

PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

REPORT TO COMMISSIONERS

FROM JON M. GUTZMANN
EXECUTIVE DIRECTOR

REGARDING Rental Assistance Demonstration (RAD)
Financing Plan Pro-Forma;
No-Debt Conversion;
CHAP Amendments

DATE November 28, 2018

Staff requests Board approval for the actions listed below to support the PHA's pending request to convert most of the current public housing properties to "Project-Based Rental Assistance" (PBRA) through HUD's Rental Assistance Demonstration (RAD):

1. Utilize the anticipated 2019 Capital Fund grant and the remaining 2017 Replacement Housing Factor grant to fund the required Initial Deposits to Replacement Reserves (IDRRs).
2. Request CHAP Amendments in January 2019 to adjust contract rents for all eight projects from "Modified 2016 RAD Rents" to "2018 RAD Rents" and request the 2019 Operating Cost Adjustment Factor be applied to the RAD contract rents.

These actions are essential to preparing the RAD Financing Plans, including the "Operating Pro-Forma" analyses that show the converted properties will be financially viable without incurring debt. For HUD to approve a RAD conversion, the Operating Pro-Forma must demonstrate that each project's Replacement Reserves will be adequate to support needed capital improvements over the next 20 years, based on the Initial Deposit to the Replacement Reserve (IDRR) and the Annual Deposits to the Replacement Reserve (ADRRs). The attached Pro-Formas do that.

HUD has awarded "Commitments to Enter into Housing Assistance Payments Contracts" ("CHAPs") for converting the eight Asset Management Projects (AMPs) that include all sixteen hi-rises and the four family developments. (The PHA's request to convert the 12 new units at

McDonough is still pending. When HUD awards that CHAP, the RAD conversion total will be 3,852 units.)

REPLACEMENT RESERVES. The required amount of Replacement Reserves for each converting project is determined by a RAD Capital Needs Assessment (RAD CNA), as explained below. As illustrated on the attached summaries, the RAD CNAs performed by the PHA’s consultant, EMG, showed total capital needs of \$30,677,240 over a 20 year period. The Initial Deposit to Replacement Reserves (IDRR) is the amount required to fund needed work in the first few years, prior to accumulation of annual deposits. The IDRR total is \$9,122,000, with AMP 5 (Valley Hi-Rise and Mt. Airy Homes and Hi-Rise) requiring the largest initial deposit.

The PHA must identify the sources it will use to fund the IDRR in the Financing Plan; and the IDRR must be fully funded at the time of RAD closing, meaning the PHA must have enough funds on hand to perform the identified work and maintain the minimum reserve levels. Staff is recommending using most of the 2019 Capital Fund grant to fund the IDRRs, as explained below. This table shows EMG’s RAD CNA and the IDRR requirements for each project:

PROJECT	RAD CNA	IDRR
AMP 1 – McDONOUGH HOMES	\$3,195,517	\$102,000
AMP 2 – FRONT, HAMLINE, SEAL	\$2,464,818	\$222,000
AMP 3 – EDGERTON, IOWA, WILSON	\$3,903,464	\$415,000
AMP 4 – ROOSEVELT HOMES	\$1,451,468	\$135,000
AMP 5 – MT AIRY, VALLEY	\$11,909,185	\$7,659,000
AMP 6 – EXCHANGE, WABASHA	\$1,288,664	\$340,000
AMP 7 – CENTRAL, NEILL, RAVOUX	\$2,808,009	\$9,000
AMP 8 – CLEVELAND, DUNEDIN, MONTREAL	\$3,656,115	\$240,000
TOTAL	\$30,677,240	\$9,122,000

The Annual Deposit to Replacement Reserves (ADRR) is the amount each project must contribute annually to fund future capital improvements and to prevent the reserve level from dropping below the “reserve floor” over the course of the twenty-year evaluation. The Annual Deposit is stated as a per-unit-per-year rate and is included as a line item on the Operating Pro-Forma. It will also be a line item in future PHA Operating Budgets.

