of the building, located in Bethesda, Maryland to serve market and low to moderate income residents.
- **Montgomery Arms Development Corporation** – Owns and operates 129 apartment units located in Silver Spring, Maryland serving market and low to moderate income residents.
- **Montgomery Homes Limited Partnership VII (MHLP VII)** – Owns and operates 35 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **Montgomery Homes Limited Partnership VIII (MHLP VIII)** – Owns and operates 49 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **Montgomery Homes Limited Partnership IX (MHLP IX)** – Owns and operates 116 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **Montgomery Homes Limited Partnership X (MHLP X)** – Owns and operates 75 moderately priced dwelling units located in various parts of Montgomery County, Maryland to be operated as rental housing for low to moderate income families.
- **MV Affordable Housing Associates Limited Partnership** – Owns and operates 94 moderately priced dwelling units known as Stewartown Homes for low- and moderate-income families located in Gaithersburg, Maryland. This entity was sold to HOC at Stewartown Homes LLC on June 30, 2021.
- **MV Gateway LLC (Cider Mill)** – Owns and operates an 864-unit garden style multifamily apartment community located in Gaithersburg, Maryland.
- **Oaks at Four Corner Development Corporation (The Oaks)** – Owns and operates 120 apartment units located in Silver Spring, Maryland, to serve market and low to moderate income residents and rentals to persons 62 years of age or older or who are disabled.

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

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

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

- **Paddington Square Development Corporation** – Owns and operates 165 garden style apartment units located in Silver Spring, Maryland to serve market and low to moderate income residents.
- **Pooks Hill Development Corporation** – Owns and operates 189 apartment units located in Bethesda, Maryland and serves market and low to moderate income residents.
- **RAD 6 Development Corporation** – Owns and operates 268 former public housing multifamily apartment units located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Scattered Site One Development Corporation** – Owns and operates 190 units, located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Scattered Site Two Development Corporation** – Owns and operates 54 units, located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Shady Grove Apartments Limited Partnership** – Owns and operates a 144-unit apartment rental complex for low- and moderate-income families located in Derwood, Maryland. This property was sold to HOC at Shady Grove LLC on December 20, 2021.
- **Sligo Hill Development Corporation (MPDU III)** – Owns and operates 23 units, located in various parts of Montgomery County, Maryland and serves low to moderate income residents.
- **Strathmore Court Associates Limited Partnership** – Owns and operates 51 rental unit apartments for low- and moderate-income families located in Rockville, Maryland.
- **TPP - Timberlawn Pomander Properties LLC (TPP LLC)** – Owns and operates 131 apartment units and townhouses in Bethesda and Silver Spring, Maryland.
- **TPM Development Corporation (MPDU II)** – Owns and operates 59 MPDU's located throughout Montgomery County.
- **VPC One Development Corporation** – Owns and operates 399 former public housing scattered site units, located in various parts of Montgomery County, Maryland approved for disposition by HUD to serve persons of eligible income.

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

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

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

- **VPC Two Development Corporation** – Owns and operates 280 former public housing scattered site units, located in various parts of Montgomery County, Maryland approved for disposition by HUD to serve persons of eligible income.
- **Waverly House GP LLC** – Waverly House GP LLC is HOC's investment in the Waverly House RAD Limited Partnership.
- **Wheaton Metro Development Corporation** – Owns and operates 120 apartment units, two retail spaces and one parking garage to serve market and low to moderate income residents.
- **Willow Manor at Clopper's Mill** – This is a 102-unit age-restricted (62+) apartment development located in Germantown, Maryland. This property was sold to HOC at Willow Manor LLC on December 14, 2021.
- **Willow Manor at Colesville** – This is an 83-unit age-restricted (62+) apartment development located in Silver Spring, Maryland. This property was sold to HOC at Willow Manor LLC on December 14, 2021.
- **Willow Manor at Fair Hill** – This is a 101-unit age-restricted (62+) apartment development located in Olney, Maryland. This property was sold to HOC at Willow Manor LLC on December 14, 2021.
- **Willows of Gaithersburg Associates Limited Partnership** – Owns and operates 195-unit rental unit apartments for low-income families located in Gaithersburg, Maryland.

Discretely Presented Component Units

**Real Estate Limited Partnerships.** The Commission is the managing general partner in 17 real estate limited partnerships. The limited partnership interests are held by third parties unrelated to the Commission. As managing general partner, the Commission has certain rights and responsibilities, which enable it to impose its will on the limited partnerships. Additionally, the Commission is financially accountable for the limited partnerships as the Commission is legally obligated to fund operating deficits in accordance with the terms of the partnership agreements. All of the partnerships have calendar year ends. Accordingly, the amounts included for each discretely presented component unit that comprise the aggregate component units column in the combined financial statements are as of, and for the respective year ends that fall within the year ended June 30, 2024. Separate financial statements for the individual limited partnerships can be obtained from the Commission.

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

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

Discretely Presented Component Units (Continued)

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

- **900 Thayer Limited Partnership (Fenton Silver Spring)** – Owns and operates a 124-unit apartment rental complex for low- and moderate-income families located in Silver Spring, Maryland.
- **Alexander House Apartments Limited Partnership** – Owns and operates a 122-unit apartment rental complex for low- and moderate-income families located in Silver Spring, Maryland.
- **Arcola Towers RAD Limited Partnership** – Owns and operates a 141-unit apartment rental complex for low- and moderate-income families located in Silver Spring, Maryland.
- **Bauer Park Apartments Limited Partnership** – Owns and operates a 142-unit senior garden community for low- and moderate-income seniors located in Rockville, Maryland.
- **CCL Multifamily LLC (The Lindley)** – HOC is the managing member and 50% owner of CCL Multifamily LLC, which in turn, owns the Lindley. HOC, working with Eakin-Youngentob and Associates (EYA), developed an 11-story structure with 200 units that include affordable housing, workforce housing, and market rate units. Plans also include an underground garage and a walkway that connects the neighborhood park with the future site of the Purple Line Metro station.
- **Elizabeth House III Limited Partnership (The Leggett)** – This is a new senior housing building located in Silver Spring currently under construction with an estimated completion date of September 2022.
- **Forest Oak Towers Limited Partnership** – Owns and operates a 175-unit apartment rental complex for elderly low- and moderate-income renters located in Gaithersburg, Maryland.
- **Greenhills Apartments Limited Partnership** – Owns and operates a 7- unit apartment rental complex for low- and moderate-income families located in Damascus, Maryland.
- **Hampden Lane Limited Partnership (Lasko Manor)** – Owns and operates 12 rental unit apartments for low- and moderate-income families located in Bethesda, Maryland.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

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

Discretely Presented Component Units (Continued)

- **Hillandale Gateway LLC** – The Commission is the sole member and 100% owner of HOC at Hillandale Gateway LLC, which serves as the managing member and 70% owner of Hillandale Gateway LLC. Hillandale Gateway LLC currently owns an approximately one-acre site located in Silver Spring with no improvements. It is anticipated that HOC’s Holly Hall property, once converted out of Public Housing via the Rental Assistance Demonstration program, would also be contributed to this entity for a redevelopment of the two sites into a mixed-use, mixed-income property. The entity reports on a calendar year-end.
- **HOC at Georgian Court LLC** – Owns and operates a 147-unit apartment rental complex for low and moderate families in Silver Spring, Maryland.
- **HOC at Shady Grove LLC** – Owns and operates a 144-unit apartment rental complex for low and moderate income families in Derwood, Maryland.
- **HOC at Stewartown Homes LLC** – Owns and operates 94 townhomes units within 12 structures for low- and moderate-income families in Montgomery Village, Maryland.
- **HOC at 11250 Veirs Mill Road** – this is part of the Wheaton Venture LLC redevelopment project. This entity has a calendar year end and is included as a discrete component unit.
- **HOC at the Upton II LLC (Residences on the Lane)** – Owns and operates a 150-unit mixed-use, mixed-income senior rent apartments, and a replacement housing for nearby Town Center Apartments in Rockville, Maryland.
- **HOC at West Side Shady Grove LLC (The Laureate)** – A new mixed-use, mixed-income 268-unit development, with 81 affordable units located in Rockville, Maryland. The structure will also house the HOC Upcounty Service Center.
- **HOC at Willow Manor LLC** -- Owns and operates scattered site units consisting of 102-unit apartments in Germantown, Maryland, 101-unit apartments in Olney, Maryland, and 83-unit apartments in Silver Spring, Maryland.
- **Spring Garden One Associates Limited Partnership** – Owns and operates 82 low-income tax credit apartment units and 24 units at market rate for low- and moderate-income families in Silver Spring, Maryland.
- **Tanglewood-Sligo Hills** – Owns and operates 132 rental unit apartments for low- and moderate-income families located in Silver Spring, Maryland.
- **Waverly House RAD Limited Partnership** – Owns and operates a 157-unit apartment rental complex for low- and moderate-income families located in Bethesda, Maryland.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

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

Discretely Presented Component Units (Continued)

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

**C. Basis of Presentation**

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

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

**D. Basis of Accounting**

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

**General Sub-Fund**

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

**Opportunity Housing Sub-Fund**

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

**Public Sub-Fund**

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

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

**Multifamily Sub-Fund**

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

**Single Family Sub-Fund**

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

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

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

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

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

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**F. Cash and Cash Equivalents**

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

**G. Investments**

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

**H. Mortgage and Construction Loans Receivable**

Mortgage and construction loans are carried at amounts advanced, net of collections and reserves for loan losses, if any. As of June 30, 2024, there were no reserves for loan losses. Loans that become past due as to principal and interest are evaluated for collectability. Generally, loans are placed on nonaccrual status when the mortgage insurance claim has settled. The Commission continually monitors the collectability of all loans in foreclosure and Real Estate Owned (REO) status against the sales proceeds and mortgage insurance held by the Commission in determining the need for an allowance for loan loss. Additionally, the Commission has an active loan mitigation procedure in place which ensures that servicer activities are monitored and losses to the Commission are minimized. Historically, the Commission's loan losses have been insignificant.

**I. Allowance for Doubtful Accounts**

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

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**J. Mortgage Risk Sharing Agreement**

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

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

Upon default of a mortgage and the filing of a claim with FHA by the Commission, HUD will pay the claim in full, so the Commission can redeem the bonds. Upon receipt of the cash payment from FHA, the Commission will execute a debenture with HUD for the full amount of the claim within 30 calendar days of the initial claim payment. The instrument will be dated as of the date that the initial claim payment is issued. The debenture shall have a term of five years. The Commission will agree to reimburse HUD the full amount of the debenture upon maturity. The Commission must pay annual interest on the debenture at HUD's published debenture rate as of the earlier of the initial endorsement date or the final endorsement date. Upon the sale of the project and settlement of the claim, the Commission will assume a portion of the loss based on the proportion of risk borne by the Commission. The Commission's maximum potential risk of loss as of June 30, 2024, is \$347,958,524 which is collateralized primarily by the underlying properties. As of June 30, 2024, the Commission had \$16,431,545 of mortgage insurance premium deposits on hand for any future loss.

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

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

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**L. Capital Assets**

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

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

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

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

**M. Bond Discounts and Premiums**

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

**N. Compensated Absences and Severance**

The Commission's policy provides for the accrual of annual leave only. The accrual is based on the employee's current leave balance and the current hourly rate of pay. The outstanding annual leave accrual as of June 30, 2024, amounted to \$2,535,266 and is included in accounts payable and accrued liabilities in the accompanying statement of net position. The Commission adopted a personnel policy for senior executive staff which provides for a severance package including payments of up to twenty-six weeks of wages and other benefits.

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

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

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

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

**P. Pensions**

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

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

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

**R. Net Position**

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

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

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

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

**R. Net Position (Continued)**

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

**S. Leases**

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

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

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

**Business-Type Activities**

**A. Cash**

The Commission’s cash balances as of June 30, 2024, were entirely insured or collateralized with securities held by the Commission’s agent in the Commission’s name.

	Carrying Amount	Bank Balances
Cash Deposits:		
General Sub-Fund	\$ 13,301,775	\$ 13,296,775
Opportunity Housing Sub-Fund	77,406,698	77,395,116
Public Sub-Fund	6,372,257	6,372,257
Total Cash	\$ 97,080,730	\$ 97,064,148

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

**Business-Type Activities (Continued)**

**B. Cash Equivalents and Investments**

The General Sub-Fund cash and cash equivalents balance at June 30, 2024, includes \$11,181,135 of cash and cash equivalents restricted for closing cost programs, the Single Family Mortgage Purchase Program and various escrows. The Opportunity Housing Sub-Fund cash and cash equivalents balance at June 30, 2024, includes \$42,365,710 of cash and cash equivalents restricted in accordance with various loan agreements with agencies of the State of Maryland and Montgomery County, in bond indentures and security deposits. The Public Sub-Fund cash and cash equivalent balance includes \$4,526,161 as of June 30, 2024, of security deposits, housing choice voucher funding and home ownership reserves restricted in accordance with the HUD regulations.

**Interest Rate Risk**

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

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

**Credit Risk**

The Commission's investment policy for the General, Public and Opportunity Housing Sub-Funds permit the following investment types: U.S. Government and federal agencies; repurchase agreements; bankers acceptances; money market mutual funds; Maryland Local Government Investment Pool; Montgomery County Local Government Investment Pool; certificate of deposits and time deposits; and commercial paper. Bankers acceptances of domestic banks and commercial paper must maintain the highest rating from one of the Nationally Recognized Statistical Rating Organizations (NRSRO) as designated by the SEC or State Treasurer. Repurchase agreements require collateralization at 102% of the principal amount by an obligation of the United States, its agencies or instrumentalities provided the collateral is held by a custodian other than the seller. Certificates of deposit or time deposits must be collateralized at 102% of the fair value and held by a custodian other than the seller. At June 30, 2024, the Commission had sufficient collateral to meet requirements.

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

**Business-Type Activities (Continued)**

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

**Credit Risk (Continued)**

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

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

**Concentration of Credit Risk**

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

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

**Business-Type Activities (Continued)**

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

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Amounts held in trust accounts and other demand accounts within the General, Opportunity Housing and Public Sub-Funds are covered by federal depository insurance, or collateralized at a level of at least 100% of fair value of principal and accrued interest. The collateral is held by the bank's agent in the Commission's name, with the exception of the repurchase agreement collateral for the MLGIP which is segregated and held in the name of PNC Bank's Safe Deposit and Trust's account at the Federal Reserve Bank. The cash and cash equivalents held by PNC Bank for the General, Opportunity Housing and Public Sub-Funds are in bank money market accounts and interest-bearing accounts. These accounts are not rated by an independent rating agency. The Moody's rating for PNC Bank short-term deposits as of June 30, 2024, was P-1.

Amounts held in money market funds and investment agreements within the Multifamily and Single Family Sub-Funds are typically collateralized at 102% by either U.S. Treasuries or other government guaranteed securities. The Bond Indenture agreements permit investments in funds that contain agency debt which are not collateralized by U.S. Treasuries or other guaranteed government securities. As of June 30, 2024, the Commission held investments in agency securities which were not collateralized but were rated Aaa, AA+, Aa1, Aa2, and AAAm.

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

**Business-Type Activities (Continued)**

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

**Custodial Credit Risk (Continued)**

As of June 30, 2024, the Commission had the following cash equivalents and investments with maturities of one year or less:

<u>Cash Equivalents</u>	<u>Fair Value</u>	<u>Ratings</u>
Cash Equivalents		
General Sub-Fund:		
Money Market Accounts	\$ 41,804,549	N/A
Opportunity Housing Sub-Fund:		
Investment in Maryland Local Government		
Investment Pool	2,980,479	AAAm
Money Market Accounts	21,625,600	N/A
Public Sub-Fund:		
Investment in Maryland Local Government		
Investment Pool	5,009,045	AAAm
Multifamily Sub-Fund:		
Money Market Accounts	90,894,201	N/A
Single Family Sub-Fund:		
Money Market Accounts	52,427,127	N/A
Total Cash Equivalents	<u>\$ 214,741,001</u>	
Short-Term Investments		
Single Family Sub-Fund:		
FNMA Pass-through Certificates	1,128,715	Aaa
GNMA Pass-through Certificates	933,987	Aaa
FHLMC MBS	703,915	Aaa
Total Short-Term Investments	<u>\$ 2,766,617</u>	

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

**Business-Type Activities (Continued)**

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

As of June 30, 2024, the Commission had the following investments with maturities greater than one year:

<u>Long-Term Investments</u>	<u>Fair Value</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>Greater Than 10 Years</u>	<u>Rating</u>
Multifamily Sub-Fund:					
Bank One Investment Agreement	\$ 591,525	\$ 591,525	\$ -	\$ -	AA/Aa2
Fannie Mae	2,579,900	1,749,954	829,946	-	Aaa
Federal Farm Credit Banks	5,054,910	552,867	1,159,369	3,342,674	Aaa
Federal Home Loan Banks	52,760,485	51,953,922	806,563	-	Aaa
Federal Home Loan Mtg Corp	731,904	-	731,904	-	Aaa
Idaho Housing & Finance Association	1,500,000	-	-	1,500,000	Aaa
Mass Mutual Life Ins GIC	3,580,000	3,580,000	-	-	Unrated
Toronto-Dominium Bank GIC	64,745,022	64,745,022	-	-	Aaa
U.S. Treasuries	254,883	254,883	-	-	Aaa
Single Family Sub-Fund:					
Fannie Mae	880,465	880,465	-	-	Aaa
Federal Farm Credit Banks	2,096,983	-	2,096,983	-	Aaa
Federal Home Loan Banks	4,037,773	-	-	4,037,773	Aaa
Federal Home Loan Mtg Corp	3,403,311	-	1,325,380	2,077,931	Aaa
FHLMC MBS	32,083,924	-	-	32,083,924	Aaa
FNMA Pass-through Certificates	51,242,215	-	-	51,242,215	Aaa
GNMA Pass-through Certificates	40,745,625	-	-	40,745,625	Aaa
Tennessee Valley Authority	2,591,725	-	2,591,725	-	AA+
Total Long-Term Investments	<u>\$ 268,880,650</u>	<u>\$ 124,308,638</u>	<u>\$ 9,541,870</u>	<u>\$ 135,030,142</u>	
Total Cash, Cash Equivalents, and Investments	<u>\$ 583,468,998</u>				
Reconciliation of Cash, Cash Equivalents, and Investments to Amounts in the Statement of Net Position:					
Current Unrestricted Cash and Cash Equivalents	\$ 114,873,529				
Restricted Cash and Cash Equivalents	151,807,000				
Restricted Short-Term Investments	2,766,617				
Restricted Cash and Cash Equivalents for Current Liabilities	38,170,899				
Restricted Customer Deposits	6,970,303				
Noncurrent Restricted Investments	268,880,650				
Total	<u>\$ 583,468,998</u>				

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

**Business-Type Activities (Continued)**

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

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

Investment Category	Fair Value	Percentage of Total Investments
FHLMC Pass-Through Certificates	\$ 32,787,839	12.07%
Federal Home Loan Banks	56,798,258	20.91%
Toronto-Dominium Bank GIC	64,745,022	23.83%
GNMA Pass-Through Certificates	41,679,612	15.34%
FNMA Pass-Through Certificates	52,370,930	19.28%

**Fair Value Measurements**

The Commission categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs such as prices for similar assets; Level 3 inputs are significant unobservable inputs. As of June 30, 2024, fair value of investments is as follows:

Investments by Fair Value Level	June 30, 2024	Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<b>Debt Securities:</b>			
Fannie Mae	\$ 3,460,365	\$ -	\$ 3,460,365
Federal Farm Credit Banks	7,151,893	-	7,151,893
Federal Home Loan Banks	56,798,258	-	56,798,258
Federal Home Loan Mortgage Corp	4,135,215	-	4,135,215
FNMA Pass-Through Certificates	52,370,930	-	52,370,930
GNMA Pass-Through Certificates	41,679,612	-	41,679,612
FHLMC Pass-Through Certificates	32,787,839	-	32,787,839
Investment Agreements	591,525	-	591,525
Idaho Housing & Finance Association	1,500,000	-	1,500,000
Mass Mutual Life Insurance GIC	3,580,000	-	3,580,000
Tennessee Valley Authority	2,591,725	-	2,591,725
Toronto-Dominium Bank GIC	64,745,022	-	64,745,022
U.S. Treasuries	254,883	254,883	-
Subtotal - Debt Securities	271,647,267	254,883	271,392,384
<b>Investment Derivative Instruments:</b>			
Hedging Derivative Instrument - Asset	4,512,438	-	4,512,438
Total Investments by Fair Value Level	\$ 276,159,705	\$ 254,883	\$ 275,904,822

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

**Business-Type Activities (Continued)**

**C. Discretely Presented Component Units**

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

	Fair Value	Rating
Cash	\$ 39,030,332	N/A
Cash Equivalents:		
Money Market Accounts	6,990,569	N/A
Total Cash, Cash Equivalents, and Investments	\$ 46,020,901	
Reconciliation of Cash and Cash Equivalents to Amounts in the Statement of Net Position:		
Current Unrestricted Cash and Cash Equivalents	\$ 19,843,674	
Restricted Cash and Cash Equivalents for Current Liabilities	25,122,947	
Restricted Cash and Cash Equivalents for Customer Deposits	1,054,280	
Total	\$ 46,020,901	

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

**NOTE 3 MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE**

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

Mortgage and construction loans receivable as of June 30, 2024, consisted of the following:

Description	Interest Rate	Balance
General Sub-Fund:		
Closing Cost Assistance Loans	5.00%	\$ 9,486,456
Component Unit Loans	-	178,727,411
Emory Grove Redevelopment	-	660,110
Woodfield Commons	-	9,979,979
Subtotal		198,853,956

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

Description	Interest Rate	Balance
Opportunity Housing Sub-Fund:		
900 Thayer LP	-	\$ 14,030,843
Alexander House Limited Partnership	-	14,218,641
Bauer Park Apartments LP	-	7,112,596
Elizabeth House III	-	18,930,929
Fenwick Silver Spring	-	2,005,925
Greenhills LP	-	7,523,156
Hampden Lane Limited Partnership	-	138,281
Hillandale Gateway Limited Liability Company	-	11,736,535
HOC at 11250 Veirs Mill Road LLC	-	719,806
HOC at Georgian Court LLC	-	19,773,652
HOC at Shady Grove LLC	-	12,680,840
HOC at Stewartown Homes LLC	-	9,044,240
HOC at Upton II	-	6,005,405
HOC at Willow Manor LLC	-	7,670,962
Rental Assistance Security Deposit Loan	-	14,040
Spring Garden One Associates Limited Partnership	-	3,274,431
Tanglewood/Sligo LP	-	3,190,410
Town Center	-	196,957
Wheaton Gateway LLC	-	432,023
Wheaton Venture LLC	-	268,350
Woodfield Commons	-	350,000
Subtotal		<u>139,318,022</u>
Multifamily Sub-Fund:		
Arcola	4.55%	5,538,151
Bauer Park LP	3.75%	25,265,939
Charter House	4.98%	8,891,444
Forest Oak	4.93%	10,982,029
Greenhills	4.10%	11,192,557
HOC at Hillandale LLC	4.88%	17,475,000
HOC at Hillandale LLC	5.00%	9,291,536
HOC at Georgian Court LLC	2.77%	28,990,000
HOC at Shady Grove LLC	2.77%	28,700,000
HOC at Stewartown Homes LLC	2.95%	15,812,584
HOC at Upton II LLC	3.40%	26,603,088
HOC at Westside Shady Grove	2.20%	98,732,003
HOC at Westside Shady Grove	5.00%	14,300,000
HOC at Willow Manor LLC	2.79%	49,550,000
Landing's Edge	4.95%	1,451,685
MetroPointe LP	6.50%	2,557,838
Ring House	6.10%	7,005,086
Rockville Housing	5.21%	2,935,001
Spring Garden	4.55%	3,936,121
Waverly	4.55%	7,628,463
Subtotal		<u>376,838,525</u>
Single Family Sub-Fund:		
Mortgage Loans Receivable, Net	3.50 to 5.64%	31,632,031
Public Sub-Fund:		
Arcola Towers RAD LP	-	1,898,330
Tobytown Homeownership	-	107,285
Subtotal		<u>2,005,615</u>
Total		<u>\$ 748,648,149</u>
Current		\$ 12,401,536
Long-Term		736,246,613
Total		<u>\$ 748,648,149</u>

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

As of June 30, 2024, the amount available or committed for additional advances or new loans is \$32,706,156 for the Single Family Sub-Fund and \$82,220,022 for the Multifamily Sub-Fund.

