Community Investment Note Prospectus

Up to $5,000,000

August 30, 2021

Term/Maturity:	1, 3, 5, 10 and 15 Years as Selected by Investor
Rate:	0.50%, 1.00%, 1.50%, 2.50%, or 3.00% - Depending On Term of Note - Interest Rates Increase with Term
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 that raise capital to secure affordable housing in New Mexico. The Notes are issued by Homewise, Inc., a tax exempt 501(c)(3) New Mexico nonprofit corporation (referred to as "Homewise," "we," "our," or "us"). 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.

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. A prospective investor should consult his or her own legal counsel and/or financial advisor concerning potential investments in the Notes. An investor must rely on his or her 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"), the Securities Exchange Act of 1934, as amended (the "Exchange 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.

The repayment of the funds of any prospective purchaser 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. An investor in the Notes should be able to lose up to his or her 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, 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 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 22.

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 prior to making any decision 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 AND SECTION 3(C)(10) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE SECURITIES AND EXCHANGE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THESE SECURITIES ARE EXEMPT FROM REGISTRATION. THE NOTES ARE NOT EXEMPT IN EVERY JURISDICTION IN THE UNITED STATES; SOME JURISDICTIONS' SECURITIES LAWS (THE "BLUE SKY LAWS") MAY REQUIRE A FILING AND A FEE TO SECURE THE NOTES' EXEMPTION FROM REGISTRATION. THE NOTES WILL NOT BE LISTED ON ANY SECURITIES EXCHANGE.

INVESTORS SHOULD CAREFULLY READ THIS PROSPECTUS IN CONJUNCTION WITH THE DISCLOSURES IN THE COMMUNITY INVESTMENT NOTE SUBSCRIPTION

AGREEMENT FORM FOUND IN APPENDIX B BEFORE INVESTING. THIS FORM MAY ALSO BE OBTAINED FREE OF CHARGE BY CONTACTING HOMEWISE USING THE CONTACT INFORMATION PROVIDED IN THIS PROSPECTUS.

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 POLITICAL 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.

THESE SECURITIES 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 THESE SECURITIES, 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 UPON 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.

THESE SECURITIES ARE BEING OFFERED PURSUANT TO SECTION 3(A)(4) OF THE SECURITIES ACT, WHICH EXEMPTS FROM THE REGISTRATION PROVISIONS OF THE SECURITIES ACT "ANY SECURITY ISSUED BY A PERSON ORGANIZED AND OPERATED EXCLUSIVELY FOR . . . CHARITABLE . . . PURPOSES AND NOT FOR PECUNIARY PROFIT, AND NO PART OF THE NET EARNINGS OF WHICH INURES TO THE BENEFIT OF ANY PERSON, PRIVATE STOCK- HOLDER OR INDIVIDUAL . . . .".THESE SECURITIES ARE BEING OFFERED PURSUANT TO NEW MEXICO STATUTES SECTION 58-13B-201(G), WHICH EXEMPTS FROM REGISTRATION UNDER THE NEW MEXICO UNIFORM SECURITIES ACT "A SECURITY ISSUED BY A PERSON ORGANIZED AND OPERATED EXCLUSIVELY FOR . . . CHARITABLE . . . PURPOSES . . . , AND NOT FOR PECUNIARY PROFIT, NO PART OF THE NET EARNINGS OF WHICH INURES TO THE BENEFIT OF A PRIVATE STOCK- HOLDER OR OTHER PERSON . . . ."

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

FOR RESIDENTS OF OREGON AND CALIFORNIA ONLY
In order to remain in compliance with policies established within Oregon and California, automatic rollover at maturity (as discussed on page 23) 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.

FOR RESIDENTS OF WASHINGTON ONLY
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.

ANY PROSPECTIVE PURCHASER IS ENTITLED TO REVIEW FINANCIAL STATEMENTS OF THE ISSUER WHICH SHALL BE FURNISHED UPON REQUEST. THE RETURN OF THE FUNDS OF THE PURCHASE IS DEPENDENT UPON THE FINANCIAL CONDITION OF THE ORGANIZATION. 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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Appendix A – Consolidated Financial Statements of Homewise, Inc. for the years ended March 31, 2021, 2020, and 2019.

Appendix B – Subscription Agreement Form

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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 Denominations:	Minimum investments of $1,000 with increases in increments of $100.
Term of Investments:	Notes may be purchased for terms of 1, 3, 5, 10 and 15 years.
Interest Rates and Payment Options:	Interest rates range from 0.50% to 3.00% depending on the maturity selected. Interest rates increase with term.
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 Chief Executive Officer, President and/or our Chief Financial Officer depending on the state where the investor is located.
Interest Accrual:	Interest begins to accrue upon the date that investor funds are received. 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 calculated on a 30/360 day basis.
Renewal Options:	If permitted by the Note holder's state of residency, a Note holder may elect to automatically renew Notes upon maturity at the interest rate prevailing in the current prospectus at the maturity date, for a term closest in duration to the term of the maturing Notes.
Covenants:	The Notes are not subject to any indenture or other covenant.
Risk Factors:	Investment in the Notes carries risks. Please see "Risk Factors" section in this prospectus beginning on page 3.
Tax Aspects:	The purchase of Notes by an investor is not deductible for federal tax purposes. Any interest accrued on the Notes is taxable. Please see "Tax Aspects" section in this prospectus, beginning on page 24, for further information.

Risk Factors

An investment in the Notes involves various material risks, including the 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. There can be no assurance that the following list of risks associated with an investment in a Note is comprehensive. Additional risks not presently known to Homewise or that are currently deemed immaterial could also materially and adversely affect Homewise's financial condition, results of operations, business, and prospects.

General

The discussion herein of risks is not intended as dispositive, comprehensive or definitive, but rather is to summarize certain matters that could affect payment of principal of and interest on the Notes. The order in which such risks are presented does not necessarily reflect the relative importance of such risks or the likelihood that any of the events or circumstances described below will occur or exist.

Risks Associated with COVID-19 Pandemic

The outbreak of the novel coronavirus, COVID-19, significantly disrupted societal operations, the economy and financial markets in the United States and globally. The unprecedented nature of the pandemic and the uncertainty and fluidity of this situation precludes any prediction as to its ultimate adverse impact, the coronavirus outbreak represents a material uncertainty and risk with respect to our activities, financial condition, results of operations and/or cash flows. Please see Note 19 to our audited financial statements for the year ending March 31, 2021, as well "Impact of the COVID-19 Pandemic," below, for more information concerning the impact of COVID-19 on our operations.

