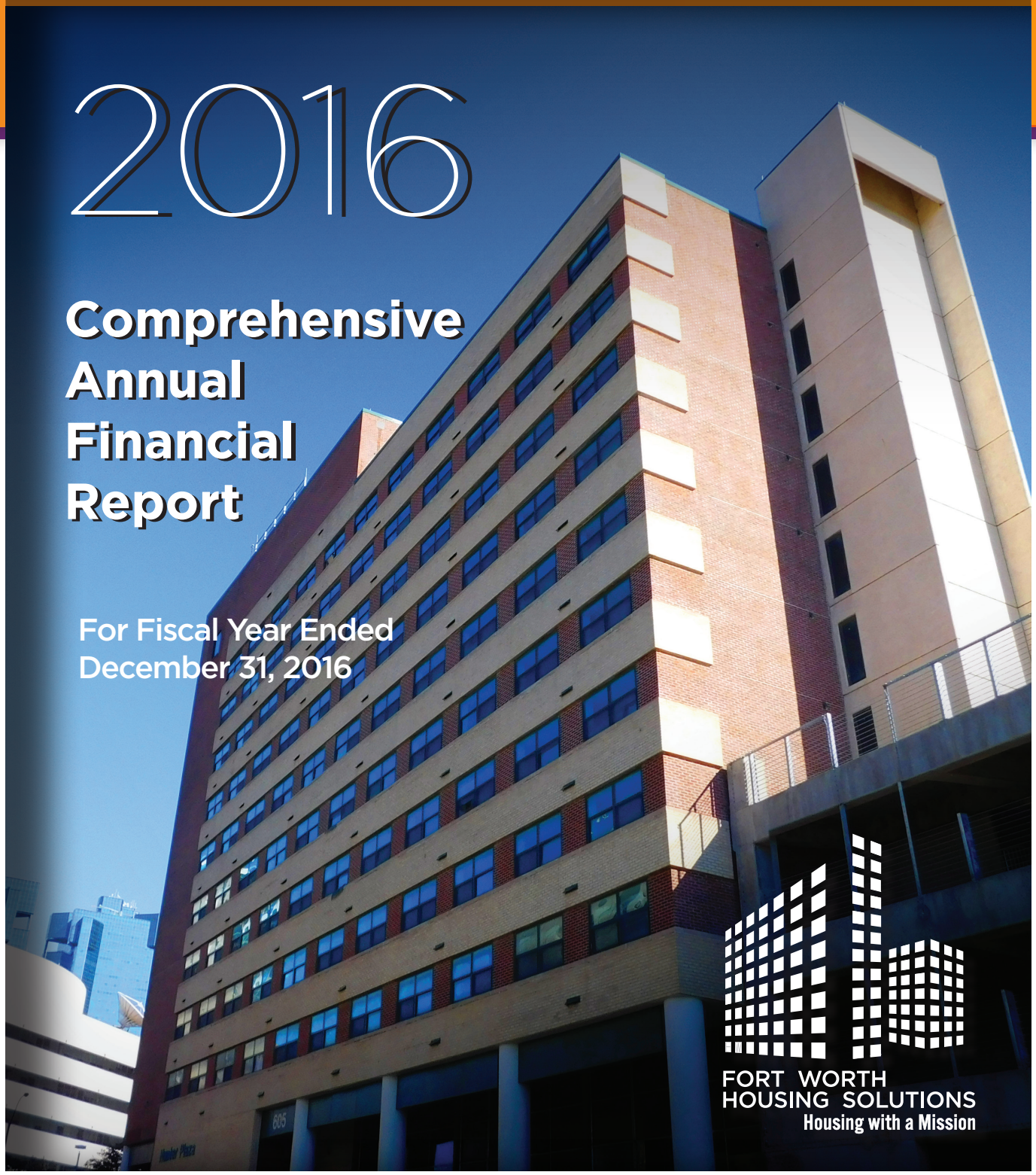
The Housing Authority

of the City of Fort Worth, Texas



2016

Comprehensive Annual Financial Report

For Fiscal Year Ended
December 31, 2016

FORT WORTH
HOUSING SOLUTIONS
Housing with a Mission

FORT WORTH HOUSING SOLUTIONS

COMPREHENSIVE ANNUAL FINANCIAL REPORT AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2016

Issued by:
Department of Finance and Administration
Riza Nolasco, Vice President Finance and Administration

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FORT WORTH HOUSING AUTHORITY

"Investing In The Community"

August 28, 2017

Mrs. Terri Attaway, Chairman of the Board of Commissioners
Members of the Board of Commissioners
Housing Authority of the City of Fort Worth, Texas

We are pleased to present the Comprehensive Annual Financial Report (CAFR) for the Housing Authority of the City of Fort Worth, now with an assumed name of Fort Worth Housing Solutions ("FWHS"), for the fiscal year ended December 31, 2016. This report was prepared by the staff of the Finance and Administration Department, Financial Management Division and the financial statements presented herein were audited by CliftonLarsonAllen LLP, a national firm of licensed certified public accountants. The discretely presented component units were audited by Novogradac and Company LLP, also a national firm of licensed certified public accountants.

I. INTRODUCTION

The data presented in this report is the responsibility of the management of FWHS. To the best of our knowledge and belief, the data as presented is accurate in all material aspects and is presented in a manner designed to present fairly the financial position, results of operations and cash flows of the agency. All disclosures necessary to enable the reader to gain a complete understanding of the agency's financial activities have been included.

The organization form and contents of this report were prepared in accordance with the standards prescribed by the Governmental Accounting Standards Board, the Government Finance Officers Association of United States and Canada (GFOA), the American Institute of Certified Public Accountants, and the U.S. Department of Housing and Urban Development (HUD).

The Fort Worth Housing Solutions is required to undergo an annual single audit in conformity with provisions of the Single Audit Act of 1984, the Single Audit Amendments of 1996, and U.S. Office of Management and Budget Title 2 U.S Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, *Audits of State and Local Governments, and Non-Profit Organizations.* Information related to this single audit and the independent auditors' reports on internal control structure and compliance with applicable laws, regulations, contracts and grants are reported under a separate Single Audit report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Authority's MD&A can be found immediately following the Independent Auditor's Report.

Reporting Entity and its Services

The Fort Worth Housing Solutions is an independent, public body, corporate and politic entity created by the City of Fort Worth in 1938 in accordance with enabling legislation enacted through the State of Texas Housing Authorities Law. Although it maintains close ties with the city in several respects, FWHS is not a component unit of the city as defined by pronouncements of the Governmental Accounting Standards Board since the city is not financially accountable for the operations of the agency, has no responsibility to fund deficits or receive surpluses, and has not guaranteed the agency's debt.

The governing body of FWHS is its Board of Commissioners (Board) comprised of five members appointed by the Mayor of the city. The Board appoints a President to administer the affairs of the agency. The primary source of funding for the agency is the U.S. Department of Housing and Urban Development, which oversees the expenditures of the HUD-funded programs.

The primary objective of the agency is to provide adequate quality affordable accessible housing in a living environment that integrates low and moderate income individuals and families into the greater community without discrimination. A second goal is to create economic opportunities for these individuals and families to become self-sufficient. To accomplish these objectives, FWHS participates in a number of programs, which are further detailed in the notes to the basic financial statements included in this report.

This report includes all funds of the agency, as well as its component units. Component units are legally separate entities for which a government is financially accountable. The tax credit properties are presented as discretely presented components units.

Economic Condition and Outlook

The agency's ability to successfully provide housing through its major programs is affected by the country's economic conditions and outlook. Its financial position is directly affected by the level of federal appropriations from HUD for the majority of its programs. At the end of the year, FWHS has 998 units in its public housing inventory and 149 units in its Rental Assistance Demonstration (RAD) inventory. The agency has 709 RAD units in the works as of the end of the year. The agency also administers 5,104 baseline units under the Housing Choice Voucher program and additional 439 units under the Mainstream 5 and VASH programs. It also receives funds from HUD, the state, and the city of Fort Worth to administer special programs namely, Mod Rehab, Continuum of Care, Directions Home, Healthy Community Collaborative and Homeless Housing and Services Programs to serve homeless persons with disabilities such as serious mental illness, chronic substance abuse, and/or AIDS and related diseases. There are 792 units allotted for these special programs. In 2017, the Authority anticipates involvement with more housing assistance programs, which will further increase the number of units that it will administer.

Public housing authorities have received less than 100% of their full operating subsidy eligibility from HUD for the past several years. For 2016 the total eligibility was prorated at 90.21%. The administrative fee for Housing Choice Voucher program was funded at 84%, which was a slight improvement from 2015's 81%. With perhaps the exception of voucher renewals that receive a proration of 97%, other programs remain deeply underfunded. For 2017, funding proration still appears vague. The voucher administrative fee is currently prorated at 77%; but, hopefully may go up at the end of the year. The public housing operating subsidy has an interim proration level of 92.4%. In December 2017 the final proration will reflect the percent of the appropriation to the amount of the actual eligibility for final approved PHA subsidy requests.

The agency has managed to offset the effects of the reduced federal funding by managing costs, leveraging resources and successfully competing for other federal grants. It will continue along the path of becoming more entrepreneurial to increase non-HUD revenues. At the end of 2016, the Authority had a total of 3,285 privately managed affordable and market rate units. This total also includes 80 Section 8 project based units. In 2017 FWHS plans to acquire more properties to pursue its objectives of increasing nonfederal revenues and to increase affordable housing opportunities to the community it serves.

Major Initiatives

Cavile Place Revitalization Plan

Cavile Place is a public housing property consisting of 300 units located in east Fort Worth. The Fort Worth Housing Solutions and the Fort Worth Housing Finance Corporation agreed to jointly fund the development of a transformation plan, Cavile Place and Historic Stop Six Neighborhood Transformation Plan, to revitalize this neighborhood. This transformation plan is comprehensive and requires the support of FWHS, the city of Fort Worth, HUD and other public and private organizations. The 10-year plan will cost approximately $112 million and will include the razing of the 300 units, rebuilding 225 units in a modern complex on the site and redistributing the rest in the surrounding neighborhoods, building a community garden as central gathering spot, improving East Rosedale Street as landing spot for hoped-for retail and other commercial uses, and heightening the focus on education and job training.

FWHS intends to replace the 300 Cavile public housing units with 300 RAD units through 4 phases of development. Various pieces of lands in the surrounding areas were acquired as part of this development plan. Phase 1 will be developed across 2 tracts of land totaling 8.57 acres (3.59 and 4.98 acres) separated by approximately one half mile. Tract 1 and track 2 will be named Cowen Court (107 units) and Wellington Court (132 units) respectively. Sources of funding are actively being sought to support its financing.

Rental Assistance Demonstration, Project Based Rental Assistance

In July 2012, HUD issued the final implementation notice, which allows for public housing properties to be converted to long-term project-based Section 8 rental assistance contracts. HUD has approved a "portfolio award" to Fort Worth Housing Solutions to convert all its remaining public housing units to RAD, Project Based Rental Assistance units.

In April 2014, the Housing Assistance Payment contracts for its 2 public housing properties, Fair Oaks (76 units) and Fair Park (48 units) were approved by HUD. FWHS also submitted a RAD application for Hunter Plaza's 134 units, 25 of which will be at the site. RAD assistance for the remaining 109 units will be transferred across several existing or to be developed tax credit properties. The Housing Assistance Payment contract for the 25 units was approved in October 2014.

Butler Place consists of 412 family units located next to the agency's administrative offices. The RAD conversion for this property is currently proposed as a 20-phase project conversion. Additionally, FWHS, the city of Fort Worth, Downtown Fort Worth, Inc. and Fort Worth Independent School District have engaged the Urban Land Institute to assist with developing recommendations for the redevelopment of this location.

Homeownership Programs

The agency has developed a homeownership plan for the purpose of increasing homeownership closings under the Housing Choice Voucher Homeownership program. In September 2008, HUD approved the agency's request to implement its Section 32 Homeownership Program for the sale of 85 public housing scattered sites. At the end of 2016, only 1 unit remain in the inventory. This achieved both HUD's and the agency's objective of providing low-income families the opportunity to own their own home.

QuadCo Management Solutions, Inc.

As part of the agency's long-range plan to become financially self-sufficient and to expand and manage its affordable housing portfolio, it sponsored an affiliate, QuadCo Management Solutions, Inc. to manage its newly acquired complexes and soon assume management of its other affordable housing properties currently managed by private management companies. QuadCo has expanded its portfolio outside of Fort Worth in 2012 and in 2016 has continued its quest to absorb more.

Energy Performance Contract

In November 2006, HUD approved the agency's energy performance contract with Ameresco, Inc. for a total leased amount of $2,244,131 for efficiency measures that include water, electric and gas for its public housing developments. HUD specifically approved the frozen rolling base and additional operating subsidy eligibility conservation incentives, which the agency incorporated in its operating subsidy calculation starting in 2008. As part of the RAD implementation process, the loan was paid in 2016.

Resident Services

FWHS has been instrumental in empowering residents to achieve personal and economic independence while also providing families, children and seniors the opportunity to grow and develop in healthful surroundings. Through its collaborative partnerships with over 100 community public and private partners, the Authority provides program participants with tools to access education, vocational training, employment, transportation, daycare, health care and other ancillary services that empower them to achieve goals. FWHS continues to pursue funding for these various resident programs.

II. FINANCIAL INFORMATION

Accounting Systems

The agency's management is responsible for establishing and maintaining an internal control structure designed to ensure that the agency's assets are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and that the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of Federal and State financial assistance, FWHS is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws, regulations, contracts and grants related to this assistance. These internal controls are subject to periodic evaluation by management and independent auditors.

Budgetary Controls

The objective of budgetary controls maintained by the agency is to ensure compliance with legal provisions embodied in the annual budgets approved by the Board of Commissioners. The Agency's budgetary controls are established at the account class or function level for all funds and reported on a monthly basis. Activities of the Low Rent Public Housing Fund, Assisted Housing Funds, Central Office Cost Center, Affordable and Market Rate Properties and other major funds are included in the annual budgeting process. The annual budgets and all revisions thereof as a result of changes in operations and estimates are proposed by the President and submitted to the Board for approval. Project-length financial plans are adopted for all multi-year HUD grants.

Long-term Financial Plans

Due to continuous decrease in federal funding, the agency strategically finds ways to operate efficiently and effectively. The 2013 sequestration has paved the way to the adoption of various cost saving measures to reduce operating deficits. The agency will aggressively continue its plans of acquiring and developing more properties that will yield unrestricted profits in the years to come. Strategic plans and Annual Agency Plan that is submitted to HUD, are monitored to ensure implementation.

Enterprise Fund Operations

The agency's financial activities are consolidated into a single Enterprise fund and consists of the following distinct operational areas:

HUD Funded Operations

Programs receiving HUD assistance as of December 31, 2016 included the following: Low Rent Public Housing (consisting of 998 units in 11 Asset Management Projects); Rental Assistance Demonstration (consisting of 149 units), Housing Choice Vouchers (consisting of 5,104 units eligible for assistance in privately owned units); Mainstream 5 and VASH programs (consisting of 439 units), and Continuum of Care, Mod Rehab, Directions Home (consisting of 792 eligible units) for homeless and HIV positive individuals. Related expenditure programs of the above operations include Capital Fund, Resident Opportunity and Self-Sufficiency, and Public Housing and Housing Choice Voucher Family Self-Sufficiency Coordinator grants.

State/Local Operations

State and Local Program Operations include the Oil and Gas royalty receipts, Section 32 Homeownership Program receipts, Developer fees and other activities related to the administrative fees earned from prior years outside of the regular Assisted Housing programs and the fees earned in the refinancing of the Peppertree Acres Series 1992 Bonds. Various grants and other receipts are also accounted for under this category.

Component Units/Business Activities Operations

The agency has affiliates and properties that are reported as blended component units under Business Activities. These include Villas of Oak Hill, Carlyle Apartments, Knights of Pythias Lofts, Villas of Eastwood Terrace, Hillside Apartments, Trinity River Public Facility Corporation, Gateway Public Facility Corporation, Chisholm V Corporation, QuadCo Management Solutions Inc., Cinco Public Facility Corporation, Fair Oaks Public Facility Corporation, Fair Park Public Facility Corporation, Western Hills Affordable Housing, GP, LLC, Pioneers of Samuels, LLC, Candletree Homes, LLC, Fort Worth Affordability, Inc., Overton Square, LP, Pennsylvania Place Apartments, LP, Wind Terrace, Inc., Cavile Place Public Facility Corporation and Woodmont Apartments, GP, LLC,. The discretely presented component units include the Western Hills Affordable Housing, LP, South Hulen, LP, Samuels Avenue, LP, Lincoln Terrace, LP, Trinity Quality Housing LP, Cobb Park Townhomes II, LP and FW Hunter Plaza, LP.

III. OTHER INFORMATION

Awards

FWHS has mostly been designated a high performer since 1992 under HUD's Public Housing Assessment System (PHAS), which measures the performance of the nation's public housing. FWHS has also received high performer status for the Section Eight Management Assessment Program (SEMAP), which provides for objective measurement of performance of a public housing agency in key areas of the Housing Choice Voucher Program. FWHS is one of a select number of public housing authorities across the United States that has consistently achieved this status. It also has received numerous State, Regional, and National awards from the National Association of Housing and Redevelopment Officials.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR for the fiscal year ended December 31, 2015. This was the 14th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this Comprehensive Annual Financial Report was accomplished through the dedicated efforts of the entire staff of the Finance and Administration Department, Financial Management Division. Each staff member has our sincere appreciation for the contributions made in the preparation of this report.

We finally wish to take this opportunity on behalf of the staff and residents of the Fort Worth Housing Solutions to thank the members of the Board of Commissioners for their leadership and support in planning and conducting the financial operations of the Authority.

Respectfully submitted,

Mary-Margaret Lemons
Interim President

Riza Nolasco
Vice President Finance and Administration

FORT WORTH HOUSING SOLUTIONS

LIST OF PRINCIPAL OFFICIALS
December 31, 2016

Board of Commissioners

Terri Attaway
Chairman

Mark Presswood
Vice Chairman

Richard Stinson
Commissioner

Michael Ramirez
Commissioner

Zelda Randle
Resident Commissioner

Executive Staff

Mary-Margaret Lemons
Interim President/General Counsel

Riza Nolasco
Vice President Finance and Administration

Selarstean Mitchell
Vice President Assisted Housing

Sonya Barnette
Vice President Resident & Community Programs

Matthew Corcoran
Vice President Development and Asset Management

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

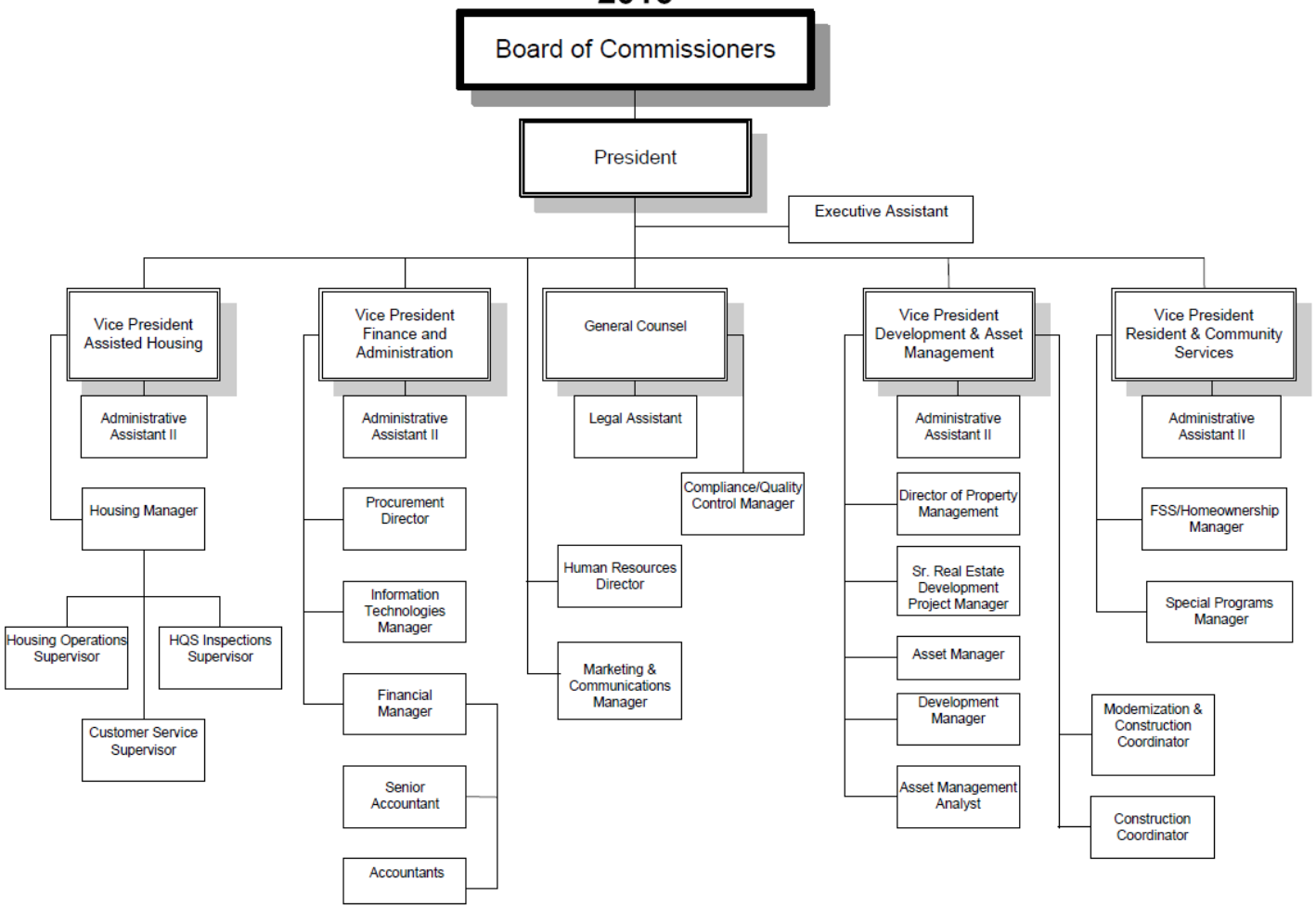
Housing Authority of the City of Fort Worth, Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

Organizational Chart
2016



SECTION II – FINANCIAL SECTION

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Fort Worth Housing Solutions
Fort Worth, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the enterprise fund and the aggregate discretely presented component units of Fort Worth Housing Solutions (FWHS) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise FWHS' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Overton Square, LP, and Pennsylvania Place Apartments, LP. blended component units of FWHS. These component units represent 11%, -4%, and 5%, respectively, of the assets, net position, and revenues of the enterprise fund. We did not audit the financial statements of Candletree Apartments, Villas On the Hill, Samuels Avenue, Cambridge Court, Wind River, Villas by the Park, and Hunter Plaza, the discretely presented component units which represent 70%, 86%, and 70%, respectively, of the assets, net position and revenues of the discretely presented component units. Those statements, which were prepared in accordance with the accounting standards issued by the Financial Accounting Standard Board, were audited by other auditors whose reports have been furnished to us.

