

Affordable Housing Commission

Meeting minutes

Call Meeting To Order

Chair Casey Banks called the meeting to order at 4:02 PM.

Roll Call

Fe Bates conducted the roll call:

- Casey Banks (Chair): Present
- Megan Marco (Vice Chair): Present
- Samantha Cooley: Present
- Randy Rickert: Present
- Brady Feil: Present
- Judy Brown: Absent

Introduction Of New Commission Members

Chair Banks introduced the new commission members:

Brady Fale-Debusk

Brady Fale-Debusk was introduced as the new student member, currently in high school.

Samantha Cooley

Samantha Cooley was welcomed as a new member. She expressed excitement about joining and willingness to answer any questions.

Chair Banks provided an overview of the commission structure, identifying voting members and staff roles. Leanne Wagener introduced herself as the staff liaison and planning assistant for the Affordable Housing Commission. Clay Downing introduced himself as the planning manager, mentioning his upcoming departure on February 12th to work with Chehalem Valley Park and Rec District. Fe Bates introduced herself as the administrative support.

Public Comments

There were no public comments.

Approval Of Minutes

Chair Banks noted a discrepancy between the agenda date (October 25, 2024) and the actual meeting date (October 22, 2024) for the previous meeting minutes. Fe Bates confirmed October 22 as the correct date.

Randy Rickert motioned to accept the minutes as written. Megan Markel seconded but noted a potential date error on page 5 regarding the next commission meeting. It was clarified that page 5 was not part of the official meeting minutes, which only included pages 2 and 3.

Motion: Randy Rickert moved to accept the meeting minutes as written. Megan Markel seconded the motion.

The motion passed unanimously.

Vote In New Chair & Vice Chair

The commission voted for new chair and vice chair positions:

Chair Position

Motion: Megan Markel nominated Casey Banks to continue as chair for the coming year. Samantha Cooley seconded the motion.

The motion passed unanimously, with Casey Banks abstaining.

Vice Chair Position

Motion: Casey Banks nominated Megan Markel for vice chair. Samantha Cooley seconded the motion.

The motion passed unanimously, with Megan Markel abstaining.

Status Update For FY2023-24 Construction Excise Tax (CET) Fund Award

Leanne Wagener provided an update on the Construction Excise Tax (CET) fund:

- The CET ordinance was established in November 2020 and sunset at the end of July 2023.
- Approximately \$1.5 million was collected during this period.
- Funds were distributed according to state guidelines: 50% for developer incentives, 15% for state or other state-funded affordable housing projects, and 35% for affordable housing programs.
- The first round of dispersal, about \$310,000, went to the Yamhill County Affordable Housing Corporation.
- Approximately \$1 million remains for the second round of funding.
- The Notice of Funding Availability (NOFA) for the second round was posted on November 14, 2023.
- The application deadline is April 1, 2024, with the commission meeting to review applications scheduled for April 28, 2024.

Wagener outlined the application review process, including staff assessment, commission deliberation, and final recommendations to the city council. She emphasized the focus on deeply affordable housing projects (less than 80% AMI) and the importance of proximity to amenities and partnerships within the community.

Status Update For Notice Of Funding Availability For The FY2024-25 Construction Excise Tax (CET) Fund, Second Round Of Funding

Leanne Wagener provided an update on the second round of CET funding:

- The goal is to exhaust all remaining funds with this round.
- The exact amount available may slightly exceed \$1 million due to accrued interest.
- Multiple awardees are possible, depending on the applications received and their scores.
- The commission will review applications and make recommendations to the city council.
- The timeline for presenting recommendations to the city council was discussed, with a potential target of May 2024, considering budget discussions in June.

The commission discussed the possibility of recommending percentages rather than exact dollar amounts to account for potential changes in the final fund balance.

Staff Updates

Rent Burdened Community Workshop

Leanne Wagener reported on the recent rent burdened community workshop:

- Newberg has been designated as a severely rent burdened community again, with at least 25% of residents paying 50% or more on monthly housing costs.



- The workshop collected data on household composition, housing needs, and community perspectives on the housing crisis.
- The event was well-attended, including some city council members.
- Data collected will be compared to previous years' workshops and reported back to the state.

Chair Banks commended the workshop's balance of information presentation and community input.

Items From Commissioners

Commissioners discussed several items:

- The possibility of additional meetings or review sessions for CET fund applications.
- The future role of the Affordable Housing Commission after CET funds are exhausted.
- Potential recommendations to the city council regarding affordable housing requirements in the city code.
- The process for making recommendations to the city council and aligning with city goals.
- The possibility of joint meetings with other commissions, such as the Planning Commission, for housing-related issues.

Clay Downing advised the commission on how to effectively make recommendations to the city council, emphasizing the importance of explaining the problems being addressed and why the recommendation should be a priority.

Next Meeting – April 22, 2025

The next meeting was confirmed for April 22, 2025 at 4:00 PM via Zoom.

Adjournment

Chair Casey Banks adjourned the meeting.

Approved by the Newberg Affordable Housing Commission this 22rd day of April 2025.

Affordable Housing Commission Chair

Fé Bates, Recording Secretary

MEMORANDUM

TO: Affordable Housing Commission

FROM: Scot Siegel, Community Development Director
Leanne Wagener, Assistant Planner

SUBJECT: Agenda Items for Affordable Housing Commission Meeting

DATE: April 22, 2025

FY 2024-2025 NOTICE OF FUNDING AVAILABILITY (NOFA) SUBMITTED APPLICATION STATUS - CONSTRUCTION EXCISE TAX (CET) FUND

The Newberg City Council authorized staff to post the NOFA for the CET Fund on November 14, 2025. Up to \$1M was announced as available from the City's CET Fund which will award funding to projects that provide developer incentives or affordable housing programs. Applications for the CET Fund were due by April 1, 2025.

By the application closing date, staff received a total of two (2) applications for CET funds, and moved forward one (1) application from the previous NOFA cycle per the Applicant's previous request. Each of the applications were deemed complete by staff by the end of business day on April 1, 2025. The list of applicants and their requests are as follows:

- **Catholic Charities of Oregon, Edlen & Company and Community Wellness Collective in partnership with Providence** submitted a complete joint application requesting consideration for the full \$1M disbursement. Their request falls under the *Developer Incentives* category, and their application describes a comprehensive housing project intended to alleviate housing insecurity for at-risk, very low to extremely low income residents of Newberg. The project proposes a variety of housing types including recuperative, permanent supportive, and workforce housing. This is a carry-over application from the 2024 CET NOFA. The Applicants have been unreachable in 2025.
- **SPARK Newberg** submitted a complete application requesting consideration for the full \$1M disbursement. Their request falls under the *Developer Incentives* category, and their application describes a project mostly aimed at providing down-payment assistance on a future market rate home. The project includes the creation of up to twenty (20) dwelling units to be rented at market rates for those making 80% AMI or less and other qualifying criteria (project participants). Project participants are required to be part of a curriculum of financial education and accountability.

- **Newberg Area Habitat for Humanity** submitted a complete application requesting consideration for a \$380,615 portion of the \$1M disbursement. Their request falls under the *Developer Incentives* category, and their application describes a project to create two new single-family homes at 1201 E 5th Street in Newberg, to be sold at affordable prices to first-time home buyers that remain permanently affordable. The homebuyers for these homes will likely earn less than 50% AMI and participate in the NAHFH curriculum prior to home ownership.

REVIEW AND SCORING OF APPLICATIONS FOR THE CET FUND

The AHC is tasked with scoring each eligible application according to the appropriate codes and ordinances for determination of award. It should be noted that there is a competitive aspect to scoring multiple applications received for the CET fund. Higher scores should be given to applications that *most* fit the predetermined criteria for each fund allocation.

Staff has made a preliminary score for each complete application submitted. These should be treated as a guide, but not as the authoritative measure of each application as the AHC and City Council have the reserved authority to score and award fund monies.

Staff are providing the applications in advance of the meeting with the hope that commissioners will review and consider materials *before* the meeting is convened. The AHC will be expected to work together to identify appropriate scores during the April meeting for each application so that the AHC's scoring and recommendation can be transmitted to City Council.

A. Construction Excise Tax Fund Applications

Application materials are provided along with a summary of staff's review and scoring of applications. See attachments in agenda packet including those Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective in partnership with Providence (Attachment 1); SPARK Newberg (Attachment 2); Newberg Area Habitat for Humanity (Attachment 3).

Staff Recommendation

Staff recommends the Affordable Housing Commission consider the applications for the Construction Excise Tax Fund, score the applications, and forward a recommendation to fund or not fund selected projects to City Council.

ATTACHMENTS

1. CET Fund Application – Catholic Charities of Oregon, Edlen & Company, Community Wellness Collective in partnership with Providence
 - a. Summary of Staff Review
 - b. Application Materials

2. CET Fund Application – SPARK Newberg
 - a. Summary of Staff Review
 - b. Application Materials
3. CET Fund Application – Newberg Area Habitat for Humanity
 - a. Summary of Staff Review
 - b. Application Materials (two separate PDF documents)

Attachment 1.a

**CET Fund Application – Catholic Charities of Oregon, Edlen & Company and Community
Wellness Collective in partnership with Providence
Staff Evaluation**

ATTACHMENT A

Construction Excise Tax (CET) Fund FY 2022-23 Competative Selection Criteria

Applicants are unreachable in 2025

Minimum Threshold Criteria	Potential Points
1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.	NA Doesn't mention duration of affordable housing in project description
2. The project is ready for implementation with documentation to demonstrate financial feasibility.	NA Project meets criteria
3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.	NA Project meets criteria
4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.	NA Project meets criteria
5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.	NA Project meets criteria
Scored Application Criteria	
7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points Staff awards 10 points
8. The project provides deeply affordable housing for households earning less than 50% of the median family income.	Up to 10 points Staff awards 10 points
9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.	Up to 5 points Staff awards 5 points
10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.	Up to 10 points Staff awards 10 points
11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.	Up to 5 points Staff awards 5 points
12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.	Up to 10 points Staff awards 10 points
13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.	Up to 10 points Staff awards 10 points
14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).	Up to 10 points Staff awards 10 points
Total Potential Points	70 Staff awards 70 total points

Attachment 1.b

**CET Fund Application – Catholic Charities of Oregon, Edlen & Company and Community
Wellness Collective in partnership with Providence
Application Materials**

Project Proposal

Newberg 2026

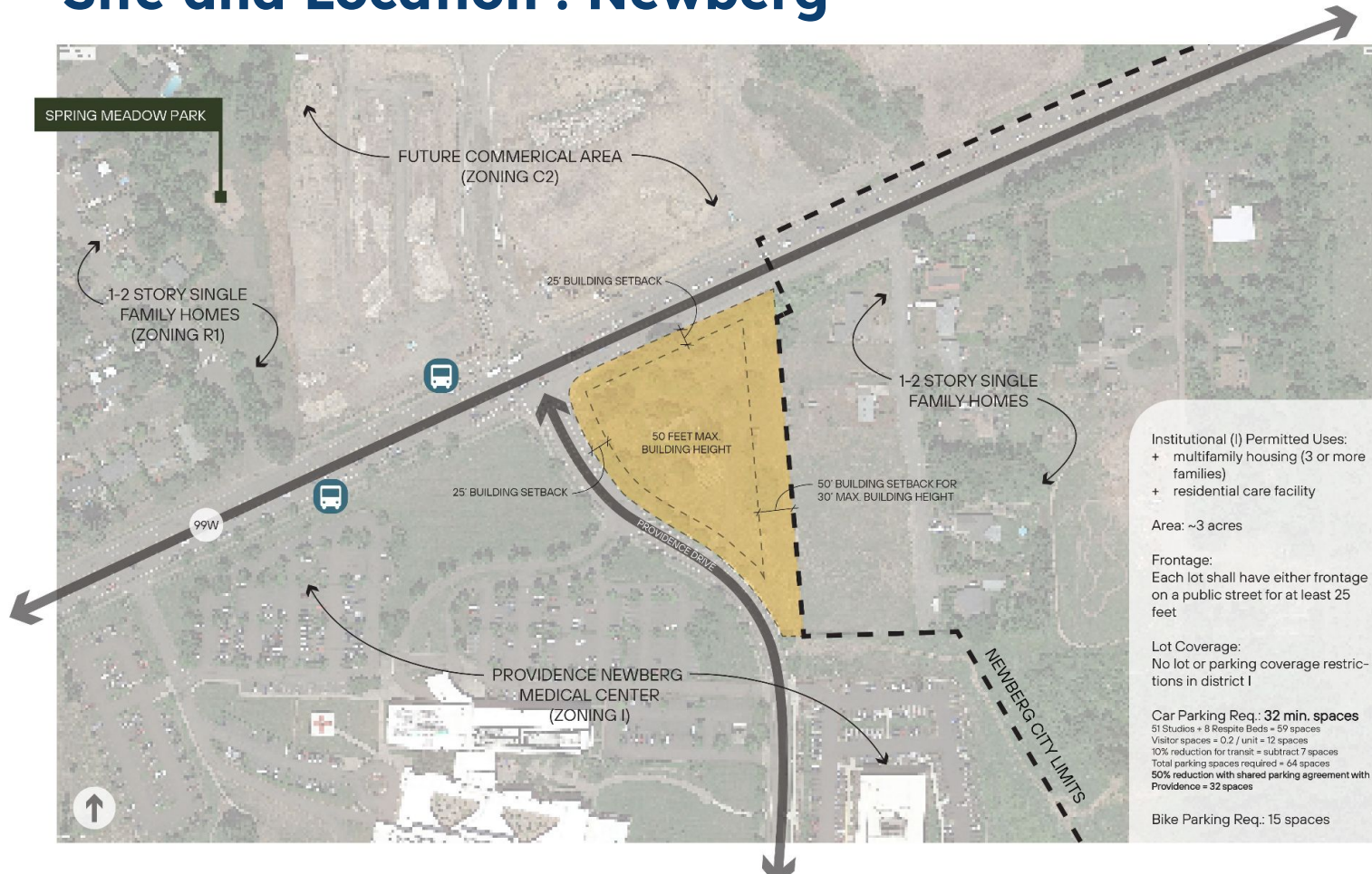
Newberg Part 1 will be a 40 unit PSH Project with 8 Recuperative beds, co-developed by Edlen & Co and Catholic Charities, owned and operated by Catholic Charities. Partners will include Community Wellness Collective, Providence, Unidos and others.

Providence will dedicate the land for this purpose.

Newberg Part 2 will be a 60 unit Affordable Housing or Workforce Housing Project, developed, owned and operated by Catholic Charities.



Site and Location : Newberg



Institutional (I) Permitted Uses:
+ multifamily housing (3 or more families)
+ residential care facility

Area: ~3 acres

Frontage:
Each lot shall have either frontage on a public street for at least 25 feet

Lot Coverage:
No lot or parking coverage restrictions in district I

Car Parking Req: 32 min. spaces
51 Studios + 8 Respite Beds = 59 spaces
Visitor spaces = 0.2 / unit = 12 spaces
10% reduction for transit = subtract 7 spaces
Total parking spaces required = 64 spaces
50% reduction with shared parking agreement with Providence = 32 spaces

Bike Parking Req: 15 spaces

Part 1 : PSH and Recuperative Beds



Part 1 - PSH + Recuperative

Total Units: 40 PSH, 8 Recuperative

Project Team: Walsh Construction, Ankrom Moisan Architects, Guardian Property Management

Potential Partnerships:
Community Wellness Collective
Providence
Unidos
YCCO - Yamhill County
HHS - Yamhill County

Unit Mix

Building	Studio (400 SF)	1 Br (500 SF)
PSH	37	3

Part 2 : Affordable



Part 2 - Affordable

Total Units: 60

Project Team: Walsh Construction,
Ankrom Moisan Architects, Guardian
Property Management

Unit Mix

Studio	1 BR	2BR	3BR
10	25	18	7

Funding Timeline/Sources

PART 1 - PSH + RECUPERATIVE

ANTICIPATED SCHEDULE

- April 2024 OHCS PSH Application Released
- May 2024 OHCS PSH Application Due
- August 2024 OHCS PSH Award Notification*
- July 2025 Closing/Start Construction
- July 2026 Completion
- June 2027 Lease-up Complete (5 units/month)

PROJECTED SOURCES

- \$14,340,000 - OHCS PSH Capital Funding and PSH Vouchers
 - If not awarded in 2024, re-apply following year and entire schedule shifts 12 months
- \$2,083,000 - Donations. \$400,000 committed
- Permanent Loan
- **Recuperative Shortfall: \$1,683,000**
- **PSH Shortfall: \$1,000,000**

PART 2 - AFFORDABLE OR WORKFORCE

ANTICIPATED SCHEDULE

- April 2025 Apply for OHCS LIFT/ 4% LIHTC Funds
- August 2025 OHCS LIFT/LIHTC Award Notification
- July 2026 Closing/Start Construction
- Sept. 2027 Completion
- January 2028 Lease-up Complete (15 units/month)

PROJECTED SOURCES

- \$15,631,563 - OHCS LIFT Loan
 - If not awarded in 2025, re-apply following year and entire schedule shifts 12 months
- \$11,227,949 Private Activity Bonds from OHCS.
- Other: 4% LIHTC and 45L Equity, Deferred and Contributed Developer Fee, Permanent Loan

Newberg Affordable Housing Commission and Newberg City Council,

Responses to CET Funding Questions:

Please briefly describe the affordable housing problem this project is trying to solve and how it helps in solving that challenge:

Catholic Charities of Oregon (CCO) and Edlen & Co., partnered with Community Wellness Collective, and supported by Providence, plan to build a diverse housing solution for multiple populations experiencing housing insecurity. The project aims to meet a variety of housing needs and includes recuperative, permanent supportive, and workforce housing.

- **Recuperative Housing (10 beds):** supports individuals transitioning from medical services with acute recovery needs that are at risk of not healing without safe housing.
- **Permanent Supportive Housing (46 units):** supports households with chronic medical or behavioral health needs that are considered stable and controlled but need wrap around services to support their success in maintaining housing and aid in their continued recovery.
- **Workforce Housing (60 units):** for individuals or families 80% or below median family income (MFI) working within the Newberg-Dundee community.

CCO has built many affordable and permanent supportive housing units across Oregon but recognizes the importance of strong partnerships with local community-based organizations that have developed trust and relationship with the clients the project will serve. Through conversations, the decision was made to partner with Community Wellness Collective. CWC will be the service provider for the Permanent Supportive Housing (PSH) and Recuperative units, providing therapy, case management, peer support, and employment opportunities to clients. Catholic Charities will own the project and oversee the services provided by CWC.

Other potential partners to provide services as well as referrals include:

- Providence Medical Group
- Unidos
- Yamhill Community Care Organization (YCCO)
- HHS Mental Health

CCO and CWC believe that housing enables the ability for an individual to stabilize and/or recover from chronic, behavioral health, and substance use disorders. CWC's program HEART (housing, education, addiction, reintegration team), will provide the aids and tools for clients to safely transition to more long-term housing solutions, filling a very known gap in Yamhill County.

Providing 60-units of affordable workforce housing will provide many Newberg-Dundee employees the opportunity to live and work in the community.

Our shared goal is to help individuals facing housing insecurity to reintegrate into a vibrant community life. CWC and CCO acknowledge the challenges an individual experiencing chronic medical or behavioral health issues, addiction, or employment insecurity faces, especially while also navigating housing insecurity. A person's ability to thrive during and after the experience of significant social determinant of health challenges or discharge from an institution relies on the systems in place to provide accountability, support, and hope, which the partnership with CCO and CWC, as well as other local organizations, will provide.

Please attach additional information that describes how this project will address the Competitive Awards Selection Criteria described in "Attachment A" of this form, including additional documentation/evidence as needed.

Scored Application Criteria:

- **CRITERIA:** The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.

RESPONSE:

New Housing:

- Recuperative: 10 beds
- Permanent Supportive Housing: 46 units
- Workforce Affordable: 60 units

- **CRITERIA:** The project provides deeply affordable housing for households earning less than 50% of the median family income.

RESPONSE: Permanent Supportive Housing Units (46) and Recuperative Housing Beds (10) will be for households earning less than 30% of MFI as they will be transitioning from homelessness.

- **CRITERIA:** The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.

RESPONSE: Permanent Supportive Housing Units (46) and Recuperative Housing Beds (10) will be for households earning less than 30% of MFI as they will be transitioning from homelessness.

- **CRITERIA:** Project concepts and designs showing proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.

RESPONSE: The development resides on the current Providence parcel (see attachment for drawings), providing ample access to medical services. The Yamhill County Transit bus line runs in front of the proposed units, providing easy access to downtown Newberg. The location is within walking distance to multiple grocery stores including Fred Meyer, Safeway and Bi-Mart as well as multiple parks including Schaad and Spring Meadow. The elementary, middle school and high school are all within 1.5 miles of the site. The project will provide onsite case management, therapy, peer support and groups for all residents to access. CWC will continue its partnerships with the Newberg-Dundee faith-based community for food delivery to the Recuperative beds, including hot breakfasts and dinners daily.

Sustainability practices are embedded in the project's design such as LED and Energy Star lighting, Energy Star appliances, a high-efficiency hot water heating system, and a solar-ready electrical system and roof trusses. The project will pursue Earth Advantage certification.

- **CRITERIA:** The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.

RESPONSE: CWC has relationships with nearly all community and faith-based organizations in the Newberg-Dundee community serving those facing housing insecurity. CWC's volunteer base serves as the current failsafe structure for staffing the nightly emergency homeless shelter and day drop-in center. In addition to state PSH funding that will be applied for this spring, private donor relationships have been leveraged and inspired to invest in this project with \$500,000 committed thus far.

- **CRITERIA:** The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.