The lingering effects of the COVID-19 pandemic and the possibility of secondary outbreaks of any variants may cause Homewise to experience adverse consequences that have yet to materialize, including, among other risks, a material increase in requests for payment extensions from our borrowers; a material adverse impact on the financial condition of our borrowers, making it more difficult for our borrowers to repay loans and/or requiring us to increase our allowance for loan and lease losses; a decreased demand for new loans; a decrease in housing values in New Mexico, which could cause the value of collateral securing our loans to decrease; an unusually large number of our investors electing not to renew their Notes upon maturity and/or a decline in sales of new Notes; less productive operations due to our personnel missing work; negative impact on our ability to access capital on attractive terms or at all; and/or a decrease in our liquidity. These effects could have a material adverse impact on our business, financial condition, results of operations and/or cash flows, which could negatively affect our ability to meet our payment obligations under the Notes.

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

The Notes are unsecured general obligations of Homewise 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 Financial Statements, which are included as an Appendix to this Prospectus, for details regarding our borrowed indebtedness, including outstanding amounts, security, interest rates, and lenders.

The Notes 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 or other similar deposit has been or will be established by Homewise to secure repayment of the principal of the Notes or to secure payment of accrued interest. 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.

Additionally, no trust indenture has been or will be established to provide for the repayment of the Notes and no trustee has been or will be appointed. Debt, such as the obligations represented by the Notes, is often issued pursuant to a trust indenture, such as the type required for many debt offerings by the Trust Indenture Act of 1939. These indentures provide covenants and procedures to protect debt owners and appoint a trustee to act for the benefit of all debt holders, to exercise their remedies collectively, and to protect their interests. However, the Notes issued pursuant to this prospectus are not currently governed by any indenture and there is no trustee. The Notes are being issued pursuant to an exemption from the Trust Indenture Act, and the provisions of that Act designed to protect debt owners are not applicable to our Note holders. 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. Accordingly, in the event of a default under the Notes, each holder will have to seek available remedies on an individual basis, which is likely to be expensive and may not be economically practicable. Other than our covenant to pay principal and interest, we are making only limited covenants, representations or warranties to investors.

Therefore, the relative risk level may 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 revenues will be realized by Homewise in amounts sufficient to make the payments necessary to meet the obligations of Homewise and to make debt service payments on the Notes as they become due.

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, ability to raise capital, exposure to interest rate movements, success of real property sales, loan volumes originated and fees collected, 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.

Homewise receives significant operating revenues from the City of Santa Fe, the City of Albuquerque, federal agencies, private foundations, and other private sources. A loss of one of these funding sources, or a significant decrease in funding available from one or more of these sources, could impair Homewise’s financial condition and/or its ability to meet its obligations to Note holders. A significant portion of Homewise’s revenue is derived from grants, which are neither guaranteed nor renewable. Large grants are often associated with lengthy and stringent application processes, which can make them difficult to obtain. In addition, periods of economic hardship can cause a decrease in revenue from grants as contributors adopt more conservative financial practices. A significant portion of Homewise's grant revenue consists of federal loan capital grants. Changes in federal policy or appropriations with regard to these grants could significantly impact Homewise. Because of the uncertain nature of grants as revenue sources, there is a risk that a sudden reduction in grants could occur, which could potentially impair Homewise’s ability to meet its obligations to Note holders. For more information concerning Homewise's grant funding, see Notes 13 and 16 to our Audited Financial Statements, which are included as an appendix to this Prospectus.

Availability of Funding and Capital

We already owe substantial sums to other lenders and have secured such debt with a significant portion of our assets. (Please see Notes 10 and 11 to our Audited Financial Statements, which are included as an Appendix to this Prospectus, for details regarding our borrowed indebtedness, including outstanding amounts, security, interest rates, and lenders.) 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, and the rate of delinquencies and defaults by our borrowers, our reserves 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; Liens on Assets

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 Notes are not secured by a lien on any fixed asset of Homewise. 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.

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"). To maintain such status, Homewise must conduct its operations in a manner consistent with representations previously made to the IRS and with current and future provisions of the Code, IRS regulations and rulings governing tax-exempt charitable organizations.

The maintenance of the federal tax-exempt status of an organization is contingent on compliance with general rules promulgated in the Code and related regulations regarding the organization and operation of tax-exempt entities, including their operation for charitable purposes and their avoidance of transactions which may cause their earnings or assets to inure to the benefit of private individuals. One of the tools available to the IRS to discipline a tax-exempt entity for private inurement or unlawful private benefit is revocation of the entity's tax-exempt status. If the IRS were to make a finding of private inurement or unlawful private benefit, it could revoke Homewise's tax exempt status.

In recent years, the IRS and members of Congress have expressed the view that there should exist more restrictive rules governing the tax-exempt status of 501(c)(3) organizations generally. Future regulations and rulings of the IRS could adversely affect the ability of Homewise to charge and collect revenues, finance and refinance certain of its indebtedness, or otherwise generate revenues necessary to provide for payment of the Notes. If Homewise should fail to meet any of the requirements specified by the Code and regulations thereunder as necessary to maintain its 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 and its operations.

Liquidity of Assets

The bulk of our assets are portfolio loans that are difficult to sell to third parties because they do not meet the purchasers' underwriting standards. They are secured by junior mortgages, or they are deferred mortgage loans (due when the house securing the loan is sold, refinanced, or vacated by the owner). For amortizing loans, we maintain an Allowance for Loan and Lease Losses (ALLL) that is the larger of 2% of the outstanding loan balance or the results from our proprietary expected loss model which reserves 0.71% of the balance of loans that are "current" or 30 days or less past due, 2.80% of the outstanding balance for loans that are 31 to 60 days past due, 11.84% of the outstanding balance for loans that are 61 to 90 days past due, and 56.67% of the outstanding loan balance for loans that are more than 90 days past due. The Homewise expected loss model calculates the appropriate ALLL for each product type based on its delinquency status (current, 31-60,61-90 and more than 90 days) by multiplying the estimated severity for each product by the estimated Constant Default Rate (CDR) for the respective product and delinquency status combinations. For deferred loans, we calculate the ALLL as follows: (a) any deferred loan that is subordinate to a delinquent first or second loan is reserved at 100% loss 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 between the yield of amortizing loans and the cost of Homewise debt to estimate the lost economic opportunity. The identified opportunity cost in (b) is added to the reserves calculated in (a) to comprise the ALLL for deferred loans.

