

AAHC - Business Activities

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

Below is a summary of the financial activity for AAHC's Business Affiliates for the three quarters of the 2025 fiscal year ending March 31, 2025.

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	9,706,022	8,911,503	794,519
Total Expenses	6,235,456	9,227,835	2,992,379
Total Net Income	3,470,566	(316,332)	3,786,898
Total NOI	35,566		

AAHDC - Total Cash & Investments: \$ 8,785,489
AAHDC - Unrestricted Cash: \$ 646,923

Revenue:

- The revenue for the entity is higher than budget as a result of two main factors:
 - A \$435,000 capital contributions from the City that is part of the 1510 E. Stadium purchase which took place in July 2024. We purchased the property from the City for \$35,000, but the as-is appraised value was \$470,000, the difference of which was recorded as a capital contribution.
 - In addition, revenue includes \$3,000,000 of affordable housing revenue that was provided as a loan as part of a private development project, Union @ A2, for which there are no accompanying expenses recorded as the mortgage/note payable for the project is recorded on the AAHDC's balance sheet.

Expenses:

- Total **Administrative Expenses** are higher than budget mainly due to higher consultant expenses related to video creation and story telling about millage expenditures, unbudgeted software license fees related to DocuSign software as well as unbudgeted Admin and Accounting Fees related to the support of the Marijuana Funding and Mental Health Millage administration. These expenses are off-set by associated Marijuana Rebate revenue as well as unrestricted interest income generated by the Mental Health Millage investment account.
- Tenant Services Expenses** are in line with budget.
- Utility Expenses** are over budget which is attributable to timing differences and the seasonality of these expenses.
- Maintenance Expenses** are over budget due to timing differences as well as an unbudgeted fence installation, grounds and snow removal expenses.
- General Expenses** are lower than budget. These expenses largely represent development-related expenses that are covered by affordable housing millage funds. As mentioned above, some of the funding which is recorded as revenue was spent as a loan (Union @ A2) which is not recorded as an expense but rather a mortgage/note receivable on the balance sheet.

COLONIAL OAKS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	590,347	620,487	(30,140)
Total Expenses	544,924	534,279	(10,645)
Total Net Income	45,423	86,208	(40,785)
Total NOI	29,772		

Operating Cash Balance: \$22,652
Replacement Reserve Balance: \$25,850
Operating Reserve Balance: \$31,603
Insurance Renewal Amt CY2025: \$28,643 Paid in January 2025

Revenue:

- The revenue for the property is in line with budget. Although all units at 1504 & 1506 Broadway are currently off-line for renovations, we are able to collect vacancy payments during construction. Occupancy for the property is otherwise stable.

Expenses:

- Total **Administrative Expenses** are below budget largely due to Property Management payroll allocations being lower than budget.
- Utility Expenses** are in line with budget.
- Maintenance Expenses** are higher than budget due to timing differences, but also as a result of unbudgeted parking lot repairs at the Pennsylvania and S. 7th Street locations as well as higher-than-budgeted unit turn expenses.
- General Expenses** represent mainly insurance expenses and are in line with budget.

LURIE TERRACE	YTD Actual	YTD Budget	YTD Variance
Total Revenue	1,148,082	1,132,515	15,567
Total Expenses	1,193,144	1,202,653	9,509
Total Net Income	(45,062)	(70,138)	25,076
Total NOI	177,695		

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YTD Debt Service Coverage Ratio (>1.15):	1.28
Operating Cash Balance:	\$31,622 Op Cash net of deferred revenue
Replacement Reserve Balance:	\$507,217
Insurance Escrow Balance:	\$23,975
Lument MIP Reserve:	\$13,751
Residual Receipts Reserve:	\$52,175

Revenue:

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

Expenses:

- Total **Administrative Expenses** are on budget.
- **Tenant Services Expenses** are lower than budgeted due to timing differences.
- **Utility Expenses** are slightly below budget due to timing as well as the seasonality of these expenses.
- **Maintenance Expenses** are in line with budget.
- **General Expenses** are on budget.
- **Financing Expenses** are below budget due to the FY24 mortgage interest accrual.
- **Non Operating Expenses** represent depreciation and are in line with budget.

SILLER TERRACE	YTD Actual	YTD Budget	YTD Variance
Total Revenue	194,839	220,131	(25,292)
Total Expenses	257,545	240,918	(16,627)
Total Net Income	(62,706)	(20,787)	(41,919)
Total NOI	44,577		

YTD Debt Service Coverage Ratio (>1.15):	1.13
Operating Cash Balance:	\$25,187
Replacement Reserve Balance:	\$91,419
Operating Reserve Balance:	\$25,000

Revenue:

- The Revenue for the property is below budget. There is currently one vacant unit. Occupancy for the property is generally stable but several original market-rate tenants moved out when their lease ended. The vacancy losses for these units have been covered by the operating reserve.

Expenses:

- Total **Administrative Expenses** are over budget. This is mainly due to unbudgeted environmental consulting and radon testing as well as construction/development-related expense which are being covered by the operating reserve.
- **Utility Expenses** are below budget due to timing differences as well as the seasonality of these expenses.
- **Maintenance Expenses** overall are in line with budget.
- **General Expenses** are on budget.
- **Financing Expenses** are lower than budget due to timing differences.