

Omaha 100, Incorporated
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
For the year ended December 31, 2013

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of financial position	4
Statement of activities	5
Statement of cash flows	6
NOTES TO FINANCIAL STATEMENTS	7 - 16
SUPPLEMENTAL INFORMATION	
Schedule of functional expenses	18



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Omaha 100, Incorporated

We have audited the accompanying financial statements of Omaha 100, Incorporated (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Omaha 100, Incorporated as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 17 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements of the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Omaha 100, Incorporated's 2012 financial statements, and our reported dated April 19, 2013, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

HAYES & ASSOCIATES, L.L.C.

Omaha, Nebraska

May 21, 2014

Omaha 100, Incorporated
STATEMENT OF FINANCIAL POSITION
December 31, 2013
(With comparative totals for 2012)

	Totals	
	2013	2012
ASSETS		
CURRENT ASSETS		
Cash	\$ 23,853	\$ 67,296
Accounts receivable	37,262	44,422
Unconditional promises to give	12,500	10,000
Receivable from participants	-	194,012
Total current assets	73,615	315,730
PROPERTY AND EQUIPMENT		
Equipment	35,337	27,624
Less accumulated depreciation	(12,205)	(22,147)
Total property and equipment	23,132	5,477.00
OTHER ASSETS		
Reserved cash - loan loss reserve	60,370	62,225
Near equity funds	3,619	58,910
Lozier developer subsidies	32,036	51,536
Home equity contracts	10,000	10,000
Homes held for sale	100,837	-
Foreclosed properties - held for sale	485,969	629,692
Foreclosed properties - rentals	303,983	293,034
Less accumulated depreciation foreclosed properties -rental	(9,663)	(4,597)
Project loans receivable	15,728,974	15,882,191
Rehabilitation loans receivable	44,991	65,895
Total other assets	16,761,116	17,048,886
Total assets	\$ 16,857,863	\$ 17,370,093
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 160,434	\$ 29,676
Deferred revenue and amounts held for others	32,136	51,536
Security Deposit	2,600	2,600
ANB line of credit (FHLB advance)	8,110	32,222
Line of credit	-	194,012
ANB Loan	98,000	-
Total current liabilities	301,280	310,046
OTHER LIABILITIES		
Near equity loan	59,603	125,000
Participant payables	16,457,864	16,662,908
Total other liabilities	16,517,467	16,787,908
Total liabilities	16,818,747	17,097,954
NET ASSETS		
Unrestricted	26,616	227,617
Temporarily restricted	12,500	44,522
Total net assets	39,116	272,139
Total liabilities and net assets	\$ 16,857,863	\$ 17,370,093

See accompanying notes and independent auditor's report.

Omaha 100, Incorporated
STATEMENT OF ACTIVITIES
For the year ended December 31, 2013
(With comparative totals for 2012)

	Totals	
	2013	2012
UNRESTRICTED NET ASSETS		
REVENUES AND RECLASSIFICATIONS		
Contributions	\$ 87,500	\$ 78,478
Grant contributions	35,000	-
Interest income	2,799	3,441
Loan fees	175,570	140,058
Loan fees - City of Omaha	17,589	26,953
Credit report fees	3,390	4,276
Origination fees	23,036	27,571
Sale of homes	436,500	38,000
Rental income	28,884	28,191
Other revenue	192	424
Net assets released from restrictions	44,522	40,000
Total revenues and reclassifications	854,982	387,392
EXPENSES AND LOSS		
Program services	961,754	355,696
Management and general	39,064	39,292
Loss on property valuation	55,165	15,047
Total expenses and loss	1,055,983	410,035
CHANGE IN UNRESTRICTED NET ASSETS	(201,001)	(22,643)
TEMPORARILY RESTRICTED NET ASSETS		
REVENUES AND RECLASSIFICATIONS		
Contributions	-	34,522
Grant contributions	12,500	40,000
Net assets released from restrictions	(44,522)	(40,000)
Total revenues and reclassifications	(32,022)	34,522
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	(32,022)	34,522
CHANGE IN NET ASSETS	(233,023)	11,879
NET ASSETS, BEGINNING OF YEAR	272,139	260,260
NET ASSETS, END OF YEAR	\$ 39,116	\$ 272,139

See accompanying notes and independent auditor's report.