RESPONSE: Essential to the development of this project to program are deep partnerships with local community and faith-based organizations that are already serving clients with social determinant of health insecurities. CCO seeks not to duplicate but uplift and support existing service providers leveraging their experience in Supportive and Affordable housing. CCO intends to act as the sponsoring organization, bringing best practices that have proven successful across the state to emerging community-based organizations like CWC and Unidos that have established trust with the clients in need.

- **CRITERIA:** The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.

RESPONSE:

This project will have the following partners:

Owner/Co Developer: Caritas Housing – Catholic Charities of Oregon

Developer: Edlen and Co

Services Partner: Community Wellness Collective

Other partners: Providence, Unidos

Catholic Charities of Oregon (CCO) was established in 1933 to address the needs of households impacted by the Great Depression and has continued this mission ever since, partnering with the most vulnerable, regardless of faith, to achieve lasting solutions to poverty and injustice. In 1998, CCO established a dedicated housing development and ownership entity, Caritas Housing, to address affordable housing needs across the state. This now includes more than 900 units of affordable housing across 23 properties statewide. Caritas Housing will be the owner of this project, leveraging CCO's experience in affordable and supportive housing.

CCO understands the dire need for more supportive housing for those experiencing chronic homelessness. In 2020, Catholic Charities launched its Healthy Housing Initiative with partners Providence Health & Services and the Archdiocese of Portland, aiming to leverage the expertise and resources of the three partners to reduce chronic homelessness throughout the Portland area. This includes a goal of developing at least 300 units of Permanent Supportive Housing (PSH) in the Metro area, which includes Newberg. This project will be a part of helping to meet this goal. CCO has recently completed the following two projects which are both similar to this project and has two PSH projects under construction which will open in Fall of 2024.

Chiles House: Located in Southeast Portland, Chiles House helps close a gaping hole in Portland's social safety net and fill a critical need for the growing number of Catholic Charities clients who find themselves homeless or at imminent risk. Chiles House offers 27 highly affordable apartments for whom rapid recovery from homelessness, or prevention of chronic homelessness, is paramount. This development was entirely privately financed allowing Caritas Housing to respond to the changing needs of our clients. The development is a four-story building featuring cross-laminated timber, trauma-informed design, and sustainable design elements, and is located next door to Catholic Charities headquarters allowing residents convenient access to the full suite of Catholic Charities service programs.

Good Shepherd Village: Upon completion in late 2023, Good Shepherd Village will be the first regulated affordable-housing development located within Happy Valley city limits and the largest development in Catholic Charities/Caritas Housing's portfolio. The 143-unit project provides much needed affordable housing, with over 55% of the units being family-sized and 58 units set-aside as Permanent Supportive Housing. This development is located in a high opportunity area with close proximity to public transit, grocery stores, schools, a public library, multiple parks, and healthcare resources. The project uses trauma-informed design, universal design, and sustainable design elements.

The Beacon at Glisan. Currently under construction, The Beacon is a partnership with Related Northwest and includes 41 studio units of new permanent supportive housing. All units are restricted at 30% AMI and have Project Based Vouchers (PBVs), ensuring that rents will be affordable for all residents. Supportive services will be provided on-site by Catholic Charities in partnership with the Native American Rehabilitation Association (NARA) and Cascadia Behavioral Health. In addition to the residential units, the project features on-site services and office space, a community room, a food pantry, ample bike parking, and laundry. The development incorporates trauma-informed design, universal design, and sustainable design elements. Funding sources include Portland Housing Bond, 4% Low LIHTCs, HTF, tax-exempt bonds, PBVs and Portland Clean Energy Fund.

Francis + Clare Place. Currently under construction, Francis + Clare Place is a partnership with Edlen and Co and includes 61 units of new permanent supportive housing with 54 studios and seven one-bedroom units. All units are restricted at 30% AMI and have Project Based Vouchers (PBVs), ensuring that rents will be affordable for all residents. Supportive services will be provided on-site by Catholic Charities in partnership with the Native American Rehabilitation Association (NARA). In addition to the residential units, the project features on-site services and office space, a multi-use classroom and community room, ample bike parking, and laundry. The development incorporates trauma-informed design, universal design, and sustainable design elements. Funding sources include Portland Housing Bond, 4% Low LIHTCs, tax-exempt bonds, PBVs and Portland Clean Energy Fund.

Edlen and Co.'s focus is on mission-driven real estate with an emphasis on affordable and middle-income housing development and preservation, public-private partnerships, and projects that further push the boundaries of sustainability. Edlen & Co.'s portfolio includes over 1,100 units of affordable housing completed, under construction and in predevelopment. All projects are done in partnership with one or more nonprofit partners. These projects serve low-wage workers and families as well as populations with special needs such as individuals and families in recovery, individuals with persistent mental illness, individuals with intellectual and developmental disabilities, and underserved populations.

Edlen & Co.'s affordable housing portfolio includes a track record of successful projects with similar size and scope to the Newberg project including four projects that include permanent supportive housing. Recent projects include:

Wynne Watts Commons. Completed in 2022 in partnership with Albertina Kerr Centers. Wynne Watts Commons includes 147 affordable housing units, with 24 studios, 92 one-bedroom units, 23 two-bedroom units, and eight three-bedroom units, with 30 of the units at 30% AMI, 102 units at 60% AMI and 15 units at 80% AMI. The 30 units at 30% AMI will be for residents with intellectual and developmental disabilities and will be fully integrated into the overall building and resident population. The project was funded with 4% LIHTCs, tax-exempt bonds, Metro Housing Bond Funds, HUD 811 Project Rental Assistance, OR-MEP and capital campaign funds. The project was designed to be net-zero energy and includes a community room and outdoor community space with a play area.

Aurora. Completed in 2023 in partnership with Our Just Future, Aurora serves those experiencing homelessness with on-site support, case management, employment resources, and clinical services. Of the 93 available units, 16 are Permanent Supportive Housing (PSH) units, 15 are set at 30% AMI, and 62 are set at 60% AMI. The Aurora includes 44 family-sized units. Amenity spaces include a community room, indoor and outdoor child play areas, onsite laundry and onsite resident services and behavioral health offices. Funding sources include Oregon Housing and Community Services (OHCS) Local Innovation and Fast Track (LIFT), 4% Low Income Housing Tax Credits (LIHTCs), tax-exempt bonds, Portland Housing Bond, Project Based Vouchers (PBVs) and capital campaign funds. The site is within .25 miles of light rail and has a full-service grocery store across the street.

D/M/W/ESB/SDVBE Experience and Commitment

Our project team is committed to supporting historically marginalized communities through our projects, and Edlen & Co., Walsh Construction Company, and Ankrom Moisan Architects all have consistent track records in meeting and exceeding D/M/W/ESB/SDVBE participation goals on past and current projects. Walsh has consistently high participation with D/M/W/ESB/SDVBE firms, who on average complete 34% of their subcontracted work. For this project, our target is at least 20% D/M/W/ESB/SDVBE participation.

Recent participation outcomes for Walsh include:

- Dahlke Manor 30% goal, 34% achieved
- Williams Plaza 30% goal, 32% achieved
- Medallion Apartments 20% goal, 29% achieved
- Wy'East Plaza 20% goal, 34% achieved
- The Louisa Flowers 20% goal, 31% achieved

- Meyer Memorial Trust 50% goal, 55% achieved
- NHA Campus 20% goal, 32% achieved
- St. Francis Park Apartments 20% goal, 36% achieved
- Argyle Gardens 20% goal, 30% achieved
- New Meadows 20% goal, 33% achieved

Recent participation outcomes for Edlen & Co include:

- Beatrice Morrow 20% goal, 29% achieved
 - LifeWorks NW + Beech Street Apartments 20% goal, 24% achieved
 - Hill Park Apartments 20% goal, 20% achieved
 - 38 Davis 20% goal, 26% achieved
 - The Nick Fish 30% goal, 28% achieved
 - Wynne Watts Commons 20% goal, 32% achieved
 - The Aurora 30%, goal, 30% achieved
- **CRITERIA:** The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).

RESPONSE:

A summary of the current estimated sources and uses for the project is as follows:

Uses	PSH	Recuperative	Total
Land	0	0	0
Target Guaranteed Maximum Price (GMP)	15,128,000	1,969,000	17,097,000
Other Hard Costs	429,000	81,000	510,000
Soft Costs	4,197,000	454,000	4,651,000
Operating Reserve & OHCS Fees	575,000	0	575,000
Contingency	909,000	119,000	1,028,000
Total	21,238,000	2,623,000	23,861,000

Sources	PSH	Respite	Total
Capital Campaign	377,000	2,623,000	3,000,000
PSH Capital Funding	20,861,000	0	20,861,000
Total	21,238,000	2,623,000	23,861,000

The total cost of the project includes the hard costs, permits and system development charges, architecture and engineer fees, other soft costs such as testing and inspection, insurance, and legal fees, 5% owner contingency, escalation contingency, an operating reserve, OHCS PSH

fees, and developer fee. The land will be donated by Providence thus there is no land cost. Hard costs were determined by the General Contractor based on concept plans and specifications. Soft costs were determined based on recent estimates from similar projects. The construction schedule was provided by the General Contractor.

The project team has participated in Oregon Housing and Community Service's (OHCS's) PSH institute, which is a pre-requisite to apply for PSH funding and will apply for PSH funding in Spring of 2024. Of the \$3 million capital campaign, \$500,000 has been committed to date.

Current projected schedule milestones are as follows:

- April 2024 OHCS PSH Application Released
- May 2024 OHCS PSH Application Due
- August 2024 OHCS PSH Award Notification*
- July 2025 Closing/Start Construction
- July 2026 Completion

- June 2027 Lease-up Complete (5 units/month)

Closing Financial Statement and Commitment:

This project combines both government and private funding, representing the support and sustainability of the development and programming. We have shared organizational commitment to Newberg-Dundee and are confident in our ability to close the budget gap over the next year to ensure viability. Support from The City of Newberg through the CET 2023-2024 Fund and potential Legacy Fund would help the development close the remaining 10-15% funding gap.

This project serves as a legacy impact project to serve Newberg for generations to come.

Acronym Definitions

Acronym	Definition
CCO	Catholic Charities of Oregon
CWC	Community Wellness Collective
PSH	Permanent Supportive Housing
YCCO	Yamhill Community Care Organization
HHS	Yamhill County Health and Human Services
OHCS	Oregon Housing Community Services
LIFT	Local Innovation Housing Tax Credits
LIHTC	Low Income Housing Tax Credits
MFI	Median Family Income
D/M/W/ESB/SDVBE	Disadvantaged, Minority-Owned, Women-owned, Emerging Small Businesses, and / or Service Disabled Veterans Business Enterprises
PBVs	Price by Volume
AMI	Area Median Income



Newberg Construction Excise Tax (CET) Funding Request Application

NOTE: The first round of applications are due April 4, 2024 at 4:30 p.m.

Applications are to be submitted to Leanne Wagener, Assistant Planner by email at leanne.wagener@newbergoregon.gov or by postal mail via City of Newberg, PO Box 970, Newberg, Oregon, 97132 or by hand delivery to City Hall, 414 E First Street.

CONTACT INFORMATION:

Project Name:	The HEART of Newberg		
	<small>Edlen & Co.</small>	<small>CCO & CWC</small>	
Organization Name:	Catholic Charities, Edlen & Co., Community Wellness Collective	<input checked="" type="checkbox"/> For-profit	<input checked="" type="checkbox"/> Non-profit
Contact Name/Title:	Pooja Dalal, CCO, Dir. of Community Development Kate Stokes, CWC, Exec. Dir.		
Mailing Address:	2740 SE Powell Boulevard	State/Zip:	Portland, OR 97202
Phone:	503.688.2537	Email:	PDalal@CCOregon.org kate@communitywellnesscollective.org

PROJECT INFORMATION:

Total project cost:	_____		
Requested amount of CET funding:	\$397,050 with consideration for Legacy Fund		
Has this project requested or will request funds from the Affordable Housing Trust Fund?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	Amount requested: _____
Amount and description of other matching funds being contributed to the project, if applicable:			
Phase 1: OHCS PSC Capital Funding (\$14,340,000), Private Funding (\$2,083,000) Phase 2: OHCS LIFT (\$15,631,561) private bond (\$11,227,949)			
Has this organization received Newberg CET funds in the past?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	Amount received: _____

Project Partners and their Contributions to the Project:	Providence: Land donation
Catholic Charities of Oregon: Owner and operator of Property with lead financial responsibility	
Community Wellness Collective: Lead Services Provider, revenue billing providers	
Potential Community Partners: Unidos, HHS, Providence, YCCO	

Estimated project beginning date:	August, 2024	Completion date:	Phase 1: July, 2026
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[Phase 2: September, 2027](#)

COMMUNITY DEVELOPMENT
PLANNING DIVISION
(503) 537-1240
planning@newbergoregon.gov

Please see next page

Please briefly describe the affordable housing problem this project is trying to solve and how it helps in solving that challenge:

[See attached document for more detailed response.](#)

Together, Providence, Catholic Charities of Oregon, Edlen & Co., and Community Wellness Collective, seek to contribute to the housing crisis in the Newberg-Dundee community through a diverse housing development. The development will serve recuperative, permanent supportive, and workforce affordable units. Leveraging our organizational strengths, Providence will donate the parcel on 99W and Providence Drive to Catholic Charities to own and property manage, Edlen & Co will develop the property, and Community Wellness Collective will provide services to building clients, bringing to the table many community and faith-based organizations for partnership.

Please attach additional information that describes how this project will address the Competitive Awards Selection Criteria described in “Attachment A” of this form, including additional documentation/evidence as needed.

☐ Information that addresses Competative Selection Criteria, attached (please select)

Briefly describe what is attached:

[See attached document for more detailed response.](#)

Attached:
Project Overview and Visual with Funding Sources
Long-Form responses to questions

ATTACHMENT A

Construction Excise Tax (CET) Fund FY 2022-23 Competitive Selection Criteria

Minimum Threshold Criteria	Potential Points
1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.	NA
2. The project is ready for implementation with documentation to demonstrate financial feasibility.	NA
3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.	NA
4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.	NA
5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.	NA
Scored Application Criteria	
7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points
8. The project provides deeply affordable housing for households earning less than 50% of the median family income.	Up to 10 points
9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.	Up to 5 points
10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.	Up to 10 points
11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.	Up to 5 points
12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.	Up to 10 points
13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.	Up to 10 points
14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).	Up to 10 points
Total Potential Points	70

***FOR 2023, the Median Family Income for the City of Newberg was \$114,400.**

DEFINITIONS:

“D/M/W/ESB/SDVBE” means a business that is Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, and/or Service Disabled Veterans Business Enterprises.

“Gross Income” (GI) is income before taxes for all members of one family in the previous twelve months. Income can be derived from salaries, investments, self-employment, farming, and other sources. Assets such as a house or a farm are not income. For people who have wages, gross income means the figure that they would have received in their paychecks if there were no taxes. Gross income before taxes when applied to farm income means the figure that results when farm expenses are subtracted from farm sales. Gross income also includes unemployment and disability compensation, worker's compensation and severance pay; and welfare assistance payments.

“Family” means all persons living in the same household who are related by birth, marriage or adoption.

“Median Family Income” (MFI) includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. Because many households consist of only one person, average household income is usually less than average family income. Although the household income statistics cover the past 12 months, the characteristics of individuals and the composition of households refer to the time of application. Thus, the income of the household does not include amounts received by individuals who were members of the household during all or part of the past 12 months if these individuals no longer resided in the household at the time of application. Similarly, income amounts reported by individuals who did not reside in the household during the past 12 months but who were members of the household at the time of application are included. However, the composition of most households was the same during the past 12 months as at the time of application, as defined by the U.S. Census.

Letters of Support:

The following elected officials and community organizations have expressed formal support for this project and our application to Oregon Housing and Community Services for the project-based voucher program to support this diverse housing program.

- **Representative Anna Scharf**
- **Commissioner Mary Starrett**
- **Chehalem Valley Chamber of Commerce**
- **Newberg-Dundee Public Schools**
- **Long-time business owner and community leader, Dennis Lewis**

Anticipated letters of support to come:

- Northside Community Church
- Unidos
- HHS Yamhill County
- Providence

We appreciate your support.

ANNA SCHARF
STATE REPRESENTATIVE
DISTRICT 23



March 28, 2024

Oregon Housing and Community Services PSH Committee,

Newberg, like much of the rest of Oregon, has seen an increase in residents with housing insecurity and homelessness in recent years. Community and faith-based organizations have done all they can to share the responsibility of supporting those in immediate need. However, the lack of stable, consistent funding for sheltering, combined with a need for access to permanent solutions, drives us to find a long-term solution.

Community Wellness Collective (CWC) has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability that CWC provides. During the past three years, CWC has averaged 18-35 residents per night. The primary population in need has been single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations, with an existing presence in Newberg, to provide the highest level of service, care, and coordination towards long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years. This along with the proven housing outcomes Catholic Charities of Oregon (CCO) has demonstrated, and the colocation to Providence Health and Services, will form a unique and successful opportunity to provide housing, care, and support services.

The property is walking distance from downtown Newberg, and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement, seeking to provide comprehensive supports to our residents across the county. A solution that can offer safe housing and help with medical and mental health needs. My office is in support of this project and commends CCO and CWC in their efforts and is happy to help in any way we can to see its success come to fruition.

Thank you for your consideration of this project.

Regards,

Rep. AnnaScharf@oregonlegislature.gov – www.oregonlegislature.gov/Scharf
900 Court Street NE, Salem, OR 97301 – (503) 986-1423



BOARD OF COUNTY COMMISSIONERS

LINDSAY BERSCHAUER • KIT JOHNSTON • MARY STARRETT

535 NE Fifth Street • McMinnville, OR 97128-4523

(503) 434-7501 • Fax (503) 434-7553

TTY (800) 735-2900 • www.yamhillcounty.gov

March 24, 2024

Oregon Housing and Community Services PSH Committee,

Newberg and Yamhill County have seen the impacts of increased social determinants of health needs in recent years. Our local community and faith-based organizations have worked together to support those in need, but without stable, consistent funding for temporary and permanent housing and supports, we have limited options to meet our community's needs.

Community Wellness Collective (CWC) has provided the County's only seven-night a week shelter, located in Newberg, for the last three years. Many have sought help in Newberg because of the services and reliability CWC provides. The organization has averaged 18-35 residents per night, with the primary population in need being single men with chronic physical, mental health or substance use challenges. CWC has worked successfully with faith and other community-based organizations in Newberg to provide services to those in need.

The HEART of Newberg project, located on 99W and Providence Drive, will build on the relationships and services established by CWC over the years, along with Catholic Charities of Oregon housing successes across Oregon. Colocation to Providence Health and Services medical services will provide access to health care and supports. The property is within walking distance of downtown Newberg and is served by the Yamhill County Transit bus line with a stop directly in front of the property.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to Yamhill County's residents in need of safe housing to address their medical and mental health needs.

I support this project wholeheartedly.

Thank you for considering our community's needs.

Sincerely,

Mary Starrett
Yamhill County Commissioner



March 25, 2024

Chehalem Valley Chamber of Commerce
112 N Garfield St, Suite 103
Newberg, OR 97132

Oregon Housing and Community Services PSH Committee,

The Newberg community, and Yamhill County as a whole, has seen the impacts of growing social determinants of health needs over the recent years. Newberg residents with housing insecurity and homelessness has become more visible and the community has attempted its best efforts for sheltering. Community and faith-based organizations have shared the responsibility of supporting those in immediate need, but the lack of stable, consistent funding for sheltering, combined with a need for access to permanent solutions with a supportive team, unifies us for a long-term solution to impact Yamhill County for generations to come.

Community Wellness Collective has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability CWC provides. The organization has averaged 18-35 residents per night, with the primary population in need single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations with a presence in Newberg to provide the highest level of service, care, and coordination to long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years, with the proven housing outcomes Catholic Charities of Oregon has demonstrated across Oregon. Colocation to Providence Health and Services medical services provides access to health care and support. The property also is walking distance from downtown Newberg and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to our residents across the county in desperate need of safe housing to tend to their medical and mental health needs. Without hesitation, our organization supports this project and intends to support CCO and CWC in their efforts when built and operational.

Thank you for your consideration to our community need.

Sincerely,

Scott Parker

Scott Parker
Executive Director
Chehalem Valley Chamber of Commerce

112 N Garfield St, Suite 103, Newberg OR 97132

P 503-538-2014

www.chehalemvalley.org



April 1, 2024

Oregon Housing and Community Services PSH Committee,

The Newberg community, and Yamhill County as a whole, has seen the impacts of growing social determinants of health needs over the recent years. Newberg residents with housing insecurity and homelessness has become more visible and the community has attempted its best efforts for sheltering. Community and faith-based organizations have shared the responsibility of supporting those in immediate need, but the lack of stable, consistent funding, combined with a need for access to permanent solutions, unifies us for a long-term solution for generations to come.

Community Wellness Collective has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability CWC provides. The organization has averaged 18-35 residents per night; with the primary population in need single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations with a presence in Newberg to provide the highest level of service, care, and coordination to long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years, with the proven housing outcomes, Catholic Charities of Oregon has demonstrated across Oregon. Colocation to Providence Health and Services medical services provides access to health care and support. The property also is walking distance from downtown Newberg and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to our residents across the county in desperate need of safe housing to tend to their medical and mental health needs. Without hesitation, our organization supports this project and intends to support CCO and CWC in their efforts when built and operational.

Thank you for your consideration to our community need.

Stephen W. Phillips
Superintendent
Newberg Dundee Public Schools

March 26, 2024

Oregon Housing and Community Services PSH Committee,

Newberg residents with housing insecurity and homelessness **has** become more visible and the community has attempted its best efforts for sheltering. Community and faith-based organizations have shared the responsibility of supporting those in immediate need, but the lack of stable, consistent funding for sheltering, combined with a need for access to permanent solutions with a supportive team, unifies us for a long-term solution to impact Yamhill County for generations to come.

