NOVOGRADAC & COMPANY LLP®

Clearinghouse NMTC, LLC

Combined Financial Statements with Supplementary Information and Report of Independent Auditors

December 31, 2021

Report of Independent Auditors

To the Members of the Companies of
Clearinghouse NMTC Subs:

Opinion

We have audited the accompanying combined financial statements of Clearinghouse NMTC Subs, which comprise the combined balance sheet as of December 31, 2021, and the related combined statements of income, changes in members' equity, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Clearinghouse NMTC Subs as of December 31, 2021, and the results of their operations and their 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 Combined Financial Statements section of our report. We are required to be independent of Clearinghouse NMTC Subs and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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, including omissions, 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 combined 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 combined 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 combined 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 Clearinghouse NMTC Subs' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Clearinghouse NMTC Subs' 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining information in the Supplementary Information is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position and results of operations of the individual companies, and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Novogradac & Company LLP

Long Beach, California
March 29, 2022

CLEARINGHOUSE NMTC, LLC
Combined Balance Sheet
December 31, 2021

ASSETS		
Cash and cash equivalents	$	41,000
Loans receivable, net		133,351,000
Accrued interest receivable		29,000
Other receivables and prepaid expenses		74,000
Other assets, net		1,958,000
TOTAL ASSETS	$	135,453,000
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Due to CDFI	$	83,000
TOTAL LIABILITIES		83,000
MEMBERS' EQUITY		135,370,000
TOTAL LIABILITIES AND MEMBERS' EQUITY	$	135,453,000

see accompanying notes

CLEARINGHOUSE NMTC, LLC
Combined Statement of Income
For the year ended December 31, 2021

REVENUE		
Interest on loans receivable	$	2,230,000
NMTC LLC management fees		218,000
QALICB reimbursements		85,000
Total revenue		2,533,000
EXPENSES		
Management fees		456,000
Amortization of transaction costs		398,000
Audit and tax fees		105,000
Total expenses		959,000
Net income	$	1,574,000

see accompanying notes

CLEARINGHOUSE NMTC, LLC

Combined Statement of Changes in Members' Equity

For the year ended December 31, 2021

BALANCE, JANUARY 1, 2021	$ 123,002,000
Contributions	12,752,000
Distributions	(1,958,000)
Net income	1,574,000
BALANCE, DECEMBER 31, 2021	$ 135,370,000

see accompanying notes

CLEARINGHOUSE NMTC, LLC
Combined Statement of Cash Flows
For the year ended December 31, 2021

CASH FLOW FROM OPERATING ACTIVITIES	
Net income	$ 1,574,000
Adjustments to reconcile net income to net cash provided by operating activities:	
Amortization of transaction costs	398,000
Change in:	
Other receivables and prepaid expenses	(16,000)
Due to CDFI	8,000
Net cash provided by operating activities	1,964,000
CASH FLOW FROM INVESTING ACTIVITIES	
Increase in loans receivable	(12,368,000)
Increase in other assets	(385,000)
Net cash used in investing activities	(12,753,000)
CASH FLOW FROM FINANCING ACTIVITIES	
Contributions	12,752,000
Distributions	(1,958,000)
Net cash provided by financing activities	10,794,000
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,000
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	36,000
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 41,000

see accompanying notes

1. Organization and purpose

The combined financial statements include the 16 entities listed below (collectively referred to as the "Clearinghouse NMTC Subs," "Companies" and individually referred to as "Company"). The Companies are related under common ownership and management of Clearinghouse Community Development Financial Institution ("CDFI" and "Managing Member") in Lake Forest, California. The Companies have a primary mission of providing investment capital for low-income communities or organizations serving low-income persons. The Companies make capital or equity investments in, and loans to, Qualified Active Low-Income Community Businesses ("QALICBs"), as defined in Internal Revenue Code Section 45D. To help fulfill their primary mission, the Companies applied for and received certification from the U.S. Treasury's Community Development Financial Institutions Fund ("CDFI Fund") as a qualified Community Development Entity ("CDE"). The Companies' lending is available through tax credit allocations authorized by the Department of Treasury and targets qualified businesses in distressed areas ("NMTC Allocations").

