Community Investment Note Prospectus

Up to $5,000,000

August 30, 2023

Term/Maturity:	Various terms between one (1) and ten (10) years
Interest Rate:	Various rates (depending on term) set by Homewise from time to time and fixed for the term of the Note, as set forth on the Interest Rate Sheet that is current as of the date of the investment.
Minimum Investment:	$1,000 with additional increments of $100.00

This prospectus contains essential information about Homewise, Inc. Community Investment Notes (individually a "Note" and, collectively, the "Notes"), unsecured debt securities issued by Homewise, Inc. (referred to as "Homewise," the "Issuer," "we," "our," or "us"). Homewise is a tax exempt 501(c)(3) New Mexico nonprofit corporation whose mission is help create successful homeowners and strengthen neighborhoods so that individuals and families can improve their long-term financial wellbeing and quality of life. Prospective investors are advised to read this prospectus carefully prior to making any decisions to invest in the Notes. Homewise's headquarters are located at 1301 Siler Road, Building D, Santa Fe, New Mexico 87507 and 500 2nd Street SW, Albuquerque, NM, 87102. Homewise's telephone number is (505) 983-9473.

Interest rates currently offered on new issuances and renewals of Notes vary based on their term to maturity, as set forth on the Interest Rate Sheet that is current as of the date of the investment. From time to time, we may change the interest rates offered on new Notes, which will be reflected in an updated Interest Rate Sheet.

This prospectus is intended to provide potential investors with information necessary to make an informed investment decision. However, nothing contained herein is intended as legal, accounting, tax, or investment advice, and it should not be taken as such. Prospective investors should consult their own legal, tax and/or financial advisors concerning potential investments in the Notes. Investors must rely on their own evaluations of Homewise, the Notes, and the terms of this offering, including the merits and risks involved.

The Note is a high-risk investment that cannot easily be liquidated. Descriptions of some of the risk factors associated with an investment in the Notes can be found in this prospectus beginning on page 3. However, there can be no assurance that this list is comprehensive. Unforeseen risk factors not included in this prospectus may adversely affect Homewise's operations in the future. Furthermore, the Notes are subject to restrictions on transferability and resale and may be transferred or resold only with Homewise's prior approval and pursuant to a registration under the Securities Act of 1933, as amended (the "Securities Act") and applicable state securities laws, or pursuant a valid exemption therefrom. Investors should be aware that they may be required to bear the financial risks of a high-risk investment for an indefinite period of time and should expect to hold the Note until maturity.

Repayment of the Notes is dependent upon the financial condition of Homewise. From a financial point of view, the Notes should not be a primary investment in relation to the overall size of an investor's portfolio. Investors in the Notes should be able to lose up to their entire investment without suffering financial hardship. Investors are encouraged to consider the concept of investment diversification when determining the amount of Notes that would be appropriate for them in relation to their overall investment portfolio and personal financial needs.

A date has not been set for the termination of this offering. Homewise reserves the right to suspend the sale of the Notes for a period of time or to reject any specific Subscription Agreement or other request to purchase a Note, with or without a reason. Homewise may accept subscriptions for less than the minimum amount specified in its sole discretion. Payment from each investor is due upon or before our acceptance of the Subscription Agreement from the investor.

The expenses of this offering are paid from our operating funds. This offering is not underwritten, and no commissions are paid for the sale of the Notes. As a result, we receive 100% of the proceeds from this offering. We offer and sell the Notes only through our officers and employees and there are no outside selling agents involved in this offering. See the "Distribution" section of this prospectus, beginning on page 18.

This prospectus contains all of the representations by Homewise concerning this offering. Investors are advised to read this prospectus and the Subscription Agreement form carefully before deciding to purchase the Notes. Investors are cautioned not to rely on any information not expressly set forth in this prospectus. No person has been authorized to give any information or to make any representation in connection with this offering other than those contained in this prospectus, and if given or made, such information or representations must not be relied upon as having been made by Homewise.

THE NOTES ARE BEING OFFERED UNDER AN EXEMPTION FROM FEDERAL REGISTRATION PURSUANT TO SECTION 3(A)(4) OF THE SECURITIES ACT. WE HAVE NOT FILED A REGISTRATION STATEMENT WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC"), AND THE SEC HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE NOTES ARE EXEMPT FROM REGISTRATION.

THE NOTES ARE NOT OFFERED AND SOLD IN EVERY STATE. THE NOTES MAY EITHER BE REGISTERED OR EXEMPT FROM REGISTRATION IN THE VARIOUS STATES OR JURISDICTIONS IN WHICH THEY ARE OFFERED OR SOLD BY HOMEWISE. THIS PROSPECTUS HAS BEEN FILED WITH THE SECURITIES

ADMINISTRATORS IN SUCH STATES OR JURISDICTIONS THAT REQUIRE IT FOR REGISTRATION OR EXEMPTION. THE NOTES WILL NOT BE LISTED ON ANY SECURITIES EXCHANGE.

INVESTORS SHOULD CAREFULLY READ THIS PROSPECTUS (INCLUDING THE APPENDICES AND THE INTEREST RATE SHEET ACCOMPANYING THIS PROSPECTUS) BEFORE INVESTING.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY FROM ANY PERSON IN ANY STATE OR ANY OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION MAY NOT LAWFULLY BE MADE. FEDERAL AND STATE SECURITIES LAWS MAY AFFECT HOMEWISE'S ABILITY TO CONTINUE TO SELL NOTES IN CERTAIN STATES.

THE NOTES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT DETERMINED THE ACCURACY, ADEQUACY, TRUTHFULNESS, OR COMPLETENESS OF THIS DOCUMENT AND HAVE NOT PASSED UPON THE MERIT OR VALUE OF THE NOTES, OR APPROVED, DISAPPROVED OR ENDORSED THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE NOTES ARE NOT AND WILL NOT BE INSURED OR GUARANTEED BY ANY BANK, THE FEDERAL DEPOSIT INSURANCE COMPANY (FDIC), THE SECURITIES INVESTMENT PROTECTION CORPORATION (SIPC), OR ANY OTHER AGENCY. THE PAYMENT OF PRINCIPAL AND INTEREST TO AN INVESTOR IN THE NOTES IS DEPENDENT ON OUR FINANCIAL CONDITION AND OPERATIONS. ANY PROSPECTIVE INVESTOR IS ENTITLED TO REVIEW OUR FINANCIAL STATEMENTS, WHICH SHALL BE FURNISHED AT ANY TIME DURING BUSINESS HOURS UPON REQUEST.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF HOMEWISE AND THE TERMS OF THE OFFERING, INCLUDING THE DISCLOSURE, MERITS, AND RISKS INVOLVED. INVESTORS ARE ENCOURAGED TO CONSIDER THE CONCEPT OF INVESTMENT DIVERSIFICATION WHEN DETERMINING THE AMOUNT OF THE NOTES THAT WOULD BE APPROPRIATE FOR THEM IN RELATION TO THEIR OVERALL INVESTMENT PORTFOLIO AND PERSONAL FINANCIAL NEEDS.

STATE SPECIFIC INFORMATION

The information in this section applies to offers and sales of the Notes in the following states. These states give investors certain legal rights with regard to investments, require Homewise to disclose certain information to investors, or limit the features of Notes we can offer in the state. If you are not purchasing the Notes in one of these states, this information will not apply to you.

OREGON AND CALIFORNIA

To remain in compliance with policies established within Oregon and California, automatic rollover at maturity (as discussed on page 20) will not be offered to Note holders residing in these states. Homewise will require positive affirmation from Oregon and California Note holders at or prior to the maturity of their investment, and in the absence of such positive affirmation the Note will be closed and the principal of the Note, together with any interest payable, will be returned to the investor.

WASHINGTON

In Washington, these securities are offered or sold only (i) to persons who, prior to their solicitation for the purchase of the securities, were members of, or contributors to, or listed as participants in, Homewise or their relatives, (ii) to institutional investors, (iii) to existing security holders or (iv) pursuant to other applicable exemption under RCW 21.20.310 or 21.20.320.

"Relatives" include a member's spouse and the following relatives of the member or the member's spouse: parents, grandparents, natural or adopted children, aunts and uncles and first cousins.

"Institutional investor" includes a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity. "Institutional investor" also includes (a) a corporation, business trust, or partnership, or wholly owned subsidiary of such an entity, which has been operating for at least 12 months and which has a net worth on a consolidated basis of at least $10 million as determined by the entity's most recent audited financial statements, such statements to be dated within 16 months of the sale of the securities; (b) any tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code of 1986 which has a total endowment or trust funds of $5 million or more according to its most recent audited financial statements, such statements to be dated within 16 months of the sale of the securities; and (c) any wholly-owned subsidiary of a bank, savings institution, insurance company, or investment company as defined by the Investment Company Act of 1940. "Institutional investor" does not include a natural person, individual retirement account (IRA), Keogh account, or other self-directed pension plan.

RECEIPT OF NOTICE OF EXEMPTION BY THE WASHINGTON ADMINISTRATOR OF SECURITIES DOES NOT SIGNIFY THAT THE ADMINISTRATOR OF SECURITIES HAS APPROVED OR RECOMMENDED THESE SECURITIES, NOR THAT THE ADMINISTRATOR HAS PASSED UPON THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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KEY INVESTMENT TERMS

Issuer:	Homewise, Inc., a New Mexico nonprofit corporation that is a tax-exempt 501(c)(3) public charity.
Securities Offered:	Up to $5,000,000 of unsecured Notes constituting general obligation debt of the Issuer.
Authorized Investment Amounts:	Minimum investments of $1,000 with increases in increments of $100.
Terms to Maturity:	Notes have fixed terms to maturity ranging from one (1) to ten (10) years.
Interest Rates and Payment Options:	Various rates (depending on term) set by Homewise from time to time and fixed for the term of the Note, as set forth on the Interest Rate Sheet that is current as of the date of the investment. Investors may elect to have interest paid semiannually in June and December, reinvested into principal, or donated to Homewise.
Offering Period:	No termination date has been set for this offering.
Rating:	The Notes have not been rated.
Use of Proceeds:	Proceeds of the offering will be used for Homewise's general corporate purposes. Homewise's mission is to help create successful homeowners and strengthen neighborhoods so that individuals and families can improve their long-term financial wellbeing and quality of life. Homewise provides financial counseling, property development, government program administration, fixed-rate mortgages, home improvement loans, refinance loans, real estate sales, and community development.
Distribution and Administration of Notes:	The Notes will be offered by Homewise through our officers or other employees, depending on the state where the investor is located.
Interest Accrual:	Interest begins to accrue upon the date that we issue the Note. Accruals are calculated on the basis of twelve 30-day months and a 360-day year.
Ranking:	The Notes constitute unsecured general obligations of Homewise. Homewise has secured obligations that rank senior to the Notes and has other unsecured general obligations of equal rank with the Notes.