Community Wellness Collective has provided the county's only seven-night a week shelter, located in Newberg, for the last three years. This has given our community a glimpse into the staggering need across Yamhill County, as many with housing insecurity sleep in Newberg due to the services and stability CWC provides. The organization has averaged 18-35 residents per night, with the primary population in need single men with a known medically chronic, mental health or substance use disorder. CWC has worked to build bridges with faith and community-based organizations with a presence in Newberg to provide the highest level of service, care, and coordination to long-term housing.

The HEART of Newberg project, located on 99W and Providence Drive, will build off the relationships and services established by CWC over the years, with the proven housing outcomes Catholic Charities of Oregon has demonstrated across Oregon. Colocation to Providence Health and Services medical services provides access to health care and support. The property also is walking distance from downtown Newberg and the Yamhill County Transit bus line has a stop directly in front of the property, ensuring access to transportation for employment, appointments, and other needs.

This project is the culmination of years of community effort and engagement to provide comprehensive supports to our residents across the county in desperate need of safe housing to tend to their medical and mental health needs. Without hesitation, our organization supports this project and intends to support CCO and CWC in their efforts when built and operational.

I am in full support of this next step project to help our community provide much needed support to the most vulnerable of us. My hope is that this project will provide a simple model for future efforts to help those in vulnerable positions in life.

Thank you for your consideration of our community's needs.

Sincerely,
Dennis Lewis





Dennis Lewis
Lewis Audio Video

 dennis@lewisav.com

 503-538-1190



 [503-537-4501](tel:503-537-4501)

 2112 Portland Rd.
Newberg, OR 97132

 lewisav.com



OR CCB# 177627 WA L&I# LEWISAV893k3

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Attachment 2.a

**CET Fund Application – SPARK Newberg
Staff Evaluation**

ATTACHMENT A

Construction Excise Tax (CET) Fund FY 2022-23 Competative Selection Criteria

Minimum Threshold Criteria	Potential Points
1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.	NA Project may meet criteria.
2. The project is ready for implementation with documentation to demonstrate financial feasibility.	NA Project does not meet this criteria.
3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.	NA Project does not meet this criteria.
4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.	NA Project may meet criteria.
5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.	NA Project partially meets this criteria.
Scored Application Criteria	
7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points Staff awards 10 points
8. The project provides deeply affordable housing for households earning less than 50% of the median family income.	Up to 10 points Staff awards 5 points. See notes.
9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.	Up to 5 points Staff awards 2 points. See notes.
10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.	Up to 10 points Staff awards 0 points. See notes.
11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.	Up to 5 points Staff awards 5 points
12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.	Up to 10 points Staff awards 7 points. See notes.
13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.	Up to 10 points Staff awards 5 points. See notes.
14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).	Up to 10 points Staff awards 5 points. See notes.
Total Potential Points	70 Staff awards 39 total points

SPARK Newberg 2025 Application - Staff Evaluation

Minimum Threshold Criteria

1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.

Staff response: The project may meet this criterion depending on the number of persons per household. Description of project states that applicants will be paying market rate rents, but does not state household size. Some market rate housing would not be affordable to households making 80% AMI or less. However, application materials state that dwelling units created will be affordable in perpetuity.

2. The project is ready for implementation with documentation to demonstrate financial feasibility.

Staff response: Description of project states that the project is not ready for implementation. Likewise, the Applicant has applied for other grants that are yet to be awarded, so there is uncertainty about cost coverages for what is being proposed.

3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.

Staff response: The project does not meet this criterion as no property has been identified or acquired. The Applicant is requesting that City Council convene to approve payment at a later date if property is found that is suitable for the project. This adds uncertainty to project feasibility.

4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.

Staff response: The project may meet this criteria. The application materials do not describe a contingency if participants are not able to purchase a home through the program parameters. E.g., if participants do not make enough money to save for a down payment on a home, or afford the monthly mortgage payments of market rate single-family dwellings, where do they go?

5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing

gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.

Staff response: The project partially meets this criteria. Application materials offers some insight into budget and limitations on other traditional low income housing funding sources, but lacks details on each project funding source and where the gap lies that the CET fund would bridge.

Scored Application Criteria

7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.

Staff response: 10 points. The project proposes new affordable housing units. It states housing will be affordable to households earning less than 80% AMI .

8. The project provides deeply affordable housing for households earning less than 50% of the median family income.

Staff response: 5 points. The Application materials did not specify a preference for low or very low income earners in their participant profile preferences (only that they meet an income limit of 80% AMI, minimum credit score, possess a stable employment record, be first-time home buyers, and pass a background check).

9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.

Staff response: 2 points. The Application materials did not specify a preference for low or very low income earners in their participant profile preferences (only that they meet an income limit of 80% AMI, minimum credit score, possess a stable employment record, be first-time home buyers, and pass a background check).

10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.

Staff response: 0 points. Application materials state that a property has not been chosen or purchased, no site selection criteria are provided, and proposal does not address sustainability measures for construction. No

concept drawings were provided, so assessment of this criteria is not possible and no points can be awarded.

11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.

Staff response: 5 points. Application materials describe a partnership structure with Love, Inc., for the purposes of participant financial education and support. The second page of the application mentions a partnership with Willamette Workforce Partners, but does specify their role in the rest of the application.

12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.

Staff response: 7 points. Application materials do not substantiate the utilization of existing resources. While the program is new, some services proposed are similar in program structure to the Newberg Area Habitat for Humanity. Such as their financial educational and support curriculum. (No points deducted for that similarity.)

13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.

Staff response: 5 points. Application materials describe a newly formed group of stakeholders and a pilot project aimed at creating affordable housing (or market rate) for residents of Newberg that earn 80% AMI or less, and that meet other qualifying criteria. There is no historical documentation provided from which to make an assessment of the group's demonstrated success with similar projects or that they will engage or contract with D/M/W/ESB/SDVBE businesses in the last 10+ years. However, the proposal provides letters of support from credible community partners. Therefore, in the interest of supporting new community-driven ventures, partial points are awarded.

14. The budget and timeline are thorough and realistic (evidence of construction and/or service costs required with application).

Staff response: 5 points. The budget represented within the application materials does not provide a detailed account of construction costs and some operating costs. Likewise, there is no detailed timeline for construction or move in dates for participants.

Attachment 2.b

**CET Fund Application – SPARK Newberg
Application Materials**



Newberg Construction Excise Tax (CET) Funding Request Application

NOTE: The second round of applications are due April 1, 2025 at 4:30 p.m.

Applications are to be submitted to Leanne Wagener, Assistant Planner by email at leanne.wagener@newbergoregon.gov or by postal mail via City of Newberg, PO Box 970, Newberg, Oregon, 97132 or by hand delivery to City Hall, 414 E First Street.

CONTACT INFORMATION:

Project Name:	SPARK Newberg		
Organization Name:	SPARK Newberg	<input type="checkbox"/> For-profit	<input checked="" type="checkbox"/> Non-profit
Contact Name/Title:	Todd Hall		
Mailing Address:	PO Box 1060, Newberg	State/Zip:	OR 97132
Phone:	503-998-1341	Email:	tandkhill@comcast.net

PROJECT INFORMATION:

Total project cost:	\$7.2M		
Requested amount of CET funding:	\$1M		
Has this project requested or will request funds from the Affordable Housing Trust Fund?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	Amount requested: _____
Amount and description of other matching funds being contributed to the project, if applicable: _____			
Has this organization received Newberg CET funds in the past?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	Amount received: _____

Project Partners and their Contributions to the Project:	Austin Industries - \$31,807.50 (in-kind)
	Love INC, SEDCOR, Missing Middle Housing Fund - not monetary at this time.

Estimated project beginning date:	09/2025	Completion date:	12/2027
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COMMUNITY DEVELOPMENT
PLANNING DIVISION
(503) 537-1240
planning@newbergoregon.gov

Please briefly describe the affordable housing problem this project is trying to solve and how it helps in solving that challenge:

The problem: A shortage of affordable housing. A worker living in our community must be gainfully employed and doing many things correctly in order to afford basic rent/lease payments while living in a median-value dwelling, if such a dwelling can be found locally. For those aspiring to take the next step and own a home, the barriers are significant when faced with inflated mortgage rates and historically high home values. SPARK Newberg seeks to address perhaps the most difficult barrier; accumulating enough money for a down payment. **Proposed solution:** SPARK Newberg will acquire property, construct 20 dwelling units in two phases (initially, 10 units followed by 10 additional units in phase two), and provide educational curriculum for program participants. Applicants will be screened to ensure they meet the CET stated income parameters (80% or less of AMI) and other standards. Successful applicants will commit to a 48-month program developed and overseen by SPARK Newberg that will include financial education, life skills, employment training, and community involvement. Local educational partners will include Love INC and Willamette Workforce Partners. Scheduled validation points and accountability will be required. Each participant will also commit to a monthly financial contribution equal to a market-competitive rent/lease payment. In exchange, the participant will be granted the use of a SPARK Newberg-owned dwelling. Upon the successful completion of the 48-month program, the participant will apply for a grant equal to half of their cumulative financial contributions. This grant may be used toward a down payment on a home. SPARK Newberg will use half of participant financial contributions plus funds raised independently to perpetuate the program. As a participant completes the program, applications for a new participant will be accepted.

Please attach additional information that describes how this project will address the Competitive Awards Selection Criteria described in “Attachment A” of this form, including additional documentation/evidence as needed.

☒ Information that addresses Competative Selection Criteria, attached (please select)

Briefly describe what is attached:

- Program Overview
- Response to Competitive Selection Criteria
- Budget
- Letters of Support from:
Nathan Wilfire, Missing Middle Housing fund, Abisha Stone, SEDCOR, Dr. Robin Baker, George Fox University, and Scott Parrish, A-dec.

ATTACHMENT A

Construction Excise Tax (CET) Fund FY 2024-2025 Competitive Selection Criteria

Minimum Threshold Criteria	Potential Points
1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.	NA
2. The project is ready for implementation with documentation to demonstrate financial feasibility.	NA
3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.	NA
4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.	NA
5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.	NA
Scored Application Criteria	
7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points
8. The project provides deeply affordable housing for households earning less than 50% of the median family income.	Up to 10 points
9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.	Up to 5 points
10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.	Up to 10 points
11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.	Up to 5 points
12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.	Up to 10 points
13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.	Up to 10 points
14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).	Up to 10 points
Total Potential Points	70

***FOR 2023, the Median Family Income for the City of Newberg was \$114, 400.**

DEFINITIONS:

“D/M/W/ESB/SDVBE” means a business that is Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, and/or Service Disabled Veterans Business Enterprises.

“Gross Income” (GI) is income before taxes for all members of one family in the previous twelve months. Income can be derived from salaries, investments, self-employment, farming, and other sources. Assets such as a house or a farm are not income. For people who have wages, gross income means the figure that they would have received in their paychecks if there were no taxes. Gross income before taxes when applied to farm income means the figure that results when farm expenses are subtracted from farm sales. Gross income also includes unemployment and disability compensation, worker's compensation and severance pay; and welfare assistance payments.

“Family” means all persons living in the same household who are related by birth, marriage or adoption.

“Median Family Income” (MFI) includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. Because many households consist of only one person, average household income is usually less than average family income. Although the household income statistics cover the past 12 months, the characteristics of individuals and the composition of households refer to the time of application. Thus, the income of the household does not include amounts received by individuals who were members of the household during all or part of the past 12 months if these individuals no longer resided in the household at the time of application. Similarly, income amounts reported by individuals who did not reside in the household during the past 12 months but who were members of the household at the time of application are included. However, the composition of most households was the same during the past 12 months as at the time of application, as defined by the U.S. Census.



Construction Excise Tax (CET) Fund Selection Criteria Response

1. **The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.**

SPARK Newberg has designed a solution targeting the shortage of affordable housing in our community. SPARK Newberg will offer housing, an educational program, and accountability that enables participants to prepare for a home purchase. Applicants will be screened to ensure compliance with the Affordable Housing Commission's directive to benefit households earning less than 80% of AMI. SPARK Newberg's funding model is designed for funding viability in perpetuity.

2. **The project is ready for implementation with documentation to demonstrate financial feasibility.**

SPARK Newberg is currently evaluating available land for acquisition. A successful CET award will be used to purchase land to begin phase one (construction of 10 dwelling units). Any surplus after land acquisition will be used for design and site development. Additional funding sources will include grants and donor contributions. We have applied for a federal grant through the 2026 Community Initiated Project (CIP) Appropriations.

3. **If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.**

Available properties within the city of Newberg are currently being evaluated targeting a project commencement in September 2025. We have applied for a grant through the 2026 Community Initiated Project (CIP) Appropriations. Therefore, the chosen property will need to undergo the necessary environmental review before securing it. Upon commitment, we will proceed with the required environmental review and submit the findings to the City Council for payment approval.

4. **That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.**

SPARK Newberg will construct new dwelling units. No resident relocation is necessary.

5. **The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.**

SPARK Newberg's proposal clearly demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Due to the unavailability of commercial loans for this type of project, initial funding is essential. SPARK Newberg requires seed money to acquire land to advance this new concept. CET Funds will be instrumental in bridging the financial gap and ensuring the project's feasibility. The attached budget and detailed financial analysis underscore the necessity of CET Funds in achieving the project's objectives and supporting the long-term benefits to the community.

6. **Not included in the application.**

7. **The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.**

SPARK Newberg proposal meets the Construction Excise Tax (CET) funding criteria by providing new, affordable housing within the Newberg community to benefit households earning less than 80% of AMI.

8. **The project provides deeply affordable housing for households earning less than 50% of the median family income.**

SPARK Newberg is designed to support families earning less than 80% of AMI, ensuring affordability and long-term housing stability for this demographic.

9. **The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless. See Criteria #8.**

10. **Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.**

New dwellings will be constructed within the city limits of Newberg, with careful consideration given to their proximity to local services.

11. **The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.**

SPARK Newberg will partner with Love INC for multiple facets of the program including applicant screening, mentorships, and education. The grant available to participants who

successfully complete the 48-month program is designed to assist with a down payment on a dwelling. SPARK Newberg will seek community involvement from volunteers and cash/in-kind contributions.

12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.

This project stands out as a unique initiative within our community, with no other programs or efforts replicating its approach or objectives. It offers a distinct set of benefits and opportunities that are not available through any other local projects.

13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.

SPARK Newberg is a newly formed organization created by local citizens who recognize the shortage of affordable housing. These individuals bring diverse skills and experiences and are highly motivated to address this challenge.

14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).

See attached budget.



SPARK PROGRAM OVERVIEW

1. Program Overview

Mission Statement:

SPARK Newberg is dedicated to empowering individuals and families to overcome housing instability and economic barriers on their journey toward homeownership. By fostering a supportive community and offering practical resources, SPARK aims to create a resilient foundation for participants, equipping them with the knowledge and skills needed to achieve financial stability and self-sufficiency.

Through structured programming and individualized guidance, SPARK focuses on:

- **Supporting People:** Providing stable housing opportunities and a supportive environment to enable participants to grow and thrive, especially those facing significant economic challenges.
- **Achieving Resilience:** Empowering individuals to develop resilience in the face of adversity, encouraging long-term personal growth and financial responsibility.
- **Knowledge:** Equipping participants with essential financial and personal development education, covering budgeting, debt management, and career advancement, ultimately enabling them to become successful homeowners.

SPARK is committed to creating a pathway to sustainable homeownership, where participants gain the tools necessary for a secure, independent future. The program not only addresses immediate housing needs but also builds a strong foundation for lifelong resilience and economic well-being.

Objective:

SPARK Newberg is committed to creating a clear, structured path toward homeownership for individuals and families facing economic challenges. Through a comprehensive program, SPARK empowers participants to build financial stability, develop career skills, and engage meaningfully with their community. By focusing on these core areas, SPARK aims to equip participants with the tools and knowledge needed to overcome barriers to homeownership.

Participants progress through carefully designed phases that include financial literacy training, career development resources, and opportunities for community involvement. These program elements not only provide immediate support but also foster long-term resilience and self-sufficiency. SPARK's objective is to help participants achieve sustainable homeownership, contributing to their personal growth and enhancing community well-being.

This structured journey is supported by a network of community partners and guided by SPARK's dedicated team, ensuring that each participant has access to resources and guidance every step of the way.

2. Program Structure and Phases

SPARK Program Structure and Love INC Newberg's Model

Love INC Newberg's proven model is uniquely equipped to play a pivotal role in the success of the SPARK Program. This includes implementing oversight and program compliance, a program for financial literacy, career development, and personal growth classes. This program is foundational to participants' success and provides the structured support and guidance necessary to achieve long-term program outcomes.

SPARK Program Structure and Phases – Participant

The SPARK Program is designed as a 4-year (48-month) pathway to support participants in achieving sustainable homeownership. The program focuses on financial stability, career development, and personal growth, with a multi-phase approach that allows for scaling and flexibility based on funding and participant needs. Initially, the program will serve 20 families, with the potential to start with fewer units and expand as resources allow.

Phase 1: Foundations (Months 1-12)

Phase 1 of the SPARK program focuses on establishing a strong foundation for participants through financial training, career planning, and community integration. This phase includes structured support, regular check-ins, and opportunities for participants to connect with each other and the broader community.

- **Financial Foundations:** Participants engage in introductory classes covering essential financial skills such as budgeting, expense tracking, and savings strategies. The goal is to help participants develop a stable financial foundation to manage their finances effectively and work towards long-term goals.
- **Career Exploration and Planning:** Participants are paired with mentors to assess their career aspirations, explore job opportunities, and create a clear career path. These sessions encourage participants to set achievable career goals and identify skills needed to advance.
- **Community Integration and Weekly Community Meetings:** Each week, participants attend community meetings led by the On-Site Program Manager. These gatherings are designed to foster a sense of belonging and mutual support. Topics include how to be a caring neighbor, ways to contribute positively to the community, and skills for building a supportive social network. Meetings may also include shared meals, where participants and their families can connect, and activities such as helping each other with personal or household needs to build bonds and reinforce community values weekly.
- **Check-Ins and On-Site Inspections:** The On-Site Program Manager conducts weekly check-ins with each participant to monitor progress, provide guidance, and address any challenges they may be facing. These sessions ensure that participants are actively working toward their financial and career goals. In addition, the Program Manager performs regular on-site inspections to ensure that participants' living environments are safe, supportive, and well-maintained.
- **Quarterly Progress Assessments:** In addition to weekly check-ins, formal progress assessments are conducted quarterly. These reviews help participants and program staff assess achievements, set new goals, and adjust support as needed to keep participants on track.

Phase 2: Growth and Development (Months 13-24)

- **Advanced Financial Management:** Building on foundational knowledge, participants learn about debt management, credit repair, and emergency planning. The goal is to improve financial resilience and creditworthiness.
- **Skill Development and Training:** Classes focus on skill-building, certifications, or further education tailored to each participant's career path. Resume workshops and interview practice sessions are included.
- **Personal Development Workshops:** Topics such as goal setting, time management, and stress management to help participants balance work, personal life, and financial responsibilities.
- **Job Shadowing and Internships:** Partner with local businesses to provide hands-on experience in career fields of interest. This can give participants insight into their career path, build professional networks, and improve their employability.
- **Digital Literacy Training:** Given the increasing reliance on technology, digital skills training (e.g., basic computer skills, online job application processes, and internet safety) would help participants navigate modern workplaces and improve their job prospects.
- **Health and Wellness Education:** Include workshops on physical and mental wellness, emphasizing nutrition, exercise, and stress management techniques. Good health is essential for maintaining productivity and achieving long-term goals.
- **Community Engagement Projects:** Encourage participants to take part in small community service projects. This can build a sense of purpose and connection to the community, reinforcing the value of giving back and helping to foster pride in their neighborhood.
- **Biannual Review:** Midway assessment with SPARK staff to set new goals and adjust plans as needed.

Phase 3: Stabilization and Advancement (Months 25-36)

Phase 3 emphasizes long-term stability and prepares participants for the responsibilities of homeownership and community engagement by focusing on financial resilience, career solidification, and active contribution to their community.

Investment and Retirement Planning:

- **Advanced Financial Planning:** Participants engage in workshops covering investment options, retirement savings plans (like IRAs and 401ks), and strategies for long-term wealth building.
- **Savings Habits:** Emphasis on automating savings for retirement and emergency funds, helping participants establish consistent, disciplined financial practices.

Career Pathway Implementation:

- **Professional Development and Growth:** Participants receive support to grow in their current roles or transition to higher-level positions within their fields. This includes leadership training and certifications that can increase their career prospects.
- **Networking Opportunities:** Regular meet-ups with local professionals, networking events, and access to job shadowing or mentorship with industry leaders help participants expand their professional connections and increase their job security.
- **Ongoing Mentorship:** Mentorship continues to be a focus, with mentors providing guidance on career advancement and handling workplace challenges, ensuring participants are on a stable trajectory.

Community Engagement and Volunteerism:

- **Structured Volunteer Projects:** Participants engage in organized community projects, such as neighborhood clean-ups, local events, or helping at community centers. These activities foster a sense of ownership and pride in their community.
- **Leadership in Community Initiatives:** Those who have demonstrated strong engagement are encouraged to take on leadership roles within community activities, helping to organize and motivate others. This builds leadership skills while reinforcing community ties.
- **Neighborhood Support Groups:** Establish groups focused on mutual aid and support, where participants can continue to build relationships with neighbors and contribute to community resilience.

Annual Review and Goal Re-Evaluation:

- **Comprehensive Evaluation:** A detailed review of participants' financial stability, career growth, and personal development progress. This review will help participants identify areas of improvement and set new objectives for the final program phase.
- **Homeownership Readiness Assessment:** Financial and practical preparations for transitioning to homeownership are assessed. Any remaining barriers to homeownership are identified, with additional support provided to address them.
- **Updated Individual Development Plans:** Based on the review, participants work with SPARK staff to create updated plans that reflect their progress and adjust goals for the final phase.