Companies

- Clearinghouse NMTC (Sub 43), LLC ("Sub 43")
- Clearinghouse NMTC (Sub 44), LLC ("Sub 44")
- Clearinghouse NMTC (Sub 45), LLC ("Sub 45")
- Clearinghouse NMTC (Sub 46), LLC ("Sub 46")
- Clearinghouse NMTC (Sub 47), LLC ("Sub 47")
- Clearinghouse NMTC (Sub 48), LLC ("Sub 48")
- Clearinghouse NMTC (Sub 49), LLC ("Sub 49")
- Clearinghouse NMTC (Sub 51), LLC ("Sub 51")
- Clearinghouse NMTC (Sub 52), LLC ("Sub 52")
- Clearinghouse NMTC (Sub 53), LLC ("Sub 53")
- Clearinghouse NMTC (Sub 54), LLC ("Sub 54")
- Clearinghouse NMTC (Sub 59), LLC ("Sub 59")
- Clearinghouse NMTC (Sub 61), LLC ("Sub 61")
- Clearinghouse NMTC (Sub 62), LLC ("Sub 62")
- Clearinghouse NMTC (Sub 63), LLC ("Sub 63")
- Clearinghouse NMTC (Sub 65), LLC ("Sub 65")

2. Summary of significant accounting policies and nature of operations

Basis of accounting
The Companies prepare their combined financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation
The combined financial statements of the Companies include the combined financial statements of the individual subsidiary entities. All intercompany transactions and balances have been eliminated in combination.

Cash and cash equivalents
Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with a maturity of three months or less at the date of acquisition.

Concentration of credit risk
The Companies maintain cash in bank deposit accounts that, at times, may exceed federally insured limits. The Companies have not experienced any losses in such accounts. The Companies believe they are not exposed to any significant credit risk on cash.

2. Summary of significant accounting policies and nature of operations (continued)

Economic and geographic concentrations
The Companies lend primarily in the California, Arizona, New Mexico, Washington, Nevada, and Alaska markets. Future operations could be affected by changes in economic or other conditions in those markets. Additionally, the Companies' revenues are derived from the loans made to the QALICBs located in low-income communities. Future operations could be affected by changes in economic or other conditions that would affect the businesses of the QALICBs.

Loans receivable and allowance for loan losses
Loans receivable are stated at the amount of unpaid principal, reduced by unearned loan fees and the allowance for loan losses.

The allowance for loan losses is established through a provision for loan losses charged to expense. The allowance is an amount that management believes is adequate to absorb losses on existing loans that may become uncollectible. The allowance is calculated based on management's assessment of various risk factors in the types of loans the Companies offer. The Companies further consider the impact of market conditions when evaluating the economic risks within the Companies' portfolios.

The Companies evaluate each loan individually to determine if a specific loan loss provision is necessary. A loan is impaired when it is probable that the creditor will be unable to collect all contractual principal and interest payments due in accordance with the terms of the loan agreement. Impaired loans are measured based on the present value of expected future cash flows discounted at the loan's effective interest rate or, as a practical expedient, at the loan's observable market price or the fair value of the collateral if the loan is collateral dependent. The amount of impairment, if any, and subsequent charges are included in the allowance for loan losses. There was no impairment loss recognized for the year ended December 31, 2021.

Variable interest entity
FASB Accounting Standards Codification Topic 810 addresses how a reporting company should evaluate whether it has a controlling financial interest in a variable interest entity ("VIE") through means other than voting rights and under what circumstances the reporting company should consolidate the entity. The Companies have concluded that the QALICBs are VIEs and that the Companies are not the primary beneficiaries as they do not have the power to direct the activities that most significantly impact the QALICBs' economic performance and the obligation to absorb the potential losses or right to receive benefits that could be significant to the QALICBs. As a result, the Companies are not required to consolidate the QALICBs as a result of their variable interest. The Companies' maximum exposure to loss as a result of their variable interests in the QALICBs is limited to their loans receivable balances (see Note 3).

2. Summary of significant accounting policies and nature of operations (continued)

Use of estimates
The preparation of combined financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the combined financial statements and accompanying notes. Actual results could differ from those estimates. A material estimate that is particularly susceptible to significant change in the near term relates to the allowance for loan losses provision.

Income taxes
Income taxes on the Companies' income are levied on the members at the member level. Accordingly, income taxes are not recorded on the Companies' books and all profits and losses of the Companies are recognized by each member in its respective tax return.

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America requires the Companies to report information regarding their exposure to various tax positions taken by the Companies. Management has determined whether any tax positions have met the recognition threshold and has measured the Companies' exposure to those tax positions. Management believes that the Companies have adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Companies are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying combined financial statements.

Interest and fees on loans
Interest on loans is calculated using the simple-interest method on principal amounts outstanding. The accrual of interest on impaired loans is discontinued when a loan becomes 90 days delinquent or, in management's opinion, the borrower may be unable to make payments as they become due. When the accrual of interest is discontinued, all unpaid accrued interest is reversed. Interest income is subsequently recognized only to the extent cash payments are received and the principal balance is believed to be collectible.

Loan origination and commitment fees and certain direct loan origination costs are deferred and the net amount amortized as an adjustment of the related loan's yield. The Companies are generally amortizing these amounts over the contractual life of the related loan using the effective interest method.

Other assets and amortization
As of December 31, 2021, other assets included transaction costs of $1,958,000, which are recorded at cost and each Company's respective portion is amortized ratably over the seven-year compliance period using the straight-line method. Amortization of other assets for the year ended December 31, 2021 was $398,000.

