St. Joseph's Villa Housing Corp. T/A Hollybrook Apartments HUD Project No. 051-11263

Financial Statements and Supplementary Information

Years Ended June 30, 2022 and 2021

Table of Contents

Independent Auditor's Report	1
Financial Statements:	
Statements of Financial Position	4
Statements of Activities and Changes in Net Assets	6
Statements of Cash Flows	7
Notes to Financial Statements	9
Supplementary Schedules and Supporting Data	16
Schedule of Expenditures of Federal Awards	26
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	27
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	29
Schedule of Findings and Questioned Costs	31
Schedule of Status of Prior Audit Findings	32
Certification of Officer and Managing Agent	33
Independent Accountant's Report on Applying Agreed-Upon Procedure	34



Independent Auditor's Report

Board of Directors St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Richmond, VA

Report on Financial Statements

Opinion

We have audited the accompanying statements of St. Joseph's Villa Housing Corp., (HUD Project No. 051-11263) which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Joseph's Villa Housing Corp. as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Joseph's Villa Housing Corp. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 St. Joseph's Villa Housing Corp.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's 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 auditor's report that includes our opinion. 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 St. Joseph's Villa Housing Corp'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 St. Joseph's Villa Housing Corp'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 15 to 24 is presented for purposes of additional analysis as required by the *Consolidated Audit Guide for Audits of HUD Programs* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements.

The accompanying schedule of expenditures of federal awards, as required by the Office of Management and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

FORV/S

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2022, on our consideration of St. Joseph's Villa Housing Corp.'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 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 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 St. Joseph's Villa Housing Corp.'s internal control over financial reporting and compliance.

FORVIS, LLP

High Point, NC September 30, 2022

(2 pages)

	2022	2021
ASSETS		
Current assets:		
Cash, operations	\$ 24,260	\$ 18,022
Tenant accounts receivable, net	4,278	-
Accounts receivable, HUD subsidy	569	-
Accounts receivable, other	35,529	21,769
Prepaid expenses	8,547	17,854
Total current assets	73,183	57,645
Tenant security deposit, held in trust	16,040	17,341
Restricted deposits and funded reserves:		
Escrow deposits	16,875	17,065
Replacement reserve	463,727	448,123
Residual receipts	15,133	15,121
Total restricted deposits and funded reserves	495,735	480,309
Property and equipment:		
Land and land improvements	444,796	444,796
Buildings and building improvements	2,653,618	2,652,818
Building equipment - portable	502,119	500,469
Furniture	20,912	12,362
Maintenance equipment	530	530
	3,621,975	3,610,975
Accumulated depreciation	(3,047,029)	(2,962,176)
Total property and equipment, net	574,946	648,799
Total assets	\$ 1,159,904	\$ 1,204,094

(2 pages)

	2022		2021	
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable, operations	\$	73,296	\$	20,967
Accrued wages payable		7,569		7,307
Accrued interest payable		5,150		5,538
Mortgage current portion		156,255		151,537
Accrued expenses		11,059		29,557
Prepaid revenue		3,996		108
Total current liabilities		257,325		215,014
Tenant security deposits held in trust		15,128		15,773
Long-term liabilities				
Mortgage payable, less current portion and deferred loan costs		1,837,607		1,990,454
Total liabilities		2,110,060		2,221,241
Net deficit:				
Without donor restriction		(950,156)		(1,017,147)
Total liabilities and net deficit	\$	1,159,904	\$	1,204,094

St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Statements of Activities and Changes in Net Assets Years Ended June 30, 2022 and 2021

	2022	2021	
Revenue:			
Rent revenue	\$ 194,921	\$ 154,18	37
Tenant assistance payments	449,119	480,75	53
Vacancies	(41,589)	(22,59) 5)
Net rental revenue	602,451	612,34	1 5
Financial revenue	379	44	17
Other revenue	60,164	67,86	30
Total revenue	662,994	680,65	52
Expenses:			
Administrative expenses	125,978	120,01	19
Utilities expenses	39,784	58,08	31
Operating and maintenance expenses	151,890	130,66	33
Taxes and insurance	70,111	80,10)0
Financial expenses	77,223	82,63	34
Other service expenses	46,164	43,76	32
Depreciation	84,853	63,46	37
Total expenses	596,003	578,72	26
Change in net assets	66,991	101,92	26
Net assets, beginning of year	(1,017,147)	(1,119,07	73)
Net assets, end of year	\$ (950,156)	\$ (1,017,14	1 7)

(2 pages)

