community development partnership

December 1, 2017

Paul Ruchinskas
Chair, Brewster Community Preservation Committee
Brewster Town Hall
2198 Main Street
Brewster, MA 02631-1898

RE: 2017 CPA PROJECT FUNDING REQUEST: Cape Housing Institute.

Dear Mr. Ruchinskas:

I am pleased to enclose 12 copies of an application from the Lower Cape Cod Community Development Corporation d/b/a the Community Development Partnership (CDP) in submission for 2017 CPA Project Funding. I have also enclosed a thumb drive containing the complete application.

The CDP is excited about expanding our Cape Housing Institute in Year 2 (2018) to offer this training opportunity to municipal officials and town staff in Brewster along with advanced level topics for those who will have already attended the Cape Housing Institute in Year 1 (2017). The Cape Housing Institute is a much needed continuing education opportunity as evidenced by the 73 Lower Cape officials who registered for our first annual 2017 Institute. These participants currently include members of the Brewster Community Preservation Committee, Brewster Finance Committee, Brewster Housing Partnership, Brewster Planning Board, Brewster Open Space Committee and staff from the Departments of Town Administration, Police and Planning. In total, eleven municipal officials and town staff from Brewster participated in the 2017 Cape Housing Institute.

With 25 years of experience in managing and developing affordable housing, the CDP understands that creating more affordable housing in our region is complicated. That's why we created the Cape Housing Institute to demystify the process and support towns in creating and implementing a comprehensive housing supply strategy to meet current housing needs and plan for future growth.

We look forward to the Committee's response and please feel free to contact me with questions or comments.

Sincerely,

Jay Coburn
Chief Executive Officer

3 Main Street Mercantile, Unit 7, Eastham, MA 02642 ph: 508.240.7873 | 800.220.6202 fx: 508.240.5085

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Town of Brewster
Community Preservation Committee
2198 Main Street
Brewster, Massachusetts 02631-1898
(508) 896-3701 x 133
Fax (508) 896-8089

APPLICATION FOR COMMUNITY PRESERVATION ACT FUNDING

Date Application Submitted: December 1, 2017

Name of Project Applicant: Community Development Partnership

Name of Co-Applicant(s), if applicable:

Name of Contact Person: Ann Robinson, Chief Program Officer

Contact Person's Mailing Address: 3 Main Street Mercantile, Unit 7, Eastham, 02642

Contact Person's Daytime Phone Number: (508) 240-7873 x13

Contact Person's email Address: ANN@CAPECDP.ORG

Proposed Project Name: Cape Housing Institute

Project Address (or assessor's parcel ID): Not applicable

Project Synopsis:
The Community Development Partnership seeks funding to support the second year of the Cape Housing Institute, a 6-week training that equips local elected and appointed officials with the knowledge and skills needed to support the creation of more year-round housing in the Lower Cape, including Brewster.

Category: ☐ **Open Space** ☐ **Historic Preservation** ☐ **Recreation** ☒ **Community Housing**

CPA funding requested $ $15,000.00 **Total Cost of Proposed Project $** 175,000

PROJECT DESCRIPTION

See attached Project Description

Project Description

1. **Project Description**

The lack of affordable housing on Cape Cod is a crisis that places considerable strain on year round residents and impedes economic development in the region due to the lack of housing for the workforce. Affordable year-round rentals are in short supply, rental stock is limited due to the premium placed on high-priced summer vacation rentals, and lower-wage workers cannot afford market rate rents for year-round housing. In the US, 31% of housing units are occupied by renters, while on Cape Cod only 13% of housing units are available for year-round renters. Between 2010 and 2015, the Cape lost 3,800 year-round housing units while gaining 5,000 seasonal units. To meet current needs, the Cape Cod Commission estimates that the Lower Cape needs 1,100 new units of housing affordable to working families. Our proposed program, the Cape Housing Institute, will assist the Town of Brewster in responding to this crisis by supporting the creation of affordable housing in its town.

The Cape Housing Institute is a component of the Cape Community Housing Partnership – a comprehensive response to insufficient affordable housing in Brewster and throughout Barnstable County. The region's ability to respond to this housing crisis is hindered by land use policies that encourage sprawl and discourage smart growth oriented multi-family housing. Existing zoning has resulted in a housing monoculture: over 80% of the Cape's housing is single family, detached homes on one acre lots. Local elected and appointed municipal officials and town staff are in need of training and technical assistance in the complexity of developing and managing housing that is affordable to year round residents in order to address this situation.

Another major factor hindering the creation of affordable housing in the region has been community resistance to specific proposals to build affordable housing. Many voters have misconceptions and harbor stereotypes about working families in need of affordable housing. Few voters understand the economics of development and the need for density to reduce costs and impact on the environment.

In June of 2017, the Community Development Partnership (CDP) launched a comprehensive community-based strategy entitled the Cape Community Housing Partnership (CCHP) in partnership with Housing Assistance Corporation. It is designed to build public support for affordable housing and equip LMI residents, business and community leaders, and local elected and appointed officials with the knowledge and skills to support the creation of more year-round housing. The CDP is responsible for implementing the CCHP on the Lower and Outer Cape while Housing Assistance Corporation is responsible for implementation on the Upper and Mid-Cape.

The CCHP will help overcome many of the barriers to developing more affordable housing in the region in order to better meet the housing needs of working families. Without an informed electorate, skilled and knowledgeable volunteer officials, and town staff with expertise in affordable housing development, little progress can be made in addressing the region's affordable and year-round housing challenges. The CCHP will address these barriers through traditional community organizing and leadership development strategies in three ways:

Strategy 1: Cape Housing Institute

In October 2017, the CDP offered the first of what will be an annual Cape Housing Institute (CHI) to educate at least 40 local elected and appointed officials across each town on the Lower and Outer Cape including the Town of Brewster. Training consists of a series of six workshops that equip officials with the knowledge and skills to support affordable housing development in their towns. Each workshop is held two times per week, once in each sub-region (Lower Cape and Outer Cape) to make the CHI accessible to both retirees and working people. We have collaborated with Mass Housing Partnership (MHP) and the Cape Cod Commission to develop the curriculum. Both organizations provide guest speakers and advice on the project.

The Cape Housing Institute covers the following topics:

1. Session 1: Introduction to Housing
    a. Defining affordability
    b. Overview of the Chapter 40B process
    c. Review of the Cape Cod Commission's 2017 Regional Housing Market Analysis and 10-Year Forecast of Housing Supply and Demand for Barnstable County
2. Session 2: Planning & Needs Assessment
    a. Developing a Housing Supply Strategy (going beyond a Housing Production Plan to create housing for all income levels)
    b. Funding and technical assistance available to support development of a Housing Supply Strategy
3. Session 3: Zoning & Site Selection
    a. Current Cape Zoning and housing types
    b. Missing housing stock and housing types
    c. Site selection & Infrastructure issues
4. Session 4: Financing 101 & Development
    a. Building affordably without subsidy and public subsidies in other forms
    b. Understanding an Operating Pro Forma for a Mixed-Income Rental Project
    c. Phases of Development
5. Session 5: Making the Case for Affordable Housing
    a. What is Fair Housing? Why is it important to build strong communities and when does it apply?
    b. The RFP process & issues that arise
    c. Chapter 30B Procurement rules
6. Session 6: Developing an Action Plan
    a. Regionalism: How towns can work together to solve their affordable housing problems
    b. Developing an Action Plan in your town

Strategy 2: Advocate Training

Lower Cape residents concerned about the lack of affordable housing will be trained to develop leadership, organizing and public speaking skills to effectively engage in public hearings and Town Meetings. Participants will gain an understanding of how affordable housing is created and how decisions are made at a town level that affect the development of affordable housing. Training will launch in February 2018.

Strategy 3: Public Education Campaign
Most municipal decisions affecting affordable housing development require a town meeting vote. Therefore, it is critical to develop broad support for affordable housing. This campaign is designed to dispel stereotypes about Low-Moderate Income residents of affordable housing developments. The CCHP will implement a media campaign that will launch in March 2018 and will utilize print, broadcast and social media to build broader support for affordable housing on the Cape.

