THE CHICAGO COMMUNITY LOAN FUND

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 AND 2018

THE CHICAGO COMMUNITY LOAN FUND
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YEARS ENDED DECEMBER 31, 2019 AND 2018

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Chicago Community Loan Fund
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of The Chicago Community Loan Fund (CCLF), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related 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 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.

Auditors' 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 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 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 upon the auditors' 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 CCLF as of December 31, 2019 and 2018, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 23, 2020 on our consideration of CCLF's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CCLF's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CCLF's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
April 23, 2020

THE CHICAGO COMMUNITY LOAN FUND
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 18,159,678	$ 10,817,642
Funds Held for Others	255,700	280,705
Investments	10,256,222	9,573,913
FHLB Stock	52,100	47,200
Grants and Contributions Receivables	245,125	753,378
Interest Receivable	500,666	536,108
Other Receivables	33,334	1,369,419
Notes Receivable, Net of Allowance of $744,529 in 2019 and $729,098 in 2018	17,436,715	18,002,385
Prepaids and Deposits	71,848	48,080
Total Current Assets	47,011,388	41,428,830
LONG-TERM ASSETS		
Notes Receivable, Net of Allowance of $3,568,161 in 2019 and $3,652,722 in 2018	57,289,848	49,440,898
Investment in Limited Liability Companies	1,462	1,474
Office Equipment, Net of Accumulated Depreciation of $363,725 in 2019 and $312,291 in 2018	192,338	107,512
Leasehold Improvements, Net of Accumulated Depreciation of $189,548 in 2019 and $165,099 in 2018	271,340	54,009
Property Held for Sale	-	110,000
Total Long-Term Assets	57,754,988	49,713,893
Total Assets	$ 104,766,376	$ 91,142,723

See accompanying Notes to Financial Statements.

THE CHICAGO COMMUNITY LOAN FUND
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2019 AND 2018

	2019	2018
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 2,031,243	$ 1,965,651
Accrued Liabilities	315,514	149,004
Refundable Advances	648,648	1,646,356
Funds Held for Others	255,700	280,705
Interest Payable	43,799	40,691
Notes Payable - Current	525,315	940,096
Senior Loans Payable - Current	4,749,436	10,144,005
Subordinated Loans Payable - Current	3,000,000	3,000,000
Total Current Liabilities	11,569,655	18,166,508
LONG-TERM LIABILITIES		
Notes Payable, Less Current Portion	20,838,927	18,650,762
Senior Loans Payable, Less Current Portion	29,457,291	17,130,837
Subordinated Loans Payable, Less Current Portion	12,450,000	8,600,000
Total Long-Term Liabilities	62,746,218	44,381,599
Total Liabilities	74,315,873	62,548,107
NET ASSETS		
Without Donor Restrictions:		
Undesignated	8,061,701	9,273,604
Board Designated	15,585,237	13,259,608
	23,646,938	22,533,212
With Donor Restrictions	6,803,565	6,061,404
Total Net Assets	30,450,503	28,594,616
Total Liabilities and Net Assets	$ 104,766,376	$ 91,142,723

See accompanying Notes to Financial Statements.

THE CHICAGO COMMUNITY LOAN FUND
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

	Operating							Lending Capital		
	Lending Operations		Economic Development		Technical Assistance					
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT										
Grants and Contributions	$ 557,485	$ 126,855	$ 947,708	$ 300,000	$ -	$ -	$ 1,932,048	$ 1,085,000	$ 215,000	$ 3,232,048
Donated Services	974,816	-	-	-	-	-	974,816	-	-	974,816
Notes Receivable Interest Income	4,663,478	-	-	-	-	-	4,663,478	-	26,164	4,689,642
Investment Income	439,446	-	-	-	-	-	439,446	-	-	439,446
Net Investment Unrealized/Realized Gain	(54,276)	-	-	-	-	-	(54,276)	354,611	-	300,335
Loan Processing Income	453,130	-	-	-	-	-	453,130	-	-	453,130
Contracted Services and Workshops	-	-	-	-	7,876	-	7,876	-	-	7,876
Asset Management Fee	75,000	-	-	-	-	-	75,000	-	-	75,000
Miscellaneous	12,017	-	-	-	-	-	12,017	-	-	12,017
Net Assets Transferred to Restricted	-	-	-	-	-	-	-	(423,230)	423,230	-
Net Assets Released from Restrictions - Satisfaction of Program Restrictions	331,751	(331,751)	10,567	(10,567)	-	-	-	6,770	(6,770)	-
Total Revenue and Support	7,452,847	(204,896)	958,275	289,433	7,876	-	8,503,535	1,023,151	657,624	10,184,310
EXPENSES										
Program	4,739,069	-	1,130,226	-	250,029	-	6,119,324	512,515	-	6,631,839
Administrative	1,507,633	-	-	-	-	-	1,507,633	-	-	1,507,633
Fundraising	188,951	-	-	-	-	-	188,951	-	-	188,951
Total Expenses	6,435,653	-	1,130,226	-	250,029	-	7,815,908	512,515	-	8,328,423
Change in Net Assets from Operations	1,017,194	(204,896)	(171,951)	289,433	(242,153)	-	687,627	510,636	657,624	1,855,887
NONOPERATING ACTIVITIES										
Recoveries on Previously Written Off Loans	-	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS	1,017,194	(204,896)	(171,951)	289,433	(242,153)	-	687,627	510,636	657,624	1,855,887
Transfers Between Funds	(1,000,000)	-	-	-	-	-	(1,000,000)	1,000,000	-	-
Net Assets - Beginning of Year	11,789,370	679,473	17,531	-	(1,110,628)	15,078	11,390,824	11,836,939	5,366,853	28,594,616
NET ASSETS - END OF YEAR	$ 11,806,564	$ 474,577	$ (154,420)	$ 289,433	$ (1,352,781)	$ 15,078	$ 11,078,451	$ 13,347,575	$ 6,024,477	$ 30,450,503

See accompanying Notes to Financial Statements.

THE CHICAGO COMMUNITY LOAN FUND
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018

	Operating						Lending Capital		
	Lending Operations		Economic Development	Technical Assistance					
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT									
Grants and Contributions	$ 481,961	$ 550,511	$ 291,390	$ -	$ -	$ 1,323,862	$ 1,266,500	$ 500,000	$ 3,090,362
Donated Services	887,686	-	-	-	-	887,686	-	-	887,686
Notes Receivable Interest Income	3,991,966	-	-	-	-	3,991,966	-	14,371	4,006,337
Investment Income	427,156	-	-	-	-	427,156	-	-	427,156
Net Investment Unrealized/Realized Loss	(118,759)	-	-	-	-	(118,759)	9,375	-	(109,384)
Loan Processing Income	385,536	-	-	-	-	385,536	-	-	385,536
Contracted Services and Workshops	-	-	-	850	-	850	-	-	850
Asset Management Fee	75,000	-	-	-	-	75,000	-	-	75,000
Miscellaneous	32,378	-	-	-	-	32,378	-	-	32,378
Net Assets Transferred to Restricted	-	-	-	-	-	-	(198,000)	198,000	-
Net Assets Released from Restrictions - Satisfaction of Program Restrictions	479,556	(479,556)	-	10,000	(10,000)	-	77,997	(77,997)	-
Total Revenue and Support	6,642,480	70,955	291,390	10,850	(10,000)	7,005,675	1,155,872	634,374	8,795,921
EXPENSES									
Program	4,124,475	-	354,103	236,759	-	4,715,337	799,967	-	5,515,304
Administrative	1,296,875	-	-	-	-	1,296,875	-	-	1,296,875
Fundraising	210,036	-	-	-	-	210,036	-	-	210,036
Total Expenses	5,631,386	-	354,103	236,759	-	6,222,248	799,967	-	7,022,215
Change in Net Assets from Operations	1,011,094	70,955	(62,713)	(225,909)	(10,000)	783,427	355,905	634,374	1,773,706
NONOPERATING ACTIVITIES									
Recoveries on Previously Written off Loans	38,896	-	-	-	-	38,896	-	-	38,896
CHANGE IN NET ASSETS	1,049,990	70,955	(62,713)	(225,909)	(10,000)	822,323	355,905	634,374	1,812,602
Transfers Between Unrestricted Funds	(1,000,000)	-	-	-	-	(1,000,000)	1,000,000	-	-
Net Assets - Beginning of Year	11,739,380	608,518	80,244	(884,719)	25,078	11,568,501	10,481,034	4,732,479	26,782,014
NET ASSETS - END OF YEAR	$ 11,789,370	$ 679,473	$ 17,531	$ (1,110,628)	$ 15,078	$ 11,390,824	$ 11,836,939	$ 5,366,853	$ 28,594,616

See accompanying Notes to Financial Statements.