2. Summary of significant accounting policies and nature of operations (continued)

Revenue recognition
Interest income is recognized when earned in accordance with the contractual terms of the loan agreements and promissory notes.

Subsequent events
Subsequent events have been evaluated through March 29, 2022, which is the date the combined financial statements were available to be issued, and there are no subsequent events requiring disclosure.

3. Loans receivable

The Companies' loan portfolio is composed of loans that are primarily secured by real estate and commercial properties. This collateral is concentrated primarily within Los Angeles and Orange Counties, but includes collateral located in various counties throughout California, Washington, Nevada, Arizona, New Mexico, and Alaska. As of December 31, 2021, real estate-secured loans accounted for approximately 100% of total loans. Nearly all of these loans are secured by first trust deeds with an initial loan-to-value ratio of generally not greater than 80%.

The Companies evaluate each borrower's creditworthiness on a case-by-case basis. Collateral held generally consists of first-trust deeds on real estate and income-producing commercial properties.

The Companies' loan portfolio consisted of the following at December 31, 2021:

Loans receivable	$	133,351,000
Less: Allowance for loan losses		-
Less: Unearned loan fees		-
Loans receivable, net	$	133,350,000

4. Related-party transactions

Management fee
Pursuant to the respective operating agreement of each Company, the Managing Member earns a management fee (the "Management Fee") from each Company during the seven-year compliance period for administering, managing and directing the businesses of the Companies, including causing each Company to comply with the new markets tax credit program requirements in accordance with Internal Revenue Code Section 45D and the Treasury Regulations thereunder. Management Fees are negotiated with each Company prior to commencement of operations and will end when the Company is dissolved. For the year ended December 31, 2021, the Companies incurred and recognized Management Fees of $456,000.

Due to CDFI
CDFI paid expenditures on behalf of the Companies. Advances to the Companies do not bear interest. As of December 31, 2021, the Companies owed CDFI $83,000 in reimbursements.

5. Community development subsidiary entities

CDFI was awarded the authority to issue the following qualified equity investments ("QEIs") to the Companies pursuant to allocation agreements between CDFI and the Community Development Financial Institutions Fund (the "Federal Allocation Agreements"):

Allocation year	QEI	Dated
2012	$ 14,600,000	July 15, 2013
2015-2016	65,000,000	February 9, 2017
2019	65,000,000	November 6, 2020
Total	$ 144,600,000	

Equity investments received will be designated as QEIs if they meet the requirements of Internal Revenue Code Section 45D and Treasury Regulation Section 1.45D. Members of the Companies will be allowed to claim NMTCs over seven periods, spanning six years and a day, for any equity investment made by such member that is designated a QEI by CDFI. It is intended that the investor members' capital contributions shall constitute QEIs in accordance with the Internal Revenue Code Section 45D and the Treasury Regulations thereunder.

In order to qualify for NMTC, CDFI must comply with requirements of Internal Revenue Code Section 45D and Treasury Regulation Section 1.45D during the seven-year credit period. These requirements include, but are not limited to, ensuring that for each annual period in the seven-year credit period, at least 85% of the QEIs will be deployed to qualified low-income communities as qualified low-income community investments ("QLICIs"). Because the tax credits are subject to certain requirements, there can be no assurance that the aggregate amount of tax credits will be realized and failure to meet all such requirements may result in generating a lesser amount of tax credits than expected.

An aggregate of $56,394,000 of NMTCs will be generated as a result of $144,600,000 of QEIs in the Companies deployed as of December 31, 2021. As a result of the QEIs, the members of the investment funds were eligible for $8,026,000 of NMTCs for the year ended December 31, 2021. As of December 31, 2021, the members of the investment funds have been eligible to claim a cumulative total of $27,516,500.

Future federal NMTC amounts resulting from federal QEIs are expected to be as follows:

Year ending December 31,

2022	$ 7,150,500
2023	7,672,500
2024	5,490,000
2025	3,900,000
2026	3,900,000
2027	765,000
Total	$ 28,877,500

5. Community development subsidiary entities (continued)

2012 Allocation

Clearinghouse NMTC (Sub 43)
In June 2015, Sub 43 entered into the Second Amended and Restated Operating Agreement of Sub 43 (the "Sub 43 Operating Agreement"). Sub 43 is owned 0.01% by CDFI and 99.99% by USBCDC Investment Fund 116, LLC (the "Sub 43 Investor Member") (CDFI and the Sub 43 Investor Member are collectively referred to as the "Sub 43 Members"). Sub 43 received $6,300,000 in NMTC Allocations. As of December 31, 2021, Sub 43 received $6,300,000 of QEIs and made $6,300,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 43 Operating Agreement, CDFI and the Sub 43 Investor Member made capital contributions in the amount of $630 and $6,300,000, respectively.

