

AAHC - Tax Credit Properties

Financial Statement Highlights For the Period Ending June 30, 2025

Below is a summary of the financial activity for Maple Tower, River Run, West Arbor and Swift Lane LDHA for the first half of 2025 ending June 30, 2025.

MAPLE TOWER LDHA	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	827,308	818,450	8,858
Total Expenses	856,702	1,048,661	191,959
Total Net Income	<u>(29,394)</u>	<u>(230,211)</u>	<u>200,817</u>
NOI less non-operating	<u>241,944</u>		

YTD Debt Service Coverage Ratio (>1.15): **4.07**
 Operating Cash Balance: **\$239,749**
 Replacement Reserve Balance: **\$410,005**
 Operating Reserve Balance: **\$214,356**

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 below budget due to timing differences between actual and budget.
- **Utility Expenses** are below budget due to timing differences as well as the seasonality of utility expenses.
- **Maintenance Expenses** are below budget mainly due to timing differences between actual and budget specifically in the total contract costs categories. We expect these variances to come back in line by the end of the year.
- **General Expenses** are below budget due to the annual insurance renewal for the Miller Manor property insurance being significantly below budgeted levels. The prior years' insurance expenses were high due to a significant fire-related claim at Miller Manor from 2021 that excluded that location from the regular property insurance policy and forced us to place insurance elsewhere at a much higher premium with a different carrier for several years. In the 2025 insurance renewal, the Miller Manor location is once again included on the regular property insurance policy.
- **Financing Expenses** are below budget related to FY24 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	683,675	685,592	(1,917)
Total Expenses	767,354	837,400	70,046
Total Net Income	<u>(83,679)</u>	<u>(151,808)</u>	<u>68,129</u>
NOI less non-operating	<u>81,899</u>		

YTD Debt Service Coverage Ratio (>1.15): **4.41**
 Operating Cash Balance: **\$25,949**
 Replacement Reserve Balance: **\$199,794**
 Operating Reserve Balance: **\$166,470**

Revenue:

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

Expenses:

- Total **Administrative Expenses** are in line with budget.
- **Utility Expenses** are slightly below budget due to timing differences as well as the seasonality of utility expenses.
- **Maintenance Expenses** are below budget mainly due to timing differences between actual and budget specifically in the total contract costs categories. We expect these variances to come back in line by the end of the year.
- **General Expenses** are in line with budget.
- **Financing Expenses** are below budget related to FY24 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	469,723	467,790	1,933
Total Expenses	612,116	604,103	(8,013)
Total Net Income	(142,393)	(136,313)	(6,080)
NOI less non-operating	98,131		

YTD Debt Service Coverage Ratio (>1.15):	1.21
Operating Cash Balance:	\$81,085
Replacement Reserve Balance:	\$173,055
Operating Reserve Balance:	\$219,171

Revenue:

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

Expenses:

- Total **Administrative Expenses** are in line with budget.
- Utility Expenses** are below budget due to timing differences as well as the seasonality of utility expenses.
- Maintenance Expenses** are over budget mainly due to higher-than-budgeted Building Repair Contract Costs which include unforeseen but necessary floor leveling for several units as well as adding insulation for sound dampening in the Community Center. In addition, Unit Turn Contract Costs are over budget due to necessary flooring replacements the costs of which are relatively significant - especially for large units.
- General Expenses** are in line with budget.
- Financing Expenses** are below budget related to FY24 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	516,290	517,452	(1,162)
Total Expenses	771,654	837,323	65,669
Total Net Income	(255,364)	(319,871)	64,507
NOI less non-operating	147,411		

YTD Debt Service Coverage Ratio (>1.15):	1.67
Operating Cash Balance:	\$201,406
Replacement Reserve Balance - Cinnaire:	\$84,584
Replacement Reserve Balance - Internal:	\$47,785
Operating Reserve Balance:	\$332,313
Social Services Reserve Balance:	\$149,985

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 in line with budget.
- Utility Expenses** are slightly below budget due to timing differences between utility bills and use
- Maintenance Expenses** are below budget mainly due to timing differences between actual and budget specifically in the contracts categories. We expect this variance to come back in line by the end of the year.
- General Expenses** are in line with budget.
- Financing Expenses** are below budget related to FY24 year-end accruals related to mortgage interest.
- Non-Operating Items** represent the depreciation expenses which are in line with budget.