



*Reports of Independent Auditors and  
Financial Statements with Supplementary Information*

**Lytton IV Housing Corporation  
(a California Nonprofit Public Benefit Corporation)  
HUD Project No: 121-EE 012-NP-WAH**

*March 31, 2021 and 2020*

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## **Report of Independent Auditors**

To the Board of Directors  
Lytton IV Housing Corporation  
(a California Nonprofit Public Benefit Corporation)

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Lytton IV Housing Corporation (a California nonprofit public benefit corporation) (the “Project”), HUD Project No. 121-EE 012-NP-WAH, which comprise the statements of financial position as of March 31, 2021 and 2020, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management’s Responsibility for the Financial Statements***

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

### ***Auditor’s Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Project, as of March 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Supplementary Information Required by HUD and Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 16 to 24 is presented for purposes of additional analysis as required by the *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards as shown on page 26 required by Title 2 *U.S. Code of Federal Regulations* ("CFR"), Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021, on our consideration of the Project's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Project's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Project's internal control over financial reporting and compliance.

*Moss Adams LLP*

San Francisco, California  
June 29, 2021

## **Financial Statements**

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**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Statements of Financial Position**  
**March 31, 2021 and 2020**

	2021	2020
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 27,903	\$ 88,920
Accounts receivable	6,875	20,625
Prepaid expenses	27,420	23,856
Total current assets	<u>62,198</u>	<u>133,401</u>
<b>RESTRICTED CASH - TENANT SECURITY DEPOSITS</b>	<u>14,914</u>	<u>15,006</u>
<b>RESTRICTED CASH - RESTRICTED DEPOSITS AND FUNDED RESERVES</b>		
Replacement reserves	<u>257,731</u>	<u>195,351</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land and land improvements	1,653,440	1,653,440
Building and building improvements	6,170,365	6,170,365
Furniture and fixtures for project/tenant use	64,770	64,770
Office equipment	29,029	10,044
Construction in progress	36,897	-
	7,954,501	7,898,619
Accumulated depreciation	<u>(4,082,794)</u>	<u>(3,870,177)</u>
Total property and equipment, net	<u>3,871,707</u>	<u>4,028,442</u>
<b>OTHER ASSETS</b>		
Development costs	<u>69,752</u>	<u>4,316</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 4,276,302</u></u>	<u><u>\$ 4,376,516</u></u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Statements of Financial Position (Continued)**  
**March 31, 2020 and 2019**

	2021	2020
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 152,963	\$ 33,251
Accounts payable - affiliated organizations	54,783	18,390
Accrued wages payable	20,373	8,031
Total current liabilities	228,119	59,672
<b>TENANT SECURITY DEPOSITS</b>	14,914	15,006
<b>LONG-TERM LIABILITIES</b>		
Mortgage payable - City of Palo Alto	459,676	488,924
HUD capital advance	5,738,600	5,738,600
Total long-term liabilities	6,198,276	6,227,524
Total liabilities	6,441,309	6,302,202
<b>NET ASSETS</b>		
Net assets without donor restrictions		
Board-designated net assets:		
Restricted deposits and funded reserves	257,731	195,351
Undesignated	(2,422,738)	(2,121,037)
Total net assets (deficit)	(2,165,007)	(1,925,686)
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 4,276,302</b>	<b>\$ 4,376,516</b>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Statements of Activities and Changes in Net Assets**  
**Years Ended March 31, 2021 and 2020**