At the end of Year 1, the CDP will have already developed the curriculum and received feedback from a graduating class of municipal officials and staff making this project entirely feasible. The CDP will be poised to offer a second annual Cape Housing Institute building on lessons learned. As participants share their experience with colleagues, we are confident that demand for the Cape Housing Institute will increase. It is our goal to provide training to all town officials and staff who are interested.

This application seeks funding to support Year Two of the Cape Housing Institute (July 1, 2018 through June 30, 2019). Given regular turnover among elected and appointed officials, and the existence of a pool of over 400 eligible participants, the Cape Housing Institute will be offered annually. In addition, we will develop a program of quarterly half-day workshops for graduates of the Cape Housing Institute, designed to cover more advanced topics related to housing production and planning. To ensure knowledge stays current, participants of the Institute will receive communications regarding important information related to affordable housing. It is necessary that the Cape Housing Institute continues to build momentum from the previous year to address the urgency of meeting the housing needs of our Lower Cape towns. At this time, the CDP is the only organization offering affordable housing training and resources to Lower Cape towns through a regional approach and with a local, Cape Cod focus.

The project will be expanded, beginning in Year 2, by adopting a model in existence in suburban Boston whereby 5 towns have joined forces to establish a regional affordable housing office to provide technical and planning services to towns around affordable housing production. By hiring consultants to work with individual towns on their specific needs, we will boost internal capacity and foster multi-town collaboration on affordable housing initiatives. As a non-profit, the CDP can more efficiently provide these services rather than having Towns contract for such services themselves. The CDP will seek Community Preservation Funds from each of the towns to provide these services.

2. **For Historic Preservation projects**

Not applicable

3. **CPA Goals/Criteria**

The Cape Housing Institute is specifically designed to assist the Town of Brewster in creating, preserving and supporting community housing for low-to-moderate income residents including families and seniors. As such, this project is eligible for CPA funds under the Community Housing eligible use. By attending the Cape Housing Institute and advanced training, Town officials and staff will have the knowledge and tools that they need to make decisions and implement strategies that increase affordable housing in a way that is appropriate for the town. Furthermore, Brewster will be better positioned to support the creation of affordable housing in a way that protects open space, maintains its historic character and enhances recreational use of land.

Alignment with the Brewster CPC General Criteria

- Boost the vitality of the Town
  Reducing the burden of housing costs for residents is a critical component of community wellness and vitality. Cost burdened families experience greater financial and personal stress with a cascade of associated negative impacts to these families. Residents who are able to afford a safe and appropriate home are better able to engage with and contribute to the local economy.

- Enhance the quality of life for Brewster residents
  Safe and decent housing is the most important aspect of life quality. Creating affordable housing for residents directly impacts their quality of life.

- Serve a currently under-served Town population
  The primary beneficiaries of the Cape Housing Institute are local elected and appointed municipal officials who are involved in decisions that affect housing production. Municipal officials lack continuing education opportunities. The Cape Housing Institute is the only local training opportunity related to increasing the production of affordable housing.

- Demonstrate practicality and feasibility, and ability to implement within budget
  The Community Development Partnership has developed the program expansion and budget based on actual year 1 costs and participants feedback. The CDP has a track record of high quality program delivery.

- Leverage additional public and/or private funds
  The CDP has applied for private and public funding to support year 2 of the Cape Housing Institute. Additionally, the CDP will contribute reserve funds to fill the funding gap as necessary.

- Preserve, enhance or better utilize existing Town resources

The Cape Housing Institute is designed to support town staff in better focusing their priorities and resources to implement strategies that have the highest potential for impact. As part of the year 2 expansion, the CDP will seek and pay for consultants to support town in accomplishing their specific affordable housing production goals.

Alignment with the Brewster CPC Category Specific Criteria for Community Housing Proposals

- Contribute to the goal of achieving 10 percent affordable housing
- Promote a socioeconomic environment that encourages diversity
- Provide housing that is harmonious in design and scale with the surrounding neighborhood
- Ensure long-term affordability
- Promote use of existing buildings or construction on previously-developed or Town-owned sites
- Convert market rate to public subsidized units
- Provide an appropriate mix of rental and ownership housing
- Give priority to local residents, town employees, employees of local business as allowed by law

The purpose of the Cape Housing Institute is to provide Brewster elected and appointed officials, and staff with the knowledge and skills necessary to increase the supply of affordable housing in their town. By definition, these units will add to Brewster's Subsidized Housing Inventory (SHI) thereby getting closer to meeting the Commonwealth's 10% affordability goal. However, the Institute will go further by teaching participants how to exceed this goal by planning for the future needs of town residents at all income levels. The Cape Housing Institute will support the Town of Brewster in determining its affordable housing needs and implementing strategies to meet those needs in a way that is place-based and contextual.

Session one of the Cape Housing Institute lays the foundation for the institute by reviewing regional and town-level data on the current and future housing needs. Session two provides an overview of the different types of planning tools available to meet specific needs.

The Cape Housing Institute will dedicate an entire session (three) to Zoning and Site Selection. Understanding housing types as well as analyzing the housing stock that is missing in your town is critical to making informed decisions about the range of zoning tools available to meet production goals. A local affordable housing developer and architect will provide a unique perspective to zoning options and how they can help or hinder a town in utilizing zoning options that attract the type of development that Brewster desires and requires to reach 10% of affordable housing stock. Session three will also provide alternatives to current zoning and case studies that demonstrate how the town can meet housing needs in a way that is appropriate for Brewster. Throughout the Institute, we will be focusing on reducing sprawl and protecting open spaces by encouraging village housing close to infrastructure and amenities, which residents prefer.

Session four will focus on understanding the complex financing required to develop affordable housing as well as the phases of development as they pertain to the town. In sessions two and four, participants will learn about funding sources and municipal subsidies that can support these processes and attract high quality developments.

In Session five we will review the historical policies that have led to the homogenous population that we have on the Cape and the resulting Fair Housing regulations that towns must abide by. Participants will understand why each town is legally obligated to take action to increase diversity in our region.

Session six will discuss regionalism and the utility of sharing housing staff and knowledge across towns to leverage limited resources and share solutions across the region. This session will also support Brewster participants in identifying concrete action items that are specific to the Town of Brewster such as the goals above. Progress on these goals can be supported by strengthening communication with neighboring towns who are striving toward the same goal or who are hoping to do so. Therefore, participants will be led through a process to identify opportunities for cross collaboration.

4. **<u>Community Benefits</u>**

As a result of receiving training, Brewster will be better positioned to implement changes in zoning by-laws that support affordable housing development. These changes will ultimately increase the number of affordable units in Brewster's Subsidized Housing Inventory. Furthermore, Brewster will increase its utilization of Community Preservation Act funding for community housing.

The success of the Cape Housing Institute will be measured against the following short-term and long-term outcomes:

- 40 local elected and appointed officials will have a solid knowledge of affordable housing development solutions and strategies.
- Broad public support will exist for the development of affordable housing units.
- Towns will implement changes in zoning by-laws that support affordable housing development.
- There will be an increase in the number of affordable units to each town's Subsidized Housing Inventory.
- Towns will utilize Community Preservation Act funding for affordable housing.

5. Community Support

The CDP has collected preliminary feedback from municipal officials and staff who are participating in the Cape Housing Institute. Participants were asked to state the value of the Cape Housing Institute from the following options: Very valuable, Valuable, Fairly valuable or Not valuable. As of November 29th, 100% of respondents indicate that the sessions are either Very valuable or Valuable. We have also received anecdotal praise for the Cape Housing Institute and how it empowers municipal officials to work toward their affordable housing goals. At the end of the Institute, all participants were asked to complete a final evaluation to provide feedback on how we can strengthen the Cape Housing Institute in year 2 and beyond. The CDP and HAC are currently deliberating over the evaluation results to develop Year 2 programming that directly responds to participant feedback.