THE CHICAGO COMMUNITY LOAN FUND
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

	Lending Operations	Public Policy	Total Lending Operations and Public Policy	Lending Capital	Technical Assistance	Economic Development	Total Program	Administrative	Fundraising	Total
Salaries	$ 795,739	$ 82,917	$ 878,656	$ -	$ 156,275	$ 234,107	$ 1,269,038	$ 808,529	$ 122,495	$ 2,200,062
Payroll Taxes and Fringe Benefits	224,584	17,119	241,703	-	31,366	48,680	321,749	200,723	27,608	550,080
Professional Fees and Consultants	485,806	-	485,806	-	31,604	767,825	1,285,235	191,566	-	1,476,801
Donated Services	974,816	-	974,816	-	-	-	974,816	-	-	974,816
Rent, Utilities, and Related Charges	101,742	9,703	111,445	-	14,514	14,543	140,502	56,923	6,392	203,817
Telephone	2,400		2,400	-	1,200	1,200	4,800	13,302	1,200	19,302
Insurance	4,345	461	4,806	-	670	4,298	9,774	13,514	4,772	28,060
Equipment Rental and Maintenance	7,647	534	8,181	-	1,432	623	10,236	11,319	267	21,822
Supplies	6,174	15	6,189	-	50	541	6,780	28,726	318	35,824
Postage and Delivery	1,806	-	1,806	-	-	-	1,806	1,097	539	3,442
Printing	331	-	331	-	173	173	677	184	73	934
Marketing	13,344	-	13,344	-	1,098	39,305	53,747	81,631	948	136,326
Travel	16,356	5,635	21,991	-	1,344	8,722	32,057	21,849	2,404	56,310
Meetings	4,652	180	4,832	-	90	266	5,188	11,360	916	17,464
Staff Development	7,038	948	7,986	-	3,106	4,177	15,269	19,466	3,416	38,151
Dues and Subscriptions	39,278	900	40,178	-	1,583	1,005	42,766	14,635	1,536	58,937
Investment Management and Bank Fees	120,296	-	120,296	-	278	125	120,699	8,144	315	129,158
Depreciation	31,234	3,904	35,138	-	5,246	4,636	45,020	19,033	1,830	65,883
Loss on Sale of Donated Property	67,674	-	67,674	-	-	-	67,674	-	-	67,674
Interest	1,711,491	-	1,711,491	-	-	-	1,711,491	-	-	1,711,491
State Taxes	-	-	-	-	-	-	-	5,632	-	5,632
Loan Loss Allowance	-	-	-	512,515	-	-	512,515	-	-	512,515
Special Events	-	-	-	-	-	-	-	-	13,922	13,922
Total Functional Expenses	$ 4,616,753	$ 122,316	$ 4,739,069	$ 512,515	$ 250,029	$ 1,130,226	$ 6,631,839	$ 1,507,633	$ 188,951	$ 8,328,423

See accompanying Notes to Financial Statements.

THE CHICAGO COMMUNITY LOAN FUND
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018

	Lending Operations	Public Policy	Total Lending Operations and Public Policy	Lending Capital	Technical Assistance	Economic Development	Total Program	Administrative	Fundraising	Total
Salaries	$ 733,080	$ 77,897	$ 810,977	$ -	$ 149,206	$ 217,548	$ 1,177,731	$ 740,636	$ 139,964	$ 2,058,331
Payroll Taxes and Fringe Benefits	201,993	16,064	218,057	-	30,517	49,711	298,285	189,914	29,514	517,713
Professional Fees and Consultants	593,017	-	593,017	-	36,537	43,798	673,353	103,388	3,310	780,051
Donated Services	871,794	-	871,794	-	-	-	871,794	15,892	-	887,686
Rent, Utilities, and Related Charges	74,622	4,178	78,800	-	11,766	12,212	102,778	44,185	8,011	154,974
Telephone	2,400	-	2,400	-	1,200	1,200	4,800	13,422	1,200	19,422
Insurance	2,114	120	2,234	-	263	3,710	6,208	11,320	5,233	22,761
Equipment Rental and Maintenance	6,620	145	6,765	-	315	424	7,503	6,125	253	13,881
Supplies	5,142	28	5,170	-	165	1,174	6,510	11,900	1,484	19,894
Postage and Delivery	1,237	-	1,237	-	71	-	1,308	1,008	509	2,825
Printing	434	-	434	-	-	217	651	363	-	1,014
Marketing	16,024	426	16,451	-	1,210	3,248	20,909	76,890	1,908	99,707
Travel	12,854	5,615	18,470	-	-	7,233	25,703	17,180	2,970	45,853
Meetings	4,640	63	4,703	-	39	-	4,742	12,360	84	17,186
Staff Development	7,339	3,498	10,837	-	1,449	4,712	16,998	15,591	7,680	40,269
Dues and Subscriptions	22,831	900	23,731	-	1,414	4,710	29,856	13,341	5,465	48,662
Investment Management and Bank Fees	99,379	-	99,379	-	173	125	99,677	7,001	356	107,034
Depreciation	21,258	1,110	22,368	-	2,433	3,330	28,130	13,035	1,537	42,702
Interest	1,335,658	-	1,335,658	-	-	-	1,335,658	-	-	1,335,658
Loan Loss Allowance	-	-	-	799,967	-	-	799,967	-	-	799,967
Other	1,993	-	1,993	-	-	750	2,743	3,324	558	6,625
Total Functional Expenses	$ 4,014,429	$ 110,044	$ 4,124,475	$ 799,967	$ 236,758	$ 354,102	$ 5,515,304	$ 1,296,875	$ 210,036	$ 7,022,215

See accompanying Notes to Financial Statements.

THE CHICAGO COMMUNITY LOAN FUND
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 1,855,887	$ 1,812,602
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	65,883	42,702
Provision for Loan Losses	512,515	799,967
Net Realized and Unrealized (Gains) Losses on Investments	(300,335)	109,384
Realized Loss on Sale of Donated Property	67,674	16
Effects of Changes in Operating Assets and Liabilities:		
Grants and Contributions Receivables	508,253	(676,378)
Interest Receivable	35,442	4,569
Other Receivables	1,336,085	(1,243,777)
Prepaids and Deposits	(23,768)	(16,732)
Accounts Payable and Accrued Expenses	234,428	1,386,713
Refundable Advances	(997,708)	(691,390)
Interest Payable	3,108	(40,979)
Net Cash Provided by Operating Activities	3,297,464	1,486,697
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales and Principal Paydowns on Investments	1,388,449	3,294,363
Purchase of Investments	(1,770,423)	(3,642,131)
Purchase of FHLB Stock	(4,900)	(47,200)
Distributions from CDE LLCs	12	12
Increase in Notes Receivable, Net of Repayment	(7,795,795)	(13,107,788)
Purchase of Office Equipment and Leasehold Improvements	(368,040)	(6,412)
Proceeds from Sale of Donated Property	40,000	-
Net Cash Used by Investing Activities	(8,510,697)	(13,509,156)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Senior Loans Payable	11,649,780	13,174,373
Proceeds from Subordinated Loans Payable	4,350,000	8,000,000
Proceeds from Notes Payable	3,000,000	5,300,000
Principal Payments on Notes Payable	(1,226,616)	(873,638)
Net Change in Line of Credit	-	(1,000,000)
Principal Repayment of Senior Loans Payable	(4,717,895)	(9,611,936)
Principal Repayment of Subordinated Loans Payable	(500,000)	(6,300,000)
Net Cash Provided by Financing Activities	12,555,269	8,688,799
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,342,036	(3,333,660)
Cash and Cash Equivalents - Beginning of Year	10,817,642	14,151,302
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 18,159,678	$ 10,817,642
SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Interest Paid (Lending Operations Only)	$ 1,708,383	$ 1,335,658

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Chicago Community Loan Fund (CCLF) was incorporated on January 9, 1991, in the state of Illinois as a 501(c)(3) corporation exempt from income taxes under the Internal Revenue Code (IRC). It provides flexible, affordable, and responsible financing and technical assistance for community stabilization and development efforts and initiatives that benefit low- to moderate-income neighborhoods, families, and individuals throughout metropolitan Chicago. CCLF is a federally certified Community Development Financial Institution (CDFI). CCLF's programs are as follows:

Lending Operations and Capital – CCLF operates as a revolving loan fund, providing financing through its loan pool of lending capital for affordable housing, nonprofit facility and office space, commercial and retail development, and other activities. These projects promise high social impact through the production and preservation of affordable housing, job creation and other services for low- to moderate-income individuals, families, and communities.

