

Reinvestment Fund, Inc. and Affiliates
Consolidated Statement of Financial Position
September 30, 2017

	9/30/2017	12/31/2016 *	\$ Change	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	15,615,119	17,260,782	(1,645,663)	-9.5%
Grants and contributions receivable	692,895	14,318,374	(13,625,479)	-95.2%
Investments in marketable securities	23,710,814	22,976,696	734,118	3.2%
Loans and leases	63,540,263	95,881,090	(32,340,827)	-33.7%
Allowance for losses	(3,431,174)	(5,152,387)	1,721,213	-33.4%
Other	3,644,114	3,524,901	119,213	3.4%
Restricted cash and cash equivalents	28,807,246	30,441,905	(1,634,659)	-5.4%
	<u>132,579,277</u>	<u>179,251,361</u>	<u>(46,672,084)</u>	<u>-26.0%</u>
Noncurrent Assets				
Investments in marketable securities-Non Current	16,826,495	17,659,073	(832,578)	-4.7%
Program investments	271,610	250,000	21,610	8.6%
Loans and leases	311,974,077	236,282,363	75,691,714	32.0%
Allowance for losses	(16,846,600)	(12,691,892)	(4,154,708)	32.7%
Investment in limited partnerships & LLC's	540,010	534,688	5,322	1.0%
Equipment, leasehold improvements and software, net	1,239,402	1,778,632	(539,230)	-30.3%
Other	195,173	582,238	(387,065)	-66.5%
	<u>314,200,167</u>	<u>244,395,102</u>	<u>69,805,065</u>	<u>28.6%</u>
Total Assets	<u>446,779,444</u>	<u>423,646,463</u>	<u>23,132,981</u>	<u>5.5%</u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable and accrued expenses	1,675,226	2,479,705	(804,479)	-32.4%
Escrow payable and due to third parties	4,765,611	4,181,690	583,921	14.0%
Deferred revenue	775,644	812,483	(36,839)	-4.5%
Other	1,546,431	856,464	689,967	80.6%
Recoverable grants	3,640,000	6,043,681	(2,403,681)	-39.8%
Loans payable, current portion	17,389,931	37,212,965	(19,823,034)	-53.3%
	<u>29,792,843</u>	<u>51,586,988</u>	<u>(21,794,145)</u>	<u>-42.2%</u>
Noncurrent Liabilities				
Loans payable, less current maturities	230,116,678	176,910,563	53,206,115	30.1%
Loans payable, EQ2	18,708,000	18,708,000	-	0.0%
Escrow payable and due to third parties	464,981	464,286	695	0.1%
Other	9,030,680	9,111,803	(81,123)	-0.9%
	<u>258,320,339</u>	<u>205,194,652</u>	<u>53,125,687</u>	<u>25.9%</u>
Total Liabilities	<u>288,113,182</u>	<u>256,781,640</u>	<u>31,331,542</u>	<u>12.2%</u>
Net Assets				
Unrestricted	55,678,584	53,044,714	2,633,870	5.0%
Unrestricted - Contractually limited as to use	9,436,305	9,184,120	252,185	2.7%
Unrestricted - PolicyMap	(693,457)	118,850	(812,307)	0.0%
Total Unrestricted	<u>64,421,432</u>	<u>62,347,684</u>	<u>2,073,748</u>	<u>3.3%</u>
Temporarily restricted	44,135,912	54,392,788	(10,256,876)	-18.9%
Total Temporarily Restricted	<u>44,135,912</u>	<u>54,392,788</u>	<u>(10,256,876)</u>	<u>-18.9%</u>
Permanently restricted	50,108,918	50,124,351	(15,433)	0.0%
Total Net Assets	<u>158,666,262</u>	<u>166,864,823</u>	<u>(8,198,561)</u>	<u>-4.9%</u>
Total Liabilities and Net Assets	<u>446,779,444</u>	<u>423,646,463</u>	<u>23,132,981</u>	<u>5.5%</u>