	2021	2020
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenues and support:		
Rental income, net of vacancy loss of \$0 in 2020 and 2019	\$ 141,508	\$ 143,373
HUD assistance income	238,052	236,508
Interest income	142	702
Laundry and other	1,400	1,268
Miscellaneous income	568	16,577
Total revenues and support	<u>381,670</u>	<u>398,428</u>
Expenses:		
Administrative	203,446	155,683
Utilities	40,482	44,753
Operating and maintenance	121,491	73,026
Taxes and insurance	40,841	33,824
Resident services	2,114	3,284
Depreciation	212,617	209,187
Total expenses	<u>620,991</u>	<u>519,757</u>
CHANGE IN NET DEFICIT WITHOUT DONOR RESTRICTIONS	(239,321)	(121,329)
NET DEFICIT, beginning of year	<u>(1,925,686)</u>	<u>(1,804,357)</u>
NET DEFICIT, end of year	<u><u>\$ (2,165,007)</u></u>	<u><u>\$ (1,925,686)</u></u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Statements of Cash Flows**  
**Years Ended March 31, 2021 and 2020**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Rental receipts	\$ 379,560	\$ 363,330
Interest receipts	142	702
Other operating receipts	84,468	17,844
Total receipts	464,170	381,876
Administrative	(31,534)	(48,756)
Management fee	(49,532)	(42,540)
Utilities	(40,300)	(44,753)
Salaries and wages	(110,564)	(77,245)
Operating and maintenance	(86,212)	(61,777)
Real estate taxes	(2,014)	(2,026)
Property insurance	(28,359)	(21,643)
Miscellaneous taxes and insurance	(29,162)	(11,425)
Other operating expenses	(92)	(3,251)
Total disbursements	(377,769)	(313,416)
Cash provided by operating activities	86,401	68,460
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(55,882)	-
Cash used in investing activities	(55,882)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on loans payable	(29,248)	(15,902)
Cash used in financing activities	(29,248)	(15,902)
<b>NET CHANGE IN CASH AND RESTRICTED CASH</b>	1,271	52,558
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, beginning of year</b>	299,277	246,719
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, end of year</b>	\$ 300,548	\$ 299,277
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>		
Cash and cash equivalents	\$ 27,903	\$ 88,920
Restricted cash - tenant security deposits	14,914	15,006
Restricted cash - restricted deposits and funded reserves	257,731	195,351
<b>TOTAL CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, end of year</b>	\$ 300,548	\$ 299,277

# **Lytton IV Housing Corporation**

## **HUD Project No. 121-EE 012-NP-WAH**

### **Notes to Financial Statements**

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#### **NOTE 1 – DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of operations** – Lytton IV Housing Corporation (the “Project”), is a California nonprofit public benefit corporation organized in 1992 to develop, construct, and operate a 51-unit independent living apartment complex for seniors in Palo Alto, California. The Project is operated under Section 202 of the National Housing Act, as amended and regulated by the U.S. Department of Housing and Urban Development (“HUD”) as to rent charges, operating methods, and other matters. The Project consists of 50 partially subsidized apartments and one resident manager’s unit. The Project generates its revenue primarily from rental income. Rental fee increases are subject to HUD approval.

**Affiliated organizations** – The Project, through its sole member, Covia Affordable Communities (“Affordable Communities”), a management and fundraising support organization, is affiliated with: Community Housing, Inc., which operates Lytton Gardens I and II; Oak Center Towers; Presidio Gate Apartments; Jennings Senior Housing, Inc.; Shires Memorial Center; and Bethany Center Senior Housing, Inc. (“BCSH”), all of which are affordable senior housing communities. Through BCSH, the Project is affiliated with Bethany Center Foundation of San Francisco. Through Affordable Communities’ sole member, Covia Group (“the Group”), a California nonprofit public benefit corporation, the Project is also affiliated with Covia Communities (“the Communities”), which operates five life plan communities, and Covia Foundation (“the Foundation”), a fundraising and supporting organization to Communities, (collectively, the “Affiliates”). All of the Affiliates are California nonprofit public benefit corporations. Some of the Affiliates share common officers, directors, and management and, at times, provide various support services to one another. The Affiliates’ financial statements are not included in the accompanying financial statements of the Project.

**Basis of presentation** – The financial statements have been prepared on the accrual basis of accounting which recognizes income in the period earned and expenses when incurred, consistent with accounting principles generally accepted in the United States of America.

**Cash and cash equivalents** – Cash and cash equivalents includes cash on hand and cash held in demand deposit, sweep, and savings accounts, and certain investments in highly liquid instruments with original maturities of three months or less. Not included in cash and cash equivalents are funds restricted as to their use, regardless of their liquidity, such as security deposits and operating and replacements reserves.

**Concentration of risk** – Financial instruments potentially subjecting the Project to concentrations of credit risk consist primarily of bank demand deposits in excess of Federal Deposit Insurance Corporation limits.

**Accounts receivables** – The Project receives payment from residents and HUD for services provided. The Project uses the specific write-off method to provide for doubtful accounts because past experience and management’s estimation indicates an adequate allowance for such accounts is immaterial.

**Restricted deposits and funded reserves** – Assets whose use is limited are funded reserves for replacement of the Project. Such assets consist of cash and cash equivalents carried at fair value based on quoted market prices (Note 2).

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Notes to Financial Statements (Continued)**

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**Property and equipment** – Property and equipment are stated at cost. Acquisitions of \$7,500 or more and with a useful life of more than one year are capitalized. Depreciation is based upon the straight-line method at rates based on the estimated useful lives of the various classes of property which range from 3 to 40 years. The Project periodically evaluates the carrying value of its long-lived assets for impairment. Based on this evaluation, no impairment was recorded for the years ended March 31, 2021 and 2020.

