

AAHC - Business Activities

Financial Statement Highlights For the Period Ending April 30, 2025

Below is a summary of the financial activity for AAHC's Business Affiliates for the ten months of the 2025 fiscal year ending April 30, 2025.

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	10,973,608	9,901,670	1,071,938
Total Expenses	7,338,279	10,253,150	2,914,871
Total Net Income	3,635,329	(351,480)	3,986,809
Total NOI	200,329		

AAHDC - Total Cash & Investments: \$ 8,710,111
AAHDC - Unrestricted Cash: \$ 664,623

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	659,980	689,430	(29,450)
Total Expenses	592,303	592,848	545
Total Net Income	67,677	96,582	(28,905)
Total NOI	50,287		

Operating Cash Balance: \$4,255
Replacement Reserve Balance: \$27,605
Operating Reserve Balance: \$31,622
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	1,275,599	1,258,350	17,249
Total Expenses	1,337,748	1,336,170	(1,578)
Total Net Income	(62,148)	(77,820)	15,672
Total NOI	186,163		

AAHC - Business Activities

Financial Statement Highlights
For the Period Ending April 30, 2025

YTD Debt Service Coverage Ratio (>1.15):	1.21
Operating Cash Balance:	\$6,793 Op Cash net of deferred revenue
Replacement Reserve Balance:	\$511,457
Insurance Escrow Balance:	\$30,430
Lument MIP Reserve:	\$14,965
Residual Receipts Reserve:	\$52,203

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 in line with budget.
- **Maintenance Expenses** are in line with budget.
- **General Expenses** are on budget.
- **Financing Expenses** are slightly 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	219,895	244,590	(24,695)
Total Expenses	286,245	268,020	(18,225)
Total Net Income	(66,350)	(23,430)	(42,920)
Total NOI	42,567		

YTD Debt Service Coverage Ratio (>1.15):	0.97
Operating Cash Balance:	\$13,274
Replacement Reserve Balance:	\$91,831
Operating Reserve Balance:	\$25,000

Revenue:

- The Revenue for the property is below budget. As of April 2025, there are no vacant units. Occupancy for the property is generally stable but several original market-rate tenants had moved out when their lease ended. The vacancy losses for these units for prior months have been covered by the operating reserve. Now that the property is fully occupied again, we project the DSCR to improve again.

Expenses:

- Total **Administrative Expenses** are in line with budget
- **Utility Expenses** are over budget due to timing differences as well as the seasonality of these expenses.
- **Maintenance Expenses** overall are over budget and include unbudgeted re-flooring of three units, an unbudgeted furnace replacement as well as the installation of bike slabs.
- **General Expenses** are on budget.
- **Financing Expenses** are lower than budget due to timing differences.