	20	22	2021
Cash flows from operating activities:			
Receipts:			
Rental receipts	\$	602,061	\$ 609,700
Interest receipts		379	447
Other receipts		45,835	 51,653
		648,275	 661,800
Expenditures:			
Administrative		32,575	32,894
Management fees		(23,845)	35,398
Utilities		56,604	41,631
Salaries and wages		121,467	105,619
Operating and maintenance		96,758	76,799
Taxes and insurance		11,190	10,986
Property insurance		14,652	50,272
Miscellaneous taxes and insurance		34,962	37,226
Mortgage insurance premium		9,373	10,045
Interest on mortgage		64,331	68,907
Tenant security deposits		645	(385)
Other service expenses		46,164	43,762
Miscellaneous financial expense		500	 409
		465,376	 513,563
Net cash provided by operating activities		182,899	148,237
Cash flows from investing activities:			
Purchase of property and equipment		(11,000)	 (14,671)
Net cash used by investing activities		(11,000)	 (14,671)
Cash flows from financing activities:			
Mortgage principal payments		(151,536)	 (146,961)
Net cash used by financing activities		(151,536 <u>)</u>	 (146,961)
Net increase (decrease) in cash, cash equivalents,			
and restricted cash		20,363	(13,395)
Cash, cash equivalents, and restricted cash, beginning of year		515,672	529,067
Cash, cash equivalents, and restricted cash, end of year	\$	536,035	\$ 515,672

(2 pages)

	2022		2021	
Cash flows from operating activities:				
Change in net assets	\$	66,991	\$	101,926
Adjustments to reconcile change in net assets to net cash				
provided by operating activities:				
Depreciation		84,853		63,467
Amortization of debt issuance costs		3,407		3,649
Bad debt expense (recovery)		1,404		786
Change in assets and liabilities:				
Tenant accounts receivable		(5,682)		(786)
Accounts receivable, operations		(14,329)		(16,207)
Prepaid expenses		9,307		(17,854)
Accounts payable		52,329		(53)
Accrued payroll		262		131
Accrued liabilities		(18,498)		15,814
Accrued interest		(388)		(376)
Tenant security deposits		(645)		385
Prepaid revenue		3,888		(2,645)
Net cash provided by operating activities	\$	182,899	\$	148,237
Reconciliation of cash, cash equivalents, restricted deposits and funded reserves to the balance sheet:				
Cash	\$	24,260	\$	18,022
Tenant security deposits		16,040		17,341
Replacement reserve		463,727		448,123
Residual receipts		15,133		15,121
Escrow deposits		16,875		17,065
	\$	536,035	\$	515,672

Notes to Financial Statements

1. Corporation and Nature of Business

St. Joseph's Villa Housing Corp. (the "Corporation"), was originally organized under Section 202 of the National Housing Act to acquire, renovate, own and operate a 60-unit apartment complex located in Richmond, Virginia and provide low cost housing for people with disabilities under operating lease agreements. The Corporation is regulated by the United States Department of Housing and Urban Development ("HUD") as to rental rates and operating methods. The Corporation has a Section 8 Housing Assistance Payment agreement with HUD and a significant portion of the Corporation's rental income is received from HUD under this agreement. The Corporation holds a mortgage that is insured by HUD under section 207 of the National Housing Act pursuant to Section 223(f) of the National Housing Act.

2. Summary of Significant Accounting Policies

Accounting method

The financial statements of the Corporation have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America; revenue and gains are recognized when earned, and expenses and losses are recognized when incurred. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Net assets without donor restrictions

None of the Corporation's net assets are subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Corporation.

Cash equivalents

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Accounts receivable and bad debts

Accounts receivable are charged to an allowance when determined to be uncollectible. At June 30, 2022 and 2021, there was an allowance for uncollectible accounts in the amount of \$2,210 and \$806, respectively.

Rental revenue

Rental income and tenant assistance revenue is recognized when earned. Service Coordinator assistance payments are recognized when due from HUD.

Impairment of long-lived assets

The Corporation reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of real estate exceeds the fair value of such property. There were no impairment losses recognized in 2022 and 2021.

Property and equipment

Acquisitions of property and equipment are recorded at cost. Improvements and replacements of property and equipment are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reported in the statement of activities. Depreciation is provided using the straight-line method over the estimated useful life of each class of depreciable assets as follows:

Land improvements
Buildings and improvements
Building equipment - portable
Furniture, fixtures and equipment
Maintenance equipment

15 years 8 to 27.5 years 10 years 5 to 10 years 10 years

Debt issuance costs

Debt issuance costs, net of accumulated amortization, are reported as a direct reduction of the obligation to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using the effective interest method.

Income taxes

The Corporation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and the tax statutes of the Commonwealth of Virginia; accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes.

