

AAHC - Tax Credit Properties

Financial Statement Highlights For the Period Ending August 31, 2024

Below is a summary of the financial activity for Maple Tower, River Run, West Arbor and Swift Lane LDHA for the eight months of FY24 ending August 31, 2024.

MAPLE TOWER LDHA	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	1,020,336	1,011,668	8,668
Total Expenses	1,350,179	1,273,927	(76,252)
Total Net Income	<u>(329,843)</u>	<u>(262,259)</u>	<u>(67,584)</u>
NOI less non-operating	<u>61,304</u>		

YTD Debt Service Coverage Ratio (>1.15):	0.77
Operating Cash Balance:	\$49,229
Replacement Reserve Balance:	\$354,151
Operating Reserve Balance:	\$212,269

Revenue:

- The Revenue for the property is in line with budget and occupancy remains stable.

Expenses:

- Total **Administrative Expenses** are right on budget.
- Tenant Services Expenses** are lower than budget due to timing differences.
- Utility Expenses** are below budget mainly due to timing differences but also because of the seasonal nature of these expenses.
- Maintenance Expenses** are higher than budget due to higher than budgeted total material costs, as well as building repair, Janitorial/Cleaning Contract, HVAC Contract, Unit Turn and Asbestos Abatement Costs. We are currently working on painting the common areas throughout Miller Manor. The total cost of the project is expected to be just under \$17,000 and will be recouped from the property's replacement reserve.
- General Expenses** are on budget.
- Financing Expenses** are below budget related to FY23 year-end accruals related to mortgage interest.
- Non-Operating Items** represent the depreciation expense and are on budget.

RIVER RUN LDHA	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	892,027	851,424	40,603
Total Expenses	1,099,496	1,068,081	(31,415)
Total Net Income	<u>(207,469)</u>	<u>(216,657)</u>	<u>9,188</u>
NOI less non-operating	<u>16,794</u>		

YTD Debt Service Coverage Ratio (>1.15):	0.68
Operating Cash Balance:	\$31,154
Replacement Reserve Balance:	\$179,535
Operating Reserve Balance:	\$222,698

Revenue:

- The revenue for the property is on budget and occupancy remains stable.

Expenses:

Please note: any expenses related to the Baker Commons fire incident on Jan 8, 2024, are currently reflected on the balance sheet and, therefore, do not have an effect on the operating statement. The current amount of expenses through August 2024 related to the fire is \$158,408. We have received \$236,991 in insurance reimbursements related to this claim to date.

- Total **Administrative Expenses** are slightly over budget which is largely related to timing differences and are expected to come in line with budget by year-end.
- **Utility Expenses** are in line with budget.
- **Maintenance Expenses** are over budget due to higher than budgeted HVAC repairs mainly related to the boilers and chiller as well as higher Janitorial Contract expenses that are caused by necessary deep cleaning and power washing.
- **General Expenses** are in line with budget.
- **Financing Expenses** are below budget related to FY23 year-end accruals related to mortgage interest.
- **Non-Operating Items** represent the depreciation expense which is in line with budget.

WEST ARBOR LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	612,467	599,928	12,539
Total Expenses	741,313	769,967	28,654
Total Net Income	(128,846)	(170,039)	41,193
NOI less non-operating	196,621		

YTD Debt Service Coverage Ratio (>1.15): **1.82**

Operating Cash Balance: **\$147,162**

Replacement Reserve Balance: **\$153,337**

Operating Reserve Balance: **\$217,172**

Revenue:

- The Revenue for the property is in line with budget and occupancy remains stable.

Expenses:

- Total **Administrative Expenses** are higher than budget as a result of higher-than-budgeted property management payroll expenses related to allocations.
- **Utility Expenses** are slightly below budget due to timing difference and the seasonality of these expenses.
- **Maintenance Expenses** are below budget mainly due to timing differences.
- **General Expenses** are in line with budget.
- **Financing Expenses** are below budget related to FY23 year-end accruals related to mortgage interest.
- **Non-Operating Items** represent the depreciation expenses which are in line with budget.

SWIFT LANE LDHA	YTD Actual	YTD Budget	YTD Variance
Total Revenue	657,974	633,312	24,662
Total Expenses	1,088,110	1,050,569	(37,541)
Total Net Income	(430,136)	(417,257)	(12,879)
NOI less non-operating	122,919		

YTD Debt Service Coverage Ratio (>1.15): **1.04**

Operating Cash Balance: **\$71,110**

Replacement Reserve Balance - Cinnaire: **\$64,496**

Replacement Reserve Balance - Internal: **\$14,344**

Operating Reserve Balance: **\$329,779**

Social Services Reserve Balance: **\$164,985**

Revenue:

- The Revenue for the property is in line with budget and occupancy remains stable.

Expenses:

- Total **Administrative Expenses** are in line with budget.
- **Tenant Services Expenses** are on budget.
- **Utility Expenses** overall are on budget.
- **Maintenance Expenses** are over budget mainly due to higher-than-budgeted Grounds and Janitorial Contract cost as well as Unit Turn expenses.
- **General Expenses** are in line with budget.
- **Financing Expenses** are below budget related to FY23 year-end accruals related to mortgage interest.
- **Non-Operating Items** represent the depreciation expenses which are in line with budget.