6. Timeline

October 2018 – November 2018	Second Cape Housing Institute
February 2019 – March 2019	Second Advocate Training
July 2018 – June 2019	Public Education Campaign

Before the project start date, the CDP will have already evaluated the first year of the Cape Housing Institute and improved the curriculum and session design by incorporating lessons learned. Attendee recruitment will be conducted during the summer of 2018. Recruitment will include outreach to an extensive email list comprised of all potential participants.

7. Credentials

Chief Program Officer, Ann C. Robinson, will oversee the Cape Housing Institute. Ann graduated from Dartmouth College with an A.B. in government and then earned a law degree from Boston University. Before joining the CDP, Ann was the Executive Director of Bridgeport Neighborhood and Commercial Services, Bridgeport Neighborhood Fund and Bridgeport Neighborhood Trust, and Community Capital Fund, all located in Bridgeport, CT.

Ann Robinson will directly supervise the CDP's Director of Housing Advocacy, Andrea Aldana, who is responsible for implementing the Cape Housing Institute as well as the broader Cape Community Housing Partnership throughout the eight towns of the Lower Cape including Brewster. Andrea holds a BA in Metropolitan Studies from New York University with a minor in Environmental Science.

Andrea has been with the CDP for over six years and also runs the First Time Homebuyer Education program.

8. **Budget/Need for Public Funds**

See attached budget and recent audited financial report. CPA funds would be used for town consultants and salaries and will directly benefit the Town of Brewster. Costs are based on actual costs from the 2017 Cape Housing Institute.

One commitment of $15,000 has been received for funding for the second year of the Cape Community Housing Partnership from the Ferring Foundation. Each of the eight towns of the Lower and Outer Cape is being asked to commit CPA funds to this project. In addition, requests have been made to the United Way, the Cape Cod Foundation and the Kelley Foundation. The CDP will commit funds from its Cape and Island license plate proceeds.

9. **Maintenance**

Not applicable.

10. **Site Control**

Not applicable.

2018 Cape Housing Institute Budget

The proposed budget for the Cape Housing Institute is $175,000, with the following breakdown:

	Year 2
Income	
Major Donors – $15,000 committed and $10,000 applied for	$ 25,000
Cape & Islands Plate Fund – flexible funds can increase if Major Donor funds decrease	$ 35,000
Town Community Preservation Funds: includes $15,000 from Town of Brewster	$ 115,000
Total	**$ 175,000**
Expenses	
Salaries & Benefits – Project Director @80% & Program Officer @ 10%	$ 79,000
Project Implementation - training venues, speakers, travel, training materials venues, speakers, travel, training materials	$ 20,000
Consultants - to provide services for towns	$ 60,091
Overhead (10%)	$ 15,909
Total	**$ 175,000**

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

For the Years Ended June 30, 2016 and 2015

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

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SWE

SANDERS, WALSH & EATON, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Community Development Partnership

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Community Development Partnership and Thankful Chase Pathways, LLC, which comprise the consolidated statements of financial position as of June 30, 2016 and 2015, and the related consolidated statements of activities, functional expenses 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 consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with audited standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Community Development Partnership and Thankful Chase Pathways, LLC as of June 30, 2016 and 2015, 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

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial

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statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 November 30, 2016, on our consideration of Community Development Partnership and Thankful Chase Pathways, LLC'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 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 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 Community Development Partnership and Thankful Chase Pathways, LLC's internal control over financial reporting and compliance.

Sandberg, Walsh & Eaton, LLP

Osterville, Massachusetts
November 30, 2016

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

Consolidated Statements of Financial Position

June 30, 2016 and 2015

ASSETS

	2016	2015
Current Assets:		
Cash Accounts	$ 1,155,564	$ 818,270
Restricted Capital Reserve Cash Accounts	413,090	458,674
Escrow Accounts	116,606	231,490
Accounts Receivables	357,078	473,550
Rent Receivables	10,359	33,939
Prepaid expenses	55,233	57,306
Security deposits	38,999	37,987
Loans receivable, current portion	138,471	85,502
Total Current Assets	2,285,400	2,196,718
Fixed Assets:		
Land	1,129,203	1,129,203
Buildings and equipment	9,931,801	9,813,111
Total Fixed Assets	11,061,004	10,942,314
Accumulated depreciation	(3,036,010)	(2,707,552)
Net Fixed Assets	8,024,994	8,234,762
Other Assets:		
Inventory: Fishing permits	600,000	600,000
Loans receivable, long term (net of allowances for loan losses of $31,623 and $40,860 respectively)	272,919	209,040
Total Other Assets	872,919	809,040
Total Assets	$ 11,183,313	$ 11,240,520

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable	$ 106,719	$ 217,173
Accrued expenses	110,335	83,174
Advance on grant contracts	440,253	543,261
Deposits payable	39,626	35,920
Mortgage and Note payable, current portion	58,300	54,000
Total Current Liabilities	755,233	933,528
Long-Term Liabilities:		
Mortgage Payable - Private and Government	2,462,066	2,492,075
Note Payable - Scallop Quota Loan	441,318	477,210
Government Mortgages - Deferred Financing	5,389,011	5,389,011
Total Long-Term Liabilities	8,292,395	8,358,296
Total Liabilities	9,047,628	9,291,824
Net Assets:		
Unrestricted	2,135,685	1,948,696
Total Net Assets	2,135,685	1,948,696
Total Liabilities and Net Assets	$ 11,183,313	$ 11,240,520

The accompanying notes are an integral part of these financial statements

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

Consolidated Statements of Activities

For the Years Ended June 30, 2016 and 2015

	2016	2015
Changes in unrestricted net assets		
Grant income	$ 1,950,747	$ 1,210,766
Program income	846,842	769,509
Contributions	495,630	392,514
Special events	22,674	18,849
Interest income	3,551	3,920
Other income	59,296	15,853
Total Revenues and Support	3,378,740	2,411,411
Expenses:		
Program	3,056,881	1,990,469
General and administrative	38,390	41,285
Fundraising	96,479	76,511
Total Expenses	3,191,751	2,108,265
Increase in Net Assets	186,989	303,146
Net Assets, Beginning of Year	1,948,696	1,645,550
Net Assets, End of Year	$ 2,135,685	$ 1,948,696

The accompanying notes are an integral part of these financial statements

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

Consolidated Statements of Functional Expenses

For the Year Ended June 30, 2016 and 2015

	2016			
	Program	General and Administrative	Fund-Raising	Total
Salaries, benefits, and payroll taxes	$ 694,918	$ 149,295	$ 49,898	$ 894,111
Advertising	18,677	23,660	11,504	53,841
Depreciation and amortization	329,519	5,678	278	335,475
Dues and memberships	4,525	1,106	397	6,028
Insurance	63,497	4,324	726	68,547
Interest	185,251	1,048	111	186,410
Licenses, permits and fees	5,772	839	2,193	8,804
Maintenance and repairs	186,887	10,916	1,737	199,540
Office supplies and equipment	23,362	6,902	6,967	37,231
Professional fees	69,502	16,465	7,620	93,587
Real estate tax	15,551	210	1	15,762
Rent (Office expense)	15,006	3,015	497	18,518
Special program	1,174,085	-	720	1,174,805
Training	6,580	2,040	154	8,774
Travel	9,510	806	577	10,893
Utilities	75,581	3,499	346	79,426
Subtotal	2,878,223	229,802	83,726	3,191,751
Allocation of G&A costs	178,658	(191,412)	12,754	-
Total	$ 3,056,881	$ 38,390	$ 96,479	$ 3,191,751

