Reinvestment Fund, Inc. and Affiliates

Consolidated Financial Report
December 31, 2022

Reinvestment Fund, Inc. and Affiliates

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RSM

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Independent Auditor's Report

Board of Directors
Reinvestment Fund, Inc.

Opinion
We have audited the consolidated financial statements of Reinvestment Fund, Inc. and Affiliates (the Organization), which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, and the results of their operations and their 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). 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 the Organization 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 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, 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 Organization'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 Organization'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.

RSM US LLP

Philadelphia, Pennsylvania
April 21, 2023

Reinvestment Fund, Inc. and Affiliates

Consolidated Statements of Financial Position
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 30,512,130	$ 39,034,457
Grants and contributions receivable	3,328,058	3,354,698
Investments in marketable securities	72,637,189	77,222,499
Loans held for sale	-	37,382,655
Loans receivable, less allowance for loan losses of $20,939,477 and $20,806,498, respectively	444,382,225	395,323,445
Restricted cash and cash equivalents	42,924,563	44,086,720
Equity method and program investments	3,691,851	3,155,700
Equipment, leasehold improvements and software, net	336,645	454,429
Operating lease right-of-use assets	1,503,050	1,963,352
Other assets	11,274,550	7,219,036
Total Assets	$ 610,590,261	$ 609,196,991
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 3,334,645	$ 2,823,629
Escrow payable and due to third parties	2,936,529	11,507,105
Deferred revenue	2,627,093	2,625,042
Recoverable grants	8,455,091	11,336,100
Operating lease liabilities	2,143,587	2,771,016
Loans and bonds payable, net	346,035,811	348,695,050
Other liabilities	1,895,253	2,115,075
Total Liabilities	367,428,009	381,873,017
Commitments and Contingencies (Note 20)		
Net Assets		
Without donor restrictions	123,289,794	113,437,276
Without donor restrictions - Contractually limited as to use	11,800,070	11,319,047
Non-controlling interest in consolidated subsidiary	(188,523)	42,839
Total Without Donor Restrictions	134,901,341	124,799,162
With donor restrictions	108,260,911	102,524,812
Total Net Assets	243,162,252	227,323,974
Total Liabilities and Net Assets	$ 610,590,261	$ 609,196,991

See Notes to Consolidated Financial Statements.

Reinvestment Fund, Inc. and Affiliates

Consolidated Statement of Activities

For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Financial Activity			
Financial Income			
Interest from loans	$ 27,840,656	$ 371,766	$ 28,212,422
Gains in equity method investments	666,210	-	666,210
Loan fees	334,209	-	334,209
Asset management fee	3,194,855	-	3,194,855
Forgiveness of debt	705,692	-	705,692
Total Financial Income	32,741,622	371,766	33,113,388
Financial Expense			
Interest expense	10,641,316	-	10,641,316
Investment losses (gains), net	1,496,145	(239,122)	1,257,023
Provision for loan losses	778,617	-	778,617
Total Financial Expense	12,916,078	(239,122)	12,676,956
Net Financial Income	19,825,544	610,888	20,436,432
Revenue and Support			
Grants and contributions	4,939,156	16,956,945	21,896,101
Program services and fees	6,004,386	-	6,004,386
Other income	31,923	-	31,923
Net assets released from restrictions	11,831,734	(11,831,734)	-
Total Revenue and Support	22,807,199	5,125,211	27,932,410
Program and General Expenses			
Program - Lending	6,021,525	-	6,021,525
Program - Capacity Building & Capital Access	11,520,022	-	11,520,022
Program - Policy Solutions	2,062,158	-	2,062,158
Program - PolicyMap	4,324,325	-	4,324,325
Management and general	9,627,022	-	9,627,022
Total Program and General Expenses	33,555,052	-	33,555,052
Change in net assets, before issuance of stock and option awards	9,077,691	5,736,099	14,813,790
Issuance of stock and option awards (Note 15)	1,024,488	-	1,024,488
Change in net assets	10,102,179	5,736,099	15,838,278
Net assets, January 1, 2022	124,799,162	102,524,812	227,323,974
Net assets, December 31, 2022	$ 134,901,341	$ 108,260,911	$ 243,162,252

See Notes to Consolidated Financial Statements.

Reinvestment Fund, Inc. and Affiliates

Consolidated Statement of Activities

For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Financial Activity			
Financial Income			
Interest from loans	$ 26,363,718	$ 472,421	$ 26,836,139
Gains in equity method investments	452,187	-	452,187
Loan fees	377,439	-	377,439
Asset management fee	2,814,134	-	2,814,134
Forgiveness of debt	1,447,428	-	1,447,428
Total Financial Income	31,454,906	472,421	31,927,327
Financial Expense			
Interest expense	11,712,868	-	11,712,868
Investment losses, net	250,412	12,130	262,542
Credit for loan losses	(341,242)	-	(341,242)
Total Financial Expense	11,622,038	12,130	11,634,168
Net Financial Income	19,832,868	460,291	20,293,159
Revenue and Support			
Grants and contributions	3,705,954	8,055,756	11,761,710
Program services and fees	4,913,006	-	4,913,006
Other income	7,362	-	7,362
Net assets released from restrictions	12,709,608	(12,709,608)	-
Total Revenue and Support	21,335,930	(4,653,852)	16,682,078
Program and General Expenses			
Program - Lending	5,200,365	-	5,200,365
Program - Capacity Building & Capital Access	8,954,423	-	8,954,423
Program - Policy Solutions	1,815,946	-	1,815,946
Program - PolicyMap	3,944,672	-	3,944,672
Management and general	8,090,218	-	8,090,218
Total Program and General Expenses	28,005,624	-	28,005,624
Other Decreases			
Charges related to revolving loan fund, net	-	433,454	433,454
Total Other Decreases	-	433,454	433,454
Total Expenses and Other Decreases	28,005,624	433,454	28,439,078
Change in net assets, before issuance of stock and option awards	13,163,174	(4,627,015)	8,536,159
Issuance of stock and option awards (Note 15)	118,693	-	118,693
Change in net assets	13,281,867	(4,627,015)	8,654,852
Net assets, January 1, 2021	111,517,295	107,151,827	218,669,122
Net assets, December 31, 2021	$ 124,799,162	$ 102,524,812	$ 227,323,974

See Notes to Consolidated Financial Statements.

Reinvestment Fund, Inc. and Affiliates

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Change in net assets, before issuance of stock and option awards	$ 14,813,790	$ 8,536,159
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Provision (credit) for loan losses	778,617	(341,242)
Charge-offs related to revolving loan fund	-	433,454
Stock dividend	-	(7,600)
Depreciation and amortization	117,783	124,181
Non-cash operating lease expense	460,302	459,615
Amortization of debt issuance costs	215,596	218,255
Stock compensation expense	72,565	118,693
Deferred origination fees, net	(190,489)	(352,743)
Investment losses in marketable securities, net	2,814,571	1,548,405
Non-cash grants and contributions	(3,120,341)	(670,002)
Investment gain in equity method investments, net	(666,210)	(452,187)
Returns on equity method investments	8,391	6,792
Forgiveness of debt	(705,692)	(1,447,428)
Decrease (increase) in:		
Grants and contributions receivable	26,640	700,189
Other assets	(8,363,482)	(3,590,339)
Increase (decrease) in:		
Accounts payable and accrued expenses	511,016	89,767
Escrow payable and due to third parties	(8,570,576)	7,522,928
Deferred revenue	2,051	408,623
Operating lease liabilities	(627,429)	(615,094)
Other liabilities	(287)	(7,883,277)
Recoverable grants	226,991	(8,000)
Net cash (used in) provided by operating activities	(2,196,193)	4,799,149
Cash Flows from Investing Activities		
Purchases of marketable securities	(46,654,364)	(84,158,482)
Proceeds from sale of marketable securities	48,425,103	90,128,059
Purchases of equity method investments	(5,850)	(204,782)
Distributions from equity method investments	127,518	46,931
Cash disbursements on loans receivable	(125,576,837)	(133,504,722)
Cash receipts on loans receivable	117,236,266	131,293,681
Cash receipts on loans held for sale	384,287	-
Net cash (used in) provided by investing activities	(6,063,877)	3,600,685
Cash Flows from Financing Activities		
Proceeds from issuance of loans and bonds payable	20,921,600	29,516,925
Principal payments on loans and bonds payable	(23,297,937)	(57,190,668)
Cash paid for debt issuance costs	-	(30,223)
Proceeds from exercise of stock options	21,581	-
Proceeds from issuance of preferred stock	930,342	-
Net cash used in financing activities	(1,424,414)	(27,703,966)
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents	(9,684,484)	(19,304,132)
Cash, cash equivalents, and restricted cash and cash equivalents, beginning	83,121,177	102,425,309
Cash, cash equivalents, and restricted cash and cash equivalents, ending	$ 73,436,693	$ 83,121,177

(Continued)

See Notes to Consolidated Financial Statements.

Reinvestment Fund, Inc. and Affiliates

Consolidated Statements of Cash Flows (Continued)
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash and cash equivalents	$ 30,512,130	$ 39,034,457
Restricted cash and cash equivalents	42,924,563	44,086,720
Cash, cash equivalents, and restricted cash and cash equivalents	$ 73,436,693	$ 83,121,177
Supplemental Disclosures of Cash Flow Information:		
Cash paid for interest	$ 9,447,543	$ 10,357,869
Supplemental Schedules of Non-Cash Investing and Financing Activities:		
Conversion of interest and fees receivable into loans receivable	$ 4,307,969	$ 2,825,715
Conversion of interest payable into loans payable	$ 219,535	$ 231,857
Non-cash transfer of loans receivable to loans held for sale	$ -	$ 37,382,655
Non-cash transfer of loans held for sale to loans receivable	$ 36,998,368	$ -

See Notes to Consolidated Financial Statements.

Note 1. Description of Activities and Significant Accounting Policies

Description of Organization and Activities:

Founded in 1985, Reinvestment Fund, Inc. ("Reinvestment Fund") is a national mission-driven financial institution that creates opportunity for underserved people and places through partnerships. It marshals the capital, analytics, and expertise necessary to build strong, healthy, and more equitable communities. Reinvestment Fund is a Community Development Financial Institution ("CDFI"), as certified by the U.S. Department of the Treasury's Community Development Financial Institutions Fund ("CDFI Fund"). CDFI certification is the U.S. Department of the Treasury's recognition of specialized financial institutions serving low-income communities. Reinvestment Fund and Affiliates, listed below, (collectively the "Organization") are affiliated organizations, related by common Board members and management, operating as a unified organization with focused vision, strategy, and management systems. The Organization's principal sources of revenue and support are interest income, loan fees and asset management fees earned from its investing and lending activities, grants and contributions, and program services and fees.

A description of each affiliated entity and its operations is summarized below:

Reinvestment Fund, Inc.: Reinvestment Fund is a Pennsylvania not-for-profit entity exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). Reinvestment Fund integrates data, policy and strategic investments to improve the quality of life in low-income neighborhoods. Using analytical and financial tools, it brings high-quality grocery stores, affordable housing, schools and health centers to the communities that need better access-creating anchors that attract investment over the long term and help families lead healthier, more productive lives. Reinvestment Fund serves communities across the country.

PolicyMap: PolicyMap, LLC ("PolicyMap"), a Pennsylvania Benefit Corporation, provides easy-to-use online mapping with data on demographics, real estate, health, jobs and more in communities across the United States of America (U.S.). Reinvestment Fund owns a 10,000 common stock shares, 2,000 Series A preferred stock shares, and 505 Series A2 preferred stock shares of PolicyMap, making Reinvestment Fund the majority owner.

TRF Enterprise Fund, Inc.: TRF Enterprise Fund, Inc. ("EFI") is a Pennsylvania for-profit non-stock business corporation exempt from income taxes under Section 501(c)(3) of the IRC and is wholly owned by Reinvestment Fund. EFI is incorporated to enable it to achieve its charitable purpose of being a Small Business Administration ("SBA") Non-Bank Participating Lender. EFI provides urban-based entrepreneurs access to credit that they currently do not have, to increase services and job opportunities in underserved communities and to provide ownership and wealth creation opportunities, especially to minority and female entrepreneurs. In accordance with federal law, EFI is regulated by the Pennsylvania Department of Banking and Securities and is licensed to do business under the Consumer Discount Company Act.

TRF NMTC Fund, LLC: TRF NMTC Fund, LLC ("NMTC") is a Delaware limited liability company, wholly owned by Reinvestment Fund. NMTC was formed as a result of Reinvestment Fund receiving an allocation of New Markets Tax Credits from the U.S. Department of the Treasury that obtains equity investments from investors and makes investments in Qualified Active Low-Income Community Businesses as defined in the operating agreement.

RF Clean Energy Fund I, LLC: RF Clean Energy Fund I, LLC ("CEF") was formed on January 9, 2018, under the laws of the Commonwealth of Pennsylvania. CEF was organized to invest in various projects and assets related to energy efficiency and the generation of low-carbon emission energy. Reinvestment Fund is the sole member of CEF.

TRF Education Funding, LLC: TRF Education Funding, LLC ("Education Funding") is a Delaware limited liability company, wholly owned by Reinvestment Fund. Education Funding was formed to manage Reinvestment Fund's investment in the Charter School Financing Partnership, LLC ("CSFP"). CSFP was formed to facilitate, encourage and assist in the financing of charter school facilities.

RF Impact Advisers, Inc.: RF Impact Advisers, Inc. ("RFIA") was incorporated on August 21, 2017, under the Pennsylvania Nonprofit Corporation Law of 1988, as amended, and was organized on a non-stock basis, exclusively for charitable purposes. RFIA was formed to provide certain advisory, management and consulting services to private funds and holds a registration with the Pennsylvania Department of Banking and Securities as an Investment Adviser. Reinvestment Fund is the sole member of RFIA.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Description of Organization and Activities (Continued):

Reinvestment I, LLC, Reinvestment III, LLC and Reinvestment IV, LLC: Reinvestment I, LLC ("Reinvest I"), Reinvestment III, LLC ("Reinvest III") and Reinvestment IV, LLC ("Reinvest IV") are Pennsylvania limited liability companies, each wholly owned by Reinvestment Fund. These entities were formed to acquire and manage distressed real estate acquired through foreclosure or deed in lieu of foreclosure and to prepare properties for sale. Reinvest I, Reinvest III and Reinvest IV are inactive.

The Organization has four major programs:

1) *Lending:* Encompasses the Organization's financing of housing, schools, healthy food access, healthcare facilities, childcare facilities, clean energy projects and other community assets that benefit low-wealth people and places and is the core lending function of the Organization.

2) *Capacity Building & Capital Access*: Uses grants and technical assistance to make access to capital more equitable for low-wealth individuals and communities, particularly in the areas of early childhood education, food and social determinants of health.

