

AAHC - Tax Credit Properties

**Financial Statement Highlights
For the Period Ending August 31, 2017**

MAPLE TOWER LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	717,754	693,336	24,418
Total Expenses	1,088,373	543,139	(545,234)
Total Net Income	(370,619)	150,197	(520,816)
NOI less non-operating	95,134	150,197	(55,063)

YTD Debt Service Coverage Ratio (>1.15) = 1.20

Revenue:

- The Revenue for the property is higher than budgeted and occupancy is stable.

Expenses:

- Total **Administrative Expenses** are slightly lower than budgeted overall with individual expense line items (i.e. audit fees) are higher than budget, others such as office and telecommunications expenses are lower than budgeted resulting in only a slight overall variance.
- **Tenant Services** expenses are slightly below budget.
- **Utilities** are lower than budgeted. The expense for Gas includes estimates for July and August.
- **Maintenance Expenses** are over budget mainly due to higher maintenance supply costs, unit turn expenses, HVAC and asbestos abatement costs and expenses related to sewer backups.
- **General Expenses** are over budget due to unbudgeted financing/tax credit fees which are being amortized as part of the initial project development.
- **Financing Expenses** and **Non-Operating Items** were not budgeted. The expenses represent the mortgage interest of the permanent financing as well as the depreciation expense.

RIVER RUN LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	569,981	541,344	28,637
Total Expenses	830,134	470,645	(359,489)
Total Net Income	(260,153)	70,699	(330,852)
NOI less non-operating	52,228	70,699	(18,471)

YTD Debt Service Coverage Ratio (>1.15) = 2.11

Revenue:

- The Revenue for the property is higher than budgeted and occupancy is stable.

Expenses:

- Total **Administrative Expenses** are in line with the budget overall. However, individual negative variances from budget (i.e. audit expenses) are made up by several positive variances such as office expenses and administrative salaries.
- **Tenant Services** expense are below budget. Resident Council activity is sporadic for River Run.
- **Utility Expenses** are right on budget. They include estimates for gas expenses for July and August.
- **Maintenance Expenses** are over budget mainly as a result of higher than budgeted HVAC preventative, sewer backup as well as asbestos abatement expenses.
- **General Expenses** are over budget due to unbudgeted financing/tax credit fees which are being amortized as part of the initial project development.
- **Financing Expenses** and **Non-Operating Items** were not budgeted. The monthly expenses represent the mortgage interest of the permanent financing as well as the depreciation expense.

WEST ARBOR LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	317,999	373,480	(55,481)
Total Expenses	212,917	220,657	7,740
Total Net Income	105,082	152,823	(47,741)

Revenue:

- The Revenue for the property is lower than budgeted due to budget being adopted for full-lease-up, but property still under construction Jan - March. Property was at full occupancy as of the end of April 2017.

Expenses:

- Total **Administrative Expenses** are higher than budgeted mainly due to unbudgeted bank fees and miscellaneous Other Administrative Expenses.
- **Tenant Services** expenses are slightly over budget.
- **Utilities** are significantly below budget due to project development timing.
- Total **Maintenance Expenses** are largely in line with the budget.
- **General Expenses** are over budget due to unbudgeted security/law enforcement expenses. Security monitoring services at the property were discontinued in July as security camera installation was complete.