Redemption at Investor's Request:	Not available.
Redemption at Homewise's Option:	Homewise may, at its election, call and redeem any or all of the Notes in whole or in part at any time prior to maturity at a price of the principal amount redeemed plus any accrued and unpaid interest through the date of redemption.
Renewal Options:	If permitted by the state in which the Note holder is located at the time of renewal (see "State-Specific Information" at page iv), a Note holder may elect to automatically renew Notes upon maturity at the interest rate set forth in the Interest Rate Sheet that is current as of the date of the investment, for a term closest in duration to the term of the maturing Notes.
Risk Factors:	Investment in the Notes carries risks. Please see "Risk Factors" section in this prospectus beginning on page 3.

RISK FACTORS

An investment in the Notes involves various material risks, including the potential loss of principal. Prior to any investment, and in consultation with their financial and legal advisors, investors should carefully consider, among other matters, the following risk factors.

Risk Level of Unsecured, Uninsured Investments; No Trust Indenture or Sinking Fund

The Notes are unsecured general obligations of Homewise of equal rank with our other unsecured obligations and are not deposits or obligations of, or guaranteed or endorsed by, any bank or other party. You will not be a secured creditor of Homewise or have priority recourse against any of our assets. You must depend solely upon our financial condition and operations for repayment of principal and interest. Homewise has other outstanding unsecured general obligations, as well as secured obligations. Please see Note 10 to our Audited Consolidated Financial Statements as of and for the fiscal years ended March 31, 2023 and 2022 and the report of independent auditors, which are included as Appendix A to this prospectus ("Audited Financial Statements"), for details regarding our borrowed indebtedness, including outstanding amounts, security, interest rates, and lenders.

The Notes are not deposits and are not insured by any federal or state agency, including the FDIC or SIPC. Payment of principal and interest will depend solely upon the financial condition of Homewise. Without such insurance or protection, an investment in our Notes is subject to investment risks, including the potential to lose the entire principal amount you invest.

No sinking fund, trust indenture, or other similar deposit has been or will be established by Homewise to secure or provide for repayment of the principal of the Notes or to secure payment of accrued interest. No trustee monitors our affairs on behalf of Note holders, no agreement provides for joint action by Note holders in the event we default on the Notes, and you do not have the other protections a trust indenture would provide. As a result, our ability to repay the principal and interest on the Notes will depend on the success of our operations and the availability of other capital. The relative risk level may therefore be higher for the Notes than for other similar securities for which a trust indenture or sinking fund is established.

Payment of Debt Service; Revenue Sources

Payment of the Notes depends on the ability of Homewise to generate revenues or raise capital sufficient to cover debt service on the Notes and all other indebtedness of Homewise while meeting its operating expenses and other cash requirements. No representation can be made or assurance given that Homewise will realize revenues in amounts sufficient to make the payments necessary to make payments on the Notes as they become due and to meet the other obligations of Homewise.

Homewise's net revenues are subject to a variety of economic and non-economic circumstances, many of which are not within Homewise's control. Examples of these factors include, but are not limited to, collection of loan receivables, loan sales, loan volumes originated and fees collected, ability to raise capital, exposure to interest rate movements, success of real property sales, real estate sales volumes and commissions earned, ability to secure grants, and the impact of federal laws on nonprofit and charitable organizations such as Homewise. Any of these factors could adversely affect Homewise's ability to make the debt service payments on the Notes.

Availability of Funding and Capital

We already owe substantial sums to other lenders, some of which are secured by a significant portion of our assets. (Please see Notes 10 and 11 to our Audited Financial Statements for details regarding our borrowed indebtedness, including outstanding amounts, security, interest rates, and lenders.) As of March 31, 2023, we owed $92,778,376 in secured indebtedness senior to the Notes. Depending on the aggregate balance of Notes that we ultimately issue pursuant to this Offering and subsequent similar offerings, the amount of our other debt obligations (including, without limitation, secured debt senior to the Notes), and the rate of delinquencies and defaults by our borrowers, our cash on hand may not be sufficient to cover cash shortfalls that we may periodically experience, which could adversely impact our ability to pay principal and interest on the Notes as they become due. Our most significant revenue sources include home development sales, grants and contributions, loan origination fees and interest, and real estate commissions. If our funding sources reduce their support or if we suffer unexpected defaults and losses in our loan portfolio, we could experience financial difficulties that might jeopardize our ability to pay the interest and principal due from time to time on the Notes.

Additional Indebtedness; Subordination of Notes to Secured Debt; Liens on Assets

The Notes are not secured by a lien on any asset of Homewise, and are of equal rank with Notes issued previously and in the future. Homewise may issue additional indebtedness, secured or unsecured, and grant liens or encumbrances on any of its property. The incurrence by Homewise of additional indebtedness, secured or unsecured, may adversely affect Homewise's ability to make payments required on the Notes. The granting of mortgages, deeds of trust, security interests and other liens on its properties to secure other obligations of Homewise may hinder or preclude realization from such properties of amounts sufficient to pay the Notes if Homewise should encounter financial difficulties. Secured lenders have the right to be paid from any assets pledged as collateral before Note holders and other unsecured creditors. As of March 31, 2023, $90,798,376, or 68.6% of Homewise's total notes payable, consisted of secured indebtedness senior to the Notes, and assets representing $111,053,417, or 49% of Homewise's total assets, are pledged to creditors. These pledged assets include loans receivable, land, buildings, and proceeds from certain new markets tax credit loans. See Note 10 to the Audited Financial Statements for more information on our indebtedness.

Reliance on Grants and Contributions

Homewise receives significant revenues from grants and contributions, totaling approximately $5,923,000, or 11.9% of total revenue, during the fiscal year ended March 31, 2023. Significant funders of these grants and contributions include local governments including the Cities of Santa Fe and Albuquerque, federal agencies including Department of Housing and Urban Development and the CDFI Fund, private foundations, and other private sources. Grants may require the fulfillment of certain conditions and are subject to audit, reporting, or other requirements. A loss of or significant decrease in funding from one or more of these sources, whether due to changes in federal policy or appropriations with regard to these grants, periods of economic hardship or otherwise, could impair Homewise's financial condition and/or its ability to meet its obligations to Note holders. For more information concerning Homewise's grant funding, see Notes 12 and 16 to our Audited Financial Statements.

Concentration of Credit

At March 31, 2023 and 2022, Homewise held deposits with multiple banks that individually exceeded the Federal Deposit Insurance Coverage (FDIC) limit of $250,000. One bank pledged collateral covering the remainder of the uninsured balance of funds held at that bank, but other Homewise deposit accounts are uninsured above the FDIC limit. Funds for two cash accounts are held in overnight sweep accounts. Management has taken action to mitigate the credit risk of the remaining uninsured and uncollateralized balance of $6,642,426 and $19,714,828, at March 31, 2023 and 2022, respectively, by depositing with well-known and highly reputable institutions. If any of the financial institutions with whom we do business were to be placed into receivership, we may be unable to access the cash we have on deposit with such institutions. If we are unable to access our cash and cash equivalents as needed, our financial position and ability to operate our business could be adversely affected.

Maintenance of Tax-Exempt Status

Homewise has received a letter from the Internal Revenue Service ("IRS") confirming its status as a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The maintenance of our federal and state tax-exempt status is contingent on compliance with general rules promulgated in the Code and related regulations and relevant New Mexico statutes and regulations regarding the organization and operation of tax-exempt entities. If Homewise should fail to meet any of the requirements necessary to maintain its state or federal tax-exempt status, Homewise, its property, and its revenues could become subject to federal, state and local taxation, and such loss of tax-exempt status would likely have a significant adverse effect on Homewise, its operations, financial condition and ability to repay its obligations under the Notes.

Liquidity of Assets

More than half of our assets are portfolio loans that are difficult or impossible to sell to third parties because they are secured by junior mortgages, or they are deferred mortgage loans (which are due when the house securing the loan is sold, refinanced, or vacated by the owner, or which are forgiven in part if the owner lives in the home for a specified period).

Some of the capital raised by the Notes may be used to purchase and develop real property for resale. As a result, these investments are inherently illiquid. There can be no guarantee that Homewise will be able to sell the property in a timely or profitable manner. As a result, Homewise may not have enough cash on hand to repay Note holders on time or at all. During the fiscal year ended March 31, 2023, Homewise capitalized $30,565,957 in project costs including land acquisition and construction. As of March 31, 2023, Homewise had $4,499,402 in real estate held for sale and $30,565,957 of investment in real property for development. See Note 5 to the Audited Financial Statements for more information.

Loan Loss Allowance

We maintain an Allowance for Loan Losses (ALL) for amortizing loans and for our deferred loans, as discussed under the heading "Discussion and Analysis of Recent Financial Performance – Loan Loss Allowance" beginning on Page 28 and in Note 6 to our Audited Financial Statements. Although Homewise regularly reviews the ALL, and management believes that our methodology results in an ALL that exceeds estimated credit losses inherent in our amortizing loan portfolio, there can be no guarantee that our ALL will be sufficient to cover all losses associated with our amortizing loans.

Federal and State Regulations

Future changes in federal or state laws, rules, or regulations governing the sale of securities by religious, charitable, or other nonprofit organizations, or the policies, practices and procedures under which regulators review registration materials or exemption applications, may make it more difficult or costly for Homewise to offer the Notes. Such an occurrence could result in a decrease in the amount of the Notes sold by Homewise, which could potentially affect Homewise's operations and its ability to meet its obligations to Note holders. If Homewise does not continue to qualify the Notes in any particular state, holders in such states may not be able to reinvest at maturity.

Interest Rates

Interest rates for the Notes depend on the maturity date of the Note and are set forth on the Interest Rate Sheet that is current as of the date of investment. Interest rates offered for the Notes may not be as high as those offered by other institutions for similar securities, and the risks of investment in the Notes may be greater than implied by the relatively low interest rates on the Notes.