**Tenant security deposits** – In accordance with government regulations for the Project, the Project must maintain deposit funds equal to the related liability for tenant security deposits. Security deposits are held in a separate interest-bearing account in the name of Lytton IV Housing Corporation, and have been classified as restricted cash on the statement of financial position.

**Net assets** – The Project classifies net assets as follows:

*Net assets without donor restrictions* represent unrestricted resources available to support the Project's operations and temporarily restricted resources which have become available for use by the Project in accordance with the intention of the donor.

*Net assets with donor restrictions* represent contributions that are limited in use by the Project in accordance with temporary donor-imposed stipulations or to be maintained in perpetuity. These stipulations may expire with time or may be satisfied by the actions of the Project according to the intention of the donor. Upon satisfaction of such stipulations, the associated net assets are released from net assets with donor restrictions and recognized as net assets without donor restrictions. Net assets with donor restrictions are available primarily for assistance and capital projects as designated by the donors. At March 31, 2021 and 2020, the Project had no net assets with donor restrictions.

**Revenue recognition** – Rental income is shown at its maximum gross potential. Rental income is derived from rental rates subject to HUD approval. Vacancy loss is shown as a reduction in rental income. The Project recognized revenue for services under resident agreements in accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") (*Topic 842*), *Leases*, which is recognized as the services are performed. Revenue is recognized as earned when rental are invoiced. Rental units occupied by employees are included in rental income as an expense of operations. Other income includes fees for late payments, cleaning, damages, laundry facilities, and other charges, and is recorded when earned.

**Tax-exempt status** – The Project is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and has been granted tax-exempt status by the Internal Revenue Service and the California Franchise Tax Board.

The Project applies the provisions of Accounting Standards Codification ("ASC") (*Topic 740-10*), *Income Taxes*, relating to accounting for uncertain tax positions. The Project recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Project recognizes interest and penalties related to income tax matters in operating expenses. At March 31, 2021 and 2020, the Project had no unsettled tax matters.

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Notes to Financial Statements (Continued)**

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**Property taxes** – The Project has filed and received an exemption from certain property taxes in accordance with Section 214 of the California Revenue and Taxation Code.

**Use of estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Economic concentrations** – The future operations of the Project could be affected by changes in economic or other conditions in the geographic area of Palo Alto, California, or by changes in federal low-income housing subsidies or the demand for such housing.

**New accounting pronouncements** – In September 2020, the FASB issued Accounting Standards Update (“ASU”) No. 2020-07, *Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets* (“ASU 2020-07”), which increases the transparency of contributed nonfinancial assets for not-for-profit organizations through enhancements to presentation and disclosure. The update addresses certain stakeholders’ concerns about the lack of transparency about the measurement of contributed nonfinancial assets recognized by not-for-profit organizations, as well as the amount of those contributions used in a not-for-profit organization’s programs and other activities. ASU 2020-07 is effective for the Project for the fiscal year beginning April 1, 2022. Management is currently evaluating the impact of the provisions of ASU 2020-07 on the financial statements.

**NOTE 2 – RESTRICTED DEPOSITS AND FUNDED RESERVES**

**Replacement reserves** – In accordance with the HUD regulatory agreement, the Project is required to maintain a reserve for replacement and repair of property and equipment. The reserve is required to be funded in the amount of \$2,750 per month. The funds are held in an interest-bearing account. All withdrawals require prior written approval by HUD. The replacement reserve’s account activity, classified as restricted cash on the statement of financial position, for the fiscal year ended March 31, is as follows:

	2021	2020
Beginning balance at April 1,	\$ 195,351	\$ 161,649
Monthly deposits	62,248	33,000
Bank interest, net of bank fees	132	702
	\$ 257,731	\$ 195,351

**Residual receipts** – The Project is required to deposit residual receipts within 60 days after year end in a separate, interest-bearing account. The funds can be used for the operating needs of the property, including debt service on the City of Palo Alto note, with the prior written approval of HUD (Note 4). This balance is classified as restricted cash on the statement of financial position. The required deposit to residual receipts for the years ended March 31, 2021 and 2020, was \$29,248 and \$15,902, respectively. In accordance with the City of Palo Alto note requiring remittance to the City of Palo Alto any residual receipts, and with the approval of HUD, \$29,248 was remitted to the City of Palo Alto during fiscal year 2021.