Included in the mortgage and construction loans receivable balance of the General Sub-Fund at June 30, 2024 are inter sub-fund mortgage loans receivable from the Opportunity Housing Sub-Fund, amounting to \$316,959,303, which have been eliminated in the accompanying financial statements. The related interest revenue, amounting to \$10,918,569 for the year ended June 30, 2024, has also been eliminated.

Included in the mortgage and construction loans receivable balance of the Opportunity Housing Sub-Fund at June 30, 2024, are inter sub-fund mortgage loans receivables from several Opportunity Housing properties amounting to \$50,814,603 and inter sub-fund mortgage loans receivable from the General Sub-Fund amounting to \$1,254,215 which have been eliminated in the accompanying financial statements.

Included in the mortgage and construction loans receivable balance of the Multifamily Sub-Fund are inter sub-fund mortgage loans receivable from the Opportunity Housing Sub-Fund and the General Sub-Fund amounting to \$195,223,240 and \$74,996,695, respectively, as of June 30, 2024, which have been eliminated. The related interest revenue, amounting to \$9,398,677 for the year ended June 30, 2024, has also been eliminated.

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

**Single Family Sub-Fund**

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

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

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**NOTE 4 CAPITAL ASSETS**

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

The Commission's capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions and Transfers - in	Dispositions and Transfers - out	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 141,612,411	\$ -	\$ (127,608)	\$ 141,484,803
Construction in Progress	19,153,454	16,516,026	(907,037)	34,762,443
Total Capital Assets, Not Being Depreciated	<u>160,765,865</u>	<u>16,516,026</u>	<u>(1,034,645)</u>	<u>176,247,246</u>
Depreciable Capital Assets:				
Site Improvements:	77,027	-	-	77,027
Building and Improvements:	779,622,741	476,364	(532,785)	779,566,320
Furniture and Equipment:	33,773,048	1,594,305	(47,620)	35,319,733
Right-to-use Assets	1,734,499	3,825,071	(1,272,156)	4,287,414
Total Depreciable Capital Assets	815,207,315	5,895,740	(1,852,561)	819,250,494
Less Accumulated Depreciation and Amortization For:				
Site Improvements:	(77,027)	-	-	(77,027)
Building and Improvements:	(279,656,366)	(19,861,392)	587,345	(298,930,413)
Furniture and Equipment:	(25,725,401)	(947,109)	24,814	(26,647,696)
Right-to-Use Assets	(1,399,931)	(390,146)	1,272,156	(517,921)
Total Capital Assets, being Depreciated	<u>(306,858,725)</u>	<u>(21,198,647)</u>	<u>1,884,315</u>	<u>(326,173,057)</u>
Total Capital Assets, Net	<u>\$ 669,114,455</u>	<u>\$ 1,213,119</u>	<u>\$ (1,002,891)</u>	<u>\$ 669,324,683</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 4 CAPITAL ASSETS (CONTINUED)**

**A. Capital Assets of Business-Type Activities (Continued)**

Commission capital assets not being depreciated include land and construction in progress. The net transfer out relates to the reclassification of accumulated depreciation.

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

Net Investment in Capital Assets:	
Land	\$ 141,484,803
Construction in Progress	34,762,443
Building and Improvements, Net of Depreciation	480,635,907
Furniture and Equipment, Net of Depreciation	8,672,037
Right-To-Use Assets	3,769,493
Less: Related Bonds, Mortgages, and Notes Payable	(881,457,771)
Less: Lease Payables	<u>(3,867,864)</u>
Total Net Investment in Capital Assets	<u><u>\$ (216,000,952)</u></u>

The Related Bonds, Mortgages and Notes Payable does not include Single Family Sub-fund bonds issued to finance single-family home mortgages, Multifamily Sub-fund bonds issued to finance multifamily housing developments owned by Discrete Component Units and other Non-HOC entities and General Sub-fund mortgage notes and loans used to finance developments owned by DPCU and Non-HOC entities.

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

	Beginning Balance	Additions and Transfers - in	Dispositions and Transfers - out	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 70,424,831	\$ 3,375,000	\$ -	\$ 73,799,831
Construction in Progress	<u>238,086,457</u>	<u>61,361,431</u>	<u>(149,535,719)</u>	<u>149,912,169</u>
Total Capital Assets, Not Being Depreciated	308,511,288	64,736,431	(149,535,719)	223,712,000
Depreciable Capital Assets:				
Building and Improvements:	530,258,991	122,969,165	-	653,228,156
Furniture and Equipment:	<u>11,879,529</u>	<u>13,872,690</u>	<u>-</u>	<u>25,752,219</u>
Total Depreciable Capital Assets	542,138,520	136,841,855	-	678,980,375
Less Accumulated Depreciation and Amortization For:				
Building and Improvements:	(65,657,346)	(18,873,893)	-	(84,531,239)
Furniture and Equipment:	<u>(6,486,202)</u>	<u>(1,249,679)</u>	<u>-</u>	<u>(7,735,881)</u>
	<u>(72,143,548)</u>	<u>(20,123,572)</u>	<u>-</u>	<u>(92,267,120)</u>
Total Capital Assets, being Depreciated	<u>469,994,972</u>	<u>116,718,283</u>	<u>-</u>	<u>586,713,255</u>
Total Capital Assets, Net	<u><u>\$ 778,506,260</u></u>	<u><u>\$ 181,454,714</u></u>	<u><u>\$ (149,535,719)</u></u>	<u><u>\$ 810,425,255</u></u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 5 LEASES**

***Lessee***

The Commission leases vehicles as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2039 and provide for renewal options ranging from one years to five years.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 330,432	\$ 162,709	\$ 493,141
2026	335,550	151,056	486,606
2027	303,679	138,711	442,390
2028	293,733	125,668	419,401
2029	313,360	111,742	425,102
2030-2034	1,721,473	316,782	2,038,255
2035-2039	569,637	46,429	616,066
Total	<u>\$ 3,867,864</u>	<u>\$ 1,053,097</u>	<u>\$ 4,920,961</u>

***Lessor***

The Commission, acting as lessor, leases office facilities under long-term, noncancelable lease agreements. The leases expire at various dates through 2039 and provide for renewal options ranging from one years to five years. During the year ended June 30, 2024, the Commission recognized \$1,165,593 and \$65,783 in lease revenue and interest revenue, respectively, pursuant to these contracts.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,061,140	\$ 84,088	\$ 1,145,228
2026	911,059	73,982	985,041
2027	756,088	64,705	820,793
2028	736,444	55,370	791,814
2029	712,499	46,427	758,926
2030-2034	3,564,397	111,087	3,675,484
2035-2039	826,732	5,293	832,025
Total	<u>\$ 8,568,359</u>	<u>\$ 440,952</u>	<u>\$ 9,009,311</u>

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

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

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

The table below documents Advances to Component Units and Investments in Component Units. Due to differences in fiscal year-ends, Advances to Component Units differ from Advances from the Primary Government at June 30, 2024.

Receivable Entity	Payable Entity	Amount
Advances to Component Units:		
Primary Government - General Sub-Fund	Component Units - Tax Credit Limited Partnerships	\$ 13,373,025
Primary Government - Opportunity Housing Sub-Fund	Component Units - Tax Credit Limited Partnerships	3,435,324
Total		16,808,349
Investment in Component Units:		
Primary Government - General Sub-Fund	Component Units - Tax Credit Limited Partnerships	2,073,221
Primary Government - Opportunity Housing Sub-Fund	Component Units - Tax Credit Limited Partnerships	37,534,395
Total		39,607,616
Total Due from Primary Government and Component Units		\$ 56,415,965

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

**NOTE 7 ACCOUNTS RECEIVABLE AND OTHER ASSETS**

Accounts receivable consist of grants and loans due from HUD and Montgomery County, tenant rents receivable, and amounts due from property managers. All amounts are deemed to be collectible within one year. Accounts receivable and other assets consisted of the following as of June 30, 2024:

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multi Family Sub-Fund	Eliminations	Total
Accounts Receivable:							
HUD	\$ -	\$ -	\$ 2,351,052	\$ -	\$ -	\$ -	\$ 2,351,052
Montgomery County, Maryland	-	115,248	2,657,847	-	-	-	2,773,095
Tenant Accounts Receivable	-	13,435,746	721,148	-	-	-	14,156,894
Other Receivables	5,501,442	12,236,514	7,840,128	639,588	-	(3,459,392)	22,758,280
Prepaid Expenses	4,002,148	1,596,771	-	260,971	35,846	-	5,895,736
Other Assets	289,663	688	-	-	-	-	290,351
Total	9,793,253	27,384,967	13,570,175	900,559	35,846	(3,459,392)	48,225,408
Less: Allowance	(5,163)	(8,657,249)	(1,831,632)	-	-	-	(10,494,044)
Net Accounts Receivable and Other Assets	\$ 9,788,090	\$ 18,727,718	\$ 11,738,543	\$ 900,559	\$ 35,846	\$ (3,459,392)	\$ 37,731,364

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

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

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

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

- Mortgage loans receivable made on the related developments or single family residential mortgage loans purchased.
- Substantially all revenue, mortgage payments, and recovery payments received by the Commission from mortgage loans made on the related developments.
- Certain accounts, generally debt service reserve funds, established pursuant to the indenture authorizing issuance of the bonds.
- Interest rates on bonds payable ranged from 0.32% to 11.25% as of June 30, 2024. Maturity dates of the bonds payable range from 2024 to 2069.

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT  
(CONTINUED)**

**A. Bonds Payable**

The Commission has the following bonds payable outstanding as of June 30, 2024:

	Outstanding Beginning of Year	Issued This Year	Retired/ Refunded This Year	Outstanding End of Year	Amount Due Within One Year
Single Family Sub-Fund Bonds:					
2007 Series E	\$ 8,315,000	\$ -	\$ (8,315,000)	\$ -	\$ -
2008 Series D	17,200,000	-	(5,360,000)	11,840,000	-
2013 Series A	4,605,000	-	(3,735,000)	870,000	575,000
2013 Series B	2,015,000	-	-	2,015,000	-
2016 Series A	8,680,000	-	(2,175,000)	6,505,000	1,690,000
2017 Series A	5,275,000	-	(650,000)	4,625,000	-
2017 Series B	6,675,000	-	(885,000)	5,790,000	905,000
2018 Series A	17,170,000	-	(1,515,000)	15,655,000	815,000
2018 Series B	8,020,000	-	(305,000)	7,715,000	325,000
2021 Series A	20,370,000	-	(1,315,000)	19,055,000	400,000
2021 Series B	4,720,000	-	(840,000)	3,880,000	880,000
2021 Series C	10,000,000	-	-	10,000,000	-
2022 Series A	14,650,000	-	(290,000)	14,360,000	480,000
2022 Series B	2,940,000	-	-	2,940,000	-
2022 Series C	3,000,000	-	(75,000)	2,925,000	185,000
2022 Series D	11,000,000	-	-	11,000,000	-
2023 Series A	21,405,000	-	-	21,405,000	40,000
2023 Series B	8,000,000	-	-	8,000,000	215,000
2024 Series A	-	17,065,000	-	17,065,000	-
2024 Series B	-	12,935,000	-	12,935,000	-
NIBP 2009 Series C-4	1,510,000	-	(110,000)	1,400,000	80,000
NIBP 2009 Series C-5	2,370,000	-	-	2,370,000	-
NIBP 2012 Series A	1,055,000	-	(420,000)	635,000	135,000
PRB 2019 Series A	14,220,000	-	(2,615,000)	11,605,000	1,495,000
PRB 2019 Series B	1,945,000	-	-	1,945,000	-
PRB 2019 Series C	4,720,000	-	-	4,720,000	-
Total	<u>199,860,000</u>	<u>30,000,000</u>	<u>(28,605,000)</u>	<u>201,255,000</u>	<u>8,220,000</u>
Add: Unamortized Premium	<u>3,887,634</u>	<u>-</u>	<u>(515,162)</u>	<u>3,372,472</u>	<u>-</u>
Total Single Family Bonds Payable	<u>\$ 203,747,634</u>	<u>\$ 30,000,000</u>	<u>\$ (29,120,162)</u>	<u>\$ 204,627,472</u>	<u>\$ 8,220,000</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 9 BONDS, MORTGAGE NOTES, AND LOANS PAYABLE – PRIMARY GOVERNMENT  
(CONTINUED)**

**A. Bonds Payable (Continued)**

	Outstanding Beginning of Year	Issued This Year	Retired/ Refunded This Year	Outstanding End of Year	Amount Due Within One Year
Multifamily Sub-Fund Bonds:					
1984 Series A - Accretions	\$ 36,006	\$ 4,165	\$ -	\$ 40,171	\$ 4,646
1998 Issue A	4,265,000	-	(625,000)	3,640,000	660,000
2004 Series A	8,815,000	-	(445,000)	8,370,000	475,000
2004 Series B	3,070,000	-	(80,000)	2,990,000	80,000
2005 Series B	3,290,000	-	(220,000)	3,070,000	230,000
2005 Series C	19,385,000	-	(950,000)	18,435,000	990,000
2011 Series A	28,515,000	-	(595,000)	27,920,000	620,000
2011 Series B	2,585,000	-	(50,000)	2,535,000	50,000
2012 Series A	15,045,000	-	(1,065,000)	13,980,000	1,100,000
2012 Series B	1,255,000	-	(265,000)	990,000	270,000
2012 Series C	3,350,000	-	(1,965,000)	1,385,000	180,000
2012 Series D	23,700,000	-	(1,245,000)	22,455,000	1,275,000
2014 Series A	20,555,000	-	(575,000)	19,980,000	590,000
2015 Series A-1	13,675,000	-	(260,000)	13,415,000	265,000
2017 Series A	11,310,000	-	(215,000)	11,095,000	225,000
2019 Series A-1	51,420,000	-	-	51,420,000	360,000
2019 Series A-2	3,580,000	-	-	3,580,000	3,580,000
2019 Series B	6,360,000	-	(410,000)	5,950,000	420,000
2019 Series C	8,280,000	-	(540,000)	7,740,000	545,000
2020 Series A	25,665,000	-	(400,000)	25,265,000	405,000
2020 Series B	22,435,000	-	(1,230,000)	21,205,000	1,290,000
2020 Series C	14,250,000	-	(935,000)	13,315,000	975,000
2021 Series A	99,250,000	-	(388,142)	98,861,858	1,574,075
2021 Series B	16,145,000	-	(80,000)	16,065,000	270,000
2021 Series C	104,245,000	-	-	104,245,000	-
2021 Series D	7,115,000	-	-	7,115,000	-
2023 Series A	-	57,355,000	-	57,355,000	-
2023 Series A	28,500,000	-	(215,000)	28,285,000	295,000
2023 Series B	-	3,645,000	-	3,645,000	690,000
2023 Series C	-	74,240,000	-	74,240,000	-
2024 Series A	-	17,475,000	-	17,475,000	-
Series 2021 A (50M Cty)	45,385,000	-	(2,225,000)	43,160,000	2,235,000
	<u>591,481,006</u>	<u>152,719,165</u>	<u>(14,978,142)</u>	<u>729,222,029</u>	<u>19,653,721</u>
Less: Unamortized Discount	-	746,328	-	746,328	-
	<u>591,481,006</u>	<u>153,465,493</u>	<u>(14,978,142)</u>	<u>729,968,357</u>	<u>19,653,721</u>
Total Multifamily Bonds Payable	<u>591,481,006</u>	<u>153,465,493</u>	<u>(14,978,142)</u>	<u>729,968,357</u>	<u>19,653,721</u>
Total Bonds Payable	<u>\$ 795,228,640</u>	<u>\$ 183,465,493</u>	<u>\$ (44,098,304)</u>	<u>\$ 934,595,829</u>	<u>\$ 27,873,721</u>

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

**B. Mortgage Notes and Loans Payable**

The Commission has the following Opportunity Housing Sub-Fund and General Sub-Fund mortgage notes and loans payable as of June 30, 2024:

	Outstanding Beginning of Year	Issued This Year	Retired This Year	Outstanding End of Year	Amount Due Within One Year
<b>Opportunity Housing Sub-Fund:</b>					
9845 Lost Knife Road	\$ 1,808,175	\$ -	\$ (44,009)	\$ 1,764,166	\$ -
Bradley Crossing LLC	81,200,000	-	-	81,200,000	-
CDBG-9611 McAlpine Road	101,168	-	-	101,168	-
Dale Drive	600,000	-	-	600,000	-
Diamond Square	2,000,000	-	-	2,000,000	-
HOC at Battery Lane LLC	48,450,000	-	-	48,450,000	-
Montgomery Arms	73,733	-	(5,454)	68,279	5,617
MV Gateway II LLC	12,048,970	-	-	12,048,970	-
Paddington Square Dev. Corp.	18,272,333	-	(325,120)	17,947,213	334,608
Scattered Site Two Dev. Corp.	3,831,900	-	(3,831,900)	-	-
Southbridge	1,739,799	-	(46,414)	1,693,385	48,904
State Partnership Rental Programs	8,861,522	-	-	8,861,522	-
State Partnership VII	4,712,864	-	-	4,712,864	-
The Glen	1,211,707	-	-	1,211,707	-
VPC One Corp.	27,743,774	-	(27,743,774)	-	-
VPC Two Corp.	19,752,097	-	(19,752,097)	-	-
Total	<u>232,408,042</u>	<u>-</u>	<u>(51,748,768)</u>	<u>180,659,274</u>	<u>389,129</u>
<b>General Sub-Fund:</b>					
Alexander Dev Corp (FFB)	49,312,894	-	(691,473)	48,621,421	715,620
Alexander House LP (FFB)	17,777,019	-	(219,641)	17,557,378	228,641
Cider Mill (FFB)	117,229,163	-	(1,748,231)	115,480,932	1,809,562
Glenmont Crossing (FFB)	13,299,203	-	(246,066)	13,053,137	254,208
Glenmont Westerly (FFB)	13,204,881	-	(244,320)	12,960,561	252,405
The Lindley (FFB)	60,556,705	-	(567,633)	59,989,072	598,161
Timberlawn (FFB)	18,662,094	-	(267,698)	18,394,396	278,136
Woodfield Commons (FFB)	10,112,113	-	(132,134)	9,979,979	137,066
900 Thayer (FFB)	15,264,538	-	(285,121)	14,979,417	290,801
Line of Credit with PNC Bank	127,976,187	21,625,972	(18,388,099)	131,214,060	-
Total	<u>443,394,797</u>	<u>21,625,972</u>	<u>(22,790,416)</u>	<u>442,230,353</u>	<u>4,564,600</u>
Total Mortgage Notes and Loans Payable	<u>\$ 675,802,839</u>	<u>\$ 21,625,972</u>	<u>\$ (74,539,184)</u>	<u>\$ 622,889,627</u>	<u>\$ 4,953,729</u>

Interest rates on mortgage notes and loans payable ranged from 1% to 6% as of June 30, 2024.

Included in the mortgage notes and loans payable balance of the Opportunity Housing Sub-Fund at June 30, 2024, are inter sub-fund mortgage loans payable to the Multifamily Sub-Fund amounting to \$195,223,240 which have been eliminated in the accompanying financial statements. The related interest expense, amounting to \$9,228,862 for the year ended June 30, 2024, has also been eliminated.

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

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

Included in the mortgage notes and loans payable balance of the Opportunity Housing Sub-Fund at June 30, 2024, are inter sub-fund mortgage loans payable to the General Sub-Fund amounting to \$316,959,303, which have been eliminated in the accompanying financial statements. The related interest expense, amounting to \$10,856,282 for the year ended June 30, 2024, has also been eliminated.

Included in the mortgage notes and loans payable balance of the Opportunity Housing Sub-Fund at June 30, 2024, are inter sub-fund mortgage loans payable to the Opportunity Housing Reserve Fund (OHRF), Multipurpose Indenture Bond Fund (OH Bond Fund) and other Opportunity Housing properties amounting to \$50,814,603, which have been eliminated in the accompanying financial statements.

Included in the mortgage notes and loans payable balance of the General Sub-Fund at June 30, 2024, are inter-subfund mortgage loans payable to the Opportunity Housing Sub-Fund and Multifamily Sub-Fund amounting to \$1,254,215 and \$74,996,695, respectively, which have been eliminated in the accompanying financial statements. The related interest expense, amounting to \$232,102 for the year June 30, 2024, has also been eliminated.

The Commission's outstanding notes and mortgages of \$622,889,627 from direct borrowings are secured with collateral of the related land and/or structures. These notes also contain provisions that in the event of default, outstanding amounts are due immediately.

The Commission also has two lines of credit with unused amounts totaling \$78,785,940 as of June 30, 2024.

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

**C. Maturities**

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

	Notes from Direct Borrowings		Bonds		
	Principal				
	General Sub-Fund	Opportunity Housing Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Combined
<u>Year Ending June 30.</u>					
2025	\$ 4,564,600	\$ 389,129	\$ 8,220,000	\$ 19,653,721	\$ 32,827,450
2026	135,946,881	130,095,596	6,025,000	29,494,239	301,561,716
2027	4,907,526	460,039	6,400,000	19,730,154	31,497,719
2028	5,088,977	474,592	5,995,000	20,191,367	31,749,936
2029	5,277,449	12,539,355	5,800,000	20,553,733	44,170,537
2030 - 2034	29,480,544	3,791,223	29,940,000	105,173,860	168,385,627
2035 - 2039	35,423,446	2,715,015	30,025,000	96,010,710	164,174,171
2040 - 2044	42,629,406	3,154,763	41,970,000	81,741,491	169,495,660
2045 - 2049	51,381,396	3,664,306	37,255,000	77,440,599	169,741,301
2050 - 2054	62,029,242	3,650,928	29,625,000	156,347,153	251,652,323
2055 - 2059	61,441,392	2,237,068	-	49,865,000	113,543,460
2060 - 2064	4,059,494	-	-	43,310,000	47,369,494
2065 - 2069	-	-	-	9,710,002	9,710,002
Upon Sale of Property	-	17,487,260	-	-	17,487,260
Total	442,230,353	180,659,274	201,255,000	729,222,029	1,553,366,656
Unamortized Bond Discount/Premium	-	-	3,372,472	746,328	4,118,800
Total	<u>\$ 442,230,353</u>	<u>\$ 180,659,274</u>	<u>\$ 204,627,472</u>	<u>\$ 729,968,357</u>	<u>\$ 1,557,485,456</u>

	Notes from Direct Borrowings		Bonds		
	Interest				
	General Sub-Fund	Opportunity Housing Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Combined
<u>Year Ending June 30.</u>					
2025	\$ 13,126,603	\$ 6,036,421	\$ 6,266,078	\$ 21,744,187	\$ 47,173,289
2026	13,002,222	6,022,447	6,128,899	21,773,851	46,927,419
2027	7,961,245	1,162,323	5,968,349	21,281,705	36,373,622
2028	7,827,518	1,147,770	5,804,246	20,325,593	35,105,127
2029	7,688,851	825,065	5,652,875	20,188,960	34,355,751
2030 - 2034	36,177,639	2,553,339	25,448,115	92,580,815	156,759,908
2035 - 2039	31,851,746	2,105,891	20,867,522	77,471,043	132,296,202
2040 - 2044	26,654,490	1,662,325	15,974,130	64,188,643	108,479,588
2045 - 2049	20,402,898	1,144,596	10,283,920	47,639,988	79,471,402
2050 - 2054	12,873,789	599,585	3,374,872	33,943,575	50,791,821
2055 - 2059	4,207,388	97,084	-	18,583,644	22,888,116
2060 - 2064	28,643	929	-	7,905,905	7,935,477
2065 - 2069	-	-	-	868,778	868,778
Total	<u>\$ 181,803,032</u>	<u>\$ 23,357,775</u>	<u>\$ 105,769,006</u>	<u>\$ 448,496,687</u>	<u>\$ 759,426,500</u>

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**NOTE 10 DERIVATIVE INSTRUMENTS**

At June 30, 2024, the Commission had several derivative instruments outstanding as noted in the table below. The Commission used the synthetic instrument method to evaluate the hedge effectiveness of some interest rate swaps. This method evaluates effectiveness by combining the cash flows on the derivative with the cash flows on the hedged item to create a new instrument. The synthetic rate on the cash flows is calculated based on the combination of all the cash flows and is compared against the fixed rate on the derivative. A potential hedging derivative instrument is effective if the actual synthetic rate is within a range of 90% to 111% of the fixed rate of the potential hedging derivative instrument to be substantially fixed.