	2015			
	Program	General and Administrative	Fund-Raising	Total
Salaries, benefits, and payroll taxes	$ 525,055	$ 132,630	$ 32,541	$ 690,226
Advertising	17,154	21,982	1,638	40,774
Depreciation and amortization	314,902	4,507	151	319,560
Dues and memberships	3,872	1,078	253	5,203
Insurance	61,171	4,405	471	66,047
Interest	172,277	141	8	172,426
Licenses, permits and fees	6,447	708	996	8,151
Maintenance and repairs	100,667	4,254	422	105,343
Office supplies and equipment	49,213	38,950	7,672	95,835
Professional fees	86,518	9,013	18,605	114,136
Real estate tax	14,355	-	-	14,355
Rent (Office expense)	19,285	4,318	2,087	25,690
Special program	363,225	-	-	363,225
Training	1,856	2,678	253	4,787
Travel	6,377	1,039	177	7,593
Utilities	71,555	3,104	255	74,914
Subtotal	1,813,929	228,807	65,529	2,108,265
Allocation of G&A costs	176,540	(187,522)	10,982	-
Total	$ 1,990,469	$ 41,285	$ 76,511	$ 2,108,265

The accompanying notes are an integral part of these financial statements

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

Consolidated Statements of Cash Flows

For the Years Ended June 30, 2016 and 2015

	2016	2015
Cash Flows from Operating Activities:		
Increase/(Decrease) in net assets	$ 186,989	$ 303,146
Adjustments to reconcile changes in net assets provided by operating activities:		
Depreciation	328,458	316,697
(Increase) decrease in:		
Accounts receivable	116,472	(374,585)
Rents receivable	23,580	(14,416)
Loan receivables	(116,848)	(31,221)
Escrow accounts	114,884	(33,315)
Security deposits	(1,012)	(3,020)
Prepaid expenses	2,073	(13,379)
Increase (decrease) in:		
Accounts payable	(110,455)	152,146
Deposits payable	3,706	313
Accrued expenses	27,161	12,757
Advance on grant contracts	(103,008)	283,261
Net Cash Provided by Operating Activities	472,000	598,384
Cash Flows from Investing Activities:		
Net deposits to reserves	45,584	(27,488)
Purchase of property and equipment	(118,690)	(368,770)
Net Cash Used in Investing Activities	(73,106)	(396,258)
Cash Flows from Financing Activities:		
Proceeds from loans	74,280	-
Repayments of mortgage payable	(135,880)	(95,896)
Net Cash Used in Financing Activities	(61,600)	(95,896)
Net increase in Cash	337,294	106,230
Cash, Beginning of Year	818,270	712,040
Cash, End of Year	$ 1,155,564	$ 818,270
Supplemental Cash Flow Information		
Interest costs incurred	$ 186,410	$ 172,426
Interest subsidy credited	(45,762)	(45,762)
Interest Costs Paid	$ 140,648	$ 126,664
Noncash Financing and Investing Activities:		
Government interest subsidies credited towards debt service requirements	$ 45,762	$ 45,762
Noncash Financing and Investing Activities:	$ 45,762	$ 45,762

The accompanying notes are an integral part of these financial statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization
The Community Development Partnership d/b/a Community Development Partnership (CDP) was organized July 1, 1992, as a nonprofit corporation under the Massachusetts General Laws Chapter 180 and was formed to promote and assist community-based development organizations and individuals in their efforts to address the needs of low and moderate income residents in the Lower Cape Cod Area.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958-320, Accounting for Certain Investments Held by Not-for-Profit Organizations. As a result the financial activity for Thankful Chase Pathway, LLC (TCP) a for-profit company owned 100% by CDP have been consolidated with the financial activity of CDP for the years ended June 30, 2016 and 2015. TCP was formed for the purpose of investment and holding of a leasehold interest in, and development of, real estate and interests therein, including, but not limited to, the leasing, acquiring, operating, selling, financing, refinancing, disposing of and otherwise dealing with interests in real estate, directly or indirectly through joint ventures, partnerships or other entities, specifically those associated with the property known as 35 Main Street Extension, Harwich, Massachusetts, to be known as Thankful Chase Pathway, with the specific intention of holding the property as affordable housing, and to engage in any activities directly or indirectly related or incidental thereto.

Basis of Accounting
The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation
The consolidated financial statements include the accounts CDP and TCP (for-profit company) , its 100% wholly owned subsidiary. All significant intercompany balances and transactions were eliminated in consolidation. The organization have common control and an element of economic interest. In accordance with the American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) 94-3, consolidation is required.

Financial statement presentation follows the professional recommendations. Under professional recommendations, the Corporation reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Net assets of the two restricted classes are created only by donor imposed restrictions on their use. All other net assets are legally unrestricted and are reported as part of the unrestricted class.

There were no temporarily or permanently restricted net assets or activities as of June 30, 2016 and 2015.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

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

Functional Allocation of Expenses
The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain administrative and general costs have been allocated among the program and supporting services benefited.

Tax Exempt Status
The CDP is a not-for-profit organization exempt from taxes under Internal Revenue Code 501(c)(3) and is defined as a social welfare organization.

Cash and Cash Equivalents
For the purposes of the statements of cash flows, the CDP considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment
Donated capital assets and property and equipment are recorded at cost. Expenditures for maintenance and repairs are charged against operations. Donations of property and equipment are recorded at their estimated fair market value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over their estimated useful lives of three to ten years for equipment and five to thirty years for buildings and improvements.

In Kind Revenue and Expenses
CDP receives support in the form of donated goods and services. These goods and services are recorded at their fair market values at the time received and are reflected in the financial statements as both support and expense. Total in-kind contributions amounted to $45,572 and $74,047 for the year ended June 30, 2016 and 2015, respectively.

Allowance for Bad Debts
Accounts and loan receivables are stated at unpaid balances, less an allowance for doubtful accounts. The CDP provides for losses on accounts and loan receivable using the allowance method. The allowance is based on experience and other circumstances. It is CDP's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Advertising
CDP follows the policy of charging the costs of advertising to expense as incurred. Advertising expense for the years ended June 30, 2016 and 2015 were $53,841 and $40,774, respectively.

Compensated Absences
Compensated absences have been accrued in the amount of $48,903 and $43,291 as of June 30, 2016 and 2015, respectively.

NOTE B - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents at June 30 consist of the following:

	2016	2015
General operating fund	$ 641,846	$ 359,257
Money market funds	513,718	459,013
Total cash and cash equivalents	$ 1,155,564	$ 818,270

Included in total cash and cash equivalents is restricted cash for the Micro loan program at June 30 consists of the following:

	2016	2015
Money market funds	$ 105,665	$ 121,865

NOTE C - RESTRICTED DEPOSITS AND FUNDED RESERVES:

Replacement Reserve and Solar Reserve
In accordance with the terms of the MHP's regulatory agreement TCP funds and maintains a replacement reserve fund. The replacement reserve balance was $33,164 and $21,981 as of June 30, 2016 and 2015 respectively. The Solar reserve balance was $22,140 and $22,076 as of June 30 2016 and 2015 respectively.

Operating Reserve
In accordance with the terms of the MHP's regulatory agreement, TCP will maintain a revenue fund account for its operations, starting March 31, 2011, held by MHP. The revenue fund amount at June 30, 2016 and 2015 was $14,048 and $14,005, respectively.

Rental Property Reserve Accounts
CDP maintains funded reserves for various rental properties for future capital improvements. The reserves account balances were $343,738 and $400,612 as of June 30, 2016 and 2015 respectively.

NOTE C - RESTRICTED DEPOSITS AND FUNDED RESERVES (continued):

Escrow Reserve Accounts

Escrow reserve accounts were comprised of the following as of June 30, 2016 and 2015:

	2016	2015
Mass Ground Fish Loan Fund	$ 67,559	$ 120,256
Real estate escrow reserves	-	743
MHP Escrow Reserve-TCP	9,027	4,520
CDBG - Housing Rehabilitation Fund	40,020	105,971
	$ 116,606	$ 231,490

NOTE D - INVENTORIES:

Inventories consist of three (3) fishing permits purchased for resale/lease. They are stated at the lower of cost or market. The inventory balance was $600,000 and $600,000 as of June 30, 2016 and 2015, respectively.

NOTE E - LINE OF CREDIT:

CDP has entered into credit agreements with banks that allow the Corporation to borrow an amount not to exceed $75,000. The credit line bears interest at prime plus 1%. The loan is not secured by the assets of the Corporation. The outstanding balance as of June 30, 2016 and 2015 was $0 and $0, respectively.