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Notes to Financial Statements (Continued)**

**NOTE 3 – MORTGAGES PAYABLE**

The Project's mortgages payable consisted of the following at March 31:

	2021	2020
<p>U.S. Department of Housing and Urban Development Section 202 Capital Advance, dated November 26, 1993, secured by first deed of trust on real property, bearing no interest. The advance is essentially a forgivable loan and shall only be repayable if the Project fails to remain available to very low-income households as approved by HUD through June 1, 2035.</p>	\$ 5,738,600	\$ 5,738,600
<p>City of Palo Alto note, dated November 30, 1993, bearing 5% simple interest per annum beginning on December 1, 1995. Payments may only be made from residual receipts with the approval of HUD. The balance of principal and interest is due at the maturity on June 1, 2035. The term is designed to coincide with the closing of the HUD Capital Advance period. At this time, the City of Palo Alto has an option to acquire the Project in exchange for cancellation of the principal and accrued interest outstanding at that date.</p>	459,676	488,924
<p style="padding-left: 40px;">Total mortgages payable</p>	\$ 6,198,276	\$ 6,227,524

**NOTE 4 – PROJECT RENTAL ASSISTANCE CONTRACT**

The Project entered into a Project Rental Assistance Contract with HUD for 50 units effective May 1, 1995. The 20-year subsidy contract provides for an initial annual maximum commitment of \$215,640, as of the effective date of the agreement. This amount is modified upon rent increases or decreases and the availability of funds, as approved by HUD. Rents cannot be increased without prior written approval from HUD. At the end of the initial contract period, the Project entered into a one-year agreement with HUD. Effective May 1, 2018, a 2.92% rent increase was granted which provides for a maximum commitment of \$379,800 (for the period from May 1, 2018, to April 30, 2019). Effective May 1, 2019, a 0.00% rent increase was granted which provides for a maximum commitment of \$379,800 (for the period from May 1, 2019, to April 30, 2020). Effective May 1, 2020, a 0.00% rent increase was granted which provides for a maximum commitment of \$379,800 (for the period from May 1, 2020, to April 30, 2021).

**NOTE 5 – RELATED-PARTY TRANSACTIONS**

The Project, together with its affiliated organizations (Note 1), entered into a memo of understanding with Affordable Communities to provide certain administrative, accounting, fundraising, and other general management services and the employment of personnel on a shared basis. The Project incurred \$359,104 and \$165,422 of shared costs during the years ended March 31, 2021 and 2020, respectively. Of this amount, \$54,783 and \$12,471 is included in accounts payable – affiliated organizations at March 31, 2021 and 2020, respectively.

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Notes to Financial Statements (Continued)**

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**NOTE 6 – COMMITMENTS AND CONTINGENCIES**

**HUD regulations** – In connection with the HUD agreements, there are certain restrictions on occupancy of the units which include maximum income limitations and maximum rents chargeable. These agreements also require the maintenance of security deposits and replacement reserves which are to be held by the mortgagee (Notes 1 and 2).

**Employee benefit plan** – The Project has implemented a 403(b) tax deferred annuity plan (the “Plan”) through Affordable Communities. Eligible employees who have satisfied the age and service requirements are allowed to make salary reduction contributions with a maximum contribution of up to the statutory limit. Affordable Communities pays for all the administrative expenses to operate the Plan. Effective August 1, 2018, the Affordable Communities amended the Plan, terminating the employer match and adopting a 10% employer 403(b) contribution to the employee’s individual plan accounts in accordance with HUD Notice H 5-08 across all Affordable Communities projects. Employees are not required to contribute, and certain age and service requirements apply. The Project’s contribution for the years ended March 31, 2021 and 2020, totaled \$11,531 and \$6,970, respectively.

**City of Palo Alto acquisition rights** – Upon expiration of the 40-year term of HUD regulatory agreement, the City of Palo Alto (the “City”) may, at its sole option, require the Project to transfer ownership of the Project (all improvements and land) to the City. The City must exercise said option within six months of the termination of HUD regulatory agreement. In consideration of the exercise of said option, the City shall cancel any remaining balance then owing by the Project on the note with the City.

**Litigation** – The Project is aware of certain asserted and unasserted legal claims. While the outcome cannot be determined at this time, it is management’s opinion that the liability, if any, from these actions will not have a material adverse effect on the Project’s financial position.

**COVID-19** – In March 2020, the World Health Organization declared the novel coronavirus (“COVID-19”) a global pandemic and recommended containment and mitigation measures worldwide. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, customers, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses and organizations, including the Project’s. It is not possible for the Project to predict the duration or magnitude of the adverse results of the outbreak and its disruptive effects on the Project’s operations and financial results at this time.