Management has evaluated the effect of guidance surrounding uncertain income tax positions and concluded that the Corporation has no significant financial statement exposure to uncertain income tax positions at June 30, 2022 and 2021. The Corporation is not currently under audit by any tax jurisdiction.

Advertising costs

The Corporation expenses advertising costs as they are incurred. No advertising expense was incurred during the years ended June 30, 2022 and 2021.

Concentration of credit risk

Financial instruments which potentially subject the Corporation to concentration of credit risk consist principally of temporary cash investments, restricted deposits and funded reserves held by the mortgagee and management agent. The Corporation places its temporary cash investments with high credit quality financial institutions. There were no amounts in excess of FDIC limits as of June 30, 2022 and 2021.

Estimates

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

Economic uncertainty

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Although there has been no immediate impact to the Project's operations, given the uncertainty in the economic environment, there is a potential for future disruptions in rent collection and operations, however the future impact is unknown.

Subsequent events

In preparing these financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through September 30, 2022, the date the financial statements were available to be issued.

3. Liquidity and Availability

The Organization has working capital including restricted deposits, of \$312,505 and \$324,508 and average days cash on hand of 17 and 13, at June 30, 2022 and 2021, respectively.

Financial assets available for general expenditure within one year of the balance sheet, consist of the following at June 30:

		2021		
Cash, operations	\$	24,260	\$	18,022
Accounts receivable, HUD		569		-
Accounts receivable, net		39,807		21,769
	<u>\$</u>	64,636	\$	39,791

4. Assets Limited as to Use

Tenant security deposits held in trust

This account is made up of required deposits collected from each tenant when entering the apartment facilities. These deposits are refunded to the tenant when they terminate their rental agreement. The deposits are recorded on the balance sheet at fair value and the corresponding liability is recorded as funded tenant security deposits liability.

Reserves and residual receipts

Under provisions of the regulatory agreement and the mortgage loan agreement, the Corporation is required to fund a replacement reserve account. The funds in this restricted deposit are to be used for the repair and replacement of property and equipment and to cover the expected needs of the facilities at some undetermined future date, as approved by HUD.

In accordance with the provisions of the HUD regulatory agreement, the Corporation was required to deposit a monthly amount of \$2,000 into the replacement reserve, with the option to increase or decrease the monthly deposit with written approval from HUD. In May 2020 through April 2021, the Corporation was required to deposit \$2,470 monthly. Beginning May 2021, the Corporation is required to deposit \$2,594 monthly. The Corporation made total deposits of \$31,128 and \$29,888 during 2022 and 2021. Activity for the account during 2022 and 2021 was as follows:

	2022			2021
Balance as of beginning of year	\$	448,123	\$	417,805
Deposits		31,128		29,888
Withdrawals		(15,889)		-
Interest		<u> 365</u>		430
Balance as of end of year	<u>\$</u>	463,727	\$	448,123

Also, under provisions of the regulatory agreement, the Corporation is required to maintain a residual receipts account to which they must annually transfer surplus cash, as defined by HUD, within 60 days of year-end. Funds held in the residual receipts account require advance approval from HUD prior to being released for funding operating deficits or expenses not covered by rental receipts. For the years ended June 30, 2022 and 2021 there was \$0 in surplus cash generated. Activity for the account during 2022 and 2021 was as follows:

		2021		
Balance as of beginning of year Interest	\$	15,121 12	\$	15,106 15
Balance as of end of year	<u>\$</u>	<u> 15,133</u>	\$	15,121

The Corporation is required to make monthly deposits into a mortgage insurance premium escrow and insurance escrow for estimated future property insurance premiums. The mortgage insurance premium escrow and insurance escrow account totaled \$16,875 and \$17,065 as of June 30, 2022 and 2021, respectively.

5. Mortgage Payable and Related Escrow Deposits

In May 2013, the Corporation entered into a contract with HUD and St. Joseph's Villa Housing Corp II to consolidate two housing projects into one. A deed of gift was executed granting real estate held by St. Joseph's Villa Housing Corp II to the Corporation. All assets and debt held by St. Joseph's Villa Housing Corp II were subsequently transferred to the Corporation, including the mortgage liability. After the consolidation of entities was complete, the Corporation entered into a loan agreement with Red Mortgage Capital, LLC for the purpose of refinancing the Corporation's existing debt. The new mortgage is insured by The U.S. Department of Housing and Urban Development under Section 207 pursuant to section 223(f) of the National Housing Act and is therefore subject to provisions of the Regulatory Agreement. The Regulatory Agreement with HUD required compliance with various HUD requirements. The total amount of the mortgage evident by the deed of trust note is \$3,223,200, and is collateralized by deed of trust on the Corporation's land and building. The note bears interest of 3.07% per annum. Principal and interest are payable by the Corporation in monthly installments of \$17,989 from July 1, 2013 through maturity on June 1, 2033. The balance of the mortgage note was \$2,013,002 and \$2,164,538 as of June 30, 2022 and 2021, respectively.

