

AAHC - Business Affiliates

Financial Statement Highlights For the Period Ending February 28, 2019

Below is a summary of the financial activity for AAHC's Business Affiliates for the eight months, ending February 28, 2019.

CONSOLIDATED RESULTS	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	405,152	495,992	(90,840)
Total Expenses	450,089	386,120	(63,969)
Total Net Income	<u>(44,937)</u>	<u>109,872</u>	<u>(154,809)</u>

Colonial Oaks - Replacement Reserve Balance: \$74,003
Colonial Oaks - Operating Reserve Balance: \$31,000

Notable Revenue Variances:

- Revenue for **AAHDC** is over budget. This is due to the receipt of the initial developer fees for the Swift Lane project, which finally closed in February 2019. Investment income remains below budget due to a large portion of the entity's cash being held in a money market account rather than a brokerage account as was budgeted.
- The **Colonial Oaks** revenue budget is higher than actual because it assumes that the Swift Lane conversion has taken place and it has absorbed the remaining public housing units that remain (i.e. Broadway, Oakwood, etc.). The initial closing of the Swift Lane project did not take place until February 2019.
- There is no revenue for the **Platt Road Acquisition** because the property remains unoccupied in anticipation of demolition as part of the Swift Lane project.
- No budget was created for **1508 Broadway** as it is slated to be "absorbed" into Colonial Oaks in the first half of the fiscal year.

Notable Expense Variances:

- Total **Administrative Expenses** overall are below budget due to the **Colonial Oaks** budget assumptions above
- **Tenant services** expenses are slightly below budget.
- **Utilities** are overall on budget.
- **Maintenance Expenses** are in line with budget.
- **Transfers between Programs and Projects - OUT** for **AAHDC** represent necessary capital projects at the Oakwood and Broadway properties that were paid by AAHDC.