Profits of Sub 43 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 43 made distributions in the amount of $427,000.

Clearinghouse NMTC (Sub 45)
In June 2015, Sub 45 entered into the Second Amended and Restated Operating Agreement of Sub 45 (the "Sub 45 Operating Agreement"). Sub 45 is owned 0.01% by CDFI and 99.99% by Twain Investment Fund 82, LLC (the "Sub 45 Investor Member") (CDFI and the Sub 45 Investor Member are collectively referred to as the "Sub 45 Members"). Sub 45 received $8,300,000 in NMTC Allocations. As of December 31, 2021, Sub 45 received $8,300,000 of QEIs and made $8,300,000 of QLICIs. As of December 31, 2021, the full amount of the QLICI loan receivable balance was determined to be impaired.

As of December 31, 2021, pursuant to the Sub 45 Operating Agreement, CDFI and the Sub 45 Investor Member made capital contributions in the amount of $830 and $8,300,000, respectively.

Profits of Sub 45 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 45 made distributions in the amount of $473,000.

5. Community development subsidiary entities (continued)

2015-2016 Allocation

Clearinghouse NMTC (Sub 44)
In March 2017, Sub 44 entered into the Amended and Restated Operating Agreement of Sub 44 (the "Sub 44 Operating Agreement"). Sub 44 is owned 0.01% by CDFI and 99.99% by Twain Investment Fund 210, LLC (the "Sub 44 Investor Member") (CDFI and the Sub 44 Investor Member are collectively referred to as the "Sub 44 Members"). Sub 44 received $10,000,000 in NMTC Allocations. As of December 31, 2021, Sub 44 received $10,000,000 of QEIs and made $9,800,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 44 Operating Agreement, CDFI and the Sub 44 Investor Member made capital contributions in the amount of $1,000 and $10,000,000, respectively.

Profits of Sub 44 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 44 made distributions in the amount of $343,000.

Clearinghouse NMTC (Sub 46)
In June 2017, Sub 46 entered into the Amended and Restated Operating Agreement of Sub 46 (the "Sub 46 Operating Agreement"). Sub 46 is owned 0.01% by CDFI and 99.99% by COCRF Investor 77, LLC (the "Sub 46 Investor Member") (CDFI and the Sub 46 Investor Member are collectively referred to as the "Sub 46 Members"). Sub 46 received $9,500,000 in NMTC Allocations. As of December 31, 2021, Sub 46 received $9,500,000 of QEIs and made $9,310,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 46 Operating Agreement, CDFI and the Sub 46 Investor Member made capital contributions in the amount of $950 and $9,500,000, respectively.

Profits of Sub 46 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 46 made distributions in the amount of $206,000.

5. Community development subsidiary entities (continued)

2015-2016 Allocation (continued)

Clearinghouse NMTC (Sub 47)
In January 2018, Sub 47 entered into the Amended and Restated Operating Agreement of Sub 47 (the "Sub 47 Operating Agreement"). Sub 47 is owned 0.01% by CDFI and 99.99% by Twain Investment Fund 165, LLC (the "Sub 47 Investor Member") (CDFI and the Sub 47 Investor Member are collectively referred to as the "Sub 47 Members"). Sub 47 received $8,000,000 in NMTC Allocations. As of December 31, 2021, Sub 47 received $8,000,000 of QEIs and made $7,840,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 47 Operating Agreement, CDFI and the Sub 47 Investor Member made capital contributions in the amount of $800 and $8,000,000, respectively.

Profits of Sub 47 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 47 made distributions in the amount of $151,000.

Clearinghouse NMTC (Sub 48)
In October 2017, Sub 48 entered into the Amended and Restated Operating Agreement of Sub 48 (the "Sub 48 Operating Agreement"). Sub 48 is owned 0.01% by CDFI and 99.99% by COCRF Investor 107, LLC (the "Sub 48 Investor Member") (CDFI and the Sub 48 Investor Member are collectively referred to as the "Sub 48 Members"). Sub 48 received $9,000,000 in NMTC Allocations. As of December 31, 2021, Sub 48 received $9,000,000 of QEIs and made $8,820,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 48 Operating Agreement, CDFI and the Sub 48 Investor Member made capital contributions in the amount of $900 and $9,000,000, respectively.

Profits of Sub 48 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 48 made distributions in the amount of $369,000.

5. Community development subsidiary entities (continued)

2015-2016 Allocation (continued)

Clearinghouse NMTC (Sub 49)
In January 2018, Sub 49 entered into the Amended and Restated Operating Agreement of Sub 49 (the "Sub 49 Operating Agreement"). Sub 49 is owned 0.01% by CDFI and 99.99% by Twain Investment Fund 289, LLC (the "Sub 49 Investor Member") (CDFI and the Sub 49 Investor Member are collectively referred to as the "Sub 49 Members"). Sub 49 received $8,500,000 in NMTC Allocations. As of December 31, 2021, Sub 49 received $8,500,000 of QEIs and made $8,330,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 49 Operating Agreement, CDFI and the Sub 49 Investor Member made capital contributions in the amount of $850 and $8,500,000, respectively.