The aggregate estimated annual principal maturities for subsequent years ending June 30 are as follows:

2023	\$ 156,255
2024	161,120
2025	166,136
2026	171,309
2027	176,643
Thereafter	 1,181,539
	\$ 2,013,002

The following are the components of the mortgage as of June 30, 2022 and 2021:

	2022			2021
Mortgages payable	\$	2,013,002	\$	2,164,538
Debt issuance costs, net of \$38,796 and \$35,389 accumulated amortization, respectively		(19,140)		(22,547)
Current portion		1,993,862 (156,255)		2,141,991 (151,537)
	<u>\$</u>	1,837,607	\$	1,990,454

6. Housing Assistance Payment Contract and Excess Funds Liability

The U. S. Department of Housing and Urban Development has contracted with the Corporation to make housing assistance payments on behalf of qualified tenants. The contract is subject to renewal, and if not renewed, could substantially impact the rental income of the Corporation. The current contract for the Corporation will expire May 2033. As of May 29, 2013, the Corporation also assumed the rights and obligations of the HAP contract for St. Joseph's Villa Housing Corp II. The current contract for St. Joseph's Villa Housing Corp II will expire in May 2033. For 2022 and 2021, the Corporation received \$449,119 and \$480,753 respectively, in assistance payments.

7. Management Fee Agreement

As of July 1, 2018, the Corporation renewed its management agreement with Community Housing Partners Corporation ("CHPC"), which provides for a management fee equal to 5.795% of gross rental income received. Prior to July 1, 2018, the management fee was equal to 5.00% of gross rental income received. Total management fees paid to CHPC in 2022 and 2021 were \$35,045 and \$35,621, respectively.

8. Related-Party Transactions

Certain operating expenses were paid by St. Joseph's Villa and are reimbursed by the Corporation. These expenses totaled \$35,411 and \$43,536 during 2022 and 2021, respectively. The Corporation also rents office space from St. Joseph's Villa.

9. Functional Expenses

Expenses incurred in connection with project operations are as follows:

	2022					
Administrative	Project Operations		Management and General			Total
	\$	81,336	\$	44,642	\$	125,978
Utilities		39,784		-		39,784
Operating and maintenance	1	51,890		-		151,890
Taxes and insurance		70,111		-		70,111
Financial		77,223		-		77,223
Other service expenses		46,164		-		46,164
Depreciation		84,853				84,853
Total	<u>\$ 5</u>	<u>51,361</u>	\$	44,642	\$	596,003

		2021	
	Project erations	nagement I General	 Total
Administrative	\$ 74,989	\$ 45,030	\$ 120,019
Utilities	58,081	-	58,081
Operating and maintenance	130,663	-	130,663
Taxes and insurance	80,100	-	80,100
Financial	82,634	_	82,634
Other service expenses	43,762	-	43,762
Depreciation	 63,467	 <u>-</u>	 63,467
Total	\$ 533,696	\$ 45,030	\$ 578,726

St. Joseph's Villa Housing Corp. T/A Hollybrook Apartments HUD Project No. 051-11263

Supplementary Schedules and Supporting Data

Year Ended June 30, 2022

(2 pages)

Assets		
Current a	ssets:	
1120	Cash, operations	\$ 24,260
1130	Tenant accounts receivable, net	4,278
1135	Accounts receivable, HUD	569
1140	Accounts receivable, other	35,529
1200	Prepaid expenses	8,547
1100T	Total current assets	73,183
Deposit h	eld in trust, funded:	
1191	Tenant deposits held in trust	16,040
Restricted	I deposits and funded reserves:	
1310	Escrow deposits	16,875
1320	Replacement reserve	463,727
1340	Residual receipts	 15,133
1300T	Total restricted deposits and funded reserves	495,735
Property a	and equipment:	
1410	Land	444,796
1420	Buildings and improvements	2,653,618
1440	Building equipment, portable	502,119
1450	Furniture	20,912
1470	Maintenance equipment	 530
1400T	Total property and equipment	3,621,975
1495	Accumulated depreciation	(3,047,029)
1400N	Net fixed assets	 574,946
1000T	Total assets	\$ 1,159,904

(2 pages)