The interest rate for each Note is fixed at the time it is issued and remains fixed until the Note matures. Homewise may change the rates offered for newly issued Notes at any time. Should commercial rates rise relative to the rates established in this offering, Homewise is not legally obligated to redeem the principal or make a partial redemption of an outstanding Note prior to its maturity. If commercial rates fall relative to those established in this offering, Homewise may call and redeem some or all of the Notes prior to maturity, and investors whose Notes are redeemed may be unable to reinvest at higher interest rates.

Interest rate changes may negatively affect our profitability. Our loans receivable have an average term to maturity that is significantly longer than the average maturity term of our indebtedness, including the Notes. As a result, if interest rates vary in the future, the average interest rate we pay on Notes and other indebtedness could increase more quickly than the average interest rate we receive on loans. It is Homewise's practice to mitigate this risk by seeking to maintain a strong net asset position to enable us to lend in a rising interest rate environment. Nevertheless, there may be periods when we do not obtain an average return on our investments and loans greater than our average interest payment obligations. This could have an adverse impact on our ability to repay our Notes when due.

Inflation

The United States has recently experienced elevated levels of inflation. Continued levels of inflation could have complex effects on Homewise's results of operations and financial condition, some of which could be materially adverse. For example, inflation-driven increases in non-interest expenses could negatively impact Homewise's results of operations. Continued elevated levels of inflation could also cause increased volatility and uncertainty in the markets we serve, which could adversely affect loan demand and the ability of Homewise's borrowers to repay indebtedness. The duration and severity of the current inflationary period cannot be estimated with precision.

Real Estate Development Operations

Homewise both acquires homes for rehabilitation and develops and builds new homes for sale to its customers. Whenever we acquire and rehabilitate or build a home, we risk not being able to sell it, which would significantly impact our overall operating margin and burden us with carrying costs on the significant amount of land and improvements that we own. We mitigate this risk for a substantial proportion of new homes we build by waiting to start construction until we have a purchase contract in place, by building affordable homes and by providing financial services to our borrowers to ensure they make an informed decision within their budget. Nevertheless, a risk still exists that buyers may cancel their contracts after construction has begun. We cannot guarantee that we will be able to sell these homes with a sufficient profit margin, and we cannot guarantee that we will be able to secure loans for construction, acquisition, or rehabilitation financing. Losses associated with our real estate development activities could adversely affect us and our ability to repay the Notes when due.

In addition, our activities involving construction or renovation of real property are exposed to certain risks, including but not limited to stoppages, delays, or slowdowns in construction; failure or degradation of utilities or equipment; inability to find, or cost overruns associated with, suitable building materials, equipment or labor; costs associated with environmental and other regulations; and the effects of economic slowdowns or legal challenges. If any of these risks associated with construction and renovation are realized, they could adversely affect our ability to sell the property or a borrower's ability to repay its loan by increasing construction costs or delaying or preventing completion of the project, which could in turn adversely affect our ability to repay the Notes when due.

Risks Associated with Environmental Contamination

We try to follow general industry standards with respect to environmental due diligence on real estate, depending on our activities with respect to the property—we generally conduct Phase-1 environmental site assessments on properties we develop and on commercial properties we finance, but otherwise do not conduct environmental due diligence on other transactions, including most residential mortgages. If environmental pollution or other contamination is found on or near property which is owned by Homewise or which secures a loan made by Homewise, our security for the loan could be impaired, or in some cases, we could face environmental liability. In addition, changes in environmental regulations could require the borrower to incur substantial unexpected expenses to comply with such regulations, and this could impair both the value of the collateral and the borrower's ability to repay us.

Additionally, if environmental contamination were discovered on land owned or sold by Homewise, governmental authorities could require a clean-up of the site, and Homewise could be required to pay all or a part of such clean-up costs, which could be substantial. However, there can be no assurances that all of its land is free of liability for environmental concerns.

Key Personnel

Homewise's operations are and will remain dependent upon the services and skills of senior management personnel, who are expected to continue to devote their time to its activities. If Homewise loses the services of these key personnel, it could have a negative impact on Homewise's activities because of their skills, years of industry experience and the difficulty of promptly finding qualified replacement personnel. The services of Homewise's Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Information Officer, Chief External Affairs Officer, Chief Research and Policy Officer, Chief Creative Officer and Senior Director of Real Estate Development would be particularly difficult to replace. If any of these executives becomes unable to execute their responsibilities, or if Homewise is unable to attract and retain skilled management personnel, its activities, results of operations, and ability to repay the Notes could be adversely affected.

Restrictions on Transferability; No Right of Early Redemption

The Notes cannot be assigned, pledged, or otherwise transferred or encumbered without our written approval, except pursuant to the laws of descent and distribution. In addition, the securities laws of certain states impose conditions on the transfer of Notes. There is no quoted public market for the Notes, and it is highly unlikely that a market will develop. In addition, Note holders are not entitled to seek early redemption, as we are not obligated to redeem any Note prior to its maturity. Consequently, the purchase of a Note should be viewed as an illiquid investment to be held to maturity.

Difficulty of Achieving and/or Measuring Results

While Homewise prides itself on achieving tangible, lasting results in creating affordable and sustainable housing, all activities, including those funded by the proceeds of this offering, are by nature difficult to achieve and often may not be measurable for years after implementation. There is no guarantee of success or outcome, despite the best efforts of Homewise staff and partners working on such projects or activities. You should consider the social investment that the purchase of a Note represents and the potential benefits to the community of the loans funded in part from the proceeds of the Notes. The value to each investor of this community benefit is a subjective matter dependent upon your own personal evaluation of the benefits of the activities carried out by Homewise and our impact on the community as a whole. There can be no assurance that the intended community benefits of particular projects we finance will be achieved.

Competition for Contributions

Homewise competes for the contributions of donors against other housing organizations and other non-profit entities dedicated to a variety of charitable, social, educational, or religious purposes. Competitors range in size from international organizations to small community-based projects. Other organizations may be more effective in soliciting donations, obtaining grants, and raising capital. Homewise's ability to repay the Notes could be adversely affected if it is unable to successfully compete for charitable contributions and other sources of revenue.

Lending Criteria and Risks of Loan Default

Our lending criteria used in determining whether a loan should be made may be more lenient than the criteria used by banks and other commercial lenders. We are a nonprofit organization, and our relationship with our borrowers cannot be compared to that of a typical commercial lender. Most of our loans are made to finance home ownership by low- and moderate-income households. In many cases, our borrowers would not have been able to obtain an equivalent amount of financing or equivalent terms from a bank or other conventional lender due to perceived lending risk. Additionally, in view of the relationship we have with our borrowers, we have been willing, in certain instances in the past, to accommodate partial, deferred, or late payments to an extent greater than a commercial lender may be willing to do. We may continue to do this in the future. See "Additional Information about Homewise – Due Diligence and Underwriting Standards" section in this prospectus on page 23. Nevertheless, for the reasons above, repayment of our loans generally has greater risk of loss than traditional loan financing by conventional financial institutions.

Geographic Concentration of Lending and Development Activities

Homewise extends loans to low- and moderate-income residents of New Mexico and develops and sells real property in New Mexico. Although loans are collateralized by the borrowers' property, a risk exists that property values may fall below the loan values. The majority of our lending and development activities are in the Santa Fe and Albuquerque, New Mexico areas, so we have credit concentration risk tied to property values and other economic conditions in these areas. Adverse economic conditions, reduction in population and the loss of purchasing power by residents in the Santa Fe or Albuquerque areas specifically or in New Mexico generally could adversely affect the ability of our borrowers to repay their loans. If real estate values decline in the Santa Fe or Albuquerque areas or New Mexico in general due to the above factors, wildfires, earthquakes, floods, droughts, other acts of nature, acts of terrorism, or any other reason, the decline could adversely affect the value of our properties and the properties serving as collateral for our loans. Due to the geographic concentration of our loans in New Mexico and in the Santa Fe and Albuquerque areas specifically, adverse economic and other conditions generally affecting residents and businesses in those areas could have an adverse effect upon us and our ability to repay the Notes when due.

Subordinate Position of Loans; Potential Inadequacy of Foreclosure as a Remedy

If a borrower defaults on a loan, it has been our practice not to foreclose immediately on the loan, but instead to work with the borrower to try to resolve the borrower's difficulties. In some circumstances, this may involve restructuring or refinancing the loan. In other circumstances, we may take a deed to the property in lieu of foreclosure. We generally maintain our legal right to foreclose at any time during the workout or restructuring process. If we make a loan that defaults, there can be no assurance that the value of the real property that secures the loan will be adequate to fully repay the loan. If a default occurs, there may be substantial periods of time during which we will receive no payments in satisfaction of the loan. These events could affect our ability to make payments on our Notes.

Our remedies as a creditor upon default by any of our borrowers are subject to limitations and borrower protections imposed under various laws, regulations and legal principles that provide protections to borrowers. Our legal and contractual remedies, including those specified in our promissory notes and mortgages, typically require judicial actions, which are often subject to discretion and delay. Under existing law (including, without limitation, the Federal Bankruptcy Code), the remedies specified by our promissory notes and mortgages may not be readily available or may be limited. A court may refuse to order the specific performance of the covenants contained in the promissory notes and mortgages. In addition, the laws of a particular jurisdiction may change or make it impractical or impossible to enforce specific covenants in the loan agreements.

Impairment of Collateral; Senior Claims and Interests

The various security interests established under our mortgages and deeds of trust are often subject to other claims and interests. Examples of these claims and interests are rights arising from mortgages that are senior to Homewise's mortgages; statutory liens; rights arising in favor of the United States, or any agency thereof; constructive trusts or equitable liens otherwise imposed or conferred by any state or federal court or court of competent jurisdiction in any foreign country, including the exercise of its equitable jurisdiction; and federal bankruptcy laws or bankruptcy laws of another jurisdiction affecting amounts earned by the borrower after institution of bankruptcy proceedings by or against the borrower. In particular, a significant portion of our total mortgage loans receivable—$82,378,149, or 62.2% as of March 31, 2023—are secured by a mortgage that is subordinate to another mortgage, in some cases to the mortgage of another lender and in some cases to a first mortgage held by Homewise. If any of these loans experiences an event of default or a foreclosure proceeding, Homewise's right of repayment would be of lower priority than the rights of any senior lienholders, increasing the likelihood of an adverse impact on our financial position, results of operations and cash flows.