3) *Policy Solutions:* Conducts policy, data and social impact analyses that advance Reinvestment Fund's mission and effect system change, on behalf of Reinvestment Fund as well as public and philanthropic clients.

4) *PolicyMap*: Provides an on-line data analysis and mapping tool that provides broad access to data, reports and analytics useful for social investment strategies.

Basis of Presentation: The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Principles of Consolidation: Accounting guidance on reporting of related entities requires nonprofit organizations with a controlling and economic interest in other organizations to consolidate those other organizations. Accordingly, the consolidated financial statements include the accounts of PolicyMap, EFI, NMTC, CEF, Education Funding, RFIA, Fund Manager, Reinvest I, Reinvest III and Reinvest IV. All significant intra-organization accounts and transactions have been eliminated in consolidation.

Various affiliated companies (Note 10) do not meet the criteria requiring consolidation and are therefore not included in the consolidated financial statements.

Use of Estimates: The preparation of financial statements 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 consolidated financial statements and the reported amounts of revenue and support and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents: The Organization considers all highly liquid instruments purchased with an original maturity date of three months or less to be cash equivalents.

Restricted Cash and Cash Equivalents: Restricted cash and cash equivalents include cash and cash equivalents held in escrow as stipulated by the underlying loan and grant agreements. This includes escrow cash accounts held for borrowers as interest reserves and repair and replacement reserves designated for capital improvements.

Valuation of Investments in Marketable Securities: The Organization determines the fair value of each investment at the consolidated statement of financial position date. The fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts and fair value measurements are separately disclosed by level within the fair value hierarchy.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the Organization's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions. In accordance with this guidance, the Organization groups its assets and liabilities carried at fair value in three levels as follows:

Level 1 Inputs:

1) Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Inputs:

1) Quoted prices for similar assets or liabilities in active markets.
2) Quoted prices for identical or similar assets or liabilities in markets that are not active.
3) Inputs other than quoted prices that are observable, either directly or indirectly, for the term of the asset or liability (e.g., interest rates, yield curves, credit risks, prepayment speeds or volatilities) or “market corroborated inputs.”

Level 3 Inputs:

1) Prices or valuation techniques that require inputs that are both unobservable (i.e. supported by little or no market activity) and that are significant to the fair value of the assets or liabilities.
2) These assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Investments in Marketable Securities: Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated statements of financial position. Any unrealized gains or losses are reported in the consolidated statements of activities as a change in net assets without donor restrictions, unless explicit donor intent or law restricts their use. Accordingly, investments are recorded at fair value and are classified as Level 1, 2, or 3 (Note 22).

Loans Receivable:

Loans: Loans receivable are stated at the principal amount outstanding, net of deferred loan fees and allowance for losses. Interest income on loans is accrued on the principal outstanding at the loans’ stated interest rate unless the loan is in default, then the default rate may apply. Loan origination fees, net of direct origination costs are deferred and amortized using the effective interest method over the respective lives of the related loans and are recorded as an adjustment to interest income from loans.

Impaired Loans: The Organization determines a loan to be impaired when based on current information and events, it is probable that the Organization will be unable to collect the scheduled contractual payments according to the loan agreements. Not all impaired loans are non-performing. Impaired loans include troubled debt restructurings (“TDRs”), and exclude loans measured at fair value.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Impaired loans are valued using the present value of expected future cash flows discounted at the loan's original effective interest rate for borrowers that are compliant with their loan agreements; observable market price; or fair value of collateral less estimated costs to sell for loans considered collateral dependent. Specific reserve is established for impaired loans when a shortfall exists between the loan's recorded book value and asset value per impairment methodology at value date. The Organization performs an impairment analysis by reviewing the loan's internally assigned risk rating, its outstanding balance, guarantors, collateral, strategy, and current report of the action being implemented, to determine the appropriate valuation method. Uncollectible amounts are recorded as a reduction of the allowance for loan losses.

Non-performing Loans: The Organization considers a loan to be non-performing when the borrower is 90 days past due with their contractual payments. This can include loans modified under troubled debt restructuring and/or forbearance agreements and loans in which the borrower is in foreclosure.

The Organization places a loan on non-accrual status at the discretion of the Criticized Assets committee, based on the Organization's knowledge of deteriorating circumstances of a receivable. Future payments from the borrower are recorded as recovery of principal until satisfied, then towards interest income recorded on a cash basis. Accrual of interest is discontinued and unpaid interest is adjusted against interest income.

For non-accrual loans under forbearance agreements, interest income is recognized on a cash basis based on the terms of the forbearance agreement. Loans may be returned to accrual status if the borrower makes timely contractual payments during a six (6) month performance period. Uncollected amounts are charged-off against the allowance for loan loss.

Allowance for Loan Losses: The allowance for loan losses is a valuation reserve that the Organization believes is adequate to absorb potential losses on the loan portfolio. It is established through provision for loan losses charged to expense, increased by subsequent recoveries and offset by charge-offs of uncollectible loans. The allowance is based on internal and external factors, past loss experience, the nature and volume of the portfolio and current economic conditions.

The allowance consists of specific and general components. The specific component relates to loans that are classified as impaired. The general component covers loans not considered impaired and is based on historical loss experience adjusted for qualitative and industry factors. Current qualitative factors include loan rating, loan size and liquidation experience. Current industry factors include credit concentration and industry trends. Any unallocated component of the allowance is minimal and reflects the margin of imprecision inherent in the underlying assumptions used in the methodologies for estimating specific and general losses in the portfolio.

Loans Held for Sale: Loans are classified as held for sale once a decision has been made by management to sell, loans to be sold have been identified, there is a marketing strategy in place, and there are potential buyers in the marketplace. Loans held for sale are valued at lower of amortized cost (which includes deferred loan fees) or fair value.

Equity Method and Program Investments: Equity method investments are accounted for using the equity method of accounting under which the Organization's share of net income or loss is recognized in the consolidated statements of activities and added or subtracted from the investment account, and distributions received are treated as a reduction of the investment account. Program investments are recorded at estimated fair value since no public market exists for the investments (Level 3). Fair value is determined in good faith by the management of the Organization by taking into consideration the cost of the securities, prices of recent significant placements of securities by the same issuer, subsequent developments concerning the companies to which the securities relate, any financial data and projections of such companies provided to management, and such other factors as management may deem relevant.

The Organization has elected to follow the nature of the distribution approach when classifying distributions received from equity method investments in the Organization's consolidated statements of cash flows, whereby any distributions received is classified on the basis of the nature of the activity or activities of the investee that generated the distribution as either a return on investment (classified as a cash inflow from operating activities) or a return of investment (classified as a cash inflow from investing activities) when such information is available.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Equipment, Leasehold Improvements and Software: Equipment, leasehold improvements and software consists of furniture and equipment, leasehold improvements and software development costs that are stated at cost and depreciated using the straight-line method over the estimated lives of the related assets, which range from three to seven years. Leasehold improvements are stated at cost and depreciated using the straight-line method over the shorter of the useful life or expected lease term. Software development costs are stated at cost and amortized using the straight-line method over the estimated useful life. Application development costs incurred to develop internal use software are capitalized and amortized over the expected useful life of the software application. Activities that are considered application development include design of software configuration and interfaces, coding, installation of hardware, and testing. All other expenses incurred to develop internal use software are expensed as incurred. The Organization capitalizes fixed assets with a cost greater than $10,000 and useful life greater than one year.

Cloud Computing Arrangements: Costs incurred to implement cloud computing service arrangements are initially deferred, and recognized as other assets. Implementation costs are subsequently amortized over the expected term of the related cloud service. Such costs include costs to develop or obtain software for a cloud computing arrangement, coding and testing activities in the application development stage, external costs of services to configure the solution, and payroll and related compensation costs for employees associated with implementation based on actual rates. The carrying value of cloud computing implementation costs are tested for impairment when an event or circumstance indicates that the asset might be impaired. Changes in cloud computing arrangement implementation costs are classified within operating activities in the consolidated statements of cash flows.

Cloud computing implementation costs of $968,838 and $43,620, at December 31, 2022 and 2021, respectively, are included in other assets on the consolidated statements of financial position. At December 31, 2022, the Organization was still in the implementation stage, therefore there was no amortization expense in 2022 or 2021. The useful life of the cloud computing implementation cost is approximately 5.25 years at December 31, 2022.

Other Assets: Other assets include amounts due from third parties, including accounts receivable and interest receivable; prepaid expenses; and investment in the Federal Home Loan Bank of Pittsburgh (the “FHLB”).

In 2014, Reinvestment Fund was granted membership to the FHLB. As a member of the FHLB, Reinvestment Fund is required to maintain an investment in capital stock of the FHLB. FHLB stock does not have a readily determinable value as ownership is restricted and there is no ready market for this stock. As a result, this investment is carried at cost and evaluated periodically by management for impairment. At December 31, 2022 and 2021, the investment was $410,800 and $408,000, respectively. Management reviews for impairment based on the ultimate recoverability of the cost basis of the FHLB stock. No impairment was noted as of December 31, 2022 and 2021.

Deferred Revenue: Deferred revenue consists of advanced payments and billings in excess of revenue recognized. Amounts will be recognized when such services are provided.

Other Liabilities: Other liabilities include interest payable and loan participations that did not meet the characteristics of a participating interest in accordance with accounting rules governing the sale of a financial asset. There is no exposure to Reinvestment Fund on the loan participations sold.

Deferred Debt Issuance Costs: Debt issuance costs related to a recognized debt liability are presented on the consolidated statements of financial position as a direct reduction from the carrying amount of that debt liability and are amortized using the effective yield method over the term of the debt.

Non-Controlling Interest in Consolidated Subsidiary: Non-controlling interest represents the equity interest in PolicyMap, exclusive of any Reinvestment Fund interest.

Transfers of Financial Assets: Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Organization, (2) the transferee obtains the right, free of conditions that constrain it from taking advantage of the right, to pledge or exchange the transferred assets, and (3) the Organization does not maintain effective control over the transferred assets through an agreement that obligates the Organization to repurchase or redeem the assets before maturity or the ability to unilaterally cause the holder to return specific assets.

Net Assets: Net assets that are not subject to donor-imposed restrictions are reported as net assets without donor restrictions. Net assets with donor restrictions are net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Contributions: The Organization accounts for contributions depending on the existence or nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. Donor-restricted contributions whose restrictions are met as the contribution becomes unconditional are recorded as contributions without donor restrictions. When a restriction expires, net assets with donor restrictions are reported as net assets released from restrictions, and reclassified as increases to net assets without donor restrictions.

Contributions receivable, which represent unconditional promises to give, are recognized as revenue in the period awarded. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the net present value of the estimated cash flows beyond one year using a risk-free rate of return appropriate for the expected term of the promise to give.

Conditional promises to give, which depend on the existence of both performance barriers and right of return language, are recorded as contribution revenue when the conditions on which they depend are substantially met.

Revenue:

The Organization recognizes certain types of revenue in accordance with Topic 606.

Asset management fees: Administrative services fees are earned for managing the operations of a Subsidiary Community Development Entity ("Sub-CDE") including reasonable efforts to cause the Sub-CDE to comply with all NMTC program requirements. The fee is generally calculated as a percentage of the aggregate capital contribution made by the limited partner of the Sub-CDE that has been designated a qualified equity investment. Revenue is recorded on the output method and is recognized monthly over the service period as the Sub-CDE simultaneously receives and consumes the benefits as the Organization performs the administrative services. Administrative services fees are paid quarterly during a seven-year program compliance period.

The Organization also earns asset management fees for monthly administrative services provided to three other entities. Revenue is recorded on the output method and recognized monthly over the service period as the entities simultaneously receive and consume the benefits provided by the Organization's performance as the Organization performs administrative services. Administrative services fees are paid quarterly for two of the entities and monthly for the third.

Sub-allocation fees are earned for transferring a portion of the Organization's NMTC allocation to a Sub-CDE. The fee is earned and paid on the date the transaction closes.

The success fee is an additional payment, made upon the end of the seven-year program compliance period, solely to the extent the NMTC tax credits have not been recaptured due to the actions or inactions of the Organization. Success fee revenue is not recorded until the end of the compliance period when the hurdle is met since there is variable consideration due to a probability of a significant reversal. Payment is due when the deal successfully unwinds with no recapture events.

Program services and fees: Professional services includes Policy Solutions' policy, data and social impact analyses conducted on behalf of public and philanthropic clients and PolicyMap's professional services provided to create branded mapping tools and customer-specific maps. For both types of professional services, revenue is billed on a time and materials basis. The Organization elected to utilize an output method to recognize revenue that is based on the amount to which the Organization has a right to invoice a customer for services performed to date, if that amount corresponds directly with the value provided to the customer for the related performance or its obligation completed to date. As such, the Organization recognized revenue in the amount to which it had the right to invoice customers. Payment is due within 30 days from the invoiced date.

Subscription services are comprised of subscription fees from customers accessing PolicyMap's cloud-based platform. Licenses, including data licenses and site licenses, allow customers to make PolicyMap's products available to everyone within their organization. Subscriptions and licenses include a right-to-access the software over a period of time, and revenue is recognized on a straight-line basis over the contract term. Payment is due within 45 days from the invoiced date.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Income Taxes: Reinvestment Fund and its affiliates, except for PolicyMap and RFIA, are generally exempt from federal income taxes under the provisions of Section 501(c)(3) of the IRC. Reinvestment Fund qualifies for charitable contribution deductions and has been classified as an organization that is not a private foundation. Income which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. Reinvestment Fund and its affiliates did not have any significant unrelated business income tax for the years ended December 31, 2022 and 2021.

PolicyMap is subject to federal and state income taxes. Effective November 2021, RFIA became exempt from federal income taxes under the provisions of Section 501(c)(4) of the IRC.

Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Consequently, no accrual for interest and penalties was deemed necessary for the years ended December 31, 2022 and 2021. The Organization files income tax returns in the U.S. federal and state jurisdictions. Generally, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2019.

Functional Expense Allocation: The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation and amortization, and office and occupancy related expenses, which are allocated on a full-time equivalent percentage per department, as well as certain salaries and benefits, which are allocated on the basis of estimates of time and effort.

Leases: Under Topic 842, the Organization determines if an arrangement is a lease at inception. Reinvestment Fund's leases consist of real property and are classified as operating leases. Reinvestment Fund does not have any finance leases nor material arrangements as a lessor. Right of Use ("ROU") assets and lease liabilities are recognized at the lease commencement date based upon the present value of the remaining lease payments over the lease term. Reinvestment Fund uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. Lease expense for lease payments is recognized on a straight-line basis over the term of the lease. Lease terms may include options to renew or extend when it is reasonably certain that the option will be exercised. Lease agreements that contain both lease and non-lease components are accounted for as a single component. Short-term leases with an initial term of twelve months or less are not recorded on the consolidated statements of financial position.