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.

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

Investors may select an interest rate from among those offered by Homewise. Interest rates for the Note currently range from 0.50% to 3.00%, depending on the maturity date of the Note. Once a Note is issued with the selected rate, the interest rate will remain fixed for the duration of the Note. However, 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 rates offered for the Notes may not be as high as those offered by other institutions for similar securities. Furthermore, risks of investment in the Notes may be greater than implied by the relatively low interest rates on the Notes. To further Homewise's nonprofit mission and community development objectives, Homewise offers the Notes at relatively low interest rates and upon other terms generally favorable to Homewise. Accordingly, you should consider the Notes to offer a low rate of return and generally less favorable terms when compared to other investments of comparable risk.

Risks Associated with Environmental Contamination

We do not typically conduct an environmental audit before approving a loan. If environmental pollution or other contamination is found on or near property owned by Homewise or securing 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. Homewise has no reason to believe that any land owned by it has environmental problems of a material nature. However, there can be no assurances that all of its land is free of liability for environmental concerns.

No Early Redemption at the Request of a Note Holder

The interest rates on the Notes are lower than commercial rates and may be lower than the rates offered by banks and other financial institutions for federally guaranteed debt instruments. If commercial rates rise, there is no provision that would allow Note holders to seek early repayment of their Notes in order to reinvest the proceeds in investments having a higher return. This risk is heightened, especially for longer term Notes, because there is no trading market for the Notes. Interest rates offered for the Notes also may not be as high as those offered by other charitable organizations for similar securities. Furthermore, the risks of investment in the Notes may be greater than implied by the relatively low interest rates on the Notes.

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 business because of their skills, years of industry experience and the difficulty of promptly finding qualified replacement personnel. The services of Michael Loftin, Homewise's Chief Executive Officer, Laura Altomare, Homewise's President, and Clay Simmons, Homewise's Chief Financial Officer, would be particularly difficult to replace. If any of these executives becomes unable to execute his or her responsibilities, or if Homewise is unable to attract and retain skilled management personnel, its business, results of operations, and ability to repay the Notes could be adversely affected.

Uninsured Deposits

At March 31, 2021, Homewise held deposits with multiple banks that individually exceeded the Federal Deposit Insurance Coverage (FDIC) limit of $250,000. Management has taken action to mitigate the credit risk of the remaining uninsured and uncollateralized balance of $ $3,486,093 by depositing with well-known and reputable institutions.

Public and Secondary Markets

The nature of this offering does not afford the opportunity of a public or secondary market. 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.

Change in Operations, Non-Profit, or Tax Exempt Status

Federal and New Mexico state authorities have determined that we are exempt from federal and state income taxation on the basis of our charitable purpose. This determination rests upon a number of conditions and assumptions that must continue to be met on an ongoing basis. If we fail to comply with any of these conditions or assumptions, we could lose our non-profit, tax exempt status and be subjected to federal and/or state income taxation. In addition, we are not obligated to continue our current operations or existence as a non-profit entity. If we became subject to federal or state income taxation, this could negatively impact our financial viability and cash flow, and our ability to sell Notes pursuant to exemptions for non-profit charitable organizations, all of which could ultimately negatively impact our ability to meet our obligations under the Notes.

No Minimum Offering

The sale of the Note 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. Because there is no minimum amount of the offering, the estimated proceeds of the offering cannot be determined.

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.

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. 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. Additionally, in view of the relationship we have with our borrowers, we have been willing, in certain instances in the past, to accommodate late payments to an extent greater than a commercial lender may be willing to do. We may continue to do this in the future. Historically, delinquency rates have been lower than the average delinquency rates on loans by other lenders. See "Additional Information about Homewise - Due Diligence and Underwriting Standards" section in this prospectus on page 27. Nevertheless, for the reasons above, repayment of our loans generally has greater risk of loss than traditional loan financing by conventional financial institutions.

Real Estate Development Operations

Homewise develops and builds homes for sale to its customers. Whenever we 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 that we own. We mitigate this risk for the vast majority of homes we build, by waiting to start construction until we have a purchase contract in place. 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 financing. The occurrence of any of these events could have an adverse effect upon us and our ability to repay the Notes when due.

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.

Geographic Concentration of Loans

Homewise extends loans to low- and moderate-income residents of New Mexico. Although loans are collateralized by the borrowers' property, a risk exists that property values may fall below the loan values creating a concentration of credit risk. The majority of our loans are to borrowers in the Santa Fe and Albuquerque, New Mexico areas, which are currently experiencing a moderately growing economy. Adverse economic conditions, reduction in population and the loss of purchasing power by residents in the Santa Fe or Albuquerque areas could adversely affect the ability of our borrowers to repay their loans. If real estate values decline in the Santa Fe or Albuquerque areas 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 the properties serving as collateral for our loans. Due to the geographic concentration of our loans in the Santa Fe and Albuquerque areas, adverse economic and other conditions generally affecting Santa Fe and Albuquerque area residents and businesses could have an adverse effect upon us and our ability to repay the Notes when due.

Limitations on Foreclosure of Collateral

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

The various security interests established under our mortgages and deeds of trust may be 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.

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.

Interest Rate Changes

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 of time when we are unable to obtain an average return on our investments and loans that is greater than our average interest payment obligations. This could have an adverse impact on our ability to repay our Notes when due.

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 business. 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 business 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 businesses 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.

[1] A Community Development Financial Institution ("CDFI") is a non-governmental entity whose primary mission is community

Homewise has six wholly-owned for-profit subsidiaries: Homewise Mortgage, LLC, Homewise Orpheum, LLC, Homewise Ruppe, LLC, HW Coronado Complex, LLC, Big Sky Santa Fe, LLC, and Buckman Development, LLC. Homewise Orpheum, LLC is a single-purpose entity that owns the building that houses our Albuquerque Homeownership Center and Community Hub. Homewise Ruppe, LLC is a single-purpose entity that owns the historical Ruppe pharmacy building, which was redeveloped as a rental property for community use.. Homewise Mortgage, LLC is a single-purpose entity that provides capital for mortgage lending and supports economically and environmentally healthy communities, especially those with low incomes. HW Coronado Complex, LLC is a single-purpose entity that owns the buildings located at 1411 - 1417 4th SW in Albuquerque, which are being redeveloped for commercial and residential occupancy. Big Sky Santa Fe, LLC is a single-purpose entity that owns a tract of land in Santa Fe, held for future development. Buckman Development, LLC is a single-purpose entity that owns a tract of land in Santa Fe, held for future development.