Liabilities	and Net Assets	
Current li	abilities:	
2110	Accounts payable, operations	\$ 73,296
2120	Accrued wages payable	7,569
2131	Accrued interest payable	5,150
2170	Mortgage current portion	156,255
2190	Miscellaneous current liabilities	11,059
2210	Prepaid revenue	3,996
2122T	Total current liabilities	257,325
Deposit li	abilities:	
2191	Tenant deposits held in trust	 15,128
Long-tern	n liabilities:	
2320	Mortgage payable, less current portion	1,837,607
2000T	Total liabilities	2,110,060
Net asset	s:	
3163	Accumulated deficit	(1,060,836)
3162	Paid in surplus	 110,680
3160	Total net assets	(950,156)
2033T	Total liabilities and net assets	\$ 1,159,904

Revenue:		
Service inc	ome:	
5120	Rent revenue, gross potential	\$ 194,92
5121	Tenant assistance payments	449,11
5220	Vacancies	(41,58
5152N	Net rental revenue	602,45
Financial re	venue:	
5430	Revenue from investments, residual	1.
5440	Revenue from investments, replacement	36
5490	Financial revenue, miscellaneous	
5400T	Total financial revenue	37
Other rever	nue:	
5910	Laundry and vending revenue	3,43
5920	Tenant charges	1,31
5990	Miscellaneous other revenue	55,41
5900T	Total other revenue	60,16
5000T	Total revenue	662,99
Expenses:		
	tive expenses:	
6311	Office expenses	6,49
6312	Office or model apartment rent	11,45
6320	Management fees	35,04
6330	Manager or superintendent salaries	57,44
6340	Legal expense, project	60
6350	Audit expense	8,99
6370	Bad debt expense	1,40
6390	Miscellaneous administrative expenses	4,53
6263T	Total administrative expenses	125,97
Utilities exp	penses	
6450	Electricity	4,66
6451	Water	15,62
6452	Gas	2,55
6453	Sewer	16,93
6400T	Total utilities expenses	39,78

6510	Payroll	\$	45,98
6515	Supplies	*	31,15
6520	Contracts		56,40
6525	Garbage and trash removal		5,75
6546	Heating/cooling repairs and maintenance		12,58
6500T	Total operating and maintenance expenses		151,89
xes and i	nsurance:		
6711	Payroll taxes (project's share)		11,19
6720	Property and liability insurance (hazard)		23,95
6722	Workmen's Compensation insurance		2,01
6723	Health insurance/other employee benefits		32,94
6700T	Total taxes and insurance		70,11
nancial ex	rpenses:		
6820	Interest on mortgage payable		67,35
6850	Mortgage insurance premium		9,37
6890	Miscellaneous financial expenses		50
6800T	Total financial expenses		77,22
her elderl	y care expenses:		
6990	Other service expenses		46,16
6000T	Total cost of operations before depreciation		511,15
5060T	Change in net assets before depreciation		151,84
6600	Depreciation expense		84,85
3250	Change in net assets	\$	66,99
S1000-0	10 Total mortgage principal payments required during the year	\$	151,53
S1000-02	20 Total monthly deposits during the year into the replacements reserve account, as required by the regulatory agreement	\$	31,12
C1000 0	30 Replacement reserves, or residual receipts and releases which		

St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Statement of Change in Net Assets Year Ended June 30, 2022

S1100-700	Net assets, beginning of year	\$ (1,017,147)
3250	Change in net assets	 66,991
3160	Net assets, end of year	\$ (950,156)

Cash flows from	operating activities:	
Receipts:		
S1200-010	Rental receipts	\$ 602,061
S1200-020	Interest receipts	379
S1200-030	Other receipts	45,835
S1200-040	Total receipts	648,275
Expenditures	s:	
S1200-050	Administrative	32,575
S1200-070	Management fees	(23,845)
S1200-090	Utilities	56,604
S1200-100	Salaries and wages	121,467
S1200-110	Operating and maintenance	96,758
S1200-140	Property insurance	14,652
S1200-150	Miscellaneous taxes and insurance	46,152
S1200-160	Tenant security deposits	(656)
S1200-170	Other service expenses	46,164
S1200-220	Miscellaneous financial expense	500
S1200-210	Mortgage insurance premium	9,373
S1200-180	Interest on mortgage	64,331
S1200-058	Total disbursements	464,075
S1200-240	Net cash provided by operating activities	 184,200
Cash flows from	n investing activities:	
S1200-245	Net change in mortgage escrow account	190
S1200-250	Net change in replacement reserve	(15,604)
S1200-260	Net change in residual receipts	(12)
S1200-330	Purchase of fixed assets	(11,000)
S1200-350	Net cash used by investing activities	 (26,426)
Cash flows from	n financing activities:	
S1200-360	Mortgage principal payments	(151,536)
S1200-460	Net cash used by financing activities	 (151,536)
S1200-470	Net decrease in cash	6,238
S1200-480	Cash, beginning of year	 18,022
S1200T	Cash, end of year	\$ 24,260