Omaha 100, Incorporated
STATEMENT OF CASH FLOWS
For the year ended December 31, 2013
(With comparative totals for 2012)

	Totals	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (233,023)	\$ 11,879
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	7,917	4,597
Transfers from/to loan loss reserve	1,855	59,379
Transfers from/to near equity fund	55,291	(58,910)
Transfers from/to Lozier developer subsidy	19,500	(51,536)
Change in accounts receivable	7,160	14,326
Change in unconditional promises to give	(2,500)	-
Change in other receivable from participants	194,012	287,566
Change in homes held for sale	(100,837)	-
Change in foreclosed properties - held for sale	143,723	21,705
Change in foreclosed properties - rental	(10,949)	(293,034)
Change in project loans receivable	153,217	(740,433)
Change in rehabilitation loans receivable	20,904	9,500
Change in accounts payable	130,758	(38,991)
Change in deferred revenue	(19,400)	5,500
Change in security deposit	-	2,600
Change in participant payables	(205,044)	980,479
NET CASH FROM OPERATING ACTIVITIES	162,584	214,627
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(20,506)	(5,477)
NET CASH FROM INVESTING ACTIVITIES	(20,506)	(5,477)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment on line of credit for FHLB advances	(79,681)	(56,600)
Proceeds from line of credit for FHLB advances	55,569	32,222
Payment on near equity loan	(65,397)	(125,000)
Payments on line of credits	(946,144)	(1,567,761)
Proceeds from line of credits	752,132	1,280,195
Proceeds from ANB loan for Charles Street Homes	98,000	-
NET CASH FROM FINANCING ACTIVITIES	(185,521)	(436,944)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(43,443)	(227,794)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	67,296	295,090
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 23,853	\$ 67,296

See accompanying notes and independent auditor's report.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2013

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of Omaha 100, Incorporated (the Organization).

1. Organization

The Organization is a not-for-profit community development intermediary whose goal is to help renters in the Omaha, Nebraska metropolitan area become home owners. The mission of Omaha 100 is to provide homeownership opportunities through public and private partnerships, financing, and technical assistance enabling low and moderate income borrowers to own their own home. The Organization provides affordable financing and assists new homeowners with accessing financing.

On March 1, 1992, and as amended on November 19, 1998, the Organization entered into a Loan Pool Participation Agreement with various local financial institutions (the participants). The Loan Pool Account was established to fund the project loans, which are to be originated pursuant to the loan programs developed by the Board of Directors of the Organization. The participants will deposit monthly with the custodian (designated financial institution) their proportionate share of the amounts necessary to fund the project loans. The Organization has established a line of credit with the custodian to fund the project loans in advance of funding from the participants. The Organization approves the project loans and prepares the mortgage file, which is presented to the custodian and the loan servicer. Repayments of principal and interest by the borrowers will be paid to the participants by the loan servicer based on the participants' proportionate share on a monthly basis.

The Organization and the custodian have established a Loan Loss Reserve Account within the Loan Pool Financial Activity for the purpose of accumulating funds as a reserve for losses on project loans. This account is funded by loan closing fees associated with each project loan. The Board of Directors shall establish the level of funds within the account, which is initially defined as 1/2% of the aggregate principal amount of project loans outstanding. In July 2013 the Board established an increase in the monthly service fee by 6/8 of a percent to replenish the Loan Loss Reserve to a level of \$200,000. The additional 6/8 of a percent will be directly deposited to the Loan Loss Reserve account on a monthly basis by the servicer.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

1. Organization – Continued

The Organization will receive a 7/8% service fee monthly from First National Bank of Omaha (the Loan Servicer). The service fee is based on interest payments received for project loans in the current month. The Loan Servicer calculates and deposits the service fee amount to the Organization's designated account. The participants will make a contribution to the Organization on an annual basis. The amount contributed is based on the participant's asset size as reflected by definition within the Community Reinvestment Act regulation on bank size and range from \$2,500 to \$10,000 annually. Contributions were \$10,000 per participant for the year ended December 31, 2013

During the year ended December 31, 2002, the Organization's Board of Directors changed the sponsorship agreement. Family Housing Advisory Services (FHAS), a not-for-profit corporation, exempt under section 501(c)(3) of the IRS code, became the sole voting member of the Organization with all the powers of a sole voting member including the right to approve nominations of those persons to be elected to the Board of Directors of Omaha 100. The Organization's Board of Directors, subsequently, included a total of eight board members of whom three are also members of the Family Housing Advisory Services' Board. Although Family Housing Advisory Services has a sole membership, it does not have control over or economic interest in the Organization. Therefore, Omaha 100 is not required to be consolidated.

2. Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred.

3. Use of Estimates

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Actual results could differ from those estimates.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

4. Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the following three classes of net assets:

- a. Unrestricted net assets include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by Board designation.
- b. Temporarily restricted net assets are those net assets whose use by the Organization has been limited by donors to later periods of time or after specified dates or to specified purposes.
- c. Permanently restricted net assets are those net assets whose use by the Organization has donor-imposed restrictions that stipulate resources be maintained permanently but permit the Organization to use up or expend part or all of the income (or economic benefits) derived from the donated assets. As of December 31, 2013, the Organization had no permanently restricted net assets.

5. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash or cash equivalents for purposes of the statement of cash flows.

6. Accounts Receivable

Management considers all receivables to be fully collectible; therefore, no allowance for doubtful accounts is provided.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

7. Unconditional Promises To Give

Unconditional promises to give are recognized as revenues and receivables in the period in which the promise is made. Unconditional promises consist of bank subsidies and amounts due from donors. Conditional promises to give are recognized when the conditions on which they depend are substantially met. At December 31, 2013, promises to give consisted entirely of grant funds to be received within one year. Management considers all promises to give to be fully collectible; therefore, no allowance for promises to give is provided.

8. Property and Equipment

Equipment is stated at cost or for contributed items at their estimated fair value at the date of the gift. All equipment purchased over \$250 with a useful life of more than one year is capitalized. Depreciation is provided over the estimated useful lives of the assets using the straight line method. Depreciation of equipment is provided over the estimated useful lives one to eleven years of the assets using the straight-line method.

9. Revenues and Reclassifications

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

10. Donated Services

The Organization may receive benefits from services rendered which are provided free of charge. Revenue and a corresponding expense are recognized at the fair value for donated services when either of the following has occurred: donated services create or enhance a non-financial asset; or require specialized skills that the provider possesses and which would ordinarily be purchased.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

11. Income Taxes

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and is not classified as a private foundation. The Organization does not have any net income derived from unrelated business activities. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

The Organization's Federal Returns of Organization Exempt from Income Tax (Form 990) for 2010, 2011, and 2012 are subject to examination by the IRS, generally for three years after they were filed.

12. Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

13. Comparative Financial Information

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2012, from which the summarized information was derived.

14. Homes – Held for Sale

The Organization purchased two homes located at 3830 and 3849 Charles Street from the City of Omaha in collaboration with NeighborWorks Omaha. The Organization will sell the homes to owner occupants after 30 days of occupancy requirements have been met by the purchaser. The Organization will receive any net proceeds on these sales.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

15. Foreclosed Properties – Held for Sale

In the course of business, some program participants, whose mortgage balance due is included in the participant payables and project loans, may default on mortgage payments. Foreclosed properties are removed from the project loans and re-characterized as other assets. For purposes of the Organization's financial statements, properties are valued at the amount of the mortgage outstanding at the time of the foreclosure. Any costs associated with the properties held for sale are charged to the asset. If the valuation for the properties held for sale were determined to be greater than the tax assess value at year end and an adjustment was made accordingly. As a result, a loss of \$52,490 was recorded for the year ended December 31, 2013, for the change in valuation of the properties.

16. Foreclosed Properties – Rental

For the foreclosed properties that were previously held for sale, in the current year, a determination was made to begin renting these properties. The valuation for the rented properties was determined to be the lesser of the carrying value or the assessed value at the time the determination was made to transition the properties from held for sale to rented properties. As a result, a loss of \$2,675 was recorded for the year ended December 31, 2013 for the change in valuation of the properties.

NOTE B. RESERVED CASH – LOAN LOSS RESERVE

Included in the Loan Pool Financial Activity are amounts maintained in the Loan Loss Reserve Account, which is required to be kept in a separate bank account. This account was established by the Loan Pool Participation Agreement to provide a reserve related to project loans. These funds may only be used at the discretion of the Board of Directors of the Organization to cover any losses associated with the project loans or to defer other loan program costs. At December 31, 2013, reserve for losses on project loans was \$60,370, which represents 0.367% of the aggregate principal amount of project loans outstanding.