* Excludes Development Partners

Reinvestment Fund, Inc. and Affiliates
Consolidated Statement of Activities
September 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
FINANCIAL INCOME				
Interest income from:				
Investments	227,956	139,483	-	367,439
Loans and leases	13,755,203	389,827	-	14,145,030
Investment gains, net				
Marketable securities	97,071	38,700	-	135,771
Equity gains in limited partnerships	27,689	-	-	27,689
Loan and lease fees	1,602,858	7,908	-	1,610,766
Asset management fee	1,206,191	-	-	1,206,191
Total Financial Income	16,916,968	575,918	-	17,492,886
FINANCIAL EXPENSE				
Interest expense	5,447,092	-	-	5,447,092
Investment losses, net				
Marketable securities	75,687	47,090	-	122,777
Equity losses in limited partnerships	10,498	-	-	10,498
Provision for loan and lease losses	2,428,614	-	-	2,428,614
Total Financial Expense	7,961,891	47,090	-	8,008,981
Net Financial Income (Loss)	8,955,077	528,828	-	9,483,905
REVENUE AND SUPPORT				
Grants and contributions	6,784	4,003,756	39,418	4,049,958
Program services and fees	2,842,201	-	-	2,842,201
Other income	69,503	-	-	69,503
Net assets released from restriction	14,789,460	(14,789,460)	-	-
Total Revenue and Support	17,707,948	(10,785,704)	39,418	6,961,662
PROGRAM AND GENERAL EXPENSES AND OTHER DECREASES/(INCREASES)				
Program and General Expenses				
Program - Lending and Community Investing	17,007,428	-	-	17,007,428
Program - Policy Solutions	1,375,200	-	-	1,375,200
Program - PolicyMap	2,545,609	-	-	2,545,609
Management and general	3,661,040	-	-	3,661,040
Total Program and General Expenses	24,589,277	-	-	24,589,277
Other Decreases / (Increases)				
Charges related to revolving loan fund	-	-	54,851	54,851
Forgiveness of debt from related parties	-	-	-	-
Total Other Decreases	-	-	54,851	54,851
Total Expenses and Other Decreases	24,589,277	-	54,851	24,644,128
CHANGE IN NET ASSETS	2,073,748	(10,256,876)	(15,433)	(8,198,561)
PAID IN CAPITAL	-	-	-	-
CHANGE IN NET ASSETS	2,073,748	(10,256,876)	(15,433)	(8,198,561)
NET ASSETS - BEGINNING	62,347,684	54,392,788	50,124,351	166,864,823
NET ASSETS - ENDING	64,421,432	44,135,912	50,108,918	158,666,262

Reinvestment Fund, Inc. and Affiliates
Statement of Cash Flows
September 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ (8,198,561)
Adjustments to reconcile change in net assets before partners'	
Distribution to Net Cash Provided by (Used in) Operating Activities	
Provision for loan and lease losses	2,428,614
Net charges related to revolving loan fund	54,851
Depreciation expense	580,498
Deferred loan and lease fees, net	(139,722)
Investment (gain)/losses in marketable securities, net	(12,994)
(Increase) decrease in equity earnings in other limited partnerships, net	(17,190)
Non-cash grant support	(39,034)
(Increase) Decrease in:	
Grants and contributions receivable	13,625,479
Restricted cash and cash equivalents	1,634,659
Other assets	(957,974)
Increase (Decrease) in:	
Accounts payable and accrued expenses	(804,479)
Deferred revenue	(36,839)
Recoverable grant payable	(2,403,681)
Escrow payable and due to third parties	584,616
Other liabilities	608,844
Net Cash Provided by (Used in) Operating Activities	<u>6,907,087</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of marketable securities	(54,433,389)
Proceeds from maturities of marketable securities	54,544,843
Purchases of program investments	(21,610)
Purchase of other limited partnerships	(4,000)
Distributions from equity method investments	15,868
Cash disbursements on loans receivable	(115,787,803)
Cash receipts on loans receivable	62,779,080
Principal payments received under leases	96,713
Purchases of equipment, leasehold improvements and software	(41,268)
Net Cash Provided by (Used in) Investing Activities	<u>(52,851,566)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issuance of notes payable	153,180,290
Payments on notes payable	(108,109,176)
Reinvested interest on investors payable	75,389
Change in debt issuance costs	(847,687)
Net Cash Provided by (Used in) Financing Activities	<u>44,298,816</u>

Net Increase (Decrease) in Cash and Cash Equivalents	(1,645,663)
Cash and Cash Equivalents - Beginning	<u>17,260,782</u>
Cash and Cash Equivalents - Ending	<u>\$ 15,615,119</u>

Reinvestment Fund, Inc. and Affiliates
Consolidating Statement of Financial Position
201709 - September