Phase 4: Transition to Homeownership (Months 37-48)

- **Homeownership Preparation:** Classes on mortgage readiness, understanding homeownership costs, and the purchasing process. Participants finalize their down payment savings and secure any necessary housing assistance.
- **Sustained Employment:** Participants should have established careers or stable jobs that ensure financial security for maintaining homeownership.
- **Education on Hidden Costs of Homeownership:** Offer workshops that cover the hidden expenses associated with owning a home, such as property taxes, homeowners association (HOA) fees, maintenance, and insurance costs. Understanding these additional financial responsibilities helps participants budget effectively and avoid surprises.
- **Legal Aspects of Homeownership:** Provide sessions on legal considerations, including property rights, homeowners' insurance, and understanding property deeds and titles. Familiarity with these legal aspects will empower participants to make informed decisions.
- **Home Maintenance Skills Training:** To prepare participants for the responsibilities of homeownership, the SPARK program includes practical home maintenance skills training. Participants will shadow the property management team or the on-site manager to learn hands-on skills in maintaining a property.
- **Financial Planning for Long-Term Homeownership:** Encourage long-term financial planning that goes beyond the mortgage, including emergency savings for major repairs and future property improvements. This could also include discussions on refinancing options for future financial flexibility.
- **Graduation and Transition Support:** Upon successful completion of the program, participants receive final guidance on transitioning from program housing to independent homeownership.
- **Post-Program Follow-Up:** Optional follow-up support for graduates to assist with any unforeseen challenges in the early stages of homeownership.

Multi-Phase Scalability

- **Flexible Entry Points:** Based on funding and capacity, the program may offer 2-year, 3-year, and 4-year paths, depending on the participant's initial level of financial and personal readiness.
- **Scalable Enrollment:** Begin with fewer units if necessary and increase capacity as funding and support structures grow.
- **Adaptable Curriculum:** Program components can be modified or expanded based on the participants' progress and the availability of additional resources.

This phased structure ensures that participants receive targeted, progressive support tailored to each stage of their journey, fostering long-term stability and community integration as they work toward the goal of homeownership.

3. Participant Eligibility and Intake Process

The SPARK program is committed to providing affordable housing and supporting participants on their path to homeownership. To achieve this goal, we have established specific eligibility criteria to ensure the program reaches those who can benefit most while maintaining program sustainability.

Eligibility Criteria

Income Cap: Participants must have an income at or below 80% of the Area Median Income (AMI) for Yamhill County, based on household size. This income limit ensures the program focuses on families and individuals who may not otherwise have access to affordable housing.

2024 Income Limits by Household Size:

- 1 person: \$66,100
- 2 persons: \$75,550
- 3 persons: \$85,000
- 4 persons: \$94,400
- 5 persons: \$102,000
- 6 persons: \$109,550
- 7 persons: \$117,100
- 8 persons: \$124,650

First-Time Homebuyer Preference: Preference is given to first-time homebuyers (including those who have not owned a home in the past three years). However, previous homeowners are eligible if they meet all other criteria.

Residency Requirements: Applicants must reside within the Newberg Dundee School District to foster local investment and strengthen community ties.

Credit Score and Financial Stability: Participants may be required to meet a minimum credit score and demonstrate financial stability. This requirement helps to ensure that participants are financially prepared for the responsibilities of homeownership.

Employment History: Applicants should show a stable employment record, reflecting their readiness to commit to a long-term investment in homeownership.

Potential Pitfalls and Mitigating Strategies

To prevent challenges common in affordable housing and homeownership programs, we have built safeguards into our eligibility criteria and intake process:

- **High Attrition Rates Due to Financial Instability:**
Mitigation: Applicants must demonstrate financial readiness by meeting credit score requirements and showcasing consistent income history. The program also includes financial education and counseling to strengthen participants' financial management skills.
- **Unrealistic Expectations of Homeownership Costs:**
Mitigation: All participants are required to complete a homeownership preparation course that covers the true costs of homeownership, including maintenance, property taxes, and insurance. This ensures they have a realistic understanding of the financial commitment.
- **Program Dependence and Lack of Transition Readiness:**
Mitigation: The program focuses on fostering independence by emphasizing sustained employment and encouraging savings for homeownership. Additionally, post-program follow-up support is optional to address unexpected challenges without fostering dependence.
- **Potential Credit and Background Check Disqualifications:**
Mitigation: To avoid excluding candidates with minor financial or credit issues, the program offers credit counseling resources. Participants with potential disqualifiers may be given opportunities to improve their financial profile as part of a pre-enrollment phase.
- **Lack of Long-Term Stability:**
Mitigation: The program's focus on stable employment and financial planning aims to build a solid foundation for long-term homeownership success. Eligibility criteria also include employment history to ensure that participants are likely to maintain stability post-program.

By addressing these potential pitfalls, the SPARK program works to ensure that participants are not only eligible but also prepared to transition to stable homeownership successfully, supporting both individual success and program sustainability.

Eligibility Criteria Addendum

To maintain a safe and supportive environment for all program participants, the following eligibility restrictions apply:

Background Check and Safety Requirement: Individuals with a history of sex offenses, as defined by state and federal laws, are disqualified from eligibility for the SPARK Program. This policy ensures the safety and well-being of participating families, particularly those with children, and aligns with community safety standards right to Refuse Admission^{**}: *The SPARK Program reserves the right to decline admission to any applicant if, upon review, it is determined that their participation may compromise the program's integrity, safety, or community standards.* This discretionary right allows the program to uphold a safe and positive environment for all participants, ensuring alignment with its mission and values.

These provisions are designed to prioritize the safety and security of all families in the program, while maintaining the legal right to make case-by-case admission decisions in the best interest of the community.

- **SPARK Program Intake Process:**

- 1. **Initial Online Inquiry**

Prospective participants begin by completing an online inquiry form, where they provide basic information about their interest in the program, household composition, and preliminary eligibility factors, such as income and housing needs.

The online form includes fields for applicants to briefly describe their current housing situation, any goals they have related to homeownership, and their readiness for a structured program like SPARK.

2. In-Person Intake Meeting

Qualified applicants are invited for an in-person meeting to discuss their goals and review the program structure. This meeting serves as an initial assessment of the applicant's commitment to the program and their suitability.

During this session, participants complete an intake questionnaire that includes personal goals, financial aspirations, and long-term housing ambitions. Applicants are also encouraged to articulate their vision for future self-sufficiency and community involvement.

3. Reference and Background Checks

As part of maintaining a safe and secure environment for families in the program, background checks are conducted on all adult applicants. This process screens for criminal history, focusing particularly on disqualifying offenses (e.g., any history of sex offenses).

Applicants are also required to submit references, which may include previous landlords or individuals who can vouch for their character and reliability in a community living setting.

4. Board Interview

Selected applicants undergo an interview with members of the program's board or selection committee. This interview evaluates the applicant's alignment with SPARK's values and commitment to personal growth.

The board interview further explores the applicant's goals, motivation, and plans for long-term financial and housing stability. The board may also assess whether applicants have a viable "exit strategy" for their journey towards homeownership.

To finalize acceptance into the program, applicants must complete a qualification course focused on financial literacy, goal setting, and basic home maintenance skills. This course ensures that all participants have a foundational understanding of the responsibilities involved in homeownership.

The course includes self-assessments and requires participants to identify specific dreams or goals they will work on during their time in the SPARK program.

This intake process aims to thoroughly assess each applicant's readiness and ensure alignment with SPARK's mission of guiding individuals toward sustainable homeownership. The process combines careful vetting with educational requirements to set up participants for success from the start.

4. Participant Commitments and Program Requirements

This section outlines the core commitments and requirements that participants must adhere to throughout their time in the SPARK program. These components are designed to ensure that participants gain financial stability, engage meaningfully with their community, and receive ongoing support and accountability as they progress toward their goals.

1. Financial Training

- **Objective:** Equip participants with the knowledge and skills necessary for long-term financial independence and responsible homeownership.
- **Curriculum Components:**
 - **Budgeting:** Monthly budgeting practices, creating spending plans, and managing cash flow.
 - **Debt Management:** Strategies for reducing debt, understanding interest rates, and prioritizing debt repayment.

- **Credit Repair:** Guidance on improving credit scores, resolving outstanding issues, and responsible credit usage.
- **Tax Planning:** Basics of filing taxes, deductions, and tax-saving strategies for homeowners.
- **Retirement Planning:** Introduction to retirement savings options, such as IRAs and 401(k)s, and long-term financial planning.
- **Required Forms and Materials:**
 - **Financial Goals Worksheet:** Participants outline their short-term and long-term financial goals.
 - **Monthly Budget Tracker:** A worksheet or digital form to track monthly expenses and income.
 - **Debt Reduction Plan:** A personalized form that helps participants document their debts and create a realistic repayment schedule.
 - **Credit Improvement Action Plan:** A checklist or action plan that includes steps to improve credit scores over time.

2. Community Involvement and Volunteerism

- **Objective:** Build a sense of community and foster responsibility by encouraging participants to give back to their neighborhood and community.
- **Expectations:**
 - **Volunteer Hours:** Participants commit to a minimum number of volunteer hours per month, ideally in community programs, local nonprofits, or events that support neighborhood development.
 - **Community Engagement:** Attend at least one community meeting or event per month to stay connected and engaged with local developments.
 - **Reflections:** Participants are encouraged to reflect on their volunteer experiences and how it contributes to their personal growth and community impact.
- **Required Forms and Materials:**
 - **Volunteer Log:** A record for participants to log their volunteer hours, location, and type of service.
 - **Community Engagement Report:** A brief form or digital survey where participants describe their community involvement activities and reflect on their experiences.
 - **Community Service Agreement:** A document detailing the expectations for volunteerism and how it integrates into the SPARK program's goals.

3. Ongoing Assessment

1. **Objective:** Monitor progress toward financial and personal development goals, providing support and adjustments as needed.
2. **Structure:**
 - **Regular Check-Ins:** Monthly or bi-monthly meetings with a SPARK Program Manager or Resident Manager to review financial progress, set new goals, and address challenges.
 - **Financial Reviews:** Semi-annual financial reviews to assess improvements in budgeting, credit, debt management, and overall financial stability.
 - **Goal Re-evaluation:** Participants revisit and, if necessary, adjust their financial and homeownership goals annually.
3. **Required Forms and Materials:**
 - **Progress Check-In Form:** A form used during each check-in to document discussions, challenges, and next steps.
 - **Financial Review Summary:** A document summarizing each participant's financial progress and highlighting areas that need additional focus.
 - **Goal Adjustment Worksheet:** A form for participants to re-evaluate their goals, track completed milestones, and set new objectives.

4. Additional Details and Forms Needed: To effectively implement these programs and assessments, the following additional materials and documents are recommended:

- **Participant Commitment Agreement:** A formal agreement outlining the participant's commitments to financial training, community involvement, and assessments. This should be signed at the beginning of the program.
- **Community Partnership List:** A directory of recommended community organizations and volunteer opportunities for participants to engage with, making it easier for them to fulfill the community involvement requirement.
- **Advisor Guide for Check-Ins and Reviews:** A reference guide for SPARK advisors detailing best practices for conducting assessments, tracking progress, and providing constructive feedback to participants.

5. Graduation Requirements

- **Savings for Down Payment:** Upon the successful completion of the 48-month program, the participant may apply for a grant equal to half of their aggregate monthly contributions to the program. These funds will be used toward a down payment.
- **Stable Income and Employment:** Demonstrate financial readiness to sustain homeownership independently.
- **Program Completion:** Final assessments and possible transitional support after completion.

6. Contact Information and Program Leadership

- **Executive Leadership:** List of key leaders and contacts for the program including the Executive Director and the Board of Directors.
 - **Bill Rosacker, Chair**
 - **Doug Cain, Secretary**
 - **Brian Naffin, Treasurer**
 - **Thomas Bellomo,**
 - **Todd Hall**
 - **Dennis Lewis**
 - **Mike Taylor**
 - **Peggy Taylor**

	2025	2026	2027	2028	2029	2030	2031	2032	2033
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SPARK Newberg

Program Fee	-	413,318	425,718	438,489	451,644	465,194	479,149	493,524	508,329
Incoming Grants	7,200,000	-	-	-	-	-	-	-	-
Fund Raising									

Revenue	7,200,000	413,318	425,718	438,489	451,644	465,194	479,149	493,524	508,329
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Labor	69,000	71,070	73,202	75,398	77,660	79,990	82,390	84,861	87,407
Payroll Taxes	10.0% 6,900	7,107	7,320	7,540	7,766	7,999	8,239	8,486	8,741
Benefits	0.0%	-	-	-	-	-	-	-	-
Property Management	8.0%	-	33,065	34,057	35,079	36,132	37,215	38,332	39,482
Office Supplies		-	-	-	-	-	-	-	-
Utilities		-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-
Property Taxes									
Financial Peace University	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Other Curriculum Costs	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Insurance	22,500	23,175	23,870	24,586	25,324	26,084	26,866	27,672	28,502
Legal	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900
Accounting	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668
Building Maintenance		47,689	49,120	50,593	52,111	53,674	55,285	56,943	58,651
Marketing/Website Development		-	-	-	-	-	-	-	-
Contingency	10.0% 11,790	20,195	20,801	21,425	22,068	22,730	23,412	24,114	24,837
Graduation Grant		165,327	170,287	175,396	180,658	186,077	191,660	197,410	203,332

Expense	129,690	387,474	398,858	410,584	422,661	435,101	447,914	461,112	474,705
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Earnings Before Interest, Taxes, and D&A (EBITDA)	7,070,310	25,844	26,860	27,906	28,983	30,092	31,235	32,412	33,624
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Depreciation	236,364	236,364	236,364	236,364	236,364	236,364	236,364	236,364	236,364
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Interest Expense

Net Income	6,833,946	(210,519)	(209,504)	(208,458)	(207,381)	(206,271)	(205,129)	(203,952)	(202,739)
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Missing Middle Housing Fund
PIE Shop at Autodesk
221 SE Ankeny St, Portland, OR 97214
Nathan.wildfire@missingmiddlehousing.fund

February 21, 2025

Re: SPARK Application to Community Initiated Project (CIP) Appropriations

To whom it may concern:

The Missing Middle Housing Fund (MMHF) is a statewide 501c3 working in Oregon to catalyze middle income housing development. For the past two and a half years, we have worked in Newberg, OR with a diverse group of stakeholders to identify the housing needs of Newberg's citizens, the barriers to housing production at different price points, and solutions to accelerate more housing. Over the course of this work, we have met with and advised the stakeholders of the SPARK project. SPARK is complementary to the work we are leading. While we target housing for middle income earners (80% - 120% of AMI), SPARK targets those earning less than 80% of AMI. This housing is critical to drive economic stability for the people it serves, AND the greater Newberg economy, which is rural in character.

In addition, the project provides for participants to learn great financial literacy, developing skills that will help them one day own a home.

The MMHF fully supports this application for funding and looks forward to this project launching in Newberg, OR, a community we care deeply about.

Sincerely,

Nathan Wildfire
CEO
Missing Middle Housing Fund

February 21, 2025

Senate Appropriations Committee
Room S-128, The Capitol
Washington, DC 20510

RE: CIP Funding Support for SPARK Newberg

Dear Grant Committee Chair,

On behalf of the Strategic Economic Development Corporation of the Mid-Willamette Valley, Oregon (SEDCOR), I am writing in support of CIP funding for the SPARK Newberg project.


SEDCOR is the regional economic development organization (RDO) serving Marion, Polk, and Yamhill counties. Our focus is on business retention and expansion (BRE) and recruitment of traded sector industries. Through employer surveys of our most vital industries, we have repeatedly identified Oregon's housing shortage as the number one concern for employers in regard to their ability to recruit and retain talent.

Our region's Comprehensive Economic Development Strategy for 2023 – 2028 (developed by our Economic Development District - the Mid-Willamette Valley Council of Governments) prioritizes diversified housing solutions as necessary objectives to meeting each of our four goals: Regional Collaboration, Community Infrastructure, Workforce Development and Business Support.

The SPARK Newberg project is a unique housing project concept that bridges the gap between affording housing solutions and home ownership by providing immediate security for local families, coupled with programmatic support – ultimately enabling these families to develop long-term financial strategies through a multi-point support model. This project has drawn the support of local businesses, philanthropists and city leaders. If successfully funded and executed, we expect this project will be used as a model for other communities throughout the state.

We hope you will join us in supporting this unique and innovative project.

Sincerely,



Abisha Stone
SEDCOR - Yamhill County Economic Development Manager

President
Erik Andersson

**2024-2025
Executive Council**

Chair
Ryan Allbritton
Willamette Valley Bank

Vice-Chair
Tony Schacher
Salem Electric

Secretary/Treasurer
Tim Murphy
DCI

Past Chair
Kate Schwarzler
Indy Commons

Members at Large

Michael Fowler
Cabinet Door Service

Mike Keane
Garrett Hemann Robertson

Scott Snyder
The Grand Hotel in Salem

Keith Stahley
City of Salem

Colm Wills
Marion County
Commissioner

March 5, 2025

To Whom It May Concern,

I am writing to express my support for SPARK Newberg and its mission to provide “A Path to Home Ownership.” As president of George Fox University, I have become increasingly concerned about the lack of affordable housing in our community. I believe SPARK Newberg will make a significant impact by helping individuals and families in our community achieve the dream of homeownership.

As you know, homeownership is crucial for financial stability and personal well-being. Employees who are embedded in Newberg and a part of our community help sustain the mission of the University as well. We believe that SPARK Newberg’s efforts to educate and support prospective homeowners are invaluable. I fully endorse SPARK Newberg and encourage others to support their mission.

Together, we can help more people achieve homeownership and build a stronger community.

Sincerely,



Robin Baker
President, George Fox University

AUSTIN INDUSTRIES

February 19, 2025

To Whom It May Concern,

I am writing to express my support for SPARK Newberg and its mission to provide "A Path to Home Ownership." I believe SPARK Newberg will make a significant impact by helping individuals and families in our community achieve the dream of homeownership.

Homeownership is crucial for financial stability and personal well-being. SPARK Newberg's efforts to educate and support prospective homeowners are invaluable. I wholeheartedly endorse SPARK Newberg and encourage others to support their mission.

Together, we can help more people achieve homeownership and build a stronger community.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Parrish". The signature is fluid and cursive, with a large initial "S" and "P".

Scott Parrish

Chairman of the Board of A-dec, Inc.

Attachment 3.a

**CET Fund Application – Newberg Area Habitat for Humanity
Staff Evaluation**

ATTACHMENT A

Construction Excise Tax (CET) Fund FY 2022-23 Competative Selection Criteria

Minimum Threshold Criteria	Potential Points
1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.	NA Project meets criteria
2. The project is ready for implementation with documentation to demonstrate financial feasibility.	NA Project meets criteria
3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.	NA Project meets criteria
4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.	NA Project meets criteria
5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.	NA Project meets criteria
Scored Application Criteria	
7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points Staff awards 10 points
8. The project provides deeply affordable housing for households earning less than 50% of the median family income.	Up to 10 points Staff awards 10 points
9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.	Up to 5 points Staff awards 3 points
10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.	Up to 10 points Staff awards 10 points
11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.	Up to 5 points Staff awards 5 points
12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.	Up to 10 points Staff awards 10 points
13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.	Up to 10 points Staff awards 10 points
14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).	Up to 10 points Staff awards 10 points
Total Potential Points	70

Applicant documentation sufficient for maximum assessment points for all criteria except criteria 9.

Staff awards 68 total points

Attachment 3.b

**CET Fund Application – Newberg Habitat for Humanity
Application Materials**



Newberg Construction Excise Tax (CET) Funding Request Application

NOTE: The second round of applications are due April 1, 2025 at 4:30 p.m.

Applications are to be submitted to Leanne Wagener, Assistant Planner by email at leanne.wagener@newbergoregon.gov or by postal mail via City of Newberg, PO Box 970, Newberg, Oregon, 97132 or by hand delivery to City Hall, 414 E First Street.

CONTACT INFORMATION:

Project Name: 1201 E 5th Street Attached Duplex	
Organization Name: Newberg Area Habitat for Humanity	<input type="checkbox"/> For-profit <input checked="" type="checkbox"/> Non-profit
Contact Name/Title: Shannon Selah / Executive Director	
Mailing Address: PO Box 118 Newberg	State/Zip: Oregon 97132
Phone: 503-537-9938	Email: shannon@newberghabitat.org

PROJECT INFORMATION:

Total project cost:	\$1,060,515
Requested amount of CET funding:	\$380,615
Has this project requested or will request funds from the Affordable Housing Trust Fund?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Amount requested: _____
Amount and description of other matching funds being contributed to the project, if applicable: _____	
Has this organization received Newberg CET funds in the past?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Amount received: _____

Project Partners and their Contributions to the Project:	The following companies provided donated materials or labor: Hampton Plumbing; Ken Bowers/Bowers Concrete; DeMoss and GutterMan; Parr Lumber; Sherwin Williams; JB Insulation; Schneider Electric.
NAHFH also partners with the Housing Authority of Yamhill County to provide HUD-Certified financial counseling and first-time homebuyer education.	

Estimated project beginning date: April 2025	Completion date: August 2026
--	------------------------------

COMMUNITY DEVELOPMENT
PLANNING DIVISION
(503) 537-1240
planning@newbergoregon.gov

Please see next page

Please briefly describe the affordable housing problem this project is trying to solve and how it helps in solving that challenge:

This project addresses the lack of affordable homes for sale in Newberg, Oregon. To solve the issue, this project will create two new single-family homes to be sold at affordable prices to first-time homebuyers. Another affordable housing problem is an inadequate stock of permanently affordable homeownership. The homes built by this project will be sold using a shared equity model to ensure the homes remain in the affordable housing market in perpetuity. To create lasting homeownership for the first-time homebuyers partnered with Newberg Area Habitat for Humanity (NAHFH), homebuyers participate in financial and homeowner education courses prior to the sale of their homes. Additionally, NAHFH helps to serve those who are most underrepresented in homeownership. Currently, Fourteen of the nineteen households currently holding Habitat mortgages in Newberg are led by Black, Indigenous, Latinx, and people of color.