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

At June 30, 2024, all hedging derivative instruments shown on the next page met the criteria for effectiveness.

Objective of the Swaps

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

Terms

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

Fair Value

The termination value of all swaps had either a negative or positive fair value as of June 30, 2024. Because the coupons on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes. The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

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**NOTE 10 DERIVATIVE INSTRUMENTS (CONTINUED)**

Fair Value (Continued)

Associated Bond Issue	Notional Amounts	Trade Date	Terms	Fair Values	Swap Termination Date	Counterparty/ Credit Rating
Single Family 2018 Series B	\$ 7,715,000	6/28/2018	63.6% LIB1M + 0.31% Pay 2.405%	\$ 420,755	7/1/2039	BANA Aa1 / A+ / AA
Single Family 2021 Series C	10,000,000	7/1/2022	70% SOFR +0.08% Pay 2.61%	623,398	1/1/2041	BANA Aa1 / A+ / AA
Single Family 2022 Series D	11,000,000	6/29/2022	70% SOFR +0.08% Pay 2.68%	836,461	1/1/2049	BANA Aa1 / A+ / AA
Multifamily 2011 Series A	26,950,000	10/1/2008	Receive 64.0% LIBOR + 0.19%, pay 4.02%	25,682	1/1/2049	BANA Aa1 / A+ / AA
Multifamily 2011 Series B	2,395,000	10/1/2008	Receive 100% LIBOR + 0.10%, pay 6.067%	2,968	1/1/2049	BANA Aa1 / A+ / AA
Multifamily 2023 Series A Upton II Permanent	26,385,000	7/1/2022	Receive 70% LIBOR, LIBOR, pay 2.39%	2,263,661	7/1/2062	Royal Bank of Canada Aa1/AA-/AA
Multifamily 2024 Series A Hillandale	97,205,000	1/1/2029	Receive 70% SOFR: + 0.10%, pay 3.25%	16,375	1/1/2050	BANA Aa1 / A+ / AA
Hillandale AR Construction	1,811,915	3/1/2025	100% SOFR	89,449	1/1/2029	Wells Fargo Aa1/ A+/AA-
Hillandale NAR LIHTC Construction	51,000	6/27/2024	80% SOFR	13,285	1/1/2029	Wells Fargo Aa1/ A+/AA-
Hillandale Bridge Loans	723,799	3/1/2026	100% SOFR	55,882	4/1/2029	Wells Fargo Aa1/ A+/AA-
Hillandale Citi Swap 1	194,880	9/1/2024	100% one month Term SOFR	32,836	1/1/2029	Citibank Aa3/A+/A+
Hillandale Citi Swap 2	677,874	1/1/2025	100% one month Term SOFR	<u>131,686</u>	1/1/2029	Citibank Aa3/A+/A+
Derivative Asset				<u>\$ 4,512,438</u>		

Credit Risk

The Commission's counterparties may become unable to meet their obligations under the swap agreement. The counterparties for the Commission's swaps are, Bank of America (BANA), RBC Capital Markets, Citibank, and Wells Fargo. As of June 30, 2024, the Commission was not exposed to credit risk with respect to termination payments on its swap agreements that had negative fair value on this date. The Commission was exposed to credit risk on its swap agreements that had positive fair value in the amount of the corresponding fair value. The swap agreements do not contain any collateral agreements with the counterparties.

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**NOTE 10 DERIVATIVE INSTRUMENTS (CONTINUED)**

Interest Rate Risk

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

Basis Risk

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

Rollover Risk

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

Market-Access Risk

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

Foreign Currency Risk

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

HOC had in place two interest rate hedges with Royal Bank of Canada (RBC) for Alexander House and Barclays Bank, PLC (Barclay) for The Lindley which were both terminated on September 1, 2019. Both hedges were issued with a termination date to coincide with the expected closing of the permanent financing with a FFB mortgage loan for both properties. Both hedges performed as expected, however interest rates were volatile and declined significantly over the last few months leading up to the swap termination date due to macro events as the U.S./China trade war, currency manipulations, interest rate cuts by the Federal Reserve Bank of the United States and concern of a recession. As a result, HOC was required to make termination payments on the interest rate hedge agreements with both RBC and Barclay. HOC's termination payment to RBC was \$12,590,000 and the termination amount to Barclays was \$12,701,474. HOC recorded the termination payments as a deferred outflow of resources and will amortize the payments over 40 years to coincide with the amortization of the FFB mortgage loans. As of June 30, 2024, the balance of deferred outflows of resources related to these derivative instruments was \$20,005,625

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

The long-term debt of the discretely presented component units are primarily nonrecourse debt of each of the limited partnerships, which is collateralized by the land, structures, and equipment of each limited partnership and have varying repayment terms and interest rates ranging from 2.20% to 6.50%.

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 28,703,587	\$ 7,957,979
2025	5,300,197	7,819,805
2026	5,555,183	7,678,027
2027	5,751,013	7,529,857
2028	131,491,925	11,841,025
Thereafter	515,209,875	122,942,033
Total	<u>\$ 692,011,780</u>	<u>\$ 165,768,726</u>

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

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

	<u>Outstanding Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Outstanding End of Year</u>	<u>Amount Due Within One Year</u>
Compensated Absences	<u>\$ 2,517,968</u>	<u>\$ 1,092,634</u>	<u>\$ (1,075,337)</u>	<u>\$ 2,535,265</u>	<u>\$ 2,535,265</u>

**NOTE 13 LOANS PAYABLE TO MONTGOMERY COUNTY**

The County advances funds to the Commission and the real estate limited partnership component units (RELP component units) through two Capital Improvement Program Funds. The Commission and the RELP component units use County funds to purchase or construct various housing developments in expectation that permanent financing will be provided through a combination of state, county, or federal grants or that loans or bonds will be issued by the Commission or the RELP component units. If the development is funded from another source, the Commission or the RELP component units repay the County. If no alternative funding is found for a development, the County may agree to forgive the Commission's or the RELP component unit's debt. The Commission and the RELP component units paid no interest on funds received from the County for the year ended June 30, 2024. There is no set maturity date or repayment term on borrowings from the County for the projects.

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

The Commission has the following Opportunity Housing Sub-Fund, General Sub-Fund and discrete component unit loans payable to Montgomery County as of June 30, 2024:

	Outstanding Beginning of Year	Issued This Year	Retired This Year	Transfers In / (Out)	Outstanding End of Year	Amount Due Within One Year
Opportunity Housing Sub-Fund	\$ 63,382,155	\$ -	\$ (1,513,220)	\$ -	\$ 61,868,935	\$ 74,535
General Sub-Fund	<u>30,575,224</u>	<u>1,500,000</u>	<u>(96,000)</u>	<u>-</u>	<u>31,979,224</u>	<u>-</u>
Total	<u>\$ 93,957,379</u>	<u>\$ 1,500,000</u>	<u>\$ (1,609,220)</u>	<u>\$ -</u>	<u>\$ 93,848,159</u>	<u>\$ 74,535</u>
Real Estate Limited Partnership Component Units	<u>\$ 30,388,277</u>	<u>\$ -</u>	<u>\$ (70,889)</u>	<u>\$ -</u>	<u>\$ 30,317,388</u>	<u>\$ -</u>

**NOTE 14 UNRESTRICTED NET POSITION**

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

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

**OHRF**

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

As of June 30, 2024, the Commission committed the following OHRF obligations in the Opportunity Housing Sub-Fund by resolutions of the Board of Commissioners:

Ambassador	\$ 122,871
Battery Lane/Bradley Crossing	500,000
Elizabeth House Demolition	385,798
Elizabeth House IV	8,669
Emory Grove	1,623,689
Fenwick Silver Spring, LLC	58,356
Forest Glen Metro	898,080
Georgian Court	2,111,610
Hillandale Gateway	850,100
Lindsay Ford	2,362
Metropointe	1,401,840
Metropolitan	2,145,632
Pre-development Fund (Real Estate Division)	822,521
Sandy Spring Meadow	572,486
Shady Grove	132,118
The Lindley	1,742,444
Westwood Towers	259,300
Total	\$ 13,637,876

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**NOTE 15 PENSION PLAN**

**A. Employees' Retirement System**

Plan Description

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

Benefits Provided

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

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**NOTE 15 PENSION PLAN (CONTINUED)**

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

Benefits Provided (Continued)

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

Employees Covered by Benefit Terms

At June 30, 2023, the date of the latest actuarial valuation, the following employees were covered by the benefit terms:

Retirees and Beneficiaries Receiving Benefits	6,896
Terminated Plan Members Entitled to, but Not Yet Receiving Benefits	768
Active Plan Members	6,229
Total Plan Members	13,893

Contributions

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

The GRIP plan requires all participants to contribute 4% of their salary. Participants earning salaries exceeding the Social Security wage base must contribute 8% of the excess over the wage base. Section 33-40 of the Code requires the Commission as a participating agency to contribute 8% of regular earnings for all participants. For the year ended June 30, 2024, the Commission paid 6.10% and the balance came from plan earnings.

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**NOTE 15 PENSION PLAN (CONTINUED)**

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

Total Pension Liability

The Commission's total pension liability (TPL) of \$11,931,037 was measured as of June 30, 2023, determined by an actuarial valuation as of July 1, 2022. The total pension liability is allocated among all employers which includes the County and participating agencies. Each employer's portion of the total pension liability was determined by the respective employer's share of the unfunded actuarial accrued liability, which is based on the number of participants each employer had participating in the System, relative to all participants in the System, as of July 1, 2022. The Commission's employer allocation percentage is 8.6526%.

Actuarial Assumptions:

Valuation Date	July 1, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method for Funding	Level Percentage of Payroll, Separate Closed Period Bases
Amortization Period for Funding	For Public Safety and GRIP. Initial amortization period of 20 years for the base established July 1, 2015. Initial amortization period of 20 years for subsequent bases. For non-Public Safety Single closed amortization period of nine years established July 1, 2015. Average amortization period of seven years for total ERS.
Asset Valuation Method	Fair Market value
Investment Rate of Return	7.50%
Projected Salary Increases	3.00% - 10.75%
Cost-of-Living (Inflation Rate) Adjustments	2.50% on the benefit attributable to credited service earned prior to June 30, 2011. 2.45% on the benefit attribution to credited services prior to June 30, 2011 for mandatory integrated plan members 2.20% on the benefit attribution to credited service earned thereafter, reflecting the 2.5% cap.
Post-Retirement Increases	Consumer Price Index - by Group
Mortality Rates After Retirement	Pub-2010 Public Sector Mortality Table (for General and Safety Employees), sex-distinct with rates projected from 2010 using projection scale MP-2021 Updated for the 2023 Valuation.

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

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**NOTE 15 PENSION PLAN (CONTINUED)**

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

Total Pension Liability (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023 (see the discussion of the System's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equities	1.90%
International Equities	2.30%
Emerging Market Equities	6.50%
Global Equities	3.00%
Private Equity	6.40%
Credit Opportunities	5.90%
High Yield Bonds	4.10%
Emerging Market Debts	5.00%
Directional Hedge Funds	3.00%
Long Duration Fixed Income	2.90%
Cash	1.30%
Diversifying Hedge Funds	4.20%
Global IL's	1.80%
Private Real Assets	5.30%
Public Real Assets	3.60%

Discount Rate

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

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**NOTE 15 PENSION PLAN (CONTINUED)**

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

Additional Financial and Actuarial Information

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of Pension amounts by Employer (including the disclosure of the total pension liability and the unmodified opinion on the financial statements) is located in the Montgomery County Employee Retirement Plans' Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The supporting actuarial information is included in the June 30, 2023, GASB Statements No. 67 and 68, *Accounting and Financial Reporting for Pensions* actuarial valuation for the System. The additional financial and actuarial information is available at: Montgomery County Employee Retirement Plans, 101 Monroe Street, 15th Floor, Rockville, Maryland 20850 or by calling 240-777-8220.

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

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

	1% Decrease (6.50)%	Current Discount (7.50)%	1% Increase (8.50)%
Total System Pension Liability (Asset)	\$ 640,798,843	\$ 137,890,278	\$ (287,201,468)
Commission's Proportionate Share	55,445,761	11,931,037	(24,850,394)

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

For the year ended June 30, 2024, the Commission recognized pension expense of \$3,350,156. At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 10,472,561	\$ 1,380,714
Changes of Assumptions	19,520,470	2,628,550
Net Differences Between Projected and Actual Earnings on Pension Plan Investments		
Change in Proportionate Share	-	36,535,520
Contributions Made Subsequent to the Measurement Date	1,168,607	-
Total	\$ 31,161,638	\$ 40,544,784

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**NOTE 15 PENSION PLAN (CONTINUED)**

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

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

The \$1,168,607 reported as deferred outflows of resources related to Commission pension contributions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ (78,665,505)
2026	(33,809,969)
2027	(71,676,404)
2028	254,689,693
Total	<u>\$ 70,537,815</u>

**B. Defined Contribution Plan**

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

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

Payroll from the Commission covered by the plan for the year ended June 30, 2024, totaled \$16,742,161. Commission and employee contributions to the plan totaled \$1,334,779 and \$684,635, respectively, for the year ended June 30, 2024.

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**NOTE 16 POSTRETIREMENT HEALTH CARE BENEFITS**

**Plan Description**

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

**Benefits Provided**

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

**Employees Covered by Benefit Terms**

At June 30, 2023, the date of the latest actuarial valuation, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently	
Receiving Benefit Payments	7,869
Active Plan Members	<u>9,993</u>
Total Plan Members	<u><u>17,862</u></u>

**Contributions**

The County Council has the authority to establish and amend contribution requirements of the Plan’s members and the County. The Plan is a contributory plan in which the County and the retired members and beneficiaries contribute, based on an actuarial valuation, certain amounts toward the current cost of healthcare benefits. The Plan contributes percentages ranging from 50% to 80% of the cost of group medical and life insurance premiums of retirees, depending on years of service in the plan. Expenditures for postretirement health care benefits are recognized as the County bills the Commission on a monthly basis. The annual pay-as-you-go expenditures amounted to \$1,313,216 during fiscal year 2024.

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

**Contributions (Continued)**

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

**Total OPEB Liability**

The Commission's total OPEB liability of \$12,981,074 was measured as of June 30, 2023, determined by an actuarial valuation as of that date. The total OPEB liability is allocated among all employers which includes the County and participating agencies. Each employer's portion of the total OPEB liability was based on the proportion of each agency's actuarially determined contribution as of June 30, 2023. The Commission's employer allocation percentage is 1.7401%.

**Actuarial Assumptions**

The total OPEB liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Amortization	30-Year Open
Discount Rate	6.8%
20-Year Municipal Bond Rate	3.86%
Municipal Bond Rate Basis	20-year tax-exempt general obligation municipal bond with average rating of AA/Aa.
Expected Return on Assets	7.50%
Salary Increases	4.25% - 8.25%, depending on service
General Inflation	3.00%



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

**Actuarial Assumptions (Continued)**

Best estimates of geometric real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equities	1.90%
International Equities	2.30%
Emerging Market Equities	6.50%
Global Equities	3.00%
Private Equity	6.40%
Credit Opportunities	5.90%
High Yield Bonds	4.10%
Emerging Market Debt	5.00%
Directional Hedge Funds	3.00%
Long Duration Fixed Income	1.70%
Cash	1.30%
Diversifying Hedge Funds	4.20%
Global IL's	1.80%
Private Real Assets	5.30%
Public Real Assets	3.60%

**Discount Rate**

A single discount rate of 6.80% was used to measure the total OPEB liability as of June 30, 2023. This single discount rate was blended based on the expected long-term rate of return on OPEB plan investments of 7.50% and the municipal long-term high quality bond index yield (at the measurement date) of 3.86% as described under the terms of the GASB standard. The projection of cash flows used to determine the single discount rate assumes that employer contributions will be made based on the current funding policy (contributions equal to the employer normal cost plus a 30-year open level percent of pay amortization of the unfunded employer liability). Based on these assumptions, the OPEB plan's fiduciary net position was projected to not be sufficient to make all projected future benefit payments on behalf of current plan members. Therefore, the long-term expected rate of return on plan investments was applied only to those payments prior to the depletion of the fiduciary net position and the bond yield index rate was applied to those benefit payments subsequent to the projected depletion of the fiduciary net position. For this valuation, the bond rate used as of June 30, 2023, was 3.86%. Therefore, the blended discount rate used as of June 30, 2023, was 6.80%.

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

**Additional Financial and Actuarial Information**

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of OPEB Amounts by Employer (including the disclosure of the total OPEB liability and the unmodified audit opinion on the financial statements) is located in the Montgomery County Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The supporting actuarial information is included in the June 30, 2023, OPEB actuarial. The additional financial and actuarial information is available at: Montgomery County Employee Retirement Plans, 101 Monroe Street, 15th floor, Rockville, Maryland 20850 or by calling 240-777-8220.

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

The following presents the Commission's proportionate share of the total OPEB liability calculated using the discount rate of 6.80%, as well as what the Commission's share of the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current discount rate:

	1% Decrease (5.80)%	Current Discount (6.80)%	1% Increase (7.80)%
Total OPEB Liability	\$ 934,029,609	\$ 745,995,770	\$ 589,214,345
Commission's Proportionate Share	16,253,049	12,981,074	10,252,919

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

The following presents the Commission's proportionate share of the total OPEB liability as well as what the Commission's share of the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (2.78%) or one percentage point higher (4.78%) than the current discount rate:

	1% Decrease (2.78)%	Current Discount (3.78)%	1% Increase (4.78)%
Total OPEB Liability	\$ 576,988,944	\$ 745,955,770	\$ 953,701,154
Commission's Proportionate Share	10,040,185	12,981,074	16,595,354

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

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

For the year ended June 30, 2024, the Commission recognized an OPEB expense of \$2,751,485. At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 527,352	\$ 5,227,181
Changes of Assumptions	2,099,645	4,018,870
Net Differences Between Projected and Actual Investment Earnings on OPEB Plan Investments	1,032,564	-
Differences Between Employer Contributions and Proportionate Share of Contributions	-	2,966,718
Contributions Made Subsequent to the Measurement Date	<u>1,313,215</u>	<u>-</u>
Total	<u>\$ 4,972,776</u>	<u>\$ 12,212,769</u>

The \$1,313,215 reported as deferred outflows of resources related to Commission OPEB contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2025.

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ (2,803,170)
2026	(2,341,007)
2027	(1,263,549)
2028	(1,276,292)
2029	(704,923)
Thereafter	<u>(164,267)</u>
Total	<u>\$ (8,553,208)</u>

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**NOTE 17 CONTINGENCIES**

**A. Litigation**

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

**B. HUD Program Grant**

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

**NOTE 18 RISK MANAGEMENT**

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

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

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**NOTE 19 CONDUIT DEBT OBLIGATIONS**

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

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The bonds outstanding at June 30, 2024, are summarized below:

Bonds Outstanding, Beginning of Year	\$ 140,868,646
Redemptions During the Year	<u>(1,608,336)</u>
Bonds Outstanding, End of Year	<u>\$ 139,260,310</u>

**NOTE 20 ARBITRAGE**

The Internal Revenue Code of 1986 placed significant restrictions regarding arbitrage on housing finance agencies throughout the United States. Arbitrage occurs when investments of bond proceeds not used to purchase mortgage loans earn more than the interest rate on the bonds or when the housing finance agency has net earnings of more than 1.125% on mortgages purchased with bond proceeds. Under the IRS regulations, payment of any positive arbitrage on a bond issue must be made no later than five years after the original issuance and every five years thereafter. At June 30, 2024, there was an arbitrage rebate liability of \$751,157 which is included in accounts payable.

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

	Blended Component Units							
	The Oaks	Alexander House	Sligo MPDU III	Metropolitan Dev Corp	Metropolitan of Bethesda LP	TPM Dev MPDU II / 59	TPP LLC	Pooks Hill Highrise
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
Cash	\$ 245,659	\$ 193,716	\$ 2,892	\$ 1,310,524	\$ 45,394	\$ 14,931	\$ 622,051	\$ 565,320
Restricted Cash	809,003	1,582,764	24,501	1,223,249	108,356	38,906	1,070,480	1,821,165
Current Assets	10,602	5,615,035	515,197	196,709	22,411	476,371	82,026	235,159
Noncurrent Assets	3,874	16,506,030	1,199,402	14,082,018	-	-	-	-
Capital Assets	2,049,847	23,583,725	968,839	15,826,636	5,628,173	136,647	16,316,884	13,101,877
Deferred Outflows	-	-	59,475	-	-	59,312	-	-
Total Assets and Deferred Outflows	<u>3,118,985</u>	<u>47,481,270</u>	<u>2,770,306</u>	<u>32,639,136</u>	<u>5,804,334</u>	<u>726,167</u>	<u>18,091,441</u>	<u>15,723,521</u>
<b>LIABILITIES AND DEFERRED INFLOWS</b>								
Current Liabilities	804,786	3,852,424	23,734	1,812,564	411,800	30,608	930,739	985,286
Noncurrent Liabilities	1,278,968	48,083,939	-	17,771,806	21,837,080	-	17,784,593	12,703,191
Deferred Inflows	-	-	103,183	-	-	68,473	-	-
Total Liabilities and Deferred Inflows	<u>2,083,754</u>	<u>51,936,363</u>	<u>126,917</u>	<u>19,584,370</u>	<u>22,248,880</u>	<u>99,081</u>	<u>18,715,332</u>	<u>13,688,477</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	441,803	(25,215,834)	968,839	(1,945,170)	(16,208,907)	136,647	(2,077,512)	398,686
Restricted	664,190	1,524,680	19,721	1,051,690	64,970	19,159	971,781	1,755,606
Unrestricted	<u>(70,762)</u>	<u>19,236,061</u>	<u>1,654,829</u>	<u>13,948,246</u>	<u>(300,609)</u>	<u>471,280</u>	<u>481,840</u>	<u>(119,248)</u>
Total Net Position	<u>1,035,231</u>	<u>(4,455,093)</u>	<u>2,643,389</u>	<u>13,054,766</u>	<u>(16,444,546)</u>	<u>627,086</u>	<u>(623,891)</u>	<u>2,035,044</u>
Total Liabilities and Net Position	<u>\$ 3,118,985</u>	<u>\$ 47,481,270</u>	<u>\$ 2,770,306</u>	<u>\$ 32,639,136</u>	<u>\$ 5,804,334</u>	<u>\$ 726,167</u>	<u>\$ 18,091,441</u>	<u>\$ 15,723,521</u>

