

AAHC - Business Activities

**Financial Statement Highlights
For the Period Ending June 30, 2021
*** PRELIMINARY & UNAUDITED *****

Below is a summary of the financial activity for AAHC's Business Affiliates for FY21 ending June 30, 2021.

AAHDC		<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue		131,910	914,815	(782,905)
Total Expenses		39,064	701,480	662,416
Total Net Income		92,846	213,335	(120,489)

AAHDC - Total Cash & Investments: \$ **1,864,133**
AAHDC - Unrestricted Cash: \$ **354,044** \$100,000 of which has been committed for the park purchase and development on Dexter (next to the West Arbor development).

Revenue:

- The Revenue for AAHDC is below budget due to the loan interest revenue for the notes receivable from the LIHTC properties not having been recorded at this time. These transactions will be recorded prior to the finalization for audit and will be included in the final financials for June 2021. Also, the Swift Lane developer fee installment was less than what was budgeted.

Expenses:

- Total **Administrative Expenses** overall are below budget mainly due to lower-than-budgeted Staff Training expenses as well as Other Admin Expenses.
- **Tenant Services Expenses** are higher than budget due to unbudgeted tenant relocation expenses.
- **General Expenses** are lower than budget due to the year-end entry for bad debt which is part of the loan interest mentioned above not having been recorded at this time. This entry is part of the notes receivable entry and will be recorded for the final audited financials.

COLONIAL OAKS		<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue		613,309	620,200	(6,891)
Total Expenses		533,670	784,036	250,366
Total Net Income		79,639	(163,836)	243,475

Replacement Reserve Balance: \$76,418
Operating Reserve Balance: \$31,058

Revenue:

- The revenue for the property is slightly below budget, mainly due to unpaid vacancies at the Broadway location.

Expenses:

- Total **Administrative Expenses** overall are below budget due to lower-than-budgeted Administrative salaries.
- **Utility Expenses** overall are below budget.
- **Maintenance Expenses** are over budget. While General Maintenance Expenses (incl. maintenance wages) and Building Repairs Contract Costs) are below budget, other expense line items related to Materials, Plumbing Contract and Unit Turn Costs are over budget.
- **General Expenses** are higher than budgeted due to higher actual insurance costs for the property.
- **Non-Operating Items** represent the depreciation expense which has been budgeted to be recognized for fiscal year-end in June, but hasn't been finalized yet.

LURIE TERRACE		<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue		1,470,568	-	1,470,568
Total Expenses		242,334	-	(242,334)
Total Net Income		1,228,234	-	1,228,234

Replacement Reserve Balance: \$862,933

Revenue:

- The Revenue for the property includes \$1,130,460 in one-time grant revenue related to the purchase of this property (also causing the large net income of \$1.2 Million). Regular operating income includes rents from the time of closing in March through June 2021.

Expenses:

- **Tenant Services Expenses** mainly represent costs to supply meals for the residents as was provided by the prior owners.