NOTE C. CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at several financial institutions located in Omaha, Nebraska. Cash balances of the Organization held with financial institutions were fully insured under federal deposit insurance coverage at December 31, 2013.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE D. HOME EQUITY CONTRACTS

The Organization has two home equity contracts that were provided to clients toward the purchase of their home, which are 50% forgiven after five years. As of December 31, 2013, the home equity contracts remaining balances amounted to \$10,000. The home equity contracts are secured by the properties and are payable at the sale of the property for the amount remaining on the books.

NOTE E. PROJECT LOANS RECEIVABLE AND PARTICIPANT PAYABLES

As of December 31, 2013, the Organization had project loans receivable in the amount of \$15,728,974. A Loan Pool Agreement states that repayments of project loans by the borrower are paid out monthly to the loan pool participants based on the participants' proportionate share. Therefore, the Organization has established a participants' payable in the amount of \$16,562,066, which includes the amount of mortgages related to foreclosed properties of \$728,890 and a payable of \$104,202 for principle due for sold foreclosure homes.

NOTE F. LINES OF CREDIT

ANB line of credit: The Organization has a \$65,000 line of credit which matures May 1, 2014. Amounts borrowed under this agreement bear interest at the bank's independent index rate plus 1.000 percentage point over the index (4.0% at December 31, 2013). Payments and proceeds to and from the line of credit for fiscal year 2013 amounted to \$55,569 and \$79,681, respectively. At December 31, 2013, \$8,110 was outstanding on this line. The line is secured by a security agreement on all business assets dated December 31, 2007.

FNBO Line of credit: In accordance with the Loan Pool Agreement, a \$300,000 line of credit has been established between the Organization and the Custodian to fund the project loans in advance of funding from the participants. The interest rate on the line of credit is 4.50%. Payments and proceeds to and from the line of credit for fiscal year 2013 amounted to \$946,144 and \$752,132 respectively. As of December 31, 2013, the balance on the line of credit was \$0. The line of credit renews September 2014. An additional line of credit of \$250,000 was established December 30, 2013, between the Organization and the Custodian to fund the overflow of project loans in advance of funding from the participants. The interest rate on the line of credit is 4.50%. As of December 31, 2013, the balance on this line of credit was \$0. This line of credit matures on March 1, 2014.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE F. LINES OF CREDIT – CONTINUED

ANB Loan: The Organization has a \$98,000 loan which matures July 30, 2015. Amounts borrowed under this agreement bear interest at the bank's fixed rate of 4.50%. Monthly interest only payments will be made to ANB. It is the Organization's intent to pay the full principle balance due when the homes are sold. The loan is secured by Deed of Trusts for properties located at 3830 and 3849 Charles Street which as of December 31, 2013, were held for sale by the Organization.

NOTE G. CONTRIBUTIONS

A bank subsidy of \$70,000 has been recorded as a contribution from the participating banks.

NOTE H. NEAR EQUITY LOAN

The Organization entered into a loan agreement in October 2002 to provide the Organization with funds to augment its revolving loan program established to assist low and moderate income individuals to purchase and/or rehabilitate single family owner-occupied homes. The loan amount was \$250,000 and was paid down in the current year to \$59,603. This balance is reflected in the liabilities of the Organization.

The loan has an initial fixed interest rate equal to two percent (2%) per annum for the first 10 years and thereafter adjustable to a fixed rate of interest equal to the lesser of 2% or 3.5% below the then ten year U.S. Treasury note rate on the tenth anniversary date of the initial disbursement. Interest only payments are made quarterly until maturity. The principal balance of the loan and any accrued but unpaid interest is due and payable October 2013.

The loan's original maturity was October 2012. Per the agreement, the lender, extended the loan's maturity date for an additional year as the Organization continues to meet the obligations spelled out in the loan agreement which include quarterly payments of interest. Annually, beginning in October 2013, the borrower has the option of extending the loan's maturity date for an additional year, but is not obligated to do so. In the event that the Organization ceases its normal operations or uses the proceeds of the loan for a purpose other than that outlined above, the borrower may accelerate the maturity of the loan and the entire outstanding principal balance may become immediately due and payable.