	Reinvestment Fund (Consolidated)	RF Impact Advisers, Inc.	EFI	Eliminations & Reclassifications	Total
	100 & 105	201	210	901	999
ASSETS					
Current Assets					
Cash and cash equivalents	15,526,173	35,500	53,446	-	15,615,119
Grants and contributions receivable	692,895	-	-	-	692,895
Investments in marketable securities	23,710,814	-	-	-	23,710,814
Accounts receivable - related parties	-	-	-	-	-
Loans and leases	63,556,078	-	5,634	(21,449)	63,540,263
Allowance for losses	(3,432,659)	-	(17)	1,502	(3,431,174)
Other	3,646,565	235	(525)	-	3,646,275
Restricted cash and cash equivalents	28,807,246	-	-	-	28,807,246
	<u>132,507,112</u>	<u>35,735</u>	<u>58,538</u>	<u>(19,947)</u>	<u>132,581,438</u>
Noncurrent Assets					
Grants and contributions receivable	-	-	-	-	-
Investments in marketable securities-Non Current	16,826,495	-	-	-	16,826,495
Program investments	271,610	-	-	-	271,610
Due from related parties	-	-	-	-	-
Loans and leases	311,909,176	-	64,901	-	311,974,077
Allowance for losses	(16,846,600)	-	-	-	(16,846,600)
Investment in limited partnerships & LLC's	540,010	-	-	-	540,010
Private equity investments	-	-	-	-	-
Equipment, leasehold improvements and software, net	1,239,402	-	-	-	1,239,402
Investment in consolidated subsidiary & nonprofits	1,045,735	-	-	(1,045,735)	-
Other real estate held for sale	-	-	-	-	-
Property held for development or sale, net	-	-	-	-	-
Rental Property	-	-	-	-	-
Other	195,173	-	-	-	195,173
	<u>315,181,001</u>	<u>-</u>	<u>64,901</u>	<u>(1,045,735)</u>	<u>314,200,167</u>
Total Assets	<u>447,688,113</u>	<u>35,735</u>	<u>123,439</u>	<u>(1,065,682)</u>	<u>446,781,605</u>
LIABILITIES AND NET ASSETS					
Current Liabilities					
Accounts payable and accrued expenses	1,672,344	-	2,880	-	1,675,224
Grants payable	-	-	-	-	-
Escrow payable and due to third parties	4,765,611	-	-	-	4,765,611
Accounts payable - related parties	-	-	-	-	-
Deferred revenue	775,644	-	-	-	775,644
Other	1,546,431	-	-	-	1,546,431
Recoverable grants	3,640,000	-	-	-	3,640,000
Loans payable, current portion	17,389,931	-	21,449	(21,449)	17,389,931
	<u>29,789,961</u>	<u>-</u>	<u>24,329</u>	<u>(21,449)</u>	<u>29,792,841</u>
Noncurrent Liabilities					
Due to related parties	-	-	-	-	-
Loans payable, less current maturities	230,116,678	-	-	-	230,116,678
Loans payable, EQ2	18,708,000	-	-	-	18,708,000
Escrow payable and due to third parties	464,981	-	-	-	464,981
Other	9,030,680	-	-	-	9,030,680
	<u>258,320,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>258,320,339</u>
Total Liabilities	<u>288,110,300</u>	<u>-</u>	<u>24,329</u>	<u>(21,449)</u>	<u>288,113,180</u>
Commitments and Contingencies					
Paid in Capital	-	37,000	1,010,000	(1,047,000)	-
Earnings/(Deficit)	-	-	(910,890)	910,890	-
Net Assets					
Unrestricted	55,896,676	(1,265)	-	(908,123)	54,987,288
Unrestricted - Contractually limited as to use	9,436,305	-	-	-	9,436,305
Non Controlling Interest	-	-	-	-	-
Total Unrestricted	<u>65,332,981</u>	<u>35,735</u>	<u>99,110</u>	<u>(1,044,233)</u>	<u>64,423,593</u>
Temporarily restricted	44,135,912	-	-	-	44,135,912
Temporarily restricted - Contractually limited as to use	-	-	-	-	-
Total Temporarily Restricted	<u>44,135,912</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,135,912</u>
Permanently restricted	50,108,918	-	-	-	50,108,918
Total Net Assets	<u>159,577,811</u>	<u>35,735</u>	<u>99,110</u>	<u>(1,044,233)</u>	<u>158,668,423</u>
Total Liabilities and Net Assets	<u>447,688,111</u>	<u>35,735</u>	<u>123,439</u>	<u>(1,065,682)</u>	<u>446,781,603</u>

Reinvestment Fund Inc and Affiliates
Consolidating Statement of Activities
201709 - September