Reclassifications: Certain amounts in the 2021 consolidated financial statements have been reclassified to conform to the 2022 presentation with no effect on the change in net assets or net assets previously reported.

Recent Accounting Pronouncements Adopted:

In January 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-01, *Investments—Equity Securities (Topic 321), Investments—Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815).* This ASU clarifies certain interactions between the guidance to account for certain equity securities under Topic 323, and derivatives and hedging under Topic 815. These amendments improve current GAAP by reducing diversity in practice and increasing comparability of accounting for these interactions. The ASU is effective for the Organization as of January 1, 2022. There was no material impact to the Organization's consolidated financial statements upon the adoption of the ASU 2020-01.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This update provided optional expedients to the replacement of the reference rate to ease the potential burden in accounting for reference rate reform on financial reporting, This affects modifications of contracts within the scope of Topics 310, Receivables and 470, Debt; modifications of contracts within the scope of Topics 840, *Leases*, and 842, *Leases*. The Organization adopted this standard during 2022 and the Organization utilizes the Secured Overnight Financing Rate ("SOFR") as the alternative reference rate to replace LIBOR. There was no material impact to the Organization's consolidated financial statements upon the adoption of ASU 2020-04.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Recent Accounting Pronouncements Not Yet Adopted:

The Organization is currently evaluating the effect that the following updated standards will have on the consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. The ASU requires financial assets measured at amortized cost (including loans, trade receivables and held-to-maturity debt securities) to be presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The ASU requires that credit losses on available-for-sale debt securities be presented as an allowance rather than as a direct write-down. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the consolidated statements of activities as the amounts expected to be collected change. The ASU is effective for the Organization as of January 1, 2023. As of January 1, 2023, the Organization developed an allowance model which calculates reserves over the life of the loan. The Organization is currently finalizing its model and continues to evaluate environmental factors.

In April 2019, the FASB issued ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*. This Accounting Standards Codification ("ASC") makes clarifying amendments to certain financial instrument standards. The amendments related to ASC 326 are effective for the Organization as of January 1, 2023.

In May 2019, the FASB issued ASU 2019-05, *Credit Losses (Topic 326): Targeted Transition Relief*. This ASU provides entities that have certain instruments within the scope of Subtopic 326-20, "Financial Instruments – Credit Losses – Measured at Amortized Cost," with an option to irrevocably elect the fair value option in Subtopic 825-10, "Financial Instruments – Overall," applied on an instrument-by-instrument basis for eligible instruments, upon adoption of Topic 326. For entities that have not yet adopted the credit losses standard, the ASU is effective when they implement the credit losses standard. As such, the ASU is effective for the Organization as of January 1, 2023.

In November 2019, the FASB issued ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments–Credit Losses.* This ASU provides narrow-scope improvements to Topic 326. For entities that have not yet adopted ASU 2016-13 as of November 26, 2019, the effective dates for ASU 2019-11 are the same as the effective dates and transition requirements in ASU 2016-13. As such, the ASU is effective for the Organization as of January 1, 2023.

In March 2020, the FASB issued ASU 2020-03, *Codification Improvements to Financial Instruments*. This ASU addresses various financial instruments topics. The amendments related to Issues 1, 2, 3, 4 and 5 within the ASU are conforming amendments. These amendments were effective for the Organization as of January 1, 2020, and had no significant impact to the Organization's financial statements. For entities that have not yet adopted ASU 2016-13, the effective dates for the amendments related to Issues 6 and 7 within ASU 2020-03 are the same as the effective dates in ASU 2016-13. As such, the amendments related to Issues 6 and 7 are effective for the Organization as of January 1, 2023.

In March 2022, the FASB issued ASU 2022-02, *Financial Instruments-Credit Losses (Topic 326)*. This ASU made adjustments with respect to the accounting for and disclosures of certain loan refinancings, restructurings and writeoffs. ASU 2022-02 clarifies the disclosure requirement for presenting financing receivable information by year of origination, for vintage, for public business entities. For entities that have adopted ASU 2016-13, the amendments to ASU 2022-02 are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. For entities that have not yet adopted ASU 2016-13, the effective dates for the amendments in ASU 2022-02 are the same as the effective dates in ASU 2016-13. As such, the ASU is effective for the Organization as of January 1, 2023.

Note 2. Liquidity and Availability of Resources

Reinvestment Fund regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to balance risk and returns to prioritize capital preservation. The below reflects Reinvestment Fund's financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to donor-imposed restrictions, and liquidity resources available within one year of the statement of financial position date.

	2022	2021
Financial assets at December 31,	$ 108,499,893	$ 118,648,717
Less those unavailable for general expenditure within one year, due to donor-imposed time or purpose restrictions	(44,550,904)	(41,090,509)
Total financial assets available within one year	63,948,989	77,558,208
Liquidity resource:		
Undrawn lines of credit without restriction	20,012,174	12,174
Total financial assets and liquidity resources available within one year	$ 83,961,163	$ 77,570,382

Financial assets include cash and cash equivalents, investments in marketable securities, and accounts receivable totaling $5,350,574 and $2,391,761, as of December 31, 2022 and 2021, respectively, included in other assets.

At December 31, 2022 and 2021, total financial assets and liquidity resources available within one year are available to be used to fund general expenditures and lending activities. The above does not include loans receivable or liquidity resources available to fund loan originations as the Organization manages its portfolio of loans receivable to match debt maturities.

Note 3. Restricted Cash and Cash Equivalents

Several grant and loan agreements require cash to be held in separate bank accounts. This cash is restricted in use and maintained in separate accounts which were as follows at December 31:

	2022	2021
Fresh Food Financing Initiative ("FFFI")	$ 1,066,470	$ 204,265
Escrow payable	3,748,123	9,163,111
CEF Escrow payable	535,464	535,464
Pennsylvania Green Energy Loan Fund ("GELF")	4,819,513	587,324
Sustainable Development Fund ("SDF") programs	8,440,437	3,352,510
United States Department of Education ("US ED") funds for charter school lending programs	1,102,864	742,666
Greenworks energy loan fund	1,678,330	1,675,109
EnergyWorks loan fund	6,140,326	6,110,246
Capital Magnet Fund	750,000	3,750,000
Pennsylvania State Energy Program ("SEP")	276,970	408,161
CDFI-Bond Guarantee Program ("Bond Program")	5,422,747	12,159,810
Federal Home Loan Bank ("FHLB") Pledged	4,450,439	550,110
Baltimore Energy Efficiency	1,681,063	1,684,098
Philadelphia Authority of Industrial Development - Gap financing	2,811,817	3,163,846
	$ 42,924,563	$ 44,086,720

Note 4. Investments in Marketable Securities

Investments at December 31 consisted of the following:

	2022	2021
Investments in marketable securities:		
Debt and Mortgage-backed securities:		
Federal Home Loan Mortgage Company	$ 1,586,860	$ 2,339,448
Federal National Mortgage Association	1,460,763	2,502,878
U.S. Treasury Notes and Bills	47,754,232	47,463,466
Corporate debt securities	21,835,334	24,916,707
	$ 72,637,189	$ 77,222,499
Included in the above are:		
Investments in marketable securities restricted as to use:		
U.S. ED funds for charter school lending programs	$ 22,231,652	$ 22,581,897
GELF	2,253,358	2,290,640
	$ 24,485,010	$ 24,872,537

Note 5. Grants and Contributions Receivable

Grants and contributions receivable at December 31 consisted of the following:

	2022	2021
Programs		
Capacity Building & Capital Access	$ 3,078,058	$ 3,165,432
Lending	250,000	-
Policy Solutions	-	189,266
	$ 3,328,058	$ 3,354,698

At December 31, 2022 and 2021, grants and contributions receivable totaling $3,328,058 and $3,073,094, respectively, were due within one year and $0 and $281,604, respectively, were due within one to five years.

As of December 31, 2022 and 2021, total conditional contributions receivable not recorded are approximately $30,061,000 and $9,458,000, respectively. The conditional unrecorded receivables are dependent on incurring qualifying expenses or satisfactory progress.

Note 6. Concentration of Credit Risk

The Organization maintains cash in various financial institutions with insurance provided by the Federal Deposit Insurance Corporation (“FDIC”) up to $250,000 at each financial institution and in short-term money market funds. At times during the years ended December 31, 2022 and 2021, the Organization had cash balances in excess of the FDIC limits. At December 31, 2022 and 2021, the cash balances in excess of FDIC limits approximated $ $57,330,000 and $61,775,000, respectively. The Organization has not experienced any loss in such accounts and believes it is not exposed to any significant credit risk. At December 31, 2022 and 2021, total cash equivalents and restricted cash equivalents include short-term money market funds of approximately $12,621,000 and $19,129,000, respectively, which are invested in a government money market fund, which invests in obligations issued or guaranteed by the U.S. Government or its agencies. All other cash equivalents represent short-term government holdings.

Note 6. Concentration of Credit Risk (Continued)

At December 31, 2022 and 2021, at least 63% and 74%, respectively, of the Organization's loans receivable due were used to fund projects within the mid-Atlantic region. Additionally, at December 31, 2022, the Organization's portfolio of education, commercial development, housing, food access and clean energy loans constituted 27%, 21%, 17%, 11% and 10%, of total loans outstanding, respectively. At December 31, 2021, the Organization's portfolio of education, commercial development, housing, clean energy and food access loans constituted 28%, 21%, 13%, 12% and 12%, of total loans outstanding, respectively.

During 2022, 47% of the Organization's total revenue and support is from two funders. During 2021, 50% of the Organization's total revenue and support is from three funders.

Note 7. Loans Receivable

Loans receivable at December 31 consisted of the following:

	2022	2021
Education	$ 126,393,798	$ 118,438,094
Commercial Development	99,852,620	86,759,923
Housing	77,553,553	52,428,047
Clean Energy	44,611,212	51,113,303
Food Access	51,006,839	50,077,323
Health & Wellness	25,322,259	20,615,503
Social Programs	28,510,673	19,723,418
Early Learning	5,849,786	8,114,512
Arts & Culture	5,053,468	7,692,926
Other	1,167,494	1,166,894
	465,321,702	416,129,943
Allowance for loan losses	(20,939,477)	(20,806,498)
	$ 444,382,225	$ 395,323,445

The Organization segregates its portfolio in the following segments based on areas of lending specialization:

Education: Loans to organizations to purchase, build, improve, operate or provide operating space for accredited schools, including loans to fund public and private K-12 schools, colleges and universities.

Commercial Development: Loans for non-residential and mixed-use real estate, with an emphasis on borrowers that develop or operate property which meet the community's needs. Loans include all forms of financing used to purchase, build, improve, operate or provide operating space for small businesses, shops, restaurants, and various local services.

Housing: Loans that finance a diverse group of borrowers including nonprofit community-based organizations, nonprofit and for-profit developers, and special needs housing providers through predevelopment, acquisition, construction and term lending. Loans include forms of financing used to purchase, build, improve or operate single-family or multi-unit homes in neighborhoods where quality affordable housing is in short supply.

Clean Energy: Loans for financing Power Purchase and Energy Saving Contracts, as well as direct financing of energy efficiency renovation and construction projects.

Food Access: Loans for healthy food retail, supermarkets, food banks or grocery stores in underserved areas. Loans include all forms of financing used to purchase, build, improve, equip, stock, otherwise operate or provide the operating space for a business directly involved in the production, preparation, wholesale distribution or retail sale of grocery foods.

Note 7. Loans Receivable (Continued)

Health & Wellness: Loans to support community health centers or programs that serve medically underserved areas or populations. Loans include all forms of financing used to purchase, build or improve medical facilities or otherwise operate a business dedicated to health services staffed by medical professionals and/or paraprofessionals. This includes financing for public and private primary and advanced care facilities, behavioral and mental health care facilities, addiction and recovery services, medical equipment and wellness services including nutrition.

Social Programs: Loans to mission-driven organizations to provide public services to low income communities. This includes organizations with a stated public service mission such as, religious and civic organizations, social service and training organizations.

Early Learning: Loans to organizations to purchase, build, improve, operate or provide operating space for infant care and preschool programming.

Arts & Culture: Loans to purchase, build, improve, operate or provide operating space for businesses in the creative economy including arts and cultural organizations, theaters, museums and libraries.

Other: Loans to support community impact not specifically identified above.

The primary risk in each portfolio above is repayment risk related to operational risk and collateral risk.

Outstanding loans have annual interest rates ranging from 0% to 14.265%. Loans receivable have various maturities through 2047.

Net deferred loan fees of $325,445 and $515,933 have been included in the carrying value of loans receivable as of December 31, 2022 and 2021, respectively.

The following tables present the aging of past due loans as of December 31:

2022						
	Past Due and Accruing					
(in 000's)	Loans 31-90 Days Past Due	Loans 91+ Days Past Due	Non-Accrual Loans (Current and Past Due)	Total Past Due and Non-Accrual Loans	Current Loans	Total Loans
Education	$ -	$ -	$ -	$ -	$ 126,394	$ 126,394
Commercial Development	643	-	1,703	2,346	97,507	99,853
Housing	-	5,499	-	5,499	72,055	77,554
Clean Energy	-	-	-	-	44,611	44,611
Food Access	-	-	455	455	50,552	51,007
Health & Wellness	-	-	-	-	25,322	25,322
Social Programs	-	-	-	-	28,511	28,511
Early Learning	-	-	-	-	5,850	5,850
Arts & Culture	-	-	-	-	5,053	5,053
Other	-	-	-	-	1,167	1,167
Total loans	$ 643	$ 5,499	$ 2,158	$ 8,300	$ 457,022	$ 465,322

2021						
	Past Due and Accruing					
(in 000's)	Loans 31-90 Days Past Due	Loans 91+ Days Past Due	Non-Accrual Loans (Current and Past Due)	Total Past Due and Non-Accrual Loans	Current Loans	Total Loans
Education	$ -	$ -	$ -	$ -	$ 118,438	$ 118,438
Commercial Development	-	-	4,524	4,524	82,236	86,760
Housing	-	-	-	-	52,428	52,428
Clean Energy	-	-	-	-	51,113	51,113
Food Access	-	-	455	455	49,622	50,077
Health & Wellness	-	-	-	-	20,616	20,616
Social Programs	-	-	-	-	19,723	19,723
Early Learning	-	-	-	-	8,115	8,115
Arts & Culture	-	-	-	-	7,693	7,693
Other	-	-	-	-	1,167	1,167
Total loans	$ -	$ -	$ 4,979	$ 4,979	$ 411,151	$ 416,130

Note 7. Loans Receivable (Continued)

Non-performing loans at December 31, 2022 and 2021, totaled $2,158,339, for both years.

