I n s t i t u t e f o r C o m m u n i t y E c o n o m i c s , I n c .

1101 30th St. NW Suite 100 A • Washington, D.C. 20007 • (202) 333-8931, EXT. 110

Prospectus for
Institute for Community Economics Investor Notes

December 2018

Institute for Community Economics Investor Notes	
Total Aggregate Offering	$12,000,000*
Minimum Investment Requirement	$2,000**
Status	Senior Unsecured Debt
Terms and Interest Rates	View Interest Rate Sheet***

**** Investor dollars are not used to pay sales commissions, existing debt, or any other expenses of the offering.***
***** The minimum investment amount could be raised or lowered in the future by the Institute for Community Economics, Inc.***
****** View the Interest Rate Sheet at http://www.nhtinc.org/invest or by calling (202) 333-8931, ext. 110***

The Institute for Community Economics, Inc. ("ICE"), a 501(c)(3) non-profit corporation located in Washington, D.C., and organized under the laws of Massachusetts, is issuing Institute for Community Economics Investor Notes (sometimes referred to as the "ICE Investor Note", "Note", or collectively the "Notes"). Proceeds from the sale of the Notes are used to lend capital to community-based non-profit and mission-aligned for-profit organizations working to preserve and create affordable housing for low-income families and individuals throughout the nation.

Notes have fixed durations of 1, 3, 5, 7, or 10 years, as chosen by the investor, and are payable at maturity if not automatically or otherwise reinvested. The interest rates ICE pays on the Notes are fixed for their term; however, interest rates offered on new Notes may vary from time to time. The interest rates available for Notes on the date this prospectus was delivered to you are set forth on the accompanying Interest Rate Sheet. Current interest rates may also be obtained by calling the telephone number listed on the ICE Investor Note Investment Application ("Investment Application"), or by visiting the ICE website at www.nhtinc.org/invest. At the discretion of the investor, the interest on the Note will either be compounded or paid out by check annually on the anniversary of the Note's date of issuance, unless an investor chooses to donate the interest.

The Institute for Community Economics, Inc. is responsible for payment of the ICE Investor Note. ICE has not set a date for the termination of its offering, though the availability of Notes in each state is dependent upon the effectiveness of ICE's securities registration or exemption in that state from time to time. The Notes are a public offering and are not restricted to any limited class of investors. Investors should read this prospectus carefully before investing. ICE may accept subscriptions for less than the minimum specified on the ICE Investor Note Term Sheet in its sole discretion. Payment will be due upon ICE's acceptance of the investment application from the investor.

INVESTORS SHOULD READ THIS PROSPECTUS IN CONJUNCTION WITH THE DISCLOSURE IN THE INSTITUTE FOR COMMUNITY ECONOMICS INVESTOR NOTES APPLICATION FORM. THIS FORM MAY BE OBTAINED FREE OF CHARGE BY CONTACTING THE INSTITUTE FOR COMMUNITY ECONOMICS, INC. AT (202) 333-8931, ext. 110.

• Not FDIC or SIPC Insured

• Not a Bank Instrument

THE NOTES MAY EITHER BE REGISTERED OR EXEMPT FROM REGISTRATION IN THE VARIOUS STATES OR JURISDICTIONS IN WHICH THEY ARE OFFERED. THIS OFFERING CIRCULAR HAS BEEN

FILED WITH THE SECURITIES ADMINISTRATION IN SUCH STATES AND JURISDICTIONS THAT REQUIRE IT FOR REGISTATION OR EXEMPTION.

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 ICE'S ABILITY TO CONTINUE TO SELL THE NOTES IN CERTAIN STATES.

This prospectus contains all of the representations by ICE concerning this security offering. Investors are advised to read this prospectus carefully prior to making any decision to purchase these securities. Investors are cautioned not to rely on any information not expressly set forth in this prospectus.

ICE reserves the right to suspend the sale of the Notes for a period of time or to reject any specific investment application, with or without a reason. ICE may also, in its discretion, elect to accept a specific investment application as a portion, but not in total, of the amount proposed for investment.

This prospectus is intended to provide prospective investors with information necessary for an informed investment decision. 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 with respect to his or her investment in the Notes. An investor must rely on his or her own examinations of ICE, the Notes and the terms of this offering, including the merits and risks involved. An investor should be willing and have the financial capacity to purchase a high-risk investment that cannot easily be liquidated.

This prospectus contains forward-looking statements, and additional written or oral forward-looking statements may be made by ICE from time to time. The words "believe," "expect," "intend," "anticipate," "estimate," "project," and similar expressions identify forward-looking statements, which speak only as of the date the statement was made. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. Statements in this prospectus, including those contained in the section entitled "Risk Factors," describe factors, among others, that could contribute to or cause such differences. Further, no independent examiner has passed on the reasonableness of ICE's forward looking projections.

The return of the funds of any prospective purchaser is dependent upon the financial condition and operations of ICE, as the issuer. Given the nature of ICE investments, the use to which the proceeds from the sale of the Notes will be applied by ICE borrowers, the low interest rates being offered and other factors, the Notes are high-risk investments. 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 their entire investment without suffering financial hardship. Investors are encouraged to consider the concept of investment diversification when determining the amount of Notes that would be appropriate for them in relation to their overall investment portfolio and personal financial needs.

An investment in the Note involves various material risks and investors may lose all or part of their investment. Prior to any investment, and in consultation with their financial and legal advisors, investors should carefully consider, among other matters, the risk factors disclosed in this prospectus in section entitled "Risk Factors". There can be no assurance that the list of the risks facing an investment in a Note is comprehensive. Additional risks not presently known to ICE or that are currently deemed immaterial could also materially and adversely affect ICE's financial condition, results of operations, business and prospects.

Neither the Securities and Exchange Commission, any state securities commission nor any other regulatory body has approved, disapproved, or recommended the securities described in this offering, nor has any of the aforementioned determined whether this offering is accurate or complete. With regard to any state where ICE has applied for an exemption from registration or filed a notice of exemption, no state regulator has passed upon the offering. Any representation to the contrary is a criminal offense. In making an investment decision, investors must rely on their own examination of the issuer and the terms of the security offering, including the merits and risks involved.

Investors are advised to read this prospectus carefully prior to making any decision to purchase these securities. No person has been authorized to give any information or to make any representation in connection with this offering other than those identified in this prospectus, and if given or made such representations must not be relied upon as having been made by the issuer.

These securities are offered under an exemption from federal registration pursuant to sections 3(a)(4) of the Securities Act of 1933, as amended (the "Securities Act") and 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.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act, the Securities Exchange Act of 1934, and the applicable state securities laws, or pursuant to registration or exemption there from. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

The Notes nor the use of the proceeds from the sale of the Notes are not and will not be insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC), the Securities Investment Protection Corporation (SIPC), or any other federal, state or local governmental agency. The payment of principal and interest to an investor in the Notes is dependent upon the financial condition and operations of ICE.

STATE SPECIFIC INFORMATION

FOR RESIDENTS OF ALABAMA ONLY:

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 37(H) OF THE ALABAMA SECURITIES ACT AND SECTION 3(A)(4) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION OR WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. NEITHER THE ALABAMA SECURITIES COMMISSION NOR THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THE OFFERING, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FOR RESIDENTS OF CALIFORNIA ONLY:

IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THIS SECURITY, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFORE, WITHOUT THE PRIOR WRITTEN CONSENT OF THE ACTING COMMISSIONER OF BUSINESS OVERSIGHT OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES.

FOR RESIDENTS OF THE DISTRICT OF COLUMBIA ONLY:

THESE SECURITIES ARE OFFERED FOR SALE IN THE DISTRICT OF COLUMBIA PURSUANT TO REGISTRATION WITH THE DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE AND SECURITIES REGULATION, BUT REGISTRATION IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE A FINDING THAT THIS PROSPECTUS IS TRUE, COMPLETE, AND NOT MISLEADING, NOR HAS THE DEPARTMENT OF INSURANCE AND SECURITIES REGULATION PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF FLORIDA ONLY:

THESE SECURITIES HAVE NOT BEEN REGISTERED IN THE STATE OF FLORIDA. THE SECURITIES WILL BE SOLD PURSUANT TO THE ELEEMOSYNARY EXEMPTION IN FLORIDA STATUTES SECTION 517.015(9).

FOR RESIDENTS OF INDIANA ONLY:

THE INDIANA SECURITIES DIVISION HAS NOT IN ANY WAY PASSED UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, THE SECURITIES OFFERED, OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

FOR RESIDENTS OF KENTUCKY ONLY:

THESE SECURITIES ARE ISSUED IN KENTUCKY PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER KRS 292.400(9) OF THE KENTUCKY SECURITIES ACT. AUTOMATIC RENEWAL AT MATURITY AS DESCRIBED IN THIS OFFERING CIRCULAR IS NOT AVAILABLE FOR KENTUCKY. RENEWAL IS NOT AUTOMATIC, BUT MAY OCCUR ONLY UPON AFFIRMATIVE ACTION OF THE INVESTOR. IF THE INVESTOR DOES NOT INDICATE AN INTENTION TO RENEW OR REDEEM THE NOTE, THE NOTE WILL BE CLOSED AND THE PRINCIPAL OF THE NOTE, TOGETHER WITH ANY INTEREST PAYABLE, WILL BE RETURNED TO THE INVESTOR. ANY RENEWAL OR REINVESTMENT CAN ONLY BE MADE IF THERE IS AN EFFECTIVE EXEMPTION IN KENTUCKY AT THE TIME OF RENEWAL OR REINVESTMENT.

FOR RESIDENTS OF LOUISIANA ONLY:

THESE SECURITIES HAVE BEEN REGISTERED WITH THE SECURITIES COMMISSIONER OF THE STATE OF LOUISIANA UNDER SECTION 51-705(B) OF THE LOUISIANA REVISED STATUTES. THE SECURITIES COMMISSIONER, BY ACCEPTING REGISTRATION, DOES NOT IN ANY WAY ENDORSE OR RECOMMEND THE PURCHASE OF THESE SECURITIES.

FOR RESIDENTS OF MARYLAND ONLY:

THESE SECURITIES ARE EXEMPT FROM REGISTRATION IN THE STATE OF MARYLAND PURSUANT TO AN ELEEMOSYNARY EXEMPTION GRANTED UNDER SECTION 11-601(9) OF THE MARYLAND SECURITIES ACT AND CHAPTER .04, REGULATION .01 OF THE BLUE SKY REGULATIONS.

FOR RESIDENTS OF MICHIGAN ONLY:

THESE SECURITIES ARE OFFERED PURSUANT TO EXEMPTION MCL 451.2201(G) OF THE MICHIGAN UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE OFFICE OF FINANCIAL AND INSURANCE SERVICES, SECURITIES SECTION, MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH, OR WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. NEITHER THE OFFICE OF FINANCIAL AND INSURANCE SERVICES NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATION AS TO THEIR PURCHASE; APPROVED OR DISAPPROVED THE OFFERING, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY INDICATION TO THE CONTRARY IS UNLAWFUL.

FOR RESIDENTS OF OREGON ONLY:

IN ORDER TO REMAIN IN COMPLIANCE WITH POLICIES ESTABLISHED BY THE OREGON DIVISION OF FINANCIAL REGULATION, AUTOMATIC ROLLOVER AT MATURITY (AS DISCUSSED ON PAGE 11) WILL NOT BE OFFERED TO OREGON INVESTORS. ICE WILL REQUIRE POSITIVE AFFIRMATION FROM OREGON INVESTORS 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.

ICE WILL REGISTER TO SELL $200,000 OF NOTES IN OREGON THIS YEAR.

FOR RESIDENTS OF SOUTH CAROLINA ONLY

THESE SECURITIES ARE EXEMPT FROM REGISTRATION PURSUANT TO AN ELEEMOSYNARY EXEMPTION GRANTED UNDER SECTION 35-1-201(7) OF THE SOUTH CAROLINA UNIFORM SECURITIES ACT OF 2005. A DEFAULT IN PAYMENT EITHER OF PRINCIPAL OR INTEREST ON ANY ONE NOTE SHALL CONSTITUTE A DEFAULT ON THE ENTIRE ISSUE IN THE STATE OF SOUTH CAROLINA. THE RIGHTS OF THE NOTEHOLDERS IN DEFAULT SHALL INCLUDE THE RIGHT TO A LIST OF NAMES AND ADDRESSES OF ALL HOLDERS OF THE NOTES WHO ARE RESIDENTS OF THE STATE OF SOUTH CAROLINA, IF THERE IS NO TRUSTEE TO ACT FOR ALL NOTEHOLDERS, AND THE RIGHT OF THE NOTEHOLDERS OF 25% IN THE PRINCIPAL AMOUNT OF THE NOTES OUTSTANDING TO DECLARE THE ENTIRE ISSUE DUE AND PAYABLE.

FOR RESIDENTS OF WASHINGTON STATE ONLY:

ANY PROSPECTIVE PURCHASER IS ENTITLED TO REVIEW FINANCIAL STATEMENTS OF THE ISSUER WHICH SHALL BE FURNISHED UPON REQUEST.

THE WASHINGTON STATE ADMINISTRATOR OF SECURITIES HAS NOT APPROVED OR RECOMMENDED THESE SECURITIES, NOR HAS THE ADMINISTRATOR PASSED UPON THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE RETURN OF THE FUNDS OF THE PURCHASER IS DEPENDENT UPON THE FINANCIAL CONDITION OF THE ORGANIZATION.

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OFFERING SUMMARY

This section summarizes the legal and financial terms of the Notes that are described in more detail in the section entitled "Description of the Notes." Final terms of any particular Note will be determined at the time of sale and may vary from and supersede the terms contained in this prospectus. Before deciding to purchase any Notes, investors should read the more detailed information appearing elsewhere in this prospectus, including the Investment Application in Appendix I.

Overview

The Institute for Community Economics, Inc. (ICE) is a national, non-stock, 501(c)(3) non-profit corporation that was formed to promote the community land trust model of affordable housing, land stewardship, and community development. Through technical assistance, financial support, and advocacy, ICE has built the capacity of a national network of community land trusts (a "CLT" or collectively "CLTs") and other locally controlled organizations for permanently affordable housing and community economic development.

In October 2008, ICE became a controlled affiliate of National Housing Trust ("the Trust") – a 501(c)(3) non-profit corporation located in Washington, D.C. As a result of this affiliation (the "Affiliation"), the Trust appointed a new Board of Directors for ICE and assumed full control of ICE's lending operations. ICE programs unassociated with lending have been assumed by other, independent, unaffiliated entities that have no involvement with the offering of these Notes. All representations and warranties in this prospectus are made solely by ICE, and nothing in this prospectus should be understood as a representation or warranty, expressed or implied, of the Trust. ICE is the sole issuer of the Notes, and investors in the Notes can expect only to be paid from cash and reserves held by ICE.

ICE has not defaulted on any Notes from its investors in the organization's history**;** however, past success does not guarantee future performance.

Select Financial Data

Select Audited Financial Information			
	June 30, 2018	**June 30, 2017**	**June 30, 2016**
Total Assets	$7,878,741	$9,962,495	$9,823,375
Total Liabilities	$6,827,235	$8,803,881	$8,887,593
Net Assets	$1,051,506	$1,158,614	$935,782
Support and Revenue	$272,477	$517,780	$381,231
Expenses	$(379,585)	$(294,948)	$(442,655)
Increase in Loan Loss Recovery or (Provision)	$(7,621)	$29,175	$(36,149)
Change in Net Assets	$(107,108)	$222,832	$(61,424)

See sections titled "Capitalization" and "Select Financial Data" for additional information.

Description of the Note

The Notes are debt securities and represent ICE's obligation to repay investors' principal upon maturity plus interest on an annual basis unless investors elect to donate the interest earned to ICE. Notes have fixed terms of 1, 3, 5, 7, and 10 years as chosen by the investor at time of purchase and are payable at maturity if not automatically or otherwise reinvested. Notes are available in any amount subject to the minimum investment amount set forth on the Interest Rate Sheet that accompanies this prospectus.

The interest rates ICE pays on the Notes are fixed for their term, however interest rates offered on new Notes may vary from time to time. The interest rates available for Notes on the date this prospectus was delivered to you are set forth on Appendix I. Current interest rates may also be obtained by calling the telephone number listed on the ICE Investor Note Investment Application ("Investment Application"), or by visiting the ICE website at http://www.nhtinc.org/invest. At the discretion of the investor, the interest on the Note will either be compounded or paid out by check annually on the anniversary of the Notes date of issuance, unless an investor chooses to donate the interest.

See section titled "Description of the Notes" for additional information.