We have applied audit procedures on the conversion adjustment to the financial statements of Overton Square, LP, and Pennsylvania Place Apartments, LP., to conform those financial statements to present in accordance with accounting standards issued by the Governmental Accounting Standards Board. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The other auditors audited the financial statements of Overton Square, LP, Pennsylvania Place Apartments, LP. and the discretely presented component units in accordance with auditing standards generally accepted in the United Stated of America, and were not in accordance with *Government Auditing Standards*.

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

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

Opinion

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the enterprise fund and the aggregate discretely presented component units of FWHS as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-matter

As discussed in Note 2 to the financial statements, Hunter Plaza Inc., a discretely presented component unit of FWHS, has restated beginning equity for a correction of an error. Our opinion is not modified with respect to this matter.

Other Matters

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the discretely presented component units adopted a change in accounting principle related to the presentation of debt issuance cost. Their opinion was not modified with respect to that matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 17 through 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise FWHS' basic financial statements. The schedules of budget to actual listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of budget to actual are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with 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 basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2017, on our consideration of FWHS' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering FWHS' internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
August 28, 2017

Fort Worth Housing Solutions (FWHS) is proud to provide this narrative overview and analysis of FWHS' financial activities for the year ended December 31, 2016. It is designed to identify changes in FWHS' financial position as well as individual fund issues or concerns. It should be read in conjunction with the Financial Statements following this Management's Discussion and Analysis (MD&A), and the Notes to the Financial Statements.

The MD&A is presented in conformance with the Governmental Accounting Standards Board (GASB) financial reporting model as set forth in GASB Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments,* GASB Statement No. 37, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments: Omnibus,* GASB Statement No. 38, *Certain Financial Statement Note Disclosures,* GASB Statement No. 40, *Deposit and Investment Risk Disclosures,* GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section,* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. These financial reporting standards require the inclusion of 3 basic financial statements, namely the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

This MD&A covers the Enterprise Fund only.

FINANCIAL HIGHLIGHTS

- Assets of FWHS exceeded liabilities at December 31, 2016 by $71.3 million (net position). This amount represents a decrease of approximately $466 thousand from the balance at December 31, 2015. This decrease is consistent with the downward change in net position as shown on the Statement of Revenues, Expenses and Changes in Net Position. The decrease is due to the transfer in of negative net position for Overton Square, LP. owner of Overton Park Townhomes, as a result of the acquisition of limited partners' interest by an affiliate of FWHS in 2016.

- FWHS' cash and cash equivalents and investments balance as of December 31, 2016 was $55.7 million representing an increase of $11.9 million from December 31, 2015. The primary reason for this increase was the transfer of Overton Park Townhomes' financial information from discretely presented to blended component units and the acquisition of Pennsylvania Place Apartments. Both are tax credit properties and limited partners' interests were bought by affiliates of FWHS during the year. Overton and Pennsylvania Place Apartments reported cash balances of $1.1 million and $3.3 million, respectively as of December 31, 2016. The HAP and administrative fees in the amount of $3.2 million for January 2017 were received in December 2016, thereby increasing the cash position of the Housing Choice Voucher Program at the end of the year. The overall operational activities of the primary government were profitable, which also contributed to the increase in cash balance at the end of the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

Our analysis of FWHS' financial information as a whole asks the most important question, "Has FWHS' financial health improved or declined as a result of the year's activities?" The following analysis of entity-wide net assets, revenues, and expenses is provided to assist with answering this question. This analysis includes all assets and liabilities using the accrual method of accounting, which recognizes revenue when earned and expenses when incurred regardless of when cash is received or paid.

Statement of Net Position

The Statement of Net Position presents information about FWHS' assets and liabilities and is similar to a balance sheet. The Statement of Net Position reports all financial and capital resources for FWHS. The statement is presented in the format where assets and deferred outflow of resources, minus liabilities and deferred inflow of resources, equals net position. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible to cash within one year), and "non-current." Increases or decreases in net position will serve as a useful indicator of whether the financial position of FWHS is improving or deteriorating.

	2016	2015
Current Assets	$ 61,329,558	$ 53,225,921
Noncurrent Assets	16,748,489	18,418,428
Capital Assets, Net	80,755,716	66,108,426
Total Assets	158,833,763	137,752,775
Current Liabilities	11,361,267	5,062,384
Long-Term Liabilities	72,945,436	60,889,825
Total Liabilities	84,306,703	65,952,209
Deferred Inflow Of Resources	3,192,899	-
Net Position:		
Net Investment in Capital Assets	6,314,951	3,915,926
Restricted Net Position	5,891,842	2,002,126
Unrestricted Net Position	59,127,368	65,882,514
Total Net Position	71,334,161	71,800,566
Total Deferred Inflow of Resources, Liabilities and Net Position	$ 158,833,763	$ 137,752,775

Total assets of FWHS at December 31, 2016 amounted to $158.8 million. This amount represents an increase of approximately $21.1 million from the balance at December 31, 2015. Again, this increase is mainly due to the acquisition of limited partners' interests in Overton Square, LP and Pennsylvania Place Apartments, LP by affiliates of FWHS in 2016. Prior to this, Overton's financial information was reported under Discretely Presented Component Units. The Pennsylvania Place Apartment complex was added to the portfolio in 2016 and the limited partners' interests were also bought by an affiliate. Total assets reported under these 2 properties was $17.1 million. As part of the Cavile Place redevelopment plan, various pieces of vacant lands in the neighborhood were purchased. At the end of the year, $2 million has been spent in the acquisitions of these lots

Current assets are comprised of cash and cash equivalents and investments, accounts receivable, inventories and prepaid expenses. The non-current assets include capital assets, long-term notes receivable and other assets. Capital assets include land, buildings, construction in progress and furniture and equipment and are shown net of accumulated depreciation.

Total liabilities of FWHS, which are broken down into current and long-term portions, amounted to $84.3 million at December 31, 2016. This balance represents an increase of approximately $18.3 million from what was reported at the end of 2015. This increase is mainly due to the issuance of debt related to the acquisition of Pennsylvania Place Apartments and the inclusion of Overton Square, LP under primary government for reporting purposes. Pennsylvania Place Apartments, LP has $6.8 million in total liabilities while Overton Square, LP has $13.1 million.

Current liabilities include accounts payable and other accrued liabilities, deferred revenue, and the current portions of the notes and bonds payable. A liability is considered current if it is due within one year. The long-term liabilities are comprised of the long-term portion of the notes and bonds payable and compensated absences. Additional information regarding the composition of the Statement of Net Assets is detailed in Section II of this report in the Notes to the Financial Statements.

Net position represents the equity of FWHS after liabilities are subtracted from assets. Net position is divided into three major categories. The first category, Net Investment in Capital Assets, shows FWHS' equity in land, building structures, construction in progress and furniture and equipment, net of related capital debt outstanding. The next category, Restricted Net Position, has external limitations on the way in which it may be used. The last category, Unrestricted Net Position, is available to use for any lawful and prudent purpose of FWHS. Total Net Position of FWHS decreased by approximately $466 thousand during the year ended December 31, 2016. Please refer to the Financial Highlights section for details of this decrease.

Statement of Revenues, Expenses, and Changes in Net Position

The purpose of the statement of revenues, expenses and changes in net position is to present the revenues earned and the expenses incurred, both operating and non-operating and any other revenues, expenses, gains, and losses received or spent by FWHS. Generally, operating revenues are amounts received for providing housing to FWHS' residents. Operating expenses are those paid to maintain the housing units and provide other services for the residents. Non-operating revenues are funds received for which goods and services are not provided.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	2016	2015
Operating Revenues		
Net Tenant Rental Revenue	$ 16,241,967	$ 15,358,079
HUD Operating Grants	48,150,053	44,947,399
Other Revenue	10,318,160	7,689,732
Total Operating Revenue	74,710,180	67,995,210
Operating Expenses		
Administrative	14,544,441	13,126,097
Tenant Services	159,819	97,559
Utilities	2,806,977	2,492,700
Ordinary Maintenance and Operations	4,540,413	4,431,575
General and Other	2,612,094	2,288,512
Housing Assistance Payments	40,003,577	37,830,613
Depreciation	4,506,308	4,025,624
Total Operating Expenses	69,173,629	64,292,680
Operating Income	5,536,551	3,702,530
Nonoperating Revenues		
HUD Capital Grants	-	2,230,797
Investment Income	140,065	25,892
Gain on Sale of Capital Assets	43,484	10,934,583
Equity Transfer In - Hillside	-	1,625,124
Other Gains/Revenues	25,000	-
Total Non-Operating Revenues	208,549	14,816,396
Nonoperating Expenses		
Interest Expense	3,315,615	3,026,801
Casualty Loss	3,336	-
Equity Transfer In - Overton	2,892,554	-
Total Nonoperating Expenses	6,211,505	3,026,801
Nonoperating Income (Loss)	(6,002,956)	11,789,595
Change in Net Position	(466,405)	15,492,125
Net Position - Beginning	71,800,566	56,308,441
Net Position - Ending	$ 71,334,161	$ 71,800,566

Fiscal year 2016 resulted in operating income of $5.5 million, a favorable change of $1.8 million from 2015. Total operating revenues increased by $6.7 million and total expenses increased by $4.8 million. The increase in both categories was mainly due to Housing Assistance Payments. Additional increase in other revenue related to the acquisition of Pennsylvania Place Apartments.

Total non-operating revenues decreased by $14.6 million due to gain on sale of capital assets recognized during fiscal year 2015 when two properties, Spring Hill and Spring Glen Apartments, were sold. Additionally, no capital grants were recognized in 2016.

As shown on the above financial statements, the overall financial position of FWHS has decreased compared to last year as a result of the year's financial activities. The reason for this, as this MD&A explains, is due to a change in reporting process. The operation and administration of FWHS' programs were maintained at their highest levels.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The summary below shows the balances by line item for 2016 and 2015. Additional details for activities affecting capital assets are presented in Note 6 of the Notes to the Financial Statements included in Section II of this report.

	2016	2015
Land	$ 13,522,706	$ 6,257,269
Buildings	129,182,732	113,378,873
Furniture, Equipment and Machinery - Dwellings	2,940,681	3,302,156
Furniture, Equipment and Machinery - Administrative	2,838,198	2,131,430
Leasehold Improvements	9,611,050	111
Construction in Progress	281,798	2,894,099
Total Capital Assets	158,377,165	127,963,938
Less: Accumulated Depreciation	(77,621,449)	(61,855,512)
Net Capital Assets	$ 80,755,716	$ 66,108,426

Debt Administration

FWHS made its required debt service payments during the audit period. The table below shows the outstanding debt at the end of 2016 as compared to the end of the previous year. Additional details for activities affecting outstanding debt are presented in Note 8 of the Notes to Financial Statements included in Section II of this report.

	2016	2015
Bonds, Notes and Loans Payable	$ 74,440,765	$ 62,192,500

ECONOMIC FACTORS

The majority of FWHS' funding is from HUD in the form of operating subsidies, capital fund grants, housing assistance payments, administrative fees and other smaller grants. These represented about 66.2% of FWHS' total revenues in 2016. Additionally, a majority of its $80.7 million net capital assets as of December 31, 2016 were acquired and or developed over the years with financial assistance from HUD. Such assistance has typically come with use restrictions and generally limits FWHS' ability to encumber or leverage debt financing against HUD properties in its portfolio.

Several significant economic factors affecting FWHS are as follows:

- Congress and the federal government continue to cut housing subsidies due to a change in federal administration and consequently, a shift in federal budget priorities. This funding shift impacts FWHS' economic position because federal housing dollars make up the largest source of revenue for FWHS. Based on HUD's funding letters and notices, most programs will continue to receive renewal funding, but will be reduced. Due to this uncertainty, FWHS continues to search for other financial resources in order to continue its programs.

- The Department of HUD has historically under-estimated the subsidy and administrative fee needs of public housing authorities. In 2016 the operating fund and housing voucher administrative fee were prorated at 90.21% and 84%, respectively.

- The economic condition in the Fort Worth metropolitan area generally tracks with the national trend. The need for affordable housing is as strong as ever. FWHS is continuing to meet this need by looking for innovative ways to finance new projects and turning to the private sector for more support.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of FWHS' finances for interested parties. Questions concerning any of the information presented in this report or requests for additional information should be addressed to:

Riza Nolasco, Vice President Finance and Administration
Fort Worth Housing Solutions
1201 E. 13th Street
Fort Worth, Texas 76102
www.fwhs.org (Fort Worth Housing Solutions website)

FORT WORTH HOUSING SOLUTIONS
STATEMENT OF NET POSITION
DECEMBER 31, 2016

	Enterprise Fund
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents - Unrestricted	$ 45,755,568
Cash and Cash Equivalents - Restricted	9,988,860
Accounts Receivable - HUD	405,308
Accounts Receivable - Tenants (Net of Allowance)	82,370
Accounts Receivable - Other (Net of Allowance)	1,818,417
Prepaid Expenses	438,601
Notes and Capital Lease Receivable - Current	217,961
Due from Discretely Presented Component Units	2,622,473
Total Current Assets	61,329,558
NONCURRENT ASSETS	
Capital Assets:	
Land	13,522,706
Buildings	129,182,732
Furniture, Equipment and Machinery - Dwelling	2,940,681
Furniture, Equipment and Machinery - Administration	2,838,198
Leasehold Improvements	9,611,050
Construction in Progress	281,798
	158,377,165
Accumulated Depreciation	(77,621,449)
Total Capital Assets	80,755,716
Notes and Capital Lease Receivable - Noncurrent	14,467,518
Other Assets	984,837
Investment in Joint Ventures	1,296,134
Total Noncurrent Assets	97,504,205
Total Assets	$ 158,833,763

See accompanying Notes to Financial Statements

FORT WORTH HOUSING SOLUTIONS
STATEMENT OF NET POSITION
DECEMBER 31, 2016
(Continued)

	Enterprise Fund
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	$ 842,511
Accounts Payable - HUD	64,901
Accrued Wages and Payroll Taxes Payable	399,488
Current Portion of Notes Payable	1,880,168
Accrued Compensated Absences - Current	303,232
Accrued Interest Payable	2,076,335
Tenant Security Deposits	430,067
Unearned Revenue	2,820,067
Other Current Liabilities	1,254,547
Due to Discretely Presented Component Units	1,289,951
Total Current Liabilities	11,361,267
LONG-TERM LIABILITIES	
Notes Payable, Net of Current Portion	72,560,597
Accrued Compensated Absences - Noncurrent Portion	136,186
Noncurrent Liabilities - Other	248,653
Total Long-Term Liabilities	72,945,436
Total Liabilities	84,306,703
DEFERRED INFLOW OF RESOURCES	3,192,899
NET POSITION	
Net Investment in Capital Assets	6,314,951
Restricted Net Position:	
Operating Reserves	1,530,740
Replacement Reserves	865,038
Escrow Reserves	3,314,111
Construction Reserves	181,953
Unrestricted Net Position	59,127,368
Total Net Position	71,334,161
Total Deferred Inflow of Resources, Liabilities and Net Position	$ 158,833,763

See accompanying Notes to Financial Statements

FORT WORTH HOUSING SOLUTIONS
BALANCE SHEET – DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2016

ASSETS

	Candletree Apartments	Villas On the Hill	Samuels Avenue	Cambridge Court	Wind River	Villas by the Park	Hunter Plaza	Stallion Place	Overton Park Townhomes	Total Memorandum Only
CURRENT ASSETS										
Cash and Cash Equivalents - Unrestricted	$ 204,358	$ 231,603	$ 36,314	$ 175,803	$ 50,179	$ 41,692	$ 201,013	$ -	$ -	$ 940,962
Cash and Cash Equivalents - Tenant Security Dep	36,550	11,030	6,401	57,211	28,347	43,574	37,007	-	-	220,120
Cash and Cash Equivalents - Restricted	671,724	279,895	94,659	963,340	617,357	129,333	1,902	21,669,388	-	24,427,598
Investments - Restricted	-	-	12,243	-	-	-	-	-	-	12,243
Accounts Receivable - Tenants (Net of Allowance)	1,867	-	2,231	28,329	1,558	21,021	1,426	-	-	56,432
Accounts Receivable - Other (Net of Allowance)	8,697	6,982	284	17,520	9,527	16,446	12,970	2,321	-	74,747
Prepaid Expenses	20,028	8,327	5,804	42,066	15,842	43,370	28,211	2,628,609	-	2,792,257
Due from Primary Government	5,761	143,114	-	469,144	632	505,290	166,010	-	-	1,289,951
Total Current Assets	948,985	680,951	157,936	1,753,413	723,442	800,726	448,539	24,300,318	-	29,814,310
NONCURRENT ASSETS										
Land	-	-	228,750	-	394,591	-	-	-	-	623,341
Buildings	15,605,592	8,634,389	4,383,992	14,798,831	13,233,714	-	28,627,837	-	-	85,284,355
Furniture, Equipment and Machinery	751,782	483,212	116,663	690,289	539,388	-	42,655	-	-	2,623,989
Leasehold Improvements	-	-	-	-	-	6,868,129	-	-	-	6,868,129
Construction in Progress	-	-	-	-	-	-	-	10,116,924	-	10,116,924
Accumulated Depreciation	(5,959,277)	(1,792,918)	(1,670,887)	(6,198,455)	(2,922,738)	(528,059)	(960,958)	-	-	(20,033,292)
Total Capital Assets	10,398,097	7,324,683	3,058,518	9,290,665	11,244,955	6,340,070	27,709,534	10,116,924	-	85,483,446
Other Assets	-	39,134	(53,385)	100	45,826	-	75,699	-	-	107,374
Total Noncurrent Assets	10,398,097	7,363,817	3,005,133	9,290,765	11,290,781	6,340,070	27,785,233	10,116,924	-	85,590,820
Total Assets	$ 11,347,082	$ 8,044,768	$ 3,163,069	$ 11,044,178	$ 12,014,223	$ 7,140,796	$ 28,233,772	$ 34,417,242	$ -	$ 115,405,130

See accompanying Notes to Financial Statements

FORT WORTH HOUSING SOLUTIONS
BALANCE SHEET – DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2016
(Continued)

LIABILITIES AND PARTNERS' CAPITAL

	Candletree Apartments	Villas On the Hill	Samuels Avenue	Cambridge Court	Wind River	Villas by the Park	Hunter Plaza	Stallion Place	Overton Park Townhomes	Total Memorandum Only
CURRENT LIABILITIES										
Accounts Payable	$ 16,472	$ 8,125	$ 2,555	$ 24,508	$ 18,959	$ 12,912	$ 27,438	$ -	$ -	$ 110,969
Accrued Wages and Payroll Taxes Payable	3,859	1,603	392	7,158	4,352	4,630	3,902	-	-	25,896
Current Portion of Notes Payable	42,912	23,505	27,262	124,234	157,026	217,962	-	-	-	592,901
Accrued Compensated Absences - Current	6,596	4,118	57	12,671	4,087	7,651	-	-	-	35,180
Accrued Interest Payable	928,210	7,735	168,422	18,448	1,785	-	327,574	-	-	1,452,174
Tenant Security Deposits	36,550	11,030	6,401	57,211	28,347	43,574	37,007	-	-	220,120
Deferred Revenue	-	1,766,424	2,813	15,882	3,603	7,564	21,163	-	-	1,817,449
Other Current Liabilities	25,643	144	213,397	4,867	288,038	9,907	989,680	3,646,102	-	5,177,778
Due to Primary Government	87,235	5,129	432,650	71,141	305,168	23,126	1,374,410	323,614	-	2,622,473
Total Current Liabilities	1,147,477	1,827,813	853,949	336,120	811,365	327,326	2,781,174	3,969,716	-	12,054,940
LONG-TERM LIABILITIES										
Notes Payable, Net of Current Portion	5,946,718	6,359,096	1,557,258	5,251,894	3,905,390	4,523,911	24,918,111	27,000,000	-	79,462,378
Accrued Compensated Absences - Noncurrent Portion	2,523	-	-	549	-	-	-	-	-	3,072
Total Long-Term Liabilities	5,949,241	6,359,096	1,557,258	5,252,443	3,905,390	4,523,911	24,918,111	27,000,000	-	79,465,450
Total Liabilities	7,096,718	8,186,909	2,411,207	5,588,563	4,716,755	4,851,237	27,699,285	30,969,716	-	91,520,390
PARTNERS' CAPITAL	4,250,364	(142,141)	751,862	5,455,615	7,297,468	2,289,559	534,487	3,447,526	-	23,884,740
Total Liabilities and Partners' Capital	$ 11,347,082	$ 8,044,768	$ 3,163,069	$ 11,044,178	$ 12,014,223	$ 7,140,796	$ 28,233,772	$ 34,417,242	$ -	$ 115,405,130

See accompanying Notes to Financial Statements

FORT WORTH HOUSING SOLUTIONS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2016