Loan Origination/Risk Management: The Organization has lending policies and procedures in place to generate loan income within an acceptable level of risk. Management reviews and approves these policies and procedures on a regular basis, and provides ongoing assessment and guidance to lenders regarding acceptable risk tolerances. A reporting system supplements the review process by providing management with periodic reports related to loan origination, asset quality, concentrations of credit, loan delinquencies and non-performing and emerging problem loans. Portfolio diversification is a means of managing risk with fluctuations in economic conditions.

Credit Quality Indicators: For commercial loans, management uses internally assigned risk ratings as the best indicator of credit quality. Each loan's internal risk rating is assigned at origination, reviewed at least annually and may be updated more frequently if the Organization becomes aware of the deteriorating credit quality of a loan. The Organization uses a loan grading system that follows the Organization's accepted definitions as follows:

- Risk ratings of "Risk grade - 1" are used for loans that have committed sources of repayment and are in strong financial condition. These loans also have strong collateral coverage, with loan to value ratios of <70%. They are performing and are expected to continue to meet all the terms and conditions set forth in the original loan documentation.

- Risk ratings of "Risk grade - 2" are used for loans in satisfactory financial condition which may have a few unmet terms from committed repayment sources. These loans also have adequate collateral coverage of <80%. Borrowers in this classification generally exhibit a low level of credit risk, as demonstrated by project operations, guarantor net worth and liquidity or borrower payment history.

- Risk ratings of "Risk grade - 3" are used for loans in satisfactory but not yet stabilized financial condition and may require a higher degree of regular, careful attention. Early stage loans with this rating may be in higher risk phases of deployment and construction. Later stage borrowers with this rating may be exhibiting weaker balance sheets or inconsistent project cash flow coverage. Loans may have weaker collateral coverage, with loan to value ratios of >80% but <100%. Borrowers in this classification generally exhibit a higher level of credit risk in one or more areas, but do not expose the Organization to sufficient risk to warrant adverse classification.

- Risk ratings of "Risk grade - 4" are loans that do not presently expose the Organization to a significant degree of risk, but have identified weaknesses/deficiencies deserving management's closer attention. If left uncorrected, these weaknesses may result in deterioration of the repayment prospects for the asset or in the Organization's credit position at some future date. No loss of principal or interest is envisioned. Borrower is experiencing adverse operating trends, which potentially could impair their ability to service debt. This category may include credits with inadequate loan collateral, tight profitability upon completion of construction, and legal or management conflicts in the operating team.

- Risk ratings of "Risk grade - 5" are assigned to loans where a material deficiency has been identified and the repayment capacity of the obligor or the collateral security is no longer assumed sufficient to satisfy the borrower's obligation to the Organization. Loans with this rating are characterized by the loss of a significant repayment source, borrower bankruptcy or other significant impairment to the project. Recovery from secondary sources and other workout measures are indicated at this rating.

- Risk ratings of "Risk grade - 6" are assigned to loans which have all the weaknesses inherent in those classified "Risk grade - 5" with the added characteristic that the weakness makes the collection or liquidation in full, on the basis of current existing facts, conditions, and values, improbable. The borrower's recent performance indicates an inability to repay the debt and recovery from secondary sources is uncertain and may be pending loss is likely, but because of certain important and reasonably specific pending factors, a full write-off is deferred.

Note 7. Loans Receivable (Continued)

The tables below detail the Organization's loans, as of December 31 by class according to their credit quality indicators discussed above.

2022 (in 000's)	Risk Grade 1	Risk Grade 2	Risk Grade 3	Risk Grade 4	Risk Grade 5	Risk Grade 6	Total
Education	$ -	$ 69,849	$ 52,707	$ 3,838	$ -	$ -	$ 126,394
Commercial Development	-	4,651	82,302	11,197	1,703		99,853
Housing	175	47,480	23,724	6,175	-	-	77,554
Clean Energy	-	15,524	29,087	-	-	-	44,611
Food Access	937	12,173	36,911	531	455	-	51,007
Health & Wellness	442	8,680	16,200	-	-	-	25,322
Social Programs	-	987	25,736	1,788	-	-	28,511
Early Learning	-	4,316	1,517	17	-	-	5,850
Arts & Culture	-	-	5,053	-	-	-	5,053
Other	999	-	168	-	-	-	1,167
Total loans	$ 2,553	$ 163,660	$ 273,405	$ 23,546	$ 2,158	$ -	$ 465,322

2021 (in 000's)	Risk Grade 1	Risk Grade 2	Risk Grade 3	Risk Grade 4	Risk Grade 5	Risk Grade 6	Total
Education	$ 1,707	$ 78,066	$ 38,665	$ -	$ -	$ -	$ 118,438
Commercial Development	-	6,419	63,547	15,091	1,703	-	86,760
Housing	72	17,126	30,208	5,022	-	-	52,428
Clean Energy	331	26,970	23,812	-	-	-	51,113
Food Access	-	18,236	28,440	2,946	455	-	50,077
Health & Wellness	7	5,738	14,871	-	-	-	20,616
Social Programs	-	5,109	12,651	1,963	-	-	19,723
Early Learning	-	5,141	2,974	-	-	-	8,115
Arts & Culture	-	-	6,994	699	-	-	7,693
Other	1,000	-	167	-	-	-	1,167
Total loans	$ 3,117	$ 162,805	$ 222,329	$ 25,721	$ 2,158	$ -	$ 416,130

No interest was recognized on a cash basis for impaired loans in 2022 and 2021.

Impaired loans as of December 31 are set forth in the following tables:

2022 (in 000's)	Unpaid Principal Balance	Total Recorded Impaired Loans	Recorded Loans with no Allowance	Recorded Loans with Allowance	Related Allowance	Average Recorded Loans	Interest Collected on Impaired Loans
Commercial Development	$ 4,497	$ 4,411	$ 1,704	$ 2,707	$ 370	$ 4,467	$ 49
Housing	5,499	5,499	5,499	-	-	4,826	-
Food Access	539	455	455	-	-	455	-
Social Programs	1,788	1,788	1,788	-	-	1,875	138
Early Learning	30	30	30	-	-	50	1
Total loans	$ 12,353	$ 12,183	$ 9,476	$ 2,707	$ 370	$ 11,673	$ 188

Note 7. Loans Receivable (Continued)

2021							
(in 000's)	Unpaid Principal Balance	Total Recorded Impaired Loans	Recorded Loans with no Allowance	Recorded Loans with Allowance	Related Allowance	Average Recorded Loans	Interest Collected on Impaired Loans
Education	$ 547	$ 547	$ 547	$ -	$ -	$ 594	$ 45
Commercial Development	8,366	8,304	1,703	6,601	2,822	8,304	250
Housing	4,153	4,153	4,153	-	-	4,153	-
Food Access	1,171	1,087	344	743	6	1,087	43
Social Programs	1,963	1,963	-	1,963	14	1,963	94
Early Learning	25	25	-	25	-	31	1
Arts & Culture	500	500	500	-	-	500	-
Total loans	$ 16,725	$ 16,579	$ 7,247	$ 9,332	$ 2,842	$ 16,632	$ 433

TDRs occur when a creditor, for economic or legal reasons related to a debtor's financial condition, grants a concession to the debtor that it would not otherwise consider, such as a below market interest rate, extending the maturity of a loan, or a combination of both. The Organization considers all loans modified in a troubled debt restructuring to be impaired and includes them in loans individually evaluated for impairment in the allowance for loan losses.

At the time a loan is modified in a troubled debt restructuring, the Organization considers the following factors to determine whether the loan should accrue interest:

- Whether there is a minimum of six months of current payment history under the current terms;
- Whether the loan is current at the time of restructuring; and
- Whether the Organization expects the loan to continue to perform under the restructured terms with a debt coverage ratio that complies with the Organization's minimum underwriting policy.

The Organization also reviews the financial performance of the borrower over the past year to be reasonably assured of repayment and performance according to the modified terms. This review consists of an analysis of the borrower's historical results, the borrower's projected results over the next four quarters and current financial information of the borrower and any guarantors. The projected repayment source needs to be reliable, verifiable, quantifiable and sustainable. In addition, all troubled debt restructurings are reviewed quarterly to determine the amount of any impairment.

A borrower with a loan restructured in a TDR and that is on non-accrual must make six consecutive monthly regular debt service payments to be on accrual status.

There were no TDRs entered into in 2022 and 2021 that subsequently defaulted. There were two TDRs executed in 2022 and no TDRs were executed in 2021. Of the three loans identified as TDRs, none were considered to be in default.

The following is an analysis of loans modified in a troubled debt restructuring by type of concession.

2022				
(in 000's)	Balance at January 1	TDRs paid off, sold, reclassified, or written off	New TDRs	Balance at December 31
Education				
Extended under forbearance	$ 547	$ (547)	$ -	$ -
Commercial Development				
Extensions resulting from financial difficulty	3,780	(3,780)	-	-
Social Programs				
Extensions resulting from financial difficulty	-	-	1,788	1,788
Early Learning				
Extensions resulting from financial difficulty	25	(12)	17	30
Total	$ 4,352	$ (4,339)	$ 1,805	$ 1,818

Note 7. Loans Receivable (Continued)

2021 (in 000's)	Balance at January 1	TDRs paid off, sold, reclassified, or written off	New TDRs	Balance at December 31
Education				
Extended under forbearance	$ 641	$ (94)	$ -	$ 547
Commercial Development				
Extensions resulting from financial difficulty	3,780	-	-	3,780
Early Learning				
Extensions resulting from financial difficulty	37	(12)	-	25
Total	$ 4,458	$ (106)	$ -	$ 4,352

As of December 31, 2022 and 2021, all TDRs were in compliance and accruing.

There were no commitments to lend additional funds to borrowers with loans modified in troubled debt restructurings.

Note 8. Allowance for Loan Losses

The Organization considers that the determination of the allowance for loan losses involves a higher degree of judgment and complexity than its other significant accounting policies. The balance in the allowance for loan losses is determined based on management's review and evaluation of the loan portfolio in relation to past loss experience, the size and composition of the portfolio, current economic events and conditions, and other pertinent factors, including management's assumptions as to future delinquencies, recoveries and losses. All of these factors may be susceptible to significant change. To the extent actual outcomes differ from management's estimates, additional provisions for loan losses may be required and may adversely impact earnings in future periods.

The following tables present an analysis of the allowance for loan losses for the years ended December 31:

2022 (in 000's)	Education	Commercial Development	Housing	Clean Energy	Food Access	Health & Wellness	Social Programs	Early Learning	Arts & Culture	Other	Total
Beginning balance	$ 4,107	$ 6,913	$ 2,302	$ 2,218	$ 2,367	$ 887	$ 1,169	$ 380	$ 423	$ 40	$ 20,806
Provision (credit) for loan losses											
Without donor restrictions	1,076	(1,836)	209	154	255	253	273	572	(161)	(16)	779
Charge-offs - Loans	-	-	-	-	-	-	-	(701)	-	-	(701)
Recoveries	-	-	10	-	-	-	45	-	-	-	55
Provision (credit) and net charge-offs	1,076	(1,836)	219	154	255	253	318	(129)	(161)	(16)	133
Ending balance	$ 5,183	$ 5,077	$ 2,521	$ 2,372	$ 2,622	$ 1,140	$ 1,487	$ 251	$ 262	$ 24	$ 20,939
Period-end amount allocated to:											
Loans individually evaluated for impairment	$ -	$ 370	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 370
Loans collectively evaluated for impairment	5,183	4,707	2,521	2,372	2,622	1,140	1,487	251	262	24	20,569
	$ 5,183	$ 5,077	$ 2,521	$ 2,372	$ 2,622	$ 1,140	$ 1,487	$ 251	$ 262	$ 24	$ 20,939
Loans, ending balance:											
Loans individually evaluated for impairment	$ -	$ 4,411	$ 5,499	$ -	$ 455	$ -	$ 1,788	$ 30	$ -	$ -	$ 12,183
Loans collectively evaluated for impairment	126,394	95,442	72,055	44,611	50,552	25,322	26,723	5,820	5,053	1,167	453,139
Total	$ 126,394	$ 99,853	$ 77,554	$ 44,611	$ 51,007	$ 25,322	$ 28,511	$ 5,850	$ 5,053	$ 1,167	$ 465,322

Note 8. Allowance for Loan Losses (Continued)

2021											
(in 000's)	Education	Commercial Development	Housing	Clean Energy	Food Access	Health & Wellness	Social Programs	Early Learning	Arts & Culture	Other	Total
Beginning balance	$ 6,005	$ 4,638	$ 2,582	$ 1,657	$ 3,857	$ 1,189	$ 977	$ 502	$ 651	$ 217	$ 22,275
(Credit) provision for loan losses											
Without donor restrictions	(1,898)	2,275	(317)	561	(1,519)	(213)	276	899	(228)	(177)	(341)
Net reduction in net assets with donor restrictions	-	-	441	-	(7)	-	-	-	-	-	434
Charge-offs - Loans	-	-	(441)	-	-	(89)	(84)	(1,021)	-	-	(1,635)
Recoveries	-	-	37	-	36	-	-	-	-	-	73
(Credit) provision and net charge-offs	(1,898)	2,275	(280)	561	(1,490)	(302)	192	(122)	(228)	(177)	(1,469)
Ending balance	$ 4,107	$ 6,913	$ 2,302	$ 2,218	$ 2,367	$ 887	$ 1,169	$ 380	$ 423	$ 40	$ 20,806
Period-end amount allocated to:											
Loans individually evaluated for impairment	$ -	$ 2,822	$ -	$ -	$ 6	$ -	$ 14	$ -	$ -	$ -	$ 2,842
Loans collectively evaluated for impairment	4,107	4,091	2,302	2,218	2,361	887	1,155	380	423	40	17,964
	$ 4,107	$ 6,913	$ 2,302	$ 2,218	$ 2,367	$ 887	$ 1,169	$ 380	$ 423	$ 40	$ 20,806
Loans, ending balance:											
Loans individually evaluated for impairment	$ 547	$ 8,304	$ 4,153	$ -	$ 1,087	$ -	$ 1,963	$ 25	$ 500	$ -	$ 16,579
Loans collectively evaluated for impairment	117,891	78,456	48,275	51,113	48,990	20,616	17,760	8,090	7,193	1,167	399,551
Total	$ 118,438	$ 86,760	$ 52,428	$ 51,113	$ 50,077	$ 20,616	$ 19,723	$ 8,115	$ 7,693	$ 1,167	$ 416,130

Included in 2022 and 2021 charge-offs is $700,671 and $1,021,342, respectively, of principal related to programmatic forgiveness of debt.