Please attach additional information that describes how this project will address the Competitive Awards Selection Criteria described in “Attachment A” of this form, including additional documentation/evidence as needed.

☒ Information that addresses Competative Selection Criteria, attached (please select)

Briefly describe what is attached:

Attached documents include a narrative to address Competitive Selection Criteria (NAHFH Attachment A), project budget (1201 E 5th Budget), evidence of site control (NAHFH Evidence of Site Control), NAHFH's ground lease template, and NAHFH financial statements (NAHFH 990; NAHFH Audits).

ATTACHMENT A

Construction Excise Tax (CET) Fund FY 2024-2025 Competitive Selection Criteria

Minimum Threshold Criteria	Potential Points
1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.	NA
2. The project is ready for implementation with documentation to demonstrate financial feasibility.	NA
3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.	NA
4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.	NA
5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.	NA
Scored Application Criteria	
7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.	Up to 10 points
8. The project provides deeply affordable housing for households earning less than 50% of the median family income.	Up to 10 points
9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.	Up to 5 points
10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.	Up to 10 points
11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.	Up to 5 points
12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.	Up to 10 points
13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.	Up to 10 points
14. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).	Up to 10 points
Total Potential Points	70

***FOR 2023, the Median Family Income for the City of Newberg was \$114, 400.**

DEFINITIONS:

“D/M/W/ESB/SDVBE” means a business that is Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, and/or Service Disabled Veterans Business Enterprises.

“Gross Income” (GI) is income before taxes for all members of one family in the previous twelve months. Income can be derived from salaries, investments, self-employment, farming, and other sources. Assets such as a house or a farm are not income. For people who have wages, gross income means the figure that they would have received in their paychecks if there were no taxes. Gross income before taxes when applied to farm income means the figure that results when farm expenses are subtracted from farm sales. Gross income also includes unemployment and disability compensation, worker's compensation and severance pay; and welfare assistance payments.

“Family” means all persons living in the same household who are related by birth, marriage or adoption.

“Median Family Income” (MFI) includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. Because many households consist of only one person, average household income is usually less than average family income. Although the household income statistics cover the past 12 months, the characteristics of individuals and the composition of households refer to the time of application. Thus, the income of the household does not include amounts received by individuals who were members of the household during all or part of the past 12 months if these individuals no longer resided in the household at the time of application. Similarly, income amounts reported by individuals who did not reside in the household during the past 12 months but who were members of the household at the time of application are included. However, the composition of most households was the same during the past 12 months as at the time of application, as defined by the U.S. Census.

Attachment A – Additional Evidence

1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the median family income for a period of at least 60 years following the date of construction (threshold verification)*.

Newberg Area Habitat for Humanity (NAHFH) partners with households that earn between 25 and 60 percent of their area median income (AMI). Currently, all three homebuyers partnered with NAHFH for homeownership earn below 50 percent AMI. All NAHFH homes are built using shared equity model of homeownership to ensure permanent affordability. Our land lease ensures an affordability period of 99 years. See the attached document titled “NAHFH Ground Lease Template.”

2. The project is ready for implementation with documentation to demonstrate financial feasibility.

This project is currently in plan review with the City of Newberg. Once approval is received in April 2025, we will immediately begin the process of procuring bids for site work.

See document titled, “NAHFH Audits” for NAHFH’s two most recent audits. Please also see document titled, “NAHFH 990” for evidence of NAHFH’s strong financial feasibility.

3. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding, review procurement requirements and limitations before obtaining a purchase option.

NAHFH owns the property – see “NAHFH Evidence of Site Control” document for evidence. NAHFH is not utilizing federal funding to support this project.

4. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.

The property is currently vacant – no relocation was necessary.

5. The proposal demonstrates that the Construction Excise Tax (CET) Funds are the most appropriate funding source for the project. Provide a description of a financing gap that includes funding sources or demonstrates budget constraints that limit the ability to pay or finance projects.

A 2024 Oregon Housing and Community Services’ Local Innovation and Fast Track (LIFT) Homeownership award supported land acquisition, pre-development, site work and administrative costs. This project has a financing gap of about \$350,000 for home construction. This project gives the City of Newberg the opportunity to support construction costs for two affordable homes. Without support from the City’s CET Fund, our construction timeline will be delayed while NAHFH seeks alternative funding sources. See the attached budget for evidence of our financing gap.

7. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.

This project will build one two-unit stacked duplex to be sold at an affordable price to two first-time, low-income home buyers. NAHFH sells homes using a shared equity ownership model to ensure permanent affordability. The property is in a prime location in Newberg, located less than a quarter of a mile from Newberg's bustling downtown E 1st St, near many amenities and resources.

8. The project provides deeply affordable housing for households earning less than 50% of the median family income.

NAHFH partners with households that earn between 25 and 60 percent of their area median income (AMI). Currently, all three homeowners partnered with NAHFH for homeownership earn below 50 percent AMI. Homebuyers for the two homes this project will build have not yet been selected but will likely earn less than 50 percent AMI.

9. The project provides extremely affordable housing for households earning less than 30% of the median family income. Projects could include permanent supportive housing and/or transitional housing for families or individuals who are houseless.

The lowest AMI NAHFH serves is 25 percent; most households partnered with NAHFH earn between 30 and 50 percent AMI.

10. Project concepts and designs showing close proximity to schools, parks, commercial areas, public transportation, services and jobs, and demonstration of cost-effective sustainability and energy-efficiency measures.

The project site, 1201 E 5th Street in Newberg, is within one mile of commercial services, Chehalem Community Center, Chehalem Cultural Center, grocery stores (Grocery Outlet and Nap's Thriftway), medical clinics (Providence ExpressCare and others), Walgreens Pharmacy, multiple bus stations, parks (Memorial Park and others), and Edwards Elementary School. Within two miles of the project site is Providence Newberg Medical Center, multiple social services, Chehalem Aquatic and Fitness Center, and Newberg High School. The proximity of the project site to Newberg's city center and resources makes the site ideal for new affordable housing.

NAHFH is a sustainable builder. By using recycled materials and building to certification standards greater than the Oregon building code, NAHFH contributes to the sustainability of the City. NAHFH builds durable homes that result in long-term savings for the homeowner. NAHFH homes are built using high quality materials and energy-efficient designs that exceed industry standards with the aim of reducing waste and increasing efficiency. Construction efficiency is maintained by selecting materials with low embodied energy, such as recycled and locally produced materials, that reduces cost as well as Habitat's carbon footprint. NAHFH also utilizes materials, fixtures, and appliances donated to the restore to increase our sustainability and keep costs low. The site will also feature a rainwater retention system and rain garden. Water will flow to one area to support natural

vegetation. We will plant two new trees for shading and will utilize xeriscaping around the homes.

11. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.) and demonstrates alliance building that directly benefits community members in need, such as helping build household wealth.

NAHFH utilizes volunteers in all of our programs to build community as we build homes. NAHFH utilizes volunteers on the construction site, in planning, and for events that benefit the project. NAHFH's Volunteer Program has a reputation of being a safe place for local communities of color and connects community members for a shared cause: advancing affordable homeownership.

NAHFH partners with homebuyers for about one year prior to the home sale. Through their time of partnership, homebuyers help build their homes alongside NAHFH staff and volunteers, and participate in homebuyer and financial education courses. The education aspect of our program helps to create sustainable homeownership. NAHFH partners with the Housing Authority of Yamhill County to provide HUD-Certified financial counseling and first-time homebuyer education. Once homebuyers are selected into a Habitat program, each local Habitat affiliate partners with regional homeownership centers to provide access to at least eight hours of HUD-certified financial counseling and eight hours of HUD-certified first-time homebuyer education. Our homeownership educational services are offered in both English and Spanish off-site at culturally specific churches, non-profits, and schools. All NAHFH materials, including outreach materials, program application forms, in-person translation services, and program contracts, are available in English, Spanish, and any other language upon request - at no cost.

Other organizations and companies that support NAHFH's homeownership program include the following:

- Hampton Plumbing – local plumbing company (provides labor discount)
- On Electric – local electric company
- Ken Bowers/Bowers Concrete (located in Dayton; provides discounts)
- DeMoss and GutterMan – (provides donated materials)
- Parr Lumber (provides discounts)
- Reed Rental
- Sherwin Williams (provides discounts)
- JB Insulation (provides discounts)
- Schneider Electric (provides donated materials)

NAHFH is an independent nonprofit organization that is part of the Habitat for Humanity network. There are 24 independent Habitat for Humanity affiliates in the Oregon network, with 20 serving rural communities. Habitat affiliates regularly share best practices and resources with the cumulative goal of increasing affordable housing availability for

underserved populations. Over the decades of affordable home development in Oregon, financing the development, streamlining the development process, and replicating designs has increased efficiency. NAHFH also relies on Habitat for Humanity of Oregon for additional funding that supports homebuyers, including Individual Development Accounts and down payment assistance.

12. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.

NAHFH uses items donated to the NAHFH ReStore, our resale store that accepts donations of home goods, building materials, and appliances for homes. The NAHFH homeownership model is unique in Newberg—NAHFH is the only affordable homeownership developer that incorporates extensive partnerships with homebuyers to create lasting homeownership and that sources most of the construction labor through a network of local volunteers.

NAHFH is part of the Habitat for Humanity network—no affiliate service areas overlap with another.

13. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. Higher points to projects that demonstrate engagement and contracting with D/M/W/ESB/SDVBE businesses in the last 10+ years.

NAHFH has served Newberg and surrounding communities as a reliable affordable homeownership developer since 1994. In our 30+ years of service, NAHFH has built, rehabilitated, or recycled 30 homes, and currently has 13 under construction or predevelopment in Newberg and Dundee. The project CET funds would support is similar in scope to recently completed NAHFH projects.

NAHFH utilizes COBID-certified and MWESB businesses for our home repair and homeownership programs. To identify potential MWESB contractors and business partners, NAHFH staff search the State's COBID-certified contractor listings. NAHFH also sends its homeownership program marketing materials and monthly newsletter to culturally-responsive partners including CASA of Oregon, Unidos Bridging Community, and Latinx Comercio. Additionally, NAHFH Executive Director is female. Recent MWESB partners include our appraisal company, Hess Appraisals, and DeMoss & GutterMan LLC, both woman-owned. We expect to maintain and expand these partnerships.

14. The budget and timeline are thorough and realistic (evidence of construction and/or service costs required with application).

This project is currently in plan review with the City of Newberg. Once approval is received in April 2025, we will immediately begin the process of procuring bids for site work. When the site work contractor is determined, we will begin excavation work in May/June 2025. Foundations should be poured in July/August 2025 followed by vertical construction beginning August 2025. Construction is expected to last up to one year and should be completed by August 2026.

1201 E. 5th Street Budget

Category	Description or Source	Newberg Area HFH		Total
		Cash	In Kind	
Expenses				
Personnel, Administrative	Staff, Bookkeeping, Volunteer Coordination	\$ 75,000	\$ -	\$ 75,000
Project Administration	Bond/Insurance, General Conditions, Legal, Marketing/Advertising	\$ 6,000	\$ -	\$ 6,000
Personnel	Habitat volunteer labor	\$ -	\$ 125,000	\$ 125,000
Land	1201 E 5th St, Newberg	\$ 225,000	\$ 75,000	\$ 300,000
Construction - Soft Costs				
	Architecture/Engineering	\$ 15,000	\$ 8,000	\$ 23,000
	Appraisals, Environmental	\$ 8,900	\$ 400	\$ 9,300
	Geotechnical, Special inspections, Survey	\$ 11,000	\$ 1,500	\$ 12,500
	Soft Costs Contingency (5%)	\$ 2,240	\$ -	\$ 2,240
	Subtotal	\$ 37,140	\$ 9,900	\$ 47,040
Construction - Permits/SDC		\$ 79,000	\$ 30,000	\$ 109,000
Construction - Hard Costs				
	Demolition of existing structures	\$ 23,000	\$ -	\$ 23,000
	Site Work	\$ 90,000	\$ -	\$ 90,000
	Utilities	\$ 22,500	\$ -	\$ 22,500
	Right of Way Improvements - 5th & Meridian	\$ 10,000	\$ -	\$ 10,000
	Building	\$ 194,000	\$ 40,000	\$ 234,000
	Subtotal	\$ 339,500	\$ 40,000	\$ 379,500
	Hard Costs Contingency (5%)	\$ 18,975	\$ -	\$ 18,975
	Total	\$ 358,475	\$ 40,000	\$ 398,475
Total Construction		\$ -	\$ -	
		\$ 474,615	\$ 79,900	\$ 554,515
		\$ -		
Total Expenses		\$ 780,615	\$ 279,900	\$ 1,060,515
Revenue				
		\$ -		
Oregon Housing & Community Services LIFT Funding		\$ 400,000		\$ 400,000
In-Kind Donations			\$ 154,900	\$ 154,900
Volunteer Hours			\$ 125,000	\$ 125,000
Grant Amount Requested	City of Newberg CET Fund	\$ 380,615		\$ 380,615
Total Revenue		\$ 780,615	\$ 279,900	\$ 1,060,515

2500 hrs per unit,
\$25/hr, 2 units

EXTENDED TO MAY 15, 2025

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.**2023**Open to Public
Inspection**A** For the **2023** calendar year, or tax year beginning **JUL 1, 2023** and ending **JUN 30, 2024**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization NEWBERG AREA HABITAT FOR HUMANITY		D Employer identification number 93-1141508	
	Doing business as			
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 118		E Telephone number (503) 537-9938	
	City or town, state or province, country, and ZIP or foreign postal code NEWBERG, OR 97132		G Gross receipts \$ 959,464.	
	F Name and address of principal officer: SHANNON SELAH SAME AS C ABOVE		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions H(c) Group exemption number 8545	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
J Website: WWW.NEWBERGHABITAT.ORG				
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other				
L Year of formation: 1994			M State of legal domicile: OR	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	10
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of individuals employed in calendar year 2023 (Part V, line 2a)	5	9
	6 Total number of volunteers (estimate if necessary)	6	114
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	581,708.	554,849.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	33,412.	131,142.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	984.	325.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,681.	2,588.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	617,785.	688,904.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	195,010.	238,252.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25)	17,137.	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	111,604.	113,153.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	306,614.	351,405.
	19 Revenue less expenses. Subtract line 18 from line 12	311,171.	337,499.
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	3,803,407.	4,830,267.
	22 Net assets or fund balances. Subtract line 21 from line 20	247,905.	937,266.
		3,555,502.	3,893,001.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date		
	SHANNON SELAH, EXECUTIVE DIRECTOR				
Type or print name and title					
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	NATHAN STAMETS	NATHAN STAMETS			P01931251
Preparer Use Only	Firm's name	HOFFMAN, STEWART & SCHMIDT, PC		Firm's EIN	93-0743240
	Firm's address	3 CENTERPOINTE DRIVE, SUITE 300 LAKE OSWEGO, OR 97035-8663		Phone no.	503-220-5900

May the IRS discuss this return with the preparer shown above? See instructions ☒ Yes ☐ No

LHA For Paperwork Reduction Act Notice, see the separate instructions.

332001 12-21-23

Form **990** (2023)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code:) (Expenses \$ 96,448. including grants of \$) (Revenue \$ 133,733.)

FAMILIES IN NEED OF A DECENT PLACE TO LIVE BUILD SAFE AND AFFORDABLE HOMES IN PARTNERSHIP WITH US. HABITAT HOUSES ARE MODESTLY SIZED. THEY ARE LARGE ENOUGH FOR THE HOMEOWNER FAMILY'S NEEDS, BUT SMALL ENOUGH TO KEEP CONSTRUCTION AND MAINTENANCE COSTS AFFORDABLE. BY USING THE LABOR OF VOLUNTEERS AND PROSPECTIVE HOMEOWNERS, EMPLOYING EFFICIENT BUILDING METHODS, KEEPING HOUSE SIZES MODEST, USING DONATED CONSTRUCTION MATERIALS AND APPLIANCES, AND ISSUING NOPROFIT LOANS, HABITAT MAKES ITS HOUSES AFFORDABLE FOR LOW-INCOME FAMILIES TO PURCHASE. AFFORDABLE HOMEOWNERSHIP HELPS CREATE THE CONDITIONS THAT FREE FAMILIES FROM INSTABILITY, STRESS AND FEAR AND ENCOURAGE SELF-RELIANCE AND CONFIDENCE. (SEE CONTINUATION ON SCHEDULE O).

4b (Code:) (Expenses \$ 153,761. including grants of \$) (Revenue \$)

HABITAT FOR HUMANITY'S RESTORE ACCEPTS DONATED GOODS AND BUILDING MATERIALS FOR RESALE TO THE PUBLIC, PROVIDING AN ENVIRONMENTALLY AND SOCIALLY RESPONSIBLE WAY TO KEEP MATERIALS OUT OF THE WASTE STREAM WHILE PROVIDING FUNDING FOR HABITAT'S COMMUNITY IMPROVEMENT WORK.

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 250,209.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I. See instructions</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties? (See the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in noncash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O	38	X

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable	1a	1
b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 9		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15		X
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		X
17 Section 501(c)(21) organizations. Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069.	17		

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.	10			
b Enter the number of voting members included on line 1a, above, who are independent		10		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?			3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?			5	X
6 Did the organization have members or stockholders?			6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?			8a	X
b Each committee with authority to act on behalf of the governing body?			8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O			9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed OR

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records
 SHANNON SELAH - (503) 537-9938
 PO BOX 118, NEWBERG, OR 97132

2	Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization			0
3	Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3		X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4		X
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5		X

Section B. Independent Contractors

1	Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.		
	<div style="text-align: center;">(A)</div> <div style="display: flex; justify-content: space-between;"> Name and business address NONE </div>	<div style="text-align: center;">(B)</div> <div style="text-align: center;">Description of services</div>	<div style="text-align: center;">(C)</div> <div style="text-align: center;">Compensation</div>
2	Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization		
	0		

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above ...	1f	554,849.				
	g Noncash contributions included in lines 1a-1f	1g	\$ 279,586.				
	h Total. Add lines 1a-1f		554,849.				
Program Service Revenue	2 a AMORTIZATION	Business Code	531390	131,142.	131,142.		
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f		131,142.				
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			325.		
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross rents		6a	(i) Real (ii) Personal				
b Less: rental expenses ...		6b					
c Rental income or (loss)		6c					
d Net rental income or (loss)							
7 a Gross amount from sales of assets other than inventory		7a	(i) Securities (ii) Other				
b Less: cost or other basis and sales expenses		7b					
c Gain or (loss)		7c					
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18		8a					
b Less: direct expenses		8b					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19		9a					
b Less: direct expenses		9b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances		10a		270,557.			
b Less: cost of goods sold	10b		270,560.				
c Net income or (loss) from sales of inventory			-3.			-3.	
Miscellaneous Revenue	11 a OTHER	Business Code	900099	2,591.	2,591.		
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d			2,591.			
	12 Total revenue. See instructions			688,904.	133,733.	0.	322.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	63,125.	48,105.	4,481.	10,539.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	148,920.	100,636.	48,284.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	26,207.	18,383.	6,521.	1,303.
11 Fees for services (nonemployees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	16,635.	1,789.	14,846.	
12 Advertising and promotion				
13 Office expenses	64,048.	58,239.	514.	5,295.
14 Information technology				
15 Royalties				
16 Occupancy	13,804.	12,648.	1,156.	
17 Travel	2,576.	2,576.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings				
20 Interest	18,000.	9,914.	8,086.	
21 Payments to affiliates	11,072.	11,072.		
22 Depreciation, depletion, and amortization	25,408.	25,408.		
23 Insurance	25,311.	25,311.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a CAPITALIZED EXPENSES	-67,398.	-67,398.		
b _____				
c _____				
d _____				
e All other expenses _____	3,697.	3,526.	171.	
25 Total functional expenses. Add lines 1 through 24e	351,405.	250,209.	84,059.	17,137.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	255,206.	1	387,695.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net	154,683.	3	63,484.
	4 Accounts receivable, net		4	789.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net	1,739,475.	7	1,769,011.
	8 Inventories for sale or use	22,883.	8	28,559.
	9 Prepaid expenses and deferred charges	10,948.	9	10,094.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,211,033.		
	b Less: accumulated depreciation	10b 203,973.	1,032,467.	10c 1,007,060.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	587,745.	15	1,563,575.
16 Total assets. Add lines 1 through 15 (must equal line 33)	3,803,407.	16	4,830,267.	
Liabilities	17 Accounts payable and accrued expenses	68,892.	17	50,762.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties	179,013.	23	886,504.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	247,905.	26	937,266.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/>			
	and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	3,546,502.	27	3,824,801.
	28 Net assets with donor restrictions	9,000.	28	68,200.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/>			
	and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
32 Total net assets or fund balances	3,555,502.	32	3,893,001.	
33 Total liabilities and net assets/fund balances	3,803,407.	33	4,830,267.	

