

AAHC - Business Activities

**Financial Statement Highlights
For the Period Ending December 31, 2025**

Below is a summary of the financial activity for AAHC's Business Affiliates for the first half of the 2026 fiscal year ending December 31, 2025.

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	3,146,931	6,378,270	(3,231,339)
Total Expenses	2,988,064	6,430,858	3,442,794
Total Net Income	158,867	(52,588)	211,455
Total NOI	105,767		

AAHDC - Total Cash & Investments: \$ 15,480,066
AAHDC - Unrestricted Cash: \$ 1,115,208

Revenue:

- Revenue is lower than budgeted due to timing differences for several revenue line items, including MEDC and millage revenues. We expect those variances to "catch up" within the next couple of months.

Expenses:

- Total **Administrative Expenses** are over budget due to consultant expenses related to unbudgeted production expenses for "The Road Home" documentary.
- **Tenant Services Expenses** are below budget due to timing differences which we expect to be coming into line with budget over the next few months.
- **Utility Expenses** are lower than budgeted mainly because the budget included the assumption that the S. Industrial office would relocate to 1510 E. Stadium, which is no longer the case (see maintenance expense variance explanation below).
- **Maintenance Expenses** are below budget - mainly due to the budget assuming increased expenses related to the Stadium property which we anticipated for Admin, Development and Accounting staff to occupy. It has since been determined that the costs for the Stadium property renovation are too high because the required upgrades would be much more extensive than originally anticipated, so staff continues to work at the S. Industrial location for now.
- **General Expenses** are lower than budget. These expenses largely represent development-related expenses that are covered by MEDC as well as affordable housing millage funds. As mentioned above, we expect these variances to come in line with budget as we get further into the new fiscal year.

COLONIAL OAKS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	413,915	418,182	(4,267)
Total Expenses	339,543	392,458	52,915
Total Net Income	74,371	25,724	48,647
Total NOI	63,625		

Operating Cash Balance: \$122,167
Replacement Reserve Balance: \$41,995
Operating Reserve Balance: \$31,770
Insurance Renewal Amt CY2026: \$38,214 to be paid in January 2026

Revenue:

- The revenue for the property is in line with budget. The renovations at 1504 and 1506 Broadway have been completed and renovated units are occupied as of the end of November. The occupancy for this development is stable.

Expenses:

- Total **Administrative Expenses** are largely on budget.
- **Utility Expenses** are below budget in part due to the 1504 & 1506 Broadway buildings being off-line and unoccupied for renovation until October/November 2025.
- **Maintenance Expenses** are lower than budgeted mainly in the General Maintenance and Total Contract Costs expense categories. The main main variance is specifically in lower-than-budgeted Unit Turn Contract costs which is due to less tenant move-outs than budgeted.
- **General Expenses** represent mainly insurance expenses which are right on budget.

LURIE TERRACE	YTD Actual	YTD Budget	YTD Variance
Total Revenue	768,601	773,652	(5,051)
Total Expenses	814,690	796,956	(17,734)
Total Net Income	(46,089)	(23,304)	(22,785)
Total NOI	100,009		

YTD Debt Service Coverage Ratio (>1.15): 1.13
Operating Cash Balance: \$35,216 Op Cash net of deferred revenue
Replacement Reserve Balance: \$476,675
Insurance Escrow Balance: \$97,942
Lument MIP Reserve: \$10,296
Residual Receipts Reserve: \$52,413

Revenue:

- The Revenue for the property is right on budget and occupancy for the property is stable.

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Expenses:

- Total **Administrative Expenses** are higher than budget due to property management staff allocations.
- **Tenant Services Expenses** are below budget due to timing differences.
- **Utility Expenses** are below budget due to timing and seasonality of the expenses.
- **Maintenance Expenses** are in line with budget.
- **General Expenses** are slightly higher than budget due to higher insurance expenses than budgeted.
- **Financing Expenses** are below budget due to the FY25 mortgage interest accrual.
- **Non Operating Expenses** represent depreciation and are in line with budget.

SILLER TERRACE	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	160,055	154,622	5,433
Total Expenses	148,133	147,955	(178)
Total Net Income	<u>11,922</u>	<u>6,667</u>	<u>5,255</u>
Total NOI	<u>35,700</u>		

YTD Debt Service Coverage Ratio (>1.15): **1.36**
Operating Cash Balance: **\$11,811**
Replacement Reserve Balance: **\$95,226**
Operating Reserve Balance: **\$25,000**

Revenue:

- The Revenue for the property is right on budget and occupancy for the property is stable.

Expenses:

- Total **Administrative Expenses** are slightly higher than budget due to property management salary allocations.
- **Tenant Services Expenses** are below budget due to timing differences.
- **Utility Expenses** are below budget due to timing differences as well as the seasonality of these expenses.
- **Maintenance Expenses** are higher than budget due to a fence installation at 1484 Liberty as well as general tree and bush trimming costs that exceeded budget.
- **General Expenses** are on budget.
- **Financing Expenses** are in line with budget.