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Notes to Financial Statements (Continued)**

**NOTE 7 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year, comprise of the following at March 31:

	2021	2020
Cash and cash equivalents	\$ 27,903	\$ 88,920
Accounts receivable, net	6,875	20,625
	\$ 34,778	\$ 109,545

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Project has a goal to maintain a current ratio greater than 1:1 in order to meet general expenditures, liabilities, and other obligations as they come due. As part of the Project's liquidity management plan, Affordable Communities will provide for shortfalls in liquidity if necessary.

**NOTE 8 – FUNCTIONAL EXPENSES**

The costs of providing residential services and supporting activities are summarized on a functional basis as follows:

	Year Ended March 31, 2021		
	Residential Services	General and Administrative	Total
Salaries and benefits	\$ 38,395	\$ 111,577	\$ 149,972
Supplies	1,686	1,197	2,883
Other purchased services	-	25,436	25,436
Repairs and maintenance	57,863	6,429	64,292
Utilities	32,244	8,238	40,482
Depreciation and amortization	191,355	21,262	212,617
Other	67,539	57,770	125,309
	\$ 389,082	\$ 231,909	\$ 620,991

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Notes to Financial Statements (Continued)**

	Year Ended March 31, 2020		
	Residential Services	General and Administrative	Total
Salaries and benefits	\$ 8,827	\$ 75,587	\$ 84,414
Supplies	3,361	1,591	4,952
Other purchased services	2,034	23,184	25,218
Repairs and maintenance	33,121	3,680	36,801
Utilities	36,146	8,607	44,753
Depreciation and amortization	188,270	20,917	209,187
Other	65,483	48,949	114,432
	<u>\$ 337,242</u>	<u>\$ 182,515</u>	<u>\$ 519,757</u>

Salaries and benefits are allocated based on time and effort. All other expenses are allocated based on direct costs. Costs not directly attributable to a function, including depreciation, interest, and other occupancy costs, are allocated to a function based on a square footage or units of service basis.

**NOTE 9 – SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are available to be issued. The Project recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Project's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before financial statements were available to be issued.

On June 1, 2020, the Board of Directors for Front Porch, Covia Communities and Covia Group voted to affiliate. The affiliation was approved and completed on April 1, 2021.

The Project has evaluated subsequent events through June 29, 2021, which is the date the financial statements were available to be issued.

## **Supplementary Information Required by HUD**

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**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Balance Sheet Data**  
**March 31, 2021**

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Account	Description	Value
1120	Cash - operations	\$ 27,903
1130	Tenant/member accounts receivable (co-ops)	<u>6,875</u>
1130N	Net tenant accounts receivable	6,875
1200	Prepaid expenses	<u>27,420</u>
1100T	Total current assets	<u>62,198</u>
1191	Tenant/patient deposits held in trust	<u>14,914</u>
1320	Replacement reserve	<u>257,731</u>
1300T	Total deposits	<u>257,731</u>
1410	Land	1,653,440
1420	Buildings	6,170,365
1450	Furniture for project/tenant use	64,770
1465	Office furniture and equipment	29,029
1490	Miscellaneous fixed assets	<u>36,897</u>
	Details - Miscellaneous fixed assets	
	1490-010 - Description - Construction in progress	
	1490-020 - Amount	\$ 36,897
1400T	Total fixed assets	<u>7,954,501</u>
1495	Accumulated depreciation	<u>(4,082,794)</u>
1400N	Net fixed assets	<u>3,871,707</u>
1590	Miscellaneous other assets	
	Details - Miscellaneous other assets	
	1590-010 - Description - Development costs	
	1590-020 - Amount	\$ 69,752
1500T	Total other assets	<u>69,752</u>
1000T	Total assets	<u><u>\$ 4,276,302</u></u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Balance Sheet Data (Continued)**  
**March 31, 2021**