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 2020, 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 fourth highest rating) as of March 2020, 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 "AA-" Aeris Financial Strength and Performance Rating 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 ultimate goal of financial security for the customer and the 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 results in financial insecurity or even foreclosure. But achieved the right way, homeownership starts 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 6,000 people purchase homes by providing financial counseling, down payment and closing cost assistance, and below-market loans. 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 1,250 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

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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.

follow a budget, pay down debt and build savings. Homewise has also developed more than 870 energy and water efficient homes in the Santa Fe and Albuquerque areas.

Targeted Programs and Investments

Homewise offers an umbrella of products and services in 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. Under that umbrella, Homewise offers three targeted programs aimed to serve specific underserved populations: a Community Catalyst Program, a New American Lending Program, and Energy-Efficiency and Solar Lending Programs.

Community Catalyst Program

Our Community Catalyst Program advances high impact and much-needed community development initiatives in Northern New Mexico by financing affordable housing and mixed-use developments, creating new homeowners, helping homeowners make home improvements, creating low-impact rental housing through casitas and guest houses, and helping seniors make necessary home modifications to age in place. Community Catalyst Program initiatives are intended to benefit the entire community by catalyzing development projects and creating new financial products and tools to make these development projects affordable and accessible, positioning New Mexico communities to make a meaningful and lasting impact on affordable housing while helping to create a healthier and more equitable future.

The New American Lending Program

Many of those in the immigrant population do not have a Social Security number and most have limited credit history. With most banks and mortgage lenders, this often disqualifies them from obtaining an affordable mortgage loan. Often the only creditors who will lend to these borrowers 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 Community Catalyst Program, 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 elect 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.

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 and independent auditor's report to gain a full understanding of our financial condition.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

March 31, 2021, 2020, and 2019

ASSETS	**2021**	**2020**	**2019**
Current assets			
Cash and cash equivalents	$ 15,852,234	$ 11,894,187	$ 17,172,902
Other restricted cash and interest-bearing deposits	6,810,731	3,417,673	-
Broker and other accounts receivable	9,372,836	2,326,782	2,313,573
Grants receivable	1,079,084	97,473	546,677
Amortizing mortgage loans receivable, current portion	1,864,292	1,730,942	1,558,431
Inventory	21,263	20,923	4,684
Other real estate owned	355,911	-	200,000
Development costs, current portion	8,641,555	9,911,986	11,279,999
Total current assets	43,997,906	29,399,967	32,876,266
Property and equipment, net	10,948,580	9,843,284	4,064,923
Mortgage loans receivable			
Amortizing, net of current portion	75,752,263	70,908,893	62,897,595
Allowance on amortizing loans	(1,552,331)	(1,597,993)	(1,347,048)
Total amortizing	74,199,932	69,310,900	61,550,547
Deferred mortgage loans receivable	29,035,296	28,554,651	26,806,283
Allowance on deferred loans	(3,217,709)	(5,710,931)	(5,362,000)
Total deferred	25,817,587	22,843,720	21,444,283
Total mortgage loans receivable	100,017,519	92,154,620	82,994,830
Real estate held for investment - rehab properties	-	-	-
Mortgage servicing rights	3,626,309	3,076,787	2,736,924
Development costs, net of current portion	8,265,571	8,615,130	9,221,685
Qualified low income community Investment	9,533,718	9,497,773	9,716,398
Other assets	944,912	401,278	447,781
Total assets	$ 177,334,515	$ 152.988.839	$ 142,258,807

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(CONTINUED)
March 31, 2021, 2020, and 2019

LIABILITIES AND NET ASSETS	**2021**	**2020**	**2019**
Current liabilities			
Accounts payable	$ 4,065,916	$ 1,720,069	$ 1,980,781
Accrued expenses	1,451,346	1,430,352	1,421,315
Escrows and deposits	3,773,761	3,311,380	2,850,887
Lines of credit	4,091,074	3,770,930	3,200,013
Notes payable, long-term, current portion	8,532,699	4,893,306	3,627,387
Notes payable, community investment, current portion	2,208,153	2,559,113	1,578,502
Total current liabilities	$ 24,122,949	$ 17,685,150	$ 14,658,885
Long-term liabilities			
Lines of credit, net of current portion	812,661	-	2,077,800
Notes payable, long-term, net of current portion and unamortized discount	70,245,799	70,518,082	62,690,872
Notes payable, equity equivalent investment, net of unamortized discount	3,300,000	3,300,000	3,300,000
Notes payable, community investment, net of current portion and unamortized discount	4,550,259	2,897,707	3,185,150
Deferred grants revenue	2,675,519	230,188	2,528,701
Due to grantor agency	882,592	910,978	978,377
Total long-term liabilities	$ 82,466,830	$ 77,856,955	$ 74,760,900
Total liabilities	$ 106,589,779	$ 95,542,105	$ 89,419,785
Net assets			
Without donor restriction*	68,160,562	40,134,587	37,919,892
With donor restriction*	2,584,174	17,312,147	14,919,130
Total net assets	70,744,736	57,446,734	52,839,022
Total liabilities and net assets	$ 177,334,515	$ 152,988 839	$ 142,258,807

*We made an adjustment to reclassify amortizing and deferred loans receivable classified as with donor restrictions to without donor restrictions. Our rationale for this change is that once funds with donor restrictions have been deployed for their intended use in the form of loans, they are no longer restricted, as they have met the purpose of their restriction. This restatement resulted a $13,945,384 increase to beginning net assets without donor restrictions and a corresponding decrease to beginning net assets with donor restrictions. Both before and after giving effect to the reclassification, Homewise complied with all of its loan covenants as of March 31, 2021. There was no effect on the 2020 change in net assets. See Notes 2 and 12 to our audited financial statements for the year ending March 31, 2021, attached. The net assets with donor restrictions and net assets without donor restrictions as of March 31, 2020 and

2019 have not been reclassified to reflect the 2021 adjustment, and our audited financial statements for those periods have not been reclassified.

