

# AAHC - Business Activities

## Financial Statement Highlights For the Period Ending February 29, 2024

Below is a summary of the financial activity for AAHC's Business Affiliates for the eight months of FY24 ending February 29, 2024.

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	12,083,169	13,160,671	(1,077,502)
Total Expenses	6,076,209	13,814,561	7,738,352
Total Net Income	6,006,959	(653,891)	6,660,850
Total NOI	(193,041)		

AAHDC - Total Cash & Investments: \$ 9,043,694  
AAHDC - Unrestricted Cash: \$ 1,123,545 \$100,000 of which has been committed for the park purchase and development on Dexter (next to the West Arbor development).

### Revenue:

- The revenue for the entity is in line with budget. Revenue includes Federal ARPA revenue as well as Affordable Housing Millage revenue for the acquisition of the 350 S. Fifth Ave property which was purchased in September 2023 in the amount of \$6.2 Million. The property purchase itself is a capital expense and is recognized as such on the balance sheet.

### Expenses:

- Total **Administrative Expenses** are below budget which is mainly the result of timing differences in staffing costs as well as Accounting Fees.
- Tenant Services Expenses** are slightly lower than budget which is mainly due to timing differences.
- Maintenance Expenses** are higher than budgeted which is the result of maintenance & capital expenses related to the new 350 S. Fifth & 404 N. Ashley properties.
- General Expenses** are lower than budget. This is mainly because the expense of acquiring 350 S. Fifth Ave was capitalized and is, therefore, recorded on the balance sheet.

COLONIAL OAKS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	465,212	483,946	(18,734)
Total Expenses	427,638	449,227	21,589
Total Net Income	37,574	34,719	2,855

Operating Cash Balance: \$16,214  
Replacement Reserve Balance: \$52,640  
Operating Reserve Balance: \$31,334  
Insurance Renewal Amt CY2024: \$33,133 paid in January 2024

### Revenue:

- The revenue for the property is in line with budget. Occupancy for the property is stable.

### Expenses:

- Total **Administrative Expenses** are in line with budget.
- Utility Expenses** are below budget due to the seasonality of these expenses as well as the vendor switch to Constellation for gas which has been significantly lower cost than DTE to date.
- Maintenance Expenses** are in line with budget.
- General Expenses** are in line with budget.

LURIE TERRACE	YTD Actual	YTD Budget	YTD Variance
Total Revenue	1,133,074	1,225,980	(92,906)
Total Expenses	1,033,421	1,142,628	109,207
Total Net Income	99,653	83,352	16,301
Total NOI	89,407		

YTD Debt Service Coverage Ratio (>1.15): 0.73  
Replacement Reserve Balance: \$452,302  
Insurance Escrow Balance: \$18,916  
Regions MIP Reserve: \$12,405  
Residual Receipts Reserve: \$51,811

### Revenue:

- The Revenue for the property is below budget. There was a delay in implementing the annual rent increases for the 30 project-based vouchers at the property. The project-based voucher rents were increased effective February 2024 which is expected to bring the revenue more in line with budget. Occupancy for the property is stable.

### Expenses:

- Total **Administrative Expenses** are higher than budget which is primarily related to timing differences as well as higher Consultant expenses that are largely related to diversity and inclusion education which are off-set by donation revenue.
- Tenant Services Expenses** are over budget due to unbudgeted support service provider expenses provided by Huron Valley PACE which are off-set in the revenue section in the Grant Revenue line item.
- Utility Expenses** are right on budget.
- Maintenance Expenses** are below budget mainly due to expenses that were budgeted for improvements covered by the MEDC grant that have been capitalized and are reflected on the balance sheet.
- General Expenses** are below budget due to budgeted security-related expenses that have not been incurred.
- Financing Expenses** are below budget due to the FY23 mortgage interest accrual.
- Non Operating Expenses** represent depreciation and are higher than budget.