Account	Description	Value
2110	Accounts payable - operations	\$ 49,423
2120	Accrued wages payable	20,373
2190	Miscellaneous current liabilities	<u>158,323</u>
	2190-010 - Details - Accounts payable - affiliated organizations	
	2190-020 - Amount	\$ 54,783
	2190-010 - Details - Parking fees	
	2190-020 - Amount	\$ 103,540
2122T	Total current liabilities	<u>228,119</u>
2191	Tenant/patient deposits held in trust (contra)	<u>14,914</u>
2320	Mortgage (or bonds) payable - First mortgage (or bonds)	5,738,600
2322	Other mortgages payable (long-term)	<u>459,676</u>
	Details - Other mortgages payable (long-term)	
	2322-010 - Type of mortgage - second mortgage	
	2322-020 - Amount of mortgage(s) payable	\$ 459,676
2300T	Total long-term liabilities	<u>6,198,276</u>
2000T	Total liabilities	<u>6,441,309</u>
3131	Net assets without donor restrictions	<u>(2,165,007)</u>
3130	Total net assets	<u>(2,165,007)</u>
2033T	Total liabilities and equity/net assets	<u>\$ 4,276,302</u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Profit and Loss Data (Continued)**  
**Year Ended March 31, 2021**

Account	Description	Value
<b>REVENUES</b>		
5120	Rent revenue - gross potential	\$ 141,508
5121	Tenant assistance payments	238,052
5100T	Total rent revenue	379,560
5152N	Net rental revenue (rent revenue less vacancies)	379,560
5410	Financial revenue - project operations	10
5440	Revenue from investments - replacement reserve	132
5400T	Total financial revenue	142
5910	Laundry and vending revenue	1,400
5990	Miscellaneous revenue	568
	Details - Miscellaneous revenue	
	5990-010 - Description - Commercial lease revenue	
	5990-020 - Amount	\$ 568
5900T	Total other revenue	1,968
5000T	Total revenue	381,670
<b>EXPENSES</b>		
6310	Office salaries	\$ 122,906
6311	Office expenses	34,546
6320	Management fee	39,000
6340	Legal expense - Project	2,660
6350	Audit expense	18,844
6351	Bookkeeping	10,532
6390	Miscellaneous administrative expenses	393
6263T	Total administrative expenses	\$ 228,881

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Profit and Loss Data (Continued)**  
**Year Ended March 31, 2021**

Account	Description	Value
6450	Electricity	\$ 15,020
6451	Water	15,691
6452	Gas	7,884
6453	Sewer	1,705
6400T	Total utilities expense	<u>40,300</u>
6515	Supplies	9,097
6520	Contracts	29,868
6525	Garbage and trash removal	23,080
6546	Heating/Cooling Repairs and Maintenance	<u>24,167</u>
6500T	Total operating and maintenance expenses	<u>86,212</u>
6710	Real estate taxes	2,013
6711	Payroll taxes (Project's share)	8,354
6720	Property and liability insurance (hazard)	22,539
6722	Workers' compensation	12
6723	Health insurance and other employee benefits	18,657
6790	Miscellaneous taxes, licenses, permits, and insurance	<u>1,406</u>
	Details - Miscellaneous taxes, licenses, permits, and insurance	
	6790-010 - Description - Other taxes, licenses & permits	
	6790-020 - Amount	\$ 1,406
6700T	Total taxes and insurance	<u>52,981</u>
6000T	Total cost of operations before depreciation	<u>408,374</u>
5060T	Profit (loss) before depreciation	(26,704)
6600	Depreciation expenses	<u>212,617</u>
5060N	Operating loss	<u>(239,321)</u>
3247	Change in net assets without donor restrictions	<u>(239,321)</u>
3250	Change in total net assets from operations	<u><u>\$ (239,321)</u></u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Profit and Loss Data (Continued)**  
**Year Ended March 31, 2021**

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<u>Account</u>	<u>Description</u>	<u>Value</u>
S1000-020	The total of all monthly reserve for replacement deposits (usually 12 months) required during the audit period even if deposits have been temporarily waived or suspended.	<u>\$ 62,248</u>

<u>Account</u>	<u>Description</u>	<u>Value</u>
S1100-060	Previous year net assets without donor restrictions	\$ (1,925,686)
3247	Change in net assets without donor restrictions	<u>(239,321)</u>
3131	Net assets without donor restrictions	<u>(2,165,007)</u>
S1100-050	Previous year total net assets	(1,925,686)
3250	Change in total net assets from operations	<u>(239,321)</u>
3130	Total net assets	<u>\$ (2,165,007)</u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Statement of Cash Flows Data**  
**Year Ended March 31, 2021**