CDP has entered into a seven (7) year credit agreement with Massachusetts Growth Capital Corporation (MGCC), a Massachusetts quasi-public lending agency, that allows CDP to borrow an amount not to exceed $250,000 for the purpose of providing capital to fund microloans to qualified businesses. The credit line bears interest only of 3.25% for three (3) years. Outstanding principal balance at the end of the three (3) year period is amortized over a four (4) year period with a maturity date of January 29, 2021. The outstanding balance as of June 30, 2016 and 2015 was $0 and $0, respectively.

NOTE F - RENTAL REHABILITATION AND HOUSING REHABILITATION LOAN PROGRAM:

The CDP has received pass-through grants from the Towns of Wellfleet, Truro, Eastham and Dennis to administer rehabilitation loans to eligible property owners or investors under the United States Department of Housing and Urban Development Small Cities Program. Loans are now capped at $35,000 per unit, and for loans issued through fiscal year 1999, repayment of the outstanding balance is forgiven at the rate of 10% per year provided that the borrower is in compliance with loan provisions. Loans issued between fiscal year 2000 and 2001 are deferred for ten years with no annual loan forgiveness while loans after fiscal year 2002 are deferred for fifteen years with no annual loan forgiveness. The loans secured through a ten or fifteen year property lien.

NOTE F - RENTAL REHABILITATION AND HOUSING REHABILITATION LOAN PROGRAM (continued):

The CDP does not expect to collect on a substantial portion of these loans and any loans collected because of default of grant terms and conditions would be remitted to the grant awarding authorities and do not represent available resources to the CDP. Therefore, the issuance of these loans is considered a non-exchange transaction and is recorded as a grant/program expense in the financial statements and no receivable is recorded. Grant revenue and expense was $1,158,320 and $317,933 for the years ended June 30, 2016 and 2015 respectively.

NOTE G - LOANS RECEIVABLE:

The CDP microloan fund was funded originally with a pass-through grant from the Town of Chatham to administer a small business revolving loan program under the United States Department of Housing and Urban Development Small Cities program. These micro-loans of up to $40,000 are issued to eligible individuals to start up or expand small, private businesses in the Lower Cape Cod area. Principal and interest is repayable monthly at interest rates of prime plus 2%, and the loan maturities do not exceed a five year term. An allowance for doubtful accounts is estimated each year based on specific identification of at risk loans. Uncollectible loans are charged off when the business declares bankruptcy.

The CDP Ground Fish Revolving loan fund was funded by a $250,000 federal pass through grant from the Massachusetts Department of Marine Fisheries. The Ground fish revolving loans of up to $50,000 are issued to eligible individuals to encourage the continued profitability of small-scale ground fish fishing businesses with leasing ground fish quota.

The CDP Shellfish Microloan fund was capitalized by a $60,000 contribution from Wellfleet SPAT. Loans are made to eligible applicants that are Wellfleet based shellfish and aquaculture businesses.

In addition to the microloan, ground fish revolving loan and shellfish microloan funds, CDP has also issued short-term business loans, using its own funds to fund various small businesses such as scallop leases to buy quota licenses.

Loans receivables are carried at unpaid principal balances, less an allowance for loan losses and net deferred loan fees. Management's periodic evaluation of the adequacy of the allowance is based on past loan loss experience, specific impaired loans, adverse situations that may affect the borrower's ability to repay and current economic conditions.

Loan receivables were comprised of the following at June 30, 2016 and 2015:

	2016	2015
Microloans	$ 244,157	$ 203,015
Ground fish loans	184,640	129,445
Shellfish microloans	12,709	-
Scallop lease to buy loans	1,507	2,942
	443,013	335,402
Less allowance for uncollected accounts	(31,623)	(40,860)
Net Loan Receivable	$ 411,390	$ 294,542

NOTE H - GRANT INCOME:

CDP receives a substantial amount of its support from the United States Department of Housing and Urban Development on a pass-through basis under cost reimbursement contracts, which are based on approved budgets. Additional funding is received directly from the United States Department of Agriculture as rent subsidies and through fees charged by the Registry of Motor Vehicles associated with the issuance of Cape and Islands license plates, net of related direct costs. Under Massachusetts General Law Chapter 90, Section 2, the CDP receives 20% of the net fees of these license plates in amounts proportional to the number of vehicles registered in Barnstable County in order to promote tourism or economic development.

Support received under cost reimbursement contracts and grants is recorded as grant revenue and grant receivable in unrestricted net assets when the related costs are incurred or billed. Cost reimbursement grant revenue in excess of costs incurred are recorded as a liability "advance on grant contracts", until costs are incurred and the revenue earned. Support received under rent subsidies and the Cape and Islands license plate program are recorded as grant revenue and grant receivables when the underlying transaction generating these grant amounts occur. Cape and Islands license plate revenue is allocated for the use among CDP programs by the Board of Directors.

A summary of CDP's significant grant programs for the years ended June 30 2016 ad 2015 are as follows:

	2016	2015
U.S. Department of Housing and Urban Development	$ 1,413,477	$ 444,810
U.S. Department of Agriculture	229,436	196,504
Mass Growth and Capital Corp.	83,125	96,305
Towns and Barnstable County	-	290,854
Com EOHED	30,000	-
Cape and Islands Plates	194,709	182,293
	$ 1,950,747	$ 1,210,766

NOTE I - MORTGAGES AND NOTES PAYABLE:

	2016	2015
Mortgages payable:		
Note payable to US Department of Agriculture (USDA), 6.75% interest and principal payment of $2,183 payable monthly, final payment due September, 2032, collateralized by property located at 324 Old Kings Highway, Wellfleet, MA.	$ 973,116	$ 978,643
Note payable to Cape Cod Five Cent Savings Bank, 5.03% interest and principal payment of $1,616 payable monthly, final payment due October, 2025, collateralized by property located at 836 Main Street, Harwich, MA.	138,854	150,944

NOTE I - MORTGAGES AND NOTES PAYABLE (continued):	2016	2015
Note payable to the Cape Cod Five Cents Savings Bank, 9.00% interest and principal payment of $961 payable monthly, final payment due August, 2020, collateralized by property located at Gull Cottages, Eastham.	95,759	98,359
Note payable to Seamen's Bank, 5.0% interest and principal payment of $724 payable monthly, final payment due August, 2037, collateralized by property located at 27 Nelson Ave., Provincetown, MA.	112,393	115,290
Note payable to TD Bank, 4.22% interest and principal payment of $2,401 payable monthly, final payment due May, 2027, collateralized by property located at 17 & 19 Robert Lane and 836 Route 28, Harwich, MA.	249,396	267,098
Note payable to Cape Cod Five Cents Savings Bank, 7.30% interest and principal payment of $515 payable monthly, final payment due December, 2025, collateralized by property located at Unit 7 Main Street Mercantile, Eastham, MA.	46,858	50,677
Note payable to TD Bank, 4.0% interest and principal payment of $500 payable monthly, final payment due March, 2033, collateralized by property located at 1475 State Highway, Eastham, MA.	88,738	92,358
Note payable to Cape Cod Five Cents Savings Bank, 4.20% interest and principal payment of $328 payable monthly, final payment due July, 2033, collateralized by property located at Gull Cottages, Eastham, MA.	47,694	49,550
Note payable to Santander Bank (formerly the Sovereign Bank), 7.42% interest and principal payment of $374 payable monthly, final payment due April, 2018, collateralized by property located at 71 Canal Rd., Orleans, MA.	-	37,946
Note payable to Town of Eastham, 5.00% interest and principal payment of $2,315 payable semi-annually, final payment due November, 2019, collateralized by property located at Gull Cottages, Eastham.	6,615	8,268