Note 9. Loans Held for Sale

At December 31, 2021, loans held for sale represent loans that had been identified to be sold to RFIA Diversified Impact Fund I, LLC, an entity in which RFIA intended to be the managing member. The loans had maturity dates ranging from January 2023 to May 2028, and fixed interest rates between 5.50% to 8.25%. As of December 31, 2021, the Organization had $37,382,655 of loans held for sale with no valuation allowance recorded. During 2022, Reinvestment Fund decided not to move forward with the sale due to changes in the economic environment. Loans held for sale of $36,998,368 were reclassified to loans receivable.

Note 10. Equity Method and Program Investments

Investments in limited partnerships and limited liability companies are accounted for under the equity method and program investments are recorded at estimated fair value. At December 31, these investments consisted of the following:

	2022	2021
Equity Method Investments		
New Markets Tax Credit Program	$ 19,326	$ 20,186
Limited Partnerships and Limited Liability Companies		
Charter School Financing Partnership (a)	192,720	173,301
FSCLF Holding, LLC (b)	214,941	167,353
Octavia Hill Bel-Air Partners, LP (c)	-	-
Octavia Hill Chelten Partners, LP (d)	-	-
HealthCo Participation LLC (e)	-	16,469
Alliance Fund Management, LLC (f)	-	-
Domestic Small Cap Pay For Success Fund I, LP (g)	281,251	383,771
CDFI Coalition Revolving Fund, LLC (h)	1,574,614	1,069,258
Bridge Loan Fund (i)	1,129,789	1,046,152
	3,393,315	2,856,304
Total equity method investments	3,412,641	2,876,490
Program Investments		
The Community Development Trust	279,210	279,210
Total program investments	279,210	279,210
	$ 3,691,851	$ 3,155,700

New Markets Tax Credit Program: During fiscal year 2021, Reinvestment Fund received a New Markets Tax Credit Program (“Program”) allocation of $60,000,000. Pursuant to the requirements of the Program administered by the CDFI Fund, Reinvestment Fund formed a for-profit entity, NMTC. As of December 31, 2022, NMTC is the general partner of TRF NMTC Fund XXXV, L.P. and TRF NMTC Fund XL, L.P. through TRF NMTC Fund 64, L.P., (collectively the “NMTC Funds”) with a 0.01% ownership interest in each entity. The Organization does not consolidate the NMTC Funds because the rights granted to the limited partners as defined in the partnership agreements overcome the presumption of control of the general partner.

For administrative services performed for the NMTC Funds, the Organization earned revenue of $1,087,292 and $1,080,480 for the years ended December 31, 2022 and 2021, respectively. These amounts are included in asset management fees on the consolidated statements of activities.

Note 10. Equity Method and Program Investments (Continued)

New Markets Tax Credit Program (Continued):

TRF NMTC Fund 56, L.P., TRF NMTC Fund 57, L.P., TRF NMTC Fund 58, L.P., TRF NMTC Fund 59, L.P., TRF NMTC Fund 60, L.P., TRF NMTC Fund 61, L.P., TRF NMTC Fund 62, L.P., TRF NMTC Fund 63, L.P. and TRF NMTC Fund 64, L.P. were formed during 2022. TRF NMTC Fund 51, L.P., TRF NMTC Fund 52, L.P., TRF NMTC Fund 53, L.P., TRF NMTC Fund 54, L.P. and TRF NMTC Fund 55, L.P. were formed during 2021. In connection with these formations, the Organization received fees of $1,693,750 and $1,357,500 and for the years ended December 31, 2022 and 2021, respectively. The fees received as a result of the NMTC fund formations are included in asset management fees on the consolidated statements of activities.

During 2022 TRF NMTC Fund XXXII, L.P. through TRF NMTC Fund XXXIV, L.P. and TRF NMTC Fund XXXVI, L.P. through TRF NMTC Fund XXXIX, L.P. were unwound. During 2021 TRF NMTC Fund XXIV, L.P. and TRF NMTC Fund XXVIII, L.P. through TRF NMTC Fund XXXI, L.P. were unwound. As a result, Reinvestment Fund earned $175,000 and $125,000 of success fees in 2022 and 2021, respectively. Success fees are included in asset management fees on the consolidated statements of activities.

Equity Method Investments:

(a) Charter School Financing Partnership ("CSFP") is a limited liability company organized to facilitate the financing of charter schools by aggregating pools of loans, including those with external credit enhancements, which are then stratified by risk-return and maturity characteristics and sold to investors in the form of bonds. In February 2008, Reinvestment Fund purchased $60,000 in Class "A" units, which represents a 20% voting interest in CSFP. Equity earnings or losses are allocated to Reinvestment Fund at 10%. Reinvestment Fund recorded an increase in equity earnings of $19,419 and $25,552 for the years ended December 31, 2022 and 2021, respectively.

(b) FSCLF Holding, LLC ("FSCLF") is a limited liability company formed for the purpose of holding and selling the property transferred by the lead lender upon foreclosure of the S. Lowan Pitts Day Care Center loan in which Reinvestment Fund had a 50% participation. Accordingly, Reinvestment Fund owns a 50% non-managing member interest in FSCLF. Reinvestment Fund recorded equity gains of $47,588 and $18,548 for the years ended December 31, 2022 and 2021, respectively.

(c) Octavia Hill Bel-Air Partners, LP ("Bel-Air") is a limited partnership formed for the purpose of purchasing and operating multifamily residential rental buildings. Reinvestment Fund's non-controlling limited partnership interest in Bel-Air represents 76% of the total contributed capital in the partnership. Per the partnership agreement, the general partner is allocated the first $125,000 of losses; thereafter, Reinvestment Fund will be allocated 80.25% of net income or 81.91% of losses. Reinvestment Fund recorded no equity earnings for the years ended December 31, 2022 and 2021.

(d) Octavia Hill Chelten Partners, LP ("Chelten") is a limited partnership formed for the purpose of purchasing and operating a housing rental building. Reinvestment Fund's non-controlling limited partnership interest in Chelten represents 76% of the total contributed capital in the partnership. Per the partnership agreement, the general partner is allocated the first $75,000 of losses; thereafter, Reinvestment Fund will be allocated 80.25% of net income or 96.28% of losses. Reinvestment Fund recorded no equity earnings for the years ended December 31, 2022 and 2021.

(e) HealthCo Participation LLC ("HealthCo") was a limited liability company formed in 2013 as a financing vehicle to provide indirect facility financing for federally qualified healthcare centers. Reinvestment Fund is one of three equal members at 33.34%. Under the limited liability company agreement, any income or expense of HealthCo is shared equally by the three members. For the years ended December 31, 2022 and 2021, Reinvestment Fund recorded an equity loss of $4,165 and $8,575, respectively. For the year ended December 31, 2021, Reinvestment Fund contributed capital of $10,544. During 2022, HealthCo was liquidated and Reinvestment Fund received a final distribution notice and payment.

(f) Alliance Fund Management, LLC ("AFM") is a limited liability company formed in 2014 to provide management services to funds and trusts seeking investments in affordable rental housing preservation. Reinvestment Fund owns ten Class A Preferred Member Units of AFM at a total cost of $250,000. At December 31, 2021, the investment was impaired and recorded at an investment balance of $0. During 2022, the investment was written-off.

Note 10. Equity Method and Program Investments (Continued)

(g) Domestic Small Cap Pay for Success Fund I, LP ("PFS") is a limited partnership formed in 2017 to make, hold, manage, sell, exchange or otherwise deal in portfolio investments or transactions in social welfare policy areas. In 2017, Reinvestment Fund received 500 Class A Units for a commitment to contribute $500,000 of capital and 500 Class B Units for a commitment to contribute $500,000 of capital. Reinvestment Fund and RFIA have ownership interests in PFS of 9.5% and 0.1%, respectively. Reinvestment Fund made contributions totaling $0 and $190,339 during the years ended December 31, 2022 and 2021, respectively. Reinvestment Fund recorded equity gains of $14,092 and $13,053 for the years ended December 31, 2022 and 2021, respectively.

Reinvestment Fund received distributions totaling $116,612 and $49,019 during the years ended December 31, 2022 and 2021, respectively.

(h) CDFI Coalition Revolving Fund, LLC ("CCRF") is a limited liability company formed in 2019 to provide capital for acquisition, construction, and/or rehabilitation of affordable housing and community development projects in the state of Georgia. Reinvestment Fund is one of five equal members with 20% ownership. Under the operating agreement, any income or expense of CCRF is shared equally by the five members. For the years ended December 31, 2022 and 2021, Reinvestment Fund recorded equity gains of $505,356 and $413,469, respectively.

(i) Bridge Loan Fund is a limited liability company formed to generate a range of positive social impacts, including units of affordable housing, annual patient visit capacity at community health centers, and expanded seat capacity at high quality pre-k through twelfth grade educational providers. RFIA is the managing member of Bridge Loan Fund; however due to substantive kick-out rights, RFIA does not control Bridge Loan Fund and therefore does not consolidate Bridge Loan Fund. Reinvestment Fund is one of four members with 25% ownership and contributed its full capital commitment of $1,000,000 in February 2020. For the years ended December 31, 2022 and 2021, Reinvestment Fund recorded equity gains of $83,637 and equity losses of $10,168, respectively.

Program Investments:

At December 31, 2022 and 2021, Reinvestment Fund owned 27,920 common "B" shares of The Community Development Trust, Inc. carried at $279,210.

Note 11. Equipment, Leasehold Improvements and Software, Net

Equipment, leasehold improvements and software, net at December 31 consisted of the following:

	2022	2021
Office furniture, equipment and software	$ 1,457,341	$ 1,593,218
Leasehold improvements	1,103,693	1,103,693
Software development	5,610,318	5,610,318
Accumulated depreciation	(7,834,707)	(7,852,800)
	$ 336,645	$ 454,429

Depreciation and amortization expense of $117,783 and $124,181, was recorded for the years ended December 31, 2022 and 2021, respectively.

The Organization removed $135,876 of fully depreciated assets from office furniture, equipment and software that are no longer in use, in 2022. No assets were removed in 2021.

Note 12. Loans and Bonds Payable

Loans and bonds payable at December 31 consisted of the following:

	2022	2021
Loans payable current portion	$ 29,139,356	$ 32,763,142
Loans payable long-term portion	196,026,455	192,967,505
Gross loans payable	225,165,811	225,730,647
Bonds payable current portion	12,105,000	2,310,000
Bonds payable long-term portion	109,325,000	121,430,000
Gross bonds payable	121,430,000	123,740,000
Gross loans and bonds payable	346,595,811	349,470,647
Deferred debt issuance costs	(560,000)	(775,597)
Net loans and bonds payable	$ 346,035,811	$ 348,695,050

Loans payable

	2022			2021
Lender	Maturity Date	Interest rate	Balance	Balance
Government	2025 - 2045	1.08% - 3.41%	$ 110,729,821	$ 115,340,117
Financial institutions, partnerships, and corporations	2022 - 2035	0.00% - 5.10%	58,708,798	54,201,172
Foundations, religious, and civic organizations	2022 - 2037	0.00% - 4.50%	41,583,329	42,084,046
Individuals	2022 - 2045	0.00% - 4.50%	14,143,863	14,105,312
Gross loans payable			$ 225,165,811	$ 225,730,647

Bonds payable

	2022			2021
Issuance	Maturity Date	Interest rate	Balance	Balance
Impact Investment Bonds, Taxable Series 2017	2023 - 2025	3.17% - 3.51%	$ 48,495,000	$ 49,125,000
Impact Investment Bonds, Taxable Series 2018	2023 - 2028	3.47% - 3.93%	72,935,000	74,615,000
Gross bonds payable			$ 121,430,000	$ 123,740,000

The Organization had 758 and 781 issuances of debt at December 31, 2022 and 2021, respectively. At December 31, 2022 and 2021, all of the Organization's outstanding debt had a fixed rate of interest. At December 31, 2022 and 2021, the Organization had $115,229,821 and $122,300,117 of secured debt, respectively, and $231,365,990 and $227,170,530 of unsecured debt, respectively.

At December 31, 2022, the Organization has certain debt agreements with note holders that have matured. Note holders are contacted at least 30 days prior to the maturity date, with an option to elect to receive payment or renew its investment at maturity. As of December 31, 2022, all note holders were notified and the Organization is awaiting a response.

Note 12. Loans and Bonds Payable (Continued)

Aggregate maturities for loans and bonds payable at December 31, 2022 are as follows:

2023	$ 41,244,356
2024	51,693,970
2025	50,507,321
2026	33,983,190
2027	41,167,285
Thereafter	127,999,689
	$ 346,595,811

Loans and bonds specified below represent certain debt instruments

Government debt includes amounts due to government agencies as follows:

Secured

Reinvestment Fund was previously approved to receive $130,000,000 through the CDFI Bond Guarantee Program ("Bond Program") of which the Organization drew $16,441,250 in 2021. The Bond Program gives Reinvestment Fund access to long-term fixed rate capital for terms of up to 29.5 years. As of December 31, 2021, the Organization had committed all bond proceeds. As required by the Bond Program, Reinvestment Fund entered into a loan agreement with CRF QI, LLC which serves as Qualified Issuer. As a condition of the program, Reinvestment Fund must pledge collateral to draw down on the loan. Under the program, the bonds are purchased by The Federal Financing Bank and the U.S. Treasury guarantees repayment of those bonds. As of December 31, 2022 and 2021, loans payable of approximately $110,230,000 and $114,840,000, respectively, were secured by pledged loans receivable of approximately $116,866,000 and $115,276,000, respectively, and restricted cash of approximately $450,000 and $7,270,000, respectively.

Financial institutions, Partnerships, and Corporations include amounts due to banks and other financial institutions as follows:

Secured

In connection with its NMTC program activities, Reinvestment Fund had one NMTC eligible loan payable to JPMorgan Chase Bank, N.A. ("JPMC"). As of December 31, 2022, this loan is paid off. As of December 31, 2021, the loan payable amount was $2,460,000 and it was secured by a loan receivable of $2,460,000. As a condition of the program, Reinvestment Fund has assigned to the lender a lien on a security interest in all of Reinvestment Fund's rights, title and interest to the related loans receivable.

Reinvestment Fund is a member of the FHLB and is able to pledge eligible loans receivable as collateral in order to have a revolving line of credit of 60% of the collateral value. As of December 31, 2022 and 2021, the loans payable balance was $5,000,000, for each year, secured by pledged loans receivable of approximately $1,080,000 and $7,542,000, respectively, and cash of approximately $4,450,000 and $0, respectively.

Unsecured

Reinvestment Fund had outstanding EQ2 debt with Wells Fargo Community Investment Holdings totaling $0 and $6,000,000 at December 31, 2022 and 2021, respectively. The funds are to be used to promote the public welfare in Reinvestment Fund's target markets.

