

AAHC - Tax Credit Properties

**Financial Statement Highlights
For the Period Ending February 28, 2019**

Below is a summary of the financial activity for Maple Tower, River Run and West Arbor LDHA for the second month of the FY19 fiscal year as of February 28, 2019.

MAPLE TOWER LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	210,936	195,502	15,434
Total Expenses	270,189	286,032	15,843
Total Net Income	(59,253)	(90,530)	31,277
NOI less non-operating	53,019	22,225	30,794

YTD Debt Service Coverage Ratio (>1.15): **2.68**
 Replacement Reserve Balance: **\$118,677**
 Operating Reserve Balance: **\$275,331**

Revenue:

- The Revenue for the property is higher than budgeted. Occupancy remains stable and we were required to budget a 7% vacancy loss which is well above our actual vacancy rate.

Expenses:

- Total **Administrative Expenses** are below budget. This is mainly due to lower than budgeted property management salaries.
- Utility Expenses** are below budget. The switch-over of tenant utilities into the property's name has not been a smooth one and the utility vendors have still not completed the conversion. For that reason, a fair portion of the utilities have been estimated.
- Maintenance Expenses** are slightly over budget due to higher-than-budgeted Sewer Backup expenses.
- General Expenses** are largely in line with budget.
- Financing Expenses** and **Non-Operating Items** are in line with budget and represent the mortgage interest expense for the permanent financing as well as depreciation expense.

RIVER RUN LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	183,757	168,898	14,859
Total Expenses	233,669	240,776	7,107
Total Net Income	(49,912)	(71,878)	21,966
NOI less non-operating	28,042	5,457	22,585

YTD Debt Service Coverage Ratio (>1.15): **4.53**
 Replacement Reserve Balance: **\$267,664**
 Operating Reserve Balance: **\$215,277**

Revenue:

- The Revenue for the property is higher than budgeted. Occupancy remains stable and we were required to budget a 7% vacancy loss which is well above our actual vacancy rate.

Expenses:

- Total **Administrative Expenses** are below budget. This is due to a combination of lower-than-budgeted expenses in the Property Management salaries, as well as in the Auditing Fees and Consultants expense categories.
- Utility Expenses** are slightly below budget. The switch-over of tenant utilities into the property's name has not been a smooth one and the utility vendors have still not completed the conversion. For that reason, a portion of the utilities has been estimated.
- Maintenance Expenses** are below budget. This is mainly due to positive variances to budget in the Contract Cost expense category and includes lower expenses in Grounds and Unit Turn Contract Costs.
- General Expenses** are in line with budget.
- Financing Expenses** and **Non-Operating Items** represent the mortgage interest and depreciation expenses and are both in line with budget.

WEST ARBOR LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	119,995	107,798	12,197
Total Expenses	149,384	163,942	14,558
Total Net Income	(29,389)	(56,144)	26,755
NOI less non-operating	56,355	29,467	26,888

YTD Debt Service Coverage Ratio (>1.15): **2.09**
 Replacement Reserve Balance: **\$59,560**
 Operating Reserve Balance: **\$210,992**

Revenue:

- The Revenue for the property is higher than budgeted because occupancy remains stable and we were required to budget a 7% vacancy loss which is well above our actual vacancy rate.

Expenses:

- Total **Administrative Expenses** are slightly lower than budgeted.
- Utilities** are significantly under budget. We expect that these expenses will come in line with budget over the next few months.
- Total **Maintenance Expenses** are slightly higher than budget as a result of higher than budgeted unit turn costs.
- General Expenses** are in line with budget.
- Financing Expenses** and **Non-Operating Items** represent the mortgage interest and depreciation expenses and are both in line with budget.