	Enterprise Fund
OPERATING REVENUES	
Net Tenant Rental Revenue	$ 16,241,967
HUD Operating Grants	48,150,053
Other Governmental Grants	2,133,751
Other Revenue	8,184,409
Total Operating Revenues	74,710,180
OPERATING EXPENSES	
Administrative	14,544,441
Tenant Services	159,819
Utilities	2,806,977
Ordinary Maintenance and Operations	4,540,413
Protective Services	734,599
General	1,877,495
Housing Assistance Payments	40,003,577
Depreciation and Amortization	4,506,308
Total Operating Expenses	69,173,629
Operating Income	5,536,551
NONOPERATING REVENUES (EXPENSES)	
Investment Income	140,065
Interest Expense	(3,315,615)
Gain on Sale of Capital Assets	43,484
Capital distribution	25,000
Equity Transfer - In (Out)	(2,892,554)
Casualty Loss	(3,336)
Total Nonoperating Revenues (Expenses)	(6,002,956)
CHANGE IN NET POSITION	(466,405)
Total Net Position - Beginning of Year	71,800,566
TOTAL NET POSITION - END OF YEAR	$ 71,334,161

See accompanying Notes to Financial Statements

FORT WORTH HOUSING SOLUTIONS
STATEMENT OF OPERATIONS AND CHANGES IN PARTNERS' CAPITAL- DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2016

	Candletree Apartments	Villas On the Hill	Samuels Avenue	Cambridge Court	Wind River	Villas by the Park	Hunter Plaza	Stallion Place	Overton Park Townhomes	Total Memorandum Only
REVENUE										
Net Tenant Rental Revenue	$ 954,398	$ 137,901	$ 142,079	$ 1,510,445	$ 741,310	989,636	707,168	$ -	$ -	$ 5,182,937
HUD Operating Grants	533,736	447,794	190,034	599,291	305,761	515,560	2,396	-	-	2,594,572
Other Governmental Grants	-	-	-	-	-	-	-	-	-	-
Other Revenue	18,709	216,853	6,267	117,168	25,048	30,115	-	3,439,838	-	3,853,998
Total Revenue	1,506,843	802,548	338,380	2,226,904	1,072,119	1,535,311	709,564	3,439,838	-	11,631,507
OPERATING EXPENSES										
Administrative	350,371	159,744	49,826	511,868	333,997	333,268	291,408	-	-	2,030,482
Tenant Services	4,286	2,561	237	7,438	2,625	2,260	9,769	-	-	29,176
Utilities	163,228	68,255	29,457	279,493	96,656	204,740	116,685	-	-	958,514
Ordinary Maintenance and Operations	269,560	114,371	42,064	464,065	229,035	359,320	130,550	-	-	1,608,965
Protective Services	44,058	34,944	-	45,400	32,354	48,566	-	-	-	205,322
General	34,974	15,318	65,214	143,663	58,867	51,192	137,243	-	-	506,471
Depreciation and Amortization	607,912	337,532	159,868	603,625	456,416	91,575	960,958	-	-	3,217,886
Total Operating Expense	1,474,389	732,725	346,666	2,055,552	1,209,950	1,090,921	1,646,613	-	-	8,556,816
Operating Income (Loss)	32,454	69,823	(8,286)	171,352	(137,831)	444,390	(937,049)	3,439,838	-	3,074,691
OTHER INCOME AND (EXPENSES)										
Investment Income	144	124	303	934	326	190	3,159	-	-	5,180
Mortgage Interest Income	-	-	-	-	-	-	28	7,688	-	7,716
Extraordinary Maintenance	-	-	-	-	-	-	(4,749)	-	-	(4,749)
Equity Transfer - In(Out)	-	-	-	-	-	-	-	-	2,892,554	2,892,554
Interest Expense	(385,234)	(130,336)	(114,161)	(225,139)	(35,760)	(73,454)	(721,121)	-	-	(1,685,205)
Total Other Income (Expense)	(385,090)	(130,212)	(113,858)	(224,205)	(35,434)	(73,264)	(722,683)	7,688	2,892,554	1,215,496
NET INCOME (LOSS)	(352,636)	(60,389)	(122,144)	(52,853)	(173,265)	371,126	(1,659,732)	3,447,526	2,892,554	4,290,187
BALANCE, JANUARY 1, 2016, as restated	4,603,000	(56,752)	874,006	5,508,468	7,470,733	1,918,433	1,575,737	-	(2,892,554)	19,001,071
CAPITAL CONTRIBUTIONS	-	-	-	-	-	-	618,482	-	-	618,482
CAPITAL DISTRIBUTIONS	-	(25,000)	-	-	-	-	-	-	-	(25,000)
BALANCE, DECEMBER 31, 2016	$ 4,250,364	$ (142,141)	$ 751,862	$ 5,455,615	$ 7,297,468	$ 2,289,559	$ 534,487	$ 3,447,526	$ -	$ 23,884,740

See accompanying Notes to Financial Statements

FORT WORTH HOUSING SOLUTIONS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

	Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Dwelling Rent Receipts	$ 16,259,060
Operating Subsidy and Grant Receipts	50,056,737
Other Receipts	10,071,331
Payments to Vendors	(1,281,875)
Payments to Employees	(14,609,385)
Housing Assistance Payments	(40,003,577)
Net Cash Provided by Operating Activities	20,492,291
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment in Partnership	(1,283,267)
Investment Income	140,065
Net Cash Used by Investing Activities	(1,143,202)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital Grants Receipts	(3,336)
Payments on Notes Receivables	459,745
Purchases of Capital Assets	(7,182,894)
Purchases of Capital Assets - Penn Place	(3,053,764)
Proceeds from Disposition of Capital Assets	263,814
Receipts from Notes Payable	6,690,000
Payments on Notes Payable	(2,231,260)
Capital Distribution	25,000
Interest Paid on Notes Payable	(3,315,615)
Net Cash Used by Capital and Related Financing Activities	(8,348,310)
NET INCREASE IN CASH	11,000,779
Cash and Cash Equivalents - Beginning of Year	44,743,649
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 55,744,428
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	$ 5,536,551
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	4,506,308
Provision for Bad Debts	252,439
Effects of Changes in Operating Assets and Liabilities:	
Accounts Receivable - HUD	(228,920)
Accounts Receivable - Tenants	(147,843)
Accounts Receivable - Other	1,671,927
Prepaid Expenses and Other Assets	1,525,249
Inventories	13,259
Accounts Payable	429,711
Accounts Payable - HUD	1,853
Accrued Wages and Payroll Taxes Payable	(56,933)
Accrued Interest Payable	102,720
Accrued Compensated Absences	(8,011)
Tenant Security Deposits	24,772
Unearned Revenue	5,612,382
Other Current Liabilities	1,311,794
Noncurrent Liabilities - Other	(54,967)
Net Cash Provided by Operating Activities	$ 20,492,291

See accompanying Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Fort Worth Housing Solutions (FWHS) is a public body corporate and politic organized under the laws of the State of Texas by the City of Fort Worth for the purpose of providing adequate housing for qualified low-income individuals. To accomplish this purpose, the City appoints a Governing Board, but the Board designates its own management. Additionally, FWHS has entered into an Annual Contribution Contract with the U.S. Department of Housing and Urban Development (HUD) to be the administrator of the housing and housing related programs described herein.

Reporting Entity

On the basis of the application of these criteria, FWHS is a legally separate entity that is fiscally independent of other governments. There are no other entities that are to be reported as component units of FWHS which are not included in this report and FWHS is not included in the City of Fort Worth financial reports; therefore, FWHS reports independently.

Basis of Accounting and Measurement Focus

FWHS uses the accrual basis of accounting in the enterprise funds. Under this method, revenues are recorded when earned, and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

Basis of Presentation

The financial statements of FWHS are presented from a fund perspective. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain FWHS functions. The fund is a separate accounting entity with a self-balancing set of accounts. The accounting and financial reporting method applied by a fund is determined by the fund's measurement focus. The accounting objectives are a determination of net income, financial position and cash flows. FWHS uses the following fund type:

Enterprise Fund
This type of fund is reported using an economic resources measurement focus. Additionally, it is used to account for operations that are financed and operated in a manner similar to private businesses where a fee is charged to external users for services provided. FWHS is required to follow all statements of the Governmental Accounting Standards Board (GASB). GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued to incorporate FASB and AICPA guidance into GASB authoritative literature.

Within the enterprise fund FWHS records activities related to certain programs described below as shown on the financial data schedule in the supplemental information section.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

HUD Funded Programs

Low Rent Public Housing

Funding for the public housing units is provided by advances from HUD. The objective of the program is to provide decent, safe, and sanitary housing and related facilities for eligible low-income families and the elderly. This program, along with the Capital Fund Program discussed below, comprise the Public Housing program.

Capital Fund Program

The objective of this program is to improve the physical condition of the Low-Income Public Housing units and upgrade the management of the program. As noted above, this program is included in the Public Housing program.

Housing Choice Voucher, Veterans Affairs Supportive Housing (VASH) and Moderate Rehabilitation Programs

The objective of these programs is to provide housing for eligible low-income families through housing assistance payments to private landlords. The VASH program provides rental assistance under a supportive housing program for homeless veterans and is included with the Housing Choice Voucher program.

Continuum of Care Program

The objective of this program is to provide housing for persons who are homeless and disabled through housing assistance payments to private landlords.

Resident Opportunities and Supportive Services Program

The objective of this program is to provide counseling and other services to encourage resident self-sufficiency.

Family Self Sufficiency Coordinator Program

The objective of this program is to provide salaries and benefits to coordinators implementing the family self-sufficiency program under Public Housing and Housing Choice Voucher programs.

Rental Assistance Demonstration (RAD)

The Consolidated and Further Continuing Appropriations Act of 2012 authorized RAD. It allows public housing agencies to convert properties currently funded under the public housing program to long-term project-based Section 8 rental assistance contracts to preserve and improve these properties through access to private debt and equity to address immediate and long-term capital needs.

State and Local Programs

State and Local Program Operations include the operation of the Directions Home fund that are intended to expand existing capacity of the continuum of care to serve people who are homeless residing in the City of Fort Worth. Various grants and other receipts are also accounted for under this category.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units

FWHS' financial statements also include non-HUD related programs. These programs are included in the blended component unit combining schedules. The determination to include a component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting and Financial Reporting Standards and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*. These criteria include financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable.

The following activities are presented in the financial statements as blended component units:

Gateway Public Facility Corporation (GPFC)

GPFC is a public, non-profit corporation created and existing under the laws of the State of Texas and acting as an instrumentality of FWHS. As of December 31, 2016, the GPFC board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the Blended Component Unit combining statements. The GPFC was established to serve as the owner of the Villas of Oak Hill and as the borrower for the acquisition loan. The Villas of Oak Hill consists of a 583-unit apartment complex purchased by FWHS as part of the Ripley Arnold Redevelopment Program in 2003. Only 58 of the total 583 are public housing units.

Fort Worth Affordability, Inc. (FWAI)

As part of FWHS' long-range plan to expand and manage its affordable housing portfolio, it sponsored an affiliate, Fort Worth Affordability, Inc. to finance the development and rehabilitation of some of the properties under the FWHS portfolio. FWAI is a non-profit corporation exempt from federal income tax under Section 501(c)(3) of the internal Revenue Code. It also serves as owner of Spring Hill Apartments, Spring Glen Apartments, Carlyle Apartments, Crossing Hillside Apartments, and Overton Park Townhomes.

Eastwood Public Facility Corporation (EPFC)

EPFC is a public, non-profit corporation created and existing under the laws of the State of Texas and acting as an instrumentality of FWHS. As of December 31, 2016, the EPFC board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the Blended Component Unit combining statements. The EPFC was established to serve as the owner of the Villas of Eastwood Terrace Apartments and to assume its HUD enhanced loan. The Villas of Eastwood Terrace Apartments consist of 160 elderly units purchased in August 2013.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units (Continued)

Hillside Public Facility Corporation (HPFC)

HPFC is a public, non-profit corporation created and existing under the laws of the State of Texas and acting as an instrumentality of FWHS. As of December 31, 2016, the HPFC board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the Blended Component Unit combining statements. The HPFC was established to serve as the owner of the Knights of Pythias Lofts and as the borrower for the acquisition loan. The Knights of Pythias Lofts consists of 10 affordable and 8 market rate units and was purchased in 2012.

Trinity River Public Facility Corporation (TRPFC)

TRPFC is a public, non-profit corporation created and existing under the laws of the State of Texas and acting as an instrumentality of FWHS. As of December 31, 2016, the TRPFC board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the Blended Component Unit combining statements. The TRPFC was established to finance public facilities and was specifically created to serve as the borrower for the line of credit and issuer of bonds associated with the properties acquired by FWHS.

QuadCo Management Solutions, LLC (QuadCo)

As part of FWHS' long-range plan to expand and manage its affordable housing portfolio, it sponsored an affiliate, QuadCo Management Solutions, Inc. (formerly known as QuadCo Management Soultions, LLC) to manage its newly acquired complexes and soon assume management of its other affordable housing properties currently managed by private management companies. As of December 31, 2016, the QuadCo board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the Blended Component Unit combining statements.

Fair Oaks Public Facility Corporation (FOPFC)

FOPFC is a public, non-profit corporation created and existing under the laws of the State of Texas and acting as instrumentality of FWHS. As of December 31, 2016, the FOPFC board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the Blended Component Unit combining statements. The FOPFC was established to serve as the owner of the 76-unit Fair Oaks Apartments when it converted to Project-Based Rental Assistance under the Rental Assistance Demonstration program in April 2014.

Fair Park Public Facility Corporation (FPPFC)

FPPFC is a public, non-profit corporation created and existing under the laws of the State of Texas and acting as instrumentality of FWHS. As of December 31, 2016, the FPPFC board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the Blended Component Unit combining statements. The FPPFC was established to serve as the owner of the 46-unit Fair Park Apartments when it converted to Project-Based Rental Assistance under the Rental Assistance Demonstration program in April 2014.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units (Continued)

Overton Park Townhomes (Overton)

Owned by Overton Square, L.P. and consists of a 216-unit multi-family apartment complex that was purchased by FWHS in 2002. The project was financed through a mortgage under Section 221 (d) (4) of the National Housing Act as regulated by HUD and through low-income housing tax credits

Pennsylvania Place Public Facility Corporation (PPPFC)

PPPFC is a public non profit corporation created and existing under the laws of the State of Texas and activing as instrumentality of FWHS. As of December 31, 2016 the PPPFC Board composition was identical to that of FWHS. Accordingly, the financial statements are presented on a blended basis and are included in the blended component units combining statements. The PPPFC was established to serve as sole member of the general partner of Pennsylvania Place Apartments, LP.

Hillside Apartments (Hillside)

Hillside Apartments consist of 172 mixed income units purchased by an affiliate of FWHS in 2013.

Other projects that are included as blended component units include: Chrisholm V Corporation, WHAH General Partner LLC, Candletree Homes LLC, Pioneers of Samuels LLC, Sycamore Center Villas, Barbara Holston - Education Fund, and Lavile Place Public Facility Corporation.

Discretely Presented Component Units

FWHS has a controlling minority interest in these real estate limited partnerships as of December 31, 2016. The majority interests are held by third parties unrelated to FWHS. FWHS, or a FWHS affiliate, operates as either General Partner, Special General Partner, Class B Limited Partner or Limited Partner in the limited partnerships. As such, FWHS has certain rights and responsibilities which enable it to impose its will on the limited partnerships. FWHS also has outstanding loans and net advances to the limited partnerships at December 31, 2016. The limited partnerships do not serve the primary government exclusively, or almost exclusively, and therefore, are shown as discretely presented component units.

1. Candletree Apartments – Owned by South Hulen, L.P. and consists of a 216-unit multi-family apartment complex that was purchased by FWHS in 1994 through the Resolution Trust Corporation. The $15,000,000 renovation of this property started in 2007 and was completed in 2008, and was financed by tax credits and construction loans.
2. Villas on the Hill – Owned by Lincoln Terrace, L.P. and formerly known as Lincoln Terrace Apartments consists of a 72-unit multi-family apartment complex that receives project-based Section 8 financial assistance.
3. The Pavilion at Samuels Avenue – Owned by Samuels Avenue, L.P. and consists of a 36-unit multi-family apartment complex constructed on land FWHS purchased in 2004. Tax credit and construction loan financed construction was completed in 2007.
4. Cambridge Court Apartments – Owned by Western Hills Affordable Housing, L.P. and consists of a 330-unit multi-family apartment complex purchased in 2004. Renovation

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Discretely Presented Component Units (Continued)

was completed in 2007. During 2006, third-party tax credit equity was received for 99.9% of the equity.

5. Wind River Apartments – Owned by Trinity Quality Housing, L.P. and consists of a 168-unit multi-family apartment complex purchased by FWHS.
6. Villas by the Park – Owned by Cobb Park Townhomes II, L.P. and formerly known as Cobb Park Apartments consists of a 172-unit multi-family apartment complex purchased by FWHS.
7. Hunter Plaza - Owned by FW Hunter Plaza, LP and will consist of 115 affordable and 49 market rate units. Twenty-five affordable units received housing assistance payment contracts under the Rental Assistance Demonstration program, Project-Based Rental Assistance, in October 2014.
8. Stallion Pointe- Owned by LDG Stallion Pointe, LP and will consist of 264 multi-family residential units.

Copies of the separately issued audited financial statements of discretely presented component units can be obtained by contacting the Department of Finance and Administration, Fort Worth Housing Solutions, 1201 E. 13th Street, Fort Worth, Texas 76102.

Change in Accounting Principle

In 2016, the discretely presented component units adopted the accounting principle guidance in FASB Accounting Standards Update (ASU) No. 2015-03, *Interest- Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Cost.* ASU 2015-03 requires organizations to present debt issuance cost as a direct deduction from the face amount of the related borrowings, amortize debt issuance cost using the effective interest method over the life of the debt, and record the amortization as a component of interest. The effect of adopting this standard had no effect on previously reported net assets/equity.

Use of Estimates

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

Budgets

FWHS adopts budgets on the basis of accounting consistent with the basis of accounting for the fund to which the budget applies. FWHS prepares annual operating budgets, which are formally adopted by its governing Board of Commissioners. The budgets for programs funded by HUD form the basis of the Federal Financial Assistance received through HUD. The programs funded by the State of Texas are presented in the Supplemental Information Section of this report.

Cash and Cash Equivalents

FWHS' cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments are stated at fair value. FWHS reports all money market investments having a remaining maturity at time of purchase of one year or less at amortized cost. Investment securities are normally held to maturity at par value and adjustments are made to the investment portfolio to reflect increases/decreases in gains made.

Inventories

Inventories are recorded at the lower of cost or market, cost being determined on a first-in, first-out basis.

Subsidies

Subsidies received from HUD or other grantor agencies for operating purposes are recorded as operating revenue in the operating statement while capital grant funds are recorded after non-operating revenues and expenses.

Capital Assets and Depreciation

Capital assets are stated at historical cost. Donated capital assets are stated at their market value on the date donated. This includes site acquisition and improvements, structures and equipment. Depreciation of exhaustible capital assets utilizes the straight-line method and is charged as an expense against operations, and accumulated depreciation is reported in the Statement of Net Position. Assets costing $5,000 or more with a useful life greater than one year are capitalized.

The estimated useful lives for each major class of depreciable capital assets are as follows:

Buildings	30-40 years
Building improvements	10 years
Site improvements	10 years
Furniture, fixture and equipment	5-10 years
Non-dwelling structures	30 years

Impairment of Capital Assets

Financial reporting standards issued by the GASB's Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* requires certain note disclosures and adjustments for the impairment of capital assets. During the fiscal year ended December 31, 2016, there were no permanent impairments experienced by FWHS that required material adjustments to the Statement of Net Position.

Infrastructure Assets

FWHS does not have any capital asset balances that could be considered infrastructure assets. FWHS treats these expenses as non-capitalized costs and any related improvements are deeded to the City of Fort Worth.

Accounts Receivable

Accounts receivable consist of payments due from HUD and related affiliates, rent payments from tenants and other miscellaneous receivables arising from the normal course of operations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Collection Losses

Collection losses on accounts receivable are expensed, in the appropriate funds, using the allowance method. Allowance for doubtful accounts are adjusted periodically based on management's assessment of current economic conditions and a review of specific accounts.

Insurance

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but, should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of FWHS. Settlement amounts have not exceeded insurance coverage for the current year or the 3 prior years. FWHS secures required insurance coverage through the competitive bid process. As of the date of the audit, FWHS had required coverage in force.

Compensated Absences

Compensated absences are absences for which employees will be paid, i.e., sick leave, vacation, and other approved leave. In accordance with GASB Statement No. 16, *Accounting for Compensated Absences,* FWHS accrues the liability for those absences as the employee earns the right to the benefits. Accrued amounts are based on the current salary rates.

Full-time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with FWHS. Employees also earn annual sick leave at established rates. Vacation and sick pay are recorded as an expense and related liability in the year earned by employees.

Income Taxes

FWHS is a quasi-governmental entity. FWHS is not subject to federal or state income taxes.

Revenues and Expenses

Revenues and expenses are recognized in essentially the same manner as used in commercial accounting. Revenues relating to FWHS' operating activities, including rental-related income, interest income and other sources of revenues are recognized in the accounting period in which they are earned. Other major sources of revenue include funding received from HUD in the form of operating subsidies. FWHS also receives funding for capital improvements in the form of grants from HUD. Grants of these types are designated as capital grants.

Operating Revenues and Operating Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of FWHS are charges to customers for rents and HUD operating subsidies. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between assets and deferred outflow of resources and liabilities and deferred inflow of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws and regulations of governments. FWHS first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

New GASB Pronouncements

In fiscal year 2016, FWHS implemented the following GASB Statements:

GASB Statement No. 72, *Fair Value Measurement and Application*, addresses accounting and financial reporting issues related to fair value measurements. The implementation of this new standard had no impact on FWHS' financial statements

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Government*, identifies, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The implementation of this new standard had no impact on FWHS' financial statements.

NOTE 2 PRIOR PERIOD ADJUSTMENT – DISCRETELY PRESENTED COMPONENT UNIT

Hunter Plaza Inc. (the Corporation), a discretely presented component unit of FWHS, has restated beginning Partners Capital for a correction of an error related to errors in the recording of the sale of the building from FWHA, development and financing costs and capitalizing costs that should have been expensed. The total misstatement is $3,018,124.

