

WOOD LANE ELDER HAUS I, INC.

PROJECT NO. 042-HD109

**FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
WITH INDEPENDENT AUDITOR'S
REPORTS AND MORTGAGOR'S
AND MANAGEMENT AGENT'S CERTIFICATIONS**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Wood Lane Elder Haus I, Inc.
Bowling Green, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of Wood Lane Elder Haus I, Inc., (an Ohio not-for-profit corporation), Project No. 042-HD109, which consist of the statements of financial position as of December 31, 2015 and 2014, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Wood Lane Elder Haus I, Inc.'s as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 13 to 17 are presented for purposes of additional analysis as required by the *Consolidated Audit Guide for Audits of HUD Programs* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements. The accompanying supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2016, on our consideration of the Wood Lane Elder Haus I, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wood Lane Elder Haus I, Inc.'s internal control over financial reporting and compliance.

Gilmore Jasion Mahler, LTD

Maumee, Ohio
March 17, 2016

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
STATEMENTS OF FINANCIAL POSITION
December 31, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash	\$ 6,022	\$ 4,868
Tenant accounts receivable	-	100
Housing assistance receivable	1,040	1,059
Total current assets	7,062	6,027
Deposits held in trust		
Tenant security deposits held in trust	1,077	1,077
Restricted deposits and funded reserves		
Reserve for replacements	16,213	12,190
Residual receipts reserve	1,000	1,285
Property and equipment		
Land	14,950	14,950
Building and building improvements	399,406	397,706
Office furniture and equipment	24,299	24,299
Total property and equipment	438,655	436,955
Less accumulated depreciation	124,723	114,547
Net property and equipment	313,932	322,408
Total assets	\$ 339,284	\$ 342,987
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 5,560	\$ 5,169
Accounts payable–affiliate	2,509	-
Prepaid rents	1,044	1,059
Total current liabilities	9,113	6,228
Deposit liabilities		
Tenant deposits held in trust	1,077	1,077
Total liabilities	10,190	7,305
Net assets		
Unrestricted	(52,906)	(46,318)
Temporarily restricted	382,000	382,000
Total net assets	329,094	335,682
Total liabilities and net assets	\$ 339,284	\$ 342,987

The accompanying notes are an integral part of these financial statements.

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
STATEMENTS OF ACTIVITIES
For the years ended December 31, 2015 and 2014

	2015		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and revenues			
Tenant assistance	\$ 12,676	\$ 0	\$ 12,676
Rental income, less vacancy loss of \$0 in 2015 and 2014	15,164		15,164
Interest income	3		3
Total support and revenues	<u>27,843</u>	<u>0</u>	<u>27,843</u>
Expenses			
Management fees	2,352		2,352
Administrative	2,932		2,932
Professional fees	5,770		5,770
Utilities	6,076		6,076
Operating and maintenance	5,591		5,591
Taxes and insurance	1,534		1,534
Depreciation	10,176		10,176
Total expenses	<u>34,431</u>	<u>0</u>	<u>34,431</u>
Change in net assets	(6,588)	0	(6,588)
Net assets at beginning of year	<u>(46,318)</u>	<u>382,000</u>	<u>335,682</u>
Net assets at end of year	<u>\$ (52,906)</u>	<u>\$ 382,000</u>	<u>\$ 329,094</u>

2014		
Unrestricted	Temporarily Restricted	Total
\$ 12,744	\$ 0	\$ 12,744
14,592		14,592
<u>1</u>		<u>1</u>
<u>27,337</u>	<u>0</u>	<u>27,337</u>
2,352		2,352
3,256		3,256
5,245		5,245
5,852		5,852
5,222		5,222
1,614		1,614
<u>10,136</u>		<u>10,136</u>
<u>33,677</u>	<u>0</u>	<u>33,677</u>
(6,340)	0	(6,340)
<u>(39,978)</u>	<u>382,000</u>	<u>342,022</u>
<u>\$ (46,318)</u>	<u>\$ 382,000</u>	<u>\$ 335,682</u>

The accompanying notes are an integral part of these financial statements.