(2 pages)

Cash flows fro	m operating activities:	
3250	Change in net assets	\$ 66,991
	Adjustments to reconcile change in net assets to net cash provided by operating activities:	
6600	Depreciation	84,853
S1200-486	Amortization of debt issuance costs	3,407
6370	Bad debt expense	1,404
	Change in assets and liabilities:	
S1200-490	Tenant accounts receivable	(5,682)
S1200-500	Accounts receivable, operations	(14,329)
S1200-520	Prepaid expenses	9,307
S1200-530	Cash restricted for tenant security deposits	1,301
S1200-540	Accounts payable and accrued expenses	33,705
S1200-580	Tenant security deposits	(645)
S1200-590	Prepaid revenue	 3,888
S1200-610	Net cash provided by operating activities	\$ 184,200

Replacement Reserve:

In accordance with the provisions of the regulatory agreement, restricted cash is held in a separate bank account, to be used for repairs and replacement of property with the approval of HUD, as follows:

4000DT ALL III III III II	04.400
1320DT Add total monthly deposits 1320INT interest earned 1320WT Deduct withdrawals for replacement items approved by HUD	31,128 365 (15,889)
1320 Balance, June 30, 2022, confirmed by bank \$	463,727
1320R Deposits suspended or waived indicator	No
Residual Receipts:	
1340P Balance, July 1, 2021 \$ 1340INT interest earned	15,121 12
1340 Balance, June 30, 2022, confirmed by bank \$	15,133
Miscellaneous current liabilities - account 2190 Accrued annual leave payable \$ Accrued repairs and maintenance	7,948 3,111
\$	11,059
Miscellaneous revenue - account 5990	
Service coordinator reimbursement \$	55,414
<u>\$</u>	55,414
Computation of surplus cash, distributions and residual receipts - other: July 2022 principal payment July 2022 replacement reserve deposit \$	12,839 2,594
<u>\$</u>	15,433

Independent Auditor:

Leslie Bates, CPA FORVIS LLP 1829 Eastchester Drive High Point, North Carolina 27265 (336) 889-5156

Licensed in the State of North Carolina FORVIS LLP, Federal I.D.#44-0160260

Computation of Surplus Cash, Distributions and Residual Receipts

U.S. Department of Housing and Urban Development

Office of Housing Federal Housing Commissioner

<u> </u>		I	Federal Housing Co	_			
_	t Name	Fiscal Perio		Project	Number		
St.	Joesph's Villa Housing Corp	June 30,	2022		051-1	1263	
	- Compute Surplus Cash	ı					
Cash							
1.	Cash (Accounts 1110,1120, 1170, 1191)			\$	40,300		
2.	Tenant subsidy vouchers due for period of	covered by fin	ancial statement	\$	569		
3.	Other (Describe)			\$	-		
0	(a) Total Cash (Add Lines 1,2, and 3)					\$	40,869
Curre	nt Obligations						
4.	Accrued mortgage interest payable			\$	5,150		
5.	Delinquent mortgage principal payments			\$	-		
6.	Delinquent deposits to reserve for replace	ements		\$	_		
7.	Accounts payable (due within 30 days)			\$	73,296		
8.	Loans and notes payable (due within 30 d	days)		\$	-		
9.	Deficient Tax Insurance or MIP Escrow d	eposits		\$	-		
10.	Accrued expenses (not escrowed)			\$	18,628		
11.	Prepaid rents (Account 2210)			\$	3,996		
12.	Tenant security deposits liability (Account	t 2191)		\$	15,128		
13.	Other (see supplementary schedules and	supporting d	ata)	\$	15,433		
	(b) Less Total Current Obligations (Add L	ines 4 throug	h 13)			\$	131,631
	(c) Surplus Cash (Deficiency)(Line (a) mi					\$	(90,762)
Part B	s - Compute Distributions to Owners and	Required Do	eposit to Residual Re	ceipts		I	
1.	Surplus Cash (Deficiency) d Dividend Projects					\$	(90,762)
	Annual Distribution Earned During Fiscal	Period Cover	ed by the Statement	\$	_		
2. b.	Distribution Accrued and Unpaid as of the			\$	_		
2. c.	Distributions Paid During Fiscal Period Co			\$	_		
3.	Amount to be Carried on Balance Sheet a (Line 2a plus 2b minus 2c)	•		\$	-		
4.	Amount Available for distribution during n	ext Fiscal Pe	riod			\$	NONE
5.	Deposit Due Residual Receipts (Must be deposited with Mortgagee within 60 days after the Fiscal Period ends)						_
Loan	Technician	Date	Loan Servicer			\$ Date	

Form HUD-93486 (8/95)

Forms software only Copyright © 1995 LPG Services All Rights Reserved.