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Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	688,904.
2	Total expenses (must equal Part IX, column (A), line 25)	2	351,405.
3	Revenue less expenses. Subtract line 2 from line 1	3	337,499.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	3,555,502.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	3,893,001.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? _____	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____	3b	

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Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	384,556.	328,598.	355,307.	581,708.	554,849.	2,205,018.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	384,556.	328,598.	355,307.	581,708.	554,849.	2,205,018.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						2,205,018.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
7 Amounts from line 4	384,556.	328,598.	355,307.	581,708.	554,849.	2,205,018.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources				984.	325.	1,309.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						2,206,327.
12 Gross receipts from related activities, etc. (see instructions)					12	2,473,832.
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f))	14	99.94	%
15 Public support percentage from 2022 Schedule A, Part II, line 14	15	99.95	%
16a 33 1/3% support test - 2023. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			
			<input checked="" type="checkbox"/>
b 33 1/3% support test - 2022. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			
			<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2023. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization			
			<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization			
			<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions			
			<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2023 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2022 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2023 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2022 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2023. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2022. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations *(continued)*

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
11a		
b A family member of a person described on line 11a above?		
11b		
c A 35% controlled entity of a person described on line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
1		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
2		
3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		
3		

Section E. Type III Functionally Integrated Supporting Organizations

	Yes	No
1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
2 Activities Test. Answer lines 2a and 2b below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
2a		
b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
2b		
3 Parent of Supported Organizations. Answer lines 3a and 3b below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No" provide details in Part VI.</i>		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). See instructions.
All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>)	5
6	Other distributions (<i>describe in Part VI</i>). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions.	8
9	Distributable amount for 2023 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2023	(iii) Distributable Amount for 2023
1 Distributable amount for 2023 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2023 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3 Excess distributions carryover, if any, to 2023			
a From 2018			
b From 2019			
c From 2020			
d From 2021			
e From 2022			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2023 distributable amount			
i Carryover from 2018 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2023 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2023 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2023, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6 Remaining underdistributions for 2023. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7 Excess distributions carryover to 2024. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2019			
b Excess from 2020			
c Excess from 2021			
d Excess from 2022			
e Excess from 2023			

Schedule A (Form 990) 2023

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.
(See instructions.)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization

NEWBERG AREA HABITAT FOR HUMANITY

Employer identification number

93-1141508

Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II

Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (for example, recreation or education) ☐ Preservation of a historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included on line 2a	2c
d Number of conservation easements included on line 2c acquired after July 25, 2006, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year

4 Number of states where property subject to conservation easement is located

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

8 Does each conservation easement reported on line 2d above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items.

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).

a ☐ Public exhibition

d ☐ Loan or exchange program

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

Part V Endowment Funds Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment _____ %

b Permanent endowment _____ %

c Term endowment _____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) Unrelated organizations? ☐ Yes ☐ No

(ii) Related organizations? ☐ Yes ☐ No

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐ Yes ☐ No

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		191,740.		191,740.
b Buildings		941,307.	153,386.	787,921.
c Leasehold improvements				
d Equipment		54,873.	27,474.	27,399.
e Other		23,113.	23,113.	0.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B))				1,007,060.

Part VII Investments - Other Securities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, line 12, col. (B))		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, line 13, col. (B))		

Part IX Other Assets

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) LAND LEASED TO HOMEOWNERS	118,000.
(2) CONSTRUCTION IN PROGRESS	1,445,575.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 15, col. (B))	1,563,575.

Part X Other Liabilities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 25, col. (B))	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	959,464.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	270,560.
e	Add lines 2a through 2d	2e	270,560.
3	Subtract line 2e from line 1	3	688,904.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	688,904.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	621,965.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	270,560.
e	Add lines 2a through 2d	2e	270,560.
3	Subtract line 2e from line 1	3	351,405.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	351,405.

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

MANAGEMENT BELIEVES THE ORGANIZATION DOES NOT HAVE ANY UNCERTAIN TAX

POSITIONS.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

COST OF GOODS SOLD - RESALE STORE 270,560.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

COST OF GOODS SOLD - RESALE STORE 270,560.

[illegible]

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

OMB No. 1545-0047

2023

Open to Public
Inspection

Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization

NEWBERG AREA HABITAT FOR HUMANITY

Employer identification number

93-1141508

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other ...				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other (<u>RESALE STORES</u>)	X	0	276,085.	FMV
26 Other (<u>MATERIALS</u>)	X	1	3,501.	FMV
27 Other ()				
28 Other ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions
for which the organization completed Form 8283, Part V, Donee Acknowledgement

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it
must hold for at least 3 years from the date of the initial contribution, and which isn't required to be used for
exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash
contributions?

b If "Yes," describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked,
describe in Part II.

	Yes	No
30a		X
31		X
32a		X
33		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) 2023

Part II

Supplemental Information. Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization

NEWBERG AREA HABITAT FOR HUMANITY

Employer identification number

93-1141508

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SEEKING TO PUT GOD'S LOVE INTO ACTION, HABITAT FOR HUMANITY BRINGS

PEOPLE TOGETHER TO BUILD HOMES, COMMUNITIES, AND HOPE.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SEEKING TO PUT GOD'S LOVE INTO ACTION, HABITAT FOR HUMANITY BRINGS

PEOPLE TOGETHER TO BUILD HOMES, COMMUNITIES AND HOPE TO REALIZE OUR

VISION OF A WORLD WHERE EVERYONE HAS A DECENT PLACE TO LIVE. NEWBERG

AREA HABITAT FOR HUMANITY ADHERES TO A STRICT NON-PROSELYTIZING POLICY

AND WILL NOT BASE AN OFFER OF ASSISTANCE ON THE EXPRESSED OR IMPLIED

CONDITION THAT PEOPLE ADHERE TO OR CONVERT TO A PARTICULAR FAITH OR

LISTEN AND RESPOND TO MESSAGING DESIGNED TO INDUCE CONVERSION TO A

PARTICULAR FAITH.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

STUDIES SHOW THAT STRONG AND STABLE HOUSEHOLDS ARE FOUNDATIONAL TO

CHILD DEVELOPMENT AND GROWTH. WHEN A HOME FOSTERS INSTEAD OF HINDERS

HEALTH AND SAFETY, FAMILIES CAN FLOURISH. OWNING AN AFFORDABLE HOME

ALSO ALLOWS HOMEOWNERS TO LIFT UP THEIR ENTIRE FAMILY BY SAVING FOR

THEIR FUTURES AND INVESTING IN EDUCATIONAL OPPORTUNITIES, BOLSTERING

JOB OPPORTUNITIES AND LONG-TERM CAREER GROWTH. DURING FISCAL YEAR 2024,

NEWBERG AREA HABITAT FOR HUMANITY HAD TWO HOMES IN THE CONSTRUCTION

PHASE AND FIVE HOMES IN THE PREDEVELOPMENT PHASE.

FORM 990, PART VI, SECTION B, LINE 11B:

THE FORM 990 IS REVIEWED BY THE EXECUTIVE DIRECTOR, THEN A COPY IS PROVIDED

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990) 2023

Name of the organization NEWBERG AREA HABITAT FOR HUMANITY	Employer identification number 93-1141508
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TO BOARD MEMBERS PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

OFFICERS AND BOARD MEMBERS ARE REQUIRED TO DISCLOSE ANY POSSIBLE CONFLICTS
OF INTEREST ANNUALLY.

FORM 990, PART VI, SECTION B, LINE 15:

COMPENSATION IS BASED ON COMPARABLE MARKET DATA FOR SIMILAR POSITIONS IN
THE SURROUNDING AREAS AND IS REVIEWED AND APPROVED BY THE BOARD OF
DIRECTORS.

FORM 990, PART VI, SECTION C, LINE 19:

GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST.

After recording, return to:
Charlie Harris
19400 NE Jaquith Rd.
Newberg, OR 97132

Until a change is requested,
All Tax Statements will be sent to:
Newberg Habitat for Humanity
PO Box 118
Newberg, OR 97132

Yamhill County Official Records		202310901
DMR-CONDMR		
Stn=3 SUTTONS	12/04/2023 12:37:01 PM	
2Pgs \$10.00 \$11.00 \$5.00 \$60.00	\$86.00	
I, Keri Hinton, County Clerk for Yamhill County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.		
Keri Hinton - County Clerk		

MEMORANDUM OF CONTRACT OF SALE

This Memorandum of Contract of Sale (this "Memorandum") is made as of 9/13, 2023, between **Charlie Harris and Elaine Harris**, as tenants by the entirety ("Seller") whose address is 19400 NE Jaquith Rd., Newberg, OR 97132, and **Newberg Area Habitat for Humanity**, an Oregon nonprofit corporation ("Purchaser") whose address is PO Box 118, Newberg, OR 97132.

Pursuant to a Land Sale Contract dated this same date ("Contract"), Seller sold to Purchaser Seller's interest in that certain property in Yamhill County, Oregon, more particularly described as:

All of the south half of lots 9 and 10, Block 21, Edwards Addition, in the City of Newberg, County of Yamhill, State of Oregon
subject to the following encumbrances:

- (1) Deed from Jesse Edwards to William Stratton and wife, recorded March 26, 1891, Recording Number Book 24, Page 600, restricting the sale or use of intoxicating liquor;
- (2) An easement on the east side of the south half of Lot 10, recorded October 18, 2019 as Document 201915149 in the Yamhill County Official Records.
- (3) Occupancy by a month-to-month tenancy, subject to a 90 day eviction notice set to expire on November 6, 2023. The 90-day notice is based on purchaser's expressed intent to demolish the existing house on the property.
- (4) The exceptions noted in the Preliminary Title Report (PTR) dated August 18, 2023, except for the Deed Of Trust noted in exception 11 of the PTR, which will be satisfied at Closing.

The terms upon which Seller has sold the Property to Purchaser are set forth in the Contract, to which reference is made for all purposes. The true and actual consideration for this conveyance is \$225,000. Purchaser will pay such amount, with interest, according to the terms of the Contract, under which the final payment of principal and interest is due on October 15, 2026.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, ORS 195.301 AND ORS 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR ORS 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, ORS 195.301 AND ORS 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Property Tax Account No.59135

This Memorandum will not be deemed or construed to define, limit, or modify the Contract, or any provision thereof, in any manner.

Page 1 Memorandum of Land Sale Contract between Charlie and Elaine Harris (Sellers) & Newberg Area Habitat for Humanity (Purchaser)

FIRST AMERICAN TITLE 40915800

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the day and year first above written.

Seller:

Charlie Harris
Elaine Harris

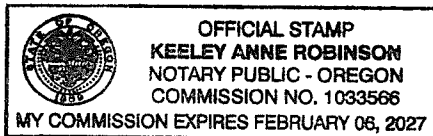
Purchaser:

SL Shh

ACKNOWLEDGMENTS

STATE OF OREGON)
County of Yamhill)ss.

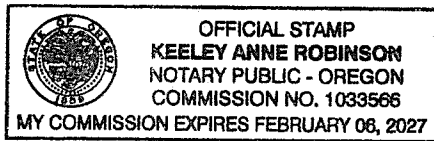
This record was acknowledged before me on 9/13, 2023, by Charlie Harris .and Elaine Harris



STATE OF OREGON)
County of Yamhill)ss.

/s/ Keeley Robinson
Notary Public for Oregon
My commission expires: 2-6-27

This record was acknowledged before me on 9/13, 2023, by Shannon as
executive director of Newberg Area Habitat for Humanity. Seah



/s/ Keeley Robinson
Notary Public for Oregon
My commission expires: 2-6-27

WHEN RECORDED, PLEASE MAIL TO:

Newberg Area Habitat for Humanity
PO Box 118
Newberg, OR 97132

SEND PROPERTY TAX NOTICES TO:

Newberg Area Habitat for Humanity
PO Box 118
Newberg, OR 97132

**SHORT FORM LAND LEASE
Incorporating Affordable Housing Covenants
(Pursuant to ORS §§93.780 - 93.802 and 456.270 - 456.295)**

On this _____ day of _____, 2021, **Newberg Area Habitat for Humanity**, an Oregon nonprofit corporation, whose address is PO Box 118, Newberg, Oregon 97132 and **Charlotte Polly Tremaine** (“**Homeowner**”), whose street address is the real estate described below, enter into this Short Form Land Lease.

MASTER FORM LAND LEASE INCORPORATED BY REFERENCE

This Short Form Land Lease incorporates by this reference all provisions of the Master Form Land Lease which Newberg Area Habitat for Humanity recorded in Yamhill County on March 2, 2021 as Fee Number 202104232 pursuant to ORS §§ 93.780 – 93.802 and 456.270 – 456.295.

Homeowner acknowledges that a copy of the Master Form Land Lease was furnished to her at or before the time she executed this Short Form Land Lease.

Homeowner agrees with Newberg Area Habitat for Humanity that upon execution and recording of this Short Form Land Lease, provisions of the Master Form Land Lease shall apply to the real estate transaction documented by this Short Form Land Lease as though the provisions of the Master Form Land Lease were fully set forth in this Short Form Land Lease.

SECTION 1. REAL ESTATE AFFECTED BY THIS REAL ESTATE TRANSACTION

Newberg Area Habitat for Humanity leases to Homeowner the Land legally described in the attached Exhibit A: LAND LEGALLY DEFINED, incorporated by this reference.

On the same day as this Short Form Land Lease is recorded, Homeowner will acquire fee title to the “Home,” which is the dwelling unit and all other improvements on the Land. The Home has a street address of 1205 E 5th Street, Newberg, OR 97132.

The property tax account for the Land is **R3220BC 03601**.

The property tax account for the Home is to be determined by the Yamhill County Assessor.

SECTION 2. SPECIFIC INFORMATION FOR THIS TRANSACTION

3.1 This Lease shall begin on the first date written above and has a 99 year term with one option to renew for an additional 99 years.

5.1 The Lease Fee is \$10.00 per month.

10.7 Information for Formula Price Calculations:

a) Homeowner's Base Price for the Home: \$233,850

b) Initial Appraised Market Value of Land and Home: \$320,000.

Homeowner acknowledges and agrees the Base Price is calculated as follows:

Market Sales Price:	<u>\$320,000</u>
Minus Newberg Area Habitat for Humanity grant funds and subsidy:	<u>- \$86,150</u>
Minus Seller paid closing costs:	<u>-</u>
TOTAL: Homeowner's Base Price for the Home:	<u>= \$233,850</u>

10.8(f) Appliance(s) in Home at time of purchase are described as follows refrigerator, stove, washer and dryer. All appliances listed are in good working order. Any omitted appliances are either not present or are not in working order.

14.2 Homeowner's address for notices, if not the street address for the Home, is . If no information is written in the blank, then Homeowner has agreed to use street address of the Home for notices.

14.3 Homeowner's real estate broker is . If no name is written in the blank, then Homeowner warrants it did not deal with any real estate broker.

SECTION 3. DEVIATIONS FROM MASTER FORM LAND LEASE

This Short Form Land Lease **includes** the Community Land Trust Ground Lease Rider for Fannie Mae/USDA (Fannie Mae Form 2100 3/06 (rev. 12/10) and the Rider to Habitat Land Lease for Benefit of State of Oregon, Oregon Housing and Community Services ("LIFT") contained in the Master Form Land Lease which amends and supplements the Newberg Area Habitat for Humanity Land Lease. For the LIFT Rider, Newberg Area Habitat for Humanity is the "Lessor," and Homeowner is the "Lessee."

This Short Form Land Lease **deviates from the Master Form Land Lease in that it does not include the provisions of** (i) Exhibit C, and (ii) the Community Land Trust Lease Rider For OHCS Single-Family Residential Mortgage Revenue Bond Loan ("OHCS Rider"). The provisions of Exhibit C and the OHCS Rider do not apply in this real estate transaction.

The Short Form Land Lease incorporates all of the Exhibits to the Newberg Area Habitat for Humanity Land Lease in the Master Form Land Lease. Exhibits completed by Newberg Area Habitat for Humanity and Homebuyer for this specific real estate transaction are listed in Section 4 below, attached to this Short Form Land Lease, and incorporated by this reference.

SECTION 4. LIST OF EXHIBITS

Page 2 of 17 – Short Form Land Lease of Newberg Area Habitat for Humanity with CLT Land Lease Rider and OHCS LIFT Rider

1. Exhibit A: LEASED LAND LEGALLY DEFINED
2. Exhibit B: HOMEOWNER'S LETTER OF AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Short Form Land Lease as amended and supplemented by the Community Land Trust Ground Lease Rider for Fannie Mae/USDA (Fannie Mae Form 2100 3/06 (rev. 12/10) and the Rider to Habitat Land Lease for Benefit of the State of Oregon, Oregon Housing and Community Services on the day and year first above written.

Newberg Area Habitat for Humanity

an Oregon nonprofit corporation, _____,
Lessor

HOMEOWNER:

STATE OF OREGON

COUNTY OF _____

This instrument was acknowledged before me on _____, 20_____, by _____ as _____ of Newberg Area Habitat for Humanity, an Oregon nonprofit corporation, on behalf of the corporation.

Notary Public – State of Oregon

My commission expires: _____

Exhibit A: LAND AND HOME LEGALLY DEFINED

The Land is the land only, exclusive of any improvements situated on the land, described as follows:

A PORTION OF THAT TRACT OF LAND DESCRIBED IN INSTRUMENT NO. 202003197, YAMHILL COUNTY DEED RECORDS, ALSO BEING A PORTION OF LOT 12, BLOCK 21 OF THE PLAT OF "EDWARD'S ADDITION TO THE TOWN OF NEWBERG", YAMHILL COUNTY RECORDS, LOCATED IN THE NORTHWEST ONE-QUARTER OF SECTION 20, TOWNSHIP 3 SOUTH, RANGE 2 WEST, WILLAMETTE MERIDIAN, CITY OF NEWBERG, YAMHILL COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF BLOCK 21 OF THE PLAT OF "EDWARD'S ADDITION TO THE TOWN OF NEWBERG" AND BEARS SOUTH 89°49'49" WEST, 24.72 FEET FROM THE SOUTHEAST CORNER OF LOT 12 OF SAID BLOCK; THENCE LEAVING SAID SOUTH LINE OF BLOCK 21 NORTH 00°23'14" WEST, 72.00 FEET TO THE NORTH LINE OF THAT TRACT OF LAND DESCRIBED IN INSTRUMENT NO. 202003197; THENCE ALONG SAID NORTH LINE NORTH 89°49'41" EAST, 24.99 FEET TO THE NORTHEAST CORNER OF SAID TRACT; THENCE ALONG THE EASTERLY LINE OF SAID TRACT SOUTH 00°10'19" EAST, 72.00 FEET TO AFOREMENTIONED SOUTHEAST CORNER OF LOT 12; THENCE ALONG SAID SOUTH LINE OF AFOREMENTIONED BLOCK 21 SOUTH 89°49'49" WEST, 24.72 FEET TO THE **POINT OF BEGINNING**.

Exhibit B: HOMEOWNER'S LETTER OF AGREEMENT

To: **Newberg Area Habitat for Humanity**

From: **Charlotte Tremaine**

Date: _____

This letter is given to Newberg Area Habitat for Humanity to become an exhibit to a Lease between Newberg Area Habitat for Humanity and me. I will be leasing a parcel of land from Newberg Area Habitat for Humanity and will be buying the home that sits on that parcel of land. I will therefore become what is described in the Lease as "the Homeowner."

My legal counsel, _____, has explained to me the terms and conditions of the Lease and other legal documents that are part of this transaction. I understand the way these terms and conditions will affect my rights as a Newberg Area Habitat for Humanity homeowner, now and in the future.

I have discussed these terms and conditions with _____ (who are my heirs) for the purposes of increasing their understanding and acceptance of the terms and conditions of the Lease and other legal documents that are part of this transaction.

I understand that the following documents describe the special nature of the purchase of my home:

- a) this Letter of Agreement;
- b) the Master Form Land Lease recorded in the same county where the Home and Land are located;
- c) this Short Form Land Lease creating Client's leasehold interest in the Land, including its Exhibits;
- d) Warranty Deed.

In particular I understand and agree with the following points:

One of the goals of Newberg Area Habitat for Humanity is to keep Newberg Area Habitat for Humanity homes affordable for lower income households from one Newberg Area Habitat for Humanity homeowner to the next. I support this goal as a Newberg Area Habitat for Humanity homeowner.

The terms and conditions of my Lease will keep my home affordable for future "income-qualified persons" (as defined in the Lease). If and when I want to sell my home, the lease requires that I sell it to another income-qualified person. I understand it is not the practice of Newberg Area Habitat for Humanity to purchase the Home directly from me, but the lease allows Newberg Area Habitat for Humanity to do so. The terms and conditions of the lease also limit the price for which I can sell the home, called the "Purchase Option Price," in order to keep it affordable for such income-qualified persons.

The Purchase Option Price is generally calculated by the lesser of the appraised value of my Home or my base price plus/minus 25% of any appreciation/depreciation since I purchased my home plus any Newberg Area Habitat for Humanity approved Qualified Capital Improvements I made. _____ [Initial Here].

When I sell my Home and interest in the Land, if the market value of my Home and interest in the Land (that is the value of my Home without the restrictions of the Lease) is lower than the Formula Price, then I must sell at the lower market value. When I sell my Home and interest in the Land, if the market value of my Home and interest in the Land (without restrictions) is greater than the Formula Price, I must sell for no more than the Formula Price.

It is also a goal of Newberg Area Habitat for Humanity to promote resident ownership of Newberg Area Habitat for Humanity homes. For this reason, my Lease requires that, if I and my family move out of our home permanently, we must sell it. We cannot continue to own it as absentee owners.

As a Newberg Area Habitat for Humanity homeowner, it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to me and others.

Sincerely,

HOMEOWNER

Printed Name:

STATE OF OREGON

COUNTY OF _____

This instrument was acknowledged before me on _____, 20_____, by

Charlotte Tremaine.