Use of Proceeds

Proceeds from the sale of the Notes will be used to capitalize ICE's Revolving Loan Fund. Since its creation in 1979, the ICE Revolving Loan Fund has provided more than $63 million in lending capital to support more than 486 loans to community-based organizations across the nation. This activity has facilitated the preservation or development of over 5,500 homes for low-income families and individuals in more than 30 states. The balance of outstanding loans from the ICE Revolving Loan Fund at June 30, 2018, was approximately $5 million, net of loan loss reserves.

The ICE Revolving Loan Fund lends principally to community-based nonprofit organizations working to preserve and create housing that is affordable to people with lower incomes. The ICE Revolving Loan Fund provides financing for pre-development planning, land acquisition and for the acquisition, construction and rehabilitation of housing. Less frequent uses of ICE lending capital include the acquisition of office space or other property by nonprofit community service organizations to support critical functions of said nonprofit organization.

See sections titled "Use of Proceeds" and "Description and History of Organization" for additional information.

Distribution

ICE is offering Notes in the principal amount of up to $12,000,000 pursuant to this prospectus on a continuous basis without an expected termination date. No underwriting agreement exists for the offer and sales of the Notes. No minimum amount of the overall offering of $12,000,000 must be sold in order for us to accept investments.

ICE provides a copy of the prospectus and accompanying Interest Rate Sheet to each prospective investor prior to their investment. The Notes are marketed and issued directly by ICE personnel. Interested parties must complete and execute the Investment Application found in Appendix I of this prospectus and return it, together with payment, according to the directions detailed on the Investment Application. Please read all materials carefully before investing or sending payment.

History

For almost four decades, ICE's Revolving Loan Fund has provided capital to community-based non-profit and mission-aligned for-profit organizations working to preserve and create affordable housing for low-income families and individuals across the nation. Beginning with a single investment of $15,000 from one of its supporters, ICE's lending capital and portfolio has expanded to include 23 loans to organizations made throughout the nation with a combined principal balance of $5.2 million as of June 30, 2018.

At ICE's request, the Trust (a 501(c)(3) non-profit corporation) began managing the ICE Revolving Loan Fund in 2007. In 2008, ICE affiliated with the Trust and subsequently moved its offices to Washington, D.C. As an affiliate of the Trust, ICE continues to pursue its mission by lending capital to community-based organizations that preserve and develop housing that is affordable to lower income people.

As one of the nation's first community development loan funds, ICE helped pioneer the socially responsible investment movement. Since receiving its first loan almost four decades ago, ICE has relied on socially responsible investments to capitalize the ICE Revolving Loan Fund. Since 1979, ICE has provided more than $63 million of capital to community-based organizations that have collectively preserved and created over 5,500 affordable homes for lower income families and individuals in more than 30 states through more than 486 loans. Thanks to the dedication of ICE's socially-motivated investors and donors, our organization continues to be a catalyst for change in communities throughout the nation.

RISK FACTORS

An investment in the Notes involves various material risks; investors may lose all or part of their investment. Prior to any investment, and in consultation with investors' financial and legal advisors, investors should carefully consider the following risks factors (among others). There can be no assurance that the following list of the risks facing an investment in a Note is comprehensive. Additional risks not presently known to ICE or that are currently deemed immaterial could also materially and adversely affect our financial condition, results of operations, business and prospects.

The characteristics of the Notes and the nature of ICE's business make an investment in the Notes a high-risk investment.
Given the nature of ICE's investments, the use to which loan proceeds will be applied by the entity receiving them, the low interest rates being offered on the Notes, and other factors, the Notes are high-risk investments. 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 the investor's entire investment without suffering financial hardship.

See sections titled "Description of the Notes" and "Use of Proceeds" for additional information.

Risk level of unsecured investments – not government insured, no trust indenture or sinking fund
The Notes are unsecured obligations and are subject to investment risks. More specifically, the Notes: are not FDIC or SIPC insured or otherwise insured or guaranteed by any governmental agency; are not bank instruments such as certificates of deposit or deposit accounts with a bank, savings and loan association, credit union or other financial institution regulated by state or federal authorities; are not insured or otherwise guaranteed by ICE, the Trust, or by any other entity; and are subject to investment risks including the possible loss of principal invested. Principal repayments on the Notes will depend solely upon the financial condition and operations of ICE. No sinking fund or trust indenture has been or will be established by ICE to provide for the repayment of the Notes, except as may be required in Arizona, Pennsylvania and Wisconsin. Therefore, the relative risk level may be higher for these notes than for other securities.

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 investors. Because 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, the Notes may be riskier than Notes for which a trust indenture is established. 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 ICE's covenant to pay principal and interest, it makes only limited covenants, representations or warranties to investors.

The entities to which ICE intends to lend the proceeds from the sale of the Notes engage in activities, and are financed through methods, that enhance the risk that they may not be able to repay their ICE loans.
Proceeds from the sale of the Notes are used to provide capital to community-based non-profit and mission-aligned for-profit organizations working to preserve and create affordable housing for low-income families and individuals throughout the nation. ICE borrowers derive income from their lending activities and from grants and contributions from a variety of sources. This partial reliance on donations may affect the ability of loan recipients to repay ICE, especially during challenging economic environments when the volume of such donations may decrease.

See section titled "Lending Activities" for additional information.

The loans ICE makes may not be repaid on time, or at all, which may render ICE unable to repay the Notes when due, or at all.
There can be no guarantee that borrowers will repay ICE promptly, particularly in a difficult economic environment when borrower income from grants and contributions may be adversely affected. During a period of economic

downturn, our borrowers may experience declining revenues that make it more difficult or even impossible for them to satisfy their loan repayment obligations to ICE in a timely manner. While ICE intends to pay investors on schedule, there is a risk that defaulted or delinquent loans may result in ICE's having insufficient reserves to satisfy all outstanding Notes. Thus, there can be no guarantee that ICE will be able to make payments to investors as scheduled. Investors can only expect to be paid from cash and reserves held by ICE, and not by the Trust or by any other entity.

In addition to proceeds from the repayment of loans from its borrowers, ICE depends on grants, contributions and other uncertain sources of funding.

ICE is dependent upon grants and contributions for a portion of its total support and revenue. For the fiscal years ended on June 30 of the years 2018, 2017, and 2016, ICE received grants and contributions in the amounts of $13,657, $5,262, and $25,219 respectively, and had total support and revenue of $272,477, $517,780, and $381,231 respectively. Grants and contributions are neither guaranteed nor necessarily renewable income sources. Grant funding represents a limited amount of capital for a set amount of time with no guarantee to renew the capital upon the grant termination date. Significant grants are subject to potentially lengthy and stringent application and review processes; thus, grant funding can be difficult to obtain, particularly in a time of economic hardship. Since ICE will be dependent on income sources, including interest, grants and contributions, which are inherently uncertain, sufficient funds may not be available to continue operations. If this occurs, the risk of nonpayment of the interest and principal due under the Notes would increase.

See sections titled “Selected Financial Data” and “Capitalization” for additional information.

The loans ICE makes are illiquid and it may not be able to access the funds necessary to repay the Notes when due, or at all.

Loans made by ICE with the proceeds from the sale of the Notes are illiquid, and ICE may not be able to access the funds necessary to repay the Notes when due or at all. While investment diversification, credit analysis, limited maturity, and collateral can reduce the risk of loss, there can be no assurance that borrowers will repay ICE, that ICE will be able to collect on collateral, if any, and that losses will not occur.

The sale of the Notes is a best efforts offering and there is no minimum sales requirement.

Systems and processes are in place to allow the administration of this offering independent of any expected sales volume. A low sales volume will not prompt cancellation of the offering or cause us to refund Note purchases to existing investors.

The Notes are senior unsecured obligations of ICE.

ICE shall not create other funded debt unless said debt is equal to or subordinate to the Notes.

ICE may choose to restructure or refinance loans made to its borrowers in lieu of foreclosure.

If a borrower defaults on a loan that is collateralized by an ICE-held mortgage, ICE may choose not to foreclose immediately on the loan, but instead to work with the borrower to restructure or refinance the loan. Therefore, while borrower compliance with loan terms is strictly monitored, should the financial condition of a borrower significantly weaken, ICE's flexibility in working with borrower repayments could adversely affect the ability of ICE to repay investors in a timely manner.

Due to the charitable nature of ICE's mission, the interest rate on the Notes is set at a low rate relative to the potential risk of loss.

ICE anticipates that some investors will invest in our Notes, at least in part, to support ICE's charitable mission. Therefore, interest rates offered on the Note may not be as high as those offered by other financial institutions operating on a for-profit basis for similar securities. As a result, the risk of investment in the Notes may be greater than implied by their relatively low interest rates.

Should commercial rates rise, ICE is not obligated to redeem the principal or to affect a partial withdrawal of a Note prior to its maturity, nor to raise the offered interest rate. Early redemptions and partial withdrawals of Notes are possible, at the issuer's discretion (see "Early Redemption" and “Partial Withdrawals”).

Changes in federal and state securities laws relating to securities offered and sold by non-profit charitable organizations could adversely affect ICE's ability to sell the Notes and/or to meet its obligations under the Notes.

Pursuant to current federal and state exemptions relating to certain securities offered and sold by non-profit charitable organizations, the Notes will not be registered with the Securities and Exchange Commission and may not be registered with any state securities regulatory body in certain states. Federal and state securities laws are subject to change and frequently do change. Such an occurrence could result in a decrease in the amount of Notes we sell, which could affect our operations and our ability to meet our obligations under the Notes.

ICE believes that the Notes are exempt from registration under federal and state securities laws in certain states in which it sells the Notes, but if that is determined not to be the case, we may need to make rescission offers or suffer other penalties and may not have liquid funds available to repay all investors in those states.

The offering described in this prospectus is being made in reliance upon exemptions from registration provided by Section 3(a)(4) of the Securities Act, Section 3(c)(10) of the Investment Company Act, and the exemptions from registration of the securities of non-profit charitable organizations provided by the laws of certain states in which the Notes are offered. Reliance on these exemptions does not, however, constitute a representation or guarantee that such exemptions are indeed available. ICE may seek to qualify, register or otherwise obtain authorization for the offering in certain other states where it believes such qualification, registration or other authorization is required. If for any reason the offering is deemed not to qualify for exemption from registration under the charitable securities exemptions referred to above (and if no other exemption from registration is available), and the offering is not registered with the applicable federal or state authorities, the sale of the Notes will be deemed to have been made in violation of the applicable laws requiring registration. As a remedy for such a violation, penalties and fines may be assessed against ICE, and investors will typically have the right to rescind their purchase and to have their purchase price returned, together with interest at statutorily prescribed rates. If investors request the return of their investment, funds may not be available for that purpose. In that event, we may need to liquidate our assets and dissolve. Any refunds made will also reduce funds available for our operations. A significant number of requests for rescission could leave us without funds sufficient to respond to rescission requests or to successfully proceed with our activities.

Automatic Rollover at Maturity

ICE will notify investors approximately 45 days prior to their investments' maturity date. If investors do not take any action upon receiving the maturity notice, principal will be automatically reinvested for the same duration as the previous Note and at a comparable interest rate consistent with the current offering. If the original interest rate is not offered at the time of reinvestment and the investor provides no instructions, renewed Notes may be assigned a lower interest rate. Further, if investors do not take any action upon receiving the maturity notice, the investor's initial choice with respect to the preferred action ICE should take with investor interest (donate to ICE, capitalize, or pay out) will be honored with the investment renewal. Automatic rollover at maturity will not be offered to Oregon or Kentucky investors – ICE must receive positive affirmation in writing to rollover an investment held by an Oregon or Kentucky investor.

See section titled "Description of the Notes" for additional information.

ICE may, in its sole discretion, repurchase or redeem the Notes in whole or in part prior to their respective maturities.

ICE may, in its sole discretion, elect to repay Notes prior to their scheduled maturity date. Specifically, ICE may at any time elect to repay a Note by paying the investor holding the Note the outstanding principal amount of the Note plus accrued and unpaid interest through the date of repayment. In such case, ICE may offer the investor the option, in lieu of such repayment, to roll over the outstanding principal amount and accrued but unpaid interest to be repaid into a new Note, which may bear interest at a lower annual rate than the original Note.

See section titled "Description of the Notes" for additional information.

ICE is not obligated to redeem all or any portion of the principal of the Note prior to its maturity.

Early redemption may be permitted in ICE's sole discretion and may be conditioned on the payment of penalties against the interest accrued on the Note. Notes redeemed before the expiration of one year may receive no interest, as interest is earned annually. Notes redeemed after the first year of their term but prior to maturity, may receive up to a 50% penalty against the total interest earned on the Note. For interest that has already been paid to the investor, the early redemption penalty will be taken against the principal of the Note.

See section titled "Description of the Notes" for additional information.

Change in operations
ICE is not obligated to continue offering the Notes, to continue its current operations, or to maintain its existence as a not-for-profit entity. Any change in its operations or status could have a negative impact on its ability to make payments of interest and principal to investors in the Notes. As of the date of this prospectus, however, ICE has no plan to discontinue the offering of the Notes, its lending program, or the maintenance of its status as a not-for-profit entity.

Key personnel – no key person insurance
ICE's operations are dependent in part on the efforts of its management personnel, who are expected to continue to devote their time to ICE's activities. If any management personnel become unable or unwilling to continue their activities for ICE, or if ICE is unable to attract and retain other skilled management personnel, ICE's business, results of operations, and ability to repay the Notes may be adversely affected. There can be no assurance of continuity in ICE's key personnel. Furthermore, ICE does not maintain Key Person Insurance to protect the organization from the loss of one or more of its key personnel.

See section titled "Key Personnel" for additional information.

ICE makes no representations as to the tax consequences of purchasing and holding the Notes.
The principal amount of a Note is not tax-deductible. The purchase of Notes should in no way be understood as a charitable donation. Investors will not receive any tax deductions from ICE's operations, and, in general, all accrued interest received by investors will be taxable income. Potential investors are encouraged to consult a tax professional regarding the tax treatment of income earned on the Notes.

See paragraph titled "Interest Payments and Tax Reporting" on page 23 for additional information.

ICE is offering the Notes in reliance upon exemptions from registration under the Securities Act of 1933 and applicable state securities laws.
ICE has no obligation, and does not intend, to register the Notes for resale. As a result, there is no trading market for the Notes at present and no trading market is expected to develop in the future. Investors should therefore consider the Notes as an investment to be held until maturity.

The nature of this program does not afford the opportunity of a public or secondary market.
Notes may not be transferred without our written consent. There is no public or secondary market for the Notes and no market is likely to develop. Consequently, the purchase of the Notes should be viewed as an investment to be held to maturity. Accordingly, the Notes are highly illiquid.

Other investments of ICE
ICE invests a portion of its liquid assets in readily marketable securities and is therefore subject to various market risks that may result in losses if market values of investments decline. While these investments are convertible into cash within a window of up to five business days, disruptions in the markets for these investments or in financial markets, generally, could result in an inability to sell or otherwise liquidate these assets. The ICE investment policy is generally conservative, as its goal is the preservation and modest enhancement of ICE's assets.

See section titled "Investing Activities" for additional information.

Risk of non-compliance with certain securities law regarding the past issuance of promissory notes
Since 1979 (and prior to both the Affiliation and the offering of securities made by this prospectus), the ICE Revolving Loan Fund has been capitalized by proceeds derived from the issuance of promissory notes to institutional and individual investors. No federal or state regulatory body or self-regulatory body has consented to or passed on, nor made any judgment or statement as to the adequacy of, such previously issued promissory notes. If a federal or state regulatory body or self-regulatory body were to determine that the prior issuance of these promissory notes had

violated certain federal or state laws, rules or regulations, ICE's performance may be negatively impacted and ICE's ability to meet its obligations under the Notes may be impaired. Nothing in this prospectus should be understood as a representation or warranty with respect to such previously issued promissory notes. This prospectus concerns only the Notes and not any instruments that have been issued by ICE prior to the date printed on the front of this prospectus.

A substantial portion of ICE's outstanding loans are to a small group of borrowers. The inability of these borrowers to repay their loans could adversely impact ICE's ability to repay the Notes when due or at all.
As of June 30, 2018, the five largest loan principal balances in the ICE Revolving Loan Fund comprised 45% of the total loan portfolio. Deterioration in the quality of any one of these loans could negatively impact ICE's performance and impair its ability to meet its obligations under the Notes.

See section titled "Lending Activities" for additional information.

ICE's investment portfolio maintains a loan loss reserve; however, there can be no guarantee that the loss reserve will be sufficient to meet all potential losses.
As of June 30, 2018, the loan loss reserve (which is reviewed and adjusted periodically) was approximately 5.5% of loans outstanding.

See section titled "Lending Activities" for additional information.

DESCRIPTION AND HISTORY OF THE INSTITUTE FOR COMMUNITY ECONOMICS, INC.

Description and History of ICE
ICE was established under the laws of the state of Massachusetts exclusively for educational and charitable purposes. ICE was formed to promote the community land trust model of affordable housing, land stewardship, and community development. Through technical assistance, financial support, and advocacy, ICE has built the capacity of a national network of community land trusts (a "CLT" or collectively "CLTs") and other locally controlled organizations for permanently affordable housing and community economic development.