No Right to Participate in Management of Homewise

Control of Homewise is exercised by our Board of Directors. The purchase of a Note does not entitle you to participate in our management or any decision making.

No Minimum Offering

The Notes offering is not subject to a minimum offering amount. A low sales volume will not necessarily prompt a cancellation of this offering or an early redemption of any outstanding Notes.

Bankruptcy

The Notes are subject to bankruptcy, insolvency, moratorium, reorganization and other state and federal laws affecting the enforcement of creditors' rights. Bankruptcy proceedings by Homewise could have adverse effects on Note holders that might eliminate, reduce, or delay payments on the Notes.

Additional Notes to be Sold

We expect to sell additional Notes in this and other offerings. The total amount of $5,000,000 to be sold in this offering is not a limitation on the amount of Notes or other debt securities we may sell in other offerings we may conduct. We have sold our Notes in other offerings in prior years and anticipate that we will continue to sell additional Notes or other debt securities as part of a continuous offering process.

Homewise's Right to Redeem

We have the right to redeem any or all Notes at any time without advance notice, and without your consent. Interest will be paid to the date of redemption.

Right to Change Policies

We reserve the right to change our policies. At various points in this prospectus, we describe our policies, such as our loan policies and our investment policies. These descriptions are intended to help you understand our current operations. We reserve the right to change our policies and procedures generally, including our loan and investment policies.

Litigation

Homewise is involved in litigation in the ordinary course of its operations. Litigation can be time consuming and costly, and there can be no assurance that Homewise will not become involved in litigation that could have a material adverse effect on its activities or its ability to repay the Notes when due or at all.

Other Risks

The paragraphs above discuss certain Note holders' risks but are not intended to be a complete enumeration of all risks associated with the purchase or holding of the Notes. Unforeseen circumstances affecting the operations of Homewise may affect revenues and payments of principal of and interest on the Notes.

Important Information Regarding Forward-Looking Statements

If and when included in this prospectus, the words "expects," "forecasts," "plans," "believes," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social, and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions, and circumstances, many of which are beyond the control of Homewise. These forward-looking statements speak only as of the date of this prospectus. Homewise disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Homewise's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

About Homewise

Homewise, Inc. is a 501(c)(3) not-for-profit corporation created to secure affordable housing in New Mexico. Homewise's mission is to help create successful homeowners and strengthen neighborhoods so that individuals and families can improve their long-term financial wellbeing and quality of life. Homewise provides financial counseling, property development, government program administration, fixed-rate mortgages, home improvement loans, refinance loans, real estate sales, and community development.

Homewise's principal activities are:

- Providing financial literacy classes, homebuyer education classes, and individual financial counseling;
- Assisting homebuyers to locate and purchase a suitable, affordable home;
- Lending money to low- and moderate-income households to purchase, improve or repair their homes;
- Developing, constructing, and selling affordable, environmentally sustainable homes; and
- Community development and revitalization of disinvested neighborhoods through residential and commercial real estate development, acquisition, and rehabilitation.

Homewise is a chartered member of NeighborWorks® America, a national network of community-based organizations, and a member of the Opportunity Finance Network, a national network of private financial intermediaries with a proven expertise in lending. Homewise is certified as a Community Development Financial Institution[1] by the U.S. Department of Treasury's Community Development Financial Institution Fund.

Homewise has seven subsidiaries:

- Homewise Mortgage, LLC, a single-purpose entity that provides capital for mortgage lending and supports economically and environmentally healthy communities, especially those with low incomes.
- Homewise Orpheum, LLC, a single-purpose entity that owns the building that houses our Albuquerque Homeownership Center and Community Hub.
- Homewise Ruppe, LLC, a single-purpose entity that owns the historical Ruppe pharmacy building, which was redeveloped as a rental property for community use.
- Big Sky Santa Fe, LLC, a single-purpose entity that owns a tract of land in Santa Fe, held for future development.
- Buckman Development, LLC, a single-purpose entity that owns a tract of land in Santa Fe, held for future development.
- Homewise Leverage I, LLC, a single-purpose entity that made a loan in 2022 to fund a New Market Tax Credit investment in Homewise's Barelas Regeneration Initiative in the Barelas neighborhood in Albuquerque, NM.
- HW Coronado Complex, LLC, a single-purpose entity that owns the buildings within the Barelas Regeneration Initiative in the Barelas neighborhood.

[1] A Community Development Financial Institution ("CDFI") is a non-governmental entity whose primary mission is community development and whose purpose is to provide credit, financial, and other services to underserved markets or populations. The certification of Homewise by the Treasury Department as a CDFI qualifies it to receive certain grants, loans, and support.

Homewise is rated by Aeris™ (formerly CARS®). Aeris™ is a comprehensive, third-party analysis of community development finance institutions that aids investors and donors to make informed investment decisions. As of March 31, 2022, the Homewise Aeris Impact Performance rating was "4 stars" (the highest rating) indicating a clear alignment of mission, strategies, activities, and data that guide programs and planning. The Homewise Aeris rating for Financial Strength and Performance was "AA" (the third highest rating) as of March 2022, indicating that Homewise exhibits very strong financial strength, performance, and risk management practices relative to our size, complexity, and risk profile. Homewise has maintained its Aeris Financial Strength and Performance Rating of "AA-" or better since March 2017. The Aeris Impact Performance rating and Aeris Financial Strength and Performance Rating are not ratings of the Notes or the suitability of or risk associated with an investment in the Notes.

The ultimate goal of every service Homewise provides is to further the long-term financial success of the customer. Each service is designed to bolster other services, thereby maximizing the benefits, and achieving the goal of financial security for the customer and community. Because the goal is long-term, *how* a person buys a home is just as important as *whether* he or she buys a home. If achieved the wrong way, homeownership can actually put a homeowner on a downward spiral that may result in financial insecurity or even foreclosure. But achieved the right way, homeownership can start owners on an upward spiral that enables them to continually improve their financial situation and provides them with long-term security.

Since inception, Homewise has helped more than 6,600 people purchase homes by providing financial counseling, down payment and closing cost assistance, and loans at more favorable rates or on more favorable terms than the borrowers may have been able to obtain from more traditional financing sources. Homewise has also helped more than 2,300 people maintain or upgrade their homes and reduce operating costs by providing financial assistance for home improvements and repairs, particularly in the area of energy and water conservation. Since the refinancing program began in 2009, Homewise has also refinanced over 1,200 mortgage loans. In addition, more than 18,000 people have completed the Homewise Financial Fitness and/or Home Buyer Education counseling programs, which teach prospective home buyers how to establish financial goals, prepare and follow a budget, pay down debt and build savings. Homewise has also developed more than 800 energy and water efficient homes in the Santa Fe and Albuquerque areas.

Targeted Programs and Investments

Homewise offers an umbrella of products and services consistent with our mission to help create successful homeowners and strengthen neighborhoods so that individuals and families can improve their long-term financial wellbeing and quality of life. Among these products and services, Homewise offers two targeted programs aimed to serve specific underserved populations: a New American Lending Program, and Energy-Efficiency and Solar Lending Programs.

<u>The New American Lending Program</u>

Many of those in the immigrant population do not have a Social Security number and most have limited credit history. This often disqualifies them from obtaining an affordable mortgage loan through banks and traditional mortgage lenders. Often, the only creditors these borrowers can identify are those with portfolio products offering high interest rates and unfavorable terms. Without access to affordable financing, homeownership remains an out-of-reach dream. Homewise offers a special New American Lending Program for clients with an ITIN (Individual

Tax Identification number) instead of a Social Security number, helping to break down barriers to homeownership for this underserved population.

Energy-efficiency and Solar Lending Programs

Homewise provides special lending programs that help make energy-efficient home improvements feasible for low- and moderate-income homeowners who historically have not had adequate access to credit, capital, and financial services. These loans are focused on energy and water saving improvements and repairs to address the rising cost of energy and the conservation of natural resources in our community. Additionally, Homewise offers loan programs to help make solar energy affordable and accessible to low- and moderate-income homeowners. Homewise finances the up-front costs of converting to solar electricity, including system purchase and installation with fixed-rate, long-term financing. The program is designed to remove barriers that exist in the current marketplace that prevent many homeowners from reducing their use of non-renewable energy sources by converting to solar. These existing barriers are especially burdensome for low- and moderate-income homeowners who lack the liquid savings to pay the upfront equipment and installation costs associated with converting to solar energy.

At our discretion, we may allow investors to request that their investment be used to support the New American Lending Program, or the Energy-efficiency and Solar Lending Programs, by indicating their preference on the Subscription Agreement form. Investors may also request their investment to be used for Homewise's general purposes in support of its mission to promote and support successful homeownership in New Mexico. Our acceptance of investments that are targeted in this way represents our commitment to use reasonable efforts to make or maintain loans or other investments within the specified target area or in support of the specified target cause in amounts equal to or greater than the amount of the outstanding Notes targeted to that area or cause from time to time. However, investors indicating their desire to support these targeted programs should understand that, due to variability in the availability and timing of appropriate projects and loans, and differences between the terms to maturity of loans and targeted Notes, there may be variations from time to time between the amount of outstanding Notes targeted to a specific area or cause and loans outstanding to that area or cause, and we do not track specific Notes to specific loans. An investor's indicated preference with respect to targeting their investment does not require Homewise to use that investor's funds in accordance with the targeting preference, and we reserve the right to un-target funds from time to time at our discretion, without notice to the investor.