NOTE 3 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents

Cash and cash equivalents consist of certificates of deposit and money market accounts and investments in the TexPool investment portfolio. It is the policy of FWHS that cash and cash equivalents be secured by collateral valued at 102% of fair value or par, whichever is greater, less the amount of FDIC insurance.

TexPool investment portfolio of TexPool is managed conservatively to provide a safe, efficient, and liquid investment alternative to Texas governments. The pools seek to maintain a $1.00 value per share as required by the Texas Public Funds Investment Act. TexPool investments consist exclusively of U.S. Government securities, repurchase agreements collateralized by U.S. Government securities, and AAA-rated no-load money market mutual funds. TexPool Prime invests in the above plus commercial paper and certificates of deposit. TexPool is rated AAAm by Standard & Poor's, the highest rating a local government investment pool can achieve. The weighted average maturities of the pools cannot exceed 60 days, with the maximum maturity of any investment limited to 13 months. TexPool, like its participants, is governed by the Texas Public Funds Investment Act, and is in full compliance with the Act.

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Cash and Cash Equivalents (Continued)

GASB 79 enables TexPool to utilize amortized cost for valuation and financial reporting so that the $1.00 per unit value they pursue will not need to change to fluctuating pricing. There are no limitations or restrictions on withdrawals.

Custodial credit risk - This is the risk that in the event of a bank or other financial institution failure, FWHS' deposits and investments may not be returned to it. It is the policy of FWHS that investments be secured by collateral valued at 102% of fair value or par, whichever is greater, less the amount of FDIC insurance. For the fiscal year end December 31, 2016, the carrying amount of FWHS' cash and cash equivalents was $55,744,428 and bank balances were $55,972,658.

Cash and cash equivalents are reported on the balance sheet as follows:

Cash and Cash Equivalents - Unrestricted	$	45,755,568
Cash and Cash Equivalents - Restricted		9,988,860
Total Cash and Cash Equivalents	$	55,744,428

All deposits were fully collateralized as of December 31, 2016 with the exception of $3,633,275. The public housing properties, Butler Apartments, Caville Apartments, and Scattered Sites accounts were under collateralized by $506,273. Blended Component Unit, Overton was under collateralized by $2,183. All of the blended component units have non federally-insured monies. The COCC, Section 8, and Shelter Plus Care bank accounts were under-collateralized by $3,124,819.

NOTE 4 RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash as of December 31, 2016 consisted of the following:

Tenant Security Deposits	$	430,067
HCVP Program - Other		3,436,409
Escrows		5,065,450
Restricted for Other Current Liabilities		474,613
Other Miscellaneous		582,321
Total	$	9,988,860

NOTE 5 ACCOUNTS RECEIVABLE

Accounts receivable as of December 31, 2016 consisted of the following:

Accounts Receivable - HUD	$	405,308
Tenants (Net of Allowance of $8,237)		82,370
Development Fees and Other (Net of Allowance of $3,028,442)		1,818,417
Total	$	2,306,095

NOTE 6 NOTES RECEIVABLE

Notes receivable consist of the following:

As part of the Overton Park Townhomes Redevelopment Project associated with the Ripley Redevelopment, on May 6, 2002, FWHS provided a $3,200,000 promissory note between Trinity River Public Facility Corporation and the Overton Square, L.P. The note accrues interest at a rate of 4% annually and interest payments will be made, subject to surplus cash flow, beginning August 1, 2003. As of December 31, 2016, accrued interest was $1,683,648. This secondary note is subordinated to the mortgage on the property and matures on August 1, 2043.	$	3,200,000
As part of the Overton Park Townhomes Redevelopment Project associated with the Ripley Redevelopment, on August 15, 2003, FWHS provided a $500,000 note for the Affordable Housing Program component at Overton Park Townhomes. Of the total $500,000 there was a repayment of $221,702 in 2004 leaving a balance of $278,298. The note accrues interest at a rate of 4% annually and interest payments will be made, subject to surplus cash flow, beginning August 1, 2004. As of December 31, 2016, accrued interest was $145,467. This secondary note is subordinated to the mortgage on the property and matures on August 1, 2043.		278,298
FWHS provided a $2,296,183 promissory note between Trinity River Public Facility Corporation and South Hulen, LP. The note accrues interest at a rate of 4.9% compounded annually. The loan matures on December 16, 2027 at which time all unpaid principal and accrued interest are due. As of December 31, 2016, accrued interest was $928,210. This secondary note is subordinated to the mortgage on the property and matures on May 29, 2027.		2,296,183
As part of the Sycamore Villa Project associated with the Ripley Redevelopment, on June 15, 2003, FWHS agreed to enter into a $2,820,000, interest-free, 50-year promissory note between Trinity River Public Facility Corporation and the Sycamore Center Villa Limited Partnership. This note was executed to set-aside 47 of its 280 units for public housing. This note does not accrue interest and the note matures on July 1, 2053.		2,820,000
Fort Worth Affordability, Inc., a blended component unit of FWHS, entered into a master lease agreement in the amount of $4,750,000 with Cobb Park Townhomes II, L.P. (Villas by the Park) to finance the development and rehabilitation of the project. The lease obligation bears no interest and annual payments of $158,333 are due annually beginning in 2011 until maturity on January 1, 2040. See Note 15 for additional details.		3,745,838

NOTE 6 NOTES RECEIVABLE (CONTINUED)

Fort Worth Affordability, Inc., a blended component unit of FWHS, entered into a promissory note agreement in the amount of $1,788,850 with Cobb Park Townhomes II, L.P. (Villas by the Park) for the rehabilitation of the Project. The note is non-interest bearing, except that if an event of default occurs under the provisions of the Additional Rent Agreement, then interest will accrue at the lesser of 18% per annum or the highest interest rate allowed by applicable law. Payment of principal only is due beginning on January 1, 2011, and due and payable in the amount of $4,969 on a monthly basis thereafter. The note is collateralized by the capital lease of the Project and matures on December 1, 2040.	$ 1,243,458
FWHS provided a $1,750,000 promissory note between Trinity River Public Facility Corporation and FW Hunter Plaza, L.P., a discretely presented component unit. Interest on the note will not accrue. When the note matures on September 1, 2044, all unpaid principal and interest will bear interest at 8% annum. Annual principal payments are required from the net cash flow. If there is no net cash flow available for an installment payment, it shall be deferred until available in subsequent fiscal years.	1,750,000
On September 1, 2014, FWHS provided a $2,830,000 promissory note to FW Hunter Plaza, L.P., a discretely presented component unit. The note accrues interest at a rate of 2.94% per annum. The loan matures on September 1, 2044 at which time all unpaid principal and accrued interest are due.	2,830,000
Less: Elimination for consolidated entities	(3,478,298)
Total Notes and Capital Lease Receivable	14,685,479
Less: Current Maturities	217,961
Long Term	$ 14,467,518

NOTE 7 CAPITAL ASSETS

The following is a summary of changes in capital assets of the primary government during the year ended December 31, 2016:

	Balance December 31, 2015	Additions	Deletions	CIP Capitalizations	Equity Transfer In	Adjustment/ Reclass	Balance December 31, 2016
Non-Depreciable:							
Land	$ 6,257,269	$ 5,390,324	$ (10,000)	$ -	$ 1,885,113	$ -	$ 13,522,706
Construction in Progress	2,894,099	281,798	-	(2,894,099)	-	-	281,798
Depreciable:							
Buildings	113,378,873	1,461,258	(219,301)	2,894,099	21,298,742	(9,630,939)	129,182,732
Furniture, Equipment and Machinery	5,433,586	49,514	(87,600)	-	363,379	20,000	5,778,879
Leasehold Improvements	111	-	-	-	-	9,610,939	9,611,050
	127,963,938	7,182,894	(316,901)	-	23,547,234	-	158,377,165
Accumulated Depreciation							
Buildings	(58,495,604)	(4,152,226)	96,571	-	(10,669,420)	-	(73,220,679)
Furniture, Equipment and Machinery	(3,359,908)	(354,082)	-	-	(686,780)	-	(4,400,770)
	(61,855,512)	(4,506,308)	96,571	-	(11,356,200)	-	(77,621,449)
Total Capital Assets - Net	$ 66,108,426	$ 2,676,586	$ (220,330)	$ -	$ 12,191,034	$ -	$ 80,755,716

NOTE 8 COMPENSATED ABSENCES

Changes in compensated absences for the year ended December 31, 2016 were as follows:

Compensated Absences at December 31, 2015	$	447,429
Increase During 2016		83,191
Decrease During 2016		(91,202)
Compensated Absences at December 31, 2016	$	439,418

Accrued compensated absences as of December 31, 2016 are classified as follows:

Current Portion	$	303,232
Noncurrent Portion		136,186
Total	$	439,418

NOTE 9 MORTGAGES AND NOTES PAYABLE

Mortgages and notes payable consist of the following at December 31, 2016:

During fiscal year 2010, Fort Worth Affordability, Inc. entered into a promissory note with the Texas Department of Housing and Community Affairs (TDHCA) in an amount not to exceed $6,538,850. The note bears no interest. Monthly payments of $18,163 began on June 1, 2013 and are due through maturity on May 1, 2042.	$	5,757,821
During fiscal year 2011, Fort Worth Affordability, Inc. entered into a promissory note with the Texas Department of Housing and Community Affairs (TDHCA) in an amount not to exceed $4,499,906. The note bears no interest. Monthly payments of $12,500 began on February 1, 2013 and are due through maturity on January 1, 2043.		4,129,780
During fiscal year 2013, Gateway Public Facility Corporation (Villas of Oak Hill) entered into a promissory note with Centerline Mortgage Capital Inc. in an amount not to exceed $29,000,000 as part of the refinancing agreement. The note bears 4.76% interest per annum. Monthly payments of principal and interest began on January 1, 2014 and mature on December 2023.		27,657,716
During fiscal year 2012, Hillside Public Facility Corporation (Knights of Pythias Lofts) entered into a promissory note with Community Bank of Texas in an amount not to exceed $1,525,000. The note bears 6.25% interest per annum. Monthly payments of principal and interest began on October 1, 2012 and mature on August 24, 2044.		1,492,635
During the fiscal year 2014, Fair Oaks Public Facility Corporation entered into a promissory note with Bank of Oklahoma in an amount not to exceed $1,720,000. The note bears 6.35% interest per annum. Monthly payments of interest began on June 1, 2014 and mature on April 29, 2029.		1,645,597
During the fiscal year 2014, Fair Park Public Facility Corporation entered into a promissory note with Bank of Oklahoma in an amount not to exceed $2,250,000. The note bears 6.35% interest per annum. Monthly payments of interest began on June 1, 2014 and mature on April 29, 2029.		1,719,730

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

During fiscal year 2013, Eastwood Public Facility Corporation assumed a HUD-insured mortgage that bears interest at 6.26% per annum payable in equal monthly installments of $54,979, including principal and interest through August 1, 2043. The building and assets of the project are pledged as collateral.	$	8,539,400
Overton Square, L.P. has a permanent loan in the original amount of $8,580,000 with Red Mortgage Capital, Inc., which has been endorsed for insurance by the Federal Housing Administration (FHA) under the provisions of Section 221(d)(4) of the National Housing Act. The mortgage was funded with proceeds from tax exempt bonds issued by the Trinity River Public Facility Corporation, Multifamily Housing Revenue Bonds Series 2002 (GNMA Collateralized Mortgage Loan - Overton Park Townhomes Project) (the bonds). During 2013, the mortgage loan payable was paid in full from proceeds of the mortgage refinancing. In connection with early repayment, the Partnership incurred a prepayment penalty of $78,425. On October 31, 2013, the Partnership refinanced the Mortgage Payable with Bank of Oklahoma in an amount of $8,152,572. The Mortgage Payable bears interest at 4.84% with monthly principal and interest installments due beginning December 1, 2013. The Mortgage Payable matures October 30, 2020 with an optional extension of three years and is collateralized by the Project. As of December 31, 2016, accrued interest of $31,683 was outstanding.		7,601,845
On May 6, 2002, Overton Square, L.P. entered into a $3,200,000 note with Trinity River Public Facility Corporation to finance development of the project. Commencing August 1, 2003, interest of 4% is payable semi-annually in August and February from Surplus Cash, as defined. The outstanding principal and any accrued, but unpaid interest is due on August 1, 2043. As of December 31, 2016, accrued interest of $1,683,649 was outstanding.		3,200,000
On August 15, 2003, Overton Square, L.P. entered into a $500,000 note with Trinity River Public Facility Corporation to finance development of the project. During May 2005, the Partnership made a principal payment in the amount of $221,702, in accordance with the terms of the note. Commencing August 1, 2004, interest of 4% per annum on any outstanding principal balance is payable semi-annually in August and February from Surplus Cash, as defined. The outstanding principal and any accrued, but unpaid interest is due no later than August 15, 2048. As of December 31, 2016, accrued interest of $145,467 was outstanding.		278,298
On December 14, 2016, Pennsylvania Place Apartment, LP obtained a new loan in the amount of $6,690,000 from the HUD lender which is insured by the Project and insured by HUD. The loan bears interest at a rate of 3.05% and is due monthly. Principal and interest payments of $25,934 are required to be paid for 420 consecutives months, beginning February 2017. As of December 31, 2016, accrued interest of $10,202 was incurred and paid.		6,690,000
During fiscal year 2015, New 172 Hillside Partners, LLC entered into a promissory note with Mutual of Omaha Bank in the amount of $9,500,000. The note bears interest at 4% per annum and is payable in monthly installments of $45,842, including principal and interst through the maturity date on May 22, 2025.		9,206,241
Elimination		(3,478,298)
Total		74,440,765
Less Current Portion		(1,880,168)
Total Primary Government Note Payable - Noncurrent	$	72,560,597

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

During fiscal year 2006, the Western Hills Affordable Housing, L.P., the owner and developer of Cambridge Courts Apartments, entered into a construction note with JP Morgan Chase Bank in the maximum amount of $8,050,000. The agreement was modified on December 1, 2009, reducing the principal to $6,500,000 and extending the maturity date to June 1, 2010. On June 1, 2010, the Partnership entered into a modification agreement to further extend the maturity date to June 1, 2011. The maturity date was further extended to December 31, 2011 and then again to July 1, 2012. During 2012, the Partnership obtained permanent financing from Berkadia for $6,000,000 for the project. The principal amount bears interest at a rate of 3.89% with principal and interest of $28,265 monthly. The mortgage payable is collateralized by the project and matures in July 2022. As of December 31, 2016, the total outstanding balance was $5,507,442, show net of unamortized debt issuance cost of $131,293, and accrued interest of $18,448 was outstanding.	$ 5,376,129
During fiscal year 2009, Samuels Avenue, L.P. entered into a financing agreement with Pacific Life in the amount of $1,625,500 in connection with the rehabilitation of the Pavilion at Samuels Avenue. The loan bears interest at a rate of 6.99% with monthly principal and interest installments of $10,804. As of December 31, 2016, the total outstanding balance was $1,477,008, show net of unamortized debt issuance cost of $18,988, and accrued interest of $8,604 was outstanding.	1,458,020
During fiscal year 2007, Samuels Avenue, L.P. entered into a mortgage with the City of Fort Worth in the original amount of $126,500 in connection with the rehabilitation of the Pavilion at Samuels Avenue. The note bears interest at 4.75% per annum. Interest only is payable annually to the extent of net cash flow, as defined. The loan matures on December 16, 2027. As of December 31, 2016, accrued interest of $6,371 was outstanding.	126,500
During fiscal year 2009, South Hulen, L.P. entered into a construction loan with Wells Fargo in the original amount of $4,000,000 in connection with the rehabilitation of Candletree Apartments. The note bears interest at a rate of 6.7% per annum and monthly payments of principal and interest in the amount of $25,149 are required to be made until the loan matures on May 29, 2027. The loan is secured by a first lien deed of trust. As of December 31, 2016, the total outstanding balance was $3,696,339, show net of unamortized debt issuance cost of $2,892, and accrued interest of $21,326 was outstanding.	3,693,447
Candletree Apartments has a loan agreement with Trinity River Public Facility Corporation in the original amount of $2,296,183. The note bears interest at the applicable federal rate at the date of the loan, which was 4.90%, compounded annually. The note matures on May 29, 2047, and is collateralized by the Project. Principal and interest payments in the amount of $25,811 are due monthly. As of December 31, 2016, accrued interest of $928,210 was outstanding.	2,296,183

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

On June 16, 2010, Lincoln Terrace, LP (Villas on the Hill) entered into an agreement with the Lender to obtain a construction loan in the principal amount of $2,300,000. The construction loan was converted to permanent financing on June 14, 2013. The mortgage payable bears interest at 6.0% and is collateralized by the Project. Payments of principal and interest are due monthly with a maturity date of June 14, 2028. As of December 31, 2016, the total outstanding balance was $1,600,100, show net of unamortized debt issuance cost of $291,834, and accrued interest of $7,734 remained outstanding.	$ 1,308,266
On June 16, 2010, Lincoln Terrace, LP (Villas on the Hill) entered into a $7,894,851 note under the Tax Credit Exchange Program with the Texas Department of Housing and Community Affairs to finance development of the project. The note bears no interest and will not be payable as long as the project maintains compliance with program requirements for 40 years. As of December 31, 2016, the Exchange Program Grant balance and deferred income balance were $5,074,335 and $1,762,823, respectively.	5,074,335
On January 12, 2010, Wind River Apartments entered into a $4,950,523 note with the Texas Department of Housing and Community Affairs to finance development of the project. The note requires monthly payments of principal and interest in the amount of $14,811, based on .5%, due until maturity on April 1, 2032. As of December 31, 2016, the total outstanding balance was $4,215,335, show net of unamortized debt issuance cost of $152,919, and accrued interest of $1,785 remained outstanding.	4,062,416
On November 29, 2010, Cobb Park Townhomes II, L.P. entered into a capital lease obligation with Fort Worth Affordability, Inc. (Villas by the Park) to finance development and rehabilitation of the project. The lease obligation bears no interest and annual payments of $158,333 are due beginning in 2011 until maturity on January 1, 2040. See Note 17 for more detail on this capital lease obligation.	3,745,838
On November 29, 2010, Cobb Park Townhomes II, L.P. (Villas by the Park) entered into a promissory note agreement for $1,788,850 with Fort Worth Affordability, Inc. for the rehabilitation of the Project. The note is non-interest bearing, except that if an event of default occurs under the provisions of the Additional Rent Agreement, then interest will accrue at the lesser of 18% per annum or the highest interest rate allowed by applicable law. Payment of principal only are due beginning on January 1, 2011, and due and payable in the amount of $4,969 on a monthly basis thereafter. The note is collateralized by the capital lease of the Project and matures on December 1, 2040. As of December 31, 2016, the total outstanding balance was $1,243,457, and show net of unamortized debt issuance cost of $247,423.	996,034
During fiscal year 2013, FW Hunter Plaza L.P entered into a promissory note with the City of Fort Worth, Texas in an amount of $1,800,000. The note bears no interest. As of December 31, 2016, FWHS is still drawing on this amount and no payments are due at this time. The loan is due to mature on June 1, 2033. As of December 31, 2016, accrued interest was $42,102.	1,696,233

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

On September 1, 2014, FW Hunter Plaza L.P. entered into a $15,000,000 note with Trinity River Public Facility Corporation to finance development of the project. Commencing October 1, 2014, interest of 4% is payable semi-annually in October and April from Surplus Cash, as defined. The outstanding principal and any accrued, but unpaid interest is due on September 1, 2032. As of December 31, 2016, the total outstanding balance was $15,000,000, show net of unamortized debt issuance cost of $362,726, and accrued interest of $50,000 remained outstanding.	$	14,637,274
On September 1, 2014, FW Hunter Plaza L.P. entered into a $2,830,000 note with FWHS for the transfer of capital assets from FWHS to the Entity. Commencing October 1, 2014, interest of 2.94% is payable semi-annually in October and April from Surplus Cash, as defined. The outstanding principal and any accrued but unpaid interest is due on September 1, 2032. As of December 31, 2016, accrued interest of $198,239 remained outstanding.		2,830,000
On September 1, 2014, FW Hunter Plaza, L.P. entered into a $1,750,000 subordinate promissory note with Trinity River Public Facility Corporation for capital funds; however, the funds were not drawn down until fiscal year 2015. Interest on the note will not accrue. When the note matures on September 1, 2044, all unpaid principal and interest will bear interest at 8% annum. Annual principal payments are required from the net cash flow. If there is no net cash flow available for an installment payment, it shall be deferred until available in subsequent fiscal years.		1,750,000
On September 4, 2014, FW Hunter Plaza, L.P. entered into a bridge loan promissory note with PNC Bank, National Association for a principal sum of up to $4,015,000. The loan will mature on March 3, 2017. Interest will accrue at 2.5% and is due and payable on the first calendar day of the first month. As of December 31, 2016, accrued interest was $11,840.		4,004,604
On July 1, 2016, LDG Stallion Pointe, LP, entered into a loan agreement with Citi Bank for a principal sum of up to $27,000,000; The loan will mature on July 1, 2034. Interest will accrue at variable rate as defined in the loan agreement and monthly interest payments began immediately. Subsequent to the conversion date, the loan will bear interest at a fixed rate of 3.78%. As of December 31, 2016, the unpaid principal balance was $27,000,000.		27,000,000
Total		80,055,279
Less Current Portion		(592,901)
Total Discretely Presented Component Units - Notes Payable Noncurrent	$	79,462,378

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

Principal and interest payments due on mortgages and notes payable for the primary government in each of the following years are as follows:

Cobb Park	Principal	Interest	Total
2017	$ 217,962	$ -	$ 217,962
2018	217,962	-	217,962
2019	217,962	-	217,962
2020	217,962	-	217,962
2021	217,962	-	217,962
2022-2026	1,089,808	-	1,089,808
2027-2031	1,089,808	-	1,089,808
2032-2036	1,089,808	-	1,089,808
2037-2041	1,089,808	-	1,089,808
2042-2043	308,779	-	308,779
Total	$ 5,757,821	$ -	$ 5,757,821

Carlyle	Principal	Interest	Total
2017	$ 158,330	$ -	$ 158,330
2018	158,330	-	158,330
2019	158,330	-	158,330
2020	158,330	-	158,330
2021	158,330	-	158,330
2022-2026	791,651	-	791,651
2027-2031	791,651	-	791,651
2032-2036	791,651	-	791,651
2037-2041	791,651	-	791,651
2042-2043	171,526	-	171,526
Total	$ 4,129,780	$ -	$ 4,129,780