As one of the nation's first community development loan funds, ICE helped pioneer the socially responsible investment movement. Since receiving its first investment almost four decades ago, ICE has relied on socially responsible investors to capitalize the ICE Revolving Loan Fund. To date, ICE's Revolving Loan Fund has provided more than $63 million in lending capital to support more than 486 loans to community organizations across the nation. This activity has facilitated the preservation or development of over 5,500 homes for low-income families and individuals in more than 30 states.

ICE became a controlled affiliate of the National Housing Trust ("the Trust") on October 30, 2008. The Trust is a 501(c)(3) nonprofit corporation working to preserve and revitalize affordable rental units to better the quality of life for the families and elderly who live there. For more information about the Trust, visit http://www.nhtinc.org.

Today, ICE remains a national, non-stock, 501(c)(3) non-profit corporation; providing capital to community-based non-profit and mission-aligned for-profit organizations working to preserve and create affordable housing for low-income families and individuals throughout the nation. ICE and the Trust headquarters are located at 1101 30th St. NW Suite 100A, Washington, DC 20007.

USE OF PROCEEDS

Proceeds from the sale of the Notes will be used to provide capital to community-based non-profit and mission-aligned for-profit organizations working to preserve and create affordable housing for low-income families and individuals throughout the nation. Specifically, ICE's primary lending activities support community land trusts, limited equity cooperatives, and other community-based, non-profit organizations creating housing that is permanently affordable to people with lower incomes. The ICE Revolving Loan Fund provides financing for pre-development planning, land acquisition, and for the acquisition, construction and rehabilitation of affordable housing units. Additionally, ICE provides mortgage financing (bridge and permanent),

a line-of-credit product, and Tenant Opportunity to Purchase Act - Earnest Money Deposit ("TOPA EMD") loans to its borrowers. Less frequent uses include the acquisition of office space or other property by non-profit community service organizations.

LENDING ACTIVITES

Lending Policies
With capital raised from the issuance of both the Notes and previous note offerings, ICE provides loans to community-based non-profit organizations and mission-aligned for-profit affordable housing organizations working to create and preserve affordable housing for low-income families and individuals throughout the nation. Interest rates are established by ICE management and may vary depending on the type of loan, the perceived risk-level, and the term. The interest rates offered may be adjusted periodically based on ICE's cost of funds. ICE does not generally charge an application fee to potential borrowers, though approved borrowers are generally charged an origination fee at closing of 1% of the loan amount.

Loans made by ICE are typically secured by i) a mortgage lien or first deed of trust where appropriate, or ii) by assignment of receivables; however, ICE may also make unsecured loans to organizations with sufficient strength to provide assurance of repayment. Subordinate financing may be offered by ICE in situations where a local financial institution is willing to provide first mortgage financing, but for policy or other reasons is unable to provide full financing for the project.

Loan Portfolio
As of June 30, 2018, the ICE Revolving Loan Fund had 23 loans outstanding to community-based organizations and affordable housing projects. These loans bear interest at rates ranging from 0% to 7% and mature at various dates through 2036. In general, ICE issues loans in connection with affordable housing and community development projects and most are collateralized by first mortgages on the housing projects of the borrowers. Loan principal balances range from $39,028 to $587,471and the five largest principal balances outstanding constitute approximately 45% of the full portfolio. As of June 30, 2018, ICE Revolving Loan Fund had entered into four loan commitments for which it will advance $1,218,000 to unaffiliated organizations.

ICE wrote off no loans in 2017 or 2018. For a full discussion of the risks involved in purchasing these Notes, please read "Risk Factors."

The table below describes the various types of loan products currently offered by ICE with a typical range of terms:

Loan Type	Projects	Amount	Terms
Rehabilitation and/or Construction Loan	Cooperative, affordable rental, lease-to-purchase, and affordable for-sale housing	Typically, as much as \$500,000, but could go up to 12.5% of the assets of ICE.	From 3-36 months; interest-only until completion
Mortgage Bridge Loan	Development and rehabilitation of affordable housing projects	Typically, as much as \$500,000, but could go up to 12.5% of the assets of ICE.	From 2-10 years with an amortization period of 5-30 years
Bridge Loan	Property acquisition or project financing that bridges to subsidy	Typically, as much as \$500,000, but could go up to 12.5% of the assets of ICE.	From 3-36 months, interest only until maturity
Facilities Loan	Acquisition and/or construction of facilities for organizations devoted to affordable housing	Typically, as much as \$500,000, but could go up to 12.5% of the assets of ICE.	From 3-5 years with an amortization period of 5-30 years
Predevelopment Loan	Due diligence and planning prior to development, including environmental studies, market studies, appraisals architectural fees, attorneys' fees, purchase option fees, finance application fees and similar predevelopment expenses	Typically, as much as \$500,000, but could go up to 12.5% of the assets of ICE.	From 3-36 months, interest only until maturity
Line of Credit	Regular, recurring short-term capital needs for affordable housing projects	Typically, as much as \$500,000, but could go up to 12.5% of the assets of ICE.	From 1-3 years, interest only until maturity
Customized Loan	The loan committee may approve loans outside the standard product lines where such loans are consistent with the organization's mission and are judged to represent prudent lending	Typically, as much as \$500,000, but could go up to 12.5% of the assets of ICE.	From 3-60 months, interest only until maturity

Loan Underwriting

Every potential ICE borrower is assessed for risk by ICE staff, and each loan carries a risk rating established and regularly reviewed by the ICE Board of Directors. As a part of the approval process, loans are assigned a risk rating on a scale of 1-7, based on the likelihood of loan repayment. Each risk rating corresponds to a particular loan loss reserve percentage; riskier loans having a greater loan loss reserve percentage. At least annually and in part informed by regular borrower reporting, the ICE Board reviews each loan in its portfolio and reevaluates risk ratings, making appropriate risk rating/reserve adjustments in relation to the financial condition of borrowers. Risk ratings may also be revised between portfolio reviews if a risk issue arises with a loan and a risk rating revision is deemed appropriate. Borrowers with loans that have been downgraded to categories 5, 6 or 7 are placed on a watch list and will not be eligible to receive additional loans from ICE unless and until the risk levels on outstanding loans are reduced or the loans are repaid in full. Risk scores depend on factors such as borrower liquidity and general financial health, loan securitizations (such as guarantees or refundable deposits), staff experience level, organizational and specifically loan payment history, borrower mission, and the estimated value of loan collateral.

ICE's loan underwriting typically includes a review of: recent and current market conditions; the strength of project partners (public and private); the underlying financial strength of the borrower and their prior experience in developing similar projects; the proposed loan repayment strategy; collateral adequacy; any sponsor/guarantor strength and experience; and alignment with the ICE mission. In particular, ICE analyzes the borrowers' trends for key benchmarks and ratios for cash position, liquidity, leverage, income and accounts receivable, asset quality, information systems and infrastructure. Further, organizations are evaluated on their pipeline of current transactions, contingent liabilities, and cash flow projections. ICE assesses local market conditions to ensure the intended development is coordinated with local government plans for targeted areas, and that anticipated sales and/or rental pricing for housing is consistent with recent market data and trends.

Lending Criteria

ICE uses invested funds to make loans in accordance with its lending policies and procedures. All loans are approved in advance by an independent loan committee of the Board of Directors. The policies and procedures are reviewed annually and revised as needed by the ICE Board of Directors. They establish a variety of underwriting criteria for each loan and limits loans to one borrower to no more than 12.5% of the assets of ICE. ICE operates as a national lender and has no geographical concentration, although one pool of investor funds is limited to deployment in the New England states, and this geographical limitation is followed.

Sample List of Borrowers

The following is a sample list of current or recent borrowers from the ICE Revolving Loan Fund. They are included here to give potential investors in the Notes an idea of the organizations ICE might lend to with the incremental capital generated by the sale of the Notes. This list is indicative only and should not be understood as a guaranty that ICE will continue to lend to these specific organizations.

Champlain Housing Trust – Burlington, Vermont

ICE participated with Community Housing Capital and Partners for the Common Good to preserve and expand affordable housing in the South Meadows community of Burlington, Vermont. Champlain Housing Trust (CHT) has a contract to acquire the 148-rental unit property prior to the expiration of its affordability covenant. Originally financed through a Housing Development Action Grant (HoDAG) in 1986, the South Meadow community has provided Burlington families with affordable two- and three-bedroom homes for more than 25 years. A central park anchors the garden-style community, while public transit options, highly-ranked schools, shops, and other amenities lie within walking distance of the families' front doors. Over the coming years, CHT will create 96 units of affordable housing in South Meadow. Sixty-four rental units will be affordable to families earning less than 60% of household median income, and 32 units will be converted to affordable for-sale homes - most of which will be held in a community land trust.

Diamond State Community Land Trust – Dover, Delaware

Diamond State Community Land Trust (Diamond State) negotiated agreements with all five Delaware jurisdictions receiving federal Neighborhood Stabilization Program (NSP) funds for the purpose of purchasing and rehabilitating vacant, foreclosed homes. Diamond State repairs and then sells these same homes to lower-income families, ensuring that each home remains permanently affordable. In one of the five Delaware jurisdictions, the government agency disbursing NSP funds was unable to make payment within the typical period between executing a purchase contract and settlement. This funding gap left Diamond State unable to commit to the seller of the foreclosed home for a settlement within 30 days, leaving Diamond State at a competitive disadvantage in the initial home purchase. ICE made a line of credit loan to Diamond State that has allowed the timely purchase of homes within the 30-day timeframe, with ICE reimbursement coming from the later released NSP funds.

Proud Ground - Portland, Oregon

ICE participated with Partners for the Common Good and the Portland Housing Bureau to provide construction financing for Svaboda Court; newly constructed community land trust homes located within blocks of public transit, green spaces, grocery stores, and schools in Portland, Oregon. This cottage-style community offers 12 two and three-bedroom homes, priced below $150,000. The homes are available to first-time home buyers who earn less than 80% of Portland's median household income; approximately $25,000 - $45,000 annually. Proud Ground's mission is to provide first-time homebuyers with the freedom to start building their financial future and gain independence from paying rent.

Renaissance 7 Limited Partnership for Straw Mansion - Manchester, New Hampshire
This project includes the development of 33 affordable rental units in the downtown area of Manchester, New Hampshire. The project, known as the "Straw Mansion Apartments", consists of the renovation of two buildings and construction of a new building on the site. The existing property consists of an 1870's vintage mansion house, a 1960's vintage motel building, and an older six-car garage. Manchester Neighborhood Housing Services renovated the mansion into 14 apartments and the motel building into 11 apartments, constructing a new 8-unit apartment on the property, and removing the existing garage. The completed project includes 12 one-bedroom apartments, 19 two-bedroom apartments, and 2 three-bedroom apartments. The project was developed using low-income housing tax credits. NHHFA, HOME funds, and grants make up the remainder of the fund sources.

Sawmill Community Land Trust – Albuquerque, New Mexico
The Sawmill Community Land Trust (Sawmill) is an established entity with a successful track record of creating permanently affordable housing in New Mexico through the CLT model. Sawmill's *Arbolera de Vida* ("Orchard of Life") development contains two phases; a first phase of 23 residential units and an outdoor community plaza, and a second phase that includes 46 rental units for low-income seniors, 37 single-family unit and shared community facilities. ICE provided Sawmill an interim development loan to finance a detached unit in *Arbolera de Vida's* first phase which Sawmill used as a temporary office space. Upon completion of the second phase, Sawmill relocated its office, and has entered into a lease-purchase agreement with the family who moved into the unit that was financed through ICE's Revolving Loan Fund.

West Elmwood Housing Development Corporation – Providence, Rhode Island
The West Elmwood Housing Development Corporation works to enable home ownership, facilitate community engagement, and promote economic development in Providence, RI neighborhoods. In partnership with Community Housing Capital, ICE provided construction financing to West Elmwood for their Walker Farm Lane project. In accordance with local and state plans to preserve affordable housing opportunities in the town of Barrington, Rhode Island, Walker Farm Lane created 11 shared-equity homes and one rental home available to families earning up to $75,000 annually.

Loan Loss Reserve
ICE provides an allowance for potential loan losses of the ICE Revolving Loan Fund. The allowance is based on the internal risk rating assigned by ICE to each borrower upon disbursement of the loan (see paragraph titled "Loan Underwriting" on page 15). Risk ratings for each loan are reviewed annually (at a minimum) by the ICE Board of Directors and may be updated more often as the credit conditions of borrowers vary. The actual loan loss reserve held for each loan is a product of the loan's current principal balance multiplied by the current risk rating reserve percentage. At June 30, 2018, the loan loss reserve totaled $289,531, constituting approximately 5.5% of outstanding loan principal.

Loan Monitoring
Borrowers are required to submit semi-annual reports for ICE staff review. These reports are used to assess borrowers' capacity to perform on an ongoing basis. Reporting information from each loan in ICE's loan portfolio is also used for an annual review by ICE's Board of Directors during a process called Portfolio Review. The Portfolio Review includes a written report on each loan that focuses on project status updates, financial reviews, loan repayment strategies and performance, insurance and real estate payment, and collateral valuations. During the annual Portfolio Review, risk ratings are reviewed for each loan and changes are made for loan loss reserves as the ICE Board deems necessary.

Reporting on ICE's Loan Portfolio and Investing Activities
Investors may receive periodic updates on ICE regarding the activities of the organization. The most recent audited financial statements, along with an updated prospectus, are sent to investors within 120 days of the fiscal year end.

INVESTING ACTIVITIES

Investing Activities
ICE may invest a portion of its cash and reserves in readily marketable securities; these investments are generally convertible into cash within a window of up to five business-days. The ICE investment policy for readily marketable securities is generally conservative, as its goal is the preservation and modest enhancement of ICE's assets. ICE's investment policy is made and maintained by ICE's President, CFO, and Director, and is approved by the ICE Board of Directors.

The table below lists all of ICE's investments by type. As of June 30, 2018, ICE had $1,405,593 in cash and short-term investments.

ICE Investments		
	June 30, 2018	**Percent of Total**
Cash	$1,403,308	17.95%
Short-Term Investments	$2,285	.03%
Long-Term Investments	$1,418,895	18.15%
Notes Receivable, Net of Loan Loss Provision	$4,992,574	63.87%
Total	$7,817,062	100%

CAPITALIZATION

ICE is capitalized by individual and institutional investors, as well as by grants and contributions from individuals, institutions, and governmental bodies.

Grants and Contributions
In 1998 and 1999, ICE received an aggregate of $1.63 million from the U.S. Department of the Treasury's CDFI Fund. These funds were intended to help ICE establish a capital base for its lending program. A portion of ICE's annual operating budget is supplied in the form of grants and contributions by individuals and by philanthropic institutions. During the fiscal years ending June 30, 2018, and June 30, 2017, such grants and contributions totaled $13,657 and $5,262 respectively.

Institutional Program Investments
On October 30, 2008, and as a part of the ICE affiliation with National Housing Trust, the Ford Foundation awarded a $3,000,000 program related investment (PRI) to ICE. The loan is guaranteed by the National Housing Trust. The note is unsecured and bears interest at the rate of 1% per annum. The PRI is a ten-year loan with 1% annual interest paid quarterly. Half of the PRI ($1,500,000) is due to Ford on each of the ninth and tenth anniversary of the closing date. The PRI's purpose is in part "to promote the growth of shared equity models of homeownership for low-income people in the United States" through "loans to community land trusts, limited equity cooperatives or other non-profit entities." At June 30, 2018, the outstanding principal balance totaled $1,000,000. ICE did meet the Ford Foundation's Net Asset Ratio Test as of June 30, 2018.

On August 22, 2014 Bank of America awarded a $500,000 program related investment (PRI) to ICE. The loan was evidenced by an unsecured promissory note with an interest rate at 1% per annum. The PRI was a three-year loan with 1% annual interest paid quarterly. The PRI was repaid to Bank of America at the beginning of ICE's fiscal year 2018, on August 17, 2017. The PRI's purpose was in part to support ICE's activities in the Washington, DC region.

On August 28, 2018 Bank of America awarded a $500,000 program related investment (PRI) to ICE. The loan is evidenced by an unsecured promissory note with an interest rate at 3.5% per annum and annual interest paid quarterly. The loan principal is payable in two equal installments of $250,000 each on the 5th and 6th anniversaries from the closing date. The entire principal amount shall be payable on April 18, 2024. The PRI's purpose is in part to support ICE's activities in the Washington, DC region.

ICE's PRIs are not secured by ICE's assets or senior in priority to the ICE Investor Notes.

Capitalization Table

The following table sets forth capitalization of ICE as of June 30, 2018. The "Institutional Program Investments" represents the $3 million PRI from the Ford Foundation made on October 30, 2008, $2,000,000 of which was repaid during fiscal year 2018, and the $500,000 PRI from Bank of America made on April 18, 2018.