Notary Public – State of Oregon

My commission expires: _____

Notary Public – State of Oregon

**COMMUNITY LAND TRUST GROUND LEASE RIDER FOR FANNIE MAE AND US
DEPARTMENT OF AGRICULTURE LOANS (FANNIE MAE FORM 2100 3/06 (REV. 12/10))**

EXHIBIT Community Land Trust Ground Lease Rider

THIS COMMUNITY LAND TRUST GROUND LEASE RIDER (the "Rider") is made this _____ day of _____, 2021 and amends and supplements a certain ground lease (referred to herein as "the CLT Ground Lease") dated _____ that is by and between Newberg Area Habitat for Humanity as lessor (herein referred to as "the Lessor" but may otherwise be referred to in the Land Lease as "Newberg Area Habitat for Humanity") and Charlotte Tremaine, as lessee (herein referred to as "the Lessee" but may otherwise be referred to in the Land Lease as "Homeowner"). This Rider shall be deemed incorporated into the CLT Ground Lease, and the CLT Ground Lease as amended by this Rider, shall hereafter be referred to as the "Lease," unless otherwise indicated.

The CLT Ground Lease shall mean the HABITAT AFFILIATE Master Ground Lease, as recorded on _____ under the Yamhill County Auditor's recording number _____, and as supplemented and amended by that certain Short Form Land Lease executed by the Lessor and Lessee contemporaneously with this rider.

The CLT Ground Lease is a long-term lease of the Lessor's fee interest in the land located at 1209 E 5th Street, Newberg, Oregon, referred to herein as the "Leased Land," as improved by a residential structure or unit, referred to herein as the "Improvements." The Leased Land and the Improvements are collectively referred to herein as the "Leased Premises."

This Rider amends the CLT Ground Lease for the purpose of enabling the Lessee to obtain Fannie Mae or US Department of Agriculture financing in the form of a mortgage or deed of trust given this _____ day of _____, by Lessee to _____ (the "Specified Mortgage"), and the interest of the Specified Mortgagee in the Leased Premises as secured by such mortgage or deed of trust may be referred to herein as the "Leasehold Estate." The Specified Mortgage is recognized by Lessor as a "Permitted Mortgage" (or as such concept is otherwise defined) under the CLT Ground Lease, and the holder of the Specified Mortgage (the "Specified Mortgagee") is recognized as a "Permitted Mortgagee" (or as such concept is otherwise defined) under the CLT Ground Lease.

ADDITIONAL COVENANTS. Notwithstanding anything to the contrary contained in the CLT Ground Lease, and in addition to the covenants and agreements made in the CLT Ground Lease, the Lessor and the Lessee further covenant and agree, so long (but only so long) as the Specified Mortgagee, its successors and assigns shall have an interest in the Leased Premises, as a holder of the Specified Mortgage or as an owner of the Lessee's interest pursuant to any sale after or in lieu of foreclosure, the following provisions shall apply to the CLT Ground Lease as modifications thereof:

A. No Assignment or Transfer. The making of the Specified Mortgage shall not be deemed to constitute an assignment or transfer of the Lease or Leasehold Estate so as to require the Specified Mortgagee to assume the performance of any of the Lessee's obligations under the Lease.

B. Status of the Fee Estate. The Lessor represents and warrants that there is no existing mortgage on the fee estate, and so long as the Specified Mortgage shall remain on the Leased Premises, the Lessor and the Lessee shall not subordinate the Lease to any mortgage or lien that may hereafter be placed on the fee estate. Notwithstanding the foregoing, a state- or local-government entity ("Government Entity") may hold a prior recorded interest (represented by recorded covenants, a mortgage or deed of trust, other lien) on the fee

Page 7 of 17 – Short Form Land Lease of Newberg Area Habitat for Humanity with CLT Land Lease Rider and OHCS LIFT Rider

estate if the Government Entity has agreed that in the event it (including its successors and assigns) succeeds to the interest of the Lessor under the Lease by any remedy available to the Government Entity by law or pursuant to its lien, the Government Entity shall recognize all the terms of the Lease and this Rider as though the Government Entity were acting as the Lessor. Such recognition must include, but is not limited to, the provisions of this Rider whereby all provisions of the Lease regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b) limitation on assignment of, or sublease under, the Lease, (c) the price at which the Leasehold Estate may be transferred, and (d) the income of successive transferees, assignees or successors, shall, in the event of foreclosure or assignment in lieu of foreclosure of the Specified Mortgage, be of no further force or effect with respect to such Specified Mortgagee or its successive transferees, assignees or successors. Further, in such event of the Government Entity succeeding to the interests of the Lessor, the Lessee hereby agrees to recognize the Government Entity as exercising all rights and privileges of the Government Entity as lessor under the Lease and this Rider.

Such agreement by the Government Entity may be evidenced by the agreement between the Government Entity and the Lessor under which the Government Entity's prior recorded interest is derived, or by use of a recognition agreement derived from a sample the Specified Mortgagee may obtain from Fannie Mae or UD Department of Agriculture. Irrespective of any interest by a Government Entity, the Specified Mortgage shall constitute a first leasehold lien on the Leased Premises, and shall have priority over the Lessor's reversionary interest. If the Lessor conveys title to the Leased Land while the Specified Mortgage remains on the Leased Premises, the Lease shall remain in effect with the same priority thereto.

C. Termination, Forfeiture and Modification of Lease. There shall be no termination, forfeiture, or modification of the Lease, except as provided in this Rider, without the prior written consent of the Specified Mortgagee. The Lessor and Lessee shall amend the Lease from time to time as reasonably requested by the Specified Mortgagee, as long as the requested changes do not change the periodic fee, charge or payment due the Lessor for the rights accorded the Lessee under the Lease (the "Ground Lease Fee"), and do not materially or adversely affect the rights of Lessor or Lessee or their respective interests in the Leased Premises. An adjustment of the Ground Lease Fee may be made by the Lessor as provided in the Lease, without prior approval of the Specified Mortgagee, so long as written notice has been delivered to the Specified Mortgagee at least 60 days prior to the effective date of such adjustment with respect to adjustments other than those (i) that were scheduled at the time the Specified Mortgage was given, and (ii) reflecting routine, periodic updates to variable expenses such as property taxes and liability insurance premiums; provided, however, that the Specified Mortgagee shall have the right to arbitrate (as provided herein) any dispute as to an adjustment of the Ground Lease Fee.

D. New Lease. In the event the Lessee's interest in the Lease has been terminated, forfeited, or surrendered as provided in the Lease, and the Specified Mortgage remains outstanding, a new Lease shall automatically be created between the Lessor and the Specified Mortgagee, which Lease shall be for the remainder of the term of the Lease, with the same priority thereto, and shall be subject to the same terms of the Lease as would be applicable pursuant to Section E.1. below where the Specified Mortgagee had accelerated its note, foreclosed on the Specified Mortgage, taken an assignment in lieu of foreclosure, or exercised its other remedies for default.

E. Mortgage Default or Foreclosure. Subject to the following, upon the occurrence of an event of default under the Specified Mortgage (as determined by the Specified Mortgagee—an "Event of Default"), and without the consent of the Lessor, the Specified Mortgagee shall be permitted to accelerate its note, foreclose on the Specified Mortgage, take an assignment in lieu of foreclosure, or exercise its other remedies for default.

Further:

1. Upon the occurrence of an Event of Default under the Specified Mortgage, the Lessee shall immediately notify the Lessor of such Event of Default and shall submit to Lessor copies of all notices the Lessee received from the Specified Mortgagee relating thereto. The Specified Mortgagee and the Lessor shall endeavor to communicate and cooperate in efforts to deal with the circumstances of the Event of Default and the actions the parties may take relating thereto; provided, however, the Specified Mortgagee shall have no obligation to give formal legal notice of the Event of Default to the Lessor.

2. The Lessee and the Specified Mortgagee agree that the Lessor shall have the right, but not the obligation, to cure an Event of Default in the Lessee's name and on the Lessee's behalf. If such cure is not effective and continuing, nothing herein shall be construed to prevent or delay the Specified Mortgagee from its pursuit of foreclosure and any other available remedies. The Lessee shall be responsible to the Lessor for all payments made, and expenses incurred, by the Lessor in curing such default.

3. Should the Lessor not choose to cure an Event of Default as specified above, the Lessor shall nevertheless have the option to purchase from the Specified Mortgagee its interest in the Leasehold Estate on the Leased Premises for the full amount owing to the Specified Mortgagee under the Specified Mortgage as of the date of closing of the purchase, upon written notice given by the Specified Mortgagee (the "Mortgagee Option Notice") not later than 60 days following acquisition of title to the Leasehold Estate by the Specified Mortgagee by foreclosure or by an assignment in lieu of foreclosure; provided, however, the Specified Mortgagee may give such written notice following the occurrence of an Event of Default under the Specified Mortgage and prior to the completion of foreclosure proceedings. If the Lessor elects to exercise such option to purchase, the Lessor shall give written notice to the Specified Mortgagee of the Lessor's intent to purchase the Leasehold Estate (the "Lessor Option Notice") within 45 days following the Specified Mortgagee's giving of the Mortgagee Option Notice; provided, however, at the option of the Lessor, in the event the Mortgagee Option Notice is given prior to the completion of foreclosure proceedings by the Specified Mortgagee, the Lessor shall, within such 45-day period, be able to give a written notice to the Specified Mortgagee that it will delay giving the Lessor Option Notice until a date that is not later than 30 days following written notice from the Specified Mortgagee of its acquisition of title to its interest in the Leasehold Estate on the Leased Premises.

The Lessor shall complete the purchase of the Specified Mortgagee's interest in the Leasehold Estate within 60 days of giving the Lessor Option Notice. If the Lessor does not complete the purchase within the allotted 60 days, the Specified Mortgagee shall be free to sell its interest to another person or entity. Further, if the Lessor does not complete the purchase within the allotted 60 days, the Lessor agrees to pay to the Specified Mortgagee its costs of holding its interest in the Leasehold Estate from the date of the Lessor Option Notice until the expiration of such 60-day period. If the Lessor does not purchase the Specified Mortgagee's interest in the Leasehold Estate as described herein, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.

4. In the event of foreclosure or assignment in lieu of foreclosure, which results in the conveyance of the Leasehold Estate on the Leased Premises from the Lessee, any adjustment of the Ground Lease Fee to reflect then current fair market rental value as provided in the Lease, shall be subject to the approval of the Specified Mortgagee. The Specified Mortgagee and the Lessor shall attempt to resolve any dispute concerning such adjustment of the Ground Lease Fee, through the normal interaction of the parties, or through formal mediation as the case may warrant. If the dispute remains unresolved, the Specified Mortgagee and the Lessor shall submit the dispute as to the fair market rental value to binding arbitration.

5. In the event the Specified Mortgagee acquires title to the Leasehold Estate on the Leased Premises through foreclosure or assignment in lieu of foreclosure of the Specified Mortgage, all provisions of the Lease

regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b) any limitation on the assignment of, or sublease under, the Lease, (c) any obligation to target certain populations in marketing the Leasehold Estate to potential transferees, (d) the price at which the Leasehold Estate on the Leased Premises may be transferred, and (e) the income of successive transferees, and their successors and assigns, shall be of no further force or effect with respect to such Specified Mortgagee or its successive transferees, assignees or successors. The foregoing sentence shall not be construed to invalidate other Lease provisions regarding permitted use of the Leased Premises. Any transfer or assignment of the Leasehold Estate encumbered by the Specified Mortgage as provided for in this paragraph shall be deemed a permitted sale, transfer or assignment of the Lease and the Leasehold Estate. Further, in such event, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.

F. Lease Default. There shall be no forfeiture or termination of the Lease except for (i) the nonpayment of amounts due under the Lease, and (ii) violation of one or more provisions of the Lease addressing the following: (a) prohibition or restrictions on the sale or transfer of the Lessee's interest (however, non-sale transfers resulting from marriage, divorce, death of a spouse, or a transfer otherwise permitted by applicable federal law, may not constitute a basis for default under the Lease, though the Lessor may require such transferee to agree to assume the transferor's obligations under the Lease), and (b) requirement that the Lessee occupy the Leased Premises as primary residence. Provided, however, such forfeiture or termination shall be subject to the Specified Mortgagee's right to cure a monetary default, or otherwise foreclose or take an assignment of the Leasehold Estate in lieu of foreclosure with respect to the Lessee's monetary or non-monetary default. Notwithstanding the foregoing, nothing herein shall be construed to require the Specified Mortgagee to cure any non-monetary default. Further, the Specified Mortgagee shall become subrogated to any and all rights of the Lessee with respect to such curing of a default. If the Lessee's default shall be cured as provided in the Lease, and the Specified Mortgagee shall discontinue its foreclosure or assignment in lieu of foreclosure proceedings, the Lease shall continue in full force and effect as if the Lessee had not defaulted. A default by the Lessee under the Lease shall constitute a default under the Specified Mortgage.

G. Lease Default Notice. Notwithstanding the notice requirements provided in the Lease, no default notice by the Lessor shall be deemed to have been given unless and until a copy thereof shall have been so given to the Specified Mortgagee.

H. Insurance. All insurance policies covering the Improvements shall by endorsement name the Specified Mortgagee as an additional insured and loss payee, and provide the Specified Mortgagee with 30 days' cancellation notice.

I. Casualty and Condemnation. If the Leased Premises are destroyed or taken to such an extent that the Lease is to be terminated, the insurance proceeds or condemnation award, as the case may be, shall be applied first in an amount sufficient to satisfy the Specified Mortgage. Upon the termination of the Lease as a result of a partial destruction or a condemnation of less than the entire Leased Premises, the total insurance proceeds or condemnation award, as the case may be, shall be paid to an appointed trustee, who shall first apply such insurance proceeds or condemnation award in accordance with the Specified Mortgage for restoration of the Improvements (if such trustee determines that the Improvements may reasonably be restored to a residential use consistent with the Lease), with the balance of such insurance proceeds or condemnation award to be allocated between the Lessor and Lessee as otherwise provided in the Lease. The Specified Mortgagee shall be entitled to participate in (i) the adjustment of all casualty losses and (ii) all condemnation proceedings and settlement discussions. Any insurance proceeds or condemnation award shall be applied in accordance with the Specified Mortgage. The Specified Mortgagee shall also be entitled to participate in the adjustment of the Ground Lease Fee as a result of a partial destruction or taking.

J. Force Majeure. The Lessee shall not be in default where performance is delayed or prevented by "Acts of God," war, civil commotion, strikes, labor disputes or the like.

K. Easements and Alterations. Additions to and alternations in the Improvements may be made as provided in the Lease, as long as the value of the Leased Premises is not diminished. The Lessor, as owner of the fee interest in the Leased Land, shall join in all easements, permits and applications necessary for such development of the Leased Premises as is permitted under the Lease, provided that the Lessor shall have no liability or obligation under such easement, permit or application.

L. Arbitration. The Specified Mortgagee shall have the right to participate in any arbitration or legal proceedings between the Lessor and the Lessee. Any arbitration proceedings shall be conducted in accordance with arbitration statutes applicable in the state where the Leased Premises are located.

M. Merger. If the estates of the Lessor and Lessee are at any time owned by the same person, so long as the Specified Mortgagee has any interest in the security or in the Specified Mortgage, such person shall take all necessary steps to ensure that the Specified Mortgage constitutes a first lien on the combined estate.

N. Sublease. There shall be no modification, cancellation, or surrender of any subleases, or prepayment of rent thereunder without the consent of the Specified Mortgagee. If the Specified Mortgagee forecloses on the Leased Premises, or takes an assignment in lieu of foreclosure, all subtenants shall attorn to such Specified Mortgagee or its assignee.

O. Estoppel Certificate. The Lessor shall, from time to time, with 10 days written notice from the Specified Mortgagee, certify by written instrument, duly executed and acknowledged, to such Specified Mortgagee that the Lease has not been amended, the Lease is in full force and effect, that neither party is in default thereunder, and shall certify as to the existence of any offsets, counterclaims or defenses on the part of the Lessee.

P. Conflict. In the event of a conflict between the terms and provisions of this Rider and the terms and provisions of the Lease, the terms and provisions of this Rider shall control.

BY SIGNING BELOW, the Lessor and the Lessee accept and agree to the terms and conditions of this Rider.

IN WITNESS WHEREOF, the parties have executed this Rider at _____, on the day and year first written above.

LESSOR:

corporation

LESSEE:

_____, _____
Newberg Area Habitat for Humanity, an Oregon nonprofit

STATE OF OREGON
COUNTY OF _____

On _____, before me, the undersigned Notary Public in and for said state, personally appeared _____, _____ of Newberg Area Habitat for Humanity, known to me to be the persons who executed the within instrument and acknowledged to me that they executed the same on behalf of Newberg Area Habitat for Humanity for the purposes therein stated.

Notary Public for Oregon

My commission expires _____

STATE OF OREGON
COUNTY OF _____

On _____, before me, the undersigned Notary Public in and for said state, personally appeared _____, as LESSEE, known to me to be the persons who executed the within instrument and acknowledged to me that he/she/they executed the same for the purposes therein stated.

Notary Public for Oregon

My commission expires _____

**RIDER TO HABITAT LAND LEASE FOR BENEFIT OF STATE OF OREGON, OREGON
HOUSING AND COMMUNITY SERVICES (“LIFT”)**

**Habitat
LIFT Affordability Subsidiary Lease Rider
For
OHCS LIFT Program**

This Rider is for Homes receiving LIFT funding from OHCS to make the Homes more affordable and shall govern over any inconsistent terms in the Habitat for Humanity Land Lease (“Land Lease”) to which this Rider is attached.

This LIFT AFFORDABILITY SUBSIDIARY RIDER (the “Rider”) is made this _____ day of _____, _____, and amends and supplements that certain Land Lease dated _____, 20_____, that is by and between as lessor (hereinafter referred to as “Lessor” but may otherwise be referred to in the Land Lease as “Habitat”) and Charlotte Tremaine as lessee (hereinafter referred to as “Lessee” but may otherwise be referred to in the Land Lease as “Homeowner”). This Rider shall be deemed incorporated into the Land Lease and the Land Lease, as amended by this Rider, shall be referred to as the “Land Lease,” unless otherwise indicated.

The Land Lease is a long-term lease of Lessor’s fee interest in the land located at 1209 E 5th Street, Newberg, Oregon referred to herein as the “Leased Land” or “Land” as improved by a residential structure or unit, referred to as “Improvements” or the “Home.”

This Rider amends the Land Lease for the purpose of Lessor’s ability to receive funds through OHCS’ LIFT program to help subsidize the cost of the Land and improvements to the Land, exclusive of a housing structure (“Subsidy”) and thereby reduce the cost of the Home to the Homeowner.

The parties to this Rider agree that the criteria and requirements are applicable to any funding through the LIFT program, and shall govern over any inconsistent terms in the Land Lease, unless otherwise stated in this Rider.

1. Affordability Period. The affordability period shall be a minimum of twenty (20) years or the length of Article XI-Q Bond issued by the State of Oregon (“Bond”) based on the original maturity date identified at the time of the Bond sale, whichever is greater. To the extent the affordability period contained in the Land Lease is greater, then the provisions of the Land Lease as to the affordability period shall govern.
2. Eligible Homeowners. LIFT funding must be made available to Homeowners earning at or below 80% of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (“HUD”) or any successor.
3. OHCS’ Security Interest in the Land. The parties to this Rider each acknowledge that OHCS has a deed of trust lien on the Land and in Habitat’s leasehold interest as Lessor under the Land Lease.
4. Restrictive Covenants. The parties to the Rider each acknowledge that the Land Lease includes affordability covenants and other covenants and conditions relating to transfer restrictions and maintenance standards under the Land Lease. The parties to this Rider acknowledge and agree that OHCS shall have the right, as a third party beneficiary, to enforce the affordability covenants and the other covenants and conditions relating to transfer restrictions and maintenance standards under the Land Lease.
5. Compliance and Oversight. The parties to this Rider agree that OHCS will undertake certain ongoing oversight monitoring with respect to OHCS’s rights under this Rider which may include but not limited to:
 - (a) Initial household income verification at the time of Home purchase.
 - (b) For any Home’s subsequent sales during the Affordability Period, verification of the purchasing Homeowner’s income.

(c) Annual notification of Homeowner's being in arrears in the payment of property taxes, insurance and other obligations relating to the Land and Home.

(d) Verification of appropriate maintenance and repair of the Land and Home as required by the Land Lease.

The Homeowner agrees to cooperate with Habitat and OHCS in providing any information and documentation related to the above when requested in writing by Habitat and/or OHCS. The Homeowner shall provide such information and documentation not less than twenty (20) days after receipt of the request therefor.

IN WITNESS Whereof, the parties have executed this Rider on the date first written above.

LESSOR:

NEWBERG AREA HABITAT FOR HUMANITY, an
Oregon nonprofit corporation

By: _____

Name: _____

Its: _____

LESSEE:

STATE OF OREGON

COUNTY OF _____

On _____, before me, the undersigned Notary Public in and for said state, personally appeared _____, _____ of Newberg Area Habitat for Humanity, known to me to be the persons who executed the within instrument and acknowledged to me that they executed the same on behalf of Newberg Area Habitat for Humanity for the purposes therein stated.

Notary Public for Oregon

My commission expires _____

LESSEE:

Charlotte Tremaine

STATE OF OREGON

COUNTY OF _____

On _____, before me, the undersigned Notary Public in and for said state, personally appeared and **Charolotte Tremaine**, as LESSEE, known to me to be the persons who executed the within instrument and acknowledged to me that he/she/they executed the same for the purposes therein stated.

Notary Public for Oregon

My commission expires _____



FINANCIAL STATEMENTS

Years Ended June 30, 2024 and 2023

with

Independent Auditors' Report

NEWBERG AREA HABITAT FOR HUMANITY

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Independent Auditors' Report

The Board of Directors
Newberg Area Habitat for Humanity

Opinion

We have audited the accompanying financial statements of Newberg Area Habitat for Humanity (the Organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements as of and for the year ended June 30, 2023, were reviewed by us, and our report thereon, dated February 6, 2024, stated we were not aware of any material modifications that should be made to those financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Hoffman, Stewart & Schmidt, P.C.