Villas of Oak Hill	Principal	Interest	Total
2017	$ 493,512	$ 1,323,919	$ 1,817,431
2018	517,864	1,299,567	1,817,431
2019	543,417	1,274,014	1,817,431
2020	566,664	1,250,767	1,817,431
2021	598,191	1,219,240	1,817,431
2022-2023	24,938,068	2,348,473	27,286,541
Total	$ 27,657,716	$ 8,715,980	$ 36,373,696

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

Knights of Pythias Lofts	Principal	Interest	Total
2017	$ 20,547	$ 93,989	$ 114,536
2018	21,888	92,648	114,536
2019	23,316	91,220	114,536
2020	24,578	89,958	114,536
2021	26,440	88,096	114,536
2022-2026	160,169	412,510	572,679
2027-2031	219,707	352,972	572,679
2032-2036	301,249	271,430	572,679
2037-2041	413,486	159,193	572,679
2042-2044	281,255	25,253	306,508
Total	$ 1,492,635	$ 1,677,269	$ 3,169,904

Fair Oaks Public Facility Corporation	Principal	Interest	Total
2017	$ 18,260	$ 106,457	$ 124,717
2018	19,471	124,717	144,188
2019	20,762	103,955	124,717
2020	21,843	102,875	124,718
2021	23,587	101,130	124,717
2022-2026	129,702	480,321	610,023
2027-2029	1,411,972	213,227	1,625,199
Total	$ 1,645,597	$ 1,232,682	$ 2,878,279

Fair Park Public Facility Corporation	Principal	Interest	Total
2017	$ 19,082	$ 111,253	$ 130,335
2018	20,348	109,988	130,336
2019	21,697	108,637	130,334
2020	22,827	107,509	130,336
2021	24,650	105,686	130,336
2022-2026	149,719	501,960	651,679
2027-2029	1,461,407	222,832	1,684,239
Total	$ 1,719,730	$ 1,267,865	$ 2,987,595

Eastwood Public Facility Corporation	Principal	Interest	Total
2017	$ 128,230	$ 531,523	$ 659,753
2018	136,501	523,251	659,752
2019	145,305	514,447	659,752
2020	154,678	505,074	659,752
2021	164,655	495,097	659,752
2022-2026	996,963	2,301,798	3,298,761
2027-2031	1,362,735	1,936,027	3,298,762
2032-2036	1,862,702	1,436,060	3,298,762
2037-2041	2,546,100	752,662	3,298,762
2042-2043	1,041,531	58,055	1,099,586
Total	$ 8,539,400	$ 9,053,994	$ 17,593,394

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

Hillside Partners	Principal	Interest	Total
2017	$ 524,826	$ 28,126	$ 552,952
2018	523,720	26,384	550,104
2019	525,469	24,635	550,104
2020	527,223	22,881	550,104
2021	529,983	21,121	551,104
2022-2025	6,575,020	79,925	6,654,945
Total	$ 9,206,241	$ 203,072	$ 9,409,313

Overton Square, L.P.	Principal	Interest	Total
2017	$ 193,599	$ 368,605	$ 562,204
2018	203,316	358,658	561,974
2019	213,520	348,303	561,823
2020	6,991,410	311,911	7,303,321
2021	-	-	-
2022-2026	-	-	-
2027-2031	-	-	-
2032-2036	-	-	-
2037-2041	-	-	-
2042-2046	3,200,000	-	3,200,000
2047-2048	278,298	-	278,298
Total	$ 11,080,143	$ 1,387,477	$ 12,467,620

Pennsylvania Place	Principal	Interest	Total
2017	$ 105,820	204,045	$ 309,865
2018	109,140	201,568	310,708
2019	112,563	198,223	310,786
2020	115,543	194,777	310,320
2021	119,717	191,226	310,943
2022-2026	657,084	898,956	1,556,040
2027-2031	763,591	792,449	1,556,040
2032-2036	887,362	668,678	1,556,040
2037-2041	1,031,195	524,845	1,556,040
2042-2046	1,198,342	357,698	1,556,040
2047-2048	1,589,643	170,155	1,759,798
Total	$ 6,690,000	$ 4,402,621	$ 11,092,620

Total - Primary Government	Principal	Interest	Total
2017	$ 1,880,168	$ 2,767,917	$ 4,648,085
2018	1,928,540	2,736,781	4,665,321
2019	1,982,341	2,663,434	4,645,775
2020	8,801,058	2,585,752	11,386,810
2021	1,863,515	2,221,596	4,085,111
2022-2026	35,488,184	7,023,943	42,512,127
2027-2031	7,100,871	3,517,507	10,618,378
2032-2036	4,932,772	2,376,168	7,308,940
2037-2041	5,872,240	1,436,700	7,308,940
2042-2046	3,001,433	441,006	3,442,439
2047-2048	1,589,643	170,155	1,759,798
Total	$ 74,440,765	$ 27,940,959	$ 102,381,724

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

The breakdown between current and long-term portions of debt for the enterprise fund is as follows:

	Beginning Debt	Loan Proceeds	Principal Payments	Refinancing/ Adjustment	Ending Debt	Current Portion	Long-Term Portion	Enterprise Fund
Ameresco	$ 831,265	$ -	$ (831,265)	$ -	$ -	$ -	$ -	$ -
TDHCA Cobb Park	5,975,783	-	(217,962)	-	5,757,821	217,962	5,539,859	5,757,821
TDHCA Carlyle	4,288,111	-	(158,331)	-	4,129,780	158,330	3,971,450	4,129,780
Villas of Oak Hill	28,124,357	-	(466,641)	-	27,657,716	493,512	27,164,204	27,657,716
Knights of Pythias	1,511,644	-	(19,009)	-	1,492,635	20,547	1,472,088	1,492,635
Fair Oaks	1,663,394	-	(17,797)	-	1,645,597	18,260	1,627,337	1,645,597
Fair Park	1,738,332	-	(18,602)	-	1,719,730	19,082	1,700,648	1,719,730
Eastwood Public Facility Corp	8,659,855	-	(120,455)	-	8,539,400	128,230	8,411,170	8,539,400
New 172 Hillside Partners, LLC	9,399,759	-	(193,518)	-	9,206,241	524,826	8,681,415	9,206,241
Overton Square, LP 1	-	-	(187,680)	7,789,525	7,601,845	193,599	7,408,246	7,601,845
Overton Square, LP 2	-	-	-	3,200,000	3,200,000	-	3,200,000	3,200,000
Overton Square, LP 3	-	-	-	278,298	278,298	-	278,298	278,298
Pennsylvania Place	-	6,690,000	-	-	6,690,000	105,820	6,584,180	6,690,000
Elimination	-	-	-	-	(3,478,298)	-	(3,478,298)	(3,478,298)
Total	$ 62,192,500	$ 6,690,000	$ (2,231,260)	$ 11,267,823	$ 74,440,765	$ 1,880,168	$ 72,560,597	$ 74,440,765

A summary of principal retirements for the enterprise fund debt by 5-year segments is as follows:

	TDHCA Cobb Park	TDHCA Carlyle	Villas of Oak Hill	Knights of Pythias	Fair Oaks PFC	Fair Park PFC	Eastwood PFC	Hillside Partners	Overton Square LP	Penn Place	Elimination	Total
2017	$ 217,962	$ 158,330	$ 493,512	$ 20,547	$ 18,260	$ 19,082	$ 128,230	$ 524,826	$ 193,599	$ 105,820	$ -	$ 1,880,168
2018	217,962	158,330	517,864	21,888	19,471	20,348	136,501	523,720	203,316	109,140	-	1,928,540
2019	217,962	158,330	543,417	23,316	20,762	21,697	145,305	525,469	213,520	112,563	-	1,982,341
2020	217,962	158,330	566,664	24,578	21,843	22,827	154,678	527,223	6,991,410	115,543	-	8,801,058
2021	217,962	158,330	598,191	26,440	23,587	24,650	164,655	529,983	-	119,717	-	1,863,515
2022-2026	1,089,808	791,651	24,938,068	160,169	129,702	149,719	996,963	6,575,020	-	657,084	-	35,488,184
2027-2031	1,089,808	791,651	-	219,707	1,411,972	1,461,407	1,362,735	-	-	763,591	-	7,100,871
2032-2036	1,089,808	791,651	-	301,249	-	-	1,862,702	-	-	887,362	-	4,932,772
2037-2041	1,089,808	791,651	-	413,486	-	-	2,546,100	-	-	1,031,195	-	5,872,240
2042-2046	308,779	171,526	-	281,255	-	-	1,041,531	-	3,200,000	1,198,342	(3,200,000)	3,001,433
2047-2048	-	-	-	-	-	-	-	-	278,298	1,589,643	(278,298)	1,589,643
Total	$ 5,757,821	$ 4,129,780	$ 27,657,716	$ 1,492,635	$ 1,645,597	$ 1,719,730	$ 8,539,400	$ 9,206,241	$ 11,080,143	$ 6,690,000	$ (3,478,298)	74,440,765
Less: current maturities												(1,880,168)
Long term												$ 72,560,597

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

The breakdown between current and long-term portions of debt for the discretely presented component units is as follows:

	Beginning Debt	Loan Proceeds	Principal Payments	Transfer to Authority	Ending Debt	Current Portion	Long-Term Portion	Unamortized Debt Issuance	Total Discretely Presented Component Unit
Western Hills Affordable Housing, L.P.	$ 5,626,237	$ -	$ (118,815)	$ -	$ 5,507,422	$ 124,234	$ 5,383,188	$ 131,293	$ 5,376,129
Samuels Avenue, L.P. - Pacific Life	1,502,436	-	(25,428)	-	1,477,008	27,262	1,449,746	18,988	1,458,020
Samuels Avenue, L.P. - City of Fort Worth	126,500	-	-	-	126,500	-	126,500	-	126,500
South Hulen, L.P. - Wells Fargo	3,739,250	-	(42,911)	-	3,696,339	42,912	3,653,427	2,892	3,693,447
South Hulen, L.P. Trinity River PFC	2,296,183	-	-	-	2,296,183	-	2,296,183	-	2,296,183
Overton Square, L.P. - Bank of Oklahoma	7,789,524	-	-	(7,789,524)	-	-	-	-	-
Overton Square, L.P. - Trinity River PFC 1	3,200,000	-	-	(3,200,000)	-	-	-	-	-
Overton Square, L.P. - Trinity River PFC 2	278,298	-	-	(278,298)	-	-	-	-	-
Lincoln Terrace, L.P. 1	1,619,937	-	(19,837)	-	1,600,100	23,505	1,576,595	291,834	1,308,266
Lincoln Terrace, L.P. 2	5,600,658	-	(526,323)	-	5,074,335	-	5,074,335	-	5,074,335
Wind River Apartments	4,371,567	-	(156,232)	-	4,215,335	157,026	4,058,309	152,919	4,062,416
FW Hunter Plaza, L.P. - City of Fort Worth	1,671,206	25,027	-	-	1,696,233	-	1,696,233	-	1,696,233
FW Hunter Plaza, L.P. - Bank of Oklahoma	15,000,000	-	-	-	15,000,000	-	15,000,000	362,726	14,637,274
FW Hunter Plaza, L.P. - FWHA	2,830,000	-	-	-	2,830,000	-	2,830,000	-	2,830,000
Cobb Park Townhomes II, L.P. - FWAI 1	4,091,718	-	(345,880)	-	3,745,838	158,333	3,587,505	-	3,745,838
Cobb Park Townhomes II, L.P. - FWAI 2	1,357,324	-	(113,867)	-	1,243,457	59,629	1,183,828	247,423	996,034
FW Hunter Plaza, L.P.- Trinity River PFC	1,750,000	-	-	-	1,750,000	-	1,750,000	-	1,750,000
FW Hunter Plaza, L.P.- PNC	1,819,580	2,185,024	-	-	4,004,604	-	4,004,604	-	4,004,604
LDG Stallion Pointe, L.P.	-	27,000,000	-	-	27,000,000	-	27,000,000	-	27,000,000
Total	$ 64,670,418	$ 29,210,051	$ (1,349,293)	$ (11,267,822)	$ 81,263,354	$ 592,901	$ 80,670,453	$ 1,208,075	$ 80,055,279

NOTE 9 MORTGAGES AND NOTES PAYABLE (CONTINUED)

A summary of principal retirements for the discretely presented component units debt by 5-year segments is as follows:

	Western Hills Affordable Housing, L.P.	Samuels Avenue, L.P. - Pacific Life	Samuels Avenue, L.P. - City of Fort Worth	South Hulen, L.P. - Wells Fargo	South Hulen, L.P. Trinity River PFC	Lincoln Terrace, L.P. 1	Lincoln Terrace, L.P. 2	Wind River Apartments River 2
2017	$ 124,212	$ 27,262	$ -	$ 67,250	$ -	$ 23,312	$ -	$ 156,724
2018	129,200	29,230	-	71,674	-	24,770	-	157,520
2019	134,389	31,340	-	76,388	-	26,320	-	158,321
2020	139,219	33,603	-	81,886	-	27,702	-	159,073
2021	145,378	36,028	-	87,272	-	26,699	-	159,933
2022-2026	4,835,024	223,400	-	490,782	-	181,320	-	811,154
2027-2031	-	1,096,145	126,500	2,821,087	-	1,289,977	-	888,687
2032-2036	-	-	-	-	-	-	-	1,723,923
2037-2041	-	-	-	-	-	-	-	-
2042-2046	-	-	-	-	-	-	-	-
2047-2050	-	-	-	-	2,296,183	-	5,074,335	-
Total	$ 5,507,422	$ 1,477,008	$ 126,500	$ 3,696,339	$ 2,296,183	$ 1,600,100	$ 5,074,335	$ 4,215,335

	FW Hunter Plaza, L.P. - City of Fort Worth Plaza 3	FW Hunter Plaza, L.P. - Bank of Oklahoma Plaza 1	FW Hunter Plaza, L.P. - FWHA Plaza 2	Cobb Park Townhomes II, L.P. FWAI 1 Park 1	Cobb Park Townhomes II, L.P. - FWAI 2	Hunter Plaza L.P.- Trinity	Hunter Plaza L.P.- PNC	Stallion Point	Total Discrete Component Unit
2017	$ -	$ -	$ -	$ 158,333	$ 59,628	$ -	$ 4,004,604	$ -	$ 4,621,325
2018	-	-	-	158,333	59,628	-	-	-	630,355
2019	-	-	-	158,333	59,628	-	-	-	644,719
2020	-	-	-	158,333	59,628	-	-	-	659,444
2021	-	-	-	158,333	59,628	-	-	-	673,271
2022-2026	-	-	-	791,665	298,140	-	-	-	7,631,485
2027-2031	-	-	-	791,665	298,140	-	-	-	7,312,201
2032-2036	1,696,233	15,000,000	-	791,665	298,140	-	-	27,000,000	46,509,961
2037-2041	-	-	-	579,178	50,897	-	-	-	630,075
2042-2046	-	-	2,830,000	-	-	1,750,000	-	-	4,580,000
2047-2050	-	-	-	-	-	-	-	-	7,370,518
Total	$ 1,696,233	$ 15,000,000	$ 2,830,000	$ 3,745,838	$ 1,243,457	$ 1,750,000	$ 4,004,604	$ 27,000,000	$ 81,263,354

NOTE 10 RIPLEY ARNOLD REDEVELOPMENT ACTIVITIES

During 2001, FWHS sold its Ripley Arnold complex for $20,000,000. Sales proceeds are earmarked for various development and rehabilitation purposes. As of December 31, 2016, the remaining unexpended proceeds consist of investments and receivables in the amount of $1,574,602 and $876,571, respectively. During 2002, FWHS purchased Villas of Oak Hill for $31,475,000. This purchase replaced 58 of the 268 units FWHS is committed to replace. Additional redevelopment-related activities include the construction of 54 Public Housing units at Overton Park Townhomes, a community that consists of 216 total family units completed during 2003. The construction of the 280-unit Sycamore Center Villas at 2000 Sycamore School Road, which was completed in September 2004 contributed to the redevelopment activities by setting aside 47 units for public housing in exchange for a $2.8 million, 0% interest, 50-year subordinated loan from FWHS. Candletree Apartments contributed 43 units to the Ripley redevelopment activities. As of December 31, 2016, 66 of the remaining Ripley units are outstanding; however the property acquisitions made by FWHS have more than replaced the remaining units. All activities associated with Ripley Arnold are included in the Blended Component Unit combining statements.

NOTE 11 ANNUAL CONTRIBUTIONS CONTRACTS

Pursuant to the Annual Contributions Contract, HUD contributes an operating subsidy approved in the operating budget. Operating subsidy contributions for the year ended December 31, 2016 were $4,284,579 for FWHS' Low-Rent Public Housing Program.

Housing Choice Voucher Program Annual Contributions Contracts provide for housing assistance payments to private owners of residential units on behalf of eligible low or very low-income families. The program provides for such payments with respect to existing and moderately rehabilitated housing covering the difference between the maximum rental on a dwelling unit and the amount of rent contribution by a participating family and related administrative expense.

HUD contributions for the Housing Choice Voucher Program for the year ended December 31, 2016 were as follows:

Rental Vouchers	$	38,249,031
Moderate Rehabilitation		350,398
Mainstream		602,232
Total	$	39,201,661

NOTE 12 EMPLOYEE RETIREMENT PLAN

FWHS participates in a Defined Contribution Plan administered by VOYA Retirement Insurance and Annuity Company ("VRIAC") formerly known as ING Insurance and Annuity Company. The plan complies with IRS Code Section 401(a) regulations and can be amended or modified by FWHS' Board of Commissioners pursuant to applicable IRS guidelines.

A defined contribution pension plan provides benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual account are to be determined instead of specifying the amount of benefits the individual is to receive.

The new plan, which became effective January 1, 2015, is a restatement of an existing plan to comply with the current law. Employees are eligible for participation in the plan the first of the month following the date of hire. FWHS contributes 5% of the eligible participants' base pay to the plan. The employees can voluntarily contribute up to 10% of their base pay to the plan on an after tax basis. The new plan authorizes FWHS to match up to 5% of this contribution. Thus, after tax contributions above the 5% will not receive a matching contribution. Contributions made by FWHS vest at a rate of 20% per year during the first 5 years of participation and contributions made by the employees vest immediately. Employees leaving the employment of FWHS are entitled to their contributions and FWHS' contributions to the extent vested and the earnings on these accounts.

Due to pension plan provision changes which occurred during the year, the contributions required to be made by FWHS and its employees changed. During the year ended December 31, 2016, FWHS' required 5% contributions and 5% matching amounted to $379,507. The total eligible payroll totaled $4,909,670.

FWHS also offers its employees a 403(b) tax-deferred annuity plan also administered by VRIAC. Each employee may voluntarily take a portion of their earnings before taxes and invest it in any of the financial options available to them.

The VOYA Company Plan held no securities of FWHS or of other related parties during the year or as of the close of the fiscal year ended December 31, 2016. Additional information regarding the plan may be obtained by contacting VOYA Retirement Insurance and Annuity Company, PO Box 990063, Hartford, Connecticut 06199-0063 or by phone 800-262-3862.

NOTE 13 ECONOMIC DEPENDENCY

FWHS receives a significant portion of its revenue from funds provided through federal grants. The grant amounts are appropriated each year at the federal level. The amount of funds that FWHS receives has been reduced over the past several years. Current and future reductions are likely to have an adverse impact on operations.

NOTE 14 RELATED PARTY TRANSACTIONS

The material related party transactions to be reported for the fiscal year ended December 31, 2016 consisted of administrative and asset management fees charged by the Central Office Cost Center (COCC) to the various programs, loans made to component units (as disclosed in Note 5 and Note 8), and various funding through Accounts Payable - Interfund and Accounts Receivable - Interfund to temporary funding between programs, to record the activity related to the administrative and asset management fees and to record the activity related to the Notes Payable/Notes Receivable for component units. The interfund balances for the Accounts Payable - Interfund and Accounts Receivable - Interfund within the Primary Government as of December 31, 2016 was $28,202,642, all of which has been eliminated for reporting purposes.

Capital Lease Obligation

On November 29, 2010, Cobb Park Townhomes II, L.P. entered into a 75 year master lease arrangement with Fort Worth Affordability, Inc. (a blended component unit of FWHS) whereby the Project will be operated by Cobb Park Townhomes II, L.P. In accordance with the accounting guidance for leases, the master lease qualifies as a capital lease as the term of the lease reflects more than 75% of the economic useful life of the leased assets. Under the accounting guidance for business combinations, capital leases among related parties are recorded at the lessor's carrying value. Accordingly, the Partnership's rental property has been recorded at the cost basis of the capital lease agreement on the accompanying financial statements.

The master lease with Fort Worth Affordability, Inc. is intended to comply with the requirements of Section 42 to permit the property to be acquired by capital lease by the Partnership for the purposes of receiving low-income housing tax credits and maintaining compliance under Section 42. The terms of the master lease agreement require that the Partnership pay base rent of all necessary financing sources to reimburse Fort Worth Affordability, Inc. for the rehabilitation cost of the Project as well as additional rent equal to any and all charges the Project is obligated to pay including costs of taxes, insurance, and public utility charges. As of December 31, 2016, $4,989,295 is payable to Fort Worth Affordability, Inc. The Capital Lease Payable of $3,745,838 and additional rent payable of $1,243,457 were accrued on the books of Villas by the Park, formerly known as Cobb Park. During 2016, $459,747 was repaid to Fort Worth Affordability, Inc. The capital lease obligation relating to the rehabilitation costs of the Project will be paid from cash flow and bears no interest, as defined. Any obligation arising from operating expenses will be paid from operating cash flow.