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2015 and 2014

	2015	2014
Cash flows from operating activities		
Rental income	\$ 27,944	\$ 27,236
Interest income	3	1
Total cash flows from operating activities	27,947	27,237
Administrative	(8,545)	(16,859)
Utilities	(6,076)	(5,852)
Operating and maintenance	(5,200)	(5,303)
Taxes and insurance	(1,534)	(1,614)
Net cash provided by (used in) operating activities	6,592	(2,391)
Cash flows from investing activities		
Purchases of property and equipment	(1,700)	0
Change in residual receipts reserve	285	(316)
Change in reserve for replacements	(4,023)	(4,021)
Net cash used in investing activities	(5,438)	(4,337)
Net increase (decrease) in cash	1,154	(6,728)
Cash		
Cash at beginning of year	4,868	11,596
Cash at end of year	\$ 6,022	\$ 4,868
Reconciliation of change in net assets to net cash used in operating activities:		
Change in net assets	\$ (6,588)	\$ (6,340)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,176	10,136
(Increase) decrease in operating assets:		
Housing assistance receivable	19	661
Tenant accounts receivable	100	(100)
Increase (decrease) in operating liabilities:		
Accounts payable	391	(81)
Accounts payable–affiliate	2,509	(6,006)
Prepaid rents	(15)	(661)
Net cash provided by (used in) operating activities	\$ 6,592	\$ (2,391)

The accompanying notes are an integral part of these financial statements.

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Note 1–Nature of business

Wood Lane Elder Haus I, Inc. (Wood Lane) was organized to provide living facilities for disabled residents. Wood Lane (Project) is a separate legal entity located in Bowling Green, Ohio and is sponsored by Wood Lane Residential Properties (WLRP), which is a nonprofit private corporation. The management agent for Wood Lane is Preferred Properties, Inc., which is a nonprofit private corporation.

The project consists of a 4-unit housing development which receives monthly rentals as approved by HUD. The operations of Wood Lane are regulated by the Federal Housing Administration (FHA) of the U.S. Department of Housing and Urban Development (HUD) under Section 811 of the Housing Act, (Regulatory Agreement). Wood Lane is required to comply with the terms of the Regulatory Agreement.

Note 2–Summary of significant accounting and reporting policies

Basis of accounting

The financial statements of Wood Lane have been prepared on the accrual basis of accounting. The accrual basis of accounting provides for the recognition of revenues when earned and the recognition of expenses when incurred.

Financial statement presentation

The accompanying financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic, Not for Profit Entities, Presentation of Financial Statements, to be in accordance with accounting principles generally accepted in the United States of America. Wood Lane is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Management is of the opinion that there were no permanently restricted net assets at December 31, 2015 and 2014.

Temporarily restricted net assets

Temporarily restricted net assets consist of a capital advance from HUD in the amount of \$382,000. The capital advance does not bear interest and need not be repaid as long as the housing remains available to disabled persons for at least 40 years. Failure to comply with HUD requirements would result in HUD billing the owner for the entire capital advance outstanding plus interest since the date of the first advance. Management believes the likelihood of required repayment is remote.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
NOTES TO FINANCIAL STATEMENTS – CONTINUED
December 31, 2015 and 2014

Note 2—Summary of significant accounting and reporting policies – continued

Cash and cash equivalents

All unrestricted investments with original maturities of three months or less are cash equivalents. The Project had no cash equivalents at December 31, 2015 and 2014, respectively.

Accounts receivable

Accounts receivable consists of amounts due from HUD for housing assistance payments. The January 2015 and 2014 housing assistance payments due from HUD are classified as housing assistance receivable in 2015 and 2014, respectively. Tenant accounts receivable consists of amounts due from tenants for rent. Accounts receivable are considered fully collectible at December 31, 2015 and 2014. Accordingly, no allowance for uncollectible accounts is required.

Property and equipment

The cost of the building and equipment will be depreciated over their estimated useful lives (ranging from 7 to 40 years), using the straight-line method. The Project has a capitalization policy for expenditures over \$1,000.

The Project reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. Management believes there were no impairment losses in 2015 or 2014.

Income taxes

Wood Lane is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Management of the Project is required to determine whether a tax position of the Project is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Management of the Project is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. However, management's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, new tax laws, regulations, and administrative interpretations (including relevant court decisions). The Project's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

Subsequent events

The Project has evaluated all events subsequent to the statement of financial position date of December 31, 2015, through March 17, 2016, which is the date these financial statements were ready to be issued, and has determined that there are no subsequent events that require disclosure.