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

	Blended Component Units							
	Wheaton Metro	Paddington Square	HOC at Hillandale Gateway	Barclay Apartments	Barclay One Associates LLP	Scattered Site One	Scattered Site Two	
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ 216,419	\$ 371,110	\$ -	\$ 99,659	\$ 75,437	\$ -	\$ -	\$ -
Restricted Cash	453,829	895,432	-	455,470	446,466	3,694,150	1,357,582	4,128,567
Current Assets	1,447,114	85,526	21,370	676,213	391,750	6,388,696	2,734,450	3,973,135
Noncurrent Assets	67	-	1,820,619	133,158	180,914	-	-	1,036,091
Capital Assets	23,036,758	16,674,359	-	4,142,826	3,771,337	9,429,909	4,133,140	35,717,461
Deferred Outflows	-	157,159	-	-	-	441,934	218,975	820,818
Total Assets and Deferred Outflows	<u>25,154,187</u>	<u>18,183,586</u>	<u>1,841,989</u>	<u>5,507,326</u>	<u>4,865,904</u>	<u>19,954,689</u>	<u>8,444,147</u>	<u>45,676,072</u>
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	863,918	2,399,619	-	545,521	558,187	767,781	187,584	582,573
Noncurrent Liabilities	35,203,186	22,705,681	2,328,473	8,104,340	6,534,914	6,774,990	1,928,876	31,360,646
Deferred Inflows	-	308,107	63,613	-	-	552,531	158,338	1,050,612
Total Liabilities and Deferred Inflows	<u>36,067,104</u>	<u>25,413,407</u>	<u>2,392,086</u>	<u>8,649,861</u>	<u>7,093,101</u>	<u>8,095,302</u>	<u>2,274,798</u>	<u>32,993,831</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	(12,102,428)	(6,469,086)	(2,328,473)	(3,961,514)	(2,763,577)	2,654,920	2,204,264	4,356,815
Restricted	362,226	807,114	-	422,466	410,915	3,647,369	1,342,455	4,044,737
Unrestricted	<u>827,285</u>	<u>(1,567,849)</u>	<u>1,778,376</u>	<u>396,513</u>	<u>125,465</u>	<u>5,557,098</u>	<u>2,622,630</u>	<u>4,280,689</u>
Total Net Position	<u>(10,912,917)</u>	<u>(7,229,821)</u>	<u>(550,097)</u>	<u>(3,142,535)</u>	<u>(2,227,197)</u>	<u>11,859,387</u>	<u>6,169,349</u>	<u>12,682,241</u>
Total Liabilities and Net Position	<u>\$ 25,154,187</u>	<u>\$ 18,183,586</u>	<u>\$ 1,841,989</u>	<u>\$ 5,507,326</u>	<u>\$ 4,865,904</u>	<u>\$ 19,954,689</u>	<u>\$ 8,444,147</u>	<u>\$ 45,676,072</u>

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

	Blended Component Units							
	VPC Two	Glenmont Crossing	Glenmont Westerly	Magruders	RAD 6	Community Partners	Ambassador	MHLP VII
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ -	\$ 755,117	\$ 1,200,847	\$ -	\$ 200	\$ 545,022	\$ 140,708	\$ 15,907
Restricted Cash	2,706,863	2,963,964	2,541,287	637,018	1,485,427	-	871,109	32,318
Current Assets	3,508,457	46,672	321,216	653,652	1,320,122	-	-	86,332
Noncurrent Assets	342,959	285,434	281,373	-	257,362	-	-	-
Capital Assets	24,616,838	12,523,404	10,099,146	4,123,380	24,284,116	-	-	1,429,501
Deferred Outflows	511,109	-	-	266,404	490,041	-	-	-
Total Assets and Deferred Outflows	31,686,226	16,574,591	14,443,869	5,680,454	27,837,268	545,022	1,011,817	1,564,058
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	2,701,689	555,011	955,847	805,403	8,576,525	1,168	3,965,457	516,184
Noncurrent Liabilities	25,515,289	15,648,928	14,218,407	8,520,721	19,488,593	-	4,060,106	2,669,352
Deferred Inflows	1,092,355	-	-	538,624	658,322	-	-	-
Total Liabilities and Deferred Inflows	29,309,333	16,203,939	15,174,254	9,864,748	28,723,440	1,168	8,025,563	3,185,536
<b>NET POSITION</b>								
Net Investment in Capital Assets	(898,451)	(3,379,733)	(4,119,261)	(4,397,341)	4,795,523	-	(4,060,106)	(1,239,851)
Restricted	2,640,012	1,656,743	2,519,878	565,635	1,375,673	-	871,109	22,828
Unrestricted	635,332	2,093,642	868,998	(352,588)	(7,057,368)	543,854	(3,824,749)	(404,455)
Total Net Position	2,376,893	370,652	(730,385)	(4,184,294)	(886,172)	543,854	(7,013,746)	(1,621,478)
Total Liabilities and Net Position	\$ 31,686,226	\$ 16,574,591	\$ 14,443,869	\$ 5,680,454	\$ 27,837,268	\$ 545,022	\$ 1,011,817	\$ 1,564,058

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

	Blended Component Units							
	MHLP VIII	Diamond Square	Brookside Glen	MV Gateway	HOC at Wheaton Gateway	Manchester Manor	Shady Grove Apartments	Willows of Gaithersburg
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ 27,248	\$ 169,229	\$ (55,197)	\$ (994,461)	\$ -	\$ 21,150	\$ 131,200	\$ 12,155
Restricted Cash	62,190	4,250,653	1,380,418	3,574,778	-	70,468	763,073	1,248,190
Current Assets	105,851	157,999	315,647	989,692	574,492	50,879	916,175	418,464
Noncurrent Assets	-	-	80,069	2,230,527	15,246,691	16,817	11,044,184	10,167
Capital Assets	1,977,433	2,520,519	5,298,257	128,870,524	3,174,155	834,118	-	3,378,645
Deferred Outflows	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>2,172,722</u>	<u>7,098,400</u>	<u>7,019,194</u>	<u>134,671,060</u>	<u>18,995,338</u>	<u>993,432</u>	<u>12,854,632</u>	<u>5,067,621</u>
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	40,373	255,065	1,010,605	6,202,716	75,815	2,102,149	32,092	1,749,350
Noncurrent Liabilities	3,337,317	5,476,248	4,686,398	131,671,367	13,512,290	1,283,867	-	1,599,354
Deferred Inflows	-	-	-	-	-	-	-	-
Total Liabilities and Deferred Inflows	<u>3,377,690</u>	<u>5,731,313</u>	<u>5,697,003</u>	<u>137,874,083</u>	<u>13,588,105</u>	<u>3,386,016</u>	<u>32,092</u>	<u>3,348,704</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	(1,359,884)	(2,955,729)	611,859	(2,800,843)	(10,338,135)	(449,749)	-	1,779,291
Restricted	48,760	4,198,014	1,329,639	3,450,536	-	36,789	763,073	1,056,925
Unrestricted	106,156	124,802	(619,307)	(3,852,716)	15,745,368	(1,979,624)	12,059,467	(1,117,299)
Total Net Position	<u>(1,204,968)</u>	<u>1,367,087</u>	<u>1,322,191</u>	<u>(3,203,023)</u>	<u>5,407,233</u>	<u>(2,392,584)</u>	<u>12,822,540</u>	<u>1,718,917</u>
Total Liabilities and Net Position	<u>\$ 2,172,722</u>	<u>\$ 7,098,400</u>	<u>\$ 7,019,194</u>	<u>\$ 134,671,060</u>	<u>\$ 18,995,338</u>	<u>\$ 993,432</u>	<u>\$ 12,854,632</u>	<u>\$ 5,067,621</u>

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

	Blended Component Units							
	Camp Hill Square	HOC at CCL Multifamily	MHLP IX	MHLP X	Willow Manor at Fair Hill	Willow Manor at Cloppers Mill	Willow Manor at Colesville	Montgomery Arms
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ -	\$ -	\$ 22,900	\$ 48,917	\$ 112,244	\$ 174,722	\$ 39,398	\$ 38,442
Restricted Cash	581,886	-	155,045	159,380	550,735	559,761	506,704	440,112
Current Assets	695,532	988,560	223,307	443,208	5,643	19,499	12,706	1,087,403
Noncurrent Assets	-	13,020,922	49,896	179,850	2,749,140	2,935,268	1,986,554	152,575
Capital Assets	284,059	-	3,003,942	576,621	-	-	-	7,251,516
Deferred Outflows	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>1,561,477</u>	<u>14,009,482</u>	<u>3,455,090</u>	<u>1,407,976</u>	<u>3,417,762</u>	<u>3,689,250</u>	<u>2,545,362</u>	<u>8,970,048</u>
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	106,892	426,481	6,549,842	509,936	142,281	38,874	69,453	3,239,626
Noncurrent Liabilities	-	5,426,929	4,099,400	5,944,203	476,161	435,200	319,057	6,661,637
Deferred Inflows	-	-	(27,868)	-	-	-	-	-
Total Liabilities and Deferred Inflows	<u>106,892</u>	<u>5,853,410</u>	<u>10,621,374</u>	<u>6,454,139</u>	<u>618,442</u>	<u>474,074</u>	<u>388,510</u>	<u>9,901,263</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	284,059	(5,426,929)	(1,095,458)	(5,367,582)	(476,161)	(435,200)	(319,057)	589,879
Restricted	545,500	-	121,408	135,227	550,735	559,761	506,704	381,019
Unrestricted	625,026	13,583,001	(6,192,234)	186,192	2,724,746	3,090,615	1,969,205	(1,902,113)
Total Net Position	<u>1,454,585</u>	<u>8,156,072</u>	<u>(7,166,284)</u>	<u>(5,046,163)</u>	<u>2,799,320</u>	<u>3,215,176</u>	<u>2,156,852</u>	<u>(931,215)</u>
Total Liabilities and Net Position	<u>\$ 1,561,477</u>	<u>\$ 14,009,482</u>	<u>\$ 3,455,090</u>	<u>\$ 1,407,976</u>	<u>\$ 3,417,762</u>	<u>\$ 3,689,250</u>	<u>\$ 2,545,362</u>	<u>\$ 8,970,048</u>

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

	Blended Component Units							Other Blended Component Units
	Strathmore Court LP	Chevy Chase	Georgian Court Silver Spring LP	MV Affordable Hsng Assoc LP	Bradley Crossing LLC	HOC at Battery Lane LLC	HOC at Avondale LLC	
<b>ASSETS AND DEFERRED</b>								
<b>OUTFLOWS</b>								
Cash	\$ 428,013	\$ 300,028	\$ 359,464	\$ 588,954	\$ 1,158,923	\$ 56,407	\$ 766,955	\$ 24,199
Restricted Cash	1,490,833	198,234	878,184	307,251	767,107	336,306	533,000	-
Current Assets	127,173	-	1,496,185	2,317,069	525,705	672,324	77,654	575,722
Noncurrent Assets	-	-	19,773,652	9,044,240	203,000	-	-	7,448,584
Capital Assets	9,266,505	-	-	-	88,623,816	51,890,737	12,496,088	1,372,500
Deferred Outflows	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>11,312,524</u>	<u>498,262</u>	<u>22,507,485</u>	<u>12,257,514</u>	<u>91,278,551</u>	<u>52,955,774</u>	<u>13,873,697</u>	<u>9,421,005</u>
<b>LIABILITIES AND DEFERRED</b>								
<b>INFLOWS</b>								
Current Liabilities	2,377,178	116,844	43,510	13,416	1,396,940	788,228	681,337	648,024
Noncurrent Liabilities	12,235,431	-	-	-	96,199,677	52,604,913	13,661,951	3,600
Deferred Inflows	-	-	-	-	-	-	-	-
Total Liabilities and Deferred Inflows	<u>14,612,609</u>	<u>116,844</u>	<u>43,510</u>	<u>13,416</u>	<u>97,596,617</u>	<u>53,393,141</u>	<u>14,343,288</u>	<u>651,624</u>
<b>NET POSITION</b>								
Net Investment in Capital Assets	(2,968,926)	-	-	-	(7,575,861)	(714,176)	(1,165,863)	1,368,900
Restricted	1,393,115	198,234	878,184	307,251	518,810	161,450	495,573	-
Unrestricted	(1,724,274)	183,184	21,585,791	11,936,847	738,985	115,359	200,699	7,400,481
Total Net Position	<u>(3,300,085)</u>	<u>381,418</u>	<u>22,463,975</u>	<u>12,244,098</u>	<u>(6,318,066)</u>	<u>(437,367)</u>	<u>(469,591)</u>	<u>8,769,381</u>
Total Liabilities and Net Position	<u>\$ 11,312,524</u>	<u>\$ 498,262</u>	<u>\$ 22,507,485</u>	<u>\$ 12,257,514</u>	<u>\$ 91,278,551</u>	<u>\$ 52,955,774</u>	<u>\$ 13,873,697</u>	<u>\$ 9,421,005</u>

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

	Total Blended	Primary Government	Total
<b>ASSETS AND DEFERRED</b>			
<b>OUTFLOWS</b>			
Cash	\$ 9,851,803	\$ 105,021,726	\$ 114,873,529
Restricted Cash	48,162,214	148,785,988	196,948,202
Current Assets	41,605,104	52,571,863	94,176,967
Noncurrent Assets	122,301,437	934,453,099	1,056,754,536
Capital Assets	572,414,238	96,910,445	669,324,683
Deferred Outflows	3,025,227	53,114,812	56,140,039
Total Assets and Deferred Outflows	797,360,023	1,390,857,933	2,188,217,956
<b>LIABILITIES AND DEFERRED</b>			
<b>INFLOWS</b>			
Current Liabilities	61,451,435	57,128,896	118,580,331
Noncurrent Liabilities	684,157,079	1,024,265,269	1,708,422,348
Deferred Inflows	4,566,290	60,770,896	65,337,186
Total Liabilities and Deferred Inflows	750,174,804	1,142,165,061	1,892,339,865
<b>NET POSITION</b>			
Net Investment in Capital Assets	(114,025,312)	(101,975,640)	(216,000,952)
Restricted	44,397,664	66,709,522	111,107,186
Unrestricted	116,812,867	283,958,990	400,771,857
Total Net Position	47,185,219	248,692,872	295,878,091
 Total Liabilities and Net Position	 \$ 797,360,023	 \$ 1,390,857,933	 \$ 2,188,217,956

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

	Blended Component Units							
	The Oaks	Alexander House	Sligo MPDU III	Metropolitan Dev Corp	Metropolitan of Bethesda LP	TPM Dev MPDU II / 59	TPP LLC	Pooks Hill Highrise
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 1,512,573	\$ 3,998,496	\$ 259,482	\$ 6,279,344	\$ 896,125	\$ 785,768	\$ 2,916,987	\$ 2,948,442
Other Revenues	21,238	28,616	1,933	541,904	6,356	93,301	16,211	44,078
Total Operating Revenues	<u>1,533,811</u>	<u>4,027,112</u>	<u>261,415</u>	<u>6,821,248</u>	<u>902,481</u>	<u>879,069</u>	<u>2,933,198</u>	<u>2,992,520</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	255,685	350,968	79,896	948,577	247,819	190,140	329,001	344,710
Utilities	118,636	263,059	4,959	446,264	166,970	16,986	247,222	191,639
Ordinary Maintenance and Operations	370,411	622,555	149,606	713,224	297,485	197,187	436,522	662,642
General Expenses	388,640	2,559,465	74,231	3,392,886	451,121	394,263	1,040,577	1,279,335
Depreciation	206,407	930,966	67,478	1,011,160	319,882	13,026	416,028	518,364
Total Operating Expenses	<u>1,339,779</u>	<u>4,727,013</u>	<u>376,170</u>	<u>6,512,111</u>	<u>1,483,277</u>	<u>811,602</u>	<u>2,469,350</u>	<u>2,996,690</u>
<b>OPERATING INCOME (LOSS)</b>	194,032	(699,901)	(114,755)	309,137	(580,796)	67,467	463,848	(4,170)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>36,546</u>	<u>893,194</u>	<u>61,496</u>	<u>154,062</u>	<u>8,229</u>	<u>3,149</u>	<u>58,289</u>	<u>70,036</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	230,578	193,293	(53,259)	463,199	(572,567)	70,616	522,137	65,866
Capital Contributions (Distributions)	-	-	-	(750,000)	-	-	-	-
Prior Period Adjustment	25,900	(13,932)	-	-	-	-	(7,636)	22,100
Operating Transfers In (Out)	-	-	-	-	-	-	(601,455)	-
<b>CHANGE IN NET POSITION</b>	256,478	179,361	(53,259)	(286,801)	(572,567)	70,616	(86,954)	87,966
Net Position - Beginning of Year	<u>778,753</u>	<u>(4,634,454)</u>	<u>2,696,648</u>	<u>13,341,567</u>	<u>(15,871,979)</u>	<u>556,470</u>	<u>(536,937)</u>	<u>1,947,078</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,035,231</u>	<u>\$ (4,455,093)</u>	<u>\$ 2,643,389</u>	<u>\$ 13,054,766</u>	<u>\$ (16,444,546)</u>	<u>\$ 627,086</u>	<u>\$ (623,891)</u>	<u>\$ 2,035,044</u>

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

	Blended Component Units							
	Wheaton Metro	Paddington Square	HOC at Hillandale Gateway	Barclay Apartments	Barclay One Associates LP	Scattered Site One	Scattered Site Two	VPC One
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 2,813,578	\$ 2,897,138	\$ -	\$ 1,299,590	\$ 1,149,541	\$ 2,617,523	\$ 727,184	\$ 5,555,094
Other Revenues	6,240	70,772	-	3,582	3,849	190,492	65,546	201,757
Total Operating Revenues	<u>2,819,818</u>	<u>2,967,910</u>	<u>-</u>	<u>1,303,172</u>	<u>1,153,390</u>	<u>2,808,015</u>	<u>792,730</u>	<u>5,756,851</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	393,082	359,889	-	150,394	151,967	680,649	173,921	1,355,765
Utilities	63,278	325,459	-	116,759	124,929	60,296	10,416	97,352
Ordinary Maintenance and Operations	419,923	923,873	-	270,891	284,079	1,096,485	242,001	1,909,354
General Expenses	1,667,342	1,192,514	-	493,054	329,809	580,250	190,720	2,028,904
Depreciation	912,711	622,615	-	394,085	450,192	330,055	91,435	967,487
Total Operating Expenses	<u>3,456,336</u>	<u>3,424,350</u>	<u>-</u>	<u>1,425,183</u>	<u>1,340,976</u>	<u>2,747,735</u>	<u>708,493</u>	<u>6,358,862</u>
<b>OPERATING INCOME (LOSS)</b>	(636,518)	(456,440)	-	(122,011)	(187,586)	60,280	84,237	(602,011)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>19,546</u>	<u>25,578</u>	<u>-</u>	<u>18,146</u>	<u>12,179</u>	<u>89,165</u>	<u>221</u>	<u>117,655</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(616,972)	(430,862)	-	(103,865)	(175,407)	149,445	84,458	(484,356)
Capital Contributions (Distributions)	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-	(187,099)	-
Operating Transfers In (Out)	<u>212,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,671)</u>	<u>-</u>	<u>2,621,545</u>	<u>1,493,634</u>
<b>CHANGE IN NET POSITION</b>	(404,837)	(430,862)	-	(103,865)	(237,078)	149,445	2,518,904	1,009,278
Net Position - Beginning of Year	<u>(10,508,080)</u>	<u>(6,798,959)</u>	<u>(550,097)</u>	<u>(3,038,670)</u>	<u>(1,990,119)</u>	<u>11,709,942</u>	<u>3,650,445</u>	<u>11,672,963</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (10,912,917)</u>	<u>\$ (7,229,821)</u>	<u>\$ (550,097)</u>	<u>\$ (3,142,535)</u>	<u>\$ (2,227,197)</u>	<u>\$ 11,859,387</u>	<u>\$ 6,169,349</u>	<u>\$ 12,682,241</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
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**NOTE 21 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)**

	Blended Component Units							
	VPC Two	Glenmont Crossing	Glenmont Westerly	Magruders	RAD 6	Community Partners	Ambassador	MHLP VII
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 4,521,640	\$ 1,908,055	\$ 1,659,177	\$ 2,401,150	\$ 3,408,007	\$ -	\$ -	\$ 361,055
Other Revenues	189,536	2,952	5,201	136,938	396,611	-	-	22,915
Total Operating Revenues	<u>4,711,176</u>	<u>1,911,007</u>	<u>1,664,378</u>	<u>2,538,088</u>	<u>3,804,618</u>	<u>-</u>	<u>-</u>	<u>383,970</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	1,057,035	196,539	205,207	238,862	499,718	385,765	6,197	120,208
Utilities	74,315	94,646	250,953	178,234	612,248	-	-	28,809
Ordinary Maintenance and Operations	1,189,404	346,769	308,960	490,691	2,036,112	-	-	195,753
General Expenses	2,204,115	1,028,788	762,387	1,383,650	1,814,830	-	171,198	125,625
Depreciation	655,737	312,973	226,243	251,256	695,812	-	-	86,983
Total Operating Expenses	<u>5,180,606</u>	<u>1,979,715</u>	<u>1,753,750</u>	<u>2,542,693</u>	<u>5,658,720</u>	<u>385,765</u>	<u>177,395</u>	<u>557,378</u>
<b>OPERATING INCOME (LOSS)</b>	(469,430)	(68,708)	(89,372)	(4,605)	(1,854,102)	(385,765)	(177,395)	(173,408)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>74,597</u>	<u>104,808</u>	<u>105,823</u>	<u>19,170</u>	<u>41,624</u>	<u>309,765</u>	<u>23,835</u>	<u>948</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(394,833)	36,100	16,451	14,565	(1,812,478)	(76,000)	(153,560)	(172,460)
Capital Contributions (Distributions)	-	-	-	-	-	-	-	-
Prior Period Adjustment	(85,548)	-	-	-	(770,502)	-	-	-
Operating Transfers In (Out)	<u>(3,094,016)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(3,574,397)	36,100	16,451	14,565	(2,582,980)	(76,000)	(153,560)	(172,460)
Net Position - Beginning of Year	<u>5,951,290</u>	<u>334,552</u>	<u>(746,836)</u>	<u>(4,198,859)</u>	<u>1,696,808</u>	<u>619,854</u>	<u>(6,860,186)</u>	<u>(1,449,018)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,376,893</u>	<u>\$ 370,652</u>	<u>\$ (730,385)</u>	<u>\$ (4,184,294)</u>	<u>\$ (886,172)</u>	<u>\$ 543,854</u>	<u>\$ (7,013,746)</u>	<u>\$ (1,621,478)</u>

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

	Blended Component Units							
	MHLP VIII	Diamond Square	Brookside Glen	MV Gateway	HOC at Wheaton Gateway	Manchester Manor	Shady Grove Apartments	Willows of Gaithersburg
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 666,706	\$ 1,321,166	\$ 1,404,797	\$ 12,461,384	\$ -	\$ 760,682	\$ -	\$ 2,436,165
Other Revenues	110,842	7,755	4,820	102,625	148,114	2,756	-	11,255
Total Operating Revenues	<u>777,548</u>	<u>1,328,921</u>	<u>1,409,617</u>	<u>12,564,009</u>	<u>148,114</u>	<u>763,438</u>	<u>-</u>	<u>2,447,420</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	164,919	240,877	178,221	1,722,422	100	188,655	-	388,109
Utilities	17,199	200,759	287,948	780,678	-	164,229	-	507,518
Ordinary Maintenance and Operations	263,714	362,257	598,311	4,158,768	-	259,611	-	823,378
General Expenses	194,460	353,828	567,596	7,675,756	300	255,801	-	593,137
Depreciation	132,337	198,695	367,170	3,260,923	-	163,844	-	295,811
Total Operating Expenses	<u>772,629</u>	<u>1,356,416</u>	<u>1,999,246</u>	<u>17,598,547</u>	<u>400</u>	<u>1,032,140</u>	<u>-</u>	<u>2,607,953</u>
<b>OPERATING INCOME (LOSS)</b>	4,919	(27,495)	(589,629)	(5,034,538)	147,714	(268,702)	-	(160,533)
<b>NONOPERATING REVENUES (EXPENSES)</b>	1,391	213,799	49,947	131,046	-	2,446	350,345	42,781
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	6,310	186,304	(539,682)	(4,903,492)	147,714	(266,256)	350,345	(117,752)
Capital Contributions (Distributions)	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	4,418	20,753	-	-	-	-	-
Operating Transfers In (Out)	<u>(123,446)</u>	<u>-</u>	<u>-</u>	<u>(708,323)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(88,925)</u>
<b>CHANGE IN NET POSITION</b>	(117,136)	190,722	(518,929)	(5,611,815)	147,714	(266,256)	350,345	(206,677)
Net Position - Beginning of Year	<u>(1,087,832)</u>	<u>1,176,365</u>	<u>1,841,120</u>	<u>2,408,792</u>	<u>5,259,519</u>	<u>(2,126,328)</u>	<u>12,472,195</u>	<u>1,925,594</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (1,204,968)</u>	<u>\$ 1,367,087</u>	<u>\$ 1,322,191</u>	<u>\$ (3,203,023)</u>	<u>\$ 5,407,233</u>	<u>\$ (2,392,584)</u>	<u>\$ 12,822,540</u>	<u>\$ 1,718,917</u>