NOTE 14 RELATED PARTY TRANSACTIONS (CONTINUED)

Capital Lease Obligation (Continued)

Future minimum lease payments between the Partnership and Fort Worth Affordability, Inc. are as follows:

2017	$	158,333
2018		158,333
2019		158,333
2020		158,333
2021		158,333
2022-2026		791,665
2027-2031		791,665
2032-2036		791,665
2037-2040		579,178
Total	$	3,745,838

Investments in Joint Ventures

FWHS is a partner, owner, or interest holder either solely or severally with multiple organizations as part of various housing projects, development and construction projects, and for financing purposes. These separate legal entities are established to advance the mission of FWHS related to development and management of various forms of public housing. Activity of these entities is reflected in FWHS' financial statements as applicable, to the extent of their ownership interest and level of activity.

The following table reflects those entities, their purpose, and FWHS' interest.

Project	Date Formed	FWHS Interest	Percentage Ownership
Post Oak East Apartments, L.P.	4/15/2005	Non-Managing General Partner	0.0051%
Aventine Tarrant Parkway Apartments, L.P.	6/16/2004	Non-Managing General Partner	0.0051%
Woodmont Apartments, LTD	7/1/2009	Non-Managing General Partner	0.01%
Hometowne at Matador Ranch, LP	3/6/2007	Non-Managing General Partner	0.01%
AMTEX Avondale, L.P.	8/29/2014	Non-Managing General Partner	0.01%

NOTE 15 RISK MANAGEMENT

FWHS is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. FWHS participates in the Texas Municipal League Intergovernmental Risk Pool (TML) for its property, liability and worker's compensation coverage. TML's mission is to provide Texas municipalities and other units of local government with a stable source of risk financing and loss prevention services at the lowest cost consistent with sound business practices. By spreading the risk of losses across the state of Texas and across a variety of local governments, and by employing proactive loss prevention measures, TML is able to provide a stable and long-term risk financing system for its members. TML functions much like a commercial insurance carrier as premium payments are remitted to the carrier and deductible limits apply. FWHS utilizes commercial carriers for all remaining perils and

NOTE 15 RISK MANAGEMENT (CONTINUED)

claims. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. There were no claims in excess of coverage during the previous three years. These losses include an estimate of claims that have been incurred but not reported. At December 31, 2016, there were no liabilities to be reported.

NOTE 16 CONTINGENCIES

FWHS is subject to examination by federal regulators to determine compliance with terms, conditions, laws, and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refunds by FWHS to federal grantors and/or program beneficiaries.

In 2012, Hillside Public Facility Corporation entered into a contractual agreement where the City of Fort Worth provided funding with a $700,000 loan using grant monies received by the City through the CDBG Program per U.S. Department of HUD to acquire and renovate the Knights of Pythias Lofts. The funding is to be forgiven at the end of the 15 year Affordability Period provided all Contract terms and CDBG requirements were fulfilled. Additionally, $250,000 of CDBG funds in the form of a second lien subordinate loan were provided as well which must be repaid with accrued interest at the end of the Affordability Period for a total of $950,000.

The “Repayment of Funds” provision of the Agreement are as follows:

“All funds are subject to repayment by Developer in the event the Project or the Development does not meet the requirements as set out in this Contract or in the CDGB Regulations, including but limited to meeting the National Objective. If Developer takes any actions that result in the City receiving a finding from HUD about the Project or results in the City being required to repay all or any portion of the Funds to HUD, Developer agrees it will reimburse City for such repayment. In the event of a finding or a request for repayment from HUD, whether or not repayment to HUD is required of City, Developer agrees it will pay City 10% of funds as liquidated damages.”

At December 31, 2016, there were no additional liabilities to be reported.

NOTE 17 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS

Condensed combining information for FWHS' blended component units is of and for the year ended December 31, 2016 and is provided as follows:

	Gateway Public Facility Corporation		Fort Worth Affordability, Inc.						
	Gateway Public Facility Corporation	Villas of Oak Hill	Fort Worth Affordability, Inc.	Spring Hill Apartments	Spring Glen Apartments	Hillside Apartments	Carlyle Crossing	Eastwood Public Facility Corporation	Hillside Public Facility Corporation/ Knights of Pythias
ASSETS									
Current Assets	$ 4,763,582	$ 1,351,061	$ 1,542,545	$ 7,366,395	$ 5,122,815	$ 1,309,099	$ 233,209	$ 339,118	$ 30,825
Interprogram Assets	1,499,727	-	11,006,304	-	-	-	5,065	-	-
Noncurrent Assets	-	-	5,371,335	-	-	-	-	-	-
Capital Assets	-	17,689,357	-	-	-	9,778,116	4,503,100	6,900,874	2,684,753
Total Assets	$ 6,263,309	$ 19,040,418	$ 17,920,184	$ 7,366,395	$ 5,122,815	$ 11,087,215	$ 4,741,374	$ 7,239,992	$ 2,715,578
LIABILITIES									
Interprogram Liabilities	$ -	$ 4,775,143	$ 1,367,546	$ 2,932	$ -	$ 9,331,736	$ 296,278	$ 31,264	$ 6,144
Other Current Liabilities	-	942,876	144,691	-	-	136,163	448,426	237,779	456,273
Noncurrent Liabilities	-	27,164,204	14,824,121	-	-	4,183	3,972,409	8,411,170	1,472,088
Total Liabilitites	-	32,882,223	16,336,358	2,932	-	9,472,082	4,717,113	8,680,213	1,934,505
DEFFERED INFLOW OF RESOURCES	-	-	-	-	-	-	-	-	-
NET POSITION									
Net Investment in Capital Assets	-	(9,968,359)	(15,564,062)	-	-	9,778,116	373,321	(1,638,526)	1,192,118
Restricted	-	346,135	-	-	-	501,974	83,044	228,839	-
Unrestricted	6,263,309	(4,219,581)	17,147,888	7,363,463	5,122,815	(8,664,957)	(432,104)	(30,534)	(411,045)
Total Net Position	6,263,309	(13,841,805)	1,583,826	7,363,463	5,122,815	1,615,133	24,261	(1,440,221)	781,073
Total Deferred Inflow of Resources, Liabilities and Net Position	$ 6,263,309	$ 19,040,418	$ 17,920,184	$ 7,366,395	$ 5,122,815	$ 11,087,215	$ 4,741,374	$ 7,239,992	$ 2,715,578

NOTE 17 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)

	Trinity River Public Facility Corporation	QuadCo Management Solutions, LLC	Fair Oaks Public Facility Corporation	Fair Park Public Facility Corporation	Overton	Pennsylvania Place	Other Projects	Total Blended Component Units	Primary Government	Total
ASSETS										
Current Assets	$ 1,880,453	$ 347,875	$ 821,343	$ 342,026	$ 1,136,541	$ 3,345,949	$ 14,347	$ 29,947,183	$ 28,759,902	$ 58,707,085
Interprogram Assets	5,086,545	190,736	31,337	-	100	-	52,021	17,871,835	(15,249,362)	2,622,473
Noncurrent Assets	10,344,481	-	-	-	-	942,236	12,868	16,670,920	77,569	16,748,489
Capital Assets	242,243	24,389	3,051,318	2,488,858	8,682,947	2,938,603	2,038,684	61,023,242	19,732,474	80,755,716
Total Assets	$ 17,553,722	$ 563,000	$ 3,903,998	$ 2,830,884	$ 9,819,588	$ 7,226,788	$ 2,117,920	$ 125,513,180	$ 33,320,583	$ 158,833,763
LIABILITIES										
Interprogram Liabilities	$ 10,962	$ 557,980	$ 644,196	$ 6,291	$ 43,736	$ 9,096	$ 148,486	$ 17,231,790	$ (15,941,839)	$ 1,289,951
Other Current Liabilities	2,181	213,900	799,161	169,941	2,147,811	274,305	20,838	5,994,345	4,076,971	10,071,316
Noncurrent Liabilities	-	5,466	1,027,402	1,700,649	10,886,544	6,582,781	1	76,051,018	(3,105,582)	72,945,436
Total Liabilities	13,143	777,346	2,470,759	1,876,881	13,078,091	6,866,182	169,325	99,277,153	(14,970,450)	84,306,703
DEFFERED INFLOW OF RESOURCES	-	-	-	-	-	-	-	-	3,192,899	3,192,899
NET POSITION										
Net Investment in Capital Assets	242,243	24,389	2,005,721	769,127	(2,397,196)	(3,751,397)	2,038,684	(16,895,821)	23,210,772	6,314,951
Restricted	-	-	428,786	266,317	876,881	3,159,450	-	5,891,426	(5,891,426)	-
Unrestricted	17,298,336	(238,735)	(1,001,268)	(81,441)	(1,738,188)	952,553	(90,089)	37,240,422	21,886,946	65,019,210
Total Net Position	17,540,579	(214,346)	1,433,239	954,003	(3,258,503)	360,606	1,948,595	26,236,027	39,206,292	71,334,161
Total Deferred inflow of Resources, Liabilities and Net Position	$ 17,553,722	$ 563,000	$ 3,903,998	$ 2,830,884	$ 9,819,588	$ 7,226,788	$ 2,117,920	$ 125,513,180	$ 27,428,741	$ 155,640,864

NOTE 17 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)

	Gateway Public Facility Corporation		Fort Worth Affordability, Inc.						
	Gateway Public Facility Corporation	Villas of Oak Hill	Fort Worth Affordability, Inc.	Spring Hill Apartments	Spring Glen Apartments	Hillside Apartments	Carlyle Crossing	Eastwood Public Facility Corporation	Hillside Public Facility Corporation/ Knights of Pythias
OPERATING REVENUES									
Tenant Revenue	$ 1	$ 6,160,621	$ -	$ -	$ -	$ 1,866,091	$ 1,007,621	$ 1,338,748	$ 172,216
Other Revenues	-	425,893	1,589,055	1,456	-	34,414	35,042	49,789	2,057
Total Operating Revenues	1	6,586,514	1,589,055	1,456	-	1,900,505	1,042,663	1,388,537	174,273
OPERATING EXPENSES									
Administrative	128	900,014	9,250	2,675	-	410,348	208,163	219,005	21,082
Asset Management Fee	-	69,960	-	-	-	-	-	-	-
Tenant Services	-	-	-	-	-	3,600	1,727	39,502	153
Utilities	-	572,789	-	-	-	114,395	83,529	149,723	10,802
Ordinary Maintenance and Operations	-	940,110	-	-	-	329,048	304,163	224,238	18,165
Protective Services	-	47,995	-	-	-	-	55,258	-	-
General Expenses	36	85,074	36	-	-	141,163	95,369	87,017	5,373
Housing Assistance Payments	-	-	-	-	-	-	-	-	-
Depreciation	-	1,017,180	-	-	-	252,139	155,026	495,482	67,907
Total Operating Expenses	164	3,633,122	9,286	2,675	-	1,250,693	903,235	1,214,967	123,482
Operating Income (Loss)	(163)	2,953,392	1,579,769	(1,219)	-	649,812	139,428	173,570	50,791
Total Non-Operating Revenues (Expenses)	14,282	(3,148,795)	11,125	25,759	17,765	(390,226)	(825)	(538,592)	(95,425)
CHANGE IN NET POSITION	14,119	(195,403)	1,590,894	24,540	17,765	259,586	138,603	(365,022)	(44,634)
Total Net Position - Beginning of Year	6,249,190	(13,646,402)	(7,068)	7,338,923	5,105,050	1,355,547	(114,342)	(1,075,199)	825,707
TOTAL NET POSITION - END OF YEAR	$ 6,263,309	$ (13,841,805)	$ 1,583,826	$ 7,363,463	$ 5,122,815	$ 1,615,133	$ 24,261	$ (1,440,221)	$ 781,073

NOTE 17 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)

	Trinity River Public Facility Corporation	QuadCo Management Solutions, LLC	Fair Oaks Public Facility Corporation	Fair Park Public Facility Corporation	Overton	Pennsylvania Place	Other Projects	Total Blended Component Units	Primary Government	Total
OPERATING REVENUES										
Tenant Revenue	$ -	$ -	$ 528,436	$ 485,370	$ 1,648,757	$ 1,323,323	$ -	$ 14,531,184	$ 1,710,783	$ 16,241,967
Other Revenues	524,823	1,780,887	1,951	14,331	3,446	438,396	35,368	4,936,908	53,531,305	58,468,213
Total Operating Revenues	524,823	1,780,887	530,387	499,701	1,652,203	1,761,719	35,368	19,468,092	55,242,088	74,710,180
OPERATING EXPENSES										
Administrative	183,236	1,260,965	129,906	69,956	343,946	240,324	45,348	4,044,346	10,500,095	14,544,441
Asset Management Fee	-	-	-	-	-	-	-	69,960	(69,960)	-
Tenant Services	-	-	27,302	17,141	5,863	58,100	-	153,388	6,431	159,819
Utilities	65	-	89,067	106,972	141,728	140,790	23	1,409,883	1,397,094	2,806,977
Ordinary Maintenance and Operations	180	(488)	148,279	115,287	309,643	241,946	16,365	2,646,936	1,893,477	4,540,413
Protective Services	-	-	7,909	12,822	-	-	-	123,984	610,615	734,599
General Expenses	377	17,707	15,761	12,877	227,003	471,811	81	1,159,685	717,810	1,877,495
Housing Assistance Payments	-	-	-	-	-	-	-	-	40,003,577	40,003,577
Depreciation	-	11,194	149,702	82,925	472,873	96,587	-	2,801,015	1,705,293	4,506,308
Total Operating Expenses	183,858	1,289,378	567,926	417,980	1,501,056	1,249,558	61,817	12,409,197	56,764,432	69,173,629
Operating Income (Loss)	340,965	491,509	(37,539)	81,721	151,147	512,161	(26,449)	7,058,895	(1,522,344)	5,536,551
Total Non-Operating Revenues (Expenses)	5,611	-	(362,238)	(7,540)	(3,409,650)	(151,555)	1,980,920	(6,049,384)	46,428	(6,002,956)
CHANGE IN NET POSITION	346,576	491,509	(399,777)	74,181	(3,258,503)	360,606	1,954,471	1,009,511	(1,475,916)	(466,405)
Total Net Position - Beginning of Year	17,194,003	(705,855)	1,833,016	879,822	-	-	(5,876)	25,226,516	46,574,050	71,800,566
TOTAL NET POSITION - END OF YEAR	$ 17,540,579	$ (214,346)	$ 1,433,239	$ 954,003	$ (3,258,503)	$ 360,606	$ 1,948,595	$ 26,236,027	$ 45,098,134	$ 71,334,161

NOTE 17 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)

	Gateway Public Facility Corporation		Fort Worth Affordability, Inc.						
	Gateway Public Facility Corporation	Villas of Oak Hill	Fort Worth Affordability, Inc.	Spring Hill Apartments	Spring Glen Apartments	Hillside Apartments	Carlyle Crossing	Eastwood Public Facility Corporation	Hillside Public Facility Corporation/ Knights of Pythias
Net Cash Provided (Used) by									
Operating Activities	$ (599,999)	$ 3,660,372	$ 475,330	$ 259,881	$ 239,700	$ 733,215	$ 247,812	$ 423,851	$ 543,207
Capital and Related Financing Activities	-	(3,325,175)	(266,209)	-	-	(399,764)	(232,082)	(659,118)	(556,009)
Investing Activities	14,282	83	463,802	25,759	17,765	2,196	135	71	-
Net Increase/(Decrease) in Cash	(585,717)	335,280	672,923	285,640	257,465	335,647	15,865	(235,196)	(12,802)
Cash and Cash Equivalents - Beginning of Year	5,349,190	938,256	633,389	7,080,755	4,865,350	938,456	162,303	510,863	35,112
Cash and Cash Equivalents - End of Year	$ 4,763,473	$ 1,273,536	$ 1,306,312	$ 7,366,395	$ 5,122,815	$ 1,274,103	$ 178,168	$ 275,667	$ 22,310

NOTE 17 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (CONTINUED)

	Trinity River Public Facility Corporation	QuadCo Management Solutions, LLC	Fair Oaks Public Facility Corporation	Fair Park Public Facility Corporation	Overton	Pennsylvania Place	Cavile PFC	Other Projects	Total Blended Component Units	Primary Government	Total
Net Cash Provided (Used) by											
Operating Activities	$ 68,753	$ (85,002)	$ 1,203,719	$ 39,210	$ 2,590,320	$ (168,714)	$ 82,593	$ (14,470)	$ 9,699,778	$ 10,792,513	$ 20,492,291
Capital and Related Financing Activities	(242,243)	(4,686)	(1,011,332)	(27,224)	(1,482,689)	3,503,208	(82,593)	24,996	(4,760,920)	(3,587,390)	(8,348,310)
Investing Activities	5,611	-	1,555	205	362	47	-	36	531,909	(1,675,111)	(1,143,202)
Net Increase/(Decrease) in Cash	(167,879)	(89,688)	193,942	12,191	1,107,993	3,334,541	-	10,562	5,470,767	5,530,012	11,000,779
Cash and Cash Equivalents - Beginning of Year	1,742,481	308,041	602,660	316,527	-	-	-	-	23,483,383	21,260,266	44,743,649
Cash and Cash Equivalents - End of Year	$ 1,574,602	$ 218,353	$ 796,602	$ 328,718	$ 1,107,993	$ 3,334,541	$ -	$ 10,562	$ 28,954,150	$ 26,790,278	$ 55,744,428

NOTE 18 PENDING GASB PRONOUNCEMENTS

GASB routinely issues standards that will become effective in future years. The following is a standard that has been issued which management has determined may have an impact on future financial statements of FWHS.

GASB Statement No. 73, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This statement is effective for fiscal years beginning either after June 15, 2015 or June 15, 2016. This Statement is not expected to have an impact on FWHS.

GASB statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This statement is effective for fiscal years beginning after June 15, 2016. This Statement is not expected to have an impact on FWHS.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement is effective for fiscal years beginning after June 15, 2017. This Statement is not expected to have an impact on FWHS.

GASB Statement No. 77, *Tax Abatement Disclosures*. This Statement is effective for reporting periods beginning after December 15, 2015. This Statement is not expected to have an impact on FWHS.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This Statement is effective for reporting periods beginning after December 15, 2015. This Statement is not expected to have an impact on FWHS.

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. This Statement is effective for reporting periods beginning after June 15, 2016. This Statement is not expected to have an impact on FWHS.

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SUPPLEMENTAL INFORMATION

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FORT WORTH HOUSING SOLUTIONS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL – PUBLIC HOUSING
YEAR ENDED DECEMBER 31, 2016

	Budget	Actual	Over (Under) Budget
OPERATING REVENUE			
Net Tenant Rental Revenue	$ 1,351,164	$ 1,710,783	$ 359,619
HUD Grants	3,625,704	5,119,171	1,493,467
Other Revenue	244,380	377,784	133,404
Total Operating Revenue	5,221,248	7,207,738	1,986,490
OPERATING EXPENSES			
Administrative	1,942,141	2,625,619	683,478
Asset Management Fee	87,360	87,360	-
Tenant Services	-	6,431	6,431
Utilities	1,169,076	1,260,518	91,442
Ordinary Maintenance and Operations	996,056	1,557,494	561,438
Protective Services	394,821	553,882	159,061
General	99,576	809,568	709,992
HAP Payments for RAD	-	-	-
Non-Routine Expenses	61,773	-	(61,773)
Total Operating Expenses	4,750,803	6,900,872	2,150,069
Operating Income (Loss)	470,445	306,866	(163,579)
NONOPERATING REVENUE (EXPENSES)			
Investment Income	-	24,366	24,366
Interest Expense	(146,184)	(45,708)	100,476
Gains and Other Revenue	-	-	-
Loss on RAD Conversion	-	147,036	147,036
Casualty Losses	-	-	-
Depreciation and Amortization Expense	-	(801,455)	(801,455)
Total Nonoperating Income (Expenses)	(146,184)	(675,761)	(529,577)
Gain (Loss) Before Capital Grants	324,261	(368,895)	(693,156)
HUD Capital Grants	-	-	-
CHANGE IN NET POSITION	$ 324,261	$ (368,895)	$ (693,156)

FORT WORTH HOUSING SOLUTIONS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL – HOUSING CHOICE VOUCHERS
YEAR ENDED DECEMBER 31, 2016

	Budget	Actual	Over (Under) Budget
OPERATING REVENUE			
HUD Operating Grants	$ 39,913,929	$ 38,249,031	$ (1,664,898)
Other Government Grants	-	-	-
Other Revenue	140,182	282,147	141,965
Total Operating Revenue	40,054,111	38,531,178	(1,522,933)
OPERATING EXPENSES			
Administrative	4,006,465	3,983,473	(22,992)
Ordinary Maintenance and Operations	93,213	76,672	(16,541)
Protective Services	2,071	13,436	11,365
General	13,035	140,066	127,031
Housing Assistance Payments	36,078,469	34,741,546	(1,336,923)
Total Operating Expenses	40,193,253	38,955,193	(1,238,060)
Operating Income (Loss)	(139,142)	(424,015)	(284,873)
NONOPERATING REVENUE (EXPENSES)			
Investment Income	1,121	2,805	1,684
Gains and Other Revenue	-	-	-
Transfer To/From Funds	-	182,510	182,510
Casualty Losses	(3,336)	(3,336)	-
Fraud Recovery	70,237	56,937	(13,300)
Depreciation and Amortization Expense	-	(27,586)	(27,586)
Total Nonoperating Income (Expenses)	68,022	211,330	143,308
CHANGE IN NET POSITION	$ (71,120)	$ (212,685)	$ (141,565)

FORT WORTH HOUSING SOLUTIONS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL – MODERATE REHABILITATION
YEAR ENDED DECEMBER 31, 2016

	Budget	Actual	Over (Under) Budget
OPERATING REVENUE			
HUD Operating Grants	$ 338,712	$ 350,398	$ 11,686
Other Revenue	-	-	-
Total Operating Revenue	338,712	350,398	11,686
OPERATING EXPENSES			
Administrative	64,644	50,260	(14,384)
General	-	60	60
Ordinary Maintenance and Operations	5,400	5,403	3
Housing Assistance Payments	286,851	288,041	1,190
Total Operating Expenses	356,895	343,764	(13,131)
Operating Income (Loss)	(18,183)	6,634	24,817
NONOPERATING REVENUE (EXPENSES)			
Investment Income	-	236	236
CHANGE IN NET POSITION	$ (18,183)	$ 6,870	$ 25,053

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SECTION III STATISTICAL SECTION
(UNAUDITED)

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FORT WORTH HOUSING SOLUTIONS
GUIDE TO THE STATISTICAL SECTION
(UNAUDITED)
DECEMBER 31, 2016

This section of FWHS' Comprehensive Annual Financial Report presents detailed information as a context for understanding the information in the financial statements, net disclosures, and required supplementary information.