Capitalization Table	
	June 30, 2018
ICE Investor Notes	$5,262,828
Institutional Program Investments	$1,500,000
Net Assets	$1,051,506
Total Capitalization	$7,814,334

SELECT FINANCIAL DATA

Financial Highlights

The tables below provide selected ICE financial information for fiscal years 2014 to 2018. **Past performance is not indicative of future results.**

Balance Sheet Highlights					
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Assets	$7,878,741	$9,962,495	$9,823,375	$9,799,568	$9,366,650
Total Liabilities	$6,827,235	$8,803,881	$8,887,593	$8,802,362	$8,515088
Net Assets	$1,051,506	$1,158,614	$935,782	$997,206	$851,562
Notes Payable, Net of Unamortized Debt Issuance Costs	$6,762,828	$8,738,162	$8,791,131	$8,677,706	$8,309,053
Cash	$1,403,308	$3,171,738	$1,668,332	$2,259,301	$1,254,574
Notes Receivable, Net of Loan Loss	$4,992,574	$4,991,614	$5,085,511	$4,497,374	$5,257,932

Income Statement Highlights					
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Support and Revenue	$272,477	$517,780	$381,231	$411,615	$568,011
Expenses	$(379,585)	$(294,948)	$(442,655)	$(265,971)	$(528,755)
Change in Net Assets	$(107,108)	$222,832	$(61,424)	$145,644	$39,256

Cash Flow Highlights					
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Net Change in Notes Payable	$(1,997,864)	$(72,358)	$94,145	$368,653	$280,413
Net Change in Loans Receivable	$8,581	$(123,072)	$624,286	$706,558	$628,989
Cash Paid as Interest	$88,908	$99,400	$124,613	$136,331	$87,198

Financial Targets

The goal of ICE is to raise $12,000,000 in ICE Investor Notes over the next 5 years.

Unsecured Loans as of 6/30/2018		
Borrower	**Loan Balance**	**Guaranteed by Third Parties**
NHT/E	**$72,406.77**	**YES**
Mi Casa, Inc.	**$80,000.00**	**NO**
Bradley House	**$47,667.89**	**NO**
NHT/E	**$100,000.00**	**YES**
NHT/E	**$400,000.00**	**YES**
Total Unsecured Loans	**$700,074.66**	
Total Unsecured Loans with no Third Party Guarantee	**$127,667.89**	
Total Loans Outstanding	**$5,282,105**	
As of 6/30/2018, 13.3% of ICE's total loans receivable were unsecured by real or personal property. As of 6/30/2018, 2.4% of ICE's total loans receivable were unsecured by real or personal property or guaranteed by third parties.		

Material loan delinquencies for last three fiscal years
As of June 30, 2016, and 2015, a loan in the outstanding amount of $108,421 and $222,272, respectively, was impaired. The loan matured on May 1, 2015. ICE shares a first deed of trust with another lender. The loan was measured at the outstanding principal balance discounted for expected cash flows related to the impaired loan. Management considered the value of the collateral consisting of 12 apartment buildings. Management used a broker's opinion obtained relating to the collateral to estimate cash flows resulting from the sale of these assets. The fair value was based on the aforementioned estimates and resulted in no loan loss reserve being recorded. During the year ended June 30, 2017, the loan was paid off in full.

As of June 30, 2018, and 2017, no loans were considered impaired loans.

DESCRIPTION OF THE NOTES

What is an Institute for Community Economics Investor Note?
The Notes are designed to channel capital to community-based non-profit and mission-aligned for-profit organizations working to preserve and create affordable housing for low-income families and individuals throughout the nation. The ICE Revolving Loan Fund provides financing for various activities associated with the development and preservation of affordable housing (see "Use of Proceeds"). The Notes are available at rates and terms as described in the Interest Rate Sheet that accompanies this prospectus.

A Note represents ICE's promise to pay interest at a fixed rate for a fixed period of time as selected on the Investment Application, and repay the principal amount invested and any accrued interest at the maturity date unless the Note is reinvested. An investor may purchase a Note by completing the Investment Application and sending a check for the amount invested. The purchase price of the Notes is 100% of the principal amount of the Note. The purchase price for the Notes is payable in full upon subscription. The Notes are not secured by a pledge or mortgage of any of our assets, and there is no sinking fund or similar provision for payment of the Notes at maturity.

Because of the continuous nature of ICE's offerings of Notes, the applicable interest rates it offers with respect to new Notes will be subject to change from time to time. The interest rates ICE pays on Notes are fixed for their term, but the interest rates offered on new Notes vary from time to time. The interest rates available for Notes on the date this prospectus was delivered to you are set forth on the accompanying Interest Rate Sheet. Current interest rates may also be obtained by calling ICE at (202) 333-8931, ext. 110, or by visiting ICE's website, www.nhtinc.org/invest.

The Notes are senior obligations of ICE. The Notes are not, and will not become, subordinate to any other indebtedness of ICE.

Who Can Invest
The Notes are marketed to individual and institutional investors and are not reserved for any specific class of investor. The ICE Investor Note is only offered in certain states and jurisdictions, and investors must reside in a state or jurisdiction where the Note is available. Visit the ICE website at www.nhtinc.org/invest for a list of states and jurisdictions where the ICE Investor Note is offered.

How to Invest
Investors select a term and an interest rate pairing from currently available options by completing the Investment Application, included at the end of this prospectus, and returning it, together with payment, to ICE at 1101 30th Street NW Ste. 100A Washington, D.C. 20007. The Notes must be purchased in amounts of at least $2,000. Please see the "Investor Guide" on page 27 of this prospectus for more details.

ICE reserves the right to suspend the sale of the Notes for a period of time or to reject any specific investment application, with or without a reason. ICE may also, in our discretion, elect to accept a specific investment application as to a portion, but not all, of the amount proposed for investment.

Settlement Method
Transactions of Notes are settled with ICE acting as registrar and paying agent.

Note Administration and Interest Accrual

Notes accrue interest annually, beginning one business day after the deposit of funds is made available to ICE by the investor. Both the anniversary and the maturity date of a Note will correspond to the first day of the month of investment, or the first day of the following month, whichever is the fewest number of days from the issuance date. Interest accrues on a 365-day year basis. On the Investment Application investors may elect to have their interest paid out or reinvested annually. Investors may also elect to irrevocably donate interest to ICE annually. ICE will honor the investor's choice with respect to interest option (donate, pay out, capitalize), as defined and elected on the initial Application form, in each interest payment year including the year of investment maturity, unless the investor elects to change his or her interest option choice during the investment term. While ICE may ask investors periodically if they would like to modify the interest option that they chose on the initial application form, the investor's initial choice will always be honored unless an investor provides positive written affirmation that he or she would like to modify the interest option choice during the investment term. Should an investor modify his or her interest option choice, the most recent choice will override any previous option choice, including the investor's initial choice on the application form, with respect to subsequent interest opportunities.

Increasing an Investment

Subject to ICE's acceptance, investors may add to an existing Note in increments of $1,000 at any time. Such increases will be added to the Note at its existing term and interest rate.

Options at Maturity

ICE's practice is to mail a notice to investors approximately 45 days prior to the maturity of their Note, providing instructions for redemption and reinvestment. If an investor takes no action in response to the notice, principal will be automatically rolled over for the same duration as the previous Note and at a comparable interest rate consistent with the current offering (ICE must receive written positive affirmation to rollover an investment held by an investor residing in Oregon or Kentucky). As noted above, investors will have an option provided on the maturity notice to elect an interest option (donate, pay out, or capitalize); however, should investors not take any action with respect to the maturity notice, investors' initial preference, as represented on their initial application or most recent response to a maturity notice, will be honored. If the original interest rate is not offered at the time of rollover and the investor provides no instructions, renewed Notes may be assigned a lower rate.

Automatic rollover at maturity will not be offered to Oregon and Kentucky investors – ICE must receive positive affirmation in writing to rollover an investment held by an Oregon or Kentucky investor.

Early Repayment

ICE may, in its sole discretion, elect to repay Notes prior to their scheduled maturity date. Specifically, ICE may at any time elect to repay a Note by paying the investor holding the Note the outstanding principal amount of the Note plus accrued and unpaid interest through the date of repayment. In such case, ICE may offer the investor the option, in lieu of such repayment, to roll over the outstanding principal amount and accrued but unpaid interest to be repaid into a new Note, which may bear interest at a lower annual rate than the original Note.

Early Redemption

Early redemption may be permitted in ICE's sole discretion and may be conditioned on the payment of penalties against the interest accrued on the Note. Notes redeemed before the expiration of one year may receive no interest, as interest is earned annually. Notes redeemed after the first year of their term but prior to maturity, may receive up to a 50% penalty against the total interest earned on the Note. For interest that has already been paid to the investor, the early redemption penalty will be taken against the principal of the Note.

Partial Redemption

Partial withdrawals of principal are possible, at ICE's sole discretion. If ICE chooses to allow a partial withdrawal, no penalty shall be taken against the principal of the Note, although there may be an interest penalty as per the "Early Redemption" section above. The minimum partial withdrawal amount is $1,000. No more than two partial withdrawals will be allowed by ICE each year during the full term of the Note.

ICE's Optional Redemption Right
ICE has the right to redeem any Note upon 10 business days' prior written notice. If ICE exercises this redemption right, it will pay the investor 100% of the outstanding principal amount of their Note and all accrued interest to the date of redemption.

Nontransferable; No Secondary Market
The Notes are non-negotiable and are not transferable. Furthermore, the Notes may not be pledged or encumbered. Accordingly, the nature of this program does not afford the opportunity of a secondary market. Consequently, the purchase of Notes should be viewed as an investment to be held to maturity as investors may not be able to sell, for emergency purposes or otherwise, any Note.

Transfer on Death (TOD), or Payable on Death (POD) accounts are not offered for the Notes. These accounts allow registered owners to pass accounts directly to beneficiaries upon death in some states. An estate planner should be consulted regarding such beneficiary designations.

Minimum Account Balance
The minimum account balance per Note is $2,000. Should a partial withdrawal or outgoing transfer cause the remaining balance of the Note to fall below the minimum account balance, the Note will be closed and the remaining principal value returned to the investor as an early redemption. (See "Early Redemption" above.)

Interest Payments and Tax Reporting
Interest will be paid once a year on a Note's anniversary date to those investors who have elected to have his or her interest paid out annually. In general, cash-basis taxpayers are required to report interest on their tax return only after the interest has been paid; thus, an investor who opens a Note in November 2017 will receive the first payment of interest in November 2018 and report this interest on their 2018 tax return. Investors will be provided with a Form 1099 in January of each year detailing the interest earned on their investment in the prior year. If an investor has selected a 0% interest rate, no Form 1099 will be provided as no interest will have been earned on the Note. These investments are not tax deductible. Federal and state tax is due on the interest earned on the Notes. Investors who have chosen to donate their interest will still receive a Form 1099, as the interest was earned by the Note holder and then irrevocably donated. ***Consult your tax advisor regarding the effect on your taxes, if any, of accepting a below-market rate of return on your investment.***

Book Entry
ICE uses a book entry system to record ownership and invested balances for all of its newly issued Notes. Under this system, ICE keeps an electronic record of your investments in Notes. Instead of a paper Note, ICE sends you confirmation of your initial investment and any subsequent additions to, or redemptions of, your investment. ICE also sends periodic statements showing the amount you have invested with us. ICE books and records constitute prima facie evidence of the amount outstanding on each Note.

Events of Default
Except in certain states under specific circumstances, nonpayment of principal or interest on a Note when due will constitute a default by us, but only as to that Note. Furthermore, in the event of a default in the payment of interest only, you will have no right to accelerate payment of your Note's principal amount. You will have to assert your own individual legal remedies in seeking payment of your Note following a default.

LEGAL MATTERS

As of the date of this prospectus, ICE is not subject to any adverse order, judgment or decree of any court, governmental authority or administrative body, and it is not a defendant in any present, pending or (to our knowledge) threatened material legal proceedings. The same is true for any of ICE's directors, officers, or employees acting in their capacity representing the organization.

FINANCIAL REPORTING

Current audited financial statements for ICE, the issuer of the Notes, are made available to investors upon written request, and will be mailed to investors within 120 days of its most recent fiscal year end. ICE's financial statements as of and for the fiscal years ended June 30, 2018, and 2017 and June 30, 2017 and 2016, and the related notes thereto, attached as Appendix II to this prospectus, have been audited by CohnReznick LLP.

DISTRIBUTION

ICE is offering Notes in the principal amount of up to $12,000,000 pursuant to this prospectus, which will beoffered on a continuous basis without an expected termination date. No underwriting agreement exists for the offer and sale of the Notes. No minimum amount of the overall offering of $12,000,000 must be sold in order for ICE to accept investments.

ICE, as the issuer of the Notes, is serving as the distributor of these Notes, and is either registered to sell the Notes or is exempt from registration in those states where the Note is offered for sale. Certain ICE employees and affiliated persons are authorized to disseminate information about ICE and about the Notes. ICE keeps in contact with registered investment advisors at Trillium Asset Management and at US Trust, who may refer investors to ICE. No fees or commissions are paid by ICE to these advisors for referrals.

The purchase price for the Notes is payable in full and in cash upon subscription at 100% of the principal amount of the investment. ICE provides a copy of the prospectus to each prospective investor prior to an investment. It is ICE's policy to send existing investors audited financial statements each year, and copies of updated prospectus as well as copies of any supplements to the prospectus as they are available. Following receipt of the prospectus, prospective investors may purchase Notes by completing and signing the Investment Application found in Appendix I of this prospectus and returning it, together with payment, as directed on the Investment Application. Please read all materials carefully before you invest or send payment.

Investor administration services, supporting non-programmatic investor relations and administration with respect to handling all investor correspondence, tracking interest payments owed to investors, and mailing reports to investors may be handled by ICE or vendors with whom it contracts. All programmatic-related inquires, should be directed to ICE at (202) 333-8931, ext. 110.

ICE may advertise the Notes for sale. ICE currently intends to advertise the Notes on its website, by mailings to current and former investors, and by brochures available to persons who receive a prospectus and those persons attending affordable housing, CDFI and impact investing focused conferences.

ICE may impose the minimum investment requirement then in effect on each new purchase of a Note by you at the time an outstanding Note matures and is reinvested. For purposes of meeting the minimum investment requirement, you may not count monies invested in any other outstanding Notes. ICE may waive the minimum investment requirement in its sole discretion. ICE reserves the right in its sole discretion not to accept a particular subscription, to give priority to one subscription over another, to accept less than the minimum subscription amount or to impose a maximum subscription amount.

BOARD OF DIRECTORS

ICE's Board of Directors are appointed by the Board of Directors of the National Housing Trust or its designee consistent with the Bylaws of the National Housing Trust and ICE. Once appointed, there is no expiration to their term.

The following table lists ICE's Board of Directors and their respective contact information.

Walt Dixie Executive Director Time of Jubilee	901 Tallman Street Syracuse, NY 13204	BA from Ithaca College
Dan Ehrenberg Partner Klein Hornig LLP	1275 K Street, NW, Suite 1200 Washington, DC 20005	JD from Yale Law School MPPM from Yale School of Management BA from Earlham College
Catherine Godschalk Vice President, Lending Calvert Foundation	7315 Wisconsin Avenue Ste. 1000W Bethesda, MD 20814	MPP from Harvard University BA from Columbia University
Chester Hartman Retired - Director of Research Poverty & Race Research Action Council	1200 18th Street, NW, #200 Washington, DC 20036	Ph.D. from Harvard University
Roy Lowenstein Lowenstein Development, LLC	256 Cherrystone Dr. N Gahanna, OH 43230	JD from Ohio State University BA from Oberlin College
Sal Steven-Hubbard Housing Development Director Laconia Area Community Land Trust	658 Union Avenue Laconia, NH 03246	MS from Southern New Hampshire University BA from University of Massachusetts at Amherst
Marla Bilonick Executive Director Latino Economic Development Center	641 S Street NW Washington, DC 20001	MA from The Johns Hopkins University BA from University of Wisconsin

KEY PERSONNEL

ICE is located at 1101 30th St. NW Suite 100 A, Washington, DC, 20007. The phone number is (202) 333-8931, ext. 110. As a result of its Affiliation with the National Housing Trust ("the Trust") in 2008, ICE is now staffed by Trust management and staff. Key personnel from the Trust currently involved in the operations of ICE are listed below.