	Reinvestment Fund (Consolidated)	RF Impact Advisers, Inc.	CLI	Private Equity	EFI	Development Partners	Eliminations & Reclassifications	Total
	100	201	200	925	210	915	900	999
FINANCIAL INCOME								
Interest income from:								
Investments	367,296	-	-	-	143	-	-	367,439
Loans and leases	14,140,940	-	-	-	4,309	-	(741)	14,144,508
Private equity investments	-	-	-	-	-	-	-	-
Investment gains, net								
Marketable securities	135,771	-	-	-	-	-	-	135,771
Equity gains in limited partnerships	27,689	-	-	-	-	-	-	27,689
Loan and lease fees	1,610,765	-	-	-	-	-	-	1,610,765
Asset management fee	1,206,191	-	-	-	-	-	-	1,206,191
Total Financial Income	<u>17,487,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,452</u>	<u>-</u>	<u>524</u>	<u>17,492,363</u>
FINANCIAL EXPENSE								
Interest expense	5,447,092	-	-	-	741	-	(741)	5,447,092
Asset management fee	-	-	-	-	-	-	-	-
Investment losses, net								
Marketable securities	122,777	-	-	-	-	-	-	122,777
Equity losses in limited partnerships	10,499	-	-	-	-	-	-	10,499
Equity losses in consolidated subsidiaries	-	-	-	-	-	-	-	-
Provision for OREO losses	-	-	-	-	-	-	-	-
Provision for loan and lease losses	2,428,614	-	-	-	-	-	-	2,428,614
Total Financial Expense	<u>8,008,982</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>741</u>	<u>-</u>	<u>(741)</u>	<u>8,008,982</u>
Net Financial Income (Loss)	<u>9,478,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,711</u>	<u>-</u>	<u>1,265</u>	<u>9,483,381</u>
REVENUE AND SUPPORT								
Grants and contributions	4,049,958	-	-	-	-	-	-	4,049,958
Program services and fees	2,844,887	-	-	-	-	-	-	2,844,887
Other income	69,503	-	-	-	-	-	-	69,503
Total Revenue and Support	<u>6,964,348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,964,348</u>
PROGRAM AND GENERAL EXPENSES AND OTHER DECREASES								
Program and General Expenses								
Program - Lending and Community Investing	17,006,056	1,265	-	-	5,975	-	-	17,013,296
Program - Private Equity	-	-	-	-	-	-	-	-
Program - Policy Solutions	1,374,873	-	-	-	-	-	-	1,374,873
Program - PolicyMap	2,545,609	-	-	-	-	-	-	2,545,609
Program - Development Partners	-	-	-	-	-	-	-	-
Management and general	3,655,499	-	-	-	-	-	-	3,655,499
Total Program and General Expenses	<u>24,582,037</u>	<u>1,265</u>	<u>-</u>	<u>-</u>	<u>5,975</u>	<u>-</u>	<u>-</u>	<u>24,589,277</u>
Other Decreases / (Increases)								
Charge-offs to revolving loan fund	-	-	-	-	-	-	-	-
Provision for Bad Debt-Prior Year	-	-	-	-	-	-	-	-
Charges related to revolving loan fund	54,851	-	-	-	-	-	-	54,851
Redesignation of restrictions	-	-	-	-	-	-	-	-
Loss on uncollectible pledge	-	-	-	-	-	-	-	-
Forgiveness of debt from related parties	-	-	-	-	17	-	(17)	-
Total Other Decreases	<u>54,851</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>(17)</u>	<u>54,851</u>
Total Expenses and Other Decreases	<u>24,636,888</u>	<u>1,265</u>	<u>-</u>	<u>-</u>	<u>5,992</u>	<u>-</u>	<u>(17)</u>	<u>24,644,128</u>
NET INCOME (LOSS)	-	-	-	-	(2,281)	-	2,281	-
CHANGE IN NET ASSETS	(8,194,135)	(1,265)	-	-	-	-	(999)	(8,196,399)
PAID IN CAPITAL	-	-	-	-	-	-	(37,000)	(37,000)
CHANGE IN NET ASSETS	(8,194,135)	(1,265)	-	-	(2,281)	-	(35,718)	(8,233,399)
NET ASSETS - BEGINNING	167,771,946	-	-	-	101,392	-	(1,008,515)	166,864,823
NET ASSETS - ENDING	<u>159,577,811</u>	<u>(1,265)</u>	<u>-</u>	<u>-</u>	<u>99,111</u>	<u>-</u>	<u>(1,044,233)</u>	<u>158,631,424</u>