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
NOTES TO FINANCIAL STATEMENTS – CONTINUED
December 31, 2015 and 2014

Note 3—Transactions with affiliates

WLRP performs maintenance services for the Project. Fees paid to WLRP in 2015 and 2014 for maintenance services were \$2,160.

At December 31, 2015 and 2014 the accounts payable-affiliate balance is comprised of \$2,509 and \$0, respectively, payable to WLRP for maintenance and repairs.

Note 4—Cash Reserves

HUD requires Wood Lane to fund the following reserves:

Residual receipts

Wood Lane's funds in excess of funds needed for their intended purpose must be deposited with the mortgagee within 60 days after year-end. Withdrawals from this account can be made only with approval of HUD and for project purposes. The residual receipts balance was \$1,000 and \$1,285 at December 31, 2015 and 2014. There is no required funding of the residual receipts as of December 31, 2015 and 2014. HUD-recaptured \$270 and \$0 from the residual receipts reserve in 2015 and 2014, respectively.

Replacement reserve

Monthly funding payments of \$335 to this reserve are required. The funds are to be used for the replacement of property, with the approval of HUD. The Capital Advance Program Regulatory Agreement requires that the mortgagor make monthly deposits to the replacement reserve account. The replacement reserve balance was \$16,213 and \$12,190 at December 31, 2015 and 2014, respectively. HUD-approved withdrawals amounted to \$0 in 2015 and 2014.

Note 5—Rental revenue

Tenants are charged rental amounts based on a percentage of their income, and HUD subsidizes the remainder. HUD approved rentals per unit were \$580 starting January 2014 through December 2015. The rent subsidy contract with HUD expires October 2016.

Note 6—Current vulnerability due to certain concentrations

The Project's operations are concentrated in the multifamily real estate market. In addition, the Project operates in a heavily regulated environment. The operations of the Project are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules, and regulations are subject to change by an Act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Wood Lane Elder Haus I, Inc.
Bowling Green, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Wood Lane Elder Haus I, Inc., which consist of the statement of financial position as of December 31, 2015, and the related statements activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 17, 2016.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered Wood Lane Elder Haus I, Inc.'s internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wood Lane Elder Haus I, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Wood Lane Elder Haus I, Inc.'s internal control.

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Gilmore Jasion Mahler, LTD

Maumee, Ohio
March 17, 2016

HUD SUPPLEMENTARY INFORMATION

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
BALANCE SHEET
December 31, 2015

ASSETS

Current assets

1120	Cash—operations	\$	6,022
1133	Housing assistance receivable		1,040
	Total current assets		7,062

Restricted deposits and funded reserves

1191	Tenant deposits held in trust		1,077
1320	Reserve for replacements		16,213
1340	Residual receipts reserve		1,000
	Total deposits		18,290

Property and equipment

1410	Land		14,950
1420	Building and building improvements		399,406
1465	Office equipment		24,299
	Total property and equipment		438,655
1495	Less accumulated depreciation		124,723
	Net property and equipment		313,932

Total assets \$ 339,284

LIABILITIES AND NET ASSETS

Current liabilities

2110	Accounts payable	\$	8,069
2210	Prepaid revenues		1,044
	Total current liabilities		9,113

Long term liabilities

2191	Tenant deposits held in trust		1,077
	Total liabilities		10,190

Net assets

3131	Unrestricted net assets		(52,906)
3132	Temporarily restricted net assets		382,000
	Total net assets		329,094
	Total liabilities and net assets		\$ 339,284

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
STATEMENT OF PROFIT AND LOSS
For the year ended December 31, 2015

Rent revenue

5120	Rent revenue—gross potential	\$ 15,164	
5121	Tenant assistance payments	12,676	
	Total rent revenue	27,840	

Financial revenue

5440	Revenue from investments - replacement reserve	3	
	Total financial revenue	3	
	Total revenue	27,843	

Administrative expenses

6203	Conventions and meetings	35	
6310	Office salaries	1,620	
6311	Office expenses	1,277	
6320	Management fees	2,352	
6350	Audit expenses	5,350	
6351	Bookkeeping fees	420	
	Total administrative expenses	11,054	

Utilities expenses

6450	Electricity	4,804	
6452	Gas	1,272	
	Total utilities expenses	6,076	

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
STATEMENT OF PROFIT AND LOSS – CONTINUED
For the year ended December 31, 2015