St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Schedule of Changes in Property and Equipment Year Ended June 30, 2022

	Balance ne 30, 2021	Add	ditions	Dele	tions	Balance ne 30, 2022
1410 Land and improvements	\$ 444,796	\$	-	\$	_	\$ 444,796
1420 Buildings and improvements	2,652,818		800		-	2,653,618
1440 Building equipment, portable	500,469		1,650		-	502,119
1450 Furniture	12,362		8,550		-	20,912
1470 Maintenance equipment	 530					 530
	3,610,975		11,000		-	3,621,975
Accumulated depreciation	 (2,962,176)		(84,853)			 (3,047,029)
Net book value	\$ 648,799					\$ 574,946
1420 Additions to buildings and improvements:						
Flooring	\$ 800					
	\$ 800					
1440 Additions to building equipment, portable:						
Water Heater	\$ 1,650					
	\$ 1,650					
1450 Additions to furniture:						
HVAC	\$ 4,567					
Refrigerator	 3,983					
	\$ 8,550					

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Federal Expenditures
U.S. Department of Housing and Urban Development		
Section 8 Tenant Assistance Payments	14.856	\$ 449,119
Section 207 Insured Mortgage for		
Supportive Housing for the Elderly		
(loan balance as of July 1, 2021)	14.134	2,164,538
Federally Assisted Low-Income Housing Coordinator Grant	14.191	55,414
Total		\$ 2,669,071

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activities of *St. Joseph's Villa Housing Corp.* under programs of the federal government for the year ended June 30, 2022, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.* Therefore, some amounts presented in this schedule may differ from amounts presented or used in the preparation of the basic financial statements.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

St. Joseph's Villa Housing Corp. has not elected the 10 percent de minimis cost rate as allowed by the Uniform Guidance.

The amount reported for the loan is the beginning of the year balance. The loan balance at June 30, 2022 was \$2,013,002.

3. Subrecipient Payments

None of the expenditures reported on the Schedule were passed through to subrecipients.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board of Directors St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Richmond, VA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of St. Joseph's Villa Housing Corp., which comprise the statement of financial position as of June 30, 2022, and the related statement of activities and change in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. Joseph's Villa Housing Corp.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Joseph's Villa Housing Corp.'s internal control. Accordingly, we do not express an opinion on the effectiveness of St. Joseph's Villa Housing Corp.'s internal control.

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

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

FORV/S

Report on Compliance and Other Matters

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

Purpose of this Report

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

FORVIS, LLP

High Point, NC September 30, 2022



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Directors St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Richmond, VA

Report on Compliance for Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Joseph's Villa Housing Corp.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on St. Joseph's Villa Housing Corp.'s major federal program for the year ended June 30, 2022. St. Joseph's Villa Housing Corp.'s major federal program is identified in the schedule of findings and questioned costs.

In our opinion, St. Joseph's Villa Housing Corp. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of St. Joseph's Villa Housing Corp. and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of St. Joseph's Villa Housing Corp.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to St. Joseph's Villa Housing Corp.'s federal program.

FORV/S

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on St. Joseph's Villa Housing Corp.'s compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about St. Joseph's Villa Housing Corp.'s compliance with the requirements of each major federal programs as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 St. Joseph's Villa Housing Corp.'s compliance with the
 compliance requirements referred to above and performing such other procedures as we
 considered necessary in the circumstances.
- Obtain an understanding of St. Joseph's Villa Housing Corp.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of St. Joseph's Villa Housing Corp.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

FORV/S

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

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

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

FORVIS, LLP

High Point, NC September 30, 2022

Schedule of Findings and Questioned Costs

1. Summary of Auditor's Results

Financial Statements

- a. An unmodified opinion was issued on the financial statements.
- b. There were no significant deficiencies or material weaknesses noted in internal control to disclose.
- c. The audit did not disclose any material noncompliance.

Federal Awards

- a. There were no significant deficiencies or material weaknesses noted in internal control over major programs to disclose.
- b. An unmodified opinion was issued on compliance for major programs.
- c. The audit did not disclose audit findings required to be reported in accordance with 2 CFR 200.516(a).
- d. The major program is:
 - Section 207 Insured Mortgage for Supporting Housing for the Elderly CFDA # 14.134
- e. The dollar threshold used to distinguish between Type A and Type B programs is \$750,000.
- f. The auditee did qualify as a low-risk auditee.