Priya Jayachandran , National Housing Trust and ICE President
Priya Jayachandran joined the National Housing Trust (NHT) as President in early 2018. Priya leads the Trust's engagement efforts in preservation policy, affordable housing development, lending and multifamily energy efficiency and sustainability through a 'balanced approach' to fair housing. Under Priya's leadership, the Trust is committed to protecting, improving and maintaining existing affordable housing, while also establishing new affordable housing communities in quality neighborhoods with access to opportunities. Priya earned her B.A. from the University of California and her MPA from the Woodrow Wilson School at Princeton University

Scott Kline, National Housing Trust and ICE Vice President
During his 20+ year career in the affordable housing arena, Mr. Kline has developed over $350 million of affordable housing. With the National Housing Trust, he oversees acquisition efforts on properties throughout the United States. He manages a staff of ten team members who are responsible for coordinating all aspects of multifamily acquisitions, redevelopment, and preservation of affordable housing. The process involves evaluating physical conditions of properties, negotiating purchase terms with owners, developing project concepts and finance plans, coordinating due diligence processes, securing multiple layers of financing, developing resident service programs, and supporting asset management. Mr. Kline earned an MBA in Real Estate Development and Urban Planning from American University and also holds a BBA in Finance from George Washington University. He is the Past President of the board of the Housing Association of Nonprofit Developers (H.A.N.D.) serving the Washington, DC metro area.

Angela Bruno, National Housing Trust Chief Financial Officer
Angela Bruno joined the National Housing Trust (NHT) as the Chief Financial Officer in 2018. She brings almost two decades of financial and operational expertise to the organization. Angela received a Bachelor of Science in Public Administration from Oakland University and a Master of Science in Public Policy and Management from Carnegie Mellon University.

Tracy Kaufman, National Housing Trust Chief Operating Officer and ICE Clerk and Secretary
Tracy Kaufman joined the National Housing Trust in 2003 to oversee the Trust's work on state and local public initiatives that raise awareness of and develop innovative solutions to the complex issues surrounding the preservation of affordable, multifamily housing. In 2016, Tracy became the Chief Operating Officer of NHT. Tracy has more than 24 years of experience in housing and community development and has authored or co-authored reports, guides and articles on affordable housing issues. She earned a bachelor's degree from Tufts University and a master's degree in Public Policy from the Public Policy Institute at Georgetown University.

Josh Earn, ICE Director and Assistant Secretary
Josh Earn is Director of Lending for the National Housing Trust overseeing its two CDFI's the Institute for Community Economics (ICE) and National Housing Trust Community Development Fund's (NHTCDF). He is responsible for managing ICE operations and lending. Mr. Earn has been at the Trust since 2010 and has 10+ years of non-profit management experience. He received a BA in Political Science and Religion from Williams College and an MBA from the Yale School of Management.

RELATED PARTY TRANSACTIONS

ICE entered into an informal agreement with the National Housing Trust to provide the use of their staff. Josh Earn, the Director of Lending for ICE, was the highest paid employee with his ICE wages totaling approximately $52,000 in FY 2018. A 54% full-time equivalent position is provided by NHT Finance Department at a cost of approximately $50,000. Total remuneration is expected to be generally the same for the next 12 months.

No officers or directors own securities of ICE. All ICE Officers received direct and indirect remuneration from ICE and its affiliates, including the parent organization National Housing Trust, that exceeded $150,000 during FY 2018. ICE's then President, Michael Bodaken, received $372,426. In February 2018, Michael Bodaken retired from the Trust and subsequently ICE. His successor is Priya Jayachandran. ICE's Vice President, Scott Kline, received $295,530; ICE's then Treasurer, Debby Blazquez received $224,161; and ICE's Secretary, Tracy Kaufman, received $198,985. This remuneration includes wages, bonus/incentives, taxable allowances, pre-tax health benefits, employer provided health benefits, retirement and deferred compensation, and employer-provided 403b matches, as applicable.

Certain Board members or employees of non-profit organizations that receive services or loan products from ICE may from time to time also serve on ICE's Board of Directors. As of June 30, 2018, ICE has no loans outstanding to such organizations. All ongoing and future related party transactions will be made or entered into on terms that are no less favorable to the issuer than those that can be obtained from unaffiliated third parties. All ongoing and future affiliated transactions and any forgiveness of loans must be approved by a majority of the independent, disinterested members of ICE Loan Committee, a subset of the Board of Directors.

INVESTOR GUIDE

Institute for Community Economics Investor Notes and Interest - How to Invest
Interest rates are selected at time of purchase from the available options. For the most recent offerings available, please see the Interest Rate Sheet listed at http://www.nht.org/invest. ICE reserves the right to alter the offered rate and term structure for the Notes from time to time, as it deems necessary. Such changes would not affect the terms of Notes already sold under the terms of this prospectus.

To invest, fill out the Investment Application and submit it with payment to the address indicated on the Investment Application. Confirmation of your investment will be sent to you upon receipt of completed materials and payment. Telephone inquiries about your investment or about the Note in general can be made by calling the telephone number listed on the Investment Application.

All purchases must be made in US dollars and checks must be drawn on US banks. ICE reserves the right to suspend the sale of the Notes for a period of time or to reject any specific purchase order. If your check does not clear, your purchase will be canceled, and you will be charged a $10 fee plus costs incurred by ICE. When you purchase by check, ICE can hold payment on redemptions for 10 business days from the purchase date.

Redemption
The Notes may be redeemed at the time of maturity. Investors will be sent a written notice approximately 45 days prior to the Note's maturity date. The notice will provide instructions for redemption and reinvestment. If investors do not take any action, their principal will be reinvested at the same terms of the previous Note. If such terms are no longer available, the principal will be reinvested at current terms comparable to those of the previous Note. In regards to any accrued interest earned on the Note, ICE will take the action most recently approved in writing by the investor with respect to interest options (donate, pay out, or capitalize). ICE must receive written positive affirmation to rollover an investment if the Note-holder is a resident of Oregon or Kentucky. Early redemptions or partial withdrawals are possible at the issuer's discretion. See paragraphs titled "Early Redemption" and "Partial Withdrawals" for more information.

All Investment and Account Change Information Must Be Received in Writing
All initial investments, renewals, redemptions, interest option changes, general account changes and any other pertinent investment information must be made in writing. No changes may be made over the telephone.

Taxpayer ID
For Notes bearing interest, if ICE lacks the correct Social Security or Taxpayer Identification Number (TIN) and is unable to verify that the prospective investor is not subject to back-up withholding by the IRS, ICE will withhold 28% (or the current IRS-mandated back-up withholding rate) of interest and the investor may be subject to a fine. Investors may also be prohibited from purchasing another Note. If the TIN information is not received within 60 days after an account is established, the account may be closed with an interest penalty. ICE reserves the right to reject any new account or any purchase order for failure to supply a certified TIN.

Appendix I

Institute for Community Economics Investor Note Application

Thank you for your interest in the Institute for Community Economics Investor Note. Please carefully review the ICE Investor Note Prospectus before completing this application.

Contact ICE at 202-333-8931 x 110 should you have any questions about this application. **Please make checks payable to the *"Institute for Community Economics, Inc."***

<table>
<tr><td>Step 1:
Indicate Investment Amount
(Minimum of $2,000)</td><td colspan="7">I have read the Institute for Community Economics Prospectus and I would like to invest: $______________________</td></tr>
<tr><td rowspan="6">Step 2:
Select your term and rate

A longer term, lower rate investment, allows ICE to provide long term low rate financing, and goes a long way in supporting our mission.</td><td>Term</td><td colspan="6">Annual Interest Rate</td></tr>
<tr><td>1 Year</td><td>0.00%</td><td>0.50%</td><td></td><td></td><td></td><td></td></tr>
<tr><td>3 Years</td><td>0.00%</td><td>0.50%</td><td>1.50%</td><td></td><td></td><td></td></tr>
<tr><td>5 Years</td><td>0.00%</td><td>0.50%</td><td>1.50%</td><td>2.00%</td><td></td><td></td></tr>
<tr><td>7 Years</td><td>0.00%</td><td>0.50%</td><td>1.50%</td><td>2.00%</td><td>2.50%</td><td></td></tr>
<tr><td>10 Years</td><td>0.00%</td><td>0.50%</td><td>1.50%</td><td>2.00%</td><td>2.50%</td><td>3.00%</td></tr>
<tr><td>Step 3:
Select your interest action</td><td colspan="7">□ <u>Send</u> me an interest payment annually.

□ <u>Capitalize</u> my interest and send it to me in one payment at maturity.</td></tr>
</table>

In addition to my investment, I would like to make a tax-deductible donation to support the mission of the Institute for Community Economics in the amount of:

□ **$100** □ **$250** □ **$500** □ **Other: $____________**

By completing this two-page form you are confirming that you have received, reviewed, and understand the Institute for Community Economics Investor Note prospectus that details the terms, risks, and other important information regarding the Note.

☐ ***I elect to GO GREEN and receive electronic communications from ICE regarding my account and the impact of my investment at this e-mail address:*** ____

Institute for Community Economics Investor Note Application

Individual or Institution

First Middle Initial Last

Social Security or Taxpayer ID Date of Birth

Address

City State Zip

Home Phone Email

Joint Investor or Institutional Officer

First Middle Initial Last

If the account has more than one name, give the Social Security Number of the actual owner of the account or, if a joint account, the first person listed.

By submitting this form, I hereby acknowledge receipt of information regarding the policy binding my investment in Institute for Community Economics Investor Notes. I agree to be bound by these terms.

As required by law and under penalty of perjury, I certify that (1) the Social Security or other taxpayer identification number (TIN) provided on this form is my correct TIN, and (2) currently I am not under IRS notification that I am subject to back-up withholding (please strike out clause (2) if you are currently under notification). If the correct TIN is not supplied, ICE is required to withhold 28% (or the current IRS-mandated back-up withholding rate) of dividends and/or redemption, and your account may be closed. The IRS does not require your consent to any provision of this document other than certifications to avoid back-up withholding.

Please Sign Here:

Individual, Trustee, or Officer Signature Date

Joint Signature Date

Optional

Broker Name Company

Address

City State Zip

Phone

These securities are exempt from federal registration and have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission, nor has the federal or any state securities commission passed on the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense.

ICE Notes are unsecured obligations and are not deposits or obligations of, or guaranteed or endorsed by, any bank, and are not insured by the FDIC, SIPC, or any other agency.

ICE Notes are issued to investors who invest for specific terms with the expectation of a fixed rate of return. ICE Notes are subject to certain risks as disclosed in the prospectus, which should be read before investing. There can be no assurance that ICE will have sufficient cash reserves to satisfy all outstanding obligations.

IMPORTANT NOTICE — The USA PATRIOT Act. Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When you open an ICE Investor Note we will verify the following information: your name, address, date of birth and potentially other identifying information.

PLEASE MAKE YOUR CHECK PAYABLE TO THE INSTITUTE FOR COMMUNITY ECONOMICS, AND RETURN CHECK AND THIS APPLICATION TO:

Institute for Community Economics
Attn: Investments
1101 30th Street NW Suite 100A
Washington, DC 20007

Appendix II

ICE Audited Financial Statements for the Periods Ending June 30, 2018, June 30, 2017 and June 30, 2016

Institute for Community Economics, Inc.

Financial Statements and
Independent Auditor's Report

June 30, 2018 and 2017

COHNREZNICK
ACCOUNTING • TAX • ADVISORY

Institute for Community Economics, Inc.

Index

CohnReznick LLP
cohnreznick.com

CohnReznick
ADVISORY • ASSURANCE • TAX

Independent Auditor's Report

To the Board of Directors
Institute for Community Economics, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of Institute for Community Economics, Inc., which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Institute for Community Economics, Inc. as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CohnReznick LLP

Bethesda, Maryland
November 5, 2018

Institute for Community Economics, Inc.

Statements of Financial Position
June 30, 2018 and 2017

Assets

	2018	2017
Current assets		
Cash	$ 1,403,308	$ 3,171,738
Investments	2,285	2,212
Prepaid expenses	3,237	7,125
Accounts receivable	270	633
Accrued interest receivable	18,090	6,369
Loans receivable, current maturities	1,080,457	455,407
Intercompany receivable	39,387	33,472
Total current assets	2,547,034	3,676,956
Computer equipment, less accumulated depreciation of $13,764 and $12,854, respectively	695	1,605
Other assets		
Long-term investments	1,418,895	1,747,727
Loans receivable, net of current maturities of $1,080,457 and $455,407, less loan loss reserve of $289,531 and $281,910, respectively	3,912,117	4,536,207
Total other assets	5,331,012	6,283,934
Total assets	$ 7,878,741	$ 9,962,495

Institute for Community Economics, Inc.

Statements of Financial Position
June 30, 2018 and 2017

Liabilities and Net Assets

	2018	2017
Current liabilities		
Accounts payable and accrued expenses	$ 2,265	$ 732
Accrued interest	36,739	37,161
Deferred revenue, current	4,399	5,150
Intercompany payables	16,772	11,255
Notes and loans payable, current maturities	3,043,690	3,539,064
Total current liabilities	3,103,865	3,593,362
Long-term liabilities		
Deferred revenue, net of current	6,645	11,421
Notes and loans payable, net of current maturities of $3,043,690 and $3,539,064, respectively, net of unamortized debt issuance costs of $2,413 and $0, respectively	3,716,725	5,199,098
Total long-term liabilities	3,723,370	5,210,519
Total liabilities	6,827,235	8,803,881
Net assets		
Unrestricted - undesignated	1,051,506	1,158,614
Total net assets	1,051,506	1,158,614
Total liabilities and net assets	$ 7,878,741	$ 9,962,495

See Notes to Financial Statements.

Institute for Community Economics, Inc.

Statements of Activities
Years Ended June 30, 2018 and 2017

	2018 Unrestricted	2017 Unrestricted
Support and revenue		
Contributions	$ 13,657	$ 5,262
Other income	7,469	278
Loan origination fees	6,777	18,390
Other loan fees	17,856	24,418
Long-term notes	327,275	342,733
Investment income (including a net realized and unrealized loss of $103,414 and gain of $92,661, respectively, and investment expenses of $150 and $3,432, respectively)	(100,557)	126,699
Total support and revenue	272,477	517,780
Expenses		
Program services	305,418	234,601
Management and general	44,011	35,762
Fundraising	30,156	24,585
Total expenses	379,585	294,948
Change in net assets	(107,108)	222,832
Net assets, beginning of year	1,158,614	935,782
Net assets, end of year	$ 1,051,506	$ 1,158,614

See Notes to Financial Statements.

Institute for Community Economics, Inc.

Statements of Functional Expenses
Year Ended June 30, 2018

	Program services	Management and general	Fundraising	Total
Professional fees	$ 14,744	$ 3,232	$ 2,222	$ 20,198
Supplies	373	81	56	510
Telephone	569	125	86	780
Postage	629	138	95	862
Rent	34,922	7,654	5,262	47,838
Printing	485	106	73	664
Travel and meetings	344	75	52	471
Depreciation	664	146	100	910
Consultants	136,993	30,026	20,643	187,662
Office expense	10,401	2,280	1,567	14,248
Interest	88,573	-	-	88,573
Insurance	-	148	-	148
Contributions	9,100	-	-	9,100
Loan loss provision, net	7,621	-	-	7,621
Total	$ 305,418	$ 44,011	$ 30,156	$ 379,585

Institute for Community Economics, Inc.

Statements of Functional Expenses
Year Ended June 30, 2017

	Program services	Management and general	Fundraising	Total
Professional fees	$ 13,439	$ 2,946	$ 2,025	$ 18,410
Supplies	165	36	25	226
Telephone	553	121	83	757
Postage	331	73	50	454
Rent	36,288	7,954	5,468	49,710
Printing	565	124	85	774
Travel and meetings	1,822	399	275	2,496
Depreciation	1,555	341	234	2,130
Consultants	99,876	21,891	15,050	136,817
Office expense	8,561	1,877	1,290	11,728
Interest	96,621	-	-	96,621
Contributions	4,000	-	-	4,000
Loan loss recovery, net	(29,175)	-	-	(29,175)
Total	$ 234,601	$ 35,762	$ 24,585	$ 294,948

See Notes to Financial Statements.

Institute for Community Economics, Inc.