Technical Assistance – CCLF's *Gateway to Community Development* program provides technical assistance to borrowers and nonborrowers through time sensitive development advice and referrals, a range of workshop topics, facilitated planning processes and support for sustainable building practices.

Public Policy – CCLF supports independent, nonpartisan research and discussion on economic and social public issues to educate leaders in a course of action to improve tomorrow in the public laws and resource allocations of today.

Economic Development – CCLF is historically a niche lender: one that meets the financing and technical assistance needs that are unmet in the low- to moderate-income communities. The 2017 - 2020 strategic plan has directed a course of collaborative relationships, exploration of available programs new to CCLF and the co-creation of programs to build and/or rehabilitate commercial real estate. This program is designed to research and finance such opportunities.

Method of Accounting

The accounts and financial statements are maintained on the accrual basis of accounting and, accordingly, reflect all significant accounts receivable, accounts payable, and other liabilities.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenue, expenses, and gains and losses are classified based on the existence or absence of donor and board imposed restrictions. CCLF is required to report information regarding its financial position and activities according to two classes of net assets – net assets without donor restrictions and net assets with donor restrictions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Significant estimates that are particularly susceptible to change in a short period of time relate to the determination of valuation of investments and the allowance for loan losses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of demand deposits and money market accounts in federally insured and privately insured accounts. At December 31, 2019 and 2018, CCLF's cash balances exceeded federally insured limits by $7,829,688 and $3,927,788, respectively. There were also $3,299,078 and $1,506,441 of restricted cash pertaining to CCLF's Chicago Rebuild Grant, and $1,092,000 and $762,000 of restricted cash to be used exclusively for Bond Guarantee Program loan loss reserves as of December 31, 2019 and 2018, respectively.

For purposes of the statements of financial position and statements of cash flows, CCLF considers all highly liquid debt instruments, if any, purchased with an original maturity of less than three months to be cash equivalents.

Investments

Investments are carried at fair value. Realized and unrealized gains and losses are reflected in the statement of activities.

Investment in Limited Liability Companies

CCLF accounts for its investment in limited liability companies (CDE LLCs) using the equity method of accounting. Under the equity method, the investment is recorded at cost, and increased or decreased by CCLF's share of the limited liability companies' income or losses, and increased or decreased by the amount of any contributions made or distributions received. CCLF holds a 0.01% membership interest in three limited liability companies created for the New Markets Tax Credit Program as of December 31, 2019 and 2018. See Note 15.

Notes Receivable

Notes receivable are stated at unpaid principal balances, less an allowance for loan losses. Interest on notes receivable is recognized over the term of the loan and is generally calculated using the simple-interest method on principal amounts outstanding.

Accrual of interest on a loan is discontinued when CCLF believes the collection of interest is doubtful. Income is subsequently recognized only to the extent cash payments are received until, in management's judgment, the borrower's ability to make periodic interest and principal payments is apparent, in which case the loan is returned to accrual status.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Loan Losses

The allowance for loan losses is evaluated on a regular basis by management and is based upon management's periodic review of the collectability of the loans in light of historical experience, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes available. The allowance is established through a provision for loan losses which is charged to expense. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to Lending Operations.

CCLF's allowance for loan losses is that amount considered adequate to absorb probable losses in the portfolio based on management's evaluations of the size and current risk characteristics of the loan portfolio. Such evaluations consider prior loss experience, the risk rating distribution of the portfolio, the impact of current internal and external influences on credit loss and the levels of nonperforming loans.

Specific allowances for loan losses are established for impaired loans on an individual basis. A loan is considered impaired when, based on current information and events, it is probable that CCLF will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. The specific allowance established for these loans is based on a thorough analysis of the most probable source of repayment or the estimated fair value of the underlying collateral.

General allowances are established for loans rated 1 through 4 (rating categories are 1 through 6). In this process, general allowance factors are based on an analysis of historical charge-off experience and expected losses given default derived from CCLF's internal risk rating process. These factors are developed and applied to the portfolio in terms of loan rating categories.

Under certain circumstances, CCLF will provide borrowers relief through loan restructurings. A restructuring of debt constitutes a troubled debt restructuring (TDR) if CCLF, for economic or legal reasons related to the borrower's financial difficulties, grants a concession to the borrower that it would not otherwise consider. TDR concessions may include reduction of interest rates, extension of maturity dates, forgiveness of principal and/or interest due, or acceptance of other assets in full or partial satisfaction of the debt. CCLF considers all aspects of the restructuring to determine whether it has granted a concession to the borrower.

An insignificant delay in payment resulting from a restructuring is not deemed to be a concession and would not be considered to be a TDR. In addition, extensions of credit for certain predevelopment and construction loan repayment delays are not considered to be a TDR.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Loan Losses (Continued)

CCLF has concluded that the impairment impact of troubled debt restructurings on its loan portfolio is not material to the financial statements. As such, these impairments are not individually tracked but rather are adequately included in the loss allowance provided on a pooled basis for the loan portfolio.

CCLF maintains a general valuation allowance for different risk rating categories. Management evaluates these on a collective basis due to the nature of the portfolio. These portfolio segments and their risk characteristics are described as follows:

Pre-development – These loans are offered to eligible nonprofit organizations engaged in a community-based housing or economic development project and to for profit firms engaged in a housing or economic development project which would benefit low- to moderate-income families and individuals. The maximum term of these loans is two years. Collateral consists primarily of first mortgages (valid first lien on property), preferred and personal guaranties (generally unsecured), or other collateral such as cash, letters of credit, and a first or second position lien on other property. Risks associated with these loans include project and construction, market, repayment, collateral and security, and management risk.

Construction – These loans are offered to eligible nonprofit organizations engaged in a community-based housing or economic development project and to for profit firms engaged in a housing or economic development project which would benefit low- to moderate-income families and individuals. The maximum term of these loans is two years. Collateral consists primarily of first mortgages (valid first lien on property) and personal guaranties (generally unsecured), though other collateral such as cash, letters of credit, and second position property lien is accepted. Risks associated with these loans include project and construction, market, repayment, collateral and security, and management risk.

Mini-permanent mortgage – These loans are offered to eligible nonprofit organizations engaged in a community-based housing or economic development project and to for profit firms engaged in a housing or economic development project which would benefit low- to moderate-income families and individuals. The maximum term of these loans is 15 years (with up to a 30-year maximum amortization). Collateral consists primarily of first mortgages (valid first lien on property) and personal guaranties (generally unsecured). Other collateral such as cash, letters of credit, and a second position lien on property is accepted. Risks associated with these loans include market, repayment, collateral, security, and management risk.

Equipment and working capital – These loans are offered to eligible organizations engaged in a community-based social service, housing or economic development project, with a maximum loan term of five years. Collateral consists primarily of first priority liens on equipment or a combination of first or second position liens on property along with personal guaranties, and other collateral including cash and letters of credit. Risks associated with these loans include market, repayment, collateral, and security risks.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Loan Losses (Continued)

Permanent financing – These loans are offered to eligible organizations engaged in a community-based housing or economic development project and to for profit firms engaged in a housing or economic development project which would benefit low-to-moderate-income families and individuals. The maximum required term of these loans is 30 years. Collateral consists primarily of first mortgages (valid first lien on property) and personal guaranties (generally unsecured), although cash, letters of credit, and second position on property lien are also accepted. Risks associated with these loans include market, repayment, collateral, security, and management risk.