Selected Financial Information

The following is a summary of Homewise's financial position, revenues, and expenses as of the end of each of the past three fiscal years, as derived from the Audited Financial Statements. They are not the same as our Audited Financial Statements. Investors should carefully read the complete Audited Financial Statements to gain a full understanding of our financial condition.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

March 31, 2023, 2022 and 2021

	As of March 31,		
ASSETS	**2023**	**2022**	**2021**
Current assets			
Cash and cash equivalents	$ 10,638,171	$ 26,943,905	$ 15,852,234
Other restricted cash and interest-bearing deposits	15,852,177	10,030,802	6,810,731
Broker and other accounts receivable	2,558,477	3,750,284	9,372,836
Grants receivable	1,343,567	799,780	1,079,084
Amortizing mortgage loans receivable, current portion	2,279,871	1,994,690	1,864,292
Inventory	-	13,672	21,263
Real estate held for sale	4,499,402	314,051	-
Other real estate owned	-	-	355,911
Development costs, current portion	16,959,227	20,441,709	8,641,555
Total current assets	54,130,892	64,288,893	43,997,906
Property and equipment, net	10,409,804	10,535,870	10,948,580
Mortgage loans receivable			
Amortizing, net of current portion	96,290,288	80,407,746	75,752,263
Allowance on amortizing loans	(1,478,552)	(1,648,049)	(1,552,331)
Total amortizing, net of allowance	94,811,736	78,759,697	74,199,932
Deferred mortgage loans receivable	33,905,584	29,622,581	29,035,296
Allowance on deferred loans	(3,960,249)	(3,240,710)	(3,217,709)
Total deferred, net of allowance	29,945,335	26,381,871	25,817,587
Total mortgage loans receivable, net of allowance	124,757,071	105,141,568	100,017,519
Mortgage servicing rights	4,250,809	4,084,178	3,626,309
Development costs, net of current portion	13,606,730	8,753,055	8,728,064
Qualified low income community Investment	20,312,843	14,882,832	9,533,718
Other assets	1,079,118	493,554	482,419
Total assets	$ 228,547,267	$ 208,179,950	$ 177,334,515

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(CONTINUED)
March 31, 2023, 2022 and 2021

LIABILITIES AND NET ASSETS	**2023**	**2022**	**2021**
Current liabilities			
Accounts payable	$ 3,743,080	$ 2,422,369	$ 4,065,916
Accrued expenses	902,556	1,187,123	1,451,346
Escrows and deposits	4,638,880	4,133,392	3,773,761
Lines of credit	1,124,501	-	4,091,074
Notes payable, long-term, current portion	7,701,982	5,620,233	8,532,699
Notes payable, community investment, current portion	2,632,734	1,773,285	2,208,153
Total current liabilities	$ 20,743,733	$ 15,136,402	$ 24,122,949
Long-term liabilities			
Lines of credit, net of current portion	3,000,000	-	812,661
Notes payable, long-term, net of current portion and unamortized discount	103,093,131	100,388,639	68,245,799
Notes payable, equity equivalent investment, net of unamortized discount	10,300,000	5,300,000	5,300,000
Notes payable, community investment, net of current portion and unamortized discount	4,444,093	5,247,702	4,550,259
Deferred grants revenue	5,244,911	3,790,495	2,675,519
Due to grantor agency	565,519	604,518	882,592
Total long-term liabilities	$ 126,647,654	$ 115,331,354	$ 82,466,830
Total liabilities	$ 147,391,387	$ 130,467,756	$ 106,589,779
Net assets			
Without donor restriction	78,096,493	75,452,677	68,160,562
Without donor restriction, attributable to non-controlling interest	500		
With donor restriction	3,058,887	2,259,517	2,584,174
Total net assets	81,155,880	77,712,194	70,744,736
Total liabilities and net assets	$ 228,547,267	$ 208,179,950	$ 177,334,515

SUMMARY OF REVENUE AND EXPENSES

For the Years Ended March 31, 2023, 2022 and 2021

	2023	2022	2021
Support and Revenue			
Home development sales	$ 31,375,657	$ 23,613,332	$ 24,289,902
Loan origination fees	2,299,962	4,667,756	6,386,900
Real estate sales commissions	2,141,660	2,690,373	2,388,377
Loan portfolio interest	5,555,316	4,412,860	4,393,105
Loan servicing income	1,349,956	1,226,715	1,084,868
Amortization and value of mortgage servicing rights	756,111	1,236,831	1,489,244
Grants and contributions	5,922,604	7,292,238	10,100,965
Gain (loss) on sale of asset	(1,874)	79,821	71,014
Other Revenue	423,745	887,392	670,950
Total Revenues	49,823,137	46,107,318	50,875,325
Expenses:			
Cost of Home Development Sales	24,648,123	18,376,389	19,124,742
Program	16,196,166	16,516,573	14,931,688
Administrative	4,580,187	3,567,757	2,920,262
Fundraising	955,475	679,141	600,631
Total Expenses	46,379,951	39,139,860	37,577,323
Change in net assets	3,443,186	6,967,458	13,298,002
Net Assets at beginning of year	77,712,194	70,744,736	57,446,734
Change in net assets attributable to non-controlling interest	500	-	-
Net Assets at end of year	$ 81,155,880	$ 77,712,194	$ 70,744,736

Overview of the Community Investment Note

This section provides details on the legal and financial terms of the Notes. Before deciding to purchase any Notes, investors should read the more detailed information appearing elsewhere in this document, including the Subscription Agreement Form in Appendix B and form of Note set forth in Appendix C.

The Community Investment Note is an unsecured promissory note issued by Homewise, whose mission is to help promote successful homeownership in New Mexico. The Notes allow investors to obtain a financial return while their invested dollars support Homewise's effort to make positive social, economic, and environmental impacts in New Mexico communities. The Notes can be purchased with terms of 1 to 10 years, with fixed interest rates corresponding to the term of the Note, as set forth on the Interest Rate Sheet that is current as of the date of the investment.

Use of Proceeds

The Note proceeds will be used for Homewise's general corporate purposes, including support of its mission to promote successful homeownership in New Mexico. Homewise intends to use the proceeds from the Notes to develop new residential property, issue fixed-rate mortgage loans, and issue home improvement loans. Proceeds from sales of the Notes will not be segregated and may also be used to pay outstanding Notes or other indebtedness and to cover our general operating expenses.

Seniority; Security

The Notes are unsecured general obligations of Homewise. Homewise has other outstanding obligations, including unsecured general obligations and secured obligations. As of March 31, 2023, Homewise had secured indebtedness totaling $90,798,376. (Please see Note 10 to our Audited Financial Statements for details regarding our borrowed indebtedness, including outstanding amounts, security, interest rates, and lenders.) Moreover, Homewise is not restricted from incurring additional indebtedness. Such additional indebtedness may be either secured or unsecured and may be entitled to payment prior to payment on the Notes. The Notes are not guaranteed or backed by a letter of credit.

Who Can Invest

The Notes are offered to individual investors, institutional investors, and other investors in states in which our Notes are registered or exempt from registration.

Minimum Investment

The minimum investment for the Notes is $1,000, with minimum additional increments of $100. Homewise may accept subscriptions for less than the minimum amount specified in its sole discretion.

Distribution

Homewise, as the issuer of the Notes, is offering the Notes directly. Certain Homewise employees are authorized to disseminate information about Homewise and about the Notes.

We are offering Notes in the principal amount of up to $5 million pursuant to this prospectus, which are expected to be offered on a continuous basis without an expected termination date. No underwriting agreement exists for the offer and sale of the Notes and no commissions are paid for the sale of the Notes. As a result, we receive 100% of the proceeds from this offering. No minimum of the overall offering of $5 million must be sold for us to accept investments.

How to Invest

After reading this prospectus and accompanying materials carefully, an investor who wishes to purchase a Note should contact Homewise's Grant and Impact Investment Manager at invest@homewise.org. This individual or another Homewise team member will assist the investor in properly completing the Subscription Agreement form and will coordinate transfer of funds by check or wire transfer to Homewise at:

> Homewise, Inc.
> Homewise Community Investment Fund
> 1301 Siler Road, Building D
> Santa Fe, NM 87507
> invest@homewise.org

All purchases must be made in U.S. dollars and may be made by check or wire transfer. All checks must be drawn on U.S. banks. We reserve the right to suspend the sale of our Community Investment Notes for a period of time, discontinue the offering, or reject any particular Subscription Agreement or request to purchase the Note, with or without a stated reason.

We send to the investor a confirmation of the investment, countersigned Subscription Agreement, and a certificate representing the Note after we have received the Investor's signed Subscription Agreement and the payment has cleared the bank. A Note will not be issued, and funds sent by an investor will not accrue interest, until the issue date specified in Note signed by Homewise, or if the Note is uncertificated, on the date of the Note as specified in the Subscription Agreement countersigned by Homewise.

All instructions for transactions and changes of address must be transmitted to Homewise in writing. Address changes and assignments may require a signature guarantee from a bank or other eligible institution. Investors may verify a transaction or change of address by calling Homewise at 505-983-WISE (9473) or emailing invest@homewise.org.

Settlement Method

Transactions of Notes are settled with Homewise acting as registrar and paying agent.

Interest Accrual, Payment and Reinvestment

The Notes provide for interest-only payments until maturity. A Note holder will be paid simple interest only, on the last day of June and December of each year, until the maturity date of the Note, unless the Note holder elects to have their interest reinvested automatically by checking the appropriate box on the Subscription Agreement.

Interest will accrue from the date of issue set forth on the Note (or, if the Note is uncertificated, the date of the Note specified in the Subscription Agreement countersigned by Homewise), on the basis of a 360-day year of twelve 30-day months.

Interest rates depend on the term of the Note, with longer-term notes bearing higher interest rates, as set forth on the Interest Rate Sheet in effect on the date of each investment. Homewise reserves the right to increase or decrease the interest rate of Notes being sold in this offering at any time by issuing an updated Interest Rate Sheet, but no such changes will be retroactive for Notes that have already been issued. The interest rate applicable to each Note is fixed at the time of issue and will remain fixed for its duration.

If investors wish to provide additional support to Homewise, they may agree to:

- accept a lower rate of interest;
- donate the interest to Homewise;
- reinvest the Note principal upon maturity (subject to certain conditions);
- reinvest the interest paid on the Notes (subject to certain conditions); or
- include forgiveness of the Note in their estate plan.

Options at Maturity

Approximately 60 days (about 2 months) prior to a Note's maturity, and subject to registration of the Notes or availability of an exemption from registration requirements in the Note holder's jurisdiction, it is our practice to notify each Note holder that in lieu of receiving repayment of the Note's outstanding principal and accrued but unpaid interest, he or she may renew the investment in a new Note, that he or she may include the unpaid interest accrued through the maturity date in such renewal (or have the interest paid out and only the principal reinvested), and the interest rate that will apply for the term of the new Note issued upon such renewal. The Note holder has until the maturity date to respond with written instructions.

If the Note holder does not reply before the maturity date and did not elect on their Subscription Agreement to have their Note redeemed at maturity, then we apply the principal of the maturing Note to the purchase of a new Note with the same (or closest) term to maturity as the maturing Note at the then-current interest rate for Notes with that maturity date, and pay the Note holder all accrued but unpaid interest or reinvest or donate it according to their interest election under the maturing Note. If the Note holder has elected to have the principal redeemed at maturity, whether on the Subscription Agreement or in response to our maturity notice, then we redeem the Note and pay the principal amount of the Note plus all accrued but unpaid interest.