2. Financial Statement Findings

There were no findings related to the financial statements required to be reported in accordance with Government Auditing Standards for the year ended June 30, 2022.

3. Federal Award Findings and Questioned Costs

There were no findings related to federal awards required to be reported in accordance with 2 CFR 200.516(a) for the year ended June 30, 2022.

Schedule of Status of Prior Audit Findings

- 1. Audit report, dated September 29, 2021, for the year ended June 30, 2021, issued by Dixon Hughes Goodman LLP disclosed no findings.
- 2. There were no reports issued by HUD OIG or other federal agencies or contract administrators during the period covered by this audit.
- 3. There were no letter or reports issued by HUD management during the period covered by this audit.

St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Certification of Officer and Managing Agent Year Ended June 30, 2022

Certification of Officer and Managing Agent

We hereby certify that we have examined the accompanying financial statements, supplemental schedules and supporting data of St. Joseph's Villa Housing Corp. and, to the best of our knowledge and belief, the same are complete and accurate.

Suzanne K. Hinton Chief Financial Officer, St. Joseph's Villa On behalf of St. Joseph's Villa Housing Corp. Federal ID # 54-1204810	Date
Jeff Reed	Date
President	Date
Community Housing Partners Corporation Federal ID # 54-1023025	



Independent Accountant's Report on Applying Agreed-Upon Procedure

Board of Directors St. Joseph's Villa Housing Corp. HUD Project No. 051-11263 Richmond, VA

We have performed the procedure described in the third paragraph of this report, on the electronically submitted information included with the related hard copy documents within the audit reporting package. St. Joseph's Villa Housing Corp. is responsible for the accuracy and completeness of the electronically submitted information.

St. Joseph's Villa Housing Corp. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to determine whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. Additionally, the U.S. Department of Housing and Urban Development (HUD), Real Estate Assessment Center (REAC) have agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes

The procedures and the associated findings are as follows:

We compared the electronically submitted items listed in the "UFRS Rule Information" column of the chart on page 3 of this report with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged by St. Joseph's Villa Housing Corp. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronically submitted information identified in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of St. Joseph's Villa Housing Corp. and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon-procedure engagement.

FORV/S

We were engaged to perform an audit in accordance with the *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance),* by St. Joseph's Villa Housing Corp. as of and for the year ended June 30, 2022, and have issued our reports thereon dated September 30, 2022. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated September 30, 2022, was expressed in relation to the basic financial statements of St. Joseph's Villa Housing Corp. taken as a whole.

A copy of the reporting package required by the OMB Uniform Guidance, which includes the auditor's reports, is available in its entirety from St. Joseph's Villa Housing Corp. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This purpose of this report on applying the agreed-upon procedures is solely to describe the procedure performed on the electronic submission of the items listed in the "UFRS Rule Information" column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.

FORVIS, LLP

High Point, NC September 30, 2022



Attachment to Independent Accountant's Report on Applying Agreed-Upon Procedure

UFRS Rule Information	Hard Copy Document(s)	Findings
Balance Sheet, Revenue and Expense and Cash Flow Data (account numbers 1120 to 7100T and the S1200 series)	Supplemental Schedules with Financial Statement Data	Agrees
Surplus Cash (S1300 series of accounts)	Computation of Surplus Cash, Distributions and Residual Receipts (Annual)	Agrees
Footnotes (S3100 series of accounts)	Notes to the audited Financial Statements	Agrees
Type of Opinion on the Financial Statements and Auditor Reports (S3400, S3500 and S3600 series of accounts)	Auditor's Reports on the Financial Statements, Compliance and Internal Control	Agrees
Type of Opinion on Supplemental Data (account number S3400-100)	Independent Auditor's Report	Agrees
Audit Findings Narrative (S3800 series of accounts)	Schedule of Findings and Questioned Costs	Agrees
General information (S3300, S3700 and S3800 series of accounts)	Schedule of Findings and Questioned Costs and OMB Data Collection Form	Agrees

Auditor's Transmittal Letter

S3200-005	Audit Firm ID (UII)	53370
S3200-010	Audit Firm	FORVIS LLP
S3200-020	Lead Auditor First Name	Leslie
S3200-040	Lead Auditor Last Name	Bates
S3200-050	Auditor Street Address Line 1	1829 Eastchester Drive
S3200-070	Auditor City	High Point
S3200-080	Auditor State	North Carolina
S3200-090	Auditor Zip Code	27265
S3200-100	Auditor Zip Code Extension	1402
S3200-110	Telephone Number	(336) 889-5156
S3200-120	Audit Firm TIN	44-0160260
S3200-130	Date of Independent Auditor's Report	September 30, 2022