NOTE I- MORTGAGES AND NOTES PAYABLE (continued):	2016	2015
Note payable to the Massachusetts Housing Partnership (MHP), 6.58 interest and principal payment of $4,653 payable monthly, final payment due August 25, 2031, collateralized by property located at Thankful Chase Pathway.	686,662	696,942
Note payable to Seaman's Bank, 4.0% interest and principal payment of $219 payable monthly, final payment due August 13, 2020, collateralized by property located at 3 Main Street Mercantile, Unit 18A.	34,947	-
Note payable to Seaman's Bank, 4.0% interest and principal payment of $244 payable monthly, final payment due January 7, 2021, collateralized by property located at 3 Main Street Mercantile, Unit 6.	39,333	-
Total Mortgages Payable	2,520,365	2,546,075
Note Payable:		
Note payable to Cape Cod Commercial Hook Fishermen's Association, Inc., 3.0% interest and principal payment of $4,143 payable monthly, final payment due October, 2026, collateralized by three(3) Northeast Federal Fishery Permits.	441,318	477,210
Total Note Payable	441,318	477,210
Total Mortgages and Note Payable	2,961,683	3,023,285
Current portion	58,300	54,000
Long term portion	$ 2,903,383	$ 2,969,285

The following is a maturity schedule for the above-mentioned mortgages and note payables:

June 30	
2017	58,300
2018	63,000
2019	68,000
2020	73,000
2021	78,500
Thereafter	2,620,883
	$ 2,961,683

The CDP incurred interest costs totaling $186,410 and $172,426 for the years ended June 30, 2016 and 2015, respectively, all of which were charged to operations.

NOTE J - GOVERNMENT MORTGAGES - DEFERRED

	2016	2015
CDP - Deferred Financing provided by HUD		
Note payable to the Dept. of Housing and Community Development (DHCD) thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $170,000 due March, 2037, collateralized by property located at 71 Canal Rd., Orleans, MA.	$ 170,000	$ 170,000
Note payable to the Barnstable County thru the Cape Cod Commission under the HOME Investment Partnership Program, 0.00% interest and balloon payment of $120,000 due March, 2037, collateralized by property located at 71 Canal Rd., Orleans, MA.	120,000	120,000
Note payable to Barnstable County thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $166,000 due August, 2040, collateralized by property located at Gull Cottages, Eastham.	166,000	166,000
Note payable to Barnstable County thru the Cape Cod Commission under the HOME Investment Partnership Program, 0.00% interest and balloon payment of $60,000 due June, 2041, collateralized by property located at 27 Nelson Ave., Provincetown, MA.	60,000	60,000
Note payable to DHCD under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $550,000 due April, 2032, collateralized by property located at 324 Old Kings Highway, Wellfleet, MA.	550,000	550,000
Note payable to Barnstable County thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $175,000 due April, 2042, collateralized by property located at 324 Old Kings Highway, Wellfleet, MA.	175,000	175,000
Note payable to Barnstable County thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $160,000 due July, 2044, collateralized by property located at 58 Harry Kemp Way, Provincetown, MA.	160,000	160,000

NOTE J - GOVERNMENT MORTGAGES - DEFERRED FINANCING (continued) :

	2016	2015
Note payable to the Barnstable County thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $117,714 due October, 2055, collateralized by property located at 836 Main Street, Harwich, MA.	117,714	117,714
Note payable to the Barnstable County thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $37,286 due October, 2055, collateralized by property located at 836 Main Street, Harwich, MA.	37,286	37,286
Note payable to DCHD thru the Town of Provincetown under the Housing Development Support Program CDBG, 0.00% interest and balloon payment of $176,373 due August, 2041, collateralized by property located at 27 Nelson Ave., Provincetown, MA .	176,373	176,373
Note payable to DCHD thru the Town of Harwich under the Housing Development Support Program CDBG, 0.00% interest and balloon payment of $493,000 due November, 2052, collateralized by property located at 17 & 19 Robert Lane, Harwich, MA .	493,000	493,000
Note payable to DCHD thru the Town of Eastham under the Housing Development Support Program CDBG, 0.00% interest and balloon payment of $248,400 due April, 2052, collateralized by property located at 1475 State Highway, Eastham, MA .	248,400	248,400
Note payable to the Massachusetts Housing Fund Board under the HOME Investment Partnership program, 0.00% interest and balloon payment of $400,000 due October, 2055, collateralized by property located at 836 Main Street, Harwich, MA.	400,000	400,000
Default Conditional Note payable to The Resource, Inc. thru Housing Rehab Loan Program, 0.00% interest and payment in the amount of $40,163 due June, 2020, collateralized by property located at 836 Main Street, Harwich, MA. (Forgiven at due date if loan conditions met.)	40,163	40,163
Total CDP Deferred Financing provided by HUD	2,913,936	2,913,936

NOTE J - GOVERNMENT MORTGAGES - DEFERRED FINANCING (continued):

	2016	2015
TCP - Deferred Financing provided by HUD		
Note payable to the Barnstable County thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $550,500 due March, 2041, collateralized by property located at Thankful Chase Pathway.	550,000	550,000
Note payable to the Barnstable County thru the Cape Cod Commission under the HOME Investments Partnership Program, 0.00% interest and balloon payment of $150,000 due February 26, 2060, collateralized by property located at Thankful Chase Pathway.	150,000	150,000
Total TCP Deferred Financing provided by HUD	700,000	700,000
Total Deferred Financing provided by HUD	3,613,936	3,613,936
CDP - Other governmental agencies deferred loans:		
Note payable to Massachusetts DHCD under the Housing Stabilization Program, 0.00% interest and balloon payment of $159,750 due July, 2044, collateralized by property located at 58 Harry Kemp Way, Provincetown, MA.	159,750	159,750
Note payable to the Massachusetts DHCD under the Affordable Housing Trust, 0.00% interest and balloon payment of $265,325 due October, 2035, collateralized by property located at 836 Main Street, Harwich, MA.	265,325	265,325
CDP - Other governmental agencies deferred loans:	425,075	425,075
Total CDP deferred governmental Financing	4,039,011	4,039,011
TCP - Other governmental agencies deferred loans:		
Thankful Chase Pathways, LLC secured financing from a Massachusetts Corporation, Community Economic Development Assistance Corporation (CEDAC), for a maximum amount of $350,000 due March 31, 2041. In the requirements of the Housing Innovations Funds are met, CEDAC may extend the maturity date for another ten (10) years period until March 31, 2051. Principal and interest payments are not required before the maturity dates unless the cash flow generated by the project exceeds 105% of the capital expenditures of the project. This loan is collateralized by property located at Thankful Chase Pathway.	350,000	350,000

NOTE J - GOVERNMENT MORTGAGES - DEFERRED FINANCING (continued) :

	2016	2015
Note payable to the Massachusetts Housing Partnership (MHP) at 0% interest, final payment due March 31, 2031, collateralized by property located at Thankful Chase Pathway.	400,000	400,000
Note payable to the Affordable Housing Trust, 0.00% interest and balloon payment of $600,000 due March, 2041, collateralized by property located at Thankful Chase Pathway.	600,000	600,000
Total TCP - Other governmental agencies deferred loans:	1,350,000	1,350,000
Total Government Mortgages - Deferred Financing	$ 5,389,011	$ 5,389,011

The following is a maturity schedule for the above-mentioned government mortgage payables:

June 30	
2011	$ -
2018	-
2019	-
2020	-
2021	-
Thereafter	5,389,011
	$ 5,389,011

The CDP incurred interest costs on the deferred governmental mortgages totaling $0 and $0 for the years ended June 30, 2016 and 2015, respectively.

The property located at 324 Old King's Highway in Wellfleet, Massachusetts consists of buildings, improvements and program equipment. The land is owned by the Wellfleet Housing Authority and leased to CDP through November, 2061 at no cost.

NOTE K - RELATED PARTY TRANSACTIONS:

Board members also include employees of Cape Cod Five Cents Savings Bank and Seamen's Bank, which hold mortgage loans on property owned by CDP. These Board members do not have positions which affect the lending of funds to CDP.