The new Note will be issued at the prevailing rate of interest then being offered for Homewise Community Investment Notes of the same maturity, which may be higher or lower than the interest rate on the maturing Note. Regardless of the Note holder's election with respect to automatic renewal or redemption at maturity, the investor may change that decision by notifying us of their updated election in writing at least 30 days prior to the maturity date of the Note.

See "State Specific Information" beginning on page iv for information regarding states where automatic renewal is not available.

Early Redemption by Homewise at its Option

Homewise may, at its election and in its sole discretion, call and redeem any or all of the Notes in whole or in part at any time prior to maturity at a price of the principal amount being redeemed plus any interest accrued and unpaid through the date of redemption. There is no penalty for any redemption by Homewise at its option.

No Early Redemption at the Request of a Note holder

The Notes are not redeemable at the option or request of investor Note holder. We need to budget the repayment of the Notes according to a fixed repayment schedule. Consequently, partial withdrawals and early redemptions are not allowed. Investors with Notes that automatically renew may elect instead to redeem their Notes at maturity by providing us with written notice at least 30 days prior to the renewal date, as described above.

Financial Reporting

Our audited financial statements for the years ended March 31, 2023 and 2022 and the related notes thereto, attached as Appendix A to this prospectus, have been audited by Moss Adams, LLP. It is Homewise's policy to make subsequent audited financial statements available to investors upon written request, and to also provide our "Annual Report to Investors," which includes highlights of our most recently audited financial statements. In addition, it is our policy to send investors regular informational reports, at least semi-annually.

Certificated Securities

It is Homewise's policy to issue to Note holders a certificate evidencing their Notes. See Appendix C for the form of Note. Homewise reserves the right to issue Notes in uncertificated form.

Transferability

Transfer of the Notes is permitted, subject to prior notice to and approval by Homewise and compliance with applicable securities laws. Investors are cautioned that any such approved transfer must be done in compliance with applicable federal and state securities laws. In particular, the Notes may not be transferred or resold except as permitted under the Securities Act, the Exchange Act, and applicable state securities laws, or pursuant to registration or exemption from registration requirements. There is not a public or secondary trading market for the Notes, nor do we expect such a market to develop. Consequently, the Note should be viewed as an investment to be held to maturity.

Retirement Accounts

A self-directed IRA can invest in the Notes if the IRA is held by a custodian that permits such investments. A self-directed IRA is an individual retirement account created to allow the IRA holder the option of selecting, either directly or through an investment advisor or other financial representative, investments for the IRA. You should consider whether the Notes are in accordance with the documents and instruments governing your IRA or whether the investment in the Notes could constitute a non-exempted prohibited transaction under applicable law. You should also consider whether there is sufficient liquidity in your IRA after investing in the Notes should you or your beneficiary need to take a mandatory distribution. Notes purchased in an IRA or other tax deferred account will be subject to the tax rules applicable to the account, and consultation with a competent financial and tax adviser is recommended.

Internet

We have established a website that can be accessed at www.homewise.org. Except for this prospectus, the Interest Rate Sheet, and the Subscription Agreement, all of which we may post on our website, the information available on the internet, or that can be accessed through our website, is not part of this prospectus. The reference to this website does not incorporate the contents of the website into the prospectus.

Tax Aspects

This discussion of federal income tax consequences was written to support the promotion or marketing of the Notes and is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. You are advised to consult your own tax counsel or advisor to determine the particular federal, state, local or foreign income or other tax consequences particular to your investment in our Notes.

By purchasing a Note, you may be subject to certain income tax provisions of the Code. Some of the significant federal income tax consequences of purchasing a Note include the following:

- Although we are a 501(c)(3) organization, you will not be entitled to a charitable deduction for the Note you purchase. If you donate earned interest or principal to us, we will provide you with an acknowledgment of the donation in accordance with Code Section 501(c)(3) charitable contribution requirements. However, you may not be entitled to a charitable contribution tax deduction depending on your individual tax circumstances.
- Unless you hold your Note through an IRA or other tax deferred account, any interest on your Note will be taxed as ordinary income in the year it accrues regardless of whether interest is paid or reinvested in the Notes.
- Notes purchased in an IRA or other tax deferred account will be subject to the tax rules applicable to the account, and consultation with a competent financial and tax adviser is recommended.
- Unless you hold your Note through an IRA or other tax deferred account, we will provide you with a Federal Income Tax Form 1099-INT or the comparable form by the date mandated by the IRS of each year indicating the interest paid on your Note(s) during the previous year.
- You will not be taxed on the return of any principal amount of your Note or on the payment of interest that was previously taxed.
- Payments of principal and interest may be subject to “backup withholding” of federal income tax (currently at the rate of 24%) if you fail to furnish us with a correct social security number or other tax identification number, or if you or the IRS have informed us you are subject to backup withholding.

In addition, if you (or you and your spouse together) have invested or loaned more than $250,000 in the aggregate with or to us and other charitable organizations that control, are controlled by or under common control with us, you may be deemed to receive additional taxable interest under Section 7872 of the Code if the interest paid to you is below the applicable federal rate. In that situation, the Internal Revenue Service may impute income up to that applicable federal rate. If you believe this applies to you, you should consult your tax advisor.

If the law creating the tax consequences described in this summary changes, this summary could become inaccurate. This summary is based on the Code, the regulations promulgated under the Code and administrative interpretations and court decisions existing as of the date of this prospectus. These authorities could be changed either prospectively or retroactively by future legislation, regulations, administrative interpretations, or court decisions. Accordingly, this summary may not accurately reflect the tax consequences of an investment in our Notes after the date of this prospectus.

Finally, this summary does not address every aspect of tax law that may be significant to your particular circumstances. For instance, it does not address special rules that may apply if you are a financial institution or tax-exempt organization, or if you are not a citizen or resident of the United States. Nor does it address any aspect of state or local tax law that may apply to you. You are encouraged to consult your tax advisor about the tax consequences of an investment in the Notes.

Additional Information About Homewise

Homewise Credit History

We have been generating residential mortgage loans since 1986 and have been developing and selling affordable housing since 1994. Homewise's activities have been financed in part by national foundations, federal, state, and local government grants, and lines of credit, equity equivalent investments, and other secured and unsecured borrowings from financial institutions, community foundations, business development companies, impact investors (including holders of our Notes), and other funders. We have never defaulted upon nor been delinquent in the repayment of any funds that we have borrowed.

Due Diligence and Underwriting Standards

We originate both home purchase and home improvement/repair loans in accordance with due diligence and underwriting standards set forth in our Loan Policy. That Loan Policy sets forth established limits on the combined loan-to-value ratio, the total debt ratio of the borrower (the monthly payment of the new loan plus all existing debt payments compared to gross monthly household income), and the minimum credit score of the borrower, which vary based on the type of loan product. Our Loan Policy provides for additional underwriting standards and due diligence for all portfolio loans to finance home purchases, including documentation of two years' of stable income, completion of an appraisal, reserves equal to at least one month of PITIA (principal, interest, taxes, insurance, and any applicable association fees), and, except for the purchase of homes owned by Homewise, a borrower contribution of at least 5% of the sales price or effective price for affordable homes per local inclusionary ordinance pricing) from the borrower's own verified funds, exclusive of any gifts, grants, or loan funds that the borrower may also receive.

We augment our due diligence and underwriting standards with financial and home ownership counseling and maintain regular contact with borrowers. As a result, delinquency rates on Homewise loans have historically been lower than the average delinquency rates on loans by other lenders. In its National Delinquency Survey, the Mortgage Bankers Association reported delinquency rates over 30 days on United States mortgage loans (calculated as the number of loans 31 or more days past due, divided by the total number of outstanding loans surveyed) as of

March 31, 2023 as follows: All 1-4 unit residential loans 3.56%; Conventional Loans 2.44%; VA Loans 3.98%; FHA Loans 9.27%; and Homewise Loans 1.55%.[2] The aggregate amount of Homewise loan payments 31 or more days past due as of March 31, 2023, $98,009, represents approximately 0.10% of Homewise's amortizing loan portfolio (net of allowance) as of that date. The aggregate loan amount of loans for which payment was 31 or more days past due as of March 31, 2023, $1,851,879, represents approximately 1.88% of Homewise's net amortizing loan portfolio as of that date. Please also see Note 6 to our Audited Financial Statements and our discussion on delinquency rates below in the sections entitled, "Impaired and Delinquent Loans" and "Delinquent Loans."

Mission-Based Lending

The only residential mortgage loans we originate are fixed-rate loans; we have never originated interest-only loans, stated-income loans, or adjustable-rate loans; we do not require private mortgage insurance; and we do not charge our borrowers higher interest rates based on their credit scores. We try to make sure our borrowers know what their monthly payments will be, and we do not encourage them to borrow more than they can afford to repay or purchase "more home" than they can afford. Credit and budget counseling is a pre-condition to every Homewise home purchase loan. In addition to this financial counseling, we provide advice on how the borrower can operate and maintain the home to preserve its value. Providing services that empower borrowers with homeownership knowledge and financial skills.

As a nonprofit organization, it is our mission to help clients achieve financial security through responsible home ownership and healthy savings and spending habits. We do not require private mortgage insurance. Toward this end, we: (1) help our customers find the most affordable homes available; (2) help potential borrowers learn to budget properly and understand how much debt they can afford to incur; (3) help potential borrowers finance their homes efficiently by using down payment assistance programs, obtaining a fixed interest rate, working to avoid costly mortgage insurance and other unnecessary closing costs that can add significantly to the borrower's financial obligations; and (4) endeavor to restructure loans when borrowers face difficulties, such as job loss or medical crisis, rather than foreclosing quickly.

Outstanding Debt

As of March 31, 2023, Homewise had an aggregate total of $132,296,441 in outstanding Notes, lines of credit, other notes payable, and equity equivalent investments. Of this indebtedness, $90,798,376 was secured. Please see Note 10 to our Audited Financial Statements for details regarding our notes payable, including outstanding amounts, security, interest rates, and lenders.