CCLF assigns a risk rating to loans and periodically performs detailed internal reviews of such loans over certain thresholds to reevaluate credit risks and to assess the overall collectability of the portfolio. During the internal reviews, management analyzes the financial condition of borrowers and guarantors, trends in the industries in which the borrowers operate and the fair values of collateral securing the loans. These credit quality indicators are used to assign a risk rating to each individual loan.

The risk ratings can be grouped into the following major categories, defined as follows:

1. *Minimal risk* – High degree of stability. Predictable cash flows and the statement of financial position shows excellent liquidity.
2. *Moderate risk* – Assets and cash flow are reasonably good. Demonstrated ability to repay debts with no negative trends.
3. *Acceptable risk* – Project is in development or has limited capital. Liquidity is lower than average. Primary and secondary sources of repayment are considered adequate to lower than average.
4. *Watch list/special mention* – Credits with potential short-term weaknesses that deserve management's close attention.
5. *Substandard* – Assets that are inadequately protected by net worth, paying capacity of the borrower or collateral pledged. Well-defined weakness jeopardizes the collection of the debt.
6. *Doubtful* – Assets in this grade exhibit serious risks that may hinder the collection of the full loan balance. It may not be possible to calculate exactly what the loss may be, but the probability of some loss is greater than 50%. All loans in this grade will be placed on nonaccrual.

Property and Equipment

Property and equipment purchases of $500 or more are stated at cost. Expenditures for repairs and maintenance are charged to expense as incurred, whereas renewals and betterments that extend the lives of the property are capitalized. CCLF provides for depreciation on the straight-line method at rates designed to depreciate the costs of assets over estimated useful lives of 10 years or the remaining term of the lease for leasehold improvements and 3 to 10 years for hardware, software and furniture and equipment.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

CCLF reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Support and Revenue

CCLF reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

CCLF reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, CCLF reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. For the year ended December 31, 2019, there were no donated or acquired long-lived assets. For the year ended December 31, 2018, CCLF received and recorded a donated building. At December 31, 2018, the donated building had a carrying value of $110,000. During 2019 the donated building was sold.

Donated Services

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

During the years ended December 31, 2019 and 2018, CCLF received and recognized certain donated legal services valued at $974,816 and $887,686, respectively, for CCLF's lending operations.

In-Kind Contributions

In addition to receiving cash contributions, CCLF may receive in-kind contributions from donors. In accordance with generally accepted accounting principles, CCLF will record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly record a corresponding donation by a like amount. For the years ended December 31, 2019 and 2018, CCLF did not receive any in-kind contributions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The statements of functional expenses report certain categories of expenses that are attributable to one or more programs or supporting functions. CCLF directly charges expenses to a program if it can be directly linked to the specified program. For expenses that cannot be linked back to a specific program, an allocation is required. During the budgeting process, each program manager reviews the current allocation of their and their staff's time based upon both the actuals for the past year and any anticipated changes in the staff person's responsibilities. A chart is constructed with each employee spread to create percentages of time for each program. These percentages are either used separately for such allocations as salary and benefits or collectively for rent. All allocations are applied consistently and on a reasonable basis. Adjustments are made at year-end, if the allocations are materially different than what was applied at the beginning of the year.

Income Tax Status

CCLF is exempt from federal income tax under Section 501(c)(3) of the IRC. In addition, CCLF qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation. CCLF determined that it was not required to record a liability related to uncertain tax positions.

Deferred Rent Obligation

Deferred rent obligation is reflected in Accrued Liabilities on the statement of financial position. CCLF amortizes the deferred rent obligation using the straight-line method over the term of the lease. The difference between the rent expense recorded and the amount paid is charged to the deferred rent obligation reflected in Accrued Liabilities on the statement of financial position.

Adoption of New Accounting Standards

In May 2014, FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606).* Subsequent to May 2014, the FASB has issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, Revenue Recognition, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity and understandability of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards (Continued)

The financial statements reflect the application of ASC 606 guidance beginning in 2019 with a modified retrospective application. No cumulative-effect adjustment in net assets was recorded as the adoption of ASU 2014-09 did not significantly impact the Organization's reported historical revenue. Refer to Note 16, *Revenue from Contracts with Customers,* for further discussion on CCLF's accounting policies for revenue sources within the scope of ASC 606. The adoption of this ASU did not have an impact to the financial statements.

Additionally in June 2018, FASB issued Accounting Standards (ASU) 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* (*Topic 958*). This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, *Not-for-Profit Entities*, or as an exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The adoption of this standard had no impact on CCLF's financial statements.

Liquidity and Availability

As part of the CCLF's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. CCLF has board designated net assets without donor restrictions that, while the Organization does not intend to spend, the amounts could be made available for current operations, if necessary.

Resources Available to Meet Liquidity Needs:	December 31, 2019	December 31, 2018
Cash and Cash Equivalents	$ 18,159,678	$ 10,817,642
Marketable Investments	10,256,222	9,573,913
Accounts and Pledges Receivable	278,459	2,122,797
Net Notes Receivable (Current Portion)	17,436,715	18,002,385
Interest Receivable	500,666	536,108
Total Financial Revenues Available Within One Year	46,631,740	41,052,845
Less Amounts Unavailable for General Expenditures Within One Year Due to:		
Restricted by Donors With Proper Restrictions	6,803,565	6,061,404
Board Designation	15,585,237	13,259,608
Total Amounts Unavailable Within One Year for General Expenditures	22,388,802	19,321,012
Total Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 24,242,938	$ 21,731,833

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through April 23, 2020, the date the financial statements were available to be issued.

Subsequent to year-end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the CCLF, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, additional loan loss reserves, costs for emergency preparedness, or potential shortages of personnel. Management believes the CCLF is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing.

During the period from January 1, 2020 through April 23, 2020, both domestic and international investment markets have experienced significant declines. These events occurred subsequent to year-end and are still developing.

NOTE 2 FAIR VALUE MEASUREMENT

Accounting principles generally accepted in the United States of America define fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in CCLF's principal or most advantageous market in an orderly transaction between market participants on the measurement date.

Accounting principles generally accepted in the United States of America establish a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- *Level 1* – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- *Level 2* – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- *Level 3* – Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

NOTE 2 FAIR VALUE MEASUREMENT (CONTINUED)

The fair value of debt and equity investments that are readily marketable are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs) or by quoted market prices of similar securities with similar due dates or matrix pricing, which is a mathematical technique widely used in the industry to value debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on securities' relationship to other benchmark quoted securities (Level 2 inputs).

Assets and Liabilities Measured on a Recurring Basis

Assets and liabilities measured at fair value on a recurring basis are summarized below:

December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total
Assets - Corporate Bonds	$ -	$ 1,410,223	$ -	$ 1,410,223
Assets - U.S. Agency Bonds	-	2,953,282	-	2,953,282
Assets - Municipal Bonds	-	5,628,486	-	5,628,486
Assets - Certificates of Deposit	-	264,230	-	264,230
Total	$ -	$ 10,256,222	$ -	$ 10,256,222
December 31, 2018				
Assets - Corporate Bonds	$ -	$ 1,482,197	$ -	$ 1,482,197
Assets - U.S. Agency Bonds	-	2,433,106	-	2,433,106
Assets - Municipal Bonds	-	5,658,610	-	5,658,610
Total	$ -	$ 9,573,913	$ -	$ 9,573,913

NOTE 3 PROPERTY HELD FOR SALE

At December 31, 2018, CCLF had one property held for sale that was previously donated during 2017 with a recorded value of $110,000. During 2019, CCLF sold the property for $40,000 and recognized a loss on the sale of $67,674. Expenses incurred for managing and maintaining properties held for sale, including insurance, utilities, maintenance, real estate taxes, and various legal fees, amounted to $11,768 and $-0- for the years ended December 31, 2019 and 2018, respectively.