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

	Blended Component Units							
	Camp Hill Square	HOC at CCL Multifamily	MHLP IX	MHLP X	Willow Manor at Fair Hill	Willow Manor at Cloppers Mill	Willow Manor at Colesville	Montgomery Arms
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 641,517	\$ -	\$ 1,591,614	\$ 1,130,186	\$ -	\$ -	\$ -	\$ 1,906,310
Other Revenues	2,600	-	217,460	16,375	-	-	-	6,708
Total Operating Revenues	<u>644,117</u>	<u>-</u>	<u>1,809,074</u>	<u>1,146,561</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,913,018</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	75,282	-	428,489	275,715	-	-	-	251,111
Utilities	116,685	-	48,601	8,122	-	-	-	170,593
Ordinary Maintenance and Operations	358,878	-	740,913	369,949	-	-	-	441,999
General Expenses	258,840	-	483,435	404,854	-	-	-	955,672
Depreciation	60,913	-	466,089	302,820	3,847	-	-	346,738
Total Operating Expenses	<u>870,598</u>	<u>-</u>	<u>2,167,527</u>	<u>1,361,460</u>	<u>3,847</u>	<u>-</u>	<u>-</u>	<u>2,166,113</u>
<b>OPERATING INCOME (LOSS)</b>	(226,481)	-	(358,453)	(214,899)	(3,847)	-	-	(253,095)
<b>NONOPERATING REVENUES (EXPENSES)</b>	15,258	-	4,528	3,222	-	-	-	49,089
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(211,223)	-	(353,925)	(211,677)	(3,847)	-	-	(204,006)
Capital Contributions (Distributions)	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-	-	-
Operating Transfers In (Out)	-	-	-	(1,053,513)	-	-	-	-
<b>CHANGE IN NET POSITION</b>	(211,223)	-	(353,925)	(1,265,190)	(3,847)	-	-	(204,006)
Net Position - Beginning of Year	1,665,808	8,156,072	(6,812,359)	(3,780,973)	2,803,167	3,215,176	2,156,852	(727,209)
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,454,585</u>	<u>\$ 8,156,072</u>	<u>\$ (7,166,284)</u>	<u>\$ (5,046,163)</u>	<u>\$ 2,799,320</u>	<u>\$ 3,215,176</u>	<u>\$ 2,156,852</u>	<u>\$ (931,215)</u>

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

	Blended Component Units							
	Strathmore Court LP	Chevy Chase	Georgian Court Silver Spring LP	MV Affordable Hsng Assoc LP	Bradley Crossing LLC	HOC at Battery Lane LLC	HOC at Avondale LLC	Other Blended Component Units
<b>OPERATING REVENUES</b>								
Tenant Revenue	\$ 4,231,426	\$ -	\$ -	\$ -	\$ 6,833,316	\$ 4,080,732	\$ 556,045	\$ 153,870
Other Revenues	14,870	-	9,580	-	20,919	11,071	(3,499)	(13,729)
Total Operating Revenues	<u>4,246,296</u>	<u>-</u>	<u>9,580</u>	<u>-</u>	<u>6,854,235</u>	<u>4,091,803</u>	<u>552,546</u>	<u>140,141</u>
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	-	-	-	-	-	-
Administrative	659,952	2,500	-	-	715,014	416,950	43,812	183,266
Utilities	352,814	-	-	-	600,611	404,443	64,529	-
Ordinary Maintenance and Operations	789,909	-	-	-	1,175,060	846,983	136,486	-
General Expenses	1,427,762	-	-	-	2,150,525	3,078,541	420,846	3,000
Depreciation	552,319	-	-	-	4,302,183	1,191,660	68,814	-
Total Operating Expenses	<u>3,782,756</u>	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>8,943,393</u>	<u>5,938,577</u>	<u>734,487</u>	<u>186,266</u>
<b>OPERATING INCOME (LOSS)</b>	463,540	(2,500)	9,580	-	(2,089,158)	(1,846,774)	(181,941)	(46,125)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>59,223</u>	<u>13,314</u>	<u>536,894</u>	<u>815,295</u>	<u>8,392</u>	<u>3,415</u>	<u>33,238</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	522,763	10,814	546,474	815,295	(2,080,766)	(1,843,359)	(148,703)	(46,125)
Capital Contributions (Distributions)	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	21,340	-	-	-	-	-	-
Operating Transfers In (Out)	<u>(82,474)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,943,671</u>
<b>CHANGE IN NET POSITION</b>	440,289	32,154	546,474	815,295	(2,080,766)	(1,843,359)	(148,703)	2,897,546
Net Position - Beginning of Year	<u>(3,740,374)</u>	<u>349,264</u>	<u>21,917,501</u>	<u>11,428,803</u>	<u>(4,237,300)</u>	<u>1,405,992</u>	<u>(320,888)</u>	<u>5,871,835</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (3,300,085)</u>	<u>\$ 381,418</u>	<u>\$ 22,463,975</u>	<u>\$ 12,244,098</u>	<u>\$ (6,318,066)</u>	<u>\$ (437,367)</u>	<u>\$ (469,591)</u>	<u>\$ 8,769,381</u>

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

	Total Blended	Primary Government	Total
<b>OPERATING REVENUES</b>			
Tenant Revenue	\$ 91,091,865	\$ 7,029,943	\$ 98,121,808
Other Revenues	2,720,550	215,003,641	217,724,191
Total Operating Revenues	<u>93,812,415</u>	<u>222,033,584</u>	<u>315,845,999</u>
<b>OPERATING EXPENSES</b>			
Housing Assistance Payments	-	142,873,491	142,873,491
Administrative	14,657,388	38,245,962	52,903,350
Utilities	7,218,158	1,667,196	8,885,354
Ordinary Maintenance and Operations	24,490,143	7,061,598	31,551,741
General Expenses	42,378,057	25,624,544	68,002,601
Depreciation	21,195,058	22,452	21,217,510
Total Operating Expenses	<u>109,938,804</u>	<u>215,495,243</u>	<u>325,434,047</u>
<b>OPERATING INCOME (LOSS)</b>	(16,126,389)	6,538,341	(9,588,048)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>4,581,684</u>	<u>4,090,377</u>	<u>8,672,061</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(11,544,705)	10,628,718	(915,987)
Capital Contributions (Distributions)	(750,000)	750,000	-
Prior Period Adjustment	(970,206)	970,206	-
Operating Transfers In (Out)	<u>1,457,162</u>	<u>(1,457,162)</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(11,807,749)	10,891,762	(915,987)
Net Position - Beginning of Year	<u>58,992,968</u>	<u>237,801,110</u>	<u>296,794,078</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 47,185,219</u>	<u>\$ 248,692,872</u>	<u>\$ 295,878,091</u>

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

	Blended Component Units							
	The Oaks	Alexander House	Sligo MPDU III	Metropolitan Dev Corp	Metropolitan of Bethesda LP	TPM Dev MPDU II / 59	TPP LLC	Pooks Hill Highrise
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 460,938	\$ 749,102	\$ 39,640	\$ 2,535,001	\$ (247,483)	\$ 39,309	\$ 907,924	\$ 636,278
Investing Activities	(56,772)	-	(6,534)	(1,667,089)	(715,286)	(86,055)	(848,391)	(128,000)
Noncapital Financing Activities	(230,323)	(680,399)	(59,970)	(3,215,646)	902,799	31,582	(869,154)	(511,789)
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	173,843	68,703	(26,864)	(2,347,734)	(59,970)	(15,164)	(809,621)	(3,511)
Cash and Cash Equivalents - Beginning of Year	880,819	1,707,777	54,257	4,881,507	213,720	69,001	2,502,152	2,389,996
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,054,662</u>	<u>\$ 1,776,480</u>	<u>\$ 27,393</u>	<u>\$ 2,533,773</u>	<u>\$ 153,750</u>	<u>\$ 53,837</u>	<u>\$ 1,692,531</u>	<u>\$ 2,386,485</u>

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

	Blended Component Units							
	Wheaton Metro	Paddington Square	HOC at Hillandale Gateway	Barclay Apartments	Barclay One Associates LP	Scattered Site One	Scattered Site Two	VPC One
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 1,190,011	\$ (139,029)	\$ (400)	\$ 327,286	\$ (216,321)	\$ (16,645)	\$ (117,955)	\$ (3,534,371)
Investing Activities	(731,544)	(3,550)	(300)	(18,116)	428,814	(150,760)	(22,675)	(48,534)
Noncapital Financing Activities	(367,901)	(325,120)	700	(347,008)	(293,499)	(255,944)	130,681	3,478,753
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	90,566	(467,699)	-	(37,838)	(81,006)	(423,349)	(9,949)	(104,152)
Cash and Cash Equivalents - Beginning of Year	579,682	1,734,241	-	592,967	602,909	4,117,499	1,367,531	4,232,719
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 670,248</u>	<u>\$ 1,266,542</u>	<u>\$ -</u>	<u>\$ 555,129</u>	<u>\$ 521,903</u>	<u>\$ 3,694,150</u>	<u>\$ 1,357,582</u>	<u>\$ 4,128,567</u>

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

	Blended Component Units							
	VPC Two	Glenmont Crossing	Glenmont Westerly	Magruders	RAD 6	Community Partners	Ambassador	MHLP VII
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ (3,510,476)	\$ 504,119	\$ 230,897	\$ 284,757	\$ 814,399	\$ (76,778)	\$ (73,560)	\$ (7,096)
Investing Activities	(57,410)	(24,950)	(89,713)	(12,970)	(58,880)	-	97,097	(6,904)
Noncapital Financing Activities	3,612,440	(246,066)	(244,321)	(252,520)	(555,518)	-	-	-
Capital and Related Financing Activities	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	44,554	233,103	(103,137)	19,267	200,001	(76,778)	23,537	(14,000)
Cash and Cash Equivalents - Beginning of Year	2,662,309	3,485,978	3,845,271	617,751	1,285,626	621,800	988,280	62,225
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,706,863</u>	<u>\$ 3,719,081</u>	<u>\$ 3,742,134</u>	<u>\$ 637,018</u>	<u>\$ 1,485,627</u>	<u>\$ 545,022</u>	<u>\$ 1,011,817</u>	<u>\$ 48,225</u>

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

	Blended Component Units							
	MHLP VIII	Diamond Square	Brookside Glen	MV Gateway	HOC at Wheaton Gateway	Manchester Manor	Shady Grove Apartments	Willows of Gaithersburg
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 164,286	\$ 328,688	\$ (102,232)	\$ (1,965,580)	\$ -	\$ 2,229	\$ 65,930	\$ (12,017)
Investing Activities	(86,875)	-	(78,914)	(87,366)	-	(21,228)	-	(9,827)
Noncapital Financing Activities Capital and Related Financing Activities	(123,446)	(71,654)	(301,563)	(1,914,085)	-	(19,729)	-	(287,827)
	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	(46,035)	257,034	(482,709)	(3,967,031)	-	(38,728)	65,930	(309,671)
Cash and Cash Equivalents - Beginning of Year	135,473	4,162,848	1,807,930	6,547,348	-	130,346	828,343	1,570,016
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 89,438</u>	<u>\$ 4,419,882</u>	<u>\$ 1,325,221</u>	<u>\$ 2,580,317</u>	<u>\$ -</u>	<u>\$ 91,618</u>	<u>\$ 894,273</u>	<u>\$ 1,260,345</u>

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

	Blended Component Units							
	Camp Hill Square	HOC at CCL Multifamily	MHLP IX	MHLP X	The Manors at Fair Hill	The Manors at Cloppers Mill	The Manors at Colesville	Montgomery Arms
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ (171,185)	\$ -	\$ 417,629	\$ (418,753)	\$ 8,096	\$ -	\$ -	\$ 163,337
Investing Activities	(16,216)	(1,664,256)	(61,557)	(18,901)	-	-	-	-
Noncapital Financing Activities Capital and Related Financing Activities	228,959	1,664,256	(514,087)	398,605	-	-	-	(392,455)
	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	41,558	-	(158,015)	(39,049)	8,096	-	-	(229,118)
Cash and Cash Equivalents - Beginning of Year	540,328	-	335,960	247,346	654,883	734,483	546,102	707,672
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 581,886</u>	<u>\$ -</u>	<u>\$ 177,945</u>	<u>\$ 208,297</u>	<u>\$ 662,979</u>	<u>\$ 734,483</u>	<u>\$ 546,102</u>	<u>\$ 478,554</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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

	Blended Component Units							
	Strathmore Court LP	Chevy Chase	Georgian Court Silver Spring LP	MV Affordable Hsng Assoc LP	Bradley Crossing LLC	Hoc at Battery Lane LLC	HOC at Avondale LLC	Other Blended Component Units
<b>NET CASH PROVIDED (USED) BY</b>								
Operating Activities	\$ 1,089,339	\$ 10,813	\$ 559,895	\$ 31,414	\$ (946,569)	\$ (759,184)	\$ (116,735)	\$ (726,530)
Investing Activities	(179,116)	-	-	-	-	(67,738)	(336,999)	(418,477)
Noncapital Financing Activities Capital and Related Financing Activities	(1,223,167)	2,500	(536,023)	-	203,000	278,316	759,289	1,169,206
	-	-	-	-	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	(312,944)	13,313	23,872	31,414	(743,569)	(548,606)	305,555	24,199
Cash and Cash Equivalents - Beginning of Year	2,231,790	484,949	1,213,776	864,791	2,669,599	941,319	994,400	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,918,846</u>	<u>\$ 498,262</u>	<u>\$ 1,237,648</u>	<u>\$ 896,205</u>	<u>\$ 1,926,030</u>	<u>\$ 392,713</u>	<u>\$ 1,299,955</u>	<u>\$ 24,199</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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

	<u>Total Blended</u>	<u>Primary Government</u>	<u>Total</u>
<b>NET CASH PROVIDED (USED) BY</b>			
Operating Activities	\$ (1,597,582)	\$ (61,888,622)	\$ (63,486,204)
Investing Activities	(7,255,992)	(77,898,012)	(85,154,004)
Noncapital Financing Activities	(978,128)	141,006,936	140,028,808
Capital and Related Financing Activities	<u>-</u>	<u>(26,514,864)</u>	<u>(26,514,864)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	(9,831,702)	(25,294,562)	(35,126,264)
Cash and Cash Equivalents - Beginning of Year	<u>67,845,719</u>	<u>279,102,276</u>	<u>346,947,995</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 58,014,017</u></u>	<u><u>\$ 253,807,714</u></u>	<u><u>\$ 311,821,731</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF THE COMMISSION'S PROPORTIONATE SHARE**  
**OF THE TOTAL PENSION LIABILITY**  
**YEAR ENDED JUNE 30, 2024**

Last 10 Fiscal Years\*

Employees' Retirement and Pension System:

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Commission's Proportion of the Pension (Liability) Asset	8.65%	-6.64%	-4.36%	19.48%	12.03%	3.87%	3.10%	2.16%	1.82%
Commission's Proportionate Share of the Pension Liability	\$ 11,931,037	\$ 10,257,154	\$ 32,216,643	\$ 21,355,806	\$ 6,318,486	\$ 7,459,885	\$ 10,595,603	\$ 11,681,661	\$ 7,661,755
Commission's Covered Payroll	\$ 8,863,649	\$ 9,341,320	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539	\$ 9,231,794	\$ 8,319,336	\$ 7,802,241
Commission's Proportionate Share of the Pension Liability as a Percentage of its Covered Payroll	134.61%	109.80%	314.20%	212.04%	61.41%	76.76%	114.77%	140.42%	98.20%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.20%	103.30%	116.20%	97.53%	98.80%	95.55%	92.00%	87.06%	89.69%

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

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF COMMISSION PENSION CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2024**

**Employees' Retirement and Pension System**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 477,018	\$ 539,671	\$ 579,891	\$ 623,273	\$ 593,105	\$ 571,897	\$ 515,352	\$ 1,088,949	\$ 1,782,014	\$ 1,849,962	\$ 1,452,873
Contributions in Relation to the Contractually Required Contribution	<u>1,231,261</u>	<u>1,293,914</u>	<u>1,334,134</u>	<u>1,377,516</u>	<u>1,347,348</u>	<u>1,501,891</u>	<u>515,352</u>	<u>1,088,949</u>	<u>1,782,014</u>	<u>1,849,962</u>	<u>1,452,873</u>
Contribution Deficiency (Excess)	<u>\$ (754,243)</u>	<u>\$ (754,243)</u>	<u>\$ (754,243)</u>	<u>\$ (754,243)</u>	<u>\$ (754,243)</u>	<u>\$ (929,994)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Commission's Covered Payroll	\$ 7,893,338	\$ 8,863,649	\$ 9,341,320	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539	\$ 9,231,794	\$ 8,319,336	\$ 7,802,241	\$ 3,272,000
Contributions as a Percentage of Covered Payroll	15.60%	14.60%	14.28%	13.43%	13.38%	14.60%	5.30%	11.80%	21.42%	23.71%	44.40%

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CHANGES IN THE COMMISSION'S TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**YEAR ENDED JUNE 30, 2024**

Last 10 Fiscal Years\*

Employees' Retirement and Pension System:

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Commission's Proportion of the OPEB Liability	1.7401%	1.7401%	1.9667%	1.9667%	2.3198%	2.0856%	1.7637%			
Commission's Proportionate Share of the OPEB Liability	\$ 12,981,074	\$ 14,123,111	\$ 16,573,819	\$ 19,893,437	\$ 19,797,919	\$ 27,760,241	\$ 26,847,382			
Commission's Covered Payroll	\$ 8,863,649	\$ 9,341,320	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539	\$ 9,231,794			
Commission's Proportionate Share of the OPEB Liability as a Percentage of its Covered Payroll	146.45%	151.19%	161.64%	197.52%	192.40%	285.64%	290.81%			
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	50.96%	47.82%	49.28%	38.02%	39.35%	26.99%	22.38%			

\*Information prior to fiscal year 2017 was not available. The Commission will accumulate each year until ten years of data becomes available.

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

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF THE COMMISSION'S OPEB CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,313,216	\$ 1,183,173	\$ 1,373,485	\$ 1,143,838	\$ 1,595,063	\$ 2,050,985	\$ 1,910,942	Information prior to fiscal year 2018 was not available. The Commission will accumulate each year until 10 years of data becomes available.		
Contributions in Relation to the Contractually Required Contribution	<u>1,313,216</u>	<u>1,183,173</u>	<u>1,373,485</u>	<u>1,143,838</u>	<u>1,595,063</u>	<u>2,050,985</u>	<u>1,910,942</u>			
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Commission's Covered Payroll	\$ 7,893,338	\$ 8,863,649	\$ 9,341,320	\$ 10,253,470	\$ 10,071,749	\$ 10,289,742	\$ 9,718,539			
Contributions as a percentage of Covered Payroll	16.64%	13.35%	14.70%	11.16%	15.84%	19.93%	19.66%			

## **SUPPLEMENTARY INFORMATION**

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF NET POSITION – SUB-FUNDS**  
**JUNE 30, 2024**  
**(With Comparative Totals for June 30, 2023)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2024	2023
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Unrestricted:								
Cash and Cash Equivalents	\$ 43,925,189	\$ 59,647,067	\$ 6,855,141	\$ 1,775,110	\$ 2,671,022	\$ -	\$ 114,873,529	\$ 122,787,629
Interfund Receivable	-	6,506,239	226,029	-	87,601	(6,819,869)	-	-
Advances to Component Units	13,373,025	3,435,324	-	-	-	-	16,808,349	7,487,772
Accounts Receivable and Other Assets, Net	9,788,090	18,727,718	11,738,543	900,559	35,846	(3,459,392)	37,731,364	29,023,057
Undrawn Mortgage Proceeds Receivable	64,745,022	-	-	-	-	(64,745,022)	-	-
Accrued Interest Receivable	8,844,603	10,926,673	-	651,026	4,076,718	(1,091,059)	23,407,961	17,633,698
Lease Receivable Current	-	1,061,140	-	-	-	-	1,061,140	1,106,005
Mortgage and Construction Loans Receivable, Current	5,764,016	1,445,385	-	4,105,438	14,158,065	(13,071,368)	12,401,536	11,842,353
Total Unrestricted Current Assets	146,439,945	101,749,546	18,819,713	7,432,133	21,029,252	(89,186,710)	206,283,879	189,880,514
Restricted Cash, Cash Equivalents, and Investments:								
Restricted Cash and Cash Equivalents	11,181,135	38,877,094	1,044,474	42,366,416	58,337,881	-	151,807,000	168,603,553
Restricted Short-Term Investments	-	-	-	2,766,617	-	-	2,766,617	2,139,278
Restricted for Current Bonds Payable	-	-	-	8,285,601	29,885,298	-	38,170,899	49,270,111
Restricted for Customer Deposits	-	3,488,616	3,481,687	-	-	-	6,970,303	6,286,702
Total Restricted Cash, Cash Equivalents, and Investments	11,181,135	42,365,710	4,526,161	53,418,634	88,223,179	-	199,714,819	226,299,644
Total Current Assets	157,621,080	144,115,256	23,345,874	60,850,767	109,252,431	(89,186,710)	405,998,698	416,180,158
<b>NONCURRENT ASSETS</b>								
Restricted Long-Term Investments	-	-	-	137,082,021	131,798,629	-	268,880,650	175,141,780
Lease Receivable , Net of Current	-	7,507,219	-	-	-	-	7,507,219	7,438,772
Mortgage and Construction Loans Receivable, Net of Current	510,049,245	189,941,458	2,005,615	27,526,593	632,900,394	(626,176,692)	736,246,613	716,135,179
Capital Assets Being Depreciated and Amortized, Net	6,760,164	482,616,420	3,700,853	-	-	-	493,077,437	508,348,586
Capital Assets, Not being Depreciated	16,470,685	155,793,727	3,982,834	-	-	-	176,247,246	160,765,869
Derivative Asset	-	323,138	-	1,880,615	2,308,685	-	4,512,438	4,322,996
Investment in Component Units	2,073,221	37,534,395	-	-	-	-	39,607,616	37,523,980
Total Noncurrent Assets	535,353,315	873,716,357	9,689,302	166,489,229	767,007,708	(626,176,692)	1,726,079,219	1,609,677,162
Total Assets	692,974,395	1,017,831,613	33,035,176	227,339,996	876,260,139	(715,363,402)	2,132,077,917	2,025,857,320
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
Derivative Instrument	-	20,005,625	-	-	-	-	20,005,625	20,637,912
Employer-Related Pension Activities	17,177,105	3,281,772	10,702,761	-	-	-	31,161,638	6,707,859
Employer-Related OPEB Activities	3,781,659	213,947	977,170	-	-	-	4,972,776	4,331,747
Total Deferred Outflows of Resources	20,958,764	23,501,344	11,679,931	-	-	-	56,140,039	31,677,518
Total Assets and Deferred Outflows	\$ 713,933,159	\$ 1,041,332,957	\$ 44,715,107	\$ 227,339,996	\$ 876,260,139	\$ (715,363,402)	\$ 2,188,217,956	\$ 2,057,534,838

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF NET POSITION – SUB-FUNDS (CONTINUED)**  
**JUNE 30, 2024**  
**(With Comparative Totals for June 30, 2023)**