Note 12. Loans and Bonds Payable (Continued)

Bonds payable

On April 27, 2017, Reinvestment Fund issued $50,935,000 of Impact Investment Bonds, Taxable Series 2017 (“2017 Bonds”) primarily to finance loans to organizations and businesses in pursuit of Reinvestment Fund’s mission and refinance certain existing obligations. The 2017 Bonds were issued pursuant to a Trust Indenture dated April 1, 2017, by and between Reinvestment Fund and The Bank of New York Mellon Trust Company, N.A., as trustee. The 2017 Bonds are the general obligation of Reinvestment Fund and payable from all legally available revenues and assets of Reinvestment Fund. They are not secured by a lien on any revenue or assets.

The 2017 Bonds bear interest at a fixed rate which is payable semi-annually. The 2017 Bonds are issued in minimum denominations of $5,000 and increments of $1,000.

The 2017 Bonds are subject to optional redemption by Reinvestment Fund prior to maturity on any business day at a make-whole redemption price plus accrued interest to the redemption date. The 2017 Bonds maturing on November 1, 2023, are also subject to mandatory sinking fund redemption prior to maturity, which commenced on November 1, 2019.

The trust indenture contains certain covenants related to permitted liens, limits on the aggregate amount of secured indebtedness as a percentage of total assets, minimum asset to debt ratio requirements, and limitations related to the occurrence of additional indebtedness and guarantees.

On September 6, 2018, Reinvestment Fund issued $75,735,000 of Impact Investment Bonds, Taxable Series 2018 (“2018 Bonds”) primarily to finance loans to organizations and businesses in pursuit of Reinvestment Fund’s mission and refinance certain existing obligations. The 2018 Bonds were issued pursuant to a Trust Indenture dated September 1, 2018, by and between Reinvestment Fund and The Bank of New York Mellon Trust Company, N.A., as trustee. The 2018 Bonds are the general obligation of Reinvestment Fund and payable from all legally available revenues and assets of Reinvestment Fund. They are not secured by a lien on any revenue or assets.

The 2018 Bonds bear interest at a fixed rate which is payable semi-annually. The 2018 Bonds are issued in minimum denominations of $5,000 and increments of $1,000.

The 2018 Bonds are subject to optional redemption by Reinvestment Fund prior to maturity on any business day at a make-whole redemption price plus accrued interest to the redemption date. The 2018 Bonds were issued with a series of maturing notes. The first of these notes was due on February 15, 2021, and the final matures on February 15, 2028.

The trust indenture contains certain covenants related to permitted liens, limits on the aggregate amount of secured indebtedness as a percentage of total assets, minimum asset to debt ratio requirements, and limitations related to the occurrence of additional indebtedness and guarantees.

Undrawn Debt

At December 31, 2022, total undrawn debt was approximately $71,012,000. Included in the total was $20,000,000 of available undrawn liquidity under a line of credit with JPMC. This SORF based facility has a maturity of July 31, 2025. In addition, the Organization also had fixed rate undrawn availability under committed credit lines with other commercial banks totaling $40,000,000.

Note 13. Recoverable Grants

Recoverable grants consist of conditional grant funds received in advance of the conditions of the grant having been met. Recoverable grants are reclassified and recognized as revenue with donor restrictions once the conditions of the grant are satisfied.

Reinvestment Fund was awarded $5,000,000 from the City of Baltimore for the Community Service Loan Program in September 2014. Prior to 2018, Reinvestment Fund received drawdowns of $3,250,000 of which $10,000 was recognized as grant revenue. During 2018, the award was amended to increase the total available funds to $7,250,000 and an additional $2,000,000 was drawn down. Under the terms of the grant, Reinvestment Fund was required to create a Community Service Loan Program. The funds are to be used to cover loan losses, re-granting and lending to eligible borrowers. The revenue will be recognized and released simultaneously as loan losses are incurred or re-granting is designated to eligible borrowers. Any funds not expended for loan losses are due back to the grantor when the agreement expires. The balance of this recoverable grant was $5,240,000 at December 31, 2022 and 2021. At December 31, 2022, the agreement expired however Reinvestment Fund is currently in negotiations with the City of Baltimore to extend the agreement until December 31, 2025.

In December 2017, Reinvestment Fund received $1,555,800 related to a total award of $3,111,600 for a five-year conditional grant to create and operate a revolving loan fund for early learning providers in Philadelphia. In October 2023, the grantor will decide if the fund should be continued or be terminated. During 2018, the remaining $1,555,800 was received and $111,600 was used to create the fund and was recognized as grant revenue. During 2019, a loan that was funded with this program was written off. The loss was covered by this revolving loan fund in the amount of $27,500. The balance of this recoverable grant was $2,972,500 at December 31, 2022 and 2021.

During 2020, Reinvestment Fund was awarded $3,750,000 from the CDFI Fund's Capital Magnet Fund Program. The grant agreement contains barriers that must be met before the grant can be recognized as revenue. If the barriers are not met by April 2022 the funds have to be returned to the CDFI Fund. During 2022 and 2021, $3,100,000 and $650,000, respectively, of the award was recognized as grant revenue as the barriers were met. As of December 31, 2022 and 2021, the balance of this recoverable grant was $0 and $3,100,000, respectively.

At December 31, 2022 and 2021, the balance of other recoverable grants was $242,591 and $23,600, respectively. The consolidated statements of financial position reflects recoverable grants in the amount of $8,455,091 and $11,336,100 as of December 31, 2022 and 2021, respectively.

Note 14. Net Assets

Net assets without donor restrictions are those net assets for use in general operations (credit, financing, and general expenditures) and not subject to donor restrictions. At December 31, 2022 and 2021, net assets without donor restrictions were $134,901,341 and $124,799,162, respectively. At December 31, 2022 and 2021, net assets without donor restrictions included $11,800,070 and $11,319,047, respectively, of net assets contractually limited as to use by SDF (See Note 17). At December 31, 2022 and 2021, net assets without donor restrictions also included ($188,523) and $42,839, respectively, representing non-controlling interest which is the equity interests in PolicyMap, exclusive of any Reinvestment Fund interests (See Note 15).

Net assets with donor restrictions at December 31, 2022 and 2021 consisted of the following:

	2022	2021
Net Assets with Donor Restrictions		
Financing - Lending and Community Investing		
Revolving loan funds	$ 49,366,917	$ 49,354,201
Credit and financing net assets	46,872,897	42,276,862
	96,239,814	91,631,063
Programmatic net assets		
Capacity Building & Capital Access	10,972,425	9,747,127
Policy Solutions	155,339	534,524
Lending	893,333	612,098
	12,021,097	10,893,749
Total Net Assets with Donor Restrictions	$ 108,260,911	$ 102,524,812

Note 14. Net Assets (Continued)

At December 31, 2022 and 2021, approximately $231,000,000 and $216,000,000, respectively, of net assets were available for credit and financing, which represents funds available to disburse loans and to use as credit enhancements. Funds available for credit and financing includes net assets with donor restrictions included in revolving loan funds held in perpetuity, credit and financing net assets, and net assets without donor restrictions, less non-controlling interest.

Note 15. PolicyMap Equity Compensation Plan

During 2018, the PolicyMap Board approved the 2018 Equity Compensation Plan (the "Plan"). The Plan permits grants of share options and share awards to its employees for up to 3,000 shares of common stock. The Plan authorizes the use of incentive stock options, nonqualified stock options, and stock awards. During 2022, the PolicyMap Board approved $3 million capital raise of Series A2 preferred shares. Reinvestment Fund has purchased approximately $581,000 of Series A2 shares as December 31, 2022.

Total stock-compensation expense for 2022 and 2021 was $72,565 and $118,693, respectively. As of December 31, 2022 and 2021, there was $36,020 and $54,545, respectively, of unrecognized compensation cost related to unvested stock options. As of December 31, 2022 and 2021, the remaining options and awards available to be issued under the Plan was 553 and 1,359, respectively. For shares issued under this Plan, non-controlling interest in subsidiary at December 31, 2022 and 2021 was ($188,523) and $42,839, respectively.

Note 16. Revenue Recognition

Disaggregation of Revenue

The following table presents revenue disaggregated by performance obligation:

	2022	2021
Asset Management Fee		
Administrative services fees	$ 1,326,105	$ 1,331,634
Sub-allocation fees	1,693,750	1,357,500
Success fees	175,000	125,000
Total Asset Management Fee	3,194,855	2,814,134
Program Services and Fees		
Professional services - Policy Solutions	2,130,193	1,561,412
Professional services - PolicyMap	544,989	525,900
Subscription and licenses	3,329,204	2,825,694
Total Program Services and Fees	6,004,386	4,913,006
Total	$ 9,199,241	$ 7,727,140

	2022	2021
Timing of Revenue Recognition		
Revenue recognized over time	$ 7,330,491	$ 6,244,640
Revenue recognized at a point in time	1,868,750	1,482,500
Total	$ 9,199,241	$ 7,727,140

Note 16. Revenue Recognition (Continued)

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable and customer advances and deposits (deferred revenue) on the consolidated statements of financial position. Accounts receivable includes amounts due from customers that are unconditional. Accounts receivable is included in other assets on the consolidated statements of financial position. Deferred revenue consists of advance payments and billings in excess of revenue recognized. The following table provides information about receivables and deferred revenue from contracts with customers:

	2022	2021	2020
Accounts receivable, net	$ 1,339,238	$ 1,276,646	$ 966,124
Deferred revenue	$ (2,627,093)	$ (2,625,042)	$ (2,216,419)

The difference in the opening and closing balances of accounts receivable, net and deferred revenue primarily results from the timing difference between the Organization's performance and the customer's payments. The Organization fulfills its obligations under a contract with a customer by transferring products and services in exchange for consideration from the customer.

Transaction Price Allocated to the Remaining Performance Obligations

84% of deferred revenue as of December 31, 2021, was recognized during the year ended December 31, 2022. As of December 31, 2022, approximately $2,600,000 of revenue is expected to be recognized from remaining performance obligations. The Organization expects to recognize approximately 93% over the next 12 months and the remaining balance thereafter. The Organization applied the practical expedient related to this disclosure and did not disclose performance obligations that have original expected durations of one year or less and performance obligations in which the Organization uses the right to invoice practical expedient.

Note 17. Sustainable Development Fund

SDF is a separate fund of Reinvestment Fund. SDF is guided by the terms of two Pennsylvania Public Utility Commission ("PUC") orders and subsequent PUC actions. SDF files an annual report with the PUC and participates in an annual meeting of the Pennsylvania Sustainable Energy Board. SDF loans are reviewed and approved by Reinvestment Fund's loan committee. SDF elected a new nine-member board in late 2017 that provides oversight to SDF's activities including input to, review and approval of annual program plans and budgets.

In connection with the creation of SDF, Reinvestment Fund agreed to comply with certain contractual restrictions on the use of its available net assets. As such, all net assets of SDF are considered contractually limited as to use. All SDF receipts, including contributions, principal repayments and interest earnings on loans made by SDF, earnings on equity and near equity investments, and interest earnings, are required to be maintained in SDF. SDF is authorized to make disbursements for loans, equity and near equity investments, grants and approved annual operating program expenses. SDF is also subject to certain annual reporting requirements.

On October 20, 2000, Philadelphia's PECO Energy Company and the Commonwealth Edison Company of Chicago merged to form the Exelon Corporation ("Exelon"). As a result of the merger, Exelon agreed to accelerate the payments otherwise due to SDF based on electricity consumption in the PECO Energy service territory. Exelon paid SDF a lump sum payment of $9,980,000 on January 1, 2001, representing estimated collections based on electricity consumption during the period January 1, 2001 through December 31, 2006.

In connection with the merger agreement, Exelon made contributions to SDF, over a five year period from October 20, 2000 to January 1, 2005. $4,000,000 of the contributions was for the Photovoltaic (solar energy) Project, $12,000,000 was for New Pennsylvania Wind Facilities and $2,500,000 was for public education about Renewable Energy.

SDF expenses are included in Program-Lending and Community Investing on the consolidated statements of activities. SDF did not incur any fundraising expenses.

Note 18. Functional Classification of Expenses

Functional expenses for the years ended December 31, 2022 and 2021, consisted of the following:

2022	Lending	Capacity Building & Capital Access	Policy Solutions	PolicyMap	Management & General	Total Expenses
Personnel	$ 4,182,489	$ 1,467,240	$ 1,495,870	$ 3,461,235	$ 6,094,968	$ 16,701,802
Occupancy	640,123	204,458	155,038	225,485	951,915	2,177,019
Professional Services	1,009,117	810,552	351,525	588,073	2,259,007	5,018,274
Grants	20,000	8,961,266	-	-	3,500	8,984,766
Other	169,796	76,506	59,725	49,532	317,632	673,191
Total Program and General Expenses	6,021,525	11,520,022	2,062,158	4,324,325	9,627,022	33,555,052
Interest Expense	10,641,316	-	-	-	-	10,641,316
Provision for loan losses	778,617	-	-	-	-	778,617
Total Expenses	$ 17,441,458	$ 11,520,022	$ 2,062,158	$ 4,324,325	$ 9,627,022	$ 44,974,985

2021	Lending	Capacity Building & Capital Access	Policy Solutions	PolicyMap	Management & General	Total Expenses
Personnel	$ 3,387,534	$ 973,051	$ 1,378,390	$ 3,145,084	$ 5,234,515	$ 14,118,574
Occupancy	715,053	106,252	168,089	220,559	884,909	2,094,862
Professional Services	962,641	681,216	244,910	564,685	1,705,295	4,158,747
Grants	28,416	7,180,007	-	-	103,303	7,311,726
Other	106,721	13,897	24,557	14,344	162,196	321,715
Total Program and General Expenses	5,200,365	8,954,423	1,815,946	3,944,672	8,090,218	28,005,624
Interest Expense	11,712,868	-	-	-	-	11,712,868
Credit for loan losses	(341,242)	-	-	-	-	(341,242)
Total Expenses	$ 16,571,991	$ 8,954,423	$ 1,815,946	$ 3,944,672	$ 8,090,218	$ 39,377,250

The management and general category includes fundraising expenses, which are approximately $146,000 and $121,000 for the years ended December 31, 2022 and 2021, respectively.

Note 19. Operating Leases

Reinvestment Fund leases its offices and certain office equipment under non-cancelable operating leases, which have expiration dates between 2023 and 2026. The lease agreements often include escalating rent payments, renewal provisions and other provisions which require Reinvestment Fund to pay maintenance costs, property taxes and insurance. The lease agreements do not contain any material residual value guarantees or material restrictive covenants. As most of the Organization's leases do not provide an implicit rate, the Organization used its incremental borrowing rate based on the information available at the lease commencement date to determine the present value of lease payments. As of December 31, 2022, Reinvestment Fund has no leases that have not yet commenced.