PAGES

Financial Trends 77-79
These schedules contain trend information to assist the reader in understanding how FWHS' financial performance and condition have changed over time. This includes post GASB 34 information for the last three years as well as ten-year expense data.

Revenue Capacity 80-81
These schedules contain information to assist the reader in assessing FWHS' two most significant own-source revenues: Federal Funds and Rental Income. This includes ten-year revenue data.

Debt Capacity 82-83
This schedule provides a summary of debt outstanding for each of the last ten years. This represents all periods since the adoption of GASB Statement No. 34. Debt is not a significant funding source as the ability to issue additional debt is generally limited to the underlying property values associated with acquisition of Ripley Arnold replacement unit properties.

Economic and Demographic Information 84-92
These schedules offer economic and demographic indicators for the City of Fort Worth and Tarrant County to assist the reader in understanding the environment within which FWHS' financial activities take place.

Operating Information 93-100
These schedules contain specific FWHS data including wait list and resident demographic data, performance grading indicators, units available by program data to assist the reader in understanding how the information in FWHS' financial report relates to the communities and services that FWHS provides and the population that it serves.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports or audited financial statements for the relevant year.

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FORT WORTH HOUSING SOLUTIONS
FINANCIAL TRENDS

NET POSITION BY COMPONENT
(UNAUDITED)
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Enterprise Fund										
Net Investment in Capital Assets	$ 6,314,951	$ 3,915,926	$ 6,834,251	$ 11,418,683	$ 19,709,842	$ 20,202,270	$ 29,532,376	$ 31,600,454	$ 32,973,602	$ 33,247,848
Restricted	5,647,331	2,002,126	966,178	746,058	11,030,293	10,284,741	9,064,006	3,995,989	3,094,793	8,484,541
Unrestricted	59,371,879	65,882,514	48,508,012	45,943,646	29,316,735	33,473,453	24,150,112	21,161,695	19,619,735	16,742,358
Total net position	$ 71,334,161	$ 71,800,566	$ 56,308,441	$ 58,108,387	$ 60,056,870	$ 63,960,464	$ 62,746,494	$ 56,758,138	$ 55,688,130	$ 58,474,747

Notes:

a) Accounting standards require that net position be reported in three components in the financial statements; net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when an external party, such as the state or federal government, places a restriction on how the resources may be used, or through enabling legislation enacted by the city. FWHS engages only in business-type activities.

FORT WORTH HOUSING SOLUTIONS
FINANCIAL TRENDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
(UNAUDITED)
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Operating revenues										
Business-type activities:										
Charges for services:										
Tenant rents	$ 16,241,967	$ 15,358,079	$ 13,011,291	$ 11,398,982	$ 9,891,185	$ 9,551,929	$ 7,911,257	$ 8,769,626	$ 7,886,974	$ 7,444,239
Operating grants and contributions	50,283,804	45,818,066	45,744,461	48,170,926	46,018,899	49,270,918	52,609,202	46,358,163	38,624,679	42,962,342
Other revenue	8,184,409	6,819,065	3,992,409	2,282,444	3,364,432	4,698,542	3,811,626	2,535,315	2,763,670	2,728,217
Total business-type activities operating revenues	74,710,180	67,995,210	62,748,161	61,852,352	59,274,516	63,521,389	64,332,085	57,663,104	49,275,323	53,134,798
Operating expenses										
Business-type activities:										
Owned housing	29,010,233	26,364,508	24,348,674	23,088,114	23,104,503	23,586,869	19,811,750	19,335,647	17,568,611	18,700,370
Assisted housing	40,003,577	37,830,613	36,140,006	38,891,436	38,951,594	37,642,835	38,700,123	37,218,339	38,528,981	33,388,923
Tenant services	159,819	97,559	96,135	79,113	126,319	127,235	226,546	122,142	122,028	376,286
Total business-type activities operating expenses	69,173,629	64,292,680	60,584,815	62,058,663	62,182,416	61,356,939	58,738,419	56,676,128	56,219,620	52,465,579
Operating income (loss)	5,536,551	3,702,530	2,163,346	(206,311)	(2,907,900)	2,164,450	5,593,666	986,976	(6,944,297)	669,219
Nonoperating revenues (expenses)										
Business-type activities:										
Capital grants	-	2,230,797	494,119	580,672	1,701,343	531,100	1,914,075	1,267,808	1,803,801	1,840,817
Investment income	140,065	25,892	10,645	36,498	25,378	21,583	279,994	407,341	571,248	739,314
Interest expense	(3,315,615)	(3,026,801)	(2,495,118)	(2,409,260)	(1,628,433)	(1,640,317)	(1,844,522)	(1,801,725)	(1,689,614)	(1,739,693)
Other	(2,827,406)	12,559,707	(1,972,938)	49,918	182,302	137,154	782,444	209,608	22,592	477,566
Total business-type activities non-operating revenues (expenses)	(6,002,956)	11,789,595	(3,963,292)	(1,742,172)	280,590	(950,480)	1,131,991	83,032	708,027	1,318,004
Change in net position	$ (466,405)	$ 15,492,125	$ (1,799,946)	$ (1,948,483)	$ (2,627,310)	$ 1,213,970	$ 6,725,657	$ 1,070,008	$ (6,236,270)	$ 1,987,223

FORT WORTH HOUSING SOLUTIONS
FINANCIAL TRENDS

EXPENSES BY FUNCTION
(UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Administration	Tenant Services	Utilities	Maintenance	General	Housing Assistance Payments	Other	Interest	Depreciation	Totals
2007	9,535,354	197,428	2,690,554	3,496,410	208,007	30,906,317	372,422	1,739,693	3,221,307	52,367,492
2008	8,812,477	122,028	2,508,839	3,257,185	979,391	36,175,219	346,336	1,689,614	3,624,204	57,515,293
2009	9,375,205	122,142	2,746,321	4,301,858	1,617,685	34,160,423	707,452	1,801,725	3,645,042	58,477,853
2010	10,816,216	226,546	2,509,148	3,532,603	1,542,636	35,857,734	834,158	1,844,522	3,419,378	60,582,941
2011	10,380,848	127,235	2,413,297	3,638,002	3,133,766	37,642,835	702,289	1,640,317	3,318,667	62,997,256
2012	12,073,824	126,319	2,282,568	3,548,316	666,589	38,951,594	1,021,664	1,628,433	3,511,542	63,810,849
2013	11,123,142	79,113	2,355,815	3,734,602	1,908,563	38,891,436	369,896	2,409,260	3,596,096	64,467,923
2014	13,068,423	96,405	2,411,056	3,818,148	933,483	36,140,006	2,650,985	2,495,118	3,439,247	65,052,871
2015	13,126,097	97,559	2,492,700	4,431,575	2,288,512	37,830,613	-	3,026,801	4,025,624	67,319,481
2016	14,544,441	159,819	2,806,977	4,540,413	1,877,495	40,003,577	734,599	3,315,615	4,506,308	72,489,244

Source: Fort Worth Housing Solutions internal records.

FORT WORTH HOUSING SOLUTIONS
REVENUE CAPACITY

FEDERAL FINANCIAL ASSISTANCE BY PROGRAM
(UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Low Rent Housing Program	Section 8 Housing Assistance Program Cluster	Capital Fund Programs	ROSS/EDSS & Miscellaneous Federal Grants	Continuum of Care	Disaster Programs	Totals
2007	5,082,771	31,954,029	2,317,897	178,858	2,912,549	2,359,055	44,805,159
2008	5,383,472	27,821,924	2,283,922	344,541	3,387,459	1,207,162	40,428,480
2009	5,615,572	35,060,613	2,199,133	367,184	3,834,060	223,574	47,300,136
2010	6,362,357	37,903,879	2,974,962	283,186	4,123,054	55,824	51,703,262
2011	6,551,445	36,579,453	1,397,570	670,325	4,199,584	23,131	49,421,508
2012	5,095,158	37,309,909	2,516,369	761,276	4,693,244	30,042	50,405,998
2013	5,762,868	36,654,369	1,347,826	1,628,896	4,560,348	-	49,954,307
2014	4,910,043	35,097,425	1,565,330	1,139,547	3,422,300	-	46,134,645
2015	4,418,401	36,658,056	2,396,493	1,362,051	3,245,787	-	48,080,788
2016	4,284,579	38,986,115	834,592	1,395,600	3,364,447	-	48,865,333

Source: Fort Worth Housing Solutions internal records.

FORT WORTH HOUSING SOLUTIONS
REVENUE CAPACITY

REVENUES BY FUNCTION
(UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Program Grants/ Subsidies	Tenant Revenue	Interest	Other	Totals
2007	44,803,159	7,444,239	739,314	3,205,783	56,192,495
2008	40,428,480	7,886,974	571,248	2,786,262	51,672,964
2009	47,625,971	8,769,626	407,341	2,744,923	59,547,861
2010	54,523,277	7,911,257	279,994	4,566,716	67,281,244
2011	49,802,018	9,551,929	21,583	4,955,781	64,331,311
2012	47,720,242	9,891,185	25,378	3,546,734	61,183,539
2013	47,127,931	11,398,982	36,498	3,956,029	62,519,440
2014	45,425,082	13,011,291	10,645	4,805,907	63,252,925
2015	47,178,196	15,358,079	25,892	7,689,732	70,251,899
2016	50,283,804	16,241,967	140,065	8,184,409	74,850,245

Source: Fort Worth Housing Solutions internal records.

FORT WORTH HOUSING SOLUTIONS
DEBT CAPACITY

DEBT OUTSTANDING
(UNAUDITED)
LAST FIVE FISCAL YEARS

	Fiscal Year				
	2016	2015	2014	2013	2012
Enterprise Fund					
Bonds, notes and loans payable	$ 74,440,765	$ 62,192,500	$ 62,192,500	$ 54,953,017	$ 39,224,671
Notes payable					
Villas of Oak Hill	$ 27,657,716	$ 28,124,357	$ 28,572,720	$ 29,000,000	$ 23,625,000
TDHCA	9,887,601	10,263,894	10,429,343	10,805,635	10,845,307
Knights of Pythias	1,492,635	1,511,644	1,525,000	1,447,581	66,302
Wind River	9,206,241	9,399,759	-	-	-
Fair Oaks Public Facility Corporation	1,645,597	1,663,394	1,017,196	-	-
Fair Park Public Facility Corporation	1,719,730	1,738,332	955,747	-	-
Eastwood Public Facility Corporation	8,539,400	8,659,855	8,773,026	8,879,325	-
Ameresco	-	831,265	1,030,862	1,221,923	1,404,812
Spring Hill	-	-	1,835,463	1,889,682	1,939,721
Spring Glen	-	-	1,271,317	1,308,871	1,343,529
Hunter Plaza	-	-	-	400,000	-
Overton Square	7,601,845	-	-	-	-
Pennsylvania Place	6,690,000	-	-	-	-
Debt outstanding at end of year	$ 74,440,765	$ 62,192,500	$ 55,410,674	$ 54,953,017	$ 39,224,671

FORT WORTH HOUSING SOLUTIONS
DEBT CAPACITY

RATIO OF DEBT TO CAPITAL ASSETS
(UNAUDITED)
LAST SEVEN FISCAL YEARS

Fiscal Year	Notes Payable	Total Debt	Capital Assets, Net	Ratio of Total Debt To Capital Assets
2010	34,917,763	34,917,763	60,010,289	58.19%
2011	38,087,321	38,087,321	58,289,591	65.34%
2012	39,224,671	39,224,671	58,934,513	66.56%
2013	54,953,017	54,953,017	66,371,700	82.80%
2014	55,410,674	55,410,674	62,244,925	89.02%
2015	62,192,500	62,192,500	66,108,426	94.08%
2016	74,440,765	74,440,765	80,755,716	92.18%

Note: Total debt amount includes short-term portion due within one year.

FORT WORTH HOUSING SOLUTIONS
ECONOMIC AND DEMOGRAPHIC INFORMATION

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED SOCIAL CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
SCHOOL ENROLLMENT		
Population 3 years and over enrolled in school	237,298	(X)
Nursery school, preschool	14,995	6.4
Kindergarten	13,526	5.7
Elementary school (grades 1-8)	15,835	44.6
High school (grades 9-12)	48,646	20.5
College or graduate school	54,104	22.8
EDUCATIONAL ATTAINMENT		
Population 25 years and over	518,807	(X)
Less than high school diploma	99,092	19.1
High school graduate (includes equivalency)	134,890	26.0
Some college or associate's degree	143,191	27.6
Bachelor's degree	97,536	18.8
Graduate or professional degree	44,617	8.6
MARITAL STATUS		
Population 15 years and over	637,410	(X)
Never married	221,819	34.8
Now married, except separated	289,384	45.4
Separated	16,573	2.6
Widowed	28,683	4.5
Divorced	80,314	12.6
MARITAL STATUS		
Male population 15 years and over	310,733	(X)
Never married	115,903	37.3
Now married, except separated	146,977	47.3
Separated	6,836	2.2
Widowed	8,079	2.5
Divorced	33,248	10.7
MARITAL STATUS		
Female population 15 years and over	326,677	(X)
Never married	106,170	32.5
Now married, except separated	142,431	43.6
Separated	9,800	3.0
Widowed	212,340	6.5
Divorced	47,041	14.4

Subject	Number	Percent
PLACE OF BIRTH		
Total population	836,969	(X)
Native	693,847	82.9
Born in United States	681,293	81.4
State of residence	477,909	57.1
Different state	202,546	24.2
Born in Puerto Rico, U.S. Island areas, or born abroad to American parent(s)	12,555	1.5
Foreign born	143,122	17.5
US CITIZENSHIP STATUS		
Foreign-born population	143,404	(X)
Naturalized US citizen	48,614	33.9
Not a US citizen	94,790	66.1
YEAR OF ENTRY		
Population born outside the United States	155,725	(X)
Native	12,321	(X)
Entered 2010 or later	16,974	10.9
Entered before 2010	138,751	89.1
Foreign born	143,404	(X)
Entered 2010 or later	18,499	12.9
Entered before 2010	124,905	87.1
WORLD REGION OF BIRTH OF FOREIGN BORN		
Total (excluding born at sea)	143,404	(X)
Europe	5,306	3.7
Asia	24,665	17.2
Africa	10,468	7.3
Oceania	287	0.2
Latin America	99,379	69.3
North America	3,298	2.3
LANGUAGE SPOKEN AT HOME		
Population 5 years and over	770,095	(X)
English only	510,573	66.3
Language other than English	259,522	33.7
Speak English less than "very well"	110,894	14.4
Spanish	213,316	27.7
Speak English less than "very well"	92,411	12.0
Other Indo-European languages	20,793	2.7
Speak English less than "very well"	6,161	0.8
Asian and Pacific Island languages	17,712	2.3
Speak English less than "very well"	5,391	0.7
Other languages	7,701	1.0
Speak English less than "very well"	231	0.3

(X) Not Applicable
Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH HOUSING SOLUTIONS
ECONOMIC AND DEMOGRAPHIC INFORMATION
(CONTINUED)

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED SOCIAL CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
GRANDPARENTS AS CAREGIVERS		
RESPONSIBILITY FIR GRANDCHILDREN		
UNDER 18		
Population 30 years and over	451,835	(X)
Grandparents living with Grandchildren	23,947	5.3
Grandparent responsible for grandchildren as a percentage of living with grandchildren	215,073	47.6
VETERAN STATUS	599,147	(X)
Civilian population 18 years and over	38,945	6.5
Civilian veterans		
DISABILITY STATUS OF THE CIVILIAN	826,457	(X)
NONINSTITUTIONALIZED POPULATION	90,084	10.9
With a disability	236,075	(X)
Population under 18 years	9,443	4.0
With a disability	515,732	(X)
Population 18 to 64 years	52,605	10.0
With a disability	74,650	(X)
Population 65 years and over	27,994	37.5
With a disability		
RESIDENCE 1 YEAR AGO		
Population 1 year and over	823,985	(X)
Same house	680,612	82.6
Different house in the U.S.	138,429	16.8
Same county	98,879	12.0
Different county	39,551	4.8
Same state	23,072	2.8
Different state	16,480	2.0
Abroad	4,944	0.6

Subject	Number	Percent
ANCESTRY (single and multiple)		
Total population	836,969	(X)
American	47,707	5.7
Arab	837	0.1
Czech	2,511	0.3
Danish	837	0.1
Dutch	5,859	0.7
English	47,707	5.7
French (e(X)cept Basque)	15,065	1.8
French Canadian	4,185	0.5
German	64,447	7.7
Greek	1,674	0.2
Hungarian	837	0.1
Irish	53,556	6.4
Italian	15,902	1.9
Lithuanian	-	-
Norwegian	3,348	0.4
Polish	7,533	0.9
Portuguese	1,674	0.2
Russian	1,511	0.3
Scotch-Irish	6,696	0.8
Scottish	14,228	1.7
Slovak	-	-
Sub-Saharan African	14,228	1.7
Swedish	3,348	0.4
Swish	8,370	1.0
Ukrainian	-	-
Welsh	2,511	0.3
West Indian (e(X)cluding Hispanic groups)	1,674	0.2

- Represents zero or rounds to zero
(X) Not Applicable

Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH HOUSING SOLUTIONS
ECONOMIC AND DEMOGRAPHIC INFORMATION
(CONTINUED)

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED DEMOGRAPHIC CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
Total population	836,969	(X)
SEX AND AGE		
Male	414,126	48.6
Female	422,843	51.4
Under 5 years	66,958	8.0
5 to 17 years	169,905	20.3
18 to 24 years	82,023	9.8
25 to 34 years	132,241	15.8
35 to 44 years	114,665	13.7
45 to 54 years	107,969	12.9
55 to 64 years	862,078	10.3
65 74 years	45,196	5.4
75 and over	31,805	3.8
Median age (years)	32.6	(X)
18 years and over	600,528	71.8
21 years and over	567,465	67.8
62 years and over	101,273	12.1
65 years and over	77,001	9.2
18 years and over	600,528	(X)
Male	290,656	48.4
Female	309,872	51.6
18 to 34 years	214,274	(X)
Male	104,994	49.0
Female	109,280	51.0
35 to 64 years	309,385	(X)
Male	153,146	49.5
Female	156,239	50.5
65 years and over	76,869	(X)
Male	32,592	42.4
Female	44,277	57.6

Subject	Number	Percent
RACE AND HISPANIC OR LATINO ORIGIN		
One Race	813,534	97.2
White	554,073	66.2
Black or African American	159,024	19.0
American Indian and Alaska Native	3,348	0.4
Asian	34,316	4.1
Native Hawaiian and Other Pacific Islander	-	-
Some Other Race	61,936	7.4
Two or More Races	23,435	2.8
White and Black or African American	5,859	0.7
White and American Indian and Alaska Native	2,511	0.3
White and Asian	5,859	0.7
Black or African American and American Indian and Alaska Native	-	-

- Represents zero or rounds to zero
(X) Not Applicable

Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH HOUSING SOLUTIONS
ECONOMIC AND DEMOGRAPHIC INFORMATION
(CONTINUED)

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED DEMOGRAPHIC CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
RACE		
Total population	836,969	(X)
One race	813,534	97.2
Two or more races	23,435	2.8
One race	813,534	97.2
White	538,560	66.2
Black or African American	154,571	19.0
American Indian and Alaska Native	3,254	0.4
Cherokee tribal grouping	-	-
Chippewa tribal grouping	-	-
Navajo tribal grouping	-	-
Sioux tribal grouping	-	-
Asian	33,355	4.1
Asian Indian	6,508	0.8
Chinese	-	-
Flilpino	2,441	0.3
Japanese	-	-
Korean	814	0.1
Vietnamese	10,576	1.3
Other Asian[1]	9,762	1.2
Native Hawaiian and Other Pacific Islander	-	-
Native Hawaiian	-	N
Guamanian or Chamorro	-	N
Samoan	-	N
Other Pacific Islander[2]	-	N
Some other race	60,202	7.4
Two or more races	23,435	2.8
White and Black or African American	164	0.7
White and American Indian & Alaska Native	70	0.3
White and Asian	164	0.7
Black or African American and American Indian and Alaska Native	-	-

Subject	Number	Percent
Race alone or in combination with one or more other races: [3]		
Total population	836,969	(X)
White	574,998	68.7
Black or African American	167,398	20.0
American Indian and Alaska Native	7,533	0.9
Asian	41,848	5.0
Native Hawaiian & Other Pacific Islander	1,674	0.2
Some other race	68,631	8.2
HOUSING OCCUPANCY		
Total housing units	301,652	(X)
Occupied housing units	273,457	(X)
Vacant housing units	28,195	(X)
Homeowner vacancy rate (percent)	(X)	1.9
Rental vacancy rate (percent)	(X)	9.8
HOUSING TENURE		
Occupied housing units	285,173	(X)
Owner-occupied housing units	160,552	56.3
Renter-occupied housing units	124,621	43.7
Average household size of owner-occupied unit	3.06	(X)
Average household size of renter-occupied unit	2.64	(X)

- Represents zero or rounds to zero
(X) Not Applicable
(N) Indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
[1] Other Asian alone, or two or more Asian categories.
[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.
[3] In combination with one or more of the other races listed. The six numbers may add to more than the total population and the six percentages may add to more than 100 percent because individuals may report more than one race.

Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH HOUSING SOLUTIONS
ECONOMIC AND DEMOGRAPHIC INFORMATION
(CONTINUED)

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED HOUSING CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
Total housing units	301,652	(X)
UNITS IN STRUCTURE		
1-unit, detached	201,387	66.8
1-unit, attached	9,862	3.3
2 units	5,649	1.9
3 or 4 units	10,202	3.4
5 to 9 units	18,596	6.2
10 to 19 units	23,306	7.7
20 or more units	27,983	9.3
Mobile home	4,520	1.5
Boat, RV, van, etc.	147	-
YEAR STRUCTURE BUILT		
2014 or later	572	0.2
2010 to 2013	9,101	3.0
2000 to 2009	83,717	27.8
1990 to 1999	34,689	11.5
1980 to 1989	42,481	14.1
1970 to 1979	32,288	10.7
1960 to1969	26,021	8.6
1950 to 1959	36,263	12.0
1940 to 1949	16,479	5.5
1939 or earlier	20,041	6.6
ROOMS		
1 room	5,193	1.7
2 rooms	9,334	3.1
3 rooms	35,542	11.8
4 rooms	50,862	16.9
5 rooms	69,721	23.1
6 rooms	54,708	18.1
7 rooms	31,471	10.4
8 rooms	20,250	6.7
9 or more rooms	24,571	8.1
Median (rooms)	5.2	(X)
YEAR HOUSEHOLDER MOVED INTO UNIT		
Occupied Housing Units	273,457	(X)
2015 or later	5,221	1.9
2010 to 2014	108,217	39.6
2000 to 2009	102,509	37.5
1990 to 19999	30,202	11.0
1980 to 1989	11,531	4.2
1979 or earlier	15,777	5.8

Subject	Number	Percent
OCCUPANTS PER ROOM		
Occupied housing units	273,457	(X)
1.00 or less	258,625	94.6
1.01 to 1.50	11,422	4.2
1.51 or more	3,410	1.2
VALUE		
Owner Occupied Units	156,479	(X)
Less than $50,000	15,637	10.0
$50,000 to $99,999	42,214	27.0
$100,000 to $149,999	41,258	26.4
$150,000 to $199,999	25,965	16.6
$200,000 to $299,999	18,008	11.5
$300,000 to $499,999	8,788	5.6
$500,000 to $999,999	35,666	2.3
$1,000,000 or more	1,043	0.7
Median (dollars)	124,500	(X)
MORTGAGE STATUS		
SELECTED MONTHLY OWNER COSTS (SMOC)		
With a mortgage	104,767	(X)
Less than $500	857	8.0
$500 to $999	19,002	18.1
$1,000 to 1,499	40,800	38.9
$1,500 to 1,999	25,848	24.7
$2,000 to 2, 499	9,836	9.4
$2,500 to $2,999	3,792	3.6
$3,000 or more	4,629	4.4
Median (dollars)	1,398	(X)
Not mortgaged	51,712	(X)
Median (dollars)	484	(X)
SELECTED MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME (SMOCAPI)		
Housing unit with a mortgage*	104,257	(X)
Less than 20.0 percent	43,486	41.7
20.0 to 24.9 percent	20,074	19.3
25.0 to 29.9 percent	12,624	12.1
30.0 to 34.9 percent	7,368	7.1
35 percent or more	20,705	19.9
Not computed	510	(X)

- Represents zero or rounds to zero
(X) Not Applicable
* Excluding units where SMOCAPI cannot be computed
Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED HOUSING CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
VEHICLES AVAILABLE		
Occupied housing units	273,457	(X)
No vehicles available	17,744	6.5
1 vehicle available	96,880	35.4
2 vehicles available	109,611	40.1
3 or more vehicles available	49,222	18.0
HOUSING HEATING FUEL		
Occupied housing units	273,457	(X)
Utility gas	98,715	36.1
Bottled, Tank, or LP gas	1,728	0.6
Electricity	171,715	62.8
Fuel oil, kerosene, etc.	156	0.1
Coal or coke	-	-
Wood	253	0.1
Solar energy	43	-
Other fuel	100	-
No fuel used	747	0.3
SELECTED CHARACTERISTICS		
Occupied housing units	273,457	(X)
Lacking complete plumbing facilities	922	0.3
Lacking complete kitchen facilities	1,933	0.7
No telephone service	6,384	2.3

Subject	Number	Percent
GROSS RENT		
Occupied units paying rent	113,456	(X)
Less than $500	8,574	7.6
$500 to $999	60,884	53.7
$1,000 to $1,499	31,810	28.0
$1,500 to $1,999	9,154	8.1
$2,000 to $2,499	2,123	1.9
$2,500 to $2,999	497	0.4
$3,000 or more	414	0.4
No rent paid	3,522	(X)
Median (dollars)	892	(X)
HOUSEHOLD INCOME		
Specified renter-occupied units	110,524	(X)
Less than 15.0 percent	13,454	12.2
15.0 to 19.9 percent	14,567	13.2
20.0 to 24.9 percent	15,475	14.0
25.0 to 29.9 percent	12,067	10.9
30.0 to 34.9 percent	8,739	8.8
35.0 percent or more	45,222	40.9
Not computed	6,454	(X)

- Represents zero or rounds to zero
(X) Not Applicable or Not Available
(N) Indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.

Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH HOUSING SOLUTIONS
ECONOMIC AND DEMOGRAPHIC INFORMATION
(CONTINUED)

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED ECONOMIC CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
EMPLOYMENT STATUS		
Population 16 years and over	589,554	(X)
In labor force	395,105	67.0
Civilian labor force	393,727	66.8
Employed	364,108	61.8
Unemployed	29,619	5.0
Armed forces	1,378	0.2
Not in labor force	194,449	33.0
Civilian Labor Force Percent Unemployed	(X)	7.5
Females 16 years and over	307,403	(X)
In labor force	184,076	59.9
Civilian labor force	183,896	59.8
Employed	170,045	55.3
Own children under 6 years	77,317	(X)
All parents in family in labor force	46,444	60.1
Own children 6 to 17 years	141,231	(X)
All parents in family in labor force	94,596	67.0
COMMUTING TO WORK		
Workers 16 years and over	359,687	(X)
Car, truck, or van - drove alone	294,536	81.6
Car, truck, or van - carpooled	39,949	11.1
Public transportation (excluding taxicab)	3,342	0.9
Walked	4,627	1.3
Other means	5,672	1.6
Worked at home	11,561	3.2
Mean travel time to work (minutes)[1]	26.6	(X)
Employed civilian population 16 years and over	364,108	(X)
OCCUPATION		(X)
Management, business, science and arts occupations	124,926	34.3
Service occupations	63,590	17.5
Sales and office occupations	87,151	23.9
Natural resources, construction, and maintenance occupations	35,682	9.8
Production, transportation, and material moving occupations	62,759	14.5

Subject	Number	Percent
INCOME AND BENEFITS (IN 2015 INFLATED-ADJUSTED DOLLARS)		
Total Households	273,457	(X)
Less than $10,000	20,298	7.4
$10,000 to $14,999	14,790	5.4
$15,000 to $24,999	28,930	10.6
$25,000 to $34,999	28,308	10.4
$35,000 to $49,999	35,762	13.1
$50,000 to $74,999	52,127	19.1
$75,000 to $99,999	35,814	13.1
$100,000 to $149,000	34,793	12.7
$150,000 to $199,999	12,078	4.4
$200,000 or more	10,557	3.9
Median household income (dollars)	53,214	(X)
Mean household income (dollars)	70,536	(X)
With earnings	228,909	83.7
Mean earnings (dollars)[1]	71,356	(X)
With Social Security	57,759	21.1
Mean Social Security income (dollars)[1]	16,246	(X)
With retirement income	33,509	12.3
Mean retirement income (dollars)[1]	23,258	(X)
With Supplemental Security income	12,822	4.7
Mean Social Security income (dollars)[1]	9,246	(X)
With cash public assistance income	6,051	2.2
Mean cash public assistance income (dollars)[1]	3,247	(X)
With Food Stamp/SNAP benefits in the past 12 months	42,108	15.4
Families	184,071	(X)
Less than $10,000	9,632	5.2
$10,000 to $14,999	6,589	3.6
$15,000 to $24,999	16,782	9.1
$25,000 to $34,999	17,399	9.5
$35,000 to $49,999	22,715	12.3
$50,000 to $74,999	35,781	19.4
$75,000 to $99,999	27,100	14.7
$100,000 to $149,999	28,486	15.5
$150,000 to $199,999	10,601	5.8
$200,000 or more	8,986	1.9
Median family income (dollars)	62,345	(X)
Mean family income (dollars)	80,273	(X)
Per capita income (dollars)[1]	25,225	(X)

(X) Not Applicable

1 If the denominator of a mean value or per capita value is less than 30, then that value is calculated using a rounded aggregate in

Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH TEXAS SOCIAL INFORMATION
PROFILE OF SELECTED ECONOMIC CHARACTERISTICS: 2015
GEOGRAPHIC AREA: FORT WORTH CITY
(UNAUDITED)

Subject	Number	Percent
INDUSTRY		
Civilian employed population 16 years and over	364,108	(X)
Agriculture, forestry, fishing and hunting, and mining	5,935	1.6
Construction	26,593	7.3
Manufacturing	41,776	11.5
Wholesale trade	10,556	2.9
Retail trade	40,900	11.2
Transportation and warehousing, and utilities	25,869	7.1
Information	6,444	1.8
Finance, insurance, real estate, and rental and leasing	25,662	7.0
Profession, scientific, management, administrative, and waste management services	38,084	10.5
Educational, health care and social services	76,034	20.9
Arts, entertainment, recreation, accommodation and food services	34,483	9.5
Other services (except public administration)	18,633	5.1
Public administration	13,139	3.6
CLASS OF WORKER		
Private wage and salary workers	302,838	83.2
Government workers	40,983	11.3
Self-employed workers in own no incorporated business	19,857	5.5
Unpaid family workers	430	0.1

Subject	Number	Percent
PERCENTAGE OF FAMILIES AND PEOPLE		
All Families	(X)	14.9
With related children under 18 years	(X)	21.0
With related children under 5 years	(X)	21.4
Married couples	(X)	8.1
With related children under 18	(X)	11.7
With related children under 5 years	(X)	8.6
Families with female householder, no husband present		33.0
With related children under 18	(X)	40.6
With related children under 5 years	(X)	45.6
All people	(X)	18.8
Under 18 years	(X)	25.9
Related children under 18 years	(X)	25.7
Related children under 5 years	(X)	29.2
Related children 5 to 17 years	(X)	24.3
18 years and over	(X)	16.0
18 to 64 years	(X)	16.5
65 years and over	(X)	12.1
People in families	(X)	17.1
Unrelated individuals 15 years and over	(X)	27.3

(X) Not Applicable or Not Available

Source: U.S. Census Bureau, 2015 American Community Survey

FORT WORTH HOUSING SOLUTIONS
ECONOMIC AND DEMOGRAPHIC INFORMATION
(CONTINUED)

DEMOGRAPHIC AND HOUSING MARKET DATA FOR FORT WORTH, TX AND SELECTED MARKETS: 2015
(UNAUDITED)
LAST TEN FISCAL YEARS

Census Data	Fort Worth	Tarrant County	Texas	United States
Population	836,969	1,914,469	27,429,639	316,515,021
Area in square miles	340	902	268,820	3,535,932
People per sq. mi.	2,462	2,122	162	90
Median Age	33	34	34	38
Median Family Income	$ 62,345	$ 69,896	$ 62,717	$ 66,011
Civilians	67%	69%	64%	63.3%
Armed Forces	0.2%	0.1%	1%	0.4%
Not in Labor Force	33%	32%	35%	36.3%

Education Levels	Fort Worth	Tarrant County	Texas	United States
Less than high School Graduate	19%	16%	18%	14%
High School Diploma	26%	28%	28%	30%
College Graduate	18%	18%	17%	18%
Post Graduate	9%	10%	9%	11%

Real Estate Market Data	Fort Worth	Tarrant County	Texas	United States
Total Housing Units	301,652	732,985	10,305,607	133,351,840
Average Home Price	$ 124,500	$ 141,000	$ 136,000	$ 178,600
Median Rental Price	$ 892	$ 913	$ 882	$ 928
Owner Occupied	56.3%	60.9%	62.2%	63.9%
Rental Units	43.7%	35.0%	32.0%	30.0%
Vacant Units	9.0%	9.2%	11.0%	6.4%

Source: U.S. Census Bureau, 2011-2015 American Community Survey

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

FORT WORTH TEXAS, PROFILE OF LARGEST EMPLOYERS: 2008-2014 (AVERAGED) AND 2015 (UNAUDITED)

2008-2014 (Averaged)

Employer	Average No. of Employees	Percentage of Civilian Labor Force
American Airlines	23,219	6.82%
Texas Health Resources	16,744	5.34%
Lockheed Martin Aeronautics Co.	15,815	4.70%
NRS-Fort Worth-JRB	11,175	3.30%
Fort Worth ISD	10,810	3.25%
Arlington ISD	8,102	2.46%
City of Fort Worth	6,172	2.10%
University of Texas at Arlington	6,013	1.89%
JPS Health Network	5,436	1.40%
Bell Helicopter Textron, Inc.	5,409	1.40%

2016

Employer	Average No. of Employees	Percentage of Civilian Labor Force
AMR/American Airlines	25,000	6.00%
Lockheed Martin Aeronautics Co.	13,690	3.40%
Fort Worth ISD	12,000	3.05%
Texas Health Resources	12,000	3.05%
NRS-Fort Worth-JRB	10,000	2.53%
Arlington ISD	8,500	2.15%
University of Texas at Arlington	7,311	1.85%
JPS Health Network	6,500	1.65%
City of Fort Worth	6,161	1.56%
Cook's Children's Medical Center	6,042	1.53%

Source: Fort Worth Chamber of Commerce - April 27, 2017

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

SCHEDULE OF UNITS AVAILABLE BY PROGRAM
(UNAUDITED)
LAST THIRTEEN FISCAL YEARS

Fiscal Year	Low Rent Housing Program	RAD	Section 8 Housing Choice Vouchers/ Others	Continuum of Care	New Construction	SRO	DHAP	Directions Home	HHC	HHSP	Section 8 Totals
2006	1,315		4,793	423	148	70	-	-	-	-	5,434
2007	1,315		4,793	423	-	70	161	-	-	-	5,447
2008	1,353		4,793	463	-	70	140	-	-	-	5,466
2009	1,340		4,978	563	-	70	340	116	-	-	6,067
2010	1,157		5,359	476	-	70	3	116	-	-	6,024
2011	1,141		5,384	476	-	70	8	108	-	-	6,046
2012	1,175		5,434	696	-	70	3	105	-	-	6,308
2013	1,122	*	5,494	659	-	70	-	105	-	-	6,328
2014	1,122	*	5,497	477	-	70	-	110	-	-	6,154
2015	1,122	*	5,536	419	-	70	-	112	95	61	6,293
2016	998	149	5,543	454	-	70	-	112	95	61	6,335

Source: Fort Worth Housing Solutions internal records.

*Excludes Hunter Plaza's 225 units and includes 124 RAD units

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

SCHEDULE OF UNITS AVAILABLE BY PROGRAM
(UNAUDITED)
AS OF DECEMBER 31, 2016

PUBLIC HOUSING

Development Number	Development Name	Address	Development Type	Availability/ Acquisition Date	Number of Units
TX 4-2	Butler Place	1201 Luella Street	Family	1964	412
TX 4-3	Cavile Place	1041 Etta Street	Family	1954	300
TX 4-16	Scattered Sites	Various	Family	1941	16
TX 4-18	Overton Park	5501 Overton Ridge	Family	2002	54
TX 4-19	Sycamore Center Villa	Various	Family	2005	47
TX 4-20	Villas of Oak Hill	2501 Oakhill Circle	Family	2005	58
TX 4-21	Cambridge Court	8135 Calmont Avenue	Family	2006	33
TX 4-22	Candletree	7425 Hulen St.	Family	2007	44
TX 4-23	Wind River	8725 Calmont Avenue	Family	2011	34
TOTAL PH UNITS AVAILABLE AS OF DECEMBER 31, 2016					998

RAD UNITS

TX 4-5	Hunter Plaza	605 W. First St.	Family	1974	25
TX 4-6	Fair Oaks	4401 Quail Trail	Elderly/Disabled	1975	76
TX 4-12	Fair Park	4400 Fair Park	Family	1988	48
TOTAL RAD UNITS AVAILABLE AS OF DECEMBER 31, 2016					149

SECTION 8 PROGRAMS

Program/Development	Address	Type	Number of Units
Housing Choice Vouchers	Various	Tenant-based	5,106
Mainstream Vouchers	Various	Tenant-based	100
Continuum of Care	Various	Tenant-based	454
Samaritan House (SRO)	929 Hemphill Rd.	Tenant-based	52
Cornerstone Apartments (SRO)	1415 E Lancaster	Tenant-based	18
Veterans Affairs Supportive Housing (VASH)	Various	Tenant-based	337
Directions Homes	Various	Tenant-based	112
Healthy Community Collaborative (HCC)	Various	Tenant-based	95
Homeless Housing and Services Programs (HHSP)	Various	Tenant-based	61
TOTAL UNITS AVAILABLE AS OF DECEMBER 31, 2016			6,335

Source: Fort Worth Housing Solutions internal records.

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

SCHEDULE OF UNITS AVAILABLE BY PROGRAM
(UNAUDITED)
LAST THIRTEEN FISCAL YEARS

SECTION 8 PROGRAMS

Program/Development	Address	Type	Number of Units
Housing Choice Vouchers	Various	Tenant-based	5,106
Mainstream Vouchers	Various	Tenant-based	100
Continuum of Care	Various	Tenant-based	454
Samaritan House (SRO)	929 Hemphill Rd.	Tenant-based	52
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Directions Homes	Various	Tenant-based	112
Healthy Community Collaborative (HCC)	Various	Tenant-based	95
Homeless Housing and Services Programs (HHSP)	Various	Tenant-based	61
TOTAL UNITS AVAILABLE AS OF DECEMBER 31, 2016			6,335

Source: Fort Worth Housing Solutions internal records.

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

DEMOGRAPHIC REPORT
(CURRENT PARTICIPANTS)
(UNAUDITED)
AS OF DECEMBER 31, 2016

AFFORDABLE/MARKET RATE UNITS

Development	Address	Number of Units
Candletree Apartments	7425 Hulen Street	172
Villas of Oak Hill	2501 Oakhill Circle	525
Overton Park Townhomes	5501 Overton Ridge	162
Wind River Apartments	8725 Calmont Avenue	134
The Pavilion at Samuels Avenue	1120 Samuels	36
Cambridge Court Apartments	8135 Calmont Avenue	297
Villas on the Hill *	4744 Horne	72
Woodmont Apartments **	1029 Oak Grove Rd.	252
Post Oak East Apartments **	3888 Post Oak Blvd.	246
Villas by the Park	2450 East Berry South	172
Carlyle Crossing	6300 Vega Dr	138
Hunter Plaza	605 W 1st St.	139
Aventine Tarrant Parkway Apartments**	5551 N. Tarrant Pkwy.	240
Villas of Eastwood Terrace	4700 E. Berry St.	160
Knight of Pythias Lofts	303-307 Crump St.	18
Hometowne at Matador Ranch**	8500 Crowley Rd.	198
Pennsylvania Place	250 E. Pennsylvania Ave.	152
Hillside Apartments	300 Crump St.	172
TOTAL UNITS AVAILABLE AS OF DECEMBER 31, 2016		3,285

* Project based Section 8

** Financial Information not included in this report

Source: Fort Worth Housing Solutions internal records.

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

DEMOGRAPHIC REPORT
(WAIT LIST)
(UNAUDITED)
AS OF DECEMBER 31, 2016

CHARACTERISTICS		PUBLIC HOUSING	HOUSING CHOICE VOUCHER
NUMBER OF UNITS		998	1367
OCCUPANCY RATE		98.0%	93.9%
TOTAL NUMBER OF HOUSEHOLDS		976	4880
GENDER	Male	N/A	599
	Female	N/A	4192
AVERAGE AGE		N/A	N/A
ETHNICITY	Not Hispanic or Latino	N/A	N/A
	Not Assigned	N/A	N/A
	Hispanic or Latino	N/A	429
RACE	White	N/A	1010
	Hispanic	N/A	429
	Black	N/A	3728
	American Indian	N/A	14
	Asian	N/A	39
	Other	N/A	N/A
ELDERLY		112	N/A
ELDERLY/DISABLED (62 & OVER)		233	831
ELDERLY/DISABLED (UNDER 62)		103	1171
AVERAGE INCOME *		$ 18,845	$ 12,780
AVERAGE RENT		$ 271	N/A
MINIMUM RENT		N/A	$ 575
FLAT RENT		N/A	N/A
TOTAL PUBLIC HOUSING POPULATION		N/A	N/A

* May total over 100% since some families have more than one source of income.
N/A - Not Available

Note: Due to conversion to the new Elite system, some of the data previously available for this schedule is no longer available. (Ave. Age, Income Source, Marital Status)

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

PUBLIC HOUSING AND SECTION 8 ASSESSMENT SCORES
(UNAUDITED)
LAST THIRTEEN FISCAL YEARS

Fiscal Year	Public Housing Assessment System Scores	HUD Designation	Section 8 Management Assessment Program Score	HUD Designation
2002	95.00	High Performer	100.00	High Performer
2003	96.00	High Performer	100.00	High Performer
2004	90.78	High Performer	95.00	High Performer
2005	89.00	Standard Performer	95.00	High Performer
2006	94.00	High Performer	95.00	High Performer
2007	90.00	High Performer	100.00	High Performer
2008	N/A	N/A	100.00	High Performer
2009	N/A	N/A	103.00	High Performer
2010	N/A	N/A	103.00	High Performer
2011	84.00	Standard Performer	100.00	High Performer
2012	77.00	Standard Performer	100.00	High Performer
2013	75.00	Substandard Management **	97.00	High Performer
2014	83.00	Substandard Management	100.00	High Performer
2015	91.00	High Performer	97.00	High Performer
2016	N/A	N/A	N/A	N/A

NA - Not Available at this time
** Due to Hunter Plaza vacant units.
Source: HUD data and Fort Worth Housing Solutions internal records

FORT WORTH HOUSING SOLUTIONS
OPERATING INFORMATION

NUMBER OF EMPLOYEES
(UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Budgeted Positions	Filled Positions	Temporary Positions
2005	124	111	-
2006	131	122	-
2007	132	130	4
2008	139	136	3
2009	141	134	1
2010	140	122	7
2011	131	118	8
2012	130	118	5
2013	130	109	4
2014	106	76	-
2015	92	77	-
2016	93	84	-

Source: Fort Worth Housing Solutions internal records.