Summary of Revenue and Expenses

For the Years Ended March 31, 2021, 2020, and 2019

	2021	2020	2019
Support and Revenue			
Home Development sales	$ 24,289,902	$ 16,702,610	$ 17,807,338
Loan Origination Fees	6,386,900	2,875,678	2,920,997
Real Estate Sales Commissions	2,388,377	2,006,541	2,004,998
Loan Portfolio Interest	4,393,105	4,074,411	3,606,633
Loan Servicing Income	1,084,868	983,371	847,306
Amortization and value of mortgage servicing rights	1,489,244	773,611	795,189
Grants and contributions	10,100,965	5,983,505	8,853,156
Bank Interest	-	-	7,088
Gain (loss) on sale of asset	71,014	(79,679)	135,946
Other Revenue	670,950	531,461	441,027
Total Revenues	50,875,325	33,851,509	37,419,678
Expenses:			
Cost of Home Development Sales	19,124,742	13,705,027	15,063,158
Program	14,931,688	12,806,279	14,064,955
Administrative	2,920,262	2,859,127	2,990,476
Fundraising	600,631	274,802	245,837
Total Expenses	37,577,323	29,645,235	32,364,426
Change in net assets	13,298,002	4,206,274	5,055,252
Net Assets at beginning of year	57,446,734	52,839,022	47,783,770
Cumulative effect of accounting change	-	401,438	-
Net Assets at end of year	$ 70,744,736	$ 57,446,734	$ 52,839,022

Overview of the Community Investment Note

This section provides detail 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 that helps promote successful homeownership in New Mexico. The Notes allow investors to obtain a financial return while their invested dollars make positive social, economic, and environmental impacts in New Mexico communities. The Notes pay an interest rate of between 1% and 4% and can be purchased with terms of 1 to 15 years, as set forth below.

Note Series	Maturity	Interest Rate
A	1 Year	0.50%
B	3 Years	1.00%
C	5 Years	1.50%
D	10Years	2.50%
E	15 Years	3.00%

Use of Proceeds

The Note proceeds will be used for Homewise's general corporate purposes, including the promotion of its mission to promote successful homeownership in New Mexico. Homewise intends to use the proceeds from the Community Investment Notes to develop new residential property, issue fixed-rate mortgages, and issue home improvement loans. Proceeds from sales of the Notes will be used as part of Homewise's general operating account and will not be segregated. Homewise may also use proceeds to pay outstanding Notes or other indebtedness and 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. (Please see Note 10 to our Audited Financial Statements, which are included as an Appendix to this Prospectus, 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, if issued, 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 both individual and institutional investors who reside 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.

Distribution

Homewise, as the issuer of the Notes, is offering the Notes directly. Homewise is either registered to sell the Notes or is exempt from registration in those states where the Notes are offered for sale. 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 amount of the overall offering of $5 million must be sold in order for us to accept investments.

How to Invest

After reading this Prospectus and accompanying materials carefully, an investor should complete the Subscription Agreement form and mail, email or deliver it with a check or wire transfer of funds to:

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 specific subscription.

We generally 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 form and the payment has cleared the bank. 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 or 505-983-WISE (9473) and asking for the Community Investment Fund Manager.

Settlement Method

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

Interest Payments

The Notes are interest-only 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 Subscription Agreement, on the basis of a 360-day year of twelve 30-day months. Unless the investor has elected to reinvest principal upon maturity (as described further in "Options at Maturity" below), all principal will be repaid on the maturity date together with all accrued but unpaid interest.

Interest rates range from 1% to 4%, based on the term of the Note, with longer-term notes bearing higher interest rates. Homewise reserves the right to increase or decrease the interest rate of Notes being sold in this offering at any time by issuing a Pricing Supplement to this Prospectus, 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 the duration of the Note.

If an investor wishes to put more Homewise dollars to work in the community or keep his or her investment dollars working longer, he or she 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 his or her estate plan.

Options at Maturity

Approximately 30 days prior to a Note's maturity, 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 upon such renewal. The Note holder has until the maturity date to respond with his or her instructions.

If the Note holder does not reply before the maturity date, but checked the "Automatic Renewal" box on their Subscription Agreement, then we apply the principal of the maturing Note to the purchase of a new Note in the Series with the same (or closest) term to maturity as the maturing Note at the then-current interest rate for Notes in such Series, and pay the Note holder all accrued but unpaid interest. If the Note holder has not made such an election to reinvest in a new Note, whether on the Subscription Agreement or in response to our 30-day maturity notice, then we redeem the Note and pay the face 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. We will notify the investor of the new rate at least 60 days prior to the automatic rollover. Even if the investor checks the "Automatic Renewal" box, the investor may change his or her mind by notifying us, in writing, prior to the maturity date of the Note that the investor wishes to have the Note redeemed rather than renewed.

See "State Specific Information" beginning on page iv for information regarding states where automatic reinvestment 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 accrued and unpaid interest. There is no penalty for any redemption by Homewise at its option.

Early Redemption at the Request of a Note holder

The Notes are not redeemable at the option or request of investor Note holder. Because we will use the proceeds from the sale of our Notes to fund loans and build affordable housing, we need to be able to budget the repayment of the Notes according to a fixed schedule of repayments. Consequently, partial withdrawals and early redemptions are not allowed. However, where automatic renewal is allowed by state law, an investor may "Opt Out" of an automatic renewal at any time until 30 days prior to the renewal date or an automatic reinvestment of interest at any time until 30 days prior to the interest payment date.

Financial Reporting

Our audited financial statements for the years ended March 31, 2021, 2020 and 2019 and the related notes thereto, attached as Appendix A to this prospectus, have been audited by Moss Adams, LLP. Our audited financial statements for the year ended March 31, 2018, and the related notes thereto, are also attached as Exhibit A to this prospectus, and have been audited by Ricci & Company, LLC. 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 and approval by Homewise and compliance with applicable securities laws. Investors are cautioned that any such 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 Securities Exchange Act, and applicable state securities laws, or pursuant to registration or exemption therefrom. As discussed below, there is not a significant secondary trading market for the Notes, nor do we expect such a market to develop.

Secondary Market

The nature of this program does not currently afford the opportunity of a secondary market. 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 and the Subscription Agreement that 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 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 with your tax advisor as to the particular tax consequences to you of an investment in the Notes.

Additional Information About Homewise

Homewise Credit History

We have been engaged in our current business of generating loans since 1986 and have been developing and selling affordable housing since 1994. Many of the lending and development activities of Homewise have been financed by national foundations, government grants and local financial institutions. We have never defaulted 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 and have 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. We augment our 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, 2021 as follows: Conventional Loans 4,48%%; VA Loans 6.99%, FHA Loans 13.87%, and Homewise Loans 1.77%.[2] The aggregate amount of Homewise loan payments 31 or more days past due as of March 31, 2021, $53,774, represents less than 0.071% 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 past days due as of March 31, 2021, $1,376,289, represents 1.77% of Homewise's net amortizing loan portfolio as of that date. Please also see Note 7 to our Audited Financial Statements and our discussion on delinquency rates below in the sections entitled, "Impaired and Delinquent Loans" and "Delinquent Loans."