	2022	2021
Assets		
Operating lease ROU assets	$ 1,503,050	$ 1,963,352
Total leased assets	$ 1,503,050	$ 1,963,352
Liabilities		
Short-term operating lease liabilities	$ 635,113	$ 627,429
Long-term operating lease liabilities	1,508,474	2,143,587
Total lease liabilities	$ 2,143,587	$ 2,771,016
Weighted-average remaining lease term	3.3	4.2 years
Weighted-average discount rate	4.31%	4.29%

The components of lease expense were as follows:

	2022	2021
Operating lease costs (a)	$ 603,925	$ 608,008
Variable lease costs (b)	90,624	83,979
Total lease cost	$ 694,549	$ 691,987

Note 19. Operating Leases (Continued)

(a) Operating lease costs are recognized on a straight-line basis over the lease term. Includes costs for short-term leases with an initial term of twelve months or less, which were not material.

(b) Variable lease costs primarily included common area maintenance, utilities, property taxes and insurance, which were expensed as incurred.

As of December 31, 2022, maturities of lease liabilities under non-cancelable operating leases were as follows:

2023	$ 715,120
2024	657,784
2025	658,151
2026	276,027
Total lease payments	2,307,082
Less: imputed interest	(163,495)
Present value of lease liabilities	$ 2,143,587

Note 20. Commitments and Contingencies

Commitments:

At December 31, 2022, Reinvestment Fund had re-granting agreements with conditional funding outstanding of approximately $5.3 million.

At December 31, 2022, the Organization had approximately $124,182,000 of loans closed but not yet disbursed and $2,303,000 of loan commitments. Loan commitments represent arrangements to lend funds at specified interest rates and contain fixed expiration dates or other termination clauses.

Note 21. Retirement Plan

The Organization offers all eligible employees the opportunity to participate in a 401(k) tax deferred plan whereby employees may elect to contribute through payroll deductions. These amounts are subject to statutory maximums. The plan provides a 100% match on the first 6% of employees' contributions. The Organization contributed $802,482 and $697,634 for the years ended December 31, 2022 and 2021, respectively.

Note 22. Fair Value Measurements

The Organization recorded certain assets, such as investments in marketable securities and program investments at fair value on an ongoing basis and reported at fair value at every reporting date. These are disclosed below under fair value on a recurring basis. Assets that are not recorded at fair value on an ongoing basis, but under certain circumstances, such as impairments are disclosed below under fair value on nonrecurring basis.

Fair Value on a Recurring Basis

<u>Investment in marketable securities</u>: The fair value of investment in marketable securities is the market value based on quoted market prices, when available (Level 1). If listed prices or quotes are not available, fair value is based upon quoted market prices for similar or identical assets or other observable inputs (Level 2); or fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the investment (Level 3).

<u>Program investments</u>: The fair value of program investments is determined in good faith by the management of the Organization by taking into consideration the exit price of the investment and other factors as management may deem relevant.

Note 22. Fair Value Measurements (Continued)

The following tables present the assets and liabilities reported on the consolidated statements of financial position at their fair value as of December 31 by level.

2022	Total	Level 1	Level 2	Level 3
Investments in marketable securities:				
Debt and Mortgage-backed securities:				
Federal Home Loan Mortgage Company	$ 1,586,860	$ -	$ 1,586,860	$ -
Federal National Mortgage Association	1,460,763	-	1,460,763	-
U.S. Treasury Notes and Bills	47,754,232	47,754,232	-	-
Corporate debt securities	21,835,334	-	21,835,334	-
Program investments:				
The Community Development Trust	279,210	-	-	279,210
Total assets	$ 72,916,399	$ 47,754,232	$ 24,882,957	$ 279,210

2021	Total	Level 1	Level 2	Level 3
Investments in marketable securities:				
Debt and Mortgage-backed securities:				
Federal Home Loan Mortgage Company	$ 2,339,448	$ -	$ 2,339,448	$ -
Federal National Mortgage Association	2,502,878	-	2,502,878	-
U.S. Treasury Notes and Bills	47,463,466	47,463,466	-	-
Corporate debt securities	24,916,707	-	24,916,707	-
Program investments:				
The Community Development Trust	279,210	-	-	279,210
Total assets	$ 77,501,709	$ 47,463,466	$ 29,759,033	$ 279,210

Fair Value on a Nonrecurring Basis

Impaired loans: The fair value of impaired loans is determined based on the loan's observable market price or the fair value of the collateral if the loan is collateral dependent. The valuation allowance for impaired loans is included in the allowance for losses in the consolidated statements of financial position.

Loans held for sale: The fair value of loans held for sale is determined based on the loan's observable market price. There was no valuation allowance at December 31, 2021.

2022	Total	Level 1	Level 2	Level 3
Impaired loans, net of specific reserves of $369,754	$ 11,812,717	$ -	$ -	$ 11,812,717
	$ 11,812,717	$ -	$ -	$ 11,812,717

2021	Total	Level 1	Level 2	Level 3
Impaired loans, net of specific reserves of $2,842,407	$ 13,737,019	$ -	$ -	$ 13,737,019
Loans held for sale	37,382,655	-	37,382,655	-
	$ 51,119,674	$ -	$ 37,382,655	$ 13,737,019

Note 23. Subsequent Events

The Organization's management has evaluated its subsequent events (events occurring after December 31, 2022) through April 21, 2023, which represents the date the consolidated financial statements were issued and concluded no events or transactions that require recognition or disclosure in the consolidated financial statements.

RSM US LLP

Independent Auditor's Report on the Supplementary Information

Board of Directors
Reinvestment Fund, Inc.

We have audited the financial statements of Reinvestment Fund, Inc. and Affiliates (the Organization) as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon, which contains an unmodified opinion on those financial statements. See pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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 consolidated financial statements as a whole.

RSM US LLP

Philadelphia, Pennsylvania
April 21, 2023

Reinvestment Fund, Inc. and Affiliates (Excluding SDF)

Consolidating Statement of Financial Position
December 31, 2022

	Reinvestment Fund	PolicyMap	EFI	NMTC	CEF	Education Funding	RFIA	Eliminations & Reclassifications	Total	SDF	Reinvestment Fund/SDF Eliminations	Total (excluding SDF)
Assets												
Current Assets												
Cash and cash equivalents	$ 27,500,819	$ 1,765,575	$ 119,355	$ 55,395	$ 635,544	$ 63,791	$ 371,651	$ -	$ 30,512,130	$ -	$ -	$ 30,512,130
Grants and contributions receivable	3,328,058	-	-	-	-	-	-	-	3,328,058	-	-	3,328,058
Investments in marketable securities	34,830,327	-	-	-	-	-	-	-	34,830,327	-	-	34,830,327
Accounts receivable - related parties	118,794	-	-	-	-	-	44,591	(163,385)	-	-	-	-
Loans receivable	109,764,474	-	-	-	678,640	-	-	-	110,443,114	2,919,421	-	107,523,693
Allowance for loan losses	(4,939,402)	-	-	-	(30,539)	-	-	-	(4,969,941)	(131,374)	-	(4,838,567)
Restricted cash and cash equivalents	42,389,099	-	-	-	535,464	-	-	-	42,924,563	8,440,436	-	34,484,127
Other	9,347,128	397,516	-	3	71,046	-	193,577	(45,675)	9,963,595	(1,643)	-	9,965,238
	222,339,297	2,163,091	119,355	55,398	1,890,155	63,791	609,819	(209,060)	227,031,846	11,226,840	-	215,805,006
Noncurrent Assets												
Grants and contributions receivable	-	-	-	-	-	-	-	-	-	-	-	-
Investments in marketable securities	37,806,862	-	-	-	-	-	-	-	37,806,862	-	-	37,806,862
Program investments	279,210	-	-	-	-	-	-	-	279,210	-	-	279,210
Loans receivable	351,000,326	-	-	-	4,863,262	-	-	(985,000)	354,878,588	600,241	-	354,278,347
Allowance for loan losses	(16,735,689)	-	-	-	(218,847)	-	-	985,000	(15,969,536)	(27,011)	-	(15,942,525)
Equity method and program investments	3,200,595	-	-	19,326	-	192,720	-	-	3,412,641	-	-	3,412,641
Equipment, leasehold improvements and software, net	335,245	1,400	-	-	-	-	-	-	336,645	-	-	336,645
Operating lease right-of-use assets	1,448,689	54,361	-	-	-	-	-	-	1,503,050	-	-	1,503,050
Investments in consolidated subsidiaries	4,952,320	-	-	-	-	-	-	(4,952,320)	-	-	-	-
Other	1,296,385	14,570	-	-	-	-	-	-	1,310,955	-	-	1,310,955
	383,583,943	70,331	-	19,326	4,644,415	192,720	-	(4,952,320)	383,558,415	573,230	-	382,985,185
Total Assets	$ 605,923,240	$ 2,233,422	$ 119,355	$ 74,724	$ 6,534,570	$ 256,511	$ 609,819	$ (5,161,380)	$ 610,590,261	$ 11,800,070	$ -	$ 598,790,191
Liabilities and Net Assets												
Current Liabilities												
Accounts payable and accrued expenses	$ 2,819,151	$ 509,266	$ -	$ -	$ -	$ -	$ 6,228	$ -	$ 3,334,645	$ -	$ -	$ 3,334,645
Escrow payable and due to third parties	2,491,042	28,889	-	-	35,464	-	-	-	2,555,395	-	-	2,555,395
Accounts payable - related parties	-	75,667	-	-	44,591	-	43,127	(163,385)	-	-	-	-
Deferred revenue	323,685	2,157,844	-	-	-	-	-	(45,675)	2,435,854	-	-	2,435,854
Recoverable grants	8,220,500	-	-	-	-	-	-	-	8,220,500	-	-	8,220,500
Operating lease liabilities, currrent portion	577,834	57,279	-	-	-	-	-	-	635,113	-	-	635,113
Loans and bonds payable, net, current portion	40,513,746	-	-	-	531,868	-	-	-	41,045,614	-	-	41,045,614
Other	1,891,457	-	-	-	3,796	-	-	-	1,895,253	-	-	1,895,253
	56,837,415	2,828,945	-	-	615,719	-	49,355	(209,060)	60,122,374	-	-	60,122,374
Noncurrent Liabilities												
Deferred revenue, less current portion	-	191,239	-	-	-	-	-	-	191,239	-	-	191,239
Recoverable grants, less current portion	234,591	-	-	-	-	-	-	-	234,591	-	-	234,591
Operating lease liabilities, less current maturities	1,508,474	-	-	-	-	-	-	-	1,508,474	-	-	1,508,474
Loans and bonds payable, net, less current maturities	296,744,786	985,000	-	-	2,495,411	-	-	(985,000)	299,240,197	-	-	299,240,197
Loans payable, EQ2, less current maturities	5,750,000	-	-	-	-	-	-	-	5,750,000	-	-	5,750,000
Escrow payable and due to third parties	381,134	-	-	-	-	-	-	-	381,134	-	-	381,134
	304,618,985	1,176,239	-	-	2,495,411	-	-	(985,000)	307,305,635	-	-	307,305,635
Total Liabilities	361,456,400	4,005,184	-	-	3,111,130	-	49,355	(1,194,060)	367,428,009	-	-	367,428,009
Commitments and Contingencies												
Paid in capital	-	4,960,118	650,000	(2,917,613)	2,500,000	60,100	-	(5,252,605)	-	-	-	-
Capital stock	-	132	-	-	-	-		(132)	-	-	-	-
Earnings/(Deficit)	-	(6,732,012)	(530,645)	2,992,337	923,440	196,411	560,464	2,590,005	-	-	-	-
Net Assets												-
Without donor restrictions	124,405,859	-	-	-	-	-	-	(1,116,065)	123,289,794	-	-	123,289,794
Without donor restrictions - Contractually limited as to use	11,800,070	-	-	-	-	-	-	-	11,800,070	11,800,070	-	-
Non-controlling interest in consolidating subsidiaries	-	-	-	-	-	-	-	(188,523)	(188,523)	-	-	(188,523)
Total Without Donor Restrictions	136,205,929	(1,771,762)	119,355	74,724	3,423,440	256,511	560,464	(3,967,320)	134,901,341	11,800,070	-	123,101,271
With donor restrictions	108,260,911	-	-	-	-	-	-	-	108,260,911	-	-	108,260,911
Total Net Assets	244,466,840	(1,771,762)	119,355	74,724	3,423,440	256,511	560,464	(3,967,320)	243,162,252	11,800,070	-	231,362,182
Total Liabilities and Net Assets	$ 605,923,240	$ 2,233,422	$ 119,355	$ 74,724	$ 6,534,570	$ 256,511	$ 609,819	$ (5,161,380)	$ 610,590,261	$ 11,800,070	$ -	$ 598,790,191

Reinvestment Fund, Inc. and Affiliates (Excluding SDF)