NOTE L - ECONOMIC DEPENDENCY:

The CDP receives substantially all of its funding from federal, state, and county agencies. A loss in a funding source would have an adverse material effect on the Corporation. A summary of the significant funding categories and the governmental agencies follows:

	2016	2015
United States Department of Agriculture - Direct Loans	$ 973,116	$ 978,643
United States Department of Agriculture - Mortgage Interest Subsidy	45,762	45,762
United States Department of Agriculture - Rental Assistance	105,363	105,743
United States Department of Agriculture - Rural Enterprise Grant	78,311	50,000
United States Department of HUD-HOME Direct Loans Permanent	2,656,000	2,656,000
United States Department of HUD-CDBG Direct Loans Permanent	957,936	957,936
United States Department of HUD-CDBG Housing Rehab Grants	1,413,477	444,810
United States Department of HUD-Section 8 Rental Assistance	175,634	157,609
United States Department of NOAA-NMFS Revolving Loan Fund	30,869	96,501
Massachusetts DHCD-Housing Stabilization Direct Loan Permanent	159,750	159,750
Massachusetts DHCD-Affordable Housing Trust Direct Loan Perm.	865,325	865,325
Massachusetts CEDAC-Affordable Housing Deferred Direct Loan	350,000	350,000
Massachusetts MHP-Affordable Housing Deferred Direct Loan	400,000	400,000
	$ 8,211,543	$ 7,268,079

NOTE M - LEASES:

CDP leased two office spaces; Unit 18A as a tenant at will and Unit 6 for $250 under non-cancelable operating leases, which expired October 31, 2015. For the years ended June 30, 2016 and 2015 total rent expense amounted to $4,879 and $12,774, respectively. CDP purchased unit 6 in January 2016 and unit 18A in August 2015.

NOTE N - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK:

Concentrations of credit risk with respect to trade receivables and note receivables are limited due to the large number of customers comprising the CDP's customer base and their dispersion across differing industries and geographic areas. The CDP maintains its cash balances in various financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 for each institution. The CDP's uninsured cash balances totaled $0 and $0 at June 30, 2016 and 2015, respectively.

NOTE O - CONTINGENT LIABILITIES:

The CDP receives a substantial portion of its revenues from various government contracts; all of which are subject to audit by the applicable government agency. Should an audit be conducted and result in any disallowed costs, the CDP would be liable for such disallowed amounts. In management's opinion, liability, if any, resulting from such an audit would not have a material adverse effect on the CDP's financial position. Additionally, other contracts entered into with the agency contain compliance provisions which require the CDP to adhere to specified operating methods and procedures. In the event of noncompliance, the Agency has the discretion to demand immediate repayment of the note payable described in Note I.

NOTE P - PENSION PLAN:

CDP established a SIMPLE IRA Plan as an employee benefit program as defined under Section 401(k) of the U.S. Internal Revenue Code. Eligible employees are able to elect employee deferred amounts in accordance with IRS guidelines. CDP matches employee elective deferrals up to a match of 3% of eligible employee compensation. Pension expense was $13,435 and $10,317 for the years ended June 30, 2016 and 2015, respectively.

NOTE Q - CONSOLIDATING SCHEDULE OF FINANCIAL POSITION AND ACTIVITIES:

	June 30, 2016		
	CDP	TCP	TOTAL
Current Assets:			
Cash Accounts	$ 1,074,363	$ 81,201	$ 1,155,564
Restricted Capital Reserve Cash Accounts	343,740	69,350	413,090
Escrow Accounts	107,579	9,027	116,606
Accounts Receivables	357,078	-	357,078
Rent Receivables	8,266	2,093	10,359
Prepaid expenses	49,602	5,631	55,233
Security deposits	30,044	8,955	38,999
Loans receivable, current portion	-	-	-
Total Current Assets	1,970,672	176,257	2,146,929
Fixed Assets:			
Land	1,129,203	-	1,129,203
Buildings and equipment	6,287,115	3,644,685	9,931,800
Total Fixed Assets	7,416,318	3,644,685	11,061,003
Accumulated depreciation	(2,398,189)	(637,820)	(3,036,009)
Net Fixed Assets	5,018,129	3,006,865	8,024,994
Other Assets:			
Inventory: Fishing permits	600,000	-	600,000
Loans receivable, long term (net of loan losses of $24,831 and $40,860 respectively)	411,390	-	411,390
Total Other Assets	1,011,390	-	1,011,390
Total Assets	$ 8,000,191	$ 3,183,122	$ 11,183,313
Current Liabilities:			
Accounts payable	$ 95,767	$ 10,952	$ 106,719
Accrued expenses	110,335	-	110,335
Advance on grant contracts	440,253	-	440,253
Deposits payable	30,677	8,949	39,626
Mortgage payable, current portion	58,300	-	58,300
Total Current Liabilities	735,332	19,901	755,233

NOTE Q - CONSOLIDATING SCHEDULE OF FINANCIAL POSITION AND ACTIVITIES (continued):

	For the Year Ended June 30, 2016		
	CDP	TCP	TOTAL
Long-Term Liabilities:			-
Mortgage Payable - Private and	1,775,404	686,662	2,462,066
Note Payable - Scallop Quota	441,318	-	441,318
Government Mortgages -	3,339,011	2,050,000	5,389,011
Total Long-Term Liabilities	5,555,733	2,736,662 -	8,292,395
Total Liabilities	6,291,065	2,756,563	9,047,628
Net Assets:			
Unrestricted	1,709,126	426,559	2,135,685
TOTAL LIABILITIES AND NET ASSETS	$ 8,000,191	$ 3,183,122	$ 11,183,313
Changes in unrestricted net assets			
Grant income	$ 1,950,747	$ -	$ 1,950,747
Program income	678,882	167,960	846,842
Contributions	495,630	-	495,630
Special events	22,674	-	22,674
Interest income	3,367	184	3,551
Other income	59,070	226	59,296
Total Revenues and Support	3,210,370	168,370	3,378,740
Expenses:			
Program	2,779,764	277,118	3,056,882
General and administrative	38,390	-	38,390
Fundraising	96,479	-	96,479
Total Expenses	2,914,633	277,118	3,191,751
Decrease in Net Assets	295,737	(108,748)	186,989
Net Assets, Beginning of Year	1,413,388	535,308	1,948,696
Net Assets, End of Year	$ 1,709,125	$ 426,560	$ 2,135,685

NOTE Q - CONSOLIDATING SCHEDULE OF FINANCIAL POSITION AND ACTIVITIES (continued):

	June 30, 2015		
	CDP	TCP	TOTAL
Current Assets:			
Cash Accounts	$ 720,236	$ 98,034	$ 818,270
Restricted Capital Reserve Cash Accounts	400,612	58,062	458,674
Escrow Accounts	226,970	4,520	231,490
Accounts Receivables	473,550	-	473,550
Rent Receivables	30,547	3,392	33,939
Prepaid expenses	51,664	5,642	57,306
Security deposits	30,214	7,773	37,987
Loans receivable, current portion	85,502	-	85,502
Total Current Assets	2,019,295	177,423	2,196,718
Fixed Assets:			
Land	1,129,203	-	1,129,203
Buildings and equipment	6,168,426	3,644,685	9,813,111
Total Fixed Assets	7,297,629	3,644,685	10,942,314
Accumulated depreciation	(2,191,221)	(516,331)	(2,707,552)
Net Fixed Assets	5,106,408	3,128,354	8,234,762
Other Assets:			
Inventory: Fishing permits	600,000	-	600,000
Loans receivable, long term (net of loan losses of $40,860 and $24,831 respectively)	209,040	-	209,040
Total Other Assets	809,040	-	809,040
Total Assets	$ 7,934,743	$ 3,305,777	$ 11,240,520
Current Liabilities:			
Accounts payable	$ 202,364	$ 14,809	$ 217,173
Accrued expenses	83,174	-	83,174
Advance on grant contracts	543,261	-	543,261
Deposits payable	27,201	8,719	35,920
Mortgage payable, current portion	54,000		54,000
Total Current Liabilities	910,000	23,528	933,528
			-
Long-Term Liabilities:			-
Mortgage Payable - Private and	1,795,134	696,941	2,492,075
Note Payable - Scallop Quota	477,210	-	477,210
Government Mortgages - Deferred Financing	3,339,011	2,050,000	5,389,011
Total Long-Term Liabilities	5,611,355	2,746,941 -	8,358,296
Total Liabilities	6,521,355	2,770,469	9,291,824