Only Fixed-Rate Mortgages

We have never originated the types of sub-prime and interest-only mortgage loans that have put many homeowners at risk (such as high-interest-rate loans, interest-only loans, stated-income loans, adjustable-rate or "balloon" mortgages, etc.). 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. We augment this financial counseling with advice on how the borrower can operate and maintain the home to insure that the asset maintains its value.

Elimination of Unnecessary Borrowing Costs

[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 9 to our audited financial statements for the fiscal year ended March 31, 2021, attached.

We do not seek to profit from the loans we make through charging additional fees and costs to the borrower. Rather, it is our mission to help clients achieve financial security through responsible home ownership and healthy savings and spending habits. Towards 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 as efficiently as possible 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, 2021, Homewise had $93,740,645 in outstanding lines of credit, notes payable, equity equivalent investments, and community investment notes. Please see Note 11 to our Audited Financial Statements, which are included as an Appendix to this Prospectus, for details regarding our notes payable, including outstanding amounts, security, interest rates, and lenders.

Financial Covenants

Under the terms of our loan agreements with our lenders, we are required to satisfy the following ongoing financial requirements. Although these covenants are not included in the Homewise Community Investment Notes, the financial strength that results from maintaining our financial condition in compliance with these financial covenants benefits all of our creditors, including investors in this Offering:

- Income – Maintain a net increase in unrestricted net assets for the current year and the prior year;

- Capital Requirements – Maintain net assets in an amount equal to or exceeding 35% of the total assets. (Net assets are total assets less total liabilities). Maintain unrestricted net assets in an amount equal or exceeding 25% of the total assets:

- Liquidity – The sum of Homewise's cash and cash equivalents shall not be less than six (6) months of operating expenses;

- Debt Service Coverage – Maintain an annual debt service coverage ratio (net income plus depreciation, amortization and other similar non-cash expenses divided by debt service) of more than 1.2 to 1.0;

- Allowance for Loan and Lease Losses – The loan loss allowance shall be calculated in accordance with Generally Accepted Accounting Principles (GAAP).

Resale Market for Loans

We sell the vast majority 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, 2021 totaled approximately $50.9 million, an increase of approximately $17 million, or 50.3% versus the prior year. This increase was primarily due to higher home development sales, loan origination fees, and grant and contribution revenue, which were, respectively, approximately $7.6 million, $3.5 million, and $4.1 million higher than the prior year.

Total expenses were approximately $37.6 million, an increase of approximately $7.9 million, or 26.8% compared to the prior year. This was driven in large part by increases in the cost of program costs of approximately $2.1 million and cost of home development sales of approximately $5.4 million.

Overall, Homewise’s net assets at March 31, 2021 were approximately $70.7 million, which was an increase of approximately $13.3 million or 23.1% over net assets at March 31, 2020.

Changes in Consolidated Financial Position

For the fiscal year ended March 31, 2021, total assets increased by approximately $24.3 million over the prior fiscal year to approximately $177.3 million, which was due primarily to an increase in cash and cash equivalents of $4.0 million, or 33.3% over the prior fiscal year, an increase in other restricted cash and interest-bearing deposits of $3.4 million, or 99.2% over the prior fiscal year, an increase in broker receivables and other accounts receivable of $7.0 million, or 302.8% over the prior fiscal year, an increase in amortizing mortgage loans receivable of $4.9 million, or 7.1% over the prior fiscal year, an increase in deferred mortgage loans receivable of $3.0 million, or 13.0% over the prior fiscal year.

Total liabilities increased by approximately $11.0 million to approximately $106.6 million, driven primarily by an increase in notes payable of approximately $4.6 million, an increase in accounts payable of $2.3 million, and an increase in deferred grants revenue of $2.4 million. Homewise’s unrestricted net assets increased by approximately $28.0 million, or 69.8%, over the prior year ($13.9 million of which was attributable to a restatement, as more fully described in Note 2 to our Audited Financial Statements), and total net assets increased by approximately $13.3 million, or 23.1%, over the prior year.

Mortgage Loans Receivable

Homewise has originated amortizing mortgage loans bearing interest rates from 0% to 8.5% 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.

A summary of our mortgage loans receivable, including the current portion, is as follows:

	2021	2020	2019
Amortizing	$ 77,616,555	72,639,835	64,456,026
Allowance on Amortizing Loans	(1,552,331)	(1,597,993)	(1,347,048)
Deferred	29,035,296	28,554,651	26,806,283
Allowance on Deferred Loans	(3,217,709)	(5,710,931)	(5,362,000)
Total Mortgage Loans Receivable, net of allowance	$ 101,881,811	93,885,562	84,553,261

Deferred loans that are expected to be forgiven at the end of a fixed term totaled $2,808,770 and $3,485,016 at March 31, 2021 and 2020, 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.

The allowance for loan and lease losses (ALLL) is established by estimating the expected losses on the loan portfolio for the life of the loans. (Please see the discussion under the heading "Liquidity of Assets" on pages 6 and 7 for further discussion of our ALLL.) The provision for loan losses is an expense through which the ALLL isadjusted to be congruent with the current estimated losses. The ALLL 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 ALLL through the provision for loan losses.

The following tables set forth our loan delinquencies and write-offs for the past three fiscal years:

Delinquent Loans

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.

As of March 31, 2020, we had the following delinquent loans:

	Number	Payment Due	Loan Amount
31-60 days	29	$ 15,294	774,458
61-90 days	14	14,385	516,412
>90 days	4	29,011	380,156
	47	$ 56,690	1,671,026

The amount 31 or more days past due was equivalent to 2.3% of the gross outstanding amortizing mortgage loans receivable balance at March 31, 2020.

As of March 31, 2019, we had the following delinquent loans:

	Number	Payment Due	Loan Amount
31-60 days	14	$ 4,825	373,134
61-90 days	5	5,120	154,112
>90 days	4	6,411	155,935
	23	$ 16,356	683,181

The amount 31 or more days past due was equivalent to 1.06% of the outstanding amortizing mortgage loans receivable balance at March 31, 2019.