Profits of Sub 49 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 49 made distributions in the amount of $1,258,000.

Clearinghouse NMTC (Sub 52)
In December 2017, Sub 52 entered into the Amended and Restated Operating Agreement of Sub 52 (the "Sub 52 Operating Agreement"). Sub 52 is owned 0.01% by CDFI and 99.99% by Chase NMTC Mesquite Library Investment Fund, LLC (the "Sub 52 Investor Member") (CDFI and the Sub 52 Investor Member are collectively referred to as the "Sub 52 Members"). Sub 52 received $10,000,000 in NMTC Allocations. As of December 31, 2021, Sub 52 received $10,000,000 of QEIs and made $9,800,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 52 Operating Agreement, CDFI and the Sub 52 Investor Member made capital contributions in the amount of $1,000 and $10,000,000, respectively.

Profits of Sub 52 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 52 made distributions in the amount of $395,000.

5. Community development subsidiary entities (continued)

2015-2016 Allocation (continued)

Clearinghouse NMTC (Sub 53)
In March 2018, Sub 53 entered into the Amended and Restated Operating Agreement of Sub 53 (the “Sub 53 Operating Agreement”). Sub 53 is owned 0.01% by CDFI and 99.99% by Chase NMTC Expertise Investment Fund, LLC (the “Sub 53 Investor Member”) (CDFI and the Sub 53 Investor Member are collectively referred to as the “Sub 53 Members”). Sub 53 received $4,500,000 in NMTC Allocations. As of December 31, 2021, Sub 53 received $4,500,000 of QEIs and made $4,410,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 53 Operating Agreement, CDFI and the Sub 53 Investor Member made capital contributions in the amount of $450 and $4,500,000, respectively.

Profits of Sub 53 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 53 made distributions in the amount of $922,000.

Clearinghouse NMTC (Sub 54)
In September 2018, Sub 54 entered into the Amended and Restated Operating Agreement of Sub 54 (the “Sub 54 Operating Agreement”). Sub 54 is owned 0.01% by CDFI and 99.99% by SCAT Investment Fund, LLC (the “Sub 54 Investor Member”) (CDFI and the Sub 54 Investor Member are collectively referred to as the “Sub 54 Members”). Sub 54 received $5,500,000 in NMTC Allocations. As of December 31, 2021, Sub 54 received $5,500,000 of QEIs and made $5,390,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 54 Operating Agreement, CDFI and the Sub 54 Investor Member made capital contributions in the amount of $550 and $5,500,000, respectively.

Profits of Sub 54 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 54 made distributions in the amount of $836,000.

5. Community development subsidiary entities (continued)

2019 Allocation

Clearinghouse NMTC (Sub 51)
In June 2021, Sub 51 entered into the Amended and Restated Operating Agreement of Sub 51 (the "Sub 51 Operating Agreement"). Sub 51 is owned 0.01% by CDFI and 99.99% by El Rio Grant Road Investment Fund, LLC (the "Sub 51 Investor Member") (CDFI and the Sub 51 Investor Member are collectively referred to as the "Sub 51 Members"). Sub 51 received $2,750,000 in NMTC Allocations. As of December 31, 2021, Sub 51 received $2,750,000 of QEIs and made $2,667,500 of QLICIs.

As of December 31, 2021, pursuant to the Sub 51 Operating Agreement, CDFI and the Sub 51 Investor Member made capital contributions in the amount of $275 and $2,750,000, respectively.

Profits of Sub 51 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 51 made distributions in the amount of $2,000.

Clearinghouse NMTC (Sub 59)
In November 2020, Sub 59 entered into the Second Amended and Restated Operating Agreement of Sub 59 (the "Sub 59 Operating Agreement"). Sub 59 is owned 0.01% by CDFI and 99.99% by Unicom 7 Investment Fund, LLC (the "Sub 59 Investor Member") (CDFI and the Sub 59 Investor Member are collectively referred to as the "Sub 59 Members"). Sub 59 received $16,250,000 in NMTC Allocations. As of December 31, 2021, Sub 59 received $16,250,000 of QEIs and made $15,762,500 of QLICIs.

As of December 31, 2021, pursuant to the Sub 59 Operating Agreement, CDFI and the Sub 59 Investor Member made capital contributions in the amount of $1,625 and $16,250,000, respectively.

Profits of Sub 59 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 59 made distributions in the amount of $125,000.