Consolidating Statement of Financial Position
December 31, 2021

	Reinvestment Fund	PolicyMap	EFI	NMTC	CEF	Education Funding	RFIA	Eliminations & Reclassifications	Total	SDF	Reinvestment Fund/SDF Eliminations	Total (excluding SDF)
Assets												
Current Assets												
Cash and cash equivalents	$ 37,462,012	$ 119,334	$ 126,663	$ 55,827	$ 759,191	$ 64,601	$ 446,829	$ -	$ 39,034,457	$ -	$ -	$ 39,034,457
Grants and contributions receivable	3,073,094	-	-	-	-	-	-	-	3,073,094	-	-	3,073,094
Investments in marketable securities	29,932,325	-	-	-	-	-	-	-	29,932,325	-	-	29,932,325
Accounts receivable - related parties	92,796	-	-	-	-	-	46,209	(139,005)	-	-	(12,840)	12,840
Loans held for sale	37,382,655	-	-	-	-	-	-	-	37,382,655	-	-	37,382,655
Loans receivable	105,230,927	-	-	-	824,672	-	-	-	106,055,599	3,438,582	-	102,617,017
Allowance for loan losses	(5,261,547)	-	-	-	(41,234)	-	-	-	(5,302,781)	(171,929)	-	(5,130,852)
Restricted cash and cash equivalents	43,551,256	-	-	-	535,464	-	-	-	44,086,720	3,352,510	-	40,734,210
Other	5,906,935	559,561	-	7	96,737	-	209,386	(24,463)	6,748,163	27,523	-	6,720,640
	257,370,453	678,895	126,663	55,834	2,174,830	64,601	702,424	(163,468)	261,010,232	6,646,686	(12,840)	254,376,386
Noncurrent Assets												
Grants and contributions receivable	281,604	-	-	-	-	-	-	-	281,604	-	-	281,604
Investments in marketable securities	47,290,174	-	-	-	-	-	-	-	47,290,174	-	-	47,290,174
Program investments	279,210	-	-	-	-	-	-	-	279,210	-	-	279,210
Loans receivable	302,768,651	-	-	-	8,290,693	-	-	(985,000)	310,074,344	4,950,842	-	305,123,502
Allowance for loan losses	(16,074,182)	-	-	-	(414,535)	-	-	985,000	(15,503,717)	(247,542)	-	(15,256,175)
Equity method and program investments	2,683,003	-	-	20,186	-	173,301	-	-	2,876,490	-	-	2,876,490
Equipment, leasehold improvements												
and software, net	450,959	3,470	-	-	-	-	-	-	454,429	-	-	454,429
Operating lease right-of-use assets	1,829,680	133,672	-	-	-	-	-	-	1,963,352	-	-	1,963,352
Investments in consolidated subsidiaries	3,780,197	-	-	-	-	-	-	(3,780,197)	-	-	-	-
Other	456,303	14,570	-	-	-	-	-	-	470,873	-	-	470,873
	343,745,599	151,712	-	20,186	7,876,158	173,301	-	(3,780,197)	348,186,759	4,703,300	-	343,483,459
Total Assets	$ 601,116,052	$ 830,607	$ 126,663	$ 76,020	$ 10,050,988	$ 237,902	$ 702,424	$ (3,943,665)	$ 609,196,991	$ 11,349,986	$ (12,840)	$ 597,859,845
Liabilities and Net Assets												
Current Liabilities												
Accounts payable and accrued expenses	$ 2,379,230	$ 410,291	$ -	$ -	$ -	$ -	$ 34,108	$ -	$ 2,823,629	$ 661	$ -	$ 2,822,968
Escrow payable and due to third parties	10,605,134	20,069	-	-	35,464	-	-	-	10,660,667	17,438	-	10,643,229
Accounts payable - related parties	12,840	67,999	-	-	46,209	-	11,956	(139,004)	-	12,840	(12,840)	-
Deferred revenue	571,539	1,865,986	-	-	-	-	-	(24,463)	2,413,062	-	-	2,413,062
Recoverable grants	8,348,000	-	-	-	-	-	-	-	8,348,000	-	-	8,348,000
Operating lease liabilities, currrent portion	545,157	82,272	-	-	-	-	-	-	627,429	-	-	627,429
Loans and bonds payable, net, current portion	28,118,126	-	-	-	747,829	-	-	-	28,865,955	-	-	28,865,955
Loans payable, EQ2, current portion	6,000,000	-	-	-	-	-	-	-	6,000,000	-	-	6,000,000
Other	2,104,365	-	-	-	10,710	-	-	-	2,115,075	-	-	2,115,075
	58,684,391	2,446,617	-	-	840,212	-	46,064	(163,467)	61,853,817	30,939	(12,840)	61,835,718
Noncurrent Liabilities												
Deferred revenue, less current portion	-	211,980	-	-	-	-	-	-	211,980	-	-	211,980
Recoverable grants, less current portion	2,988,100	-	-	-	-	-	-	-	2,988,100	-	-	2,988,100
Operating lease liabilities, less current maturities	2,086,308	57,279	-	-	-	-	-	-	2,143,587	-	-	2,143,587
Loans and bonds payable, net, less current maturities	301,551,572	985,000	-	-	6,527,523	-	-	(985,000)	308,079,095	-	-	308,079,095
Loans payable, EQ2, less current maturities	5,750,000	-	-	-	-	-	-	-	5,750,000	-	-	5,750,000
Escrow payable and due to third parties	846,438	-	-	-	-	-	-	-	846,438	-	-	846,438
	313,222,418	1,254,259	-	-	6,527,523	-	-	(985,000)	320,019,200	-	-	320,019,200
Total Liabilities	371,906,809	3,700,876	-	-	7,367,735	-	46,064	(1,148,467)	381,873,017	30,939	(12,840)	381,854,918
Commitments and Contingencies												
Paid in capital	-	3,354,886	650,000	(2,917,613)	2,500,000	60,100	-	(3,647,373)	-	-	-	-
Capital stock	-	126	-	-	-	-	-	(126)	-	-	-	-
Earnings/(Deficit)	-	(6,225,281)	(523,337)	2,993,633	183,253	177,802	656,360	2,737,570	-	-	-	-
Net Assets												-
Without donor restrictions	115,365,384	-	-	-	-	-	-	(1,928,108)	113,437,276	-	-	113,437,276
Without donor restrictions - Contractually limited as to use	11,319,047	-	-	-	-	-	-	-	11,319,047	11,319,047	-	-
Non-controlling interest in consolidating subsidiaries	-	-	-	-	-	-	-	42,839	42,839	-	-	42,839
Total Without Donor Restrictions	126,684,431	(2,870,269)	126,663	76,020	2,683,253	237,902	656,360	(2,795,198)	124,799,162	11,319,047	-	113,480,115
With donor restrictions	102,524,812	-	-	-	-	-	-	-	102,524,812	-	-	102,524,812
Total Net Assets	229,209,243	(2,870,269)	126,663	76,020	2,683,253	237,902	656,360	(2,795,198)	227,323,974	11,319,047	-	216,004,927
Total Liabilities and Net Assets	$ 601,116,052	$ 830,607	$ 126,663	$ 76,020	$ 10,050,988	$ 237,902	$ 702,424	$ (3,943,665)	$ 609,196,991	$ 11,349,986	$ (12,840)	$ 597,859,845

Reinvestment Fund, Inc. and Affiliates (Excluding SDF)

Consolidating Statement of Activities
For the Year Ended December 31, 2022

	Reinvestment Fund	PolicyMap	EFI	NMTC	CEF	Education Funding	RFIA	Eliminations & Reclassifications	Total	SDF	Reinvestment Fund/SDF Eliminations	Total (excluding SDF)
Financial Activity												
Financial Income												
Interest from loans	$ 27,268,352	$ -	$ -	$ -	$ 944,070	$ -	$ -	$ -	$ 28,212,422	$ 268,291	$ -	$ 27,944,131
Gains in equity method investments	646,507	-	-	284	-	19,419	-	-	666,210	-	-	666,210
Equity gains in consolidated subsidiaries	591,372	-	-	-	-	-	-	(591,372)	-	-	-	-
Loan fees	331,539	-	-	-	2,670	-	-	-	334,209	-	-	334,209
Asset management fee	3,020,940	-	-	-	-	-	392,951	(219,036)	3,194,855	-	(55,818)	3,250,673
Forgiveness of debt	705,692	-	(239)	-	-	-	-	239	705,692	-	-	705,692
Total Financial Income	32,564,402	-	(239)	284	946,740	19,419	392,951	(810,169)	33,113,388	268,291	(55,818)	32,900,915
Financial Expense												
Interest expense	10,408,707	-	-	-	232,609	-	-	-	10,641,316	-	-	10,641,316
Investment losses (gain), net	1,270,215	(372)	(370)	(157)	-	(193)	(12,100)	-	1,257,023	(17,224)	-	1,274,247
Asset management fee	-	-	-	-	180,327	-	38,709	(219,036)	-	55,818	(55,818)	-
Provision (credit) for loan losses	985,000	-	(239)	-	(206,383)	-	-	239	778,617	(261,086)	-	1,039,703
Total Financial Expense	12,663,922	(372)	(609)	(157)	206,553	(193)	26,609	(218,797)	12,676,956	(222,492)	(55,818)	12,955,266
Net Financial Income	19,900,480	372	370	441	740,187	19,612	366,342	(591,372)	20,436,432	490,783	-	19,945,649
Revenue and Support												
Grants and contributions	21,896,101	-	-	-	-	-	-	-	21,896,101	-	-	21,896,101
Program services and fees	2,378,056	3,912,822	-	-	-	-	-	(286,492)	6,004,386	-	-	6,004,386
Other income	31,923	-	-	-	-	-	-	-	31,923	-	-	31,923
Total Revenue and Support	24,306,080	3,912,822	-	-	-	-	-	(286,492)	27,932,410	-	-	27,932,410
Program and General Expenses												
Program - Lending	5,701,133	-	7,678	1,737	-	1,003	462,238	(152,264)	6,021,525	9,760	-	6,011,765
Program - Capacity Building & Capital Access	11,520,072	-	-	-	-	-	-	(50)	11,520,022	-	-	11,520,022
Program - Policy Solutions	2,100,736	-	-	-	-	-	-	(38,578)	2,062,158	-	-	2,062,158
Program - PolicyMap	-	4,419,925	-	-	-	-	-	(95,600)	4,324,325	-	-	4,324,325
Management and general	9,627,022	-	-	-	-	-	-	-	9,627,022	-	-	9,627,022
Total Program and General Expenses	28,948,963	4,419,925	7,678	1,737	-	1,003	462,238	(286,492)	33,555,052	9,760	-	33,545,292
Net income (loss)	-	(506,731)	-	(1,296)	740,187	18,609	-	(250,769)	-	-		-
Change in net assets, before capital distributions and issuance of common stock and option awards	15,257,597	-	(7,308)	-	-	-	(95,896)	(340,603)	14,813,790	481,023	-	14,332,767
Issuance of stock and option awards	-	1,605,238	-	-	-	-	-	(580,750)	1,024,488	-	-	1,024,488
Change in net assets	15,257,597	1,098,507	(7,308)	(1,296)	740,187	18,609	(95,896)	(1,172,122)	15,838,278	481,023	-	15,357,255
Net assets, January 1, 2022	229,209,243	(2,870,269)	126,663	76,020	2,683,253	237,902	656,360	(2,795,198)	227,323,974	11,319,047	-	216,004,927
Net assets, December 31, 2022	$ 244,466,840	$ (1,771,762)	$ 119,355	$ 74,724	$ 3,423,440	$ 256,511	$ 560,464	$ (3,967,320)	$ 243,162,252	$ 11,800,070	$ -	$ 231,362,182

Reinvestment Fund, Inc. and Affiliates (Excluding SDF)

Consolidating Statement of Activities
For the Year Ended December 31, 2021

	Reinvestment Fund	PolicyMap	EFI	NMTC	CEF	Education Funding	RFIA	Eliminations & Reclassifications	Total	SDF	Reinvestment Fund/SDF Eliminations	Total (excluding SDF)
Financial Activity												
Financial Income												
Interest from loans	$ 25,941,277	$ -	$ 217,202	$ -	$ 677,660	$ -	$ -	$ -	$ 26,836,139	$ 365,931	$ -	$ 26,470,208
Gains in equity method investments	426,324	-	-	311	-	25,552	-	-	452,187	-	-	452,187
Equity gains in consolidated subsidiaries	945,805	-	-	-	-	-	-	(945,805)	-	-	-	-
Loan fees	377,439	-	-	-	-	-	-	-	377,439	-	-	377,439
Asset management fee	2,684,210	-	-	-	-	-	414,597	(284,673)	2,814,134	-	(51,362)	2,865,496
Forgiveness of debt	1,031,106	416,322	-	-	-	-	-	-	1,447,428	-	-	1,447,428
Total Financial Income	31,406,161	416,322	217,202	311	677,660	25,552	414,597	(1,230,478)	31,927,327	365,931	(51,362)	31,612,758
Financial Expense												
Interest expense	11,457,103	166	-	-	255,599	-	-	-	11,712,868	-	-	11,712,868
Investment losses (gain), net	267,283	-	(707)	(106)	-	(126)	(3,802)	-	262,542	(2,334)	-	264,876
Asset management fee	51,362	-	-	-	188,182	-	45,129	(284,673)	-	51,362	(51,362)	-
(Credit) provision for loan losses	5,218	-	(311,705)	-	(34,755)	-	-	-	(341,242)	(10,133)	-	(331,109)
Total Financial Expense	11,780,966	166	(312,412)	(106)	409,026	(126)	41,327	(284,673)	11,634,168	38,895	(51,362)	11,646,635
Net Financial Income	19,625,195	416,156	529,614	417	268,634	25,678	373,270	(945,805)	20,293,159	327,036	-	19,966,123
Revenue and Support												
Grants and contributions	11,761,710	-	-	-	-	-	41,920	(41,920)	11,761,710	754,526	-	11,007,184
Program services and fees	1,652,011	3,433,219	-	-	-	-	-	(172,224)	4,913,006	-	-	4,913,006
Other income	7,362	-	-	-	-	-	-	-	7,362	-	-	7,362
Total Revenue and Support	13,421,083	3,433,219	-	-	-	-	41,920	(214,144)	16,682,078	754,526	-	15,927,552
Program and General Expenses												
Program - Lending	4,948,557	-	6,938	1,426	-	866	284,498	(41,920)	5,200,365	4,051	-	5,196,314
Program - Capacity Building & Capital Access	8,954,423	-	-	-	-	-	-	-	8,954,423	-	-	8,954,423
Program - Policy Solutions	1,897,570	-	-	-	-	-	-	(81,624)	1,815,946	-	-	1,815,946
Program - PolicyMap	-	4,035,272	-	-	-	-	-	(90,600)	3,944,672	-	-	3,944,672
Management and general	8,090,218	-	-	-	-	-	-	-	8,090,218	-	-	8,090,218
Total Program and General Expenses	23,890,768	4,035,272	6,938	1,426	-	866	284,498	(214,144)	28,005,624	4,051	-	28,001,573
Other Decreases												
Charges related to revolving loan fund, net	433,454	-	-	-	-	-	-	-	433,454	-	-	433,454
Total Other Decreases	433,454	-	-	-	-	-	-	-	433,454	-	-	433,454
Total Expenses and Other Decreases	24,324,222	4,035,272	6,938	1,426	-	866	284,498	(214,144)	28,439,078	4,051	-	28,435,027
Net income (loss)	-	(185,897)	-	(1,009)	268,634	24,812	-	(106,540)	-	-	-	-
Change in net assets, before capital distributions and issuance of common stock and option awards	8,722,056	-	522,676	-	-	-	130,692	(839,265)	8,536,159	1,077,511	-	7,458,648
Capital distributions	-	-	(770,000)	-	-	-	-	770,000	-	-	-	-
Issuance of stock and option awards	-	118,693	-	-	-	-	-	-	118,693	-	-	118,693
Change in net assets	8,722,056	(67,204)	(247,324)	(1,009)	268,634	24,812	130,692	(175,805)	8,654,852	1,077,511	-	7,577,341
Net assets, January 1, 2021	220,487,187	(2,803,065)	373,987	77,029	2,414,619	213,090	525,668	(2,619,393)	218,669,122	10,241,536	-	208,427,586
Net assets, December 31, 2021	$ 229,209,243	$ (2,870,269)	$ 126,663	$ 76,020	$ 2,683,253	$ 237,902	$ 656,360	$ (2,795,198)	$ 227,323,974	$ 11,319,047	$ -	$ 216,004,927