CAPITAL NEEDS ASSESSMENTS. An essential component of the RAD Financing Plan is the RAD Capital Needs Assessment (CNA), which must be performed by an independent contractor. The RAD Capital Needs Assessment is a detailed physical inspection of a property to determine critical needs, short- and long-term rehabilitation needs, and any environmental concerns over a 20 year span, including estimated costs based on localized industry standards. The detailed inspection is based on a standardized HUD template which incorporates useful life estimates to determine if designated items need to be replaced or rehabilitated; and it provides an estimate of when the work needs to be done during the 20 year assessment period. Staff received preliminary CNA reports in April 2018 from our consultant, EMG. The final report will be submitted to HUD as part of the RAD Financing Plan. This detailed list of capital needs and related costs is used to determine the Initial Deposit to Replacement Reserve (IDRR) and Annual Deposit to Replacement Reserve (ADRR) for each project.

For many years PHA staff have also maintained the Agency’s own 20 year capital needs assessment, which now totals approximately \$83 million (copy attached). This assessment is based on staff’s evaluations of building condition and maintenance work needed, as well as third-party evaluations which provide guidance on physical condition, repair options, and estimated costs. This internal assessment has allowed staff to plan major work projects based on

estimated and actual funding (primarily CFP grants, sometimes supplemented by grants or loans from Minnesota Housing and the Federal Home Loan Bank of Des Moines). After conversion, staff will continue to maintain an internal capital needs assessment for both the RAD/PBRA properties (3,852 apartments in hi-rises and family developments) and the remaining public housing properties (418 scattered site single family homes and duplexes). When evaluating the RAD transaction, this internal assessment was also taken into consideration, as described below.

USE OF CAPITAL FUND. Our RAD consultant confirmed that the PHA will receive a 2019 Capital Fund Program (CFP) award, since the RAD transactions will not be closed before the end of calendar year 2018. The CFP grant amount will not be known until after Congress approves HUD appropriations for the current Federal Fiscal Year (FFY 2019, which began October 1, 2018). Based on the amounts in appropriations bills pending in Congress, housing industry staff predict that the 2019 appropriation will be at the same level or slightly higher than in 2018. The PHA's 2018 CFP grant was \$11,177,209. HUD will not announce the actual 2019 CFP grant amounts until after the PHA's Financing Plans must be submitted (February 16, 2019).

Staff are requesting approval to use a substantial portion the 2019 Capital Fund award to fund the required Initial Deposits to Replacement Reserves (IDRR) for the RAD transaction. Doing so would allow the PHA to "self-finance" the IDRRs and avoid incurring debt at the time of conversion. A portion of the CFP grant (approximately \$500,000) would be used for capital improvements on scattered site homes, which will remain in the public housing program. Any CFP funds left after funding the IDRR would be included in the RAD Financing Plan as part of the "conversion year" funding, to be available for continued PHA operations including building improvements.

If the 2019 CFP award is not used to fund the IDRR, the PHA would be required to incur debt by borrowing approximately \$7.7 million for needed capital improvements at AMP 5 (Valley Hi-Rise and Mt. Airy Homes and Hi-Rise). The cost of debt includes initial transaction costs and fees in addition to ongoing interest payments. Furthermore, any portion of the 2019 Capital Fund award not included in the RAD transaction would remain in the Low Income Public Housing program, which will consist of only scattered sites and duplexes (418 units) after RAD conversion. If kept in the public housing program, the 2019 CFP grant would need to be expended within four years to avoid being recaptured by HUD.

Replacement Housing Factor (RHF) grant. In addition to the 2019 CFP award, staff are requesting approval to use the remaining Replacement Housing Factor (RHF) grant funds in the RAD transaction. RHF grants are awarded when units are removed from inventory; and the grants can only be used to develop new public housing units. Furthermore, the funds must be used within five years of their award date. The PHA has one remaining grant of \$9,564, awarded in 2017. The PHA has no plans to develop any new units before this grant expires in 2022, so staff are recommending using the RHF grant to help fund the IDRR for AMP 5.

Staff have evaluated the use of Capital Funds in the RAD transaction and believe there will be no negative impact on the completion of any current projects, such as the exterior modernization work at the Mt. Airy family units, the Montreal Hi-Rise plumbing modernization, the Dunedin Terrace family site modernization, and life-