5. Community development subsidiary entities (continued)

2019 Allocation (continued)

Clearinghouse NMTC (Sub 61)
In December 2020, Sub 61 entered into the Second Amended and Restated Operating Agreement of Sub 61 (the "Sub 61 Operating Agreement"). Sub 61 is owned 0.01% by CDFI and 99.99% by Pueblo WW Investment Fund, LLC (the "Sub 61 Investor Member") (CDFI and the Sub 61 Investor Member are collectively referred to as the "Sub 61 Members"). Sub 61 received $14,000,000 in NMTC Allocations. As of December 31, 2021, Sub 61 received $14,000,000 of QEIs and made $13,580,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 61 Operating Agreement, CDFI and the Sub 61 Investor Member made capital contributions in the amount of $1,400 and $14,000,000, respectively.

Profits of Sub 61 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 61 made distributions in the amount of $105,000.

Clearinghouse NMTC (Sub 62)
In December 2020, Sub 62 entered into the Amended and Restated Operating Agreement of Sub 62 (the "Sub 62 Operating Agreement"). Sub 62 is owned 0.01% by CDFI and 99.99% by Twain Investment Fund 503, LLC (the "Sub 62 Investor Member") (CDFI and the Sub 62 Investor Member are collectively referred to as the "Sub 62 Members"). Sub 62 received $12,000,000 in NMTC Allocations. As of December 31, 2021, Sub 62 received $12,000,000 of QEIs and made $11,640,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 62 Operating Agreement, CDFI and the Sub 62 Investor Member made capital contributions in the amount of $1,200 and $12,000,000, respectively.

Profits of Sub 62 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 62 made distributions in the amount of $271,000.

5. Community development subsidiary entities (continued)

2019 Allocation (continued)

Clearinghouse NMTC (Sub 63)
In June 2021, Sub 63 entered into the Amended and Restated Operating Agreement of Sub 63 (the "Sub 63 Operating Agreement"). Sub 63 is owned 0.01% by CDFI and 99.99% by Chase NMTC Caritas Investment Fund, LLC (the "Sub 63 Investor Member") (CDFI and the Sub 63 Investor Member are collectively referred to as the "Sub 63 Members"). Sub 63 received $10,000,000 in NMTC Allocations. As of December 31, 2021, Sub 63 received $10,000,000 of QEIs and made $9,700,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 63 Operating Agreement, CDFI and the Sub 63 Investor Member made capital contributions in the amount of $1,000 and $10,000,000, respectively.

Profits of Sub 63 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 63 made distributions in the amount of $30,000.

Clearinghouse NMTC (Sub 65)
In December 2020, Sub 65 entered into the Amended and Restated Operating Agreement of Sub 65 (the "Sub 65 Operating Agreement"). Sub 65 is owned 0.01% by CDFI and 99.99% by Twain Investment Fund 491, LLC (the "Sub 65 Investor Member") (CDFI and the Sub 65 Investor Member are collectively referred to as the "Sub 65 Members"). Sub 65 received $10,000,000 in NMTC Allocations. As of December 31, 2021, Sub 65 received $10,000,000 of QEIs and made $10,000,000 of QLICIs.

As of December 31, 2021, pursuant to the Sub 65 Operating Agreement, CDFI and the Sub 65 Investor Member made capital contributions in the amount of $1,000 and $10,000,000, respectively.

Profits of Sub 65 shall be allocated in the following order of priority: (1) to the members to the extent of the amount by which the cumulative losses previously allocated exceed the cumulative profits previously allocated to each member, (2) to the members in proportion to their respective percentage interests. Losses shall be allocated first, to the members in proportion to their adjusted capital account balances until their respective adjusted capital account balances have been reduced to zero; and second, to the members in proportion to their respective percentage interests. As of December 31, 2021, Sub 65 made distributions in the amount of $218,000.

6. Vulnerability – Impact of COVID-19

The severity of the impact of COVID-19 on the Companies' operations will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Companies, all of which are uncertain and cannot be predicted. The Companies' future results could be adversely impacted by delays in loan payments. Management is unable to predict with absolute certainty the impact of COVID-19 on its financial condition, results of operations or cash flows.

SUPPLEMENTARY INFORMATION

CLEARINGHOUSE NMTC, LLC
Combining Balance Sheets
December 31, 2021

	2012 Allocation	2015-2016 Allocation	2019 Allocation	NMTC LLCs Total
ASSETS				
Cash and cash equivalents	$ 2,000	$ 30,000	$ 9,000	$ 41,000
Loans receivable, net	6,300,000	63,700,000	63,351,000	133,351,000
Accrued interest receivable	-	29,000	-	29,000
Other receivables and prepaid expenses	-	67,000	7,000	74,000
Other assets, net	-	527,000	1,431,000	1,958,000
TOTAL ASSETS	$ 6,302,000	$ 64,353,000	$ 64,798,000	$ 135,453,000
LIABILITIES AND MEMBERS' EQUITY				
LIABILITIES				
Due to CDFI	$ -	$ 83,000	$ -	$ 83,000
TOTAL LIABILITIES	-	83,000	-	83,000
MEMBERS' EQUITY				
NMTC member units	14,602,000	65,007,000	65,006,000	144,615,000
Members' earnings	(7,400,000)	3,743,000	543,000	(3,114,000)
Distributions	(900,000)	(4,480,000)	(751,000)	(6,131,000)
TOTAL MEMBERS' EQUITY	6,302,000	64,270,000	64,798,000	135,370,000
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 6,302,000	$ 64,353,000	$ 64,798,000	$ 135,453,000