Loan and Lease Loss Allowance

Changes in the allowance for loan and lease losses at March 31, 2021, 2020, and 2019 are summarized as follows:

	Amortizing	Deferred	Total
Balance, March 31, 2019	1,347,048	5,362,000	6,709,048
Provision for loan losses	336,738	348,931	685,669
Loans charged off, net of recoveries	(85,793)	-	(85,793)
Balance, March 31, 2020	1,597,993	5,710,931	7,308,924
Provision for loan recoveries	(45,662)	(2,493,222)	(2,538,884)
Loans charged off, net of recoveries	-	-	-
Balance, March 31, 2021	$ 1,552,331	$ 3,217,709	$ 4,770,040

Fundraising Results

For fiscal years ending March 31, 2019, 2020 and 2021, our income from grants and contributions was as follows:

Year ending March 31,	Total Income from Grants and Contributions
2019	$ 8,853,156
2020	$ 5,983,505
2021	$ 10,100,965

For more information, please see Note 13 to our audited financial statements for the year ending March 31, 2021.

Impact of the COVID-19 Pandemic

The COVID-19 pandemic has significantly impacted market conditions, interest rates, supply chains, and business operations both within the United States and throughout the world. We continue to actively identify and mitigate financial, operational, liquidity and impact-related risks attributable to the pandemic. As of the date of this Prospectus, Homewise has experienced an increase in loan origination transactions for new home purchases, despite the outbreak. Specifically, our loan origination fees for new home purchases were $3.465 million for the fiscal year ending March 31, 2021, compared to $2.745 million for the fiscal year ending March 31, 2020. Notably, his increase has been accompanied by an increase in refinance loan originations as borrowers refinanced their existing home mortgages to access more favorable interest rates. Our fees for refinance loan originations were $2.906 million for the fiscal year ending March 31, 2021, compared to $149,000 for the fiscal year ending March 31, 2020. In the aggregate our loan origination fees for all mortgage and home improvement loans were $6,386,900 and $2,875,678 for the years ending March 31, 2021 and 2020, respectively.

Understanding that layoffs, furloughs, unemployment, and underemployment impacted numerous homeowners throughout the country, we took proactive steps to work with borrowers who experienced adverse financial circumstances as a result of the pandemic. In certain circumstances, we provided for forbearance of repayment obligations. In total, we offered forbearance of repayment obligations for 63 loans, with a principal amount of $9,706,312 subject to forbearance. As of the date of this Prospectus, 55 loans are now current, and 8 remain subject to some form of forbearance or other modifications. Despite the impact of the COVID-19 pandemic, the delinquency rate with respect to Homewise's loan portfolio has declined (from 2.30% as of March 31, 2020 to 1.77% as of March 31, 2021). The delinquency rate has continued to decline since March 31, 2021, and is 1.06% as of the date of the prospectus.

We continue to proactively work with our borrowers, as well as actively monitor our allowance for loan and lease losses in light of our borrowers' financial circumstances. During the fourth quarter of 2021, we performed a comprehensive, well-documented, and consistently applied analysis of our amortizing loan portfolio and re-examined our allowance for loan losses in light of this analysis. As of March 31, 2021, our allowance for loan losses was $1,552,331, or 2% of the balance of our amortizing loan portfolio as of that date. Please see Note 7 to our audited financial statements for the year ending March 31, 2021, attached, for further discussion.

Homewise also received a loan under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration (SBA). We were granted a PPP loan in the amount of $1,486,700 on April 13, 2020. We used the proceeds of this loan for purposes consistent with the PPP, and all conditions of the loan were met for the loan to be forgiven. We recognized the full loan amount as contribution revenue at March 31, 2021. The SBA maintains a right to audit any PPP loan recipient for five years. On June 15, 2021, Homewise was notified that the SBA was undertaking a review of the above referenced PPP loan in accordance with the SBA's interim final rule on "SBA Loan Review Procedures and Related Borrower and Lender Responsibilities," published in the Federal Register on June 1, 2020, as amended. On June 29, 2021, Homewise was notified that the SBA approved the forgiveness of its entire PPP loan. Please see Note 19 to our audited financial statements for the year ending March 31, 2021, attached, for further discussion.

Recent Transaction to Receive the Benefit of New Markets Tax Credit

Homewise invested in a leverage lender on June 22, 2021, 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's investment in the Leverage Lender totaled $5,076,416 and represented a 25.0041% ownership stake. As part of the arrangement, Homewise secured a 20-year loan from a community development entity which received a tax credit allocation. The loan is in the amount of $6,825,000. The loan proceeds are to be used solely for the purpose of acquiring, rehabbing and/or constructing single-family homes in low-income communities and selling at least 20% of such homes to low-income persons. The loan accrues interest at a rate of 0.743751% 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 20.

At the end of the compliance period, in connection with this arrangement, the members of the Leverage Lender have the option to purchase U.S. Bancorp Community Development Corporation's ownership interest in the Investment Fund. Exercise of this option will effectively allow Homewise to extinguish its debt owed to the community development entity. For more information, please see Note 20 to our audited financial statements for the year ended March 31, 2021, attached to this prospectus. In addition, Note 10 to those audited financial statements addresses a prior investment by Homewise in a leverage lender in connection with the NMTC program; as discussed in Note 10, that investment remains outstanding.

Governance and Administration

Homewise is governed by its Board of Directors (the "Board") and an Executive Committee of four officers. The Board is responsible for the oversight of all business of Homewise. The Board consists of no fewer than seven and no more than fifteen Directors. The résumés of our Executive Committee and Directors are available upon request.

Executive Committee and Board Members at Large

EXECUTIVE COMMITTEE MEMBER	**PRINCIPAL OCCUPATION**	**ADDRESS**
David Delgado, Board Chair	Retired	Santa Fe, New Mexico
Andrew Spingler, Board Vice Chair	Owner and Founder, The Focal Point, LLC – marketing and communications firm.	Santa Fe, New Mexico
Katherine Ulibarri, Board Treasurer	Self Employed. Provides executive management consulting services	Albuquerque, New Mexico
Anne Messbarger-Eguia, Board Secretary	Vice President, Culinary Health Education for Families Self Employed. Provides strategic planning consulting services.	San Antonio, Texas
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; Senior VP of SiteWorks Retail Real Estate Services	Santa Fe, New Mexico
Erika Campos,	President, NM Hospital Service Corporation	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
Marissa Ruyle	Strategic Business Manager, Tremco Roofing & Building Maintenance, Inc.	Santa Fe, 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. Mr. Loftin has been in the community development field for 35 years and the CEO of Homewise since 1992. Mr. Loftin is the public face for external affairs, and reports to the Board of Directors. Mr. Loftin earned a B.A. from Northwestern University.