On November 1, 2013, the Organization entered into a First Amendment to Loan Agreement with Wells Fargo which extends the loan to November 1, 2014. The organization will make principle and interest payments monthly in the amount of \$800 beginning on the 1st day of November 2013. It is the intent of the organization to repay the entire amount upon maturity of said amendment.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE I. RELATED PARTY TRANSACTIONS

The following are the related party transactions which occurred during the year ended December 31, 2013:

1. Several members of the Board of Directors are also employees of the financial institutions that are participants in the loan pool. The financial institutions are American National Bank, First National Bank of Omaha, Bank of the West, Mutual of Omaha Bank, US Bank, Great Western Bank, and Wells Fargo Bank. Each Board member receives one vote, there is no proportionate influence given according to the amount the bank contributes.
2. The Organization paid \$280,000 and \$273,000 to FHAS for the years ended December 31, 2013 and 2012 respectively. The payments were for Omaha 100 direct payroll and payroll related expenses, administrative services, program operations, and the reimbursement of expenses paid by FHAS on the Organization's behalf. As of December 31, 2013 and 2012, accounts payable to FHAS amounted to \$46,667 and \$22,750, respectively.
3. The Organization has a receivable from First National Bank of Omaha in the amount \$19,287 and \$10,902 for the years ended December 31, 2013 and 2012 respectively. First National Bank has an employee who is a voting member of the Board of Directors. The receivable is for service fees on loans.

NOTE J. LOZIER DEVELOPER SUBSIDIES

The Organization currently holds funds to be distributed to nonprofit developers. The grant is earned by the developers when a new home or substantially rehabbed home is sold or rented. The current list of nonprofit developers includes: Holy Name Housing, Gesu Housing, Augustana Cornerstone Foundation, and Omaha 100. Omaha 100 earned \$13,500 from these funds during the year ended December 31, 2013.

Omaha 100, Incorporated
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2013

NOTE K. LEASING ACTIVITIES

The Organization leases homes to tenants under cancelable and non-cancelable operating leases with terms of one year. The cost of the homes under operating leases was \$303,983 at December 31, 2013, and is included in the cost of foreclosed properties in the statement of financial position. Accumulated depreciation on the homes under operating leases was \$9,663 at December 31, 2013. The following is a schedule by years of future minimum rentals under non-cancelable operating leases at December 31, 2013:

<u>Year ending December</u>	
2013	\$ 10,200

NOTE L. RESTRICTIONS ON NET ASSETS

As of December 31, 2013, temporarily restricted net assets amounted to \$12,500 which consisted of the following:

Restricted for future years (City of Omaha CDBG)	\$ 12,500
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NOTE M. CASH FLOW INFORMATION

The following is additional cash flow information for the year ended December 31, 2013:

1. Interest paid during the year was \$3,846.
2. The loan pool participants financed \$946,144 of new project loans during the year. The borrowers paid off \$648,365 of principal to the loan servicer during the year.

NOTE N. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 21, 2014, the date which the financial statements were available to be issued, and has concluded there were no events or transactions occurring between year end and this date that would require recognition or disclosure in the financial statements.

SUPPLEMENTAL INFORMATION

Omaha 100, Incorporated
SCHEDULE OF FUNCTIONAL EXPENSES
For the year ended December 31, 2013
(With comparative totals for 2012)

	Program Services	Management and General	Totals	
			2013	2012
Cost of house sold	\$ 635,507	\$ -	\$ 635,507	\$ 43,148
Rental property expense	13,761	-	13,761	27,754
Foreclosure expense	-	-	-	-
Occupancy	15,903	-	15,903	15,903
Telephone	759	-	759	559
Postage and printing	782	338	1,120	1,636
Office supplies	3,135	-	3,135	2,559
Travel	7,018	-	7,018	3,126
Insurance	2,358	2,326	4,684	4,481
Professional services	5,600	150	5,750	5,480
Staff development	3,135	-	3,135	750
Mortgage credit reports	3,404	-	3,404	3,339
Contract services	244,796	36,000	280,796	273,000
Interest	3,846	-	3,846	5,042
Other	13,833	250	14,083	3,614
Total expenses before depreciation	953,837	39,064	992,901	390,391
Depreciation	7,917	-	7,917	4,597
Total expenses	\$ 961,754	\$ 39,064	\$ 1,000,818	\$ 394,988

See accompanying notes and independent auditor's report.