Financial Covenants

Homewise has certain loan agreements (other than the Notes) that contain financial covenants requiring Homewise to maintain a net increase in unrestricted net assets for the current and prior

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[2] The delinquency rates on Homewise loans discussed in this paragraph take into account only portfolio loans for which Homewise remains the lender. Loans that Homewise has originated and sold to third parties, but for which Homewise continues to provide servicing, are not included in these calculations. For more information concerning Homewise's mortgage servicing, please see Note 6 to our Audited Financial Statements.

years, maintain a certain level of net assets (or unrestricted net assets) as a certain percentage of total assets, a liquidity ratio such that cash and cash equivalents are greater than or equal to six (6) months of operating expenses, a certain annual debt service coverage ratio (net income plus depreciation, amortization and other similar non-cash expenses divided by debt service), and a loan loss allowance calculated in accordance with U.S. generally accepted accounting principles (GAAP).

Resale Market for Loans

We sell a substantial proportion of the loans that we originate. The turmoil in recent years in the sub-prime lending and other credit markets did not affect our ability to sell loans into the secondary market since they are underwritten to standards that are acceptable to organizations such as Fannie Mae. However, we cannot make any guarantees regarding the future viability of the secondary market for home mortgage loans.

Discussion and Analysis of Recent Financial Performance

Total support and revenues for the fiscal year ended March 31, 2023, totaled approximately $49,823,000, an increase of approximately $3,716,000, or 7.46% versus the prior year. This increase was primarily due to higher home development sales and loan portfolio interest revenue, which were, respectively, approximately $7,762,000 and $1,142,000 higher than the prior year.

Total expenses were approximately $21,732,000, an increase of approximately $968,000, or 4.66% compared to the prior year. This was driven largely by increases in administrative costs of about $1,012,000 and fundraising costs of about $276,000.

Overall, Homewise's net assets on March 31, 2023, were approximately $81,156,000, which was an increase of approximately $3,444,000 or 4.43% over net assets on March 31, 2022.

<u>Changes in Consolidated Financial Position</u>

For the fiscal year ended March 31, 2023, total assets increased by approximately $20,367,000 over the prior fiscal year to approximately $228,547,000, which was due primarily to an increase in long-term mortgage loans receivable, net of allowance of approximately $19,900,000, or 18.58% over the prior fiscal year, an increase in development of approximately $1,371,000, or 4.70% over the prior fiscal year, an increase in qualified low income community investment of approximately $5,430,000, or 36.49% over the prior fiscal year, an increase in other restricted cash and interest-bearing deposits in banks of approximately $5,821,000, or 58.03% over the prior fiscal year, and an increase in real estate held for sale of approximately $4,185,000, or 1,332.70% over the prior fiscal year.

Total liabilities increased by approximately $16,924,000 million to approximately $147,391,000, driven primarily by an increase in real estate development notes payable of approximately $7,425,000, and an increase in notes payable, equity equivalent investment of approximately $5,000,000. Homewise's unrestricted net assets increased by approximately $2,644,000, or 3.50%, over the prior year, and total net assets increased by approximately $3,444,000, or 4.43%, over the prior year.

Mortgage Loans Receivable

Homewise has originated amortizing mortgage loans bearing interest rates from 0% to 9.125% for periods of up to 30 years. The loans are secured by an interest in the subject property. We also originate deferred mortgage loans, which are loans that are due at an unknown future date. They include:

- Loans that are due on the sale, transfer, refinance, or vacating of the related home; and
- Forgivable loans that do not bear interest and are forgiven if the owner lives in the home for a specified period of time.

The following table summarizes our mortgage loans receivable, including the current portion, at end of each of the prior three fiscal years:

	2023	**2022**	**2021**
Amortizing	$ 98,570,159	$ 82,402,436	$ 77,616,555
Allowance on Amortizing Loans	(1,478,552)	(1,648,049)	(1,552,331)
Deferred	33,905,584	29,622,581	29,035,296
Allowance on Deferred Loans	(3,960,249)	(3,240,710)	(3,217,709)
Total Mortgage Loans Receivable, net of allowance	$ 124,757,071	$ 107,136,258	$ 101,881,811

Deferred loans that are expected to be forgiven at the end of a fixed term totaled $410,730 and $2,084,290 at March 31, 2023 and 2022, respectively.

Impaired and Delinquent Loans

A loan is classified as delinquent if it is not timely paid based on the contractual terms of the loan agreement. Management considers a loan to be impaired when, based on current information and events, it is determined that we will not be able to collect all amounts due according to the original terms of the note.

As of March 31, 2023, we had the following delinquent loans:

	Number	Payment Due	Loan Amount
31-60 days	19	$20,798	977,883
61-90 days	4	3,878	163,678
>90 days	17	73,333	710,318
	40	$98,009	1,851,879

The amount 31 or more days past due was equivalent to 1.88% of the gross outstanding amortizing mortgage loans receivable balance at March 31, 2023.

As of March 31, 2022, we had the following delinquent loans:

	Number	Payment Due	Loan Amount
31-60 days	16	$ 9,886	451,612
61-90 days	3	2,280	54,376
>90 days	8	45,150	486,670
	27	$ 57,316	992,658

The amount 31 or more days past due was equivalent to 1.20% of the gross outstanding amortizing mortgage loans receivable balance at March 31, 2022.

As of March 31, 2021, we had the following delinquent loans:

	Number	Payment Due	Loan Amount
31-60 days	13	$ 13,066	681,221
61-90 days	5	4,206	127,106
>90 days	12	36,502	567,962
	30	$ 53,774	1,376,289

The amount 31 or more days past due was equivalent to 1.77% of the gross outstanding amortizing mortgage loans receivable balance at March 31, 2021.

Loan Loss Allowance

The Allowance for Loan Losses (ALL) is established by estimating the expected losses on the loan portfolio for the life of the loans. The provision for loan losses is an expense through which the ALL is adjusted to be congruent with the current estimated losses. The ALL is an amount management believes is adequate to absorb estimated losses on existing loans that may become uncollectible. Additionally, when all or a portion of a specific loan is deemed uncollectible, or recoverable through a sale of collateral, the uncollectible amount for that specific loan is added to the ALL through the provision for loan losses. Homewise maintains an ALL for both our amortizing loan portfolio and our deferred loan portfolio. More information about the ALL is set forth in Note 6 to the Audited Financial Statements.

As of March 31, 2023, our ALL for amortizing loans was $1,478,552, or 1.5% of our loan portfolio balance. We maintain an ALL for amortizing loans equal to the larger of 1.5% of the outstanding loan balance (decreased from 2% in the fiscal year ended March 31, 2022), or the results from our proprietary expected loss model which reserves a percentage of the balance of loans based on delinquency status as follows:

Amortizing Loan Delinquency Status	Percentage reserved as ALL (Year ended March 31, 2023)	Percentage reserved as ALL (Prior to FY 2023 Methodology change)
Less than 31 days past due	0.68%	0.71%
31-60 days past due	2.44%	3.44%
61-90 days past due	8.40%	11.52%
>90 days past due	49.10%	53.90%

The Homewise expected loss model calculates the appropriate ALL for each amortizing loan based on its delinquency status (current, 31-60, 61-90 and more than 90 days) by multiplying the estimated severity for each amortizing loan product by an estimated constant default rate (CDR) for the respective product and delinquency status combinations. For the year ended March 31, 2023, Homewise modified its ALL calculation methodology based on continued excellent credit performance of the loan portfolio, as evidenced by past loss history and delinquency in both deferred and amortizing loans. The adjustment to our ALL calculation methodology for amortizing loans for the fiscal year ended March 31, 2023 resulted in a $169,497 loan loss recovery.

The deferred mortgage loans allowance includes a discount to bring the deferred mortgage loan balance to net present value. In the case of deferred loans, management has identified two sources of allowances. The first is default risk, and the second is opportunity cost risk of loaning money to a borrower on a deferred basis requiring no periodic payments of principal or interest. For deferred loans, we calculate the ALL as follows: (a) any deferred loan that is behind a delinquent first or second is reserved at 100% sensitivity with the same credit default rate of amortizing subordinates; and (b) the prepayment adjusted cash flows of the deferred loans behind amortizing mortgages that are all current are discounted at the weighted average interest spread of amortizing loans to estimate the lost economic opportunity of deferred loans. Accordingly, the Homewise ALL model calculates the appropriate reserve for each product type based on its delinquency status (current, 30+, 60+, and 90+) by multiplying the estimated severity for each product by the estimated CDR for the respective product and delinquency status combinations.

As of March 31, 2023, our ALL for deferred loans equal to $3,960,249 represented 11.68% of our deferred loan portfolio balance. Changes in the allowance for loan losses for the years ending March 31, 2023 and 2022 are summarized as follows:

	Amortizing	**Deferred**	**Total**
Balance, March 31, 2021	$ 1,552,331	$ 3,217,709	$ 4,770,040
Provision for loan recoveries	95,718	23,001	118,719
Loans charged off, net of recoveries	-	-	-
Balance, March 31, 2022	1,648,049	3,240,710	4,888,759
Provision (credit) for loan loss	(169,497)	719,539	550,042
Loans charged off, net of recoveries	0	0	0
Balance, March 31, 2023	$ 1,478,552	$ 3,960,249	$ 5,438,801

Fundraising Results

For fiscal years ending March 31, 2021, 2022 and 2023, our income from grants and contributions was as follows:

Year ending March 31,	Total Income from Grants and Contributions
2021	$ 10,100,965
2022	$ 7,292,238
2023	$ 5,922,604

For more information, please see Note 12 to our Audited Financial Statements.

Recent Transaction to Receive the Benefit of New Markets Tax Credit

Homewise formed Homewise Leverage I, LLC, a special purpose entity leverage lender in 2022 for the for the purpose of taking advantage of the New Markets Tax Credit (NMTC) program. The NMTC program provides tax credit incentives to investors who invest in low-income communities and is administered by the U.S. Treasury Department. Homewise contributed a total of $5,276,500 to the leverage lender in the form of an equity investment and a member loan. Homewise owns 95% of the leverage lender. As part of the arrangement, Homewise secured a 30-year loan from a community development entity which received a tax credit allocation. The loan is in the amount of $7,425,000. The loan proceeds are to be used solely for the purpose of redeveloping commercial buildings and renting them to local businesses and entrepreneurs for the purpose of providing affordable workspaces, creating jobs, promoting cultural activities that enhance social cohesion, and giving an economic boost to a distressed area. The loan accrues interest at a rate of 1.27% per year. Semi-annual payments of interest only are due in years 1 through 7 with fully amortizing quarterly payments of principal and interest due in years 8 through 30.