Laura Altomare, *President*
Ms. Altomare joined Homewise in 2014. As President, she leads the executive team to set and implement organizational strategy and direction while ensuring the organization is achieving its mission in a highly impactful and organizationally sustainable way. Laura has over 20 years of experience in leadership roles in the financial services industry overseeing strategic planning, communications, marketing, capital raising, public relations, and human resources. Laura earned a B.A. from Colorado State University and a Certificate in Fund Raising Management (CFRM) from the Indiana University Lilly Family School of Philanthropy.

Clay Simmons, *Chief Financial Officer*
Mr. Simmons joined Homewise in 2020. As CFO, he leads the organization's financial stability strategy through a full array of complex financial analyses that include raising and structuring capital, income, profitability, liquidity, leverage, and asset and liability management. Clay also leads the mortgage lending operations and policies with a focus on managing and mitigating risk in the mortgage loan portfolio. Clay has more than 25 years of experience in the financial services industry, with particular expertise in banking and mortgage lending. Clay earned a B.A. in Biochemistry from Bowdoin College and an MBA in Finance from State University of New York.

Jill Cook, *Chief Operating Officer*
Ms. Cook joined Homewise in 2013 and has over 30 years of experience in the financial services industry. Jill has served in senior leadership roles responsible for organizational policies, budgets, process improvement and strategic planning. Jill leads the organization's operations to prepare potential homeowners to become successful homeowners and to ensure customers successfully complete their Path to Homeownership. She also oversees human resources and the effort to develop, enhance, and implement systems, IT, and process improvements in order to accommodate growth objectives and maximize the operational effectiveness and efficiency of Homewise. Jill is a graduate of Leadership New Mexico and has a B.S. in Business Administration, as well as a Master's degree in Business Administration.

Daniel Slavin, *Senior Director of Real Estate Development*
Mr. Slavin joined Homewise in 2017. Daniel has 20 years' experience with a background in accounting, investments, housing and the health care sector. He currently leads the real estate development strategy to develop new and rehabilitated homes in communities that meet the needs of the next generation of homebuyer; including affordability, quality, energy and water efficiency, live/work, and access to transportation, and mixed uses. Daniel earned a B.S.B.A. in Finance from John Carroll University.

***Elena Gonzales**, Senior Director of Policy & Community Engagement*
Ms. Gonzales joined Homewise in 2014. Elena has 25 years' experience managing non-profit, service-oriented organizations including affordable housing providers. She is responsible for leading the organization's effort to build relationships with underserved communities to create meaningful impact, and oversees public policy work to positively affect Homewise, its mission, and its clients. Elena earned a BBA from the University of New Mexico.

***Johanna Gilligan**, Senior Director of Community Development*
Ms. Gilligan joined Homewise in 2018 and leads the organization's community development strategy to engage in strategic, catalytic development projects focused on economic development, education, and health that foster revitalization without displacement. These efforts increase the ownership opportunities for residents, thereby ensuring they participate in and benefit from redevelopment efforts. Johanna has a B.A. in American Studies from Tulane University and was awarded a Loeb Fellowship at Harvard's Graduate School of Design.

Remuneration

None of our directors were paid any remuneration for serving as a director. For the fiscal year 2021, the aggregate remuneration for Homewise Executive Officers (CEO, President, and CFO) was approximately $705,265, which includes salaries, bonuses, health or other insurance, and retirement plan contributions. Total remuneration is expected to be generally the same for 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 $454,984 and $395,494 for the years ended March 31, 2021 and 2020, respectively.

Employees

Homewise has approximately 135 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 two notes payable to Anchorum St. Vincent (ASV) with an outstanding principal balance of approximately $3,606,000 as of March 31, 2021. At the time of the first loan, which had an outstanding principal balance of approximately $1,606,000 as of March 31, 2021, 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 $2,000,000 as of March 31, 2021, this individual continues to serve on Homewise's board of directors, but has retired from his role as President of ASV and no longer serves on the board of CSVRMC. 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 Affordable Housing contribution from CSVRMC during 2019, which Homewise uses to provide down payment assistance in the form of deferred loans and matched savings account funding. In addition Homewise has a loan facility from ASV with an available principal amount of approximately $1,230,000 as of March 31, 2021, for Homewise to provide secondary mortgage loans to CSVRMC employees. One Homewise Board member, Ms. Campos, was employed by CSVRMC at the time the loan was originated.

Both Homewise employees and Homewise Board members have invested in the Notes. Related party investments in the Notes totaled $104,118 and $113,895 for 2021 and 2020, respectively.

Loans to other related parties amounted to $1,180,660 and $1,295,777 at March 31, 2021 and 2020, 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 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.

Prior to her service to Homewise, our Chief Operating Officer, Jill Cook, served as the Chief Credit Officer at Los Alamos National Bank (LANB). LANB experienced financial difficulties during the economic downturn that began in 2009, which resulted in investigations of its practices by the Office of the Comptroller of the Currency (OCC) and the U.S. Securities and Exchange Commission (SEC). In September 2015, the SEC filed a complaint in federal court against several former senior employees of LANB, including Ms. Cook. Without admitting or denying the SEC’s allegations, Ms. Cook consented to the entry of a final judgment by the SEC in March 2016. The judgment, among other things, required Ms. Cook to pay a civil penalty and barred her from serving as an officer or director of a public company for five years. Without admitting or denying any wrongdoing, Ms. Cook also consented to the entry of a consent order by the OCC in October 2016. The consent order, among other things, required her to pay a civil penalty, prohibited her from participating in the conduct of affairs of certain regulated financial institutions, and contained findings that she violated laws, engaged in unsafe and unsound practices, breached her fiduciary duty, engaged in conduct involving personal dishonesty, and engaged in conduct demonstrating willful and continuing disregard for the safety and soundness of the bank. Both the SEC’s final judgment and the OCC‘s consent order pertain only to Ms. Cook’s role with LANB and do not relate to her work at Homewise.

At the time of these legal actions, Homewise retained outside legal counsel to review the activities of Ms. Cook in the course of her employment with Homewise (including as Chief Operating Officer from January 2013 to October 2015). This legal review resulted in a report dated December 10, 2015, concluding that no evidence had been found that Ms. Cook engaged in any misconduct while employed at Homewise.

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