NOTE 4 LOAN COMMITMENTS AND CREDIT RISK

Loan Commitments

CCLF has loan commitments and undrawn portions of construction and pre-development loans of approximately $14,048,000 and $9,865,000 at December 31, 2019 and 2018, respectively. Since certain commitments to fund loans may expire without being used, the amount does not necessarily represent future cash commitments. CCLF evaluates each customer's creditworthiness on a case by case basis. The amount of collateral obtained, if deemed necessary by CCLF upon extension of credit, is based on management's credit evaluation. Collateral held varies but may include accounts receivable, inventory, property and equipment, and income producing commercial properties.

NOTE 4 LOAN COMMITMENTS AND CREDIT RISK (CONTINUED)

Loan Commitments (Continued)

In addition, commitments to extend credit are agreements to lend as long as there is no violation of any condition established in the contract. These commitments are not reflected in the financial statements.

Concentration of Credit Risk

CCLF generally grants collateralized loans to borrowers as outlined in Note 1. Although CCLF has a diverse loan portfolio, a substantial portion of its debtor's ability to repay their obligations is dependent upon the local economic conditions.

NOTE 5 NOTES RECEIVABLE – LOAN FUND

Notes receivable at December 31, 2019 and 2018 are comprised of the following:

December 31, 2019	Current	Long-Term	Total
Unpaid Principal Amount	$ 18,181,244	$ 60,858,009	$ 79,039,253
Allowance for Loan Losses	(744,529)	(3,568,161)	(4,312,690)
Net Notes Receivable	$ 17,436,715	$ 57,289,848	$ 74,726,563

December 31, 2018	Current	Long-Term	Total
Unpaid Principal Amount	$ 18,731,483	$ 53,093,620	$ 71,825,103
Allowance for Loan Losses	(729,098)	(3,652,722)	(4,381,820)
Net Notes Receivable	$ 18,002,385	$ 49,440,898	$ 67,443,283

Expected repayment maturities of notes receivable as of December 31 are as follows:

	Principal Amount	
Maturity	2019	2018
Within One Year	$ 18,181,244	$ 18,731,483
One to Two Years	7,401,321	11,289,751
Two to Three Years	6,890,844	7,216,627
Three to Four Years	2,979,712	2,615,486
Four to Five Years	3,341,485	5,212,667
Thereafter	40,244,647	26,759,089
Total	$ 79,039,253	$ 71,825,103

NOTE 5 NOTES RECEIVABLE – LOAN FUND (CONTINUED)

The allowance for loan losses (ALL) activity by loan portfolio segment is as follows:

	Mini-Permanent Mortgage	Pre-Development	Construction	Equipment and Working Capital	Permanent Financing	Total
Allowance for Loan Losses						
Balance - January 1, 2018	$ 2,160,423	$ 463,796	$ 726,507	$ 42,619	$ 163,507	$ 3,556,852
Provision for (Benefit from) Loan Losses	83,337	128,150	483,222	3,834	126,425	824,968
Loans Charged-off	-	-	-	-	-	-
Balance - December 31, 2018	2,243,760	591,946	1,209,729	46,453	289,932	4,381,820
Provision for (Benefit from) Loan Losses	750,132	(76,148)	(156,548)	(1,419)	16,081	532,098
Loans Charged-off	(601,228)	-	-	-	-	(601,228)
Balance - December 31, 2019	$ 2,392,664	$ 515,798	$ 1,053,181	$ 45,034	$ 306,013	$ 4,312,690

NOTE 5 NOTES RECEIVABLE – LOAN FUND (CONTINUED)

The breakdown for the allowance for loan losses by loan portfolio segment at year-end is as follows:

December 31, 2019 ALL Evaluation	Mini-Permanent Mortgage	Pre-Development	Construction	Equipment and Working Capital	Permanent Financing	Total
Evaluated for Impairment:						
Risk Rating 1 - 4	$ 1,643,253	$ 514,160	$ 1,053,181	$ 45,034	$ 306,013	$ 3,561,641
Risk Rating 5 - 6	749,411	1,638	-	-	-	751,049
Balance - December 31, 2019	$ 2,392,664	$ 515,798	$ 1,053,181	$ 45,034	$ 306,013	$ 4,312,690

December 31, 2018 ALL Evaluation	Mini-Permanent Mortgage	Pre-Development	Construction	Equipment and Working Capital	Permanent Financing	Total
Evaluated for Impairment:						
Risk Rating 1 - 4	$ 1,535,151	$ 538,259	$ 1,209,729	$ 46,453	$ 289,932	$ 3,619,524
Risk Rating 5 - 6	708,609	53,687	-	-	-	762,296
Balance - December 31, 2018	$ 2,243,760	$ 591,946	$ 1,209,729	$ 46,453	$ 289,932	$ 4,381,820

NOTE 5 NOTES RECEIVABLE – LOAN FUND (CONTINUED)

The associated loan balances in relation to the category breakdown for the allowance for loan losses at year-end is as follows:

December 31, 2019 Loan Balances in Relation to ALL Evaluation	Mini-Permanent Mortgage	Pre-Development	Construction	Equipment and Working Capital	Permanent Financing	Total
Evaluated for Impairment:						
Risk Rating 1 - 4	$ 34,904,620	$ 10,699,250	$ 21,347,058	$ 870,228	$ 8,152,318	$ 75,973,474
Risk Rating 5 - 6	2,925,698	140,081	-	-	-	3,065,779
Total - December 31, 2019	$ 37,830,318	$ 10,839,331	$ 21,347,058	$ 870,228	$ 8,152,318	$ 79,039,253

December 31, 2018 Loan Balances in Relation to ALL Evaluation	Mini-Permanent Mortgage	Pre-Development	Construction	Equipment and Working Capital	Permanent Financing	Total
Evaluated for Impairment:						
Risk Rating 1 - 4	$ 31,839,815	$ 12,054,789	$ 17,932,160	$ 909,474	$ 7,822,524	$ 70,558,762
Risk Rating 5 - 6	1,092,669	173,672	-	-	-	1,266,341
Total - December 31, 2018	$ 32,932,484	$ 12,228,461	$ 17,932,160	$ 909,474	$ 7,822,524	$ 71,825,103

The following table shows the loan portfolio allocated by management's internal risk ratings at December 31:

Risk Rating	2019	2018
1 - Minimal Risk	$ 4,120,487	$ 5,242,024
2 - Moderate Risk	25,030,765	29,028,992
3 - Acceptable Risk	43,481,970	29,336,711
4 - Watchlist/Special Mention	3,340,252	6,951,035
5 - Substandard	565,166	644,752
6 - Doubtful	2,500,613	621,589
Total	$ 79,039,253	$ 71,825,103

NOTE 5 NOTES RECEIVABLE – LOAN FUND (CONTINUED)

The following table shows the loan portfolio segments allocated by payment activity at December 31, 2019 and 2018. Loans are generally deemed performing if they are less than 90 days delinquent and still accruing interest.

	Credit Risk Profile by Payment Activity					
December 31, 2019	Mini-Permanent Mortgage	Pre-Development	Construction	Equipment and Working Capital	Permanent Financing	Total
Payment Activity:						
Performing	$ 34,904,620	$ 10,839,331	$ 20,499,812	$ 770,228	$ 8,152,318	$ 75,166,309
Nonperforming	2,925,698	-	847,246	100,000	-	3,872,944
Total	$ 37,830,318	$ 10,839,331	$ 21,347,058	$ 870,228	$ 8,152,318	$ 79,039,253
December 31, 2018						
Payment Activity:						
Performing	$ 30,956,641	$ 12,054,789	$ 17,932,160	$ 909,474	$ 7,822,524	$ 69,675,588
Nonperforming	1,975,843	173,672	-	-	-	2,149,515
Total	$ 32,932,484	$ 12,228,461	$ 17,932,160	$ 909,474	$ 7,822,524	$ 71,825,103

NOTE 5 NOTES RECEIVABLE – LOAN FUND (CONTINUED)

The following table shows an aging analysis of the loan portfolio by time past due at December 31, 2019 and 2018:

	Accruing Interest			Nonaccrual	
December 31, 2019	Current	30 - 89 Days Past Due	90 Days or More Past Due	90 Days or More Past Due	Total Loans
Mini-Permanent Mortgage	$ 34,904,620	$ -	$ 425,085	$ 2,500,613	$ 37,830,318
Pre-Development	10,839,331	-	-	-	10,839,331
Construction	20,499,812	-	847,246	-	21,347,058
Equipment and Working Capital	713,748	56,480	100,000	-	870,228
Permanent Financing	8,152,318	-	-	-	8,152,318
Total	$ 75,109,829	$ 56,480	$ 1,372,331	$ 2,500,613	$ 79,039,253
December 31, 2018					
Mini-Permanent Mortgage	$ 30,956,641	$ -	$ 1,354,254	$ 621,589	$ 32,932,484
Pre-Development	12,054,789	-	173,672	-	12,228,461
Construction	16,540,062	1,392,098	-	-	17,932,160
Equipment and Working Capital	909,474	-	-	-	909,474
Permanent Financing	7,822,524	-	-	-	7,822,524
Total	$ 68,283,490	$ 1,392,098	$ 1,527,926	$ 621,589	$ 71,825,103

Interest income forgone on nonaccrual loans totaled $173,306 and $19,141 for the years ended December 31, 2019 and 2018, respectively.

