

AAHC - Business Activities

**Financial Statement Highlights
For the Period Ending October 31, 2024**

Below is a summary of the financial activity for AAHC's Business Affiliates for the first four months of the 2025 fiscal year ending October 31, 2024.

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	5,591,061	4,110,668	1,480,393
Total Expenses	2,053,652	4,101,260	2,047,608
Total Net Income	3,537,409	9,408	3,528,001
Total NOI	102,409		

AAHDC - Total Cash & Investments: \$ 11,127,166

AAHDC - Unrestricted Cash: \$ 851,877

Revenue:

- The revenue for the entity is higher than budget. This is mainly due to timing differences between budget and actual. The revenue does include \$435,000 in capital contributions from the City that are 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 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 as well as unbudgeted software license fees related to DocuSign software.
- Tenant Services Expenses** are in line with budget.
- Utility Expenses** are below 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 and grounds 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	258,671	275,772	(17,101)
Total Expenses	244,348	241,432	(2,916)
Total Net Income	14,323	34,340	(20,017)
Total NOI	7,367		

Operating Cash Balance: \$25,539

Replacement Reserve Balance: \$17,092

Operating Reserve Balance: \$31,512

Insurance Renewal Amt CY2024: \$33,133 paid in January 2024

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 largely on budget.
- Utility Expenses** are below budget due to timing differences and the seasonal nature of these expenses.
- 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.
- General Expenses** represent mainly insurance expenses and are in line with budget.

LURIE TERRACE	YTD Actual	YTD Budget	YTD Variance
Total Revenue	508,691	503,340	5,351
Total Expenses	480,950	535,068	54,118
Total Net Income	27,741	(31,728)	59,469
Total NOI	113,391		

YTD Debt Service Coverage Ratio (>1.15): 1.84

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Operating Cash Balance:	\$96,406	Op Cash net of deferred revenue
Replacement Reserve Balance:	\$486,096	
Insurance Escrow Balance:	\$73,891	
Regions MIP Reserve:	\$7,680	
Residual Receipts Reserve:	\$52,039	

Revenue:

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

Expenses:

- Total **Administrative Expenses** are lower than budget due to timing differences between actual and budget.
- **Tenant Services Expenses** are lower than budgeted due to timing differences.
- **Utility Expenses** are 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	80,635	97,836	(17,201)
Total Expenses	132,698	105,408	(27,290)
Total Net Income	<u>(52,063)</u>	<u>(7,572)</u>	<u>(44,491)</u>
Total NOI	<u>2,353</u>		

YTD Debt Service Coverage Ratio (>1.15):	(0.24)
Operating Cash Balance:	-\$4,273
Replacement Reserve Balance:	\$89,359
Operating Reserve Balance:	\$25,000

Revenue:

- The Revenue for the property is below budget. There are currently three vacant units. Occupancy for the property is generally stable.

Expenses:

- Total **Administrative Expenses** are over budget. This is mainly due to unbudgeted consultant expenses related to the properties' radon systems.
- **Utility Expenses** are below budget due to timing.
- **Maintenance Expenses** are over budget due to higher-than-budgeted expenses related to building maintenance (power washing) and unit-turn expenses for unit vacancies. A total flooring replacement of a three-bedroom units as well as a water heater replacement was necessary and, in addition, a bike slab was created for the property. Some of these items were funded from the replacement reserve, not operating.
- **General Expenses** as well as **Financing Expenses** are on budget.