

AAHC - Business Activities

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

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

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	7,371,211	5,941,002	1,430,209
Total Expenses	3,817,877	6,151,890	2,334,013
Total Net Income	3,553,334	(210,888)	3,764,222
Total NOI	118,334		

AAHDC - Total Cash & Investments: \$ **9,384,686**
AAHDC - Unrestricted Cash: \$ **1,157,213**

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 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 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	392,388	413,658	(21,270)
Total Expenses	382,586	358,570	(24,016)
Total Net Income	9,802	55,088	(45,286)
Total NOI	(632)		

Operating Cash Balance: **\$31,839**
Replacement Reserve Balance: **\$20,592**
Operating Reserve Balance: **\$31,549**
Insurance Renewal Amt CY2025: **\$28,643 to be 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 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 Main and S. 7th Street location 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	760,786	755,010	5,776
Total Expenses	762,050	802,102	40,052
Total Net Income	(1,263)	(47,092)	45,829
Total NOI	144,747		

YTD Debt Service Coverage Ratio (>1.15): **1.57**
Operating Cash Balance: **\$36,423 Op Cash net of deferred revenue**

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Replacement Reserve Balance:	\$494,288
Insurance Escrow Balance:	\$86,800
Lument MIP Reserve:	\$10,108
Residual Receipts Reserve:	\$52,067

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	123,523	146,754	(23,231)
Total Expenses	176,983	159,612	(17,371)
Total Net Income	(53,460)	(12,858)	(40,602)
Total NOI	30,967		

YTD Debt Service Coverage Ratio (>1.15):	1.18
Operating Cash Balance:	\$30,010
Replacement Reserve Balance:	\$90,183
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 but several original market-rate tenants moved out when their lease ended. The vacancy losses for these units are being 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.
- **Maintenance Expenses** are over budget due to higher-than-budgeted expenses related to building maintenance (power washing) and unit-turn expenses for unit vacancies. Water heater replacements were necessary in several units and, in addition, a bike rack was created for the property. Some of these items were funded from the operating reserve.
- **General Expenses** as well as **Financing Expenses** are on budget.