Operating and maintenance expenses

6510 Payroll	2,160
6515 Supplies	1,020
6520 Contracts	1,006
6548 Snow removal	1,405
Total operating and maintenance expenses	5,591

Taxes and insurance

6710 Real estate taxes	2
6720 Property and liability insurance	695
6790 Miscellaneous taxes, licenses, permits and insurance	837
Total taxes and insurance	1,534

	Total cost of operations before depreciation	24,255
Income before depreciation		3,588
6600 Depreciation		10,176
	Net loss	\$ (6,588)

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
OTHER SUPPLEMENTARY INFORMATION
For the year ended December 31, 2015

Calculation of surplus cash

Current cash

S1300-010 Cash (accounts 1120 and 1191)	\$	7,099
1135 Accounts receivable-HUD		1,040
S1300-040		8,139
	Total current cash	8,139

Current obligations

2119 Accounts payable		8,069
2191 Tenant deposits held in trust		1,077
2210 Prepaid revenue		1,044
S1300-140	Total current obligations	10,190
S1300-150	Cash deficiency	\$ (2,051)
S1300-210	Deposit due residual receipts	\$ 0

Replacement reserve

In accordance with the provisions of the Regulatory Agreement, restricted cash is held at the bank to be used for the replacement of property, with the approval of HUD, as follows:

BEGINNING BALANCE, January 1, 2015	\$	12,190
Monthly deposits (\$335 x 12)		4,020
Interest earned		3
Authorized withdrawals		0
ENDING BALANCE, December 31, 2015		\$ 16,213

Residual receipts

In accordance with the provisions of the Regulatory Agreement, restricted cash is held by the bank as follows:

BEGINNING BALANCE, January 1, 2015	\$	1,285
Additions		0
Interest earned/service fees		(15)
Authorized withdrawals		(270)
ENDING BALANCE, December 31, 2015		\$ 1,000

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
SCHEDULE OF CHANGES IN FIXED ASSETS
For the year ended December 31, 2015

		Property and Equipment			
		Balance			Balance
		12/31/14	Additions	Retirements	12/31/15
1410	Land	\$ 14,950	\$ 0	\$ 0	\$ 14,950
1420	Building and building improvements	397,706	1,700		399,406
1465	Office furniture	24,299			24,299
		\$ 436,955	\$ 1,700	\$ 0	\$ 438,655

		Accumulated Depreciation				Net
		Balance	Current			Book Value
		12/31/14	Provisions	Retirements	Balance	12/31/15
1410	Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,950
1495	Accumulated depreciation	114,547	10,176		124,723	298,982
		\$ 114,547	\$ 10,176	\$ 0	\$ 124,723	\$ 313,932

**WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
MORTGAGOR'S CERTIFICATION**

We hereby certify that we have examined the accompanying financial statements and supplementary information of Wood Lane Elder Haus I, Inc. and, to the best of our knowledge and belief, the same is complete and accurate.

By: *Signature on File*
Jessica Miller-Blakely
Chief Executive Officer

By: *Signature on File*
Tonia Peters
Finance Director

Federal Employer Identification
Number 16-1675122

WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
MANAGEMENT AGENT'S CERTIFICATION

We hereby certify that we have examined the accompanying financial statements and supplementary information of Wood Lane Elder Haus I, Inc. and, to the best of our knowledge and belief, the same is complete and accurate.

By: *Signature on File*
Yvonda A. Bean
Executive Director
Preferred Properties, Inc.

By: *Signature on File*
Beverly A. Zadiraka
Finance Manager
Preferred Properties, Inc.

Federal Employer Identification
Number 34-1715222

**WOOD LANE ELDER HAUS I, INC.
PROJECT NO. 042-HD109
GENERAL INFORMATION
For the Year Ended December 31, 2015**

Gilmore, Jasion & Mahler, LTD
1715 Indian Wood Circle, Suite 100
Maumee, OH 43537

Engagement Partner: Robert A. Bobek
Telephone Number: (419) 794-2000
Federal Employer I.D. Number: 34-1827159

The audit was performed between December 16, 2015 and February 19, 2016 at Wood Lane Elder Haus I, Inc.'s facility.

Records for the accounting and administration of the Federal Financial Assistance programs, and administration for the mortgagor and the management agent are located at 5555 Airport Highway, Suite 220, Toledo, Ohio 43615, telephone number (419) 244-9609.