Account	Description	Value
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
S1200-010	Rental receipts	\$ 379,560
S1200-020	Interest receipts	142
S1200-030	Other operating receipts	84,468
S1200-040	Total receipts	<u>464,170</u>
S1200-050	Administrative	(31,534)
S1200-070	Management fee	(49,532)
S1200-090	Utilities	(40,300)
S1200-100	Salaries and wages	(110,564)
S1200-110	Operating and maintenance	(86,212)
S1200-120	Real estate taxes	(2,014)
S1200-140	Property insurance	(28,359)
S1200-150	Miscellaneous taxes and insurance	<u>(29,162)</u>
S1200-230	Total disbursements	<u>(377,677)</u>
S1200-240	Net cash provided by operating activities	<u>86,493</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
S1200-250	Net deposits to the reserve for replacement account	(62,380)
S1200-330	Net purchase of fixed assets	<u>(55,882)</u>
S1200-350	Net cash used in investing activities	<u>(118,262)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
S1200-360	Principal payments - second mortgage (City of Palo Alto Note)	<u>(29,248)</u>
S1200-460	Net cash used in financing activities	<u>(29,248)</u>
S1200-470	Net decrease in cash and cash equivalents	(61,017)
S1200-480	Beginning of period cash and cash equivalents	<u>88,920</u>
S1200T	End of period cash and cash equivalents	<u>\$ 27,903</u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Schedule of Surplus Cash**  
**As of March 31, 2021**

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Account	Description	Value
S1300-010	Cash	\$ 42,817
S1300-040	Total cash	<u>42,817</u>
S1300-075	Accounts payable - 30 days	152,963
S1300-100	Accrued expenses (not escrowed)	20,373
2191	Tenant security deposit held in trust (contra)	14,914
S1300-110	Other current obligations	<u>54,783</u>
	Details - Other current obligations	
	S1300-120 - Description - Accounts payable - affiliated organizations	
	S1300-130 - Amount	\$ 54,783
S1300-140	Total current obligations	<u>243,033</u>
S1300-150	Surplus cash (deficiency)	<u>\$ (200,216)</u>
S1300-210	Deposit due residual receipts	<u>\$ -</u>

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Schedule of Changes in Fixed Asset Accounts**  
**Year Ended March 31, 2021**

Account	Description	Value
1410P	Beginning balance for 1410	\$ 1,653,440
1410	Land	1,653,440
1420P	Beginning balance for 1420	6,170,365
1420	Buildings	6,170,365
1450P	Beginning balance for 1450	64,770
1450	Furniture for project/tenant use	64,770
1465P	Beginning balance for 1465	10,044
1465AT	Additions for 1465	18,985
	Details - Additions for 1465	
	1465D-010 - Computer software	
	1465D-030 - Total amount	\$ 18,985
1465	Office furniture and equipment	29,029
1490P	Beginning balance for 1490	-
1490AT	Additions for 1490	36,897
	Details - Additions for 1490	
	1490D-010 - Construction in progress	
	1490D-030 - Total amount	\$ 36,897
1490	Miscellaneous fixed assets	36,897
1400PT	Total beginning balance for fixed assets	7,898,619
1400AT	Total asset additions	55,882
1400T	Total fixed assets	7,954,501
1495P	Beginning balance for 1495	3,870,177
6600	Total provisions	212,617
1495	Ending balance for accumulated depreciation	4,082,794
1400N	Total net book value	\$ 3,871,707

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Schedule of Replacement Reserve**  
**Year Ended March 31, 2021**

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Account	Description	Value
1320P	Balance at beginning of year	\$ 195,351
1320DT	Total monthly deposits	62,248
1320INT	Interest on replacement reserve accounts	<u>132</u>
1320	Balance at end of year, confirmed by mortgagee	<u><u>\$ 257,731</u></u>
1320R	Deposits suspended or waived indicator	N

## **Supplementary Information**

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**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended March 31, 2021**

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures
U.S. Department of Housing and Urban Development ("HUD") Section 202 Supportive Housing for the Elderly Project No. 121-EE 012-NP-WAH No. 121-EE 012-NP-WAH Outstanding mortgage balance with continuing compliance requirements, beginning balance	14.157	\$ 5,738,600
Project Rental Assistance Contract ("PRAC")	14.157	<u>238,052</u>
Total direct expenditures of federal awards		<u>\$ 5,976,652</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Basis of presentation** – The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant and loan activity of the Project under programs of the federal government for the year ended March 31, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Project, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Project.

**Summary of significant accounting policies** – Expenditures in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, and the Uniform Guidance, as applicable, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Subrecipients** – The Project did not provide any federal awards to subrecipients during the year ended March 31, 2021.

**Indirect costs** – The Project has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Loan balance** – The federal loan program is administered directly by the Project, and balances and transactions relating to this program are included in the Project's basic financial statements. Loans outstanding at the beginning of the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at March 31, 2021, was \$5,738,600.