At the end of the compliance period, in connection with this arrangement, the members of the leverage lender hold, and have agreed to exercise, an option to purchase the community development entity's ownership interest in the investment fund which includes the NMTC compliant assets that were acquired with the loan from the leverage lender. The exercise of this option is a critical component of the transaction that will effectively allow Homewise to extinguish its debt owed to the community development entity. For more information on this and another outstanding investment in connection with the NMTC program, please see Note 9 to our Audited Financial Statements.

Governance and Administration

Homewise is governed by its Board of Directors (the "Board"). The Board is responsible for the oversight of all policies, property, affairs and funds of Homewise. Under our Bylaws, the Board must consist of no fewer than seven and no more than fifteen Directors; currently we have twelve Directors. An Executive Committee of the Board of Directors, consisting of four Directors, has the authority under our Bylaws to take necessary and appropriate action on behalf of Homewise between meetings of the Board of directors.

Executive Committee and Board Members at Large

EXECUTIVE COMMITTEE MEMBER	PRINCIPAL OCCUPATION	ADDRESS
Katherine Ulibarri, Board Chair	Self Employed. Provides executive management consulting services	Albuquerque, New Mexico
Anne Messbarger-Eguia, Board Vice Chair	Chief Operating Officer, Culinary Health Education for Families	San Antonio, Texas
Joseph Kunkel, Board Treasurer	Principal & Director, MASS Design Group	Santa Fe, New Mexico
Marissa Ruyle, Board Secretary	Strategic Business Manager, Tremco Roofing & Building Maintenance, Inc.	Santa Fe, New Mexico
MEMBER AT LARGE	PRINCIPAL OCCUPATION	ADDRESS
Shelle Sanchez, Ph.D.	Director, Cultural Services Dept., City of Albuquerque	Albuquerque, New Mexico
Agnes Noonan	President, Women's Economic Self-Sufficiency Team	Albuquerque, New Mexico
Paul Vogel	Consultant in commercial real estate; formerly Senior VP of SiteWorks Retail Real Estate Services	Santa Fe, New Mexico
Josue Olivares	Executive Director, Rio Grande Community Development Corporation	Albuquerque, NM
Amanda Kocon	Chief Strategy Officer, Edmentum	Santa Fe, New Mexico
David Delgado	Retired real estate consultant	Santa Fe, New Mexico
Andrew Spingler	Owner and Founder, The Focal Point, LLC – marketing and communications firm.	Santa Fe, New Mexico
Jade Rivera	Founder and Executive Director, Albuquerque Collegiate Charter School	Albuquerque, New Mexico

Leadership Team:

***Michael Loftin**, Chief Executive Officer*

Mr. Loftin provides strategic leadership for the company by working with the Board of Directors and the executive management team to drive the long-term vision, strategy, goals, and financial well-being of Homewise. He has been in the community development field for over 35 years and the CEO of Homewise since 1992 where he has led the creation and implementation of Homewise's customer-centric, comprehensively integrated homeownership business model. Mr. Loftin serves on the board of Excellent Schools New Mexico and previously served on the boards of the University of New Mexico Anderson School of Management Foundation and the New Mexico Mortgage Finance Authority. He earned a B.A. from Northwestern University.

***Daniel Slavin**, Chief Financial Officer*
Daniel Slavin was promoted to Chief Financial Officer in 2023 from his previous position as Deputy Chief Financial Officer and Chief Real Estate Development Officer of Homewise. As Chief Financial Officer, Mr. Slavin leads Homewise's financial strategy through complex financial analysis, including raising and structuring capital, income, profitability, liquidity, and asset and liability management. Mr. Slavin has over twenty years of experience in accounting, investments, housing, and health care. Before joining Homewise, he served as Director of Finance at Anchorum St. Vincent, the nonprofit co-owner of the Christus St. Vincent Regional Medical Center, for eight years. Before that, he was a senior accountant at Low Income Housing Institute in Seattle, Washington. Mr. Slavin earned a Bachelor of Science in Finance from John Carroll University.

***Elena Gonzales**, Chief Operating Officer*
Ms. Gonzales has over 30 years of experience managing non-profit, service-oriented organizations including affordable housing providers. She is a native New Mexican and joined Homewise in 2014. At Homewise, she is responsible for the oversight and management of its' core operations, including homebuyer preparation, real estate sales and lending. Ms. Gonzales serves on the Board of the Opportunity Finance Network and earned a B.B.A. from the University of New Mexico.

***Johanna Gilligan**, Chief External Affairs Officer*
Ms. Gilligan joined Homewise in 2018 and serves as Chief External Affairs Officer, which encompasses many parts of the organization's most visible work, including Community Development and Resource Development. Over the past 20 years she has been an entrepreneur, educator, and developer. Across those roles the thread connecting all her work is fostering stronger social cohesion and healthier communities. Ms. Gilligan has a B.A. in American Studies from Tulane University and was awarded a Loeb Fellowship at Harvard's Graduate School of Design.

***Lois Page**, Chief Information Officer*
Ms. Page joined Homewise as Chief Information Officer in 2022, with responsibility to provide information technology leadership and support ongoing advancements to Homewise's enterprise level system architecture and data management. Prior to Homewise, Ms. Page served as Business Relationship Management Director for Republic Finance. Her previous positions include IT PMO Director for Santander Consumer USA Holdings and Technical Project/Senior Technical Program Manager for Wells Fargo Bank. Ms. Page joined Wachovia in 1995, and over 24 years with the organization through various mergers and acquisitions (including Wachovia's merger with Wells Fargo), she managed the technology build-out and divestiture of branches, corporate officers, and data centers across the United States. She earned a Bachelor of Science degree in Business Management from the University of Phoenix, and an Associate of Arts degree in Computer Science from Wayne Community College in North Carolina.

***Kelly O'Donnell**, Chief Research and Policy Officer*
Kelly O'Donnell is Homewise's Chief Research and Policy Officer, after joining Homewise in 2021 as the Director of HomeWisdom. Before she joined Homewise, Kelly was a research faculty member at the University of New Mexico and a private economic and public finance consultant for governments and nonprofit organizations in New Mexico and nationwide. Prior to that, Ms. O'Donnell held a series of senior leadership roles in the state government of New Mexico, including Director of Tax Policy, Deputy Cabinet Secretary for Economic Development, and Superintendent of the New Mexico Regulation and Licensing Department. She also served as research director for New Mexico Voices for Children. Ms. O'Donnell holds a Ph.D. in Economics from the University of New Mexico.

***Lisa Huval**, Senior Director of Real Estate Development*

Ms. Huval has 17 years of experience leading policy and programmatic initiatives related to affordable housing and brings a deep understanding of the affordable housing landscape in New Mexico. Before joining Homewise in 2023, she served as the Deputy Director of Housing for the City of Albuquerque. As Homewise's Senior Director of Real Estate Development Lisa leads a mission-driven real estate development strategy that provides homeownership opportunities for modest-income families, creates mixed-income communities, and, as a new initiative, develops mixed-use projects that contribute to the economic and cultural vitality of the community. Ms. Huval holds a B.A. from Wesleyan University in Middletown, Connecticut and a master's degree in Community and Regional Planning from the University of New Mexico.

Remuneration

None of our Directors were paid any remuneration for serving as a Director. For the fiscal year 2023, the aggregate remuneration for Homewise executive officers (CEO, CFO, COO and Chief External Affairs Officer)was approximately $998,140, which includes salaries, bonuses, health or other insurance, and retirement plan contributions. Total remuneration is not expected to materially change over the next 12 months.

Retirement Plan

Homewise has a 403(b)-retirement plan for its employees. Following one year of service, Homewise makes a basic contribution of 5% of an employee's compensation plus a contribution matching up to 3% contributed by the employee through salary deferral. Our contribution was $561,637 and $536,981 for the years ended March 31, 2023 and 2022, respectively.

Employees

Homewise has approximately 110 employees, who work primarily in Santa Fe and Albuquerque, New Mexico. Homewise's employees are critical to its overall success and are skilled in a variety of areas including lending, construction, real estate development, and financial and home purchase advising. Homewise considers its employee relations to be good and has no collective bargaining agreement. An organizational chart and resumes of key personnel and staff are available upon request.

Related Party Transactions

Homewise has four notes payable to Anchorum St. Vincent (ASV) with an outstanding principal balance of $8,416,935 as of March 31, 2023. At the time of the first loan, which had an outstanding principal balance of $1,436,935 as of March 31, 2023 and is secured by certain of Homewise's mortgage loans, David Delgado, a Homewise Board member, was the President of ASV and a board member of Christus St. Vincent Regional Medical Center (CSVRMC). At the time of the second loan, which had an outstanding principal balance of $5,000,000 as of March 31, 2023 and is secured by certain of Homewise's real properties, Mr. Delgado had retired from his role as President of ASV and no longer serves on the board of CSVRMC (though he continues to serve on Homewise's Board of Directors). The Board of Directors was not involved in the approval of either loan transaction. Homewise has a continuing relationship with CSVRMC related to an Employee Affordable Housing Program. The purpose of this program is to help CSVRMC retain employees by providing financial assistance to employees who meet the program guidelines for the purchase of a home. Homewise received a $400,000 and a $250,000 Affordable Housing contribution from CSVRMC during 2019 and 2022, respectively, which Homewise uses to provide down payment assistance in the form of deferred loans and matched savings account funding. In addition, Homewise has two unsecured loan facilities from ASV with an outstanding aggregate principal amount of approximately $1,980,000 as of March 31, 2023, for Homewise to provide secondary mortgage loans to CSVRMC employees. One former Homewise Board member, Ms. Erika Campos, was employed by CSVRMC and served on our Board at the time these loans were originated, though Board approval was not required or given in connection with the transaction.

Homewise Directors, officers, and employees have invested in the Notes. Related party investments in the Notes had an aggregate outstanding balance of $113,378 and $118,760 as of March 31, 2023 and 2022, respectively.

Loans made to other related parties amounted to $570,000 and $1,087,705 during the fiscal years ended March 31, 2023 and 2022, respectively. These loans were issued to employees of Homewise who qualified to participate in the Homewise lending program. Each loan was issued in accordance with Homewise's lending policy.

Litigation and Other Material Transactions

As of the date of this prospectus, we are not subject to any material adverse order, judgment or decree of any court, governmental authority, or administrative body, and we are not a defendant in any present, pending or (to our knowledge) threatened material legal proceedings.