	General	Opportunity	Public	Single Family	Multifamily	Eliminations	Combined Totals	
	Sub-Fund	Housing Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		2024	2023
<b>LIABILITIES</b>								
<b>CURRENT LIABILITIES</b>								
Accounts Payable and Accrued Liabilities	\$ 16,490,788	\$ 19,152,447	\$ 3,321,307	\$ 847,842	\$ 193,692	\$ (3,459,392)	\$ 36,546,684	28,474,734
Undrawn Mortgage Proceeds Payable	-	-	-	-	82,220,022	(64,745,022)	17,475,000	15,010,336
Interfund Payable	6,628,197	-	-	191,672	-	(6,819,869)	-	-
Accrued Interest Payable	-	13,324,810	-	-	-	(1,091,059)	12,233,751	10,573,849
Loans Payable to Montgomery County - Current	-	74,535	-	-	-	-	74,535	247,073
Lease Payable Current	330,432	-	-	-	-	-	330,432	126,470
Mortgage Notes and Loans Payable - Current	4,564,600	13,460,498	-	-	-	(13,071,369)	4,953,729	5,985,136
Total Current Unrestricted Liabilities	28,014,017	46,012,290	3,321,307	1,039,514	82,413,714	(89,186,711)	71,614,131	60,417,598
Current Liabilities Payable from Restricted Assets:								
Customer Deposits Payable	-	2,917,208	2,800,140	-	-	-	5,717,348	5,314,212
Accrued Interest Payable	-	-	-	3,143,555	10,231,576	-	13,375,131	9,615,948
Bonds Payable - Current	-	-	-	8,220,000	19,653,721	-	27,873,721	39,654,165
Total Current Liabilities Payable from Restricted Assets	-	2,917,208	2,800,140	11,363,555	29,885,297	-	46,966,200	54,584,325
Total Current Liabilities	28,014,017	48,929,498	6,121,447	12,403,069	112,299,011	(89,186,711)	118,580,331	115,001,923
<b>NONCURRENT LIABILITIES</b>								
Bonds Payable	-	-	-	196,407,472	710,314,636	-	906,722,108	755,574,475
Mortgage Notes and Loans Payable	513,916,666	730,195,923	-	-	-	(626,176,691)	617,935,898	669,817,703
Loans Payable to Montgomery County	31,979,224	61,794,400	-	-	-	-	93,773,624	93,710,306
Lease Payable Net of Current	3,537,432	-	-	-	-	-	3,537,432	209,081
Unearned Revenue	25,236,141	13,210,579	1,029,474	-	-	-	39,476,194	33,997,564
Escrow and Other Deposits	18,878,131	-	-	-	3,186,850	-	22,064,981	20,561,989
Pension Liability	7,187,498	1,362,721	3,380,818	-	-	-	11,931,037	10,257,154
OPEB Liability	5,126,653	668,289	7,186,132	-	-	-	12,981,074	14,123,111
Total Noncurrent Liabilities	605,861,745	807,231,912	11,596,424	196,407,472	713,501,486	(626,176,691)	1,708,422,348	1,598,251,383
Total Liabilities	633,875,762	856,161,410	17,717,871	208,810,541	825,800,497	(715,363,402)	1,827,002,679	1,713,253,306
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Derivative Instrument	-	323,138	-	1,880,615	2,308,685	-	4,512,438	4,322,996
Unamortized Lease Receivable	-	8,067,195	-	-	-	-	8,067,195	8,113,988
Unamortized Pension Net Difference	25,781,211	3,142,531	11,621,042	-	-	-	40,544,784	21,869,285
Unamortized OPEB Net Difference	6,895,562	941,062	4,376,145	-	-	-	12,212,769	13,181,185
Total Deferred Inflows of Resources	32,676,773	12,473,926	15,997,187	1,880,615	2,308,685	-	65,337,186	47,487,454
<b>NET POSITION</b>								
Net Investment in Capital Assets	(56,569,430)	(167,115,209)	7,683,687	-	-	-	(216,000,952)	(139,672,412)
Restricted for:								
Debt Service	-	38,877,094	-	14,873,726	45,479,931	-	99,230,751	96,751,533
Customer Deposits and Other	-	571,408	1,726,021	-	-	-	2,297,429	2,193,900
Closing Cost Assistance Program	9,579,006	-	-	-	-	-	9,579,006	7,370,324
Unrestricted	94,371,048	300,364,328	1,590,341	1,775,114	2,671,026	-	400,771,857	330,150,733
Total Net Position	47,380,624	172,697,621	11,000,049	16,648,840	48,150,957	-	295,878,091	296,794,078
Total Liabilities, Deferred Inflows, and Net Position	\$ 713,933,159	\$ 1,041,332,957	\$ 44,715,107	\$ 227,339,996	\$ 876,260,139	\$ (715,363,402)	\$ 2,188,217,956	\$ 2,057,534,838

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – SUB-FUNDS**  
**YEAR ENDED JUNE 30, 2024**  
**(With Comparative Totals for June 30, 2023)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2024	2023
<b>OPERATING REVENUES</b>								
Dwelling Rental	\$ -	\$ 97,776,224	\$ 345,584	\$ -	\$ -	\$ -	\$ 98,121,808	\$ 103,417,166
Investment Income	-	-	-	7,287,988	13,901,446	-	21,189,434	18,205,365
Unrealized (Losses) Gains on Investments	-	-	-	(2,359,677)	338,808	-	(2,020,869)	(7,314,964)
Interest on Mortgage and Construction Loans Receivable	-	-	-	1,470,909	18,154,602	(9,398,677)	10,226,834	9,624,925
Management Fees and Other Income	31,620,334	6,446,794	1,913,355	21,638	-	(24,553,545)	15,448,576	13,018,167
U.S. Department of Housing and Urban Development Grants:								
Housing Assistance Payments (HAP)	-	-	139,899,712	-	-	-	139,899,712	132,450,425
HAP Administrative Fees	-	-	12,501,670	-	-	-	12,501,670	11,055,517
Other Grants	-	-	5,248,724	-	-	-	5,248,724	6,119,359
State and County Grants	-	-	15,230,110	-	-	-	15,230,110	17,608,793
Total Operating Revenues	31,620,334	104,223,018	175,139,155	6,420,858	32,394,856	(33,952,222)	315,845,999	304,184,753
<b>OPERATING EXPENSES</b>								
Housing Assistance Payments	-	-	142,873,491	-	-	-	142,873,491	135,001,298
Administration	19,202,697	19,522,337	20,015,077	1,349,832	2,740,838	(9,927,431)	52,903,350	53,458,515
Maintenance	2,269,225	29,281,090	1,426	-	-	-	31,551,741	26,515,489
Depreciation and Amortization	717,491	20,500,019	-	-	-	-	21,217,510	21,738,346
Utilities	210,042	8,434,209	241,103	-	-	-	8,885,354	7,487,437
Fringe Benefits	1,802,342	2,448,775	903,902	105,879	237,644	-	5,498,542	9,274,265
Interest Expense	-	31,149,017	-	5,865,161	21,504,121	(9,398,677)	49,119,622	43,864,639
Other Expenses	2,390,036	19,069,322	6,032,707	518,486	-	(14,626,114)	13,384,437	12,670,677
Total Operating Expenses	26,591,833	130,404,769	170,067,706	7,839,358	24,482,603	(33,952,222)	325,434,047	310,010,666
<b>OPERATING INCOME (LOSS)</b>	5,028,501	(26,181,751)	5,071,449	(1,418,500)	7,912,253	-	(9,588,048)	(5,825,913)

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – SUB-FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**  
**(With Comparative Totals for June 30, 2023)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2024	2023
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Investment Income	\$ 1,740,746	\$ 5,265,565	\$ 347,226	\$ -	\$ -	\$ -	\$ 7,353,537	\$ 5,214,415
Interest on Mortgage and Construction Loans Receivable	17,111,042	26,865	-	-	-	(10,918,569)	6,219,338	4,340,360
Interest Expense	(16,463,502)	(632,287)	-	-	-	10,918,569	(6,177,220)	(4,295,681)
Other Grants	67,225	319,227	-	-	-	-	386,452	404,347
Gain on Sale of Assets	-	889,954	-	-	-	-	889,954	72,097
Total Nonoperating Revenues (Expenses)	<u>2,455,511</u>	<u>5,869,324</u>	<u>347,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,672,061</u>	<u>5,735,538</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	7,484,012	(20,312,427)	5,418,675	(1,418,500)	7,912,253	-	(915,987)	(90,375)
Capital Contributions	-	-	-	-	-	-	-	(216,840)
Operating Transfers In (Out)	<u>247,192</u>	<u>(247,192)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN NET POSITION</b>	7,731,204	(20,559,619)	5,418,675	(1,418,500)	7,912,253	-	(915,987)	(307,215)
Net Position - Beginning of Year	<u>39,649,420</u>	<u>193,257,240</u>	<u>5,581,374</u>	<u>18,067,340</u>	<u>40,238,704</u>	<u>-</u>	<u>296,794,078</u>	<u>297,101,293</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 47,380,624</u>	<u>\$ 172,697,621</u>	<u>\$ 11,000,049</u>	<u>\$ 16,648,840</u>	<u>\$ 48,150,957</u>	<u>\$ -</u>	<u>\$ 295,878,091</u>	<u>\$ 296,794,078</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CASH FLOWS – SUB-FUNDS**  
**YEAR ENDED JUNE 30, 2024**  
**(With Comparative Totals for June 30, 2023)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Receipts from Customers	\$ -	\$ 91,994,291	\$ 751,054	\$ -	\$ -	\$ -	\$ 92,745,345	\$ 102,696,666
Intergovernmental Revenue	-	-	172,880,216	-	-	-	172,880,216	166,553,947
Investment Income Received	-	-	-	7,347,141	14,130,911	-	21,478,052	18,580,993
Mortgage Interest Received	-	-	-	1,493,074	15,539,913	(9,189,522)	7,843,465	9,711,510
Mortgage Loan Principal Disbursed	-	-	-	3,704,928	-	-	3,704,928	(15,227,606)
Management Fees and Other Income	30,837,740	7,616,762	(403,192)	3,499	-	(24,553,545)	13,501,264	2,399,978
Mortgage Escrow Receipts	-	-	-	-	160,192	-	160,192	47,893
Mortgage Loans Issued	-	-	-	-	(72,576,113)	-	(72,576,113)	639,647
Payoff of Undrawn Proceeds	-	-	-	-	(10,155,085)	-	(10,155,085)	(53,153,172)
Payments to Suppliers	(3,788,011)	(52,924,378)	(6,275,236)	(2,076,564)	(2,468,497)	14,626,114	(52,906,572)	(49,383,829)
Payments to Employees	(17,558,052)	(20,539,585)	(22,240,956)	-	-	9,927,431	(50,411,162)	(51,345,975)
Interest Paid	-	(31,941,502)	-	(6,094,768)	(18,030,495)	9,189,522	(46,877,243)	(44,882,548)
Housing Assistance Payments	-	-	(142,873,491)	-	-	-	(142,873,491)	(135,001,298)
Net Cash Provided (Used) by Operating Activities	9,491,677	(5,794,412)	1,838,395	4,377,310	(73,399,174)	-	(63,486,204)	(48,363,794)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Advances/Investment to Component Units	(6,275,719)	(5,128,494)	-	-	-	-	(11,404,213)	(5,085,094)
Issuance of Notes Receivable	(23,007,326)	(1,036,661)	-	-	-	-	(24,043,987)	(80,213,865)
Repayments of Notes Receivable	22,723,735	200,920	-	-	-	-	22,924,655	21,618,061
Investments Sold	-	-	-	915,190	491,280	-	1,406,470	1,451,507
Investments Purchased	-	-	-	(33,048,528)	(64,745,022)	-	(97,793,550)	(13,068,727)
Investment Income Received	1,740,746	5,265,565	347,226	-	-	-	7,353,537	5,214,415
Interest Received on Notes Receivable	16,376,219	26,865	-	-	-	-	16,403,084	13,136,362
Net Cash (Used) Provided by Investing Activities	11,557,655	(671,805)	347,226	(32,133,338)	(64,253,742)	-	(85,154,004)	(56,947,341)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>								
Proceeds from Sale of Bonds	-	-	-	30,000,000	153,465,494	-	183,465,494	58,623,306
Bond Repayments	-	-	-	(28,605,000)	(14,978,138)	-	(43,583,138)	(36,263,872)
Repayment of Mortgage	-	-	-	(240,000)	-	-	(240,000)	240,000
Intergovernmental Revenue	67,225	319,227	-	-	-	-	386,452	404,489
Net Cash Provided by Noncapital Financing Activities	67,225	319,227	-	1,155,000	138,487,356	-	140,028,808	23,003,923

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CASH FLOWS – SUB-FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**  
**(With Comparative Totals for June 30, 2023)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2024	2023
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>								
Payments for Capital Assets	\$ (12,147,618)	\$ (7,675,479)	\$ (1,629,280)	\$ -	\$ -	\$ -	\$ (21,452,377)	\$ (8,319,327)
Proceeds from Capital Lease	3,532,313	-	-	-	-	-	3,532,313	-
Proceeds from Loans Payable to Montgomery County	1,500,000	-	-	-	-	-	1,500,000	6,727,677
Payments on Loans Payable to Montgomery County	(96,000)	(1,513,220)	-	-	-	-	(1,609,220)	(561,463)
Proceeds from New Mortgage Notes and Loans Payable	33,313,269	66,993,147	-	-	-	-	100,306,416	86,382,328
Payments on Mortgage Notes and Loans Payable	(26,002,407)	(65,693,800)	-	-	-	-	(91,696,207)	(53,897,071)
Interest Paid on Mortgages	(16,463,502)	(632,287)	-	-	-	-	(17,095,789)	(14,236,433)
Capital Contributions and Transfers	-	-	-	-	-	-	-	(216,840)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(16,363,945)</u>	<u>(8,521,639)</u>	<u>(1,629,280)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,514,864)</u>	<u>15,878,871</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	4,752,612	(14,668,629)	556,341	(26,601,028)	834,440	-	(35,126,264)	(66,428,341)
Cash and Cash Equivalents - Beginning of Year	<u>50,353,712</u>	<u>116,681,406</u>	<u>10,824,961</u>	<u>79,028,155</u>	<u>90,059,761</u>	<u>-</u>	<u>346,947,995</u>	<u>413,376,336</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 55,106,324</u>	<u>\$ 102,012,777</u>	<u>\$ 11,381,302</u>	<u>\$ 52,427,127</u>	<u>\$ 90,894,201</u>	<u>\$ -</u>	<u>\$ 311,821,731</u>	<u>\$ 346,947,995</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS - END OF YEAR TO AMOUNTS IN THE STATEMENT OF NET POSITION</b>								
Current Unrestricted Cash and Cash Equivalents	\$ 43,925,189	\$ 59,647,067	\$ 6,855,141	\$ 1,775,110	\$ 2,671,022	\$ -	\$ 114,873,529	\$ 122,787,629
Restricted Cash and Cash Equivalents	11,181,135	38,877,094	1,044,474	42,366,416	58,337,881	-	151,807,000	168,603,553
Restricted Current Bonds Payable	-	-	-	8,285,601	29,885,298	-	38,170,899	49,270,111
Restricted Customer Deposits	-	3,488,616	3,481,687	-	-	-	6,970,303	6,286,702
Total Cash and Cash Equivalents	<u>\$ 55,106,324</u>	<u>\$ 102,012,777</u>	<u>\$ 11,381,302</u>	<u>\$ 52,427,127</u>	<u>\$ 90,894,201</u>	<u>\$ -</u>	<u>\$ 311,821,731</u>	<u>\$ 346,947,995</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SCHEDULE OF CASH FLOWS – SUB-FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**  
**(With Comparative Totals for June 30, 2023)**

	General Sub-Fund	Opportunity Housing Sub-Fund	Public Sub-Fund	Single Family Sub-Fund	Multifamily Sub-Fund	Eliminations	Combined Totals	
							2024	2023
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>								
Operating Income (Loss)	\$ 5,028,501	\$ (26,181,751)	\$ 5,071,449	\$ (1,418,500)	\$ 7,912,253	\$ -	\$ (9,588,048)	\$ (5,825,913)
Adjustments to Reconcile Operating Income (Loss) to Net Cash (Used) Provided by Operating Activities:								
Depreciation	717,491	20,501,076	-	-	-	-	21,218,567	21,738,346
Amortization	-	-	-	(515,162)	-	-	(515,162)	(676,639)
Unrealized Losses (Gains) on Investments	-	-	-	2,359,677	(338,808)	-	2,020,869	7,314,965
Gain on Sale of Assets	-	889,954	-	-	-	-	889,954	72,097
Effects of Changes in Operating Assets and Liabilities:								
Accounts Receivable and Other Assets	(3,432,083)	(5,779,599)	(2,569,053)	(377,020)	-	-	(12,157,755)	(1,334,973)
Mortgage and Construction Loans Receivable	-	-	-	3,704,928	(84,539,634)	-	(80,834,706)	(35,023,469)
Accrued Interest Receivable	-	(2,661,542)	-	59,318	(2,646,730)	209,153	(5,039,801)	(2,401,486)
Prepaid Expenses and Other Assets	-	-	-	-	(2,350)	-	(2,350)	(6,900)
Deferred Outflows - Pension	(14,598,866)	-	(8,143,991)	-	-	-	(22,742,857)	22,494,720
Deferred Outflows - OPEB	(382,566)	(1,755,794)	(213,591)	-	-	-	(2,351,951)	3,857,388
Interfund Receivable / (Payable)	(1,406,667)	1,910,595	(311,579)	33,043	(236,253)	-	(10,861)	6,345
Other Real Estate Owned	-	-	-	-	-	-	-	-
Accounts Payable and Accrued Liabilities	7,543,427	2,383,738	1,269,973	245,471	92,356	-	11,534,965	(102,436)
Unearned Revenue	4,056,156	1,169,968	252,506	-	-	-	5,478,630	(704,954)
Accrued Interest Payable	-	1,869,057	-	285,555	3,473,628	(209,153)	5,419,087	2,207,462
Undrawn Proceeds	-	-	-	-	2,464,664	-	2,464,664	(32,663,830)
Derivative Instrument	-	585,494	-	-	-	-	585,494	(836,447)
OPEB Liability	(681,568)	(79,942)	(380,527)	-	-	-	(1,142,037)	(2,450,708)
Pension Liability	998,973	117,172	557,738	-	-	-	1,673,883	(21,959,489)
Deferred Inflows - Pension	(577,951)	1,307,285	6,222,676	-	-	-	6,952,010	(2,132,641)
Deferred Inflows - OPEB	11,145,538	(67,789)	(322,676)	-	-	-	10,755,073	(2,129,694)
Escrow and Other Deposits	1,081,292	(2,334)	405,470	-	421,700	-	1,906,128	2,194,462
Net Cash Provided (Used) by Operating Activities	<u>\$ 9,491,677</u>	<u>\$ (5,794,412)</u>	<u>\$ 1,838,395</u>	<u>\$ 4,377,310</u>	<u>\$ (73,399,174)</u>	<u>\$ -</u>	<u>\$ (63,486,204)</u>	<u>\$ (48,363,794)</u>

### III. STATISTICAL SECTION

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**STATISTICAL SECTION NARRATIVE**  
**FISCAL YEAR ENDED JUNE 30, 2024**

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

**Contents**

**Financial Trends**

These schedules contain trend information to assist the reader in understanding how the Commission's financial performance and well-being have changed over time. See pages 119-121.

**Revenue Capacity**

These schedules contain information to assist the reader in assessing the factors affecting the Commission's ability to generate its own source revenue. See pages 122-123.

**Debt Capacity**

These schedules present information to assist the reader in assessing the affordability of the Commission's current levels of outstanding debt and the Commission's ability to issue additional debt in the future. See pages 124-128.

**Operating Information**

These schedules contain information about the Commission's operations and resources to assist the reader in understanding how the Commission's financial information relates to the services the Commission provides and the activities it performs. See pages 129-133.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to assist the reader in understanding the environment within the Commission's financial activities and to assist in making comparisons over time with other housing authorities. See pages 134-136.

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

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

Fiscal Year	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position
2015	\$ (10,442,753)	\$ 78,479,015	\$ 113,739,608	\$ 181,775,870
2016	(19,296,755)	83,955,847	155,769,239	220,428,331
2017	(12,002,563)	86,190,974	173,458,770	247,647,181
2018	(37,987,591)	91,803,524	180,485,391	234,301,324
2019	(86,013,198)	102,120,635	215,045,988	231,153,425
2020	(108,608,231)	125,209,337	198,289,779	214,890,885
2021	(131,205,426)	114,839,842	252,677,471	235,861,887
2022	(135,707,939)	107,507,873	325,301,359	297,101,293
2023	(139,672,412)	106,315,757	330,150,733	296,794,078
2024	(216,000,952)	111,107,186	400,771,857	295,878,091

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

Fiscal Year	General Sub-Fund			Opportunity Housing Sub-Fund			Public Sub-Fund		
	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position
2015	\$ 28,025,115	\$ 21,513,649	\$ 6,511,466	\$ 110,071,212	\$ 70,725,192	\$ 39,346,020	\$ 121,446,115	\$ 160,654,836	\$ (39,208,721)
2016	19,693,992	21,421,529	(1,727,537)	77,134,168	75,659,074	1,475,094	158,327,659	124,274,422	34,053,237
2017	60,238,382	23,160,320	37,078,062	100,660,125	81,349,017	19,311,108	121,388,721	157,557,358	(36,168,637)
2018	44,217,823	24,401,561	19,816,262	100,831,789	88,112,430	12,719,359	135,676,139	147,284,664	(11,608,525)
2019	31,520,231	31,132,278	387,953	88,703,507	98,478,407	(9,774,900)	144,175,736	144,101,670	74,066
2020	46,909,279	31,132,278	15,777,001	113,162,649	144,429,879	(31,267,230)	144,755,080	148,291,553	(3,536,473)
2021	35,864,515	37,761,629	(1,897,114)	140,105,517	108,559,411	31,546,106	147,966,888	153,202,137	(5,235,249)
2022	42,655,073	35,483,180	7,171,893	179,499,666	116,789,762	62,709,904	156,231,325	152,772,866	3,458,459
2023	42,572,846	38,085,273	4,487,573	110,894,124	117,812,742	(6,918,618)	168,362,901	166,590,935	1,771,966
2024	50,719,314	43,055,335	7,663,979	110,724,629	131,284,248	(20,559,619)	175,486,381	170,067,706	5,418,675

Fiscal Year	Single Family Sub-Fund			Multifamily Sub-Fund		
	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position	Operating and Nonoperating Revenues	Operating and Nonoperating Expenses	Change in Net Position
2015	\$ 10,207,010	\$ 9,516,276	\$ 690,734	\$ 16,685,755	\$ 15,409,579	\$ 1,276,176
2016	11,282,058	8,761,396	2,520,662	15,475,153	13,144,148	2,331,005
2017	5,171,633	7,187,364	(2,015,731)	13,850,518	13,463,134	387,384
2018	4,569,599	8,072,371	(3,502,772)	14,246,940	13,672,081	574,859
2019	12,931,920	8,302,633	4,629,287	14,594,643	13,058,948	1,535,695
2020	19,008,454	8,371,319	10,637,135	17,469,715	15,348,718	2,120,997
2021	2,942,400	6,501,887	(3,559,487)	14,572,336	14,455,590	116,746
2022	(7,760,726)	5,024,743	(12,785,469)	18,893,756	18,209,137	684,619
2023	2,063,145	7,340,120	(5,276,975)	25,070,612	19,441,773	5,628,839
2024	6,420,858	7,839,358	(1,418,500)	32,394,856	24,482,603	7,912,253

