

AAHC - Business Activities

**Financial Statement Highlights
For the Period Ending March 31, 2022**

Below is a summary of the financial activity for AAHC's Business Affiliates for the third quarter of FY22 ending March 31, 2022.

| AAHC | YTD Actual | YTD Budget | YTD Variance |
|------------------|------------|------------|--------------|
| Total Revenue | 856,587 | 410,328 | 446,259 |
| Total Expenses | 817,044 | 807,026 | (10,018) |
| Total Net Income | 39,543 | (396,698) | 436,241 |

AAHC - Total Cash & Investments: \$ 1,914,206

AAHC - Unrestricted Cash: \$ 404,117 \$100,000 of which has been committed for the park purchase and development on Dexter (next to the West Arbor development). Available cash shortage is mainly due to timing issues with cash flow payments as well as Swift Lane developer fees being expected later in FY22.

Revenue:

- The revenue for AAHC is over budget due to a timing difference in the receipt of a developer fee payment for the Swift Lane development as well as City funding for predevelopment of city-owned properties and additional social services funding related to the pandemic.

Expenses:

- Total **Administrative Expenses** are over budget. This is mainly due to pre-development expenses (reflected in Consultant expense) and related admin salaries which are off-set by the additional revenue referenced above as well as timing differences. In addition we incurred unbudgeted expenses (which includes a settlement related to FSS).
- Tenant Services Expenses** are lower than budgeted due to timing differences between actual and budget.
- General Expenses** are lower than budget which is primarily due to timing differences.

| COLONIAL OAKS | YTD Actual | YTD Budget | YTD Variance |
|------------------|------------|------------|--------------|
| Total Revenue | 485,711 | 478,259 | 7,452 |
| Total Expenses | 445,213 | 444,348 | (865) |
| Total Net Income | 40,498 | 33,911 | 6,587 |

Replacement Reserve Balance: \$90,767

Operating Reserve Balance: \$31,070

Revenue:

- The revenue for the property is slightly higher than budget. Occupancy for the property is stable.

Expenses:

- Total **Administrative Expenses** are in line with budget.
- Utility Expenses** overall are higher than budget. This is mainly due to DTE billing reconciliations/corrections for the Broadway property going back for a significant time period.
- Maintenance Expenses** are below budget mainly due to lower-than-budgeted Total General Maintenance expenses as well as timing differences to budget.
- General Expenses** are in line with budget.
- Non-Operating Items** represent the depreciation expense which has been budgeted to be recognized for fiscal year-end in June.

| LURIE TERRACE | YTD Actual | YTD Budget | YTD Variance |
|------------------|------------|------------|--------------|
| Total Revenue | 864,554 | 904,977 | (40,423) |
| Total Expenses | 935,642 | 759,452 | (176,190) |
| Total Net Income | (71,087) | 145,525 | (216,612) |

Replacement Reserve Balance: \$899,253

Insurance Escrow Balance: \$35,811

COVID-19 Debt Reserve Balance: \$200,574

Non-Critical Repair Reserve: \$74,063

Regions MIP Reserve: \$14,512

Residual Receipts Reserve: \$734

Revenue:

- The Revenue for the property is lower than budgeted due to the gradual lease-up of the project-based vouchers as well as vacancy losses while 7 units are renovated with ADA features as required by HUD. The occupancy for the property is stable.

Expenses:

- Administrative Expenses** are below budget mainly due to lower than budgeted administrative salaries.
- Tenant Services Expenses** are higher than budget mainly due to the unbudgeted PACE expenses which are off-set by unbudgeted revenue from AAACF.
- Utility Expenses** are slightly lower than budget mainly due to timing differences.
- Maintenance Expenses** are over budget mainly due to overages in Total Material Costs, Building Repair Contract Costs (Accessible Door openers for four apartments), and Unit Turn Contract Costs. Some of these expenses are related to mandated repairs by HUD as part of the purchase of the property.
- General Expenses** are lower than budgeted.
- Financing Expenses** represents the mortgage interest which is lower than budget.
- Non Operating Expenses** represents depreciation which was budgeted to be recorded for year-end, but we have started recording it monthly.