Statements of Cash Flows
Years Ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities		
Change in net assets	$ (107,108)	$ 222,832
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	910	2,130
Amortization of debt issuance costs included in interest expense	87	-
Increase (Decrease) in provision for loan loss reserve	7,621	(29,175)
Net realized and unrealized loss (gain) on investments	103,414	(92,661)
Decrease (Increase) in prepaid expenses	3,888	(5,296)
Decrease in accounts receivable	363	3,263
(Increase) Decrease in accrued interest receivable	(11,721)	19,258
Increase in intercompany receivables	(5,915)	(5,876)
Increase (Decrease) in accounts payable and accrued expenses	1,533	(4,416)
Decrease in deferred revenue	(5,527)	(3,587)
Increase (Decrease) in intercompany payables	5,517	(19,961)
Increase in accrued interest payable	19,608	16,610
Net cash provided by operating activities	12,670	103,121
Cash flows from investing activities		
Purchase of investments	-	(103,405)
Sales of investments	37,254	1,340,480
Proceeds from annuity investments withdrawals	188,091	87,496
Proceeds from investments in notes maturing	-	25,000
Proceeds from repayments of notes receivable	604,479	3,560,840
Issuance of notes receivable	(613,060)	(3,437,768)
Net cash provided by investing activities	216,764	1,472,643
Cash flows from financing activities		
Loan proceeds	738,500	1,738
Loan repayments	(2,733,864)	(74,096)
Debt issuance costs paid	(2,500)	-
Net cash used in financing activities	(1,997,864)	(72,358)
Net (decrease) increase in cash	(1,768,430)	1,503,406
Cash, beginning	3,171,738	1,668,332
Cash, end	$ 1,403,308	$ 3,171,738
Supplemental disclosure of cash flow information		
Cash paid for interest during the year	$ 88,908	$ 99,400

Significant noncash investing and financing activities

Accrued loan interest payable added to the notes and loans payable balance of $20,030 and $19,389 during the years ended June 30, 2018 and June 30, 2017, respectively.

See Notes to Financial Statements.

Note 1 - Organization and summary of significant accounting policies

Institute for Community Economics, Inc. ("ICE"), a nonprofit corporation, was established in 1967 to promote the community land trust model of permanently affordable housing, land stewardship and community development. In 1979, ICE formed a revolving loan fund to address the shortage of capital available to community land trusts ("CLTs") and other organizations involved with the development of housing for low-income communities. ICE is tax-exempt under Section 501(c)(3) of the Internal Revenue Code, as amended.

On October 30, 2008, following an assessment and due diligence review by the National Housing Trust (the "Trust"), the ICE Board of Directors unanimously approved a resolution for ICE to become a controlled affiliate of the Trust, a national nonprofit corporation located in Washington, DC.

Basis of presentation

ICE reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The net assets of ICE are unrestricted. Furthermore, information is required to segregate program service expenses from support expenses. There were no temporarily restricted net assets and permanently restricted net assets for the year ended June 30, 2018 and 2017.

Contributions received are recorded as restricted, temporarily restricted or unrestricted depending on the existence and/or nature of any donor restrictions.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Specifically, an allowance is provided for loans receivable that may be uncollectible. The estimate of the allowance for loan losses is a significant estimate of value in the financial statements. Due to uncertainties in such an estimate, it is at least reasonably possible that the estimate will change materially within the near term.

Investments

Investments in equity and debt securities with readily determinable fair values are measured at fair value in the statements of financial position. Investments in equity securities that do not have readily determinable fair values are also measured at fair value in the statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends, investment expenses) is included in the statements of activities as increases or decreases in unrestricted net assets. Management has designated all highly-liquid short-term investments easily convertible to cash as current assets.

Income taxes

ICE is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except for unrelated business income as defined in the Code. The organization did not have any unrelated business income during the years ended June 30, 2018 and 2017. Due to its tax-exempt status, ICE is not subject to income taxes. ICE is required to file and does file tax returns with the IRS and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and ICE has no other tax positions which must be considered for disclosure. Income tax returns filed by ICE are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2015 remain open.

Loans receivable

Loans receivable are classified as held for investment purposes and it is the intent of management to hold them until maturity. They are stated at unpaid principal balances less an allowance for loan losses. Interest income on loans is recognized when earned. Loans are made primarily for shared equity housing through three types of loans: predevelopment loans, interim development loans and Tenant Opportunity to Purchase Act - Earnest Money Deposit ("TOPA EMD") loans. Borrowers must complete an application process in which the borrower must demonstrate the ability to succeed with the proposed project, financial strength and/or collateral value in the event the project fails and the loan is not able to be repaid, and the overall feasibility of the project. Management's policy is to place a loan on non-accrual status when management has sufficient information and confidence that interest payments will not be received.

Management utilizes risk ratings to reflect the credit quality of individual loans. The risk rating is determined based on a combination of factors including whether the individual loan is secured, loan-to-value ratios, working capital ratios, net asset ratios, borrower experience and track record, payment history and material adverse changes to the borrower's project, collateral value, or financial position. The risk ratings are broken down within different levels ranging from Level 1 to Level 7, in which default is the least likely to probable substantial or total loss. A description of each rating is mentioned below:

Level 1 - Highest Quality. Likelihood of default remote. Generally involve most experienced, capable and financially strong borrowers and/or guarantors. Borrower and/or guarantor's liquid net worth may be many times greater than the loan amount. Loan may be secured by collateral with substantially greater value than the amount of the loan (e.g., LTV less than 60%). Loan may be projected to be repaid with funding sources that are fully approved and committed, but undisbursed. Loan may be secured by cash or refundable deposit.

Level 2 - Very Good Quality. Default very unlikely. Borrower has very good reputation, extensive track record, experienced (e.g., 10+ years' experience) and capable staff and very strong financial health. If loan is unsecured, unrestricted short-term liquid net worth of borrower and/or guarantor significantly exceeds 100% of loan balance. If secured loan, loan to value of collateral generally below 80%. Project conservatively underwritten with very good chance of success. After closing, all payments have been made as agreed; project is proceeding rapidly toward closing and no material adverse changes in financial condition of borrower, collateral value or project feasibility.

Level 3 - Good Quality. Small chance of default. Experienced borrower (5+ years' experience), good reputation and good financial health. If unsecured loan, unrestricted short-term liquid assets totaling at least 100% of loan balance. If secured loan, loan to value ratio of no more than 100%. Project conservatively underwritten with good chance of success but may include significant contingencies such as anticipation of future award of tax credits in competitive award round. After closing, all payments have been made as agreed, and no material adverse changes in financial condition of borrower, collateral value or project feasibility.

Level 4 - Average Quality Loan. Low chance of default, but with some areas of material concern. Generally this is the lowest rating assigned to new loans. Borrower with some successful track record of similar developments, but possibly not a spotless record. Reasonably good financial health, but unrestricted liquid current assets may be less than the amount of the loan. Could involve new organization or organizations trying to reach a higher level of activity. Project should be solidly underwritten with reasonable prospect of success, but may have significant contingencies. This category might include novel projects that are inherently more risky than conventional projects. May be particularly compelling from a mission standpoint. After closing, all payments have been made as agreed. Loans with higher risk ratings may be downgraded to this level if there have been material adverse changes in financial condition of borrower, collateral value or project feasibility. Significant project contingencies remain.

Level 5 - Below Average Quality. Chance of default. New loan would generally not be approved at this level of risk. Loans are considered to be on a "watch list" at this level. Existing loans may be downgraded to this level if the current unrestricted net worth of the borrower and/or guarantor has dropped significantly since original underwriting, there has been a significant deterioration in the value of collateral, or the project has suffered a material setback such as the failure of one of the anticipated funding sources to materialize. While loans in this category possess problems, they do not represent anticipation of material, imminent loss. Further draws may be allowed to a borrower in this category if it appears that allowing further draws would not materially increase risk of loss, and if refusing to fund additional draws might increase the chance that a troubled project or borrower might fail.

Level 6 - Substandard Loan. Partial Loss Anticipated. Borrower significantly late in making payments. May involve all of the above noted characteristics in Level 5 and borrower has indicated probability of inability to fully repay and/or to continue development activities. Highly adverse material information about project (such as natural disaster or reports of toxic waste on site). Financial status of borrower makes complete repayment improbable.

Level 7 - Troubled Loan. Probable Substantial or Total Loss. All development activities halted and borrower indicates an inability to repay. Financial status of borrower makes significant recovery of loan funds improbable. Other material financial events of borrower, including bankruptcy or insolvency, or adverse litigation.

Allowance for loan losses

The allowance for loan losses is established as losses are estimated through a provision for loan losses charged to earnings. Loans are charged against the allowance for loan losses when the loan committee or the board of directors believes the uncollectability of the principal is confirmed. Recoveries of amounts previously recorded as uncollectible are recorded as income when received net against the provision for loan loss reserve.

The allowance for loan losses is evaluated on a quarterly basis for all loans in the ICE's portfolio by the ICE's loan committee and on an annual basis for all loans in ICE's portfolio by ICE's board of directors. The loan committee evaluates each of its predevelopment loans, interim development loans and TOPA EMD loans and does not evaluate their loans by category. Additionally, if the circumstances of any loan changes during the year or new loans are entered into with borrowers, the loan is reviewed at the monthly or quarterly loan committee meeting and risk ratings and reserves of the loan are adjusted if necessary. Evaluation of the loans is based upon the loan committee and the board of directors' review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

Impaired loans
Loans are considered impaired when, based on current information and events; it is probable that ICE will not collect all principal and interest payments according to the original contractual terms. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting interest payment throughout the loan period and the principal balance at the maturity date. ICE exercises any and all legal rights it has in accordance with the loan documents to collect on impaired loans. All legal action must be approved by the loan committee. As of June 30, 2018 and 2017, no loans were considered impaired loans.

Troubled debt restructurings
A troubled debt restructuring ("TDR") is a loan that is restructured or modified for economic or legal reasons, where 1) the creditor grants a concession that it otherwise would not consider, and 2) the borrower is experiencing financial difficulties. All TDRs are included in impaired loans. As of June 30, 2018 and 2017, no loans were considered TDRs.

Accounts receivable and bad debts
Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Capitalization and depreciation
Furniture, fixtures and equipment are recorded at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives (three to five years for furniture, fixtures and equipment) using the straight-line method. Improvements are capitalized while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. Any resulting gains and losses are reflected in the statements of activities.

Impairment of long-lived assets
ICE reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the years ended June 30, 2018 and June 30, 2017.

Revenue recognition
ICE's revenue is derived primarily from grants, contributions, loan origination fees and interest income on loans. Interest income on loans is recognized when earned. Loan origination fees, net of loan costs are deferred and recognized to revenue over the lives of the related loans using the straight-line method. Contribution income consists of donated interest income and is recognized when interest is earned by the donor. Grant income is recognized in the period the pledge is made.

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

Note 2 - Loans receivable

Loans are generally made in connection with affordable housing and community development projects. At June 30, 2018, 23 loans totaling $5,282,105 were outstanding. Outstanding principal balances at June 30, 2018 range from approximately $39,028 to $587,471, with maturity dates ranging from July 31, 2018 to March 15, 2036. At June 30, 2017, 26 loans totaling $5,273,524 were outstanding. Outstanding principal balances at June 30, 2017 range from approximately $2,317 to $596,573, with maturity dates ranging from July 31, 2017 to March 15, 2036. The five largest outstanding loans receivable had combined balances of approximately 45% and 46% of the portfolio as of June 30, 2018 and 2017, respectively. The repayment terms vary, with loans either requiring monthly principal and interest payments or monthly interest payments only. Interest rates on the loans range from 0% to 7.0% per annum. The majority of the loans are collateralized by first mortgages on certain projects of the borrowers.

The following table presents an analysis of reserves for loan losses as of June 30, 2018 and 2017, respectively:

	Year ended June 30, 2018	Year ended June 30, 2017
Beginning balance	$ 281,910	$ 311,085
Provision for loan losses	20,700	44,191
Recoveries	(13,079)	(73,366)
Ending balance	$ 289,531	$ 281,910

Aggregate maturities of loans receivable for each of the next five years and thereafter are as follows:

June 30, 2019	$ 1,080,457
2020	616,400
2021	807,388
2022	587,471
2023	50,559
Thereafter	2,139,830
Total	$ 5,282,105

Note 3 - Fair value measurements

ICE adopted accounting guidance establishing a framework for measuring fair value and disclosures regarding related fair value measurements for its financial assets and liabilities. The guidance applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements.

The guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. Observable inputs are inputs that the market participants would use in pricing the asset or liability based on market data obtained from sources independent of ICE. Unobservable inputs are inputs that reflect the ICE's assumptions about what assumed market participants would use in pricing the asset or liability based on the best information available under the circumstances. The hierarchy is measured in three levels based on the reliability of inputs:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that ICE has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2018.

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value of shares held by ICE at year-end.

Certificates of deposit: Valued at their face value which equals fair value.

Annuities: Valued at contract value which approximates fair value.

Cash notes: Valued at face value which equals fair value.

Urban Partnership Bank Stock: Valued at fair value based on applying standard valuation techniques. For purposes of the valuation analysis the market approach was relied upon, specifically, the guideline public company method.

The following table sets forth by level, within the fair value hierarchy, ICE's assets at fair value as of June 30, 2018 (recurring basis):

	Level 1	Level 2	Level 3	Total
Equity securities	$ 47,938	$ -		$ 47,938
Certificates of deposit	-	2,285	-	2,285
Annuities	-	1,257,506	-	1,257,506
Urban Partnership bank stock	-	-	113,451	113,451
Total investments at fair value	$ 47,938	$ 1,259,791	$ 113,451	$ 1,421,180

The following table sets forth by level, within the fair value hierarchy, ICE's assets at fair value as of June 30, 2017 (recurring basis):

	Level 1	Level 2	Level 3	Total
Equity securities	$ 67,908	$ -	$ -	$ 67,908
Certificates of deposit	-	2,212	-	2,212
Annuities	-	1,430,469	-	1,430,469
Urban Partnership bank stock	-	-	249,350	249,350
Total investments at fair value	$ 67,908	$ 1,432,681	$ 249,350	$ 1,749,939

The following table summarizes the activity for ICE’s investment account that was measured at fair value on a recurring basis using Level 3 inputs for the years ended June 30, 2018 and 2017, respectively:

	2018	2017
Balance, beginning of the year	$ 249,350	$ 249,350
Contribution received from the Trust, issuances and settlements	-	-
Net realized gain/(loss)	-	-
Net unrealized gain/(loss)	(135,899)	-
Interest and dividend income	-	-
Balance, end of the year	$ 113,451	$ 249,350

Note 4 - Related party transactions

ICE shares office space with the Trust. Rent is payable on a month-to-month basis. In addition to the rent, ICE is charged its share of the office related expenses. The rent amount charged to activities was $47,838 and $49,710 for the years ended June 30, 2018 and 2017, respectively.

ICE entered into an informal agreement with the Trust to provide the use of their staff. ICE makes monthly payments based on budgeted time spent by the Trust's staff relating to ICE. Annually, ICE reconciles budgeted time with actual time spent by the Trust's staff and makes an adjustment to the payment accordingly. The time spent totaled $184,688 and $131,119 for the years ended June 30, 2018 and 2017, respectively. As of June 30, 2018 and 2017, $173,488 and $114,154, respectively, was included in consulting expense and $11,200 and $16,965, respectively, was allocated as loan origination costs and treated as an offset to loan origination fees. As of June 30, 2018 and 2017, $16,772 and $11,255, respectively, was payable.

As of June 30, 2018 and 2017, $16,437 and $0, respectively, was receivable from the Trust resulting from a salary true-up made at year-end.

As of June 30, 2018 and 2017, National Housing Trust Community Development Fund ("NHTCDF"), an affiliate, owed ICE $22,950 and $33,472, respectively, for expenses paid on NHTCDF's behalf and is included in intercompany receivable.

During the years ended June 30, 2018 and 2017, ICE made contributions to the Trust in the amounts of $9,000 and $0, respectively.

Included in the loans receivable balance at June 30, 2018 and 2017 (see Note 2) are two loan receivables and one loan receivable from NHTE, respectively. The loans have a principal balance of $472,407 and $72,407, respectively, at June 30, 2018 and 2017. The two outstanding loans bear interest at 6.5% and 7% with a maturity date of July 15, 2018. One loan’s maturity date was subsequently extended to November 15, 2018, while the other loan’s maturity date was subsequently extended and repaid in full on October 3, 2018.

Note 5 - Loans payable

Investor loans payable consist of 140 and 145 lenders and amounted to $5,262,828 and $5,238,162 at June 30, 2018 and 2017, respectively. The outstanding principal amounts at June 30, 2018 range from approximately $1,222 to approximately $398,420 and carry interest rates that range from 0% to 3%. The outstanding principal amounts at June 30, 2017 range from approximately $1,204 to approximately $398,420 and carry interest rates that range from 0% to 3%. Maturity dates on the loans range from August 1, 2018 to May 1, 2028 and August 1, 2017 to December 1, 2025 at June 30, 2018 and 2017, respectively. The majority of the investor loans payable require interest-only payments and can be increased at the discretion of the lender. The investor loans payable are unsecured with recourse to the general assets of ICE. Interest charged to operations on the investor loans totaled $64,517 and $60,878 for the years ended June 30, 2018 and 2017, respectively. Accrued interest of $36,739 and $37,161 was payable at June 30, 2018 and 2017, respectively.

As of June 30, 2018 and 2017, loans payable in the amount of $120,000 were due. The organization is making reasonable efforts of finding the investor to pay off these loans. As of June 30, 2018 and 2017, the organization has sufficient cash on hand to pay these loans due.