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>OPERATING REVENUES</b>										
Dwelling Rental	\$ 98,126,400	\$ 103,417,166	\$ 102,431,660	\$ 99,291,398	\$ 97,195,902	\$ 90,166,092	\$ 77,458,610	\$ 67,965,004	\$ 68,309,329	\$ 68,471,662
Investment Income	21,189,434	18,205,365	11,460,500	7,401,324	9,983,462	6,094,363	4,445,182	3,818,167	3,520,175	5,523,274
Unrealized Gains (Losses) on Investments	(2,020,869)	(7,314,964)	(15,055,059)	(4,470,524)	7,211,811	4,738,484	(2,928,181)	(3,560,708)	3,420,019	(379,610)
Interest on Mortgage and Construction Loans Receivable	10,226,834	9,624,925	7,065,206	6,257,481	7,200,335	8,770,360	9,699,259	11,109,346	12,135,882	13,933,659
Management Fees and Other Income	15,443,984	13,018,167	19,607,700	15,945,903	16,026,727	12,366,617	13,126,870	12,801,771	10,186,560	11,139,945
U.S. Department of Housing and Urban Development Grants;										
Housing Assistance Payments (HAP)	139,899,712	132,450,425	124,356,627	115,115,799	113,580,367	108,622,547	100,265,523	92,038,041	89,041,875	88,010,013
HAP Administrative Fees	12,501,670	11,055,517	10,634,727	9,542,757	8,399,973	7,913,123	6,998,217	6,984,926	6,583,770	6,158,651
Other Grants	5,248,724	6,119,359	5,843,650	5,537,664	6,333,829	5,849,318	6,148,090	6,953,599	8,421,269	9,629,839
State and County Grants	15,230,110	17,608,793	12,814,562	11,922,676	12,570,640	11,619,715	15,116,301	12,511,780	11,893,150	11,399,128
Total Operating Revenues	<u>315,845,999</u>	<u>304,184,753.00</u>	<u>279,159,573</u>	<u>266,544,478</u>	<u>278,503,046</u>	<u>256,140,619</u>	<u>230,329,871</u>	<u>210,621,926</u>	<u>213,512,029</u>	<u>213,886,561</u>
<b>OPERATING EXPENSES</b>										
Housing Assistance Payments Administration	142,873,491	135,001,298	125,824,236	120,292,490	112,758,509	110,109,543	102,470,927	95,523,485	91,387,603	90,324,278
Maintenance	31,551,741	26,515,489	28,219,691	24,127,944	24,729,701	22,305,874	18,737,186	16,972,165	17,395,244	16,965,337
Depreciation and Amortization	21,217,510	21,738,346	21,159,850	20,766,087	20,081,582	18,247,474	15,570,948	14,273,372	13,882,152	15,684,194
Utilities	8,885,354	7,487,437	7,418,333	7,068,692	6,253,441	6,207,588	5,890,629	4,912,538	5,406,906	5,832,573
Fringe Benefits	5,498,542	9,274,265	11,901,923	16,231,881	19,373,064	12,307,209	10,841,963	11,262,349	11,215,320	9,712,384
Interest Expense	49,119,622	43,864,639	35,782,923	32,559,770	31,159,600	23,896,447	22,727,232	21,946,813	22,328,322	23,766,914
Other Expenses	13,384,437	12,670,677	14,661,403	13,463,824	15,420,713	13,986,247	13,100,212	11,626,153	9,928,960	9,854,552
Total Operating Expenses	<u>325,434,047</u>	<u>310,010,666</u>	<u>291,588,290</u>	<u>279,179,603</u>	<u>277,273,338</u>	<u>250,880,542</u>	<u>233,157,059</u>	<u>215,959,597</u>	<u>207,107,594</u>	<u>206,654,901</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(9,588,048)</u>	<u>(5,825,913)</u>	<u>(12,428,717)</u>	<u>(12,635,125)</u>	<u>1,229,708</u>	<u>5,260,077</u>	<u>(2,827,188)</u>	<u>(5,337,671)</u>	<u>6,404,435</u>	<u>7,231,660</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>										
Investment Income	7,353,537	5,214,415	3,851,428	857,242	1,583,784	2,304,096	2,378,528	2,019,037	1,096,003	1,008,868
Interest on Mortgage and Construction Loans Receivable	6,219,338	4,340,360	3,515,446	5,854,982	2,519,844	1,223,632	1,031,590	289,597	179,651	177,022
Interest Expense	(6,177,220)	(4,295,681)	(2,976,589)	(3,877,311)	(6,422,301)	(7,580,560)	(2,543,362)	(937,167)	(545,782)	(430,115)
Gain (Loss) on Transfer of Component Unit Entities	-	-	-	-	-	-	-	-	-	197,129
Other Grants	386,452	404,347	216,195	267,891	169,986	461,470	192,661	352,264	204,554	244,484
State and County Grants	-	-	-	-	-	-	-	-	4,536	4,536
Gain on Sale of Assets	889,954	72,097	69,386,118	15,150,844	8,230,038	4,152,550	13,512,924	30,574,480	27,896,767	-
Total Nonoperating Revenues	<u>8,672,061</u>	<u>5,735,538</u>	<u>73,992,598</u>	<u>18,253,648</u>	<u>6,081,351</u>	<u>561,188</u>	<u>14,572,341</u>	<u>32,298,211</u>	<u>28,835,729</u>	<u>1,201,924</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<u>(915,987)</u>	<u>(90,375)</u>	<u>61,563,881</u>	<u>5,618,523</u>	<u>7,311,059</u>	<u>5,821,265</u>	<u>11,745,153</u>	<u>26,960,540</u>	<u>35,240,164</u>	<u>8,433,584</u>
Transfers from Discrete Component Units	-	-	-	166,727	(25,309,362)	(9,170,539)	4,269,759	-	-	-
Capital Contributions	-	(216,840)	(324,475)	15,185,752	1,735,763	201,375	1,984,271	258,310	3,412,297	182,091
<b>CHANGES IN NET POSITION</b>	<u>\$ (915,987)</u>	<u>\$ (307,215)</u>	<u>\$ 61,239,406</u>	<u>\$ 20,971,002</u>	<u>\$ (16,262,540)</u>	<u>\$ (3,147,899)</u>	<u>\$ 17,999,183</u>	<u>\$ 27,218,850</u>	<u>\$ 38,652,461</u>	<u>\$ 8,615,675</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Dwelling Rental Revenue Total</u>	<u>% Total Operating Revenue</u>
2015	\$ 68,471,662	32.07%
2016	68,309,329	32.43%
2017	67,965,004	29.51%
2018	77,458,610	30.24%
2019	90,166,092	32.38%
2020	97,195,902	36.47%
2021	99,291,398	35.57%
2022	102,431,660	36.69%
2023	103,417,166	34.00%
2024	98,126,400	31.07%
Average	<u>\$ 87,283,322</u>	<u>33.98%</u>

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

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

Fiscal Year	Dwelling Rental		Investment Income		Unrealized Gains (Losses) on Investments		Interest on Mortgage and Construction Loans Receivable	
	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue
	2015	\$ 68,471,662	32.01%	\$ 5,523,274	2.58%	\$ (379,610)	(0.18)%	\$ 13,933,659
2016	68,309,329	31.99%	3,520,175	1.65%	3,420,019	1.60%	12,135,882	5.68%
2017	67,965,004	32.27%	3,818,167	1.81%	(3,560,708)	(1.69)%	11,109,346	5.27%
2018	77,458,610	33.63%	4,445,182	1.93%	(2,928,181)	(1.27)%	9,699,259	4.21%
2019	90,166,092	35.20%	6,094,363	2.38%	4,738,484	1.85%	8,770,360	3.42%
2020	97,195,902	34.90%	9,983,462	3.58%	7,211,811	2.59%	7,200,335	2.59%
2021	99,291,398	37.25%	7,401,324	2.78%	(4,470,524)	(1.68)%	6,257,481	2.35%
2022	102,431,660	38.43%	11,460,500	4.30%	(15,055,059)	(5.65)%	7,065,206	2.65%
2023	103,417,166	34.00%	18,205,365	5.98%	(7,314,964)	(2.40)%	9,624,925	3.16%
2024	98,126,400	31.07%	21,189,434	6.71%	(2,020,869)	(0.64)%	10,226,834	3.24%

Fiscal Year	Management Fees and Other Income		Housing Assistance Payment Subsidies		State, County and Other Federal Grants		Total Operating Revenue	
	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue	Amount	% Total Op Revenue
	2015	\$ 11,139,945	5.21%	\$ 94,168,664	44.03%	\$ 21,028,967	9.83%	\$ 213,886,561
2016	10,186,560	4.77%	95,625,645	44.79%	20,314,419	9.51%	213,512,029	100.00%
2017	12,801,771	6.08%	99,022,967	47.01%	19,465,379	9.24%	210,621,926	100.00%
2018	13,126,870	5.70%	107,263,740	46.57%	21,264,391	9.23%	230,329,871	100.00%
2019	12,366,617	4.83%	116,535,670	45.50%	17,469,033	6.82%	256,140,619	100.00%
2020	16,026,727	5.75%	121,980,340	43.80%	18,904,469	6.79%	278,503,046	100.00%
2021	15,945,903	5.98%	124,658,556	46.77%	17,460,340	6.55%	266,544,478	100.00%
2022	19,607,700	7.36%	134,991,354	50.64%	18,658,212	7.00%	266,544,478	100.00%
2023	13,018,167	4.28%	143,505,942	47.18%	23,728,152	7.80%	304,184,753	100.00%
2024	15,443,984	4.89%	152,401,382	48.25%	20,478,834	6.48%	315,845,999	100.00%

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

Fiscal Year	Bonds Payable	Mortgage Notes and Loans Payable	Loans Payable to Montgomery County	Lease Obligations	Other	Total	Percent Net Position to Debt	Dollar Total Debt Per Capita	Percent Total Debt to Personal Income
2015	\$ 527,757,419	\$ 124,737,678	\$ 64,500,829	\$ 19,953,420	\$ 13,991,621	\$ 750,940,967	24.21%	\$ 723	915%
2016	564,245,749	144,587,849	66,661,759	19,949,804	14,340,488	809,785,649	27.22%	775	932%
2017	512,653,341	165,616,533	62,918,123	19,945,907	14,792,410	775,926,314	31.92%	736	869%
2018	526,647,756	356,126,796	58,095,542	-	15,365,427	956,235,521	24.50%	905	1057%
2019	477,681,952	422,420,506	107,351,211	-	15,115,489	1,022,569,158	22.61%	964	1121%
2020	540,363,564	552,223,573	105,205,622	-	16,440,785	1,214,233,544	17.70%	1,144	1308%
2021	667,216,495	634,673,932	105,030,636	-	17,098,349	1,424,019,412	16.56%	1,350	1456%
2022	773,545,846	652,919,466	87,791,165	-	19,106,708	1,533,363,185	19.38%	1,444	1578%
2023	795,228,640	675,802,839	93,957,379	-	20,561,989	1,585,550,847	18.72%	1,483	1632%
2024	934,595,829	622,889,627	93,848,159	3,867,864	22,064,981	1,677,266,460	17.64%	1,581	1609%

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**PROPERTY RELATED DEBT**  
**FISCAL YEAR ENDED JUNE 30, 2024**

Property	Purpose	Amount Outstanding	Property	Purpose	Amount Outstanding
<u>Intra-Commission mortgages made from bond issues</u>			<u>Other Mortgages</u>		
Barclay Apartments Dev Corp	Mortgage	\$ 6,018,152	9845 Lost Knife Road	Sandy Spring Bank	\$ 1,764,166
Barclay One Associates LP	Mortgage	3,886,109	Bradley Crossing LLC	Eagle Bank	81,200,000
Brookside Glen (The Glen) LP	Mortgage	3,245,244	HOC at Battery Lane	Eagle Bank	48,450,000
Diamond Square	Mortgage	828,475	MV Gateway II, LLC	Cafritz	12,048,970
HOC Headquarters	Mortgage	74,996,695	Paddington Square	Dwight Capital	17,947,213
Magruder's Discovery	Mortgage	9,053,062	Southbridge	Sandy Spring Bank	1,693,385
Manchester Manor Apts	Mortgage	821,835	Subtotal		<u>163,103,734</u>
Metropolitan Dev Corp	Mortgage	18,825,005	<u>Other Loans/OHRF</u>		
Metropolitan of Bethesda LP	Mortgage	4,475,059	9845 Lost Knife Road	Acquisition	50,000
MHLP IX-MPDU	Mortgage	906,628	Alexander House Dev Corp	Rehab	178,138
MHLP IX-Pond Ridge	Mortgage	531,281	Ambassador One Assoc. LP	Rehab	197,612
MHLP X	Mortgage	4,898,148	Barclay Apartments Dev Corp	Rehab	123,050
Montgomery Arms	Mortgage	5,305,065	Bradley Crossing LLC	Acquisition	5,200,000
Pooks Hill Highrise	Mortgage	13,231,731	Development In Process	Rehab	948,487
Pooks Hill Midrise	Mortgage	775,594	Development In Process- Year 15 properties	Acquisition	3,600
RAD 6	Mortgage	20,067,464	EH - IV (Elizabeth House IV)	Acquisition	1,937,446
Scattered Site One Dev Corp	Mortgage	6,783,962	Emory Grove Redevelopment	Rehab	176,386
Scattered Site Two Dev Corp	Mortgage	1,950,196	Forest Glen Metro	Acquisition	46,920
Strathmore Court Associates LP	Mortgage	11,695,947	HOC at 11250 Veirs Mill road	Acquisition	1,980,709
The Oaks @ Four Corners (Dev Corp)	Mortgage	574,346	HOC at Avondale LLC	Acquisition	337,500
The Willows of Gaithersburg Assoc. LP	Mortgage	921,667	HOC at CCL MF-member	Acquisition	4,215,252
VPC One Corporation	Mortgage	28,698,864	HOC at Hillandale Gateway	Acquisition	2,328,473
VPC Two Corporation	Mortgage	24,977,274	HOC Headquarters	Acquisition	935,719
Wheaton Metro Dev Corp	Mortgage	26,752,132	Holly Hall interim	Rehab	500,629
Subtotal		<u>270,219,935</u>	Metropolitan Dev Corp	Acquisition	611,704
<u>Notes Payable to State of Maryland</u>			Metropolitan of Bethesda LP	Rehab	1,238,809
Brookside Glen (The Glen) LP	RHPP	1,211,707	Montgomery Arms	Acquisition	1,340,037
CDBG-9611 McAlpine Road	Rehab	101,168	MV Gateway LLC (Cider Mill)	Acquisition	3,000,000
Dale Drive	RHPP	600,000	Paddington Square	Rehab	923,038
Diamond Square	RHPP	2,000,000	Sandy Spring Middle	Acquisition	996,514
Montgomery Arms	PHRP	68,279	The Willows of Gaithersburg Assoc. LP	Rehab/purchase	43,750
State Rental Consolidated	PHRP	8,861,522	Westwod Tower	Rehab	40,700
State Rental VII	RHPP	4,712,864	Wheaton Metro Dev Corp	Rehab	2,129,283
Subtotal		<u>17,555,540</u>	Subtotal		<u>29,483,757</u>
<u>Notes Payable to Montgomery County</u>			<u>Other Loans</u>		
Ambassador	Acquisition	2,000,000	8800 Brookville Road	Acquisition	10,850,000
Brooke Park Apartments	Acquisition	8,686,857	Alexander House Dev Corp	Construction-FFB	48,621,421
CDBG	Acquisition	604,275	Ambassador One Assoc. LP	Line of Credit	1,862,495
CDBG McAlpine Road	Acquisition	107,785	Avondale Apartments	Acquisition	5,824,451
Chelsea Towers	Acquisition	1,021,488	Barclay Apartments Dev Corp	Rehab	2,341,154
Chelsea Towers	Home Funds	283,626	Barclay One Associates LP	Rehab	2,891,404
County Revolving CCAP	Acquisition	1,583,158	Bradley Crossing LLC	Acquisition	9,799,677
Dale Drive	Construction	1,738,012	Development In Process	Note Payable	16,878,337
Diamond Square	Rehab	2,746,344	Emory Grove	Line of Credit	272,500
Glenmont Crossing	Rehab	2,850,000	Fairfax Court Apts	Refinancing	277,970
Glenmont Westerly	Rehab	1,510,250	Glenmont Crossing Dev Corp	Rehab/Purchase-FFB	13,053,137
HOC at Avondale LLC	Acquisition	7,500,000	Glenmont Westerly Dev Corp	Rehab/Purchase-FFB	12,960,561
Jubilee Housing	Predevelopment	965,231	HOC at Battery Lane	Acquisition	4,410,000
King Farm Village Center	Acquisition & Rehab	1,697,078	HOC at CCL MF-member	Acquisition	1,211,677
Manchester Manor Apts	Housing Initiative Funds	617,171	HOC at Gankirk	Acquisition	3,554,598
McHAF (MC Homeownership Assistance Fund)	Acquisition	9,000,000	HOC at Wheaton Gateway, LLC	Acquisition	11,531,581
Mchome	Acquisition & Rehab	2,005,646	Metropolitan of Bethesda LP	Loan/advance	13,913,085
MHLP IX- MPDU	Acquisition	800,000	MHLP IX-MPDU	Acquisition	1,265,222
MHLP IX- Pond Ridge	New Construction	605,500	MHLP IX-Pond Ridge	Acquisition	397,105
Montgomery Arms	Acquisition & Rehab	1,699,307	MHLP VII	Refinancing	488,549
MV Gateway LLC	Acquisition	15,000,000	MV Gateway LLC (Cider Mill)	Acquisition - FFB	115,480,931
NCI I	Acquisition & Rehab	4,039,752	Strathmore Court Associates LP	Loan/advance	1,909,247
NSP I	Acquisition & Rehab	1,993,071	The Manor At Cloppers Mill, LLC	Acquisition	435,200
Oaks @ Four Corners	Acquisition & Rehab	1,278,968	The Manor At Colesville, LLC	Acquisition	319,057
Paddington Square	Acquisition	5,196,232	The Manor At Fair Hill Farm, LLC	Acquisition	476,161
Pooks Hill Midrise	Acquisition	165,016	The Willows of Gaithersburg Assoc. LP	Rehab/purchase	293,182
Southbridge	Acquisition & Rehab	5,974,029	TPP LLC - Pomander	Rehab-FFB	3,369,853
State rental combined	Acquisition	60,000	TPP LLC - Timberlawn	Rehab-FFB	15,024,543
State Rental VII	Acquisition	1,668,050	VPC One Corp.	Rehab	2,446,912
The Glen	Acquisition	546,940	VPC Two Corp.	Rehab	1,713,088
The Willows of Gaithersburg Assoc. LP	Home Funds	523,585	Westwood Tower	Refinancing	20,352,774
Wheaton Metro Dev Corp.	Rehab	2,984,721	Subtotal		<u>324,225,873</u>
Subtotal		<u>87,452,093</u>	<u>Total Property Related Debt</u>		
<u>Loans from Montgomery County Revolving Fund</u>					
Ambassador	Interim Financing	2,284,066			
Bonifant Office	Interim Financing	4,112,000			
Subtotal		<u>6,396,066</u>			

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND**  
**(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)**  
**SINGLE FAMILY BONDS – DEBT OUTSTANDING, ISSUED, AND RETIRED**  
**FISCAL YEAR ENDED JUNE 30, 2024**

Series	Authorized	Outstanding Beginning of Year	Issued		Retired/Refunded		Outstanding End of Year	Interest Expensed This Year	Current Maturities
			Prior Years	This Year	Prior Years	This Year			
Single Family Sub-Fund Bonds:									
2007 Series E	\$ 13,000,000	\$ 8,315,000	\$ 13,000,000	\$ -	\$ 4,685,000	\$ 8,315,000	\$ -	\$ -	\$ -
2008 Series D	17,200,000	17,200,000	17,200,000	-	-	5,360,000	11,840,000	637,057	-
2013 Series A	38,645,000	4,605,000	38,645,000	-	38,255,000	3,735,000	870,000	59,963	575,000
2013 Series B	14,825,000	2,015,000	14,825,000	-	12,810,000	-	2,015,000	78,770	-
2016 Series A	32,805,000	8,680,000	32,805,000	-	24,125,000	2,175,000	6,505,000	171,750	1,690,000
2016 Series B	9,850,000	-	9,850,000	-	9,850,000	-	-	-	-
2017 Series A	22,000,000	5,275,000	22,000,000	-	16,725,000	650,000	4,625,000	178,875	-
2017 Series B	11,300,000	6,675,000	11,300,000	-	4,625,000	885,000	5,790,000	185,146	905,000
2018 Series A	29,435,000	17,170,000	29,435,000	-	12,265,000	1,515,000	15,655,000	562,388	815,000
2018 Series B	8,450,000	8,020,000	8,450,000	-	430,000	305,000	7,715,000	169,645	325,000
2021 Series A	22,750,000	20,370,000	22,750,000	-	2,380,000	1,315,000	19,055,000	469,649	400,000
2021 Series B	5,650,000	4,720,000	5,650,000	-	930,000	840,000	3,880,000	40,998	880,000
2021 Series C	10,000,000	10,000,000	10,000,000	-	-	-	10,000,000	224,759	-
2022 Series A	14,660,000	14,650,000	14,660,000	-	10,000	290,000	14,360,000	691,743	480,000
2022 Series B	2,940,000	2,940,000	2,940,000	-	-	-	2,940,000	136,425	-
2022 Series C	3,000,000	3,000,000	3,000,000	-	-	75,000	2,925,000	131,911	185,000
2022 Series D	11,000,000	11,000,000	11,000,000	-	-	-	11,000,000	255,045	-
2023 Series A	21,405,000	21,405,000	21,405,000	-	-	-	21,405,000	1,092,935	40,000
2023 Series B	8,000,000	8,000,000	8,000,000	-	-	-	8,000,000	430,023	215,000
2024 Series A	-	-	-	17,065,000	-	-	17,065,000	29,717	-
2024 Series B	-	-	-	12,935,000	-	-	12,935,000	26,700	-
NIBP 2009 Series C-4	9,770,000	1,510,000	9,770,000	-	8,260,000	110,000	1,400,000	46,851	80,000
NIBP 2009 Series C-5	2,610,000	2,370,000	2,610,000	-	240,000	-	2,370,000	67,071	-
NIBP 2012 Series A	12,545,000	1,055,000	12,545,000	-	12,150,000	420,000	635,000	20,325	135,000
PRB 2019 Series A	28,280,000	14,220,000	28,280,000	-	19,605,000	2,615,000	11,605,000	430,266	1,495,000
PRB 2019 Series B	4,610,000	1,945,000	4,610,000	-	2,665,000	-	1,945,000	46,629	-
PRB 2019 Series C	11,220,000	4,720,000	11,220,000	-	6,635,000	-	4,720,000	151,475	-
Subtotal	365,950,000	199,860,000	365,950,000	30,000,000	176,645,000	28,605,000	201,255,000	6,336,114	8,220,000
Add: Unamortized Premium	-	3,887,634	-	-	-	515,162	3,372,472	(603,727)	-
Total Single Family Bonds Payable	\$ 365,950,000	\$ 203,747,634	\$ 365,950,000	\$ 30,000,000	\$ 176,645,000	\$ 29,120,162	\$ 204,627,472	\$ 5,732,387	\$ 8,220,000

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
MULTIFAMILY BONDS – DEBT OUTSTANDING, ISSUED, AND RETIRED  
FISCAL YEAR ENDED JUNE 30, 2024**