see report of independent auditors

CLEARINGHOUSE NMTC, LLC
Combining Balance Sheets
December 31, 2021

	Sub 43	Sub 45	2012 Allocation Total
ASSETS			
Cash and cash equivalents	$ 1,000	$ 1,000	$ 2,000
Loans receivable, net	6,300,000	-	6,300,000
Accrued interest receivable	-	-	-
Other receivables and prepaid expenses	-	-	-
Other assets, net	-	-	-
TOTAL ASSETS	$ 6,301,000	$ 1,000	$ 6,302,000
LIABILITIES AND MEMBERS' EQUITY			
LIABILITIES			
Due to CDFI	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-
MEMBERS' EQUITY			
NMTC member units	6,301,000	8,301,000	14,602,000
Members' earnings	427,000	(7,827,000)	(7,400,000)
Distributions	(427,000)	(473,000)	(900,000)
TOTAL MEMBERS' EQUITY	6,301,000	1,000	6,302,000
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 6,301,000	$ 1,000	$ 6,302,000

CLEARINGHOUSE NMTC, LLC
Combining Balance Sheets
December 31, 2021

	Sub 44	Sub 46	Sub 47	Sub 48	Sub 49	Sub 52	Sub 53	Sub 54	2015-2016 Allocation Total
ASSETS									
Cash and cash equivalents	$ 1,000	$ 7,000	$ 1,000	$ 1,000	$ 1,000	$ 16,000	$ -	$ 3,000	$ 30,000
Loans receivable, net	9,800,000	9,310,000	7,840,000	8,820,000	8,330,000	9,800,000	4,410,000	5,390,000	63,700,000
Accrued interest receivable	-	-	-	-	28,000	-	1,000	-	29,000
Other receivables and prepaid expenses	13,000	8,000	-	11,000	8,000	-	27,000	-	67,000
Other assets, net	64,000	68,000	67,000	71,000	73,000	85,000	40,000	59,000	527,000
TOTAL ASSETS	$ 9,878,000	$ 9,393,000	$ 7,908,000	$ 8,903,000	$ 8,440,000	$ 9,901,000	$ 4,478,000	$ 5,452,000	$ 64,353,000
LIABILITIES AND MEMBERS' EQUITY									
LIABILITIES									
Due to CDFI	$ 13,000	$ 10,000	$ -	$ 11,000	$ 8,000	$ 15,000	$ 26,000	$ -	$ 83,000
TOTAL LIABILITIES	13,000	10,000	-	11,000	8,000	15,000	26,000	-	83,000
MEMBERS' EQUITY									
NMTC member units	10,001,000	9,501,000	8,001,000	9,001,000	8,501,000	10,001,000	4,500,000	5,501,000	65,007,000
Members' earnings	207,000	88,000	58,000	260,000	1,189,000	280,000	874,000	787,000	3,743,000
Distributions	(343,000)	(206,000)	(151,000)	(369,000)	(1,258,000)	(395,000)	(922,000)	(836,000)	(4,480,000)
TOTAL MEMBERS' EQUITY	9,865,000	9,383,000	7,908,000	8,892,000	8,432,000	9,886,000	4,452,000	5,452,000	64,270,000
TOTAL LIABILITIES AND MEMBERS' EQUIT	$ 9,878,000	$ 9,393,000	$ 7,908,000	$ 8,903,000	$ 8,440,000	$ 9,901,000	$ 4,478,000	$ 5,452,000	$ 64,353,000