NOTE Q - CONSOLIDATING SCHEDULE OF FINANCIAL POSITION AND ACTIVITIES (continued):

	For the Year Ended June 30, 2015		
	CDP	TCP	TOTAL
Net Assets:			
Unrestricted	1,413,388	535,308	1,948,696
TOTAL LIABILITIES AND NET ASSETS	$ 7,934,743	$ 3,305,777	$ 11,240,520
Changes in unrestricted net assets			
Grant income	$ 1,210,766	$ -	$ 1,210,766
Program income	603,497	166,012	769,509
Contributions	392,514	-	392,514
Special events	18,849	-	18,849
Interest income	3,876	44	3,920
Other income	14,433	1,420	15,853
Total Revenues and Support	2,243,935	167,476	2,411,411
Expenses:			
Program	1,725,219	265,250	1,990,469
General and administrative	41,285	-	41,285
Fundraising	76,511	-	76,511
Total Expenses	1,843,015	265,250	2,108,265
Decrease in Net Assets	400,920	(97,774)	303,146
Net Assets, Beginning of Year	1,012,468	633,082	1,645,550
Net Assets, End of Year	$ 1,413,388	$ 535,308	$ 1,948,696

NOTE R - SUBSEQUENT EVENTS:

CDP has evaluated subsequent events through November 30, 2016, the date which the financial statements were available to be issued. As of November 30, 2016 there were no other subsequent events to report.

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2016

Federal Grantor/Pass through Grantor/Program or Cluster title	Federal CFDA #	Federal Expenditures
Type A Programs:		
U.S. Department Of Housing and Urban Development		
HOME Investment Partnership program deferred non interest mortgage mortgage loans	14.239	$ 2,656,000
CDBG - Small Cities Program; Thru Massachusetts DHCD Housing Housing Development support program deferred non interest mortgage loans	14.228	957,936
CDBG - Small Cities Program; Thru Massachusetts DHCD Thru Towns of Dennis and Truro, Massachusetts housing rehabilitation grants	14.228	1,413,477
U.S. Department Of Agriculture		
Rural Rental Housing Mortgage Loan	10.415	973,116
Rural Rental Housing Mortgage Loan interest subsidy	10.415	45,762
Rural Development Rental Assistance Payments	10.427	105,363
Type A Total		6,151,654
Type B Programs:		
U.S. Department Of Housing and Urban Development		
Section 8 - Rental Assistance	14.855	175,635
U.S. Department of Agriculture		
Rural Business Enterprise Grant	10.769	78,311
U.S. Department of Commerce		
NOAH- Ground fish Business Loans	11.307	30,869
Type B Total		284,815
Total Federal assistance		$ 6,436,469

Type A programs are determined to be the larger of $750,000 or three (3) percent of total federal awards expended if total awards exceed $750,000. There were no awards received that were passed through to subreceipients.

The accompanying notes are an integral part of these financial statements

COMMUNITY DEVELOPMENT PARTNERSHIP
AND THANKFUL CHASE PATHWAYS, LLC
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

NOTE A - BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Community Development Partnership and Thankful Chase Pathways, LLC under programs of the federal government for the year ended June 30, 2016. 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 of Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Community Development Partnership and Thankful Chase Pathways, LLC it is not intended to and does not present the financial position, changes in net assets, or cash flows of Community Development Partnership and Thankful Chase Pathways, LLC.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

NOTE C - INDIRECT COST RATE:

Community Development Partnership and Thankful Chase Pathways, LLC has elected not to use the 10% de minimums indirect cost rate allowed under the Uniform Guidance. There are no cost reimbursement contracts.

NOTE D - FEDERAL AWARDS EXPENDED FOR LOAN OR LOAN GUARANTEE PROGRAMS:

Balances of loans and loan guarantee programs outstanding as of June 30, 2016 for loans described in 2 CFR section 200.502(b) are as follows:

CFDA #	*Program name*	*Beginning balance as of 6/30/15*	*New loans from 7/1/15-6/30/15*	*Outstanding balance as of 6/30/16*
14.239	HOME Investment Partnership program deferred non interest mortgage loans	$ 2,656,000	$ -	$ 2,656,000
14.228	Small Cities Program deferred non interest mortgage loans	957,936	-	957,936
10.415	Rural Rental Housing Mortgage Loan and interest subsidy	1,024,405	-	1,018,878
	Total	$ 4,638,341	$ -	$ 4,632,814

The accompanying notes are an integral part of these financial statements

SWE
SANDERS, WALSH & EATON, LLP
CERTIFIED PUBLIC ACCOUNTANTS

REPORT 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*

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Development Partnership and Thankful Chase Pathways, LLC
Eastham, Massachusetts

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 consolidated financial statements of Community Development Partnership and Thankful Chase Pathways, LLC (nonprofit organizations), which comprise the consolidated statement of financial position as of June 30, 2016, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2016.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered Community Development Partnership and Thankful Chase Pathways, LLC 's internal control over financial reporting (internal control) to determine the 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 Community Development Partnership and Thankful Chase Pathways, LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Development Partnership and Thankful Chase Pathways, LLC '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 the 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 Community Development Partnership and Thankful Chase Pathways, LLC 's consolidated 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 determination of financial statement amounts. 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.

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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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sandberg, Walsh & Eaton, LLP
Osterville, Massachusetts
November 30, 2016

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Community Development Partnership and Thankful Chase Pathways, LLC

Report on Compliance for Each Major Federal Program
We have audited Community Development Partnership and Thankful Chase Pathways, LLC's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Community Development Partnership and Thankful Chase Pathways, LLC's major federal programs for the year ended June 30, 2016. Community Development Partnership and Thankful Chase Pathways, LLC's major federal programs are 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility
Our responsibility is to express an opinion on compliance for each of Community Development Partnership and Thankful Chase Pathways, LLC's major federal programs 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 Regulation, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of 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 a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Development Partnership and Thankful Chase Pathways, LLC'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 each major federal program. However, our audit does not provide a legal determination on Community Development Partnership and Thankful Chase Pathways, LLC's compliance.

Opinion of Each Major Federal Program
In our opinion, Community Development Partnership and Thankful Chase Pathways, LLC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance
Management of Community Development Partnership and Thankful Chase Pathways, LLC 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 Community Development Partnership and Thankful Chase Pathways, LLC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 Community Development Partnership and Thankful Chase Pathways, LLC's internal control over compliance.

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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 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 the 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 the 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.

Sandberg, Walsh & Eaton, LLP

Osterville, Massachusetts
November 30, 2016

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

Statement of Findings and Questioned Costs

For the Year Ended June 30, 2016

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued		Unmodified opinion
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	__x__ no
Reportable condition(s) identified not considered to be material weaknesses?	____ yes	__x__ none reported
Noncompliance material to financial statements noted?	____ yes	__x__ no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	____ yes	__x__ no
Reportable condition(s) identified not considered to be material weaknesses?	____ yes	__x__ none reported
Type of auditor's report issued on compliance with major programs:		Unmodified opinion
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, Section 510(a)?	____ yes	__x__ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.228	Community Development Block Grants/Entitlement Grants - Small Cities Program
10.415	Rural Housing Rental Assistance and Mortgage

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

Auditee qualified for low-risk auditee: __x__ yes ____ no

SECTION II - FINANCIAL STATEMENT FINDINGS

No reportable findings or questioned costs were discovered that required reporting in accordance with *Government Auditing Standards*.

COMMUNITY DEVELOPMENT PARTNERSHIP AND THANKFUL CHASE PATHWAYS, LLC

Statement of Findings and Questioned Costs

For the Year Ended June 30, 2016

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No reportable findings or questioned costs were discovered that required reporting in accordance with *Government Auditing Standards*.