On November 13, 2008, ICE obtained a $3,000,000 loan from the Ford Foundation to help provide predevelopment and interim development loans to community land trusts, limited equity cooperatives, or other non-profit entities that promote the growth of homeownership opportunities for low-income residents. The loan is guaranteed by the Trust. The note is unsecured and bears interest at the rate of 1% per annum. Interest-only is payable quarterly through maturity on November 13, 2018. The loan principal is payable in two equal installments of $1,500,000 each on the 9th and 10th anniversaries from the closing date. Interest charged to operations on the loan totaled $19,710 and $30,000 for the years ended June 30, 2018 and 2017. During 2018 and 2017, $2,000,000 and $0, respectively, were paid. At June 30, 2018 and 2017, the outstanding principal balance totaled $1,000,000 and $3,000,000, respectively. At June 30, 2018, $1,000,000 of the Ford Foundation loan is included in current liabilities on the statements of financial position. At June 30, 2017, $1,500,000 of the Ford Foundation loan is included in current liabilities and $1,500,000 is included in long-term liabilities on the statements of financial position. On November 1, 2018, the Ford Foundation loan was fully paid-off.

In August 2014, ICE entered into a loan agreement with Bank of America Community Development Corporation ("BOA 1"), a North Carolina corporation. Under the agreement, ICE received a loan in the amount of $500,000. The loan is evidenced by an unsecured promissory note which bears interest at 1% per annum. Commencing on October 1, 2014, accrued interest shall be paid in arrears on the first day of each January, April, July, and October continuing through maturity. The entire principal amount shall be payable on August 22, 2017. On August 17, 2017, ICE fully repaid the BOA loan payable in the amount of $500,000. Interest charged to operations on the loan totaled $712 and $4,993 for the years ended June 30, 2018 and 2017, respectively. There was no accrued interest payable at June 30, 2018 and 2017. At June 30, 2018 and 2017, the outstanding principal balance totaled $0 and $500,000, respectively.

In April 2018, ICE entered into a loan agreement with Bank of America Community Development Corporation ("BOA 2"), a North Carolina corporation. Under the agreement, ICE received a loan in the amount of $500,000. The loan is evidenced by an unsecured promissory note which bears interest at 3.5% per annum. Commencing on July 1, 2018, accrued interest shall be paid in arrears on the first day of each January, April, July, and October continuing through maturity. The loan principal is payable in two equal installments of $250,000 each on the 5th and 6th anniversaries from the closing date. The entire principal amount shall be payable on April 18, 2024. Interest charged to operations on the loan totaled $3,547 and $0 for the years ended June 30, 2018 and 2017, respectively. Accrued interest payable at June 30, 2018 and 2017 was $0 and $0, respectively. At June 30, 2018 and 2017, the outstanding principal balance totaled $500,000 and $0, respectively.

Debt issuance costs, net of accumulated amortization, totaled $2,413 and $0 as of June 30, 2018 and 2017, respectively, are related to the BOA 2 loan. Debt issuance costs on the above note are being amortized using an imputed rate of 3.13%.

ICE is required to maintain various loan covenants for the BOA 2 loan and the Ford Foundation loan.

Aggregate maturities of notes payable for each of the next five years and thereafter are as follows:

June 30, 2019	$	3,043,690
2020		1,307,269
2021		852,694
2022		38,000
2023		879,732
Thereafter		641,443
Total	$	6,762,828

Note 6 - Concentration of credit risk

ICE maintains its cash balances in several accounts in various banks. At times, these balances may exceed the federal insurance limits; however, ICE has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances at June 30, 2018.

Note 7 - Commitments

As of June 30, 2018, ICE has entered into four loan commitments for which it will advance $1,218,000 to unaffiliated organizations.

Note 8 - Subsequent events

Events that occur after the statements of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statements of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statements of financial position date require disclosure in the accompanying notes. Management evaluated the activity of ICE through November 5, 2018 and concluded that no subsequent events have occurred except for those described in Note 4 and Note 5 that require disclosure in the notes to the financial statements.

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Institute for Community Economics, Inc.

Financial Statements and Independent Auditor's Report

June 30, 2017 and 2016

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Institute for Community Economics, Inc.

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Independent Auditor's Report

To the Board of Directors
Institute for Community Economics, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of Institute for Community Economics, Inc., which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion

Institute for Community Economics, Inc.'s financial statements do not disclose information pertinent to estimating the fair value of Institute for Community Economics, Inc.'s investment in Urban Partnership Bank. The audited financial statements for Urban Partnership Bank, which management uses as a basis to determine fair value, were not made available to management for the years ended June 30, 2017, 2016 and 2015; therefore the investment is carried at the fair value as of June 30, 2014. As of June 30, 2017 and 2016, Urban Partnership Bank's stock is recorded at $249,350 and is included in long-term investments on the statements of financial position. In our opinion, disclosure of that information is required to conform with accounting principles generally accepted in the United States of America.

Qualified Opinion

In our opinion, except for the omission of the information discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Institute for Community Economics, Inc. as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CohnReznick LLP

Boston, Massachusetts
November 20, 2017

Institute for Community Economics, Inc.

Statements of Financial Position
June 30, 2017 and 2016

Assets

	2017	2016
Current assets		
Cash and cash equivalents	$ 3,171,738	$ 1,668,332
Investments	2,212	276,562
Prepaid expenses	7,125	1,829
Accounts receivable	633	3,896
Accrued interest receivable	6,369	25,627
Loans receivable, current maturities	455,407	1,502,673
Intercompany receivable	33,472	27,596
Total current assets	3,676,956	3,506,515
Computer equipment, less accumulated depreciation of $12,854 and $10,724, respectively	1,605	3,735
Other assets		
Long-term investments	1,747,727	2,730,287
Loans receivable, net of current maturities of $455,407 and $1,502,673, less loan loss reserve of $281,910 and $311,085, respectively	4,536,207	3,582,838
Total other assets	6,283,934	6,313,125
Total assets	$ 9,962,495	$ 9,823,375

Institute for Community Economics, Inc.

Statements of Financial Position
June 30, 2017 and 2016

Liabilities and Net Assets

	2017	2016
Current liabilities		
Accounts payable and accrued expenses	$ 732	$ 5,148
Accrued interest	37,161	39,940
Deferred revenue, current	5,150	3,935
Intercompany payables	11,255	31,216
Notes and loans payable, current maturities	3,539,064	999,080
Total current liabilities	3,593,362	1,079,319
Long-term liabilities		
Deferred revenue, net of current	11,421	16,223
Notes and loans payable, net of current maturities of $3,539,064 and $999,080, respectively	5,199,098	7,792,051
Total long-term liabilities	5,210,519	7,808,274
Total liabilities	8,803,881	8,887,593
Net assets		
Unrestricted - undesignated	1,158,614	935,782
Temporarily restricted	-	-
Total net assets	1,158,614	935,782
Total liabilities and net assets	$ 9,962,495	$ 9,823,375

See Notes to Financial Statements.

Institute for Community Economics, Inc.

Statements of Activities
Years Ended June 30, 2017 and 2016

	For the year ended June 30, 2017			For the year ended June 30, 2016		
	Unrestricted	Temporarily restricted	Total	Unrestricted	Temporarily restricted	Total
Support and revenue						
Grant income	$ -	$ -	$ -	$ 400	$ -	$ 400
Contributions	5,262	-	5,262	25,219	-	25,219
Other income	278	-	278	1,963	-	1,963
Loan origination fees	18,390	-	18,390	11,113	-	11,113
Other loan fees	24,418	-	24,418	-	-	-
Long-term notes	342,733	-	342,733	301,065	-	301,065
Investment income (including a net realized and unrealized gain of $92,661 and loss of $15,523, respectively, and investment expenses of $3,432 and $4,242, respectively)	126,699	-	126,699	41,471	-	41,471
Total support and revenue	517,780	-	517,780	381,231	-	381,231
Expenses						
Program services	234,601	-	234,601	347,077	-	347,077
Management and general	35,762	-	35,762	67,451	-	67,451
Fundraising	24,585	-	24,585	28,127	-	28,127
Total expenses	294,948	-	294,948	442,655	-	442,656
Change in net assets	222,832	-	222,832	(61,424)	-	(61,424)
Net assets, beginning of year	935,782	-	935,782	997,206	-	997,206
Net assets, end of year	$ 1,158,614	$ -	$ 1,158,614	$ 935,782	$ -	$ 935,782

See Notes to Financial Statements.

Institute for Community Economics, Inc.

Statements of Functional Expenses
Year Ended June 30, 2017

	Program services	Management and general	Fundraising	Total
Professional fees	$ 13,439	$ 2,946	$ 2,025	$ 18,410
Supplies	165	36	25	226
Telephone	553	121	83	757
Postage	331	73	50	454
Rent	36,288	7,954	5,468	49,710
Printing	565	124	85	774
Travel and meetings	1,822	399	275	2,496
Depreciation	1,555	341	234	2,130
Consultants	99,876	21,891	15,050	136,817
Office expense	8,561	1,877	1,290	11,728
Interest	96,621	-	-	96,621
Contributions	4,000	-	-	4,000
Loan loss recovery	(29,175)	-	-	(29,175)
Total	$ 234,601	$ 35,762	$ 24,585	$ 294,948

Institute for Community Economics, Inc.

Statements of Functional Expenses
Year Ended June 30, 2016

	Program services	Management and general	Fundraising	Total
Professional fees	$ 6,207	$ 25,050	$ -	$ 31,257
Supplies	699	153	105	957
Telephone	733	161	110	1,004
Postage	415	91	63	569
Rent	44,100	9,666	6,645	60,411
Travel and meetings	2,412	529	362	3,303
Depreciation	1,545	339	234	2,118
Consultants	127,486	27,942	19,210	174,638
Office expense	9,278	2,033	1,398	12,709
Insurance	-	235	-	235
Interest	103,043	-	-	103,043
Contributions	-	1,252	-	1,252
Loan loss provision	36,149	-	-	36,149
Bad debt expense	15,010	-	-	15,010
Total	$ 347,077	$ 67,451	$ 28,127	$ 442,655

See Notes to Financial Statements.

Institute for Community Economics, Inc.

Statements of Cash Flows
Year Ended June 30, 2017

	2017	2016
Cash flows from operating activities		
Change in net assets	$ 222,832	$ (61,424)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities		
Depreciation	2,130	2,118
(Decrease) increase in provision for loan loss reserve	(29,175)	36,149
Net realized and unrealized (gain) loss on investments	(92,661)	15,523
Increase in prepaid expenses	(5,296)	(132)
Decrease (Increase) in accounts receivable	3,263	(2,139)
Decrease in accrued interest receivable	19,258	17,825
Increase in intercompany receivables	(5,876)	(23,600)
Decrease in accounts payable and accrued expenses	(4,416)	(1,415)
Decrease in deferred revenue	(3,587)	(2,753)
Decrease in deferred interest	-	(24,194)
Decrease in intercompany payables	(19,961)	(2,456)
Increase in accrued interest payable	16,610	21,904
Net cash and cash equivalents provided by (used in) operating activities	103,121	(24,594)
Cash flows from investing activities		
Purchase of computer equipment	-	(250)
Purchase of investments	(103,405)	(466,326)
Sales of investments	1,340,480	430,342
Proceeds from annuity investments withdrawals	87,496	-
Proceeds from investments in notes maturing	25,000	-
Proceeds from repayments of notes receivable	3,560,840	958,408
Issuance of notes receivable	(3,437,768)	(1,582,694)
Net cash and cash equivalents provided by (used in) investing activities	1,472,643	(660,520)
Cash flows from financing activities		
Loan proceeds	1,738	264,390
Loan repayments	(74,096)	(170,245)
Net cash and cash equivalents (used in) provided by financing activities	(72,358)	94,145
Net cash and cash equivalents increase (decrease) in cash	1,503,406	(590,969)
Cash and cash equivalents, beginning	1,668,332	2,259,301
Cash and cash equivalents, end	$ 3,171,738	$ 1,668,332
Supplemental disclosure of cash flow information		
Cash paid for interest during the year	$ 99,401	$ 124,613

Significant noncash investing and financing activities:

Accrued loan interest payable added to the notes and loans payable balance of $19,389 and $19,280 during the years ended June 30, 2017 and June 30, 2016, respectively.

Loans receivable in the amount of $0 and $234,914 were written-off as of June 30, 2017 and June 30, 2016. Concurrently $0 and $15,010 of accrued interest was written-off as of June 30, 2017 and June 30, 2016.

See Notes to Financial Statements.

Note 1 - Organization and summary of significant accounting policies

Institute for Community Economics, Inc. ("ICE"), a nonprofit corporation, was established in 1967 to promote the community land trust model of permanently affordable housing, land stewardship and community development. In 1979, ICE formed a revolving loan fund to address the shortage of capital available to community land trusts ("CLTs") and other organizations involved with the development of housing for low-income communities. ICE is tax-exempt under Section 501(c)(3) of the Internal Revenue Code, as amended.

On October 30, 2008, following an assessment and due diligence review by the National Housing Trust (the "Trust"), the ICE Board of Directors unanimously approved a resolution for ICE to become a controlled affiliate of the Trust, a national nonprofit corporation located in Washington, DC.

Basis of presentation

ICE reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The net assets of ICE are unrestricted. Furthermore, information is required to segregate program service expenses from support expenses.

Contributions received are recorded as restricted, temporarily restricted or unrestricted depending on the existence and/or nature of any donor restrictions.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Specifically, an allowance is provided for loans receivable that may be uncollectible. The estimate of the allowance for loan losses is a significant estimate of value in the financial statements. Due to uncertainties in such an estimate, it is at least reasonably possible that the estimate will change materially within the near term.

Cash equivalents

ICE considers money market funds, certificates of deposit and all highly-liquid investments purchased with an original maturity of three months or less to be cash equivalents. The carrying amount of these securities approximates fair value because of the short-term maturity of these investments.

Investments

Investments in equity and debt securities with readily determinable fair values are measured at fair value in the statements of financial position. Investments in equity securities that do not have readily determinable fair values are also measured at fair value in the statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends, investment expenses) is included in the statements of activities as increases or decreases in unrestricted net assets. Management has designated all highly-liquid short-term investments easily convertible to cash as current assets.

Income taxes

ICE is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except for unrelated business income as defined in the Code. The organization did not have any unrelated business income during the years ended June 30, 2017 and 2016. Due to its tax-exempt status, ICE is not subject to income taxes. ICE is required to file and does file tax returns with the IRS and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and ICE has no other tax positions which must be considered for disclosure. Income tax returns filed by ICE are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2014 remain open.

Loans receivable

Loans receivable are classified as held for investment purposes and it is the intent of management to hold them until maturity. They are stated at unpaid principal balances less an allowance for loan losses. Interest income on loans is recognized when earned. Loans are made primarily for shared equity housing through three types of loans: predevelopment loans, interim development loans and Tenant Opportunity to Purchase Act - Earnest Money Deposit ("TOPA EMD") loans. Borrowers must complete an application process in which the borrower must demonstrate the ability to succeed with the proposed project, financial strength and/or collateral value in the event the project fails and the loan is not able to be repaid, and the overall feasibility of the project. In 2016, ICE introduced the TOPA EMD loan product. The loans are made generally to tenant associations who have exercised their rights under TOPA to match a 3rd party purchase offer on their home. The organization will charge an origination fee of 1%. During the term of the loan, no interest shall be accrued. If the tenant associations ("TA") or a mission aligned developer to whom the TA has assigned its rights fails to purchase the property the principal is returned and no interest is charged. If the TA or its assignee purchase the property, or choose to repay the loan before their purchase contract is terminated, interest is calculated as the lesser of 18% interest or a success fee equal to exactly 8% of the deposit.

Management's policy is to place a loan on non-accrual status when management has sufficient information and confidence that interest payments will not be received.

Management utilizes risk ratings to reflect the credit quality of individual loans. The risk rating is determined based on a combination of factors including whether the individual loan is secured, loan-to-value ratios, working capital ratios, net asset ratios, borrower experience and track record, payment history and material adverse changes to the borrower's project, collateral value, or financial position. The risk ratings are broken down within different levels ranging from Level 1 to Level 7, in which default is the least likely to probable substantial or total loss. A description of each rating is mentioned below:

Level 1 - Highest Quality. Likelihood of default remote. Generally involve most experienced, capable and financially strong borrowers and/or guarantors. Borrower and/or guarantor's liquid net worth may be many times greater than the loan amount. Loan may be secured by collateral with substantially greater value than the amount of the loan (e.g., LTV less than 60%). Loan may be projected to be repaid with funding sources that are fully approved and committed, but undisbursed. Loan may be secured by cash or refundable deposit.