NOTE 5 NOTES RECEIVABLE – LOAN FUND (CONTINUED)

The following table presents information related to impaired loans (risk rating 5 – 6), including troubled debt restructurings, at December 31, 2019 an 2018:

December 31, 2019	Recorded Investment	Unpaid Principal Balance	Related Allowance	Average Recorded Investment
With an Allowance Recorded:				
Mini-Permanent Mortgage	$ 2,925,698	$ 2,925,698	$ 744,290	$ 2,954,760
Pre-Development	140,081	140,081	1,392	156,876
Total	$ 3,065,779	$ 3,065,779	$ 745,682	$ 3,111,636
December 31, 2018				
With an Allowance Recorded:				
Mini-Permanent Mortgage	$ 3,605,411	$ 3,605,411	$ 950,048	$ 3,641,689
Pre-Development	173,672	173,672	53,400	175,066
Total	$ 3,779,083	$ 3,779,083	$ 1,003,448	$ 3,816,755

Impaired loans include loans in troubled debt restructurings where concessions have been granted to borrowers experiencing financial difficulties. These concessions could include a reduction of interest rate on the loan, payment extensions, forbearance, or other actions intended to maximize collection.

The following table represents impaired loans classified as troubled debt restructurings for the years ended December 31, 2019 and 2018:

December 31, 2019	Number of Contracts	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Troubled Debt Restructurings:			
Mini-Permanent Mortgage	1	$ 2,500,613	$ 2,500,613
Total	1	$ 2,500,613	$ 2,500,613
December 31, 2018			
Troubled Debt Restructurings:			
Mini-Permanent Mortgage	1	$ 2,512,742	$ 2,512,742
Total	1	$ 2,512,742	$ 2,512,742

NOTE 6 LONG-TERM DEBT AND LINE OF CREDIT

CCLF enters into loan agreements with institutions and individuals to raise the capital necessary to issue loans for community development projects. While loans are generally unsecured, CCLF manages its capital according to stringent guidelines established by the Opportunity Finance Network (OFN), the national trade association for CDFIs.

Long-term debt consisted of the following:

December 31, 2019	Principal Amount	Interest Rate	Scheduled Maturity Dates
Senior Loans Payable:			
Private Foundations	$ 4,900,000	1% to 3%	November 2020 to June 2029
Financial Institutions and Corporations	25,053,241	2% to 4.08%	February 2020 to December 2028
Religious Organizations	2,200,000	1%-3%	June 2020 to April 2024
Individuals	1,828,486	0% to 3%	March 2020 to December 2024
Other	225,000	3%	July 2021
Subtotal	34,206,727		
Less: Current Portion	(4,749,436)		
Net Long-Term, Senior Loans Payable	$ 29,457,291		
December 31, 2018			
Senior Loans Payable:			
Private Foundations	$ 4,400,000	1% to 3.5%	May 2019 to July 2028
Financial Institutions and Corporations	18,915,537	2% to 4.10%	March 2019 to December 2028
Religious Organizations	2,235,000	1%-3%	June 2019 to December 2023
Individuals	1,499,305	0% to 3%	February 2019 to September 2023
Other	225,000	3%	July 2021
Subtotal	27,274,842		
Less: Current Portion	(10,144,005)		
Net Long-Term, Senior Loans Payable	$ 17,130,837		

NOTE 6 LONG-TERM DEBT AND LINE OF CREDIT (CONTINUED)

Subordinated Loans Payable

Since 1997, CCLF has entered into loan agreements with financial institutions and private foundations to enable CCLF to issue longer-term community loans. These loans are unsecured and are subordinate and junior in right of payment to all other obligations of CCLF.

Subordinated loans payable are as follows:

December 31, 2019	Principal Amount	Interest Rate	Scheduled Maturity Dates
Subordinated Loans Payable:			
Financial Institutions	$ 15,450,000	2% to 3%	June 2020 to April 2029
Less: Current Portion	(3,000,000)		
Net Long-Term, Subordinated Loans Payable	$ 12,450,000		
December 31, 2018			
Subordinated Loans Payable:			
Financial Institutions	$ 11,600,000	2% to 3%	June 2019 to December 2023
Less: Current Portion	(3,000,000)		
Net Long-Term, Subordinated Loans Payable	$ 8,600,000		

Future anticipated loan maturities at December 31, 2019 are as follows:

Year Ending December 31,	Senior	Subordinate	Total
2020	$ 4,749,436	$ 3,000,000	$ 7,749,436
2021	2,959,053	2,000,000	4,959,053
2022	1,510,500	2,100,000	3,610,500
2023	1,630,000	4,000,000	5,630,000
2024	5,534,000	4,100,000	9,634,000
Thereafter	17,823,738	250,000	18,073,738
Total	$ 34,206,727	$ 15,450,000	$ 49,656,727

CCLF is subject to certain debt covenants, as specified in the individual debt agreements. As of December 31, 2019 and 2018, CCLF had met their financial covenants or obtained waivers as needed.

NOTE 6 LONG-TERM DEBT AND LINE OF CREDIT (CONTINUED)

CCLF has a $2,000,000 loan agreement with State Farm Mutual Automobile Insurance Company (State Farm) with a term of 10 years at an interest rate of 4%, maturing July 31, 2020. The agreement provides for an interest-only revolving term loan during the first five years with interest payable quarterly. Beginning on August 1, 2015, quarterly payments of interest and principal are being made to fully amortize the outstanding balance at maturity. The funds will be used for a proprietary pre-development loan fund for various projects in the Chicago metropolitan area, subject to State Farm's approval. During 2019, the loan was paid off. As of December 31, 2019 and 2018, the outstanding balance was $-0- and $648,017, respectively, with accrued interest totaling $-0-.

During 2015, CCLF entered into a $5,000,000 term loan agreement with Federal Home Loan Bank of Chicago with a term of 10 years at an interest rate of 2.41%, maturing June 4, 2025. During 2018, the bank advanced an additional $2,000,000 under the same terms and maturity date. The agreement provides for an interest-only revolving term loan during the first ten years with interest payable quarterly. Outstanding principal shall be due on the maturity date. The funds will be used for commercial real estate, community facility, and affordable housing loan programs benefiting low to moderate communities and/or low to moderate individuals. As of December 31, 2019 and 2018, the outstanding balance was $7,000,000 and $7,000,000, respectively, with accrued interest totaling $-0-.

During 2016, CCLF entered into a $5,500,000 loan agreement with the Opportunity Finance Network through the CDFI Bond Guarantee Program with a term of 20 years at an interest rate of 2.21%, maturing June 16, 2036. The agreement provides for interest payable quarterly. The funds will be used for the lending program. As of December 31, 2019 and 2018, the outstanding balances were $4,953,852 and $5,200,360, respectively, with accrued interest totaling $-0-.

During 2017, CCLF entered into a $3,700,000 loan agreement with the Opportunity Finance Network through the CDFI Bond Guarantee Program with a term of 20 years at an interest rate of 2.86%, maturing June 15, 2037. The agreement provides for interest payable quarterly. The funds will be used for the lending program. As of December 31, 2019 and 2018, the outstanding balances were $3,376,060 and $3,522,977, respectively, with accrued interest totaling $-0-.