## **Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors  
Lytton IV Housing Corporation  
(a California Nonprofit Public Benefit Corporation)

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lytton IV Housing Corporation (a California nonprofit public benefit corporation) (the "Project"), HUD Project No. 121-EE 012-NP-WAH, which comprise the statement of financial position as of March 31, 2021, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 29, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Project's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control. Accordingly, we do not express an opinion on the effectiveness of the Project's internal control.

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Moss Adams LLP*

San Francisco, California  
June 29, 2021

## **Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

To the Board of Directors  
Lytton IV Housing Corporation  
(a California Nonprofit Public Benefit Corporation)

### **Report on Compliance for the Major Federal Program**

We have audited Lytton IV Housing Corporation's (a California nonprofit public benefit corporation) (the "Project"), HUD Project No. 121-EE 012-NP-WAH, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Project's major federal program for the year ended March 31, 2021. The Project's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the Project's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program occurred. An audit includes examining, on a test basis, evidence about the Project's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Project's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Project complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2021.

### **Report on Internal Control Over Compliance**

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

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

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

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

*Moss Adams LLP*

San Francisco, California  
June 29, 2021

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Schedule of Findings and Questioned Costs**  
**Year Ended March 31, 2021**

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

**Identification of Major Federal Programs and Type of Auditor's Report Issued on Compliance for Major Federal Programs:**

<i>Assistance Listing Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
14.157	Section 202 Supportive Housing for the Elderly	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?  Yes  No

**Section II - Financial Statement Findings**

None reported

**Section III - Federal Award Findings and Questioned Costs**

None reported

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended March 31, 2021**

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There are no prior audit findings to report on.

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Mortgagor's Certification**  
**Year Ended March 31, 2021**

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Account	Description	Value
		We hereby certify that we have examined the accompanying financial statements and supplemental data and to the best of our knowledge and belief, the same is complete and accurate.
S2900-010	Narrative	
S2900-020	Name of Signatory #1	Ronald Schaefer
S2900-025	Title of Certifying Official #1	Chief Operating Officer
S2900-030	Name of Signatory #2	Jonathan Casey
S2900-035	Title of Certifying Official #2	Vice President of Finance for Affordable Housing
S2900-040	Auditee Telephone Number	(925) 956-7400
S2900-050	Date of Certification	June 29, 2021
S2900-080	Auditee Name	Lytton IV Housing Corporation
S2900-090	Auditee Street Address Line 1	2185 N. California Blvd., #215
S2900-110	Auditee City	Walnut Creek
S2900-120	Auditee State	CA
S2900-130	Auditee Zip Code	94596
S2900-150	Auditee Contact Name	Jonathan Casey
S2900-160	Auditee Contact Title	Vice President of Finance for Affordable Housing
S2900-170	Auditee Contact Fax Number	(925) 407-0060
S2900-180	Auditee Contact E-mail	jc Casey@covia.org

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Management Agent's Certification**  
**Year Ended March 31, 2021**

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Account	Description	Value
S3000-010	Narrative	We hereby certify that we have examined the accompanying financial statements and supplemental data and to the best of our knowledge and belief, the same is complete and accurate.  Covia Affordable Communities Ronald Schaefer 94-2264235 Doris Lee
S3000-020	Name of Managing Agent	
S3000-030	Name of Signatory	
S3000-040	Name of Agent TIN	
S3000-050	Name of Individual (i.e., Property Manager)	

**Lytton IV Housing Corporation**  
**HUD Project No. 121-EE 012-NP-WAH**  
**Transmittal Letter of Auditor**  
**Year Ended March 31, 2021**

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Account	Description	Value
S3200-005	Audit Firm ID (UII)	71370
S3200-010	Audit Firm	Moss Adams LLP - Sacramento
S3200-020	Lead Auditor First Name	Brian
S3200-030	Lead Auditor Middle Name	P
S3200-040	Lead Auditor Last Name	Conner
S3200-045	Auditor Contact Title	Partner
S3200-050	Auditor Street Address Line 1	2882 Prospect Park Drive
S3200-060	Auditor Street Address Line 2	Suite 300
S3200-070	Auditor City	Rancho Cordova
S3200-080	Auditor State	CA
S3200-090	Auditor Zip Code	95670
S3200-100	Auditor Zip Code Extension	6059
S3200-110	Telephone Number	(209) 955-6100
S3200-120	Auditor Finn TIN	91-0189318
S3200-130	Date of Independent Auditor's Report	June 29, 2021
S3200-140	Auditor Contact Fax Number	(209) 955-6199
S3200-150	Auditor Contact E-mail	brian.conner@mossadams.com