Level 2 - Very Good Quality. Default very unlikely. Borrower has very good reputation, extensive track record, experienced (e.g., 10+ years' experience) and capable staff and very strong financial health. If loan is unsecured, unrestricted short-term liquid net worth of borrower and/or guarantor significantly exceeds 100% of loan balance. If secured loan, loan to value of collateral generally below 80%. Project conservatively underwritten with very good chance of success. After closing, all payments have been made as agreed; project is proceeding rapidly toward closing and no material adverse changes in financial condition of borrower, collateral value or project feasibility.

Level 3 - Good Quality. Small chance of default. Experienced borrower (5+ years' experience), good reputation and good financial health. If unsecured loan, unrestricted short-term liquid assets totaling at least 100% of loan balance. If secured loan, loan to value ratio of no more than 100%. Project conservatively underwritten with good chance of success but may include significant contingencies such as anticipation of future award of tax credits in competitive award round. After closing, all payments have been made as agreed, and no material adverse changes in financial condition of borrower, collateral value or project feasibility.

Level 4 - Average Quality Loan. Low chance of default, but with some areas of material concern. Generally this is the lowest rating assigned to new loans. Borrower with some successful track record of similar developments, but possibly not a spotless record. Reasonably good financial health, but unrestricted liquid current assets may be less than the amount of the loan. Could involve new organization or organizations trying to reach a higher level of activity. Project should be solidly underwritten with reasonable prospect of success, but may have significant contingencies. This category might include novel projects that are inherently more risky than conventional projects. May be particularly compelling from a mission standpoint. After closing, all payments have been made as agreed. Loans with higher risk ratings may be downgraded to this level if there have been material adverse changes in financial condition of borrower, collateral value or project feasibility. Significant project contingencies remain.

Level 5 - Below Average Quality. Chance of default. New loan would generally not be approved at this level of risk. Loans are considered to be on a "watch list" at this level. Existing loans may be downgraded to this level if the current unrestricted net worth of the borrower and/or guarantor has dropped significantly since original underwriting, there has been a significant deterioration in the value of collateral, or the project has suffered a material setback such as the failure of one of the anticipated funding sources to materialize. While loans in this category possess problems, they do not represent anticipation of material, imminent loss. Further draws may be allowed to a borrower in this category if it appears that allowing further draws would not materially increase risk of loss, and if refusing to fund additional draws might increase the chance that a troubled project or borrower might fail.

Level 6 - Substandard Loan. Partial Loss Anticipated. Borrower significantly late in making payments. May involve all of the above noted characteristics in Level 5 and borrower has indicated probability of inability to fully repay and/or to continue development activities. Highly adverse material information about project (such as natural disaster or reports of toxic waste on site). Financial status of borrower makes complete repayment improbable.

Level 7 - Troubled Loan. Probable Substantial or Total Loss. All development activities halted and borrower indicates an inability to repay. Financial status of borrower makes significant recovery of loan funds improbable. Other material financial events of borrower, including bankruptcy or insolvency, or adverse litigation.

Allowance for loan losses
The allowance for loan losses is established as losses are estimated through a provision for loan losses charged to earnings. Loans are charged against the allowance for loan losses when the loan committee or the board of directors believes the uncollectability of the principal is confirmed.

Recoveries of amounts previously recorded as uncollectible are recorded as income when received net against the provision for loan loss reserve.

The allowance for loan losses is evaluated on a quarterly basis for all loans in the ICE's portfolio by the ICE's loan committee and on an annual basis for all loans in ICE's portfolio by ICE's board of directors. The loan committee evaluates each of its predevelopment loans, interim development loans and TOPA EMD loans and does not evaluate their loans by category. Additionally if the circumstances of any loan changes during the year or new loans are entered into with borrowers, the loan is reviewed at the monthly loan committee meeting and risk ratings and reserves of the loan are adjusted if necessary. Evaluation of the loans is based upon the loan committee and the board of directors' review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

Impaired loans
Loans are considered impaired when, based on current information and events; it is probable that ICE will not collect all principal and interest payments according to the original contractual terms. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting interest payment throughout the loan period and the principal balance at the maturity date.

ICE exercises any and all legal rights it has in accordance with the loan documents to collect on impaired loans. All legal action must be approved by the loan committee.

Troubled debt restructurings
A troubled debt restructuring ("TDR") is a loan that is restructured or modified for economic or legal reasons, where 1) the creditor grants a concession that it otherwise would not consider, and 2) the borrower is experiencing financial difficulties. All TDRs are included in impaired loans. As of June 30, 2017 and 2016, no loans were considered TDRs.

Accounts receivable and bad debts
Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Capitalization and depreciation
Furniture, fixtures and equipment are recorded at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives (three to five years for furniture, fixtures and equipment) using the straight-line method. Improvements are capitalized while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. Any resulting gains and losses are reflected in the statements of activities.

Impairment of long-lived assets
ICE reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, management

compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the years ended June 30, 2017 and June 30, 2016.

Revenue recognition

ICE's revenue is derived primarily from grants, contributions, loan origination fees and interest income on loans. Interest income on loans is recognized when earned. Loan origination fees, net of loan costs are deferred and recognized to revenue over the lives of the related loans using the interest method. Contribution income consists of donated interest income and is recognized when interest is earned by the donor. Grant income is recognized in the period the pledge is made.

Expense allocation

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

Reclassifications

Reclassifications have been made to the prior year balances to conform to the current year presentation.

Note 2 - Loans receivable

Loans are generally made in connection with affordable housing and community development projects. At June 30, 2017, 26 loans totaling $5,273,524 were outstanding. Outstanding principal balances at June 30, 2017 range from approximately $5,000 to $596,573, with maturity dates ranging from July 31, 2017 to March 15, 2036. At June 30, 2016, 39 loans totaling $5,396,596 were outstanding. Outstanding principal balances at June 30, 2016 range from approximately $2,317 to $500,000, with maturity dates ranging from September 15, 2016 to March 15, 2036. The five largest outstanding loans receivable had combined balances of approximately 46% and 40% of the portfolio as of June 30, 2017 and 2016, respectively. The repayment terms vary, with loans either requiring monthly principal and interest payments or monthly interest payments only. Interest rates on the loans range from 0% to 7.0% per annum. The majority of the loans are collateralized by first mortgages on certain projects of the borrowers.

During 2016, ICE wrote off a loan with an outstanding principal balance of $234,914 due to property foreclosure. During 2016, the related accrued interest of $15,010 was recorded as a bad debt expense.

The following table presents an analysis of reserves for loan losses as of June 30, 2017 and 2016, respectively:

	Year ended June 30, 2017	Year ended June 30, 2016
Beginning balance	$ 311,085	$ 509,850
Provision for loan losses	44,191	75,266
Recoveries	(73,366)	(39,117)
Loan write-off	-	(234,914)
Ending balance	$ 281,910	$ 311,085

Aggregate maturities of loans receivable for each of the next five years and thereafter are as follows:

June 30, 2018	$ 455,407
2019	466,445
2020	696,027
2021	833,087
2022	596,573
Thereafter	2,225,985
Total	$ 5,273,524

Note 3 - Fair value measurements

ICE adopted accounting guidance establishing a framework for measuring fair value and disclosures regarding related fair value measurements for its financial assets and liabilities. The guidance applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements.

The guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. Observable inputs are inputs that the market participants would use in pricing the asset or liability based on market data obtained from sources independent of ICE. Unobservable inputs are inputs that reflect the ICE's assumptions about what assumed market participants would use in pricing the asset or liability based on the best information available under the circumstances. The hierarchy is measured in three levels based on the reliability of inputs:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that ICE has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;

- Inputs other than quoted prices that are observable for the asset or liability; and

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2017.

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value of shares held by ICE at year-end.

Certificates of deposit: Valued at their face value which equals fair value.

Annuities: Valued at contract value which approximates fair value.

Cash notes: Valued at face value which equals fair value.

Urban Partnership Bank Stock: Valued at fair value based on applying standard valuation techniques. For purposes of the valuation analysis the market approach was relied upon, specifically, the guideline public company method, the income approach was also relied upon, specifically the discounted cash flow method.

Unit Investment Trust: Valued at the wrap price reported on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, ICE's assets at fair value as of June 30, 2017 (recurring basis):

	Level 1	Level 2	Level 3	Total
Equity securities	$ 67,908	$ -		$ 67,908
Certificates of deposit	-	2,212	-	2,212
Annuities	-	1,430,469	-	1,430,469
Urban Partnership bank stock	-	-	249,350	249,350
Total investments at fair value	$ 67,908	$ 1,432,681	$ 249,350	$ 1,749,939

The audited financial statements for Urban Partnership Bank, which management uses as a basis to determine the fair value of ICE's investment in Urban Partnership Bank, were not made available to management for the years ended June 30, 2017, 2016 and 2015; therefore, the investment is carried at the fair value as of June 30, 2014.

The following table sets forth by level, within the fair value hierarchy, ICE's assets at fair value as of June 30, 2016 (recurring basis):

	Level 1	Level 2	Level 3	Total
Investment grade corporate bond	$ 799,479	$ -	$ -	$ 799,479
Equity securities	303,416	-	-	303,416
Certificates of deposit	-	2,212	-	2,212
Annuities	-	1,456,553	-	1,456,553
Unit Investment Trust	170,839	-	-	170,839
Cash notes	-	25,000	-	25,000
Urban Partnership bank stock	-	-	249,350	249,350
Total investments at fair value	$ 1,273,734	$ 1,483,765	$ 249,350	$ 3,006,849

Additionally, certain financial assets and financial liabilities are measured at fair value on a nonrecurring basis; that is, the instruments are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment).

Assets measured at fair value as of June 30, 2017 on a non-recurring basis include the following:

		Fair Value Measurements Using		
Description	Fair Value	Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Impaired loans	$ -	$ -	$ -	$ -

Assets measured at fair value as of June 30, 2016 on a non-recurring basis include the following:

		Fair Value Measurements Using		
Description	Fair Value	Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Impaired loans	$ 108,421	$ -	$ 108,421	$ -

As of June 30, 2017, management believes no outstanding loans are impaired. As of June 30, 2016, management believed a loan in the outstanding amount of $108,421 was impaired. The loan matured on May 1, 2015. ICE shared a first deed of trust with another lender. The loan was measured at the outstanding principal balance discounted for expected cash flows related to the impaired loan. Management considered the value of the collateral consisting of 12 apartment buildings. Management used a broker's opinion obtained relating to the collateral to estimate cash flows resulting from the sale of these assets. The fair value was based on the aforementioned estimates and resulted in no loan loss reserve being recorded. During the year ended June 30, 2017, the loan was paid off in full.

Note 4 - Related party transactions

ICE shares office space with the Trust. Rent is payable on a month-to-month basis. In addition to the rent, ICE is charged its share of the office related expenses. The rent amount charged to activities was $49,710 and $60,411 for the years ended June 30, 2017 and 2016, respectively.

ICE entered into an informal agreement with the Trust to provide the use of their staff. ICE makes quarterly payments based on budgeted time spent by the Trust's staff relating to ICE. Annually, ICE reconciles budgeted time with actual time spent by the Trust's staff and makes an adjustment to the payment accordingly. The time spent totaled $131,119 and $179,262 for the years ended June 30, 2017 and 2016, respectively. As of June 30, 2017 and 2016, $114,154 and $163,107, respectively, was included in consulting expense and $16,965 and $16,155, respectively, was treated as loan origination costs and treated as an offset to loan origination fees. As of June 30, 2017 and 2016, $11,255 and $31,216 was payable.

As of June 30, 2017 and 2016, the Trust owed ICE, $0 and $17,358, respectively, for expenses paid on the Trust's behalf and is included in intercompany receivable.

As of June 30, 2017 and 2016, National Housing Trust Community Development Fund ("NHTCDF"), an affiliate, owed ICE $33,472 and $10,238, respectively, for expenses paid on NHTCDF's behalf and is included in intercompany receivable.

Included in the loans receivable balance at June 30, 2017 and 2016 (see Note 2) is one loan receivable from NHTE. The loan has a principal balance of $72,407 at June 30, 2017 and 2016, bears interest at 7% with a maturity date of July 31, 2017. The loan was subsequently extended to December 31, 2017.

Note 5 - Loans payable

Investor loans payable consist of 145 and 159 lenders and amounted to $5,238,162 and $5,291,131 at June 30, 2017 and 2016, respectively. The outstanding principal amounts at June 30, 2017 range from approximately $1,204 to approximately $398,420 and carry interest rates that range from 0% to 3%. The outstanding principal amounts at June 30, 2016 range from approximately $1,000 to approximately $399,000 and carry interest rates that range from 0% to 3%. Maturity dates on the loans range from August 1, 2017 to December 1, 2025 and September 1, 2016 to December 1, 2025 at June 30, 2017 and 2016, respectively. The majority of the investor loans payable require interest only payments and can be increased at the discretion of the lender. The investor loans payable are unsecured with recourse to the general assets of ICE. Interest charged to operations on the investor loans totaled $60,878 and $68,057 for the years ended June 30, 2017 and 2016, respectively. Accrued interest of $37,161 and $39,940 was payable at June 30, 2017 and 2016, respectively.

As of June 30, 2017 and 2016, loans payable in the amount of $120,000 were due. The organization is making reasonable efforts of finding the investor to pay off these loans. As of June 30, 2017 and 2016, the organization has sufficient cash on hand to pay these loans due.

On November 13, 2008, ICE obtained a $3,000,000 loan from the Ford Foundation to help provide predevelopment and interim development loans to community land trusts, limited equity cooperatives, or other non-profit entities that promote the growth of homeownership opportunities for low-income residents. The loan is guaranteed by the Trust. The note is unsecured and bears interest at the rate of 1% per annum. Interest-only is payable quarterly through maturity on November 13, 2018. The loan principal is payable in two equal installments of $1,500,000 each on the 9th and 10th anniversaries from the closing date. Interest charged to operations on the loan totaled $30,000 for the years ended June 30, 2017 and 2016. At June 30, 2017 and 2016, the outstanding principal balance totaled $3,000,000. At June 30, 2017, $1,500,000 of the Ford Foundation loan is included in current liabilities and $1,500,000 is included in long-term liabilities on the statements of financial position. The Ford Foundation loan is included in long-term liabilities on the statements of financial position at June 30, 2016.

In August 2014, ICE entered into a loan agreement with Bank of America Community Development Corporation ("BOA"), a North Carolina corporation. Under the agreement, ICE received a loan in the amount of $500,000. The loan is evidenced by an unsecured promissory note which bears interest at 1% per annum. Commencing on October 1, 2014, accrued interest shall be paid in arrears on the first day of each January, April, July, and October continuing through maturity. The entire principal amount shall be payable on August 22, 2017. Interest charged to operations on the loan totaled $4,993 and $4,986 for the years ended June 30, 2017 and 2016, respectively. There was no accrued interest payable at June 30, 2017 and 2016. The BOA loan is included in current liabilities on the statements of financial position at June 30, 2017. The BOA loan is included in long-term liabilities on the statements of financial position at June 30, 2016. On August 17, 2017, ICE fully repaid the BOA loan payable in the amount of $500,000.

Aggregate maturities of notes payable for each of the next five years and thereafter are as follows:

June 30, 2018	$ 3,539,064
2019	3,068,466
2020	1,282,576
2021	570,178
2022	38,000
Thereafter	239,878
Total	$ 8,738,162

Note 6 - Concentration of credit risk

ICE maintains its cash balances in several accounts in various banks. At times, these balances may exceed the federal insurance limits; however, ICE has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances at June 30, 2017.

Note 7 - Commitments

As of June 30, 2017, ICE has entered into seven loan commitments for which it will advance $2,360,500 to unaffiliated organizations.

Note 8 - Subsequent events

Events that occur after the statements of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statements of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statements of financial position date require disclosure in the accompanying notes. Management evaluated the activity of ICE through November 20, 2017 and concluded that no subsequent events have occurred except for those described below that requires disclosure in the notes to the financial statements.

On July 5, 2017, ICE entered into a loan receivable in the amount of $100,000. The loan matured on August 5, 2017 and was received in full on July 31, 2017.

On July 13, 2017, ICE entered into a loan receivable in the amount of $1,000,000. The loan matures on July 13, 2018.

On July 31, 2017, ICE entered into a loan agreement amendment to extend the maturity date on a loan receivable in the original amount of $1,200,000 with a maturity date of July, 31, 2017. The maturity date was extended to December 31, 2017. As of June 30, 2017, the loan receivable balance was $72,407.

On August 15, 2017, ICE entered into a loan agreement amendment to extend the maturity date on a loan receivable in the original amount of $128,000 with a maturity date of August 15, 2017. The maturity date was extended to September 30, 2017. As of June 30, 2017, the loan receivable balance was $80,000. The loan receivable was further extended to November 30, 2017.

On August 17, 2017, ICE fully repaid the BOA loan payable in the amount of $500,000.

On September 5, 2017, the loan receivable in the amount of $83,000 was received in full.

On October 24, 2017, ICE repaid $1,500,000 of the Ford loan payable.

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