During 2018, CCLF entered into a $3,300,000 loan agreement with the Opportunity Finance Network through the CDFI Bond Guarantee Program with a term of 20 years at an interest rate of 3.39%, maturing June 15, 2038. The agreement provides for interest payable quarterly. The funds will be used for the lending program. As of December 31, 2019 and 2018, the outstanding balance was $3,100,530 and $3,219,504, respectively, with accrued interesting totaling $-0-.

During 2019, CCLF entered into a $3,000,000 loan agreement with the Opportunity Finance Network through the CDFI Bond Guarantee Program with a term of 20 years at an interest rate of 2.70%, maturing June 15, 2039. The agreement provides for interest payable quarterly. The funds will be used for the lending program. As of December 31, 2019, the outstanding balance was $2,933,800 with accrued interesting totaling $-0-.

NOTE 6 LONG-TERM DEBT AND LINE OF CREDIT (CONTINUED)

Future loan maturities at December 31, 2019 on the above notes payable are as follows:

Year Ending December 31,	Amount
2020	$ 525,315
2021	536,535
2022	554,137
2023	569,146
2024	583,160
Thereafter	18,595,949
Total	$ 21,364,242

NOTE 7 REFUNDABLE ADVANCES

During 2016, CCLF received a $3,490,000 Pro Neighborhoods grant from Chase Bank. During 2019 and 2018, $997,708 and $691,390 were recognized as revenue, respectively. As of December 31, 2019 and 2018, $642,000 and $1,639,708 remains as a refundable advance, respectively.

During 2015, CCLF received a $125,000 grant from the Citibank Low Income Investment Fund to advance the Partners in Progress Quarterback Initiative. This grant is conditional upon restrictions set forth in the agreement. During 2019 and 2018, $-0- were recognized as revenue for both years. As of December 31, 2019 and 2018, $6,648 remains as a refundable advance for both years.

NOTE 8 BOARD-DESIGNATED FUNDS

CCLF's board has elected to establish an operating reserve fund. At December 31, 2019 and 2018, net assets without donor restrictions of $1,960,496 and $1,555,562, respectively, have been so designated, which represents 25% of total combined annual expenses of all funds excluding loan loss provisions and impairments on real estate owned. It is CCLF's intent to maintain this reserve at a minimum of 25% of total annual expenses.

Furthermore, the board has elected to establish an investment reserve fund. At December 31, 2019 and 2018, net assets without donor restrictions of $13,624,741 and $11,704,046, respectively, have been so designated, which represents 15% of total lending capital to support existing note commitments. It is CCLF's intent to maintain this reserve at a minimum of 15% of total annual lending capital.

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2019 and 2018, net assets with donor restrictions are restricted for the following purposes:

	2019	2018
Subject to Expenditure for Specified Purpose:		
Community Lending Programs	$ 331,009	$ 233,571
Loan Loss Reserves	2,130,225	1,762,000
Foreclosure Prevention	15,078	15,078
Better Understanding of Market Demands	30,000	30,000
Revolving Loan Fund	403,934	291,309
Chicago Neighborhood Rebuild Pilot Program	1,894,609	1,863,345
Co-op Website	-	183
Hiring Executive Assistant	53,267	75,000
Total Subject to Expenditure for Specified Purpose	4,858,122	4,270,486
Subject to Passage of Time:		
Chicago Community Trust	-	15,000
T. West Contribution	-	500
C. Dorsey Contribution	-	100
C. Cicekoglu Contribution	125	-
Wintrust Bank Contribution	20,000	-
MacArthur Foundation Trend	150,000	-
Total Subject to Passage of Time	170,125	15,600
Not Subject to Appropriation or Expenditure:		
Donations to the Lending Capital Fund	1,775,318	1,775,318
Total Net Assets with Donor Restrictions	$ 6,803,565	$ 6,061,404

Net assets with donor restrictions include donations to the lending capital fund, which are to be maintained as permanent lending capital. The permanent lending capital is not intended to be a permanent source of income for the maintenance of CCLF. Therefore, these net assets are not endowments and not subject to UPMIFA.

For the years ended December 31, 2019 and 2018, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Purpose and time restrictions accomplished are as follows for the years ended December 31:

	2019	2018
Satisfaction of Time Restrictions	$ 15,600	$ 77,000
Satisfaction of Specified Purpose	333,488	490,553
Total	$ 349,088	$ 567,553

NOTE 10 EMPLOYEE BENEFIT PLAN

CCLF offers a Simplified Employee Pension (SEP) plan as a benefit to its employees with more than one year of service. CCLF is not obligated to make contributions to the plan. At the board's discretion, it may make contributions within the limits permitted under federal income tax rules. CCLF's policy is to fund pension costs as accrued. For the years ended December 31, 2019 and 2018, CCLF contributed 6% of wages to this plan totaling $127,630 and $111,592, respectively.

NOTE 11 RELATED PARTY TRANSACTIONS

The Law Project coordinated $974,816 and $887,686 in donated legal services and was paid $15,000 for certain legal services during the years ended December 31, 2019 and 2018. As of December 31, 2018, the executive director of the Law Project was a board member of CCLF. As of December 31, 2019, the executive director of the Law Project retired.

During the years ended December 31, 2019 and 2018, CCLF had senior and subordinated loans from the following organizations that employed a board member of CCLF when the loans were originated:

Board Members

As of December 31, 2019 and 2018, CCLF had a board member that was an individual investor with a $5,000 loan outstanding to CCLF at an interest rate of 0%. The loan matured on June 30, 2018 and renewed with a maturity date of June 23, 2023 with a final payment of $5,000.

On September 5, 2019, CCLF received a $2,500 loan from a board member of CCLF at an interest rate of 0%. The loan matures on September 5, 2024 with a final payment of $2,500.

On July 16, 2019, CCLF received a $1,500 loan from the President and board member of CCLF at an interest rate of 1%. The loan matures on July 16, 2024 with a final payment of $1,500. CCLF paid approximately $7 in interest expense during 2019.

Chase Bank

On December 7, 2018, CCLF received a senior loan from Chase Bank for $10,000,000 at an interest rate of 2%. The loan is scheduled to mature interest on December 6, 2028. A Program Manager at Chase Bank is a board member at CCLF. As of December 31, 2019 and 2018, the outstanding balance on this loan is $4,325,000 and $-0-, respectively. CCLF paid Chase Bank approximately $67,000 and $-0- in interest expense during 2019 and 2018, respectively.

NOTE 11 RELATED PARTY TRANSACTIONS (CONTINUED)

Wintrust Financial Corporation

Beginning on June 30, 2011, CCLF received senior loans from Wintrust Financial Corporation and its chartered banks for a total of $6,000,000 at interest rates ranging from 2.25% to 2.50%. The loans are scheduled to mature between June 30, 2021 and December 30, 2023. The Chief Credit Officer of Wintrust Financial Corporation is a board member of CCLF. As of December 31, 2019 and 2018, the outstanding balance on this senior loan was $6,000,000. CCLF paid Wintrust Financial approximately $148,000 in interest expense during 2019 and 2018.

Bank of America

On October 12, 2018, CCLF received a senior loan from Bank of America for $4,000,000 at an interest rate of 3.5%. The loan has periodic scheduled principal payments throughout the life of the loan. The loan is scheduled to mature on December 3, 2028. A Senior Vice President in the community-lending department at Bank of America is a board member of CCLF. As of December 31, 2019 the outstanding balance on this senior loan was $4,000,000. CCLF paid US Bancorp approximately $139,000 and $137,000 in interest expense during 2019 and 2018, respectively.

PNC Bank

As of December 31, 2018, CCLF had two outstanding loans with PNC Bank. The first loan is a senior loan for $2,000,000 at an interest rate of 3% scheduled to mature on September 30, 2019 with a final payment of $2,000,000. The second loan is a senior loan for $3,000,000 at an interest rate of 3.75% and scheduled to mature on September 30, 2019 with a final payment of $3,000,000. On June 30, 2019, CCLF renewed the senior loans from PNC for $5,000,000 at an interest rate of 2.25%. The senior loan is scheduled to mature September 30, 2026 with a final payment of $5,000,000. A Vice President of PNC Bank is a board member of CCLF. As of December 31, 2019 and 2018, the outstanding balance on this senior loan was $4,998,686 and $5,000,000, respectively. CCLF paid PNC Bank approximately $153,000 and $137,000 in interest expense during 2019 and 2018, respectively.

