

AAHC - Business Activities

**Financial Statement Highlights**  
For the Period Ending April 30, 2022

Below is a summary of the financial activity for AAHC's Business Affiliates for the ten months of FY22 ending April 30, 2022.

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	955,384	455,920	499,464
Total Expenses	978,602	869,220	(109,382)
Total Net Income	(23,218)	(413,300)	390,082

AAHDC - Total Cash & Investments: \$ 1,906,361  
 AAHDC - Unrestricted Cash: \$ 396,272

\$100,000 of which has been committed for the park purchase and development on Dexter (next to the West Arbor development). Available cash shortage is mainly due to timing issues with cash flow payments as well as Swift Lane developer fees being expected later in FY22.

Revenue:

- The revenue for AAHDC is over budget due to a timing difference in the receipt of a developer fee payment for the Swift Lane development as well as City funding for predevelopment of city-owned properties and additional social services funding related to the pandemic.

Expenses:

- Total **Administrative Expenses** are over budget. This is mainly due to pre-development expenses (reflected in Consultant expense) and related admin salaries which are off-set by the additional revenue referenced above as well as timing differences. In addition we incurred unbudgeted expenses (which includes a settlement related to FSS).
- Tenant Services Expenses** are higher than budget mainly due to timing differences between actual and budget.
- General Expenses** are lower than budget which is primarily due to timing differences.

COLONIAL OAKS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	542,023	531,450	10,573
Total Expenses	504,445	491,925	(12,520)
Total Net Income	37,578	39,525	(1,947)

Replacement Reserve Balance: \$92,358  
 Operating Reserve Balance: \$31,070

Revenue:

- The revenue for the property is slightly higher than budget. Occupancy for the property is stable.

Expenses:

- Total **Administrative Expenses** are in line with budget.
- Utility Expenses** overall are higher than budget. This is mainly due to DTE billing reconciliations/corrections for the Broadway property going back for a significant time period.
- Maintenance Expenses** are below budget mainly due to lower-than-budgeted Total General Maintenance expenses as well as timing differences to budget.
- General Expenses** are in line with budget.
- Non-Operating Items** represent the depreciation expense which has been budgeted to be recognized for fiscal year-end in June.

LURIE TERRACE	YTD Actual	YTD Budget	YTD Variance
Total Revenue	1,032,011	1,005,530	26,481
Total Expenses	1,071,321	845,271	(226,050)
Total Net Income	(39,310)	160,259	(199,569)

YTD Debt Service Coverage Ratio (>1.15): 0.20  
 Replacement Reserve Balance: \$903,280  
 Insurance Escrow Balance: \$42,519  
 COVID-19 Debt Reserve Balance: \$200,588  
 Non-Critical Repair Reserve: \$74,070  
 Regions MIP Reserve: \$15,816  
 Residual Receipts Reserve: \$734

Revenue:

- The Revenue for the property is higher than budgeted despite the slow but gradual lease-up of the project-based vouchers as well as vacancy losses while 7 units are being renovated with ADA features as required by HUD. The higher revenue is due to unbudgeted funding received from AAACF (for services) as well as unbudgeted funding from MEDC (Rabhi grant) to provide a medical alert system for residents. The occupancy for the property is stable.

Expenses:

- Administrative Expenses** are below budget mainly due to lower than budgeted administrative salaries.
- Tenant Services Expenses** are higher than budget mainly due to the unbudgeted PACE expenses which are off-set by unbudgeted revenue from AAACF.
- Utility Expenses** are slightly lower than budget mainly due to timing differences.
- Maintenance Expenses** are over budget mainly due to overages in Total Material Costs, Building Repair Contract Costs (Accessible Door openers for four apartments), and Unit Turn Contract Costs. Some of these expenses are related to mandated repairs by HUD as part of the purchase of the property.
- General Expenses** are in line with budget.
- Financing Expenses** represents the mortgage interest which is lower than budget.
- Non Operating Expenses** represents depreciation which was budgeted to be recorded for year-end, but we have started recording it monthly.

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