CLEARINGHOUSE NMTC, LLC
Combining Balance Sheets
December 31, 2021

	Sub 51	Sub 59	Sub 61	Sub 62	Sub 63	Sub 65	2019 Allocation Total
ASSETS							
Cash and cash equivalents	$ 1,000	$ 4,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 9,000
Loans receivable, net	2,668,000	15,763,000	13,580,000	11,640,000	9,700,000	10,000,000	63,351,000
Accrued interest receivable	-	-	-	-	-	-	-
Other receivables and prepaid expenses	-	7,000	-	-	-	-	7,000
Other assets, net	76,000	411,000	360,000	308,000	276,000	-	1,431,000
TOTAL ASSETS	$ 2,745,000	$ 16,185,000	$ 13,941,000	$ 11,949,000	$ 9,977,000	$ 10,001,000	$ 64,798,000
LIABILITIES AND MEMBERS' EQUITY							
LIABILITIES							
Due to CDFI	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-	-	-	-	-
MEMBERS' EQUITY							
NMTC member units	2,750,000	16,252,000	14,001,000	12,001,000	10,001,000	10,001,000	65,006,000
Members' earnings	(3,000)	58,000	45,000	219,000	6,000	218,000	543,000
Distributions	(2,000)	(125,000)	(105,000)	(271,000)	(30,000)	(218,000)	(751,000)
TOTAL MEMBERS' EQUITY	$ 2,745,000	$ 16,185,000	$ 13,941,000	$ 11,949,000	$ 9,977,000	$ 10,001,000	$ 64,798,000

CLEARINGHOUSE NMTC, LLC
Combining Statements of Income
For the year ended December 31, 2021

	2012 Allocation	2015-2016 Allocation	2019 Allocation	NMTC LLCs Total
REVENUE				
Interest on loans receivable	$ 65,000	$ 1,231,000	$ 934,000	$ 2,230,000
NMTC LLC management fees	-	218,000	-	218,000
QALICB reimbursements	-	64,000	21,000	85,000
Total revenue	65,000	1,513,000	955,000	2,533,000
EXPENSES				
Management fees	-	291,000	165,000	456,000
Amortization of transaction costs	-	187,000	211,000	398,000
Audit and tax fees	-	64,000	41,000	105,000
Total expenses	-	542,000	417,000	959,000
Net income (loss)	$ 65,000	$ 971,000	$ 538,000	$ 1,574,000

see report of independent auditors

CLEARINGHOUSE NMTC, LLC
Combining Statements of Income
For the year ended December 31, 2021

	Sub 43	Sub 45	2012 Allocation Total
REVENUE			
Interest on loans receivable	$ 65,000	$ -	$ 65,000
NMTC LLC management fees	-	-	-
QALICB reimbursements	-	-	-
Total revenue	65,000	-	65,000
EXPENSES			
Management fees	-	-	-
Amortization of transaction costs	-	-	-
Audit and tax fees	-	-	-
Total expenses	-	-	-
Net income (loss)	$ 65,000	$ -	$ 65,000

CLEARINGHOUSE NMTC, LLC
Combining Statements of Income
For the year ended December 31, 2021

	Sub 44	Sub 46	Sub 47	Sub 48	Sub 49	Sub 52	Sub 53	Sub 54	2015-2016 Allocation Total
REVENUE									
Interest on loans receivable	$ 72,000	$ 57,000	$ 78,000	$ 88,000	$ 323,000	$ 98,000	$ 259,000	$ 256,000	$ 1,231,000
NMTC LLC management fees	50,000	-	-	45,000	43,000	50,000	-	30,000	218,000
QALICB reimbursements	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	64,000
Total revenue	130,000	65,000	86,000	141,000	374,000	156,000	267,000	294,000	1,513,000
EXPENSES									
Management fees	50,000	10,000	40,000	45,000	43,000	50,000	23,000	30,000	291,000
Amortization of transaction costs	29,000	27,000	23,000	26,000	24,000	29,000	13,000	16,000	187,000
Audit and tax fees	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	64,000
Total expenses	87,000	45,000	71,000	79,000	75,000	87,000	44,000	54,000	542,000
Net income (loss)	$ 43,000	$ 20,000	$ 15,000	$ 62,000	$ 299,000	$ 69,000	$ 223,000	$ 240,000	$ 971,000

see report of independent auditors

CLEARINGHOUSE NMTC, LLC
Combining Statements of Income
For the year ended December 31, 2021

	Sub 51	Sub 59	Sub 61	Sub 62	Sub 63	Sub 65	2019 Allocation Total
REVENUE							
Interest on loans receivable	$ 14,000	$ 123,000	$ 183,000	$ 330,000	$ 66,000	$ 218,000	$ 934,000
NMTC LLC management fees	-	-	-	-	-	-	-
QALICB reimbursements	4,000	8,000	-	9,000	-	-	21,000
Total revenue	18,000	131,000	183,000	339,000	66,000	218,000	955,000
EXPENSES							
Management fees	7,000	-	70,000	60,000	28,000	-	165,000
Amortization of transaction costs	6,000	70,000	60,000	51,000	24,000	-	211,000
Audit and tax fees	8,000	8,000	8,000	9,000	8,000	-	41,000
Total expenses	21,000	78,000	138,000	120,000	60,000	-	417,000
Net income (loss)	$ (3,000)	$ 53,000	$ 45,000	$ 219,000	$ 6,000	$ 218,000	$ 538,000

see report of independent auditors