Fifth Third Bank (previously MB Financial Bank)

On September 15, 2017, CCLF received a subordinated loan from Fifth Third Bank, previously MB Financial Bank, for $1,000,000 at an interest rate of 2.5% and scheduled to mature on September 15, 2022 with a final payment of $1,250,000. The Vice President of Community Development of Fifth Third Bank is a board member of CCLF. As of December 31, 2019 and 2018, the outstanding balance on this subordinated loan was $1,000,000. CCLF paid Fifth Third approximately $26,000 and $25,000 in interest expense during 2019 and 2018, respectively.

NOTE 11 RELATED PARTY TRANSACTIONS (CONTINUED)

BMO Harris Bank/Financial Group

On December 31, 2007, CCLF received a subordinated loan from BMO Harris Bank/Financial Group for $2,000,000 at an interest rate of 2.5%. The loan has been renewing on an annual basis, most recently at December 31, 2019. The loan is scheduled to mature on December 31, 2020 with a final payment of $2,000,000. A managing director in the community development lending group for BMO Harris is a board member of CCLF. As of December 31, 2019 and 2018, the outstanding balance on this subordinated loan was $2,000,000. CCLF paid BMO Harris approximately $50,000 in interest expense during 2019 and 2018.

Canadian Imperial Bank of Commerce (CIBC)

On June 30, 2014, CCLF received a senior loan from CIBC for $1,000,000 at an interest rate of 2.25%. The loan was scheduled to mature on June 30, 2019 with a final payment of $1,000,000. On July 1, 2019, CCLF renewed the senior loan for $1,500,000 at an interest rate of 2.25%. The loan is scheduled to mature September 30, 2024 with a final payment of $1,500,000. A managing director for CIBC is a board member of CCLF. As of December 31, 2019 and 2018, the outstanding balance on this senior loan was $1,499,999 and $1,000,000, respectively. CCLF paid CIBC approximately $28,000 and $23,000 in interest expense during 2019 and 2018, respectively.

NOTE 12 LEASES

CCLF leases its main office facility and certain equipment. CCLF amended the lease agreement for its main office facility on February 15, 2019. The lease term was effective as of July 1, 2019, and expires on July 31, 2029. During 2019, CCLF received a tenant improvement allowance of $158,628. As of December 31, 2019, the tenant improvement allowance asset and related lease incentive liability had an amortized value of $150,697.

Under its office lease agreement, CCLF is responsible for their share of operating expenses and taxes. The Rental expense for the leases totaled $191,864 and $141,764 for the years ended December 31, 2019 and 2018, respectively. Future rental commitments under the lease agreements in effect as of December 31, 2019 are as follows:

Year Ending December 31,	Amount
2020	$ 202,852
2021	207,129
2022	211,408
2023	215,685
2024	219,964
Thereafter	1,062,382
Total	$ 2,119,420

NOTE 13 SIGNIFICANT CONCENTRATIONS

During the years ended December 31, 2019 and 2018, CCLF received 21% and 28% of its grants and contributions from the CDFI Fund, respectively. During the year ended December 31, 2019, CCLF also received 32% and 22% of its grants and contributions from Chase Bank and the City of Chicago, respectively. Future levels of program activities are dependent on continued funding as well as the continued support of private individuals, religious organizations, foundations, and corporations.

NOTE 14 BOND GUARANTEE PROGRAM

On September 28, 2015, CCLF was one of seven Community Development Financial Institutions (CDFIs) that closed on a multi-party bond totaling $127 million. The $127 million issue is part of the U.S. Treasury's CDFI Fund's Bond Guarantee Program. This was the third year of the program which was designed to provide CDFIs with the long-term, reliable capital they need to spur development in low-income and under-resourced communities. CCLF closed on $28 million of the total bond and will use this new source of capital to expand its financing in the rental housing, charter schools, commercial real estate, and not-for-profit asset classes. During 2019 and 2018, there were $14.4 million and $11.9 million in funds distributed, respectively.

NOTE 15 NEW MARKETS TAX CREDIT PROGRAM

CCLF has been granted status by the United States Department of the Treasury as a certified Community Development Entity (CDE), under the New Markets Tax Credit Program (NMTC) administered by the CDFI Fund. During 2015, CCLF received allocations totaling $15,000,000 for this program. CCLF has formed four CDE's (collectively the CDE LLCs) for the NMTC allocations.

The CDE LLCs were formed as Illinois limited liability companies in which CCLF serves as the managing member with a 0.01% interest and unrelated investor members as regular members with a 99.99% interest. Two of the four CDE LLCs initiated operations during 2016. A third CDE LLC initiated operations during 2017. CCLF does not consolidate these entities due to the rights granted to the investor members as defined in the operating agreements. The investor members' rights overcome the presumption of control by the managing member.

The active CDE LLCs make qualified low-income community investments (QLICIs) within the meaning of the NMTC programs and IRC Section 45D. Agreements with investor members provide for cumulative qualified equity investments (QEIs) to make the QLICI from the active CDE LLCs. By making QLICIs, the CDE LLCs enable investor members to claim new markets tax credits over a seven-year credit period. CCLF earns upfront fees upon obtaining the allocation, establishing the CDE LLCs, and making sub-allocation to the CDE LLCs.

NOTE 15 NEW MARKETS TAX CREDIT PROGRAM (CONTINUED)

As projects are initiated, agreement terms are established with Investor Members that require CCLF to maintain certain covenants to avoid recapture of the NMTC and possible reimbursement of a portion of upfront fees it may receive. Management believes that it was in compliance with all such covenants.

At December 31, 2019 and 2018, CCLF's total investment in the CDE LLCs is $1,462 and $1,474, respectively, and is reflected as investment in limited liability companies on the statements of financial position. During the years ended December 31, 2019 and 2018, CCLF recognized sub-allocation and asset management fee revenues of approximately $75,000 from the CDE LLCs.

NOTE 16 REVENUE FROM CONTRACTS WITH CUSTOMERS

On January 1, 2019, CCLF adopted ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and all subsequent amendments. As stated in Note 1, the implementation of the new standard did not have an impact on the measurement, timing, or recognition of revenue. Accordingly, no cumulative effect adjustment to opening net assets was deemed necessary. Results for reporting periods beginning after January 1, 2019 are presented under Topic 606, and prior period amounts were not required to be adjusted as the adoption of the new standard did not impact historical revenues.

Topic 606 does not apply to revenue associated with financial instruments, including i from loans and securities. In addition, revenue streams considered contributions are also not within the scope of Topic 606. During 2019 and 2018, Topic 606 was applicable to revenue streams from asset management fees, contracted services and workshop fees, and miscellaneous revenues. However, the recognition of these revenue streams did not change significantly upon adoption of Topic 606. Revenue streams considered to be within the scope of Topic 606 and significant to CCLF's financial statements are discussed below.

Asset Management Fee

CCLF earns fees from the New Markets Tax Program for asset management services. Revenue is recognized on a quarterly basis according to the fee schedule established by the signed operating agreement for a term of seven years.

NOTE 16 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Asset Management Fee (Continued)

The following presents noninterest income, segregated by revenue streams in-scope and out-of-scope of Topic 606, for the years ended December 31, 2019 and 2018:

	2019	2018
In scope of ASC 606		
Asset Management Fee	$ 75,000	$ 75,000
Contracted Services and Workshop Fees	7,876	850
Miscellaneous Income	12,017	32,378
Noninterest Income in Scope of ASC 606	94,893	108,228
Noninterest Income not Within the Scope of ASC 606 (a)	4,206,864	3,978,048
Total Noninterest Income	$ 4,301,757	$ 4,086,276

(a) This revenue is not within the scope of ASC 606, and includes individual contributions, donated services, general operating and government grants.

CCLF does not typically enter into long-term revenue contracts with customers, and therefore, does not experience significant contract balances. As of December 31, 2019 and 2018, CCLF did not have any significant contract balances. As of December 31, 2019, CCLF did not capitalize any contract acquisition costs.