Lake Oswego, Oregon
February 25, 2025

NEWBERG AREA HABITAT FOR HUMANITY

Statements of Financial Position

June 30,	2024 (Audited)	2023 (Reviewed)
ASSETS		
Cash and cash equivalents	\$ 346,636	\$ 233,256
Cash held for escrow	16,059	21,950
Other receivable	789	-
Grants receivable	-	91,199
Employee retention credits receivable (Note 6)	63,484	63,484
Mortgages receivable - net (Note 2)	1,769,011	1,739,475
Inventories (Note 3)	1,474,134	492,628
Prepaid expenses	10,094	10,948
Cash held for endowment (Note 9)	25,000	-
Land leased to homeowners (Note 4)	118,000	118,000
Property and equipment - net (Note 5)	1,007,060	1,032,467
Total assets	\$ 4,830,267	\$ 3,803,407
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 15,025	\$ 38,151
Accrued payroll liabilities	19,678	8,791
Escrow deposits	16,059	21,950
Notes payable (Note 7)	886,504	179,013
Total liabilities	937,266	247,905
Commitment (Note 12)		
Net assets:		
Without donor restrictions	3,824,801	3,546,502
With donor restrictions (Notes 8 and 9)	68,200	9,000
Total net assets	3,893,001	3,555,502
Total liabilities and net assets	\$ 4,830,267	\$ 3,803,407

The accompanying notes are an integral part of the financial statements.

NEWBERG AREA HABITAT FOR HUMANITY

Statements of Activities

Years Ended June 30,	2024 (Audited)	2023 (Reviewed)
Changes in net assets without donor restrictions:		
Revenue, gains, and other support:		
Sale of Resale store inventory	\$ 270,557	\$ 214,601
Contributions and grants	207,063	208,929
Noncash contributions - Resale store	276,085	219,192
Noncash contributions - other	3,501	54,989
Amortization of discount on mortgages receivable	131,142	33,412
Gain from forgiveness of the Paycheck Protection Program loan	-	24,614
Employee retention credits receivable <i>(Note 6)</i>	-	63,484
Other	2,916	2,665
Net assets released from restrictions <i>(Note 8)</i>	9,000	4,967
Total revenue, gains, and other support	900,264	826,853
Expenses:		
Program services	520,769	416,181
Supporting services	101,196	105,034
Total expenses	621,965	521,215
Change in net assets without donor restrictions	278,299	305,638
Changes in net assets with donor restrictions:		
Contributions and grants	68,200	10,500
Net assets released from restrictions <i>(Note 8)</i>	(9,000)	(4,967)
Change in net assets with donor restrictions	59,200	5,533
Increase in net assets	337,499	311,171
Net assets, beginning of year	3,555,502	3,244,331
Net assets, end of year	\$ 3,893,001	\$ 3,555,502

The accompanying notes are an integral part of the financial statements.

NEWBERG AREA HABITAT FOR HUMANITY

Statement of Functional Expenses

Year Ended June 30, 2024 (Audited)

	Program Services			Supporting Services			Total
	Home-ownership	Resale Store	Total	Development	Management and General	Total	
Cost of goods sold							
- Resale store	\$ -	\$ 270,560	\$ 270,560	\$ -	\$ -	\$ -	\$ 270,560
Payroll and related expenses	64,830	102,294	167,124	11,842	59,286	71,128	238,252
Professional fees	1,789	-	1,789	-	14,846	14,846	16,635
Office expenses	46,376	11,863	58,239	5,295	514	5,809	64,048
Occupancy	1,156	11,492	12,648	-	1,156	1,156	13,804
Travel and vehicle expenses	-	2,576	2,576	-	-	-	2,576
Interest expense	9,914	-	9,914	-	8,086	8,086	18,000
Tithing (<i>Note 12</i>)	11,072	-	11,072	-	-	-	11,072
Depreciation	-	25,408	25,408	-	-	-	25,408
Insurance	25,311	-	25,311	-	-	-	25,311
Other expenses	3,398	128	3,526	-	171	171	3,697
Capitalized expenses	(67,398)	-	(67,398)	-	-	-	(67,398)
	<u>\$ 96,448</u>	<u>\$ 424,321</u>	<u>\$ 520,769</u>	<u>\$ 17,137</u>	<u>\$ 84,059</u>	<u>\$ 101,196</u>	<u>\$ 621,965</u>

The accompanying notes are an integral part of the financial statements.

NEWBERG AREA HABITAT FOR HUMANITY

Statement of Functional Expenses

Year Ended June 30, 2023 (Reviewed)

	Program Services			Supporting Services				Total
	Home-ownership	Resale Store	Total	Development	Management and General	Indirect Expenses	Total	
Cost of goods sold								
- Resale store	\$ -	\$ 214,601	\$ 214,601	\$ -	\$ -	\$ -	-	\$ 214,601
Payroll and related expenses	40,762	78,838	119,600	4,617	57,917	12,876	75,410	195,010
Professional fees	-	-	-	-	23,094	-	23,094	23,094
Office expenses	12,559	8,319	20,878	3,508	1,073	13,255	17,836	38,714
Occupancy	246	8,504	8,750	-	-	2,471	2,471	11,221
Travel and vehicle expenses	389	823	1,212	-	-	-	-	1,212
Interest expense	-	-	-	-	7,562	-	7,562	7,562
Tithing (Note 12)	3,334	-	3,334	-	-	-	-	3,334
Depreciation	-	25,196	25,196	-	-	-	-	25,196
Insurance	13,368	1,570	14,938	-	-	-	-	14,938
Other expenses	3,194	-	3,194	-	-	-	-	3,194
Allocation of indirect expenses	5,586	15,753	21,339	460	6,803	(28,602)	(21,339)	-
Capitalized expenses	(16,861)	-	(16,861)	-	-	-	-	(16,861)
	<u>\$ 62,577</u>	<u>\$ 353,604</u>	<u>\$ 416,181</u>	<u>\$ 8,585</u>	<u>\$ 96,449</u>	<u>\$ -</u>	<u>\$ 105,034</u>	<u>\$ 521,215</u>

The accompanying notes are an integral part of the financial statements.

NEWBERG AREA HABITAT FOR HUMANITY

Statements of Cash Flows

Years Ended June 30,	2024 (Audited)	2023 (Reviewed)
Cash flows from operating activities:		
Cash receipts:		
Principal payments on mortgages receivable	\$ 101,606	\$ 151,854
Resale store	270,557	214,601
Contributions and grants	340,673	128,230
Other	2,916	2,829
	<u>715,752</u>	<u>497,514</u>
Cash disbursements:		
Land purchases and home construction costs	446,557	66,279
Payroll and related expenses	227,365	200,562
Interest	18,000	7,562
Tithing	11,072	3,334
Other	131,260	100,898
	<u>834,254</u>	<u>378,635</u>
Net cash provided (used) by operating activities	(118,502)	118,879
Cash flows from financing activities:		
Proceeds from contributions restricted for endowment	25,000	-
Proceeds from notes payable	310,469	-
Principal payments on notes payable	(84,478)	(7,821)
	<u>250,991</u>	<u>(7,821)</u>
Net cash provided (used) by financing activities	250,991	(7,821)
Net increase in cash and cash equivalents	132,489	111,058
Cash and cash equivalents and restricted cash, beginning of year	<u>255,206</u>	<u>144,148</u>
Cash and cash equivalents and restricted cash, end of year	<u>\$ 387,695</u>	<u>\$ 255,206</u>

The accompanying notes are an integral part of the financial statements.

NEWBERG AREA HABITAT FOR HUMANITY

Statements of Cash Flows - Continued

Years Ended June 30,	2024 (Audited)	2023 (Reviewed)
Reconciliation to statement of financial position:		
Cash and cash equivalents	\$ 346,636	\$ 233,256
Cash held for escrow	16,059	21,950
Cash restricted for endowment	<u>25,000</u>	<u>-</u>
	<u>\$ 387,695</u>	<u>\$ 255,206</u>

**Supplemental disclosure of non-cash investing
and financing activities:**

Construction in progress financed with notes payable	\$ 481,500	\$ -
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The accompanying notes are an integral part of the financial statements.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements

1. Significant Accounting Policies

Organization - Newberg Area Habitat for Humanity (the Organization) is an affiliate of Habitat for Humanity International, Inc. (Habitat International), a nondenominational Christian not-for-profit organization whose purpose is to create decent, simple housing for those in need, and to make decent shelter a matter of conscience everywhere. Although Habitat International assists with information, resources, training, publications, and in other ways, the Organization is primarily and directly responsible for the legal, organizational, fundraising, family selection and nurture, financial, and construction aspects of the work. The Organization, through its many volunteers, constructs affordable housing in Newberg, Oregon, transfers the homes to qualified families at below-market prices, and provides non-interest-bearing mortgage loans.

The Organization operates a Resale store located in Newberg, Oregon, which is an outlet for selling donated building materials.

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation - Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations. Amounts designated for specific purposes by the Board of Directors are reported as net assets without donor restrictions.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or the passage of time.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

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

Significant estimates made by management include the valuation of donated resale store inventory, discounts on mortgages receivable, and the allocation of expenses by functional classification.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

1. Significant Accounting Policies - Continued

Cash and Cash Equivalents - The Organization considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Escrow Accounts - The Organization maintains escrow accounts on behalf of homeowners. These accounts are used to collect homeowner deposits to be used to pay escrow expenses (such as property taxes and homeowners' insurance premiums). The total balance of these accounts at June 30, 2024 and 2023, was \$16,059 and \$21,950, respectively.

Concentration of Credit Risk - The Organization's cash holdings (including cash held for escrow) are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. On occasion, amounts on deposit with financial institutions may exceed FDIC limits.

Inventories - Inventories consist of construction in progress and raw materials. Inventories are stated at the lower of cost or net realizable value for purchased items and estimated fair value at the date of donation for donated items, determined by the first-in-first-out (FIFO) method. Costs incurred for construction in progress are allocated to each house based on specific identification. Once completed, homes will be sold, and the cost of homes will be recorded.

Resale Store Inventory - The Organization operates a Resale store that predominantly sells donated materials to the public. Donated inventories on hand at year end are valued at estimated fair value. Purchased inventories are valued at the lower of cost or net realizable value.

Property and Equipment - Property and equipment are recorded at cost, if purchased, and at estimated fair value, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 3 to 7 years for personal property, and 39 years for real property. Maintenance and repairs are charged to expense when incurred; major renewals and betterments are capitalized.

Contributions and Grants - The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give (including grants); or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues in the net assets with donor restrictions class, and a reclassification to net assets without donor restrictions is made to reflect the expiration of such restrictions.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

1. Significant Accounting Policies - Continued Contributions and Grants - Continued

The Organization reports contributions of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when acquired long-lived assets are placed in service.

Noncash Contributions - Contributions of assets other than cash (property, construction materials, land, and equipment) are recorded at their estimated fair value. Contributions of donated services that create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at their estimated fair values in the period received.

Noncash contributions consisted of the following during the years ended June 30:

	2024	2023
Noncash contributions - Resale store	\$ 276,085	\$ 219,192
Non cash contributions - other:		
Professional services	-	54,565
Construction materials	<u>3,501</u>	<u>424</u>
	<u>3,501</u>	<u>54,989</u>
	<u>\$ 279,586</u>	<u>\$ 274,181</u>

The Organization estimates the value of donated goods received at the Resale Store based on their expected selling price. Professional services are valued at standard hourly rates charged for those services. The value of construction materials was determined by the estimated cost of the materials if purchased. There were no donor-imposed restricted associated with the noncash contributions. Professional services and construction materials were utilized by the Organization in its program and supporting services.

A substantial number of volunteers donate significant amounts of their time to the Organization for general construction and office labor. However, as these services do not require specialized skills or materially enhance the value of nonfinancial assets, the value of such services is not recorded in the financial statements.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

1. Significant Accounting Policies - Continued

Revenue Recognition - Revenue from sales of homes is recognized at the point in time the home is sold, and title passes to a qualified homebuyer. Mortgages are non-interest bearing and have been discounted at various rates ranging from 3.48 to 6.67 percent. The rates are based on the prevailing market rates at the inception of the mortgages. The rates were based on the Freddie Mac 30 year fixed-rate mortgage rates. Discounts are amortized using the effective interest method over the lives of the mortgages, and the amortization of mortgage discount is recognized as revenue.

Resale store sales are also recognized at a point in time, which is when control is transferred to the customer. The amount recorded as revenue reflects the consideration the Organization receives in exchange for its inventory.

Mortgages Receivable - Mortgages receivable consist of non-interest-bearing mortgages, which are secured by real estate and payable in monthly installments over the life of the mortgage. The Organization considers homeowners to be delinquent if they are 30 days past due on their mortgage payment. Every effort is made to assist homeowners who have become delinquent in their mortgage payments. However, foreclosure proceedings may be initiated and/or the Organization may accept a deed in lieu of foreclosure where homeowner mortgage payments are seriously delinquent. Properties acquired through foreclosure or a deed in lieu of foreclosure are generally refurbished and sold to other families in need of decent, affordable housing. Consequently, no allowance for credit losses has been established for mortgages receivable at June 30, 2024 or 2023.

In connection with the issuance of the original non-interest-bearing mortgages, in many cases the Organization also issues a second mortgage. These second mortgages represent the difference between the original mortgage and the appraised value of the home. The second mortgage is to protect the value of the collateral. Second mortgages are due at the maturity (regardless of homeowner compliance) and thus are recorded and are included in the financial statements.

For mortgages issued prior to 2010, rather than a second mortgage, a provision in the mortgage agreement provided that the difference between the amount payable by the homeowner and the appraised value of the home would be due to the Organization only if the homeowner does not comply with the terms of the mortgage. The mortgage agreements also state that the amount payable by the homeowner is reduced each year the homeowner complies with the terms of the mortgage. These amounts are not included in the financial statements as the amounts are only due to the Organization if the homeowner does not comply with the terms of the mortgage. At June 30, 2024, the amount payable to the Organization if terms of these mortgages are not complied with totaled \$53,536.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

1. Significant Accounting Policies - Continued

Endowment - As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. No net assets without donor restrictions were functioning as an endowment as of June 30, 2024 and 2023.

The Organization manages its endowment in accordance with the provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Board of Directors interpreted UPMIFA as allowing the Organization to appropriate for expenditure or accumulate so much of an endowment fund as the Organization determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift agreement. Unless otherwise stated in the gift instrument, the assets in an endowment fund shall be donor restricted assets until appropriated for expenditure by the Board of Directors.

As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the duration and preservation of the fund; the purposes of the Organization and the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of the Organization; and the investment policies of the Organization.

Currently, the Organization's endowment fund is held with cash and cash equivalents and will be invested when the fund reaches \$50,000.

Warranties - The Organization provides a one-year warranty on all of its homes. The warranty is generally for defects in materials and/or workmanship. Warranty costs are expensed as incurred. The Organization has experienced minimal warranty costs and therefore does not believe an accrual for such costs is necessary.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

1. Significant Accounting Policies - Continued

Income Taxes - The Organization is exempt from federal and state income taxation under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Functional Allocation of Expenses - Costs of providing various program and other activities have been summarized on a functional basis in the statements of functional expenses. The statements of functional expenses report certain categories of expenses that are attributable to more than one program and supporting service function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll and related expenses, office expenses, and occupancy, which are allocated on the basis of estimated time and effort.

Subsequent Events - Management has evaluated subsequent events through February 25, 2025, the date the financial statements were available for issue.

Adoption of New Accounting Standard - In June 2016, the Financial Accounting Standards Board (FASB) issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were mortgages receivable.

The Organization adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

2. Mortgages Receivable - Net

	2024	2023
Mortgages receivable	\$ 2,895,192	\$ 2,996,798
Discount on mortgages receivable	<u>(1,126,181)</u>	<u>(1,257,323)</u>
Mortgages receivable - net of discount	<u>\$ 1,769,011</u>	<u>\$ 1,739,475</u>

3. Inventories

	2024	2023
Construction in progress	\$ 1,445,575	\$ 469,745
Raw materials:		
Construction	6,000	5,000
Resale store	<u>22,559</u>	<u>17,883</u>
	<u>\$ 1,474,134</u>	<u>\$ 492,628</u>

As of June 30, 2024, construction in progress included two homes in the construction phase and five homes in the predevelopment phase.

4. Land Leased to Homeowners

To promote current and future affordability to homeowners, the Organization retained title to certain land as opposed to selling homes including the land. In lieu of selling the land, the Organization entered into a long-term land lease arrangement with the homeowners at a nominal annual rental amount. All lease agreements are for a term of 99 years. Concurrent with the recognition of the sale, the cost of the land was transferred from construction in progress to land leased to homeowners. At June 30, 2024 and 2023, land leased to homeowners totaled \$118,000.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

5. Property and Equipment - Net

	2024	2023
Land	\$ 191,740	\$ 191,740
Building	941,307	941,307
Equipment and computer software	54,873	55,378
Vehicles	<u>23,113</u>	<u>23,113</u>
	1,211,033	1,211,538
Less accumulated depreciation	<u>(203,973)</u>	<u>(179,071)</u>
Property and equipment - net	<u><u>\$ 1,007,060</u></u>	<u><u>\$ 1,032,467</u></u>

6. Employee Retention Credits

The Employee Retention Credit (ERC), established as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), provides fully refundable tax credits against the employer share of federal payroll taxes for employers who meet certain criteria.

The Organization elected to account for ERC tax credits received as a government grant using accounting guidance provided by Accounting Standards Codification 958-605: *Not-for-Profit Entities - Revenue Recognition*. The Organization determined it qualified for the ERC during the year ended June 30, 2023. Employer retention credits totaling \$63,484 were applied for and recognized as revenue during the year ended June 30, 2023. As of June 30, 2024, this amount was not yet collected, and was recorded as a receivable on the accompanying statement of financial position. All but \$19,878 was collected after the fiscal year-end.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

7. Notes Payable

	2024	2023
Note payable to First Federal Savings & Loan Association of McMinnville, payable in monthly installments of \$1,000, including interest at 4 percent per annum. The interest rate will be redetermined in June 2026, based on the five-year rate as set by Federal Home Loan Bank of Des Moines, plus an applicable margin. The note is secured by property with a carrying value of \$1,003,798 and is due June 2031.	\$ 174,404	\$ 179,013
Note payable to private party, payable in monthly installments of \$671, including interest at 5 percent per annum. The note is secured by construction in progress and is due January 2027.	124,090	-
Note payable to private party, payable in monthly installments of \$4,435, including interest at 5 percent per annum. The note is secured by construction in progress and is due September 2027.	156,321	-
Note payable to Oregon Housing and Community Services (OHCS), bearing interest at 1 percent per annum, and secured by construction in progress. The principal balance, and all unpaid accrued interest, is due December 2031.	121,500	-
Note payable to OHCS, bearing interest at zero percent, secured by construction in progress, and due December 2045. The balance can be forgiven, provided certain homes are sold to qualifying families and other requirements specified in the loan agreements have been met.	293,669	-
Note payable to Habitat for Humanity of Oregon, payable in monthly installments of \$280, without interest. The note is secured by construction in progress and is due May 2029.	16,520	-
	<u>\$ 886,504</u>	<u>\$ 179,013</u>

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

7. Notes Payable - Continued

Total future principal payments required under the note payable agreement are as follows as of June 30, 2024:

Years Ending June 30,	Amount
2025	\$ 56,837
2026	59,519
2027	180,459
2028	18,845
2029	9,098
Thereafter	<u>561,746</u>
	<u><u>\$ 886,504</u></u>

8. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30:

	2024	2023
Construction costs	\$ 43,200	\$ 9,000
Endowment fund	<u>25,000</u>	<u>-</u>
	<u><u>\$ 68,200</u></u>	<u><u>\$ 9,000</u></u>

During the years ended June 30, 2024 and 2023, net assets of \$9,000 and \$4,967, respectively, were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of other events specified by donors.

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

9. Endowment Fund

The Organization's endowment fund is currently held with cash and cash equivalents. Changes in endowment net assets for the year ended June 30, 2024, were as follows:

Endowment net assets, July 1, 2023	\$ -
Contribution restricted for endowment	<u>25,000</u>
Endowment net assts, June 30, 2024	<u><u>\$ 25,000</u></u>

10. Liquidity and Availability of Financial Assets

The Organization's financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the statement of financial position date consist of the following:

	2024	2023
Cash and cash equivalents	\$ 346,636	\$ 233,256
Other receivable	789	-
Grants receivable	-	91,199
Employee retention credits receivable	63,484	63,484
Current portion of mortgages receivable	<u>98,460</u>	<u>98,460</u>
Total financial assets available within one year	509,369	486,399
Less net assets restricted by donors for specific purposes	<u>(43,200)</u>	<u>(9,000)</u>
	<u><u>\$ 466,169</u></u>	<u><u>\$ 477,399</u></u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

To help manage unanticipated liquidity needs, the Organization has a line of credit through US Bank for borrowings up to \$125,000 and a line of credit with First Federal Savings & Loan Association for borrowings up to \$200,000 (*Note 11*).

NEWBERG AREA HABITAT FOR HUMANITY

Notes to Financial Statements - Continued

11. Line of Credit

The Organization has a \$125,000 unsecured line of credit available with US Bank. Interest on the line of credit is at the bank's prime rate (8.5 percent at June 30, 2024). At June 30, 2024 and 2023, there were no outstanding borrowings.

The Organization has a \$200,000 line of credit available with First Federal Savings & Loan Association, secured by real estate. Interest on the line of credit is at the bank's prime rate plus 1.25 percent (9.75 percent at June 30, 2024). At June 30, 2024 and 2023, there were no outstanding borrowings.

12. Transactions with Habitat International

The Organization annually remits a portion of its unrestricted contributions (excluding in-kind contributions and grants) to Habitat International. These funds are used to construct homes in economically depressed areas around the world. For the years ended June 30, 2024 and 2023, the total amount remitted was \$11,072 and \$3,334, respectively.