	Authorized	Unissued	Outstanding Beginning of Year	Issued		Retired/Refunded		Outstanding End of Year	Interest Expensed This Year	Current Maturities
				Prior Years	This Year	Prior Years	This Year			
Multifamily Sub-Fund Bonds:										
1984 Series A - Accretions	\$ 585,000	\$ -	\$ 36,006	\$ 345,909	\$ 4,165	\$ 309,989	\$ -	\$ 40,171	\$ 4,166	\$ 4,646
1998 Issue A	12,900,000	-	4,265,000	12,900,000	-	8,095,000	625,000	3,640,000	183,820	660,000
2004 Series A	13,700,000	-	8,815,000	13,700,000	-	4,885,000	445,000	8,370,000	395,806	475,000
2004 Series B	4,085,000	-	3,070,000	4,085,000	-	1,015,000	80,000	2,990,000	144,880	80,000
2005 Series B	5,440,000	-	3,290,000	5,440,000	-	2,150,000	220,000	3,070,000	153,000	230,000
2005 Series C	28,630,000	-	19,385,000	28,630,000	-	9,245,000	950,000	18,435,000	931,875	990,000
2011 Series A	33,585,000	-	28,515,000	33,585,000	-	5,070,000	595,000	27,920,000	1,070,412	620,000
2011 Series B	3,020,000	-	2,585,000	3,020,000	-	435,000	50,000	2,535,000	146,438	50,000
2012 Series A	24,935,000	-	15,045,000	24,935,000	-	9,890,000	1,065,000	13,980,000	531,686	1,100,000
2012 Series B	18,190,000	-	1,255,000	18,190,000	-	16,935,000	265,000	990,000	33,840	270,000
2012 Series C	24,230,000	-	3,350,000	24,230,000	-	20,880,000	1,965,000	1,385,000	70,438	180,000
2012 Series D	34,975,000	-	23,700,000	34,975,000	-	11,275,000	1,245,000	22,455,000	700,248	1,275,000
2014 Series A	24,000,000	-	20,555,000	24,000,000	-	3,445,000	575,000	19,980,000	758,644	590,000
2015 Series A-1	15,010,000	-	13,675,000	15,010,000	-	1,335,000	260,000	13,415,000	526,735	265,000
2017 Series A	12,000,000	-	11,310,000	12,000,000	-	690,000	215,000	11,095,000	393,450	225,000
2019 Series A-1	51,420,000	-	51,420,000	51,420,000	-	-	-	51,420,000	1,577,553	360,000
2019 Series A-2	3,580,000	-	3,580,000	3,580,000	-	-	-	3,580,000	64,440	3,580,000
2019 Series B	7,565,000	-	6,360,000	7,565,000	-	1,205,000	410,000	5,950,000	139,389	420,000
2019 Series C	9,840,000	-	8,280,000	9,840,000	-	1,560,000	540,000	7,740,000	205,313	545,000
2020 Series A	25,665,000	-	25,665,000	25,665,000	-	-	400,000	25,265,000	670,944	405,000
2020 Series B	25,270,000	-	22,435,000	25,270,000	-	2,835,000	1,230,000	21,205,000	413,025	1,290,000
2020 Series C	16,410,000	-	14,250,000	16,410,000	-	2,160,000	935,000	13,315,000	328,355	975,000
2021 Series A	99,250,000	-	99,250,000	99,250,000	-	-	388,143	98,861,857	2,083,572	1,574,075
2021 Series B	16,500,000	-	16,145,000	16,145,000	-	-	80,000	16,065,000	368,840	270,000
2021 Series C	104,245,000	-	104,245,000	104,245,000	-	-	-	104,245,000	2,579,188	-
2021 Series D	7,115,000	-	7,115,000	7,115,000	-	-	-	7,115,000	141,738	-
2023 Series A	28,500,000	-	28,500,000	28,500,000	-	-	215,000	28,285,000	935,025	295,000
2023 Series A	57,355,000	-	-	-	57,355,000	-	-	57,355,000	2,313,486	-
2023 Series B	3,645,000	-	-	-	3,645,000	-	-	3,645,000	176,561	690,000
2023 Series C	74,240,000	-	-	-	74,240,000	-	-	74,240,000	2,626,607	-
2024 Series A	17,475,000	-	-	-	17,475,000	-	-	17,475,000	-	-
Series 2021 A (50M)	50,000,000	-	45,385,000	50,000,000	-	4,615,000	2,225,000	43,160,000	845,017	2,235,000
Subtotal	853,360,000	-	591,481,006	700,050,909	152,719,165	108,029,989	14,978,143	729,222,028	21,514,491	19,653,721
Less: Unamortized Discount	-	-	-	-	746,329	-	-	746,329	-	-
Total Multi Family Bonds Payable	<u>\$ 853,360,000</u>	<u>\$ -</u>	<u>\$ 591,481,006</u>	<u>\$ 700,050,909</u>	<u>\$ 153,465,494</u>	<u>\$ 108,029,989</u>	<u>\$ 14,978,143</u>	<u>\$ 729,968,357</u>	<u>\$ 21,514,491</u>	<u>\$ 19,653,721</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
MULTIFAMILY BONDS – NONOBLIGATION DEBT  
FISCAL YEAR ENDED JUNE 30, 2024**

Current Property Name	Owner	Final Maturity	Original Bonds Issued	Amount Outstanding
Blair Park	Private	10/14/2032	\$ 2,700,000	\$ 1,332,498
Covenant Village	Private	11/30/2044	6,418,000	5,484,858
Victory Forest	Private	9/1/2045	6,600,000	1,095,386
Draper Lane	Private	3/1/2040	35,000,000	35,000,000
Draper Lane	Private	3/1/2040	11,000,000	11,000,000
Draper Lane	Private	3/1/2040	6,000,000	6,000,000
Victory Court	Private	1/1/2030	8,400,000	6,939,335
Hillside Senior Living	Private	2/1/2060	26,270,000	19,892,424
Olde Towne Gaithersburg Apts ( Y-Site)	Private	3/31/2044	25,525,000	23,072,974
Lakeview House Apts.	Private	7/1/2050	34,225,000	29,442,835
Total			<u>\$ 162,138,000</u>	<u>\$ 139,260,310</u>

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

<u>Fiscal Year</u>	<u>Public Housing Rental</u>	<u>Public Housing Homeownership</u>	<u>Housing Choice Voucher</u>	<u>Opportunity Housing</u>	<u>Transitional Housing</u>	<u>Specialized Program</u>	<u>Component Units</u>	<u>Total</u>
2015	557	7	7,050	4,585	165	559	1,808	14,731
2016	256	7	7,174	4,533	227	511	2,106	14,814
2017	256	7	7,174	4,406	217	521	2,227	14,808
2018	136	-	7,179	5,519	228	687	1,861	15,610
2019	136	-	7,271	5,978	243	378	1,870	15,876
2020	-	-	7,611	6,482	240	374	1,529	16,236
2021	-	-	7,657	6,871	239	288	1,527	16,582
2022	-	-	7,659	6,420	239	290	2,348	16,956
2023	-	-	7,702	6,411	204	332	2,773	17,422
2024	-	-	7,791	6,407	217	390	2,720	17,525

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
 (A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
 PROPERTY CHARACTERISTICS AND DWELLING UNIT COMPOSITION  
 FISCAL YEAR ENDED JUNE 30, 2024**

**Housing Choice Voucher/Transitional Housing**

<b>Name of Development</b>	<b>Address</b>	<b>Number of Units</b>
Housing Choice Voucher	Various	7,791
Transitional Housing Program	Various	217
Specialized Program	Various	390
<i>Total Housing Choice Voucher/Transitional Housing Units</i>		<u>8,398</u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
PROPERTY CHARACTERISTICS AND DWELLING UNIT COMPOSITION (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2024**

<b>Opportunity Housing</b>			
<b>Name of Development</b>	<b>Address</b>	<b>Number of</b>	
<b>Elderly Communities</b>			
The Oaks at Four Corners	321 University Boulevard West, Silver Spring MD 20901		120
		<i>Total Elderly Communities</i>	<u>120</u>
<b>Family Communities</b>			
Alexander House	8560 Second Avenue, Silver Spring MD 20910		183
HOC at Avondale LLC	4500-4522 Avondale Street, Bethesda MD 20814		38
The Barclay	4716 Bradley Boulevard, Chevy Chase MD 20815		76
Barclay Affordable	4716 Bradley Boulevard, Chevy Chase, MD 20815		81
HOC at Battery Lane	4857-4858-4998 Battery Ln, Bethesda, MD 20814		212
Bradley Crossing	4816 Bradley Blvd, Bethesda, MD 20815		402
Brooke Park Apartments	6301-6307 MacArthur Blvd, Bethesda, MD 20816		17
Brookside Glen (The Glen)	2399 Jones Lane, Wheaton MD 20902		90
Camp Hill Square	17825 Washington Grove RD, Gaithersburg, MD 20877		50
Chelsea Towers	7401 Westlake Terrace, Bethesda MD 20817		21
Cider Mill Apartments	18205 Lost Knife Circle, Montgomery Village, MD 20886		861
Dale Drive	527 Dale Drive, Silver Spring MD 20910		10
Diamond Square	80 Bureau Drive, Gaithersburg MD 20878		124
Fairfax Court Apts	1 Fairfax Court, Chevy Chase MD 20815		18
Glenmont Crossing(Dev. Corp.)	2301 Shorefield Road, Silver Spring, MD 20902		97
Glenmont Westerly (Dev. Corp.)	2309 Shorefield Road, Silver Spring, MD 20902		102
Jubilee Falling Creek	2408 Falling Creek Road, Silver Spring MD 20904		3
Jubilee Hermitage	2305 Hermitage Avenue, Silver Spring MD 20902		3
Jubilee Horizen	10 Horizon Court, Derwood, MD 20855		3
Jubilee Woodedge	2715 Woodedge Road, Silver Spring MD 20906		3
Magruder's Discovery	10508 Westlake Drive, Bethesda MD 20817		134
Manchester Manor Apartments	8401 Manchester Road, Silver Spring, MD 20901		53
MetroPointe	11175 Georgia Avenue, Silver Spring MD 20902		120
MetroPointe Affordable	11175 Georgia Avenue, Silver Spring, MD 20902		53
The Metropolitan	7620 Old Georgetown Road, Bethesda MD 20814		216
Metropolitan Affordable	7620 Old Georgetown Road, Bethesda MD 20814		92
Montgomery Arms	8615 Fenton Street, Silver Spring MD 20910		129
Paddington Square	8800 Lanier Drive, Silver Spring MD 20910		165
TPP LLC Pomander	1620 University Boulevard West, Silver Spring MD 20902		24
Pooks Hill High-rise	3 Pooks Hill Road, Bethesda MD 20814		189
Pooks Hill Mid-rise	3 Pooks Hill Road, Bethesda MD 20814		50
RAD 6 - Ken Gar	Shaftsbury Street, Kensington, MD 20895		19
RAD 6 - Parkway Woods	12933 Twinbrook Parkway, Rockville, MD 20851		24
RAD 6 - Sandy Spring	1 Branchwood Court, Sandy Spring, MD 20860		55
RAD 6 - Seneca Ridge	19568 Scenery Drive, Germantown, MD 20876		71
RAD 6 - Towne Center Place	3502 Morningwood Drive, Olney, MD 20832		49
RAD 6 - Washington Square	8343 Fairhaven Drive, Gaithersburg, MD 20877		50
Southbridge	7423 Aspen Court, Tacoma Park MD 20912		39
Strathmore Court LP	5440 Marinelli Drive, North Bethesda MD 20852		202
TPP LLC Timberlawn	5707 Luxemburg Street, Rockville MD 20852		107
Westwood Towers	5401 Westbard Avenue, Bethesda MD 20816		212
The Willows of Gaithersburg	429 West Diamond Avenue, Gaithersburg, MD 20877		195
		<i>Total Family Communities</i>	<u>4,642</u>
<b>Scattered Units</b>			
CDBG Units	Various addresses throughout Montgomery County		3
Holiday Park	Various addresses throughout Montgomery County		20
McHome	Various addresses throughout Montgomery County		38
McKendree	Various addresses throughout Montgomery County		13
MPDU 2007 - Phase II	Various addresses throughout Montgomery County		6
MPDU I	Various addresses throughout Montgomery County		54
MPDU II	Various addresses throughout Montgomery County		59
MPDU III	Various addresses throughout Montgomery County		23
NCI Units	Various addresses throughout Montgomery County		14
NSP Units	Various addresses throughout Montgomery County		7
Paint Branch	Various addresses throughout Montgomery County		14
Scattered Site One Dev Corp	Various addresses throughout Montgomery County		190
Scattered Site Two Dev Corp	Various addresses throughout Montgomery County		54
VPC One Development Corporation	Various addresses throughout Montgomery County		399
VPC Two Development Corporation	Various addresses throughout Montgomery County		280
Montgomery Homes Limited Partnership VII	Various addresses throughout Montgomery County		35
Montgomery Homes Limited Partnership VIII	Various addresses throughout Montgomery County		49
Montgomery Homes Limited Partnership IX - MPDU units	Various address spread throughout Montgomery County		76
Montgomery Homes Limited Partnership IX - Pond Ridge	18100 Pond Ridge Court, Olney, MD 20832		40
Montgomery Homes Limited Partnership X	Various addresses throughout Montgomery County		75
State Rental Combined	Various addresses throughout Montgomery County		196
		<i>Total Scattered Sites</i>	<u>1,645</u>
		<i>Total Opportunity Housing Units</i>	<u><u>6,407</u></u>

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
PROPERTY CHARACTERISTICS AND DWELLING UNIT COMPOSITION (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2024**

<b>Component Units</b>		
<b>Name of Development</b>	<b>Address</b>	<b>Number of Units</b>
<b>Elderly Communities</b>		
Arcola Towers LP	1135 University Boulevard, Silver Spring MD 20902	141
Bauer Park	14635 Bauer Park Drive, Rockville, MD 20853	142
Elizaberth House III LP	1315 Apple Ave, Silver Spring, MD 20910	267
HOC at Willow Manor -Cloppers Mill, LLC	18003 Mateny Road, Germantown, MD 20874	102
HOC at Willow Manor -Colesville, LLC	601 East Randolph Road, Silver Spring, MD 20904	83
HOC at Willow Manor -Fair Hill Farm, LLC	18301 Georgia Avenue, Olney, MD 20832	101
Waverly House LP	4521 East West Highway, Bethesda MD 20814	157
	<i>Total Elderly Communities</i>	<u>993</u>
<b>Family Communities</b>		
Spring Garden One Associates LP	8007-A Eastern Avenue, Silver Spring, MD 20910	82
Hampden Lane Apartments LP	4913 Hampden Lane, Bethesda, MD 20814	12
HOC at Georgian Court LLC	3600 Bel Pre Road, Silver Spring, MD 20906	147
HOC at Shady Grove LLC	16125 Crabbs Branch Way, Derwood, MD 20855	144
HOC at Stewartown Homes LLC	9310 Merust Lane, Gaithersburg, MD 20879	94
HOC at Upton II	2 Helen Heneghan Wy, Rockville, MD 20850	150
Forest Oak Towers LP	101 Odenhal Road, Gaithersburg, MD 20877	175
Greenhills LP	10560 Tralee Terrace, Damascus MD 20872	77
Tanglewood/Sligo Hills LP	8902 Manchester Road, Silver Silver Spring, MD 20901	132
Alexander House LP	8560 Second Avenue, Silver Spring MD 20910	122
Fenton Silver Spring LP	8240 Fenton St, Silver Spring, MD 20910	124
West Side Shady Grove	8005 Gramercy Blvd, Derwood, MD 20855	268
CCL Multifamily LLC (The Lindley)	8405 Chevy Chase Lake Drive, Chevy Chase, MD 20815	200
	<i>Total Family Communities</i>	<u>1,727</u>
	<i>Total units - Component Units</i>	<u><u>2,720</u></u>

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

Fiscal Year	Executive	Finance	Property Management	Maintenance *	Housing Resources	Mortgage Finance	Real Estate	Resident Services	Total
2015	60.00	49.00	94.00	-	55.00	13.50	11.00	82.20	364.70
2016	82.00	52.00	22.00	64.00	52.00	14.00	13.00	68.10	367.10
2017	80.00	50.00	27.00	63.00	52.00	14.00	13.00	67.60	366.60
2018	77.00	50.00	24.00	63.00	51.00	14.00	14.00	73.60	366.60
2019	80.50	52.00	26.00	61.00	54.00	14.00	14.00	65.60	367.10
2020	73.50	52.00	33.00	61.00	54.00	14.00	14.00	65.60	367.10
2021	78.00	52.00	33.00	61.00	54.00	14.00	14.00	66.60	372.60
2022	83.00	53.00	27.00	61.00	63.00	15.00	14.00	66.00	382.00
2023	88.00	53.00	26.00	62.00	65.00	16.00	14.00	66.60	390.60
2024	100.00	55.00	26.00	62.00	70.00	16.00	15.00	65.60	409.60

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

Calendar Year	Population (1)	Personal Income (\$ thousands) (2)	Per Capita Income (3)	Civilian Labor Force (4)	Resident Employment (5)	Unemployment Rate (6)	Average Registered Number of Pupils as of September (7)
2015	1,038,524	82,025,296	78,983	547,229	526,310	3.8	153,852
2016	1,045,476	86,856,827	83,079	544,650	526,510	3.3	156,447
2017	1,054,403	89,327,351	84,718	561,370	543,489	3.2	159,010
2018	1,056,926	90,438,012	85,567	565,885	548,536	3.1	161,545
2019	1,060,230	91,221,261	86,039	576,770	560,710	2.8	162,680
2020	1,061,243	92,866,711	87,507	559,037	525,071	6.1	165,267
2021	1,054,827	97,825,022	92,740	546,559	518,901	5.1	160,564
2022	1,061,814	97,170,000	91,513	546,813	530,944	2.9	158,232
2023	1,068,846	101,660,000	95,112	539,974	528,657	2.1	160,554
2024	1,061,096	104,270,000	98,266	552,627	539,001	2.5	160,223

**NOTES:**

- (1) Sources: Data for 2015-2022 is from the Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Data from 2020 through 2022 was revised by BEA. Data for 2023 and 2024 is estimated by the Montgomery County Department of Finance.
- (2) Source: Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Personal income includes money from wages and salaries; transfer payments such as social security and public assistance; income from rent, interest, and dividends. Historical data from 2015 to 2022 was revised by BEA. Data for 2023 and 2024 is estimated by the Montgomery County Department of Finance.
- (3) Per capita income is derived by dividing personal income by population and was revised by BEA from 2015 through 2022. Data for 2023 and 2024 is estimated by the Montgomery County Department of Finance.
- (4) Source: Bureau of Labor Statistics (BLS), U.S. Department of Labor. Civilian labor force data include all persons in the civilian noninstitutional population classified as either employed or unemployed and counted by place of residence and is published by BLS for 2015-2023 with the revised numbers for 2019-2023. Data for 2024 is estimated by the Montgomery County Department of Finance.
- (5) Source: Bureau of Labor Statistics (BLS), U.S. Department of Labor. Resident employment includes all persons who during the survey week (a) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their family, or (b) were not working but who had jobs from which they were temporarily absent because of vacation, illness, bad weather, etc. Each employed person is counted only once, even if he or she holds more than one job and is counted by place of residence and not by place of employment. Data for 2015-2023 is published by BLS with the revised numbers for 2019-2023. Data for 2024 is estimated by the Montgomery County Department of Finance.
- (6) The unemployment rates for 2015 through 2023 were published by the Bureau of Labor Statistics, U.S. Department of Labor. The unemployment rates for 2020 through 2023 were revised by BLS. The unemployment rate for 2024 is estimated by the Montgomery County Department of Finance based on the estimate of the civilian labor force and the estimate of resident employment.
- (7) Source: Indicators provided by the Montgomery County Public Schools, a component unit organization.

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

Employer	Fiscal Year 2024			Fiscal Year 2015		
	Rank	Employees (1)	Percentage of Total County Employees (2,3)	Rank	Employees (1)	Percentage of Total County Employees (2,3)
U.S. Department of Health and Human Services	1	25,000 - 30,000	6.01%	1	25,000 - 30,000	6.04%
Montgomery County Public Schools	2	25,000 - 30,000	6.01%	2	25,000 - 30,000	6.04%
Montgomery County Government	3	10,000-15,000	2.73%	4	10,000 - 15,000	2.75%
U.S. Department of Commerce	4	5,000-10,000	1.64%	5	5,000 - 10,000	1.65%
U.S. Department of Defense	5	5,000-10,000	1.64%	3	10,000 - 15,000	2.75%
Adventist Healthcare	6	5,000-10,000	1.64%	6	2,500 - 5,000	0.82%
AstraZeneca Pharmaceuticals LP	7	2,500-5,000	0.82%		*	-
Holy Cross Hospital of Silver Spring	8	2,500-5,000	0.82%	8	2,500 - 5,000	0.82%
Montgomery College	9	2,500-5,000	0.82%	9	2,500 - 5,000	0.82%
Giant of Maryland, LLC	10	2,500-5,000	0.82%		*	-
Marriott International Admin Svcs, Inc.		*	-	7	2,500 - 5,000	0.82%
Lockheed Martin Corporation		*	-	10	2,500 - 5,000	0.82%
<b>Total</b>			<b>22.95%</b>			<b>23.33%</b>

NOTES:

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

Analysis and Information - Major Employer List - 2nd quarter of FY2024 and 4th quarter of CY2014.

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

(2) Percentages are based on the midpoint of the employment range and average total Montgomery County employment of FY24 and FY15 according to the Bureau of Labor Statistics, U.S. Department of Labor. Employee counts for federal and military facilities exclude contractors to the extent possible.

(3) Total average payroll employment was 457,400 in FY24, and 455,343 in FY15.

Source: Maryland Department of Labor, Licensing and Regulation

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY, MARYLAND  
(A COMPONENT UNIT OF MONTGOMERY COUNTY, MARYLAND)  
HOUSING CHOICE VOUCHER STATISTICS – ALL PROPERTIES  
AS OF JUNE 30, 2024**

Income Source	# of Households
Business	179
Child Support	488
Federal Wage	8
General Assistance	125
Imputed Welfare	3
Indian	2
Medical Reimburse	1
Military	3
Other Non-Wage Income	416
Other Wage	2419
Pension	177
PHA Wage	5
Social Security	2416
SSI	1261
TANF	222
Unemployment	63

**Housing Choice Voucher Statistics  
As of 06/30/2024  
Includes Homeownership & Portables**

Gender	Male	Female	Total
Count of Head of Household	1,706	6,717	<b>8,423</b>
% of Head of Households	20.25%	79.75%	100%
Count of All Family Members	6,880	11,913	<b>18,793</b>
% of All Family Members	36.61%	63.39%	100%

Seniors	Under 62	62 +	Totals
Count of HOH	5,358	3,065	<b>8,423</b>
% of HOH	63.61%	36.39%	100%
Count All Members	15,274	3,519	<b>18,793</b>
% All Members	81.27%	18.73%	100%

Disabled		
Count of Head of Household		2834
Count of All Family Members (Incl HOH)		5248

Income Ranges	Under \$5,000	\$5,000 - \$9,999	\$10,000 - \$14,999	\$15,000 - \$19,999	\$20,000 - \$24,999	\$25,000 - \$29,999	\$30,000 - \$34,999	\$35,000 - \$39,999	\$40,000 & Over	Totals
# of Families	1,808	1,162	2,066	894	457	295	256	278	844	<b>8,060</b>
Average Income in Range	\$ 1,531	\$ 7,619	\$ 11,975	\$ 17,262	\$ 22,291	\$ 27,426	\$ 32,338	\$ 37,508	\$ 53,570	\$ 21,829
Cumulative % of Families	22.43%	36.85%	62.48%	73.57%	79.24%	82.90%	86.08%	89.53%	100.00%	

Age Ranges	Under 21	21-29	30-39	40-49	50-61	62-69	70-79	80-99	100+	Totals
Count of Head of Household	7	284	1,459	1,819	1,789	1,240	1,164	655	6	<b>8,423</b>
Count of All Family Members	7,416	1,877	1,889	2,080	2,012	1,409	1,331	773	6	<b>18,793</b>

Race	American Indian	Asian	Black	Multiple	Pacific Islander	Unknown	White	Totals
Count of Head of Household	60	465	5,746	109	45	0	1,998	<b>8,423</b>
% of Head of Household	0.71%	5.52%	68.22%	1.29%	0.53%	0.00%	23.72%	100%
Count of All Family Members	127	763	13,750	415	89	415	3,234	<b>18,793</b>
% of All Family Members	0.68%	4.06%	73.17%	2.21%	0.47%	2.21%	17.21%	0%

Ethnicity	Hispanic	Non-Hispanic	Not Reported	Totals
HOH	1,026	7,397	0	<b>8,423</b>
% HOH	12.18%	87.82%	0.00%	100%
All Fam Mbrs	2,442	16,024	327	<b>18,793</b>
% FM	12.99%	85.27%	1.74%	100%

Family Size by Bedroom Size	Occupied Units	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8+ People
Efficiency	71	69	2	0	0	0	0	0	0
1 Bedroom	1,942	1,645	282	15	0	0	0	0	0
2 Bedrooms	3,494	416	1,610	1,062	292	90	24	0	0
3 Bedrooms	3,756	65	290	705	1,284	1,005	342	49	16
4 Bedrooms	997	3	16	45	196	190	324	133	90
5 Bedrooms	329	0	2	3	20	35	60	35	174
6 Bedrooms or Larger	54	0	0	0	0	0	0	0	54
<b>Total # of HCV Units</b>	<b>10,643</b>	2,198	2,202	1,830	1,792	1,320	750	217	334

Average Family Size
1.0 Person
1.2 People
2.5 People
4.1 People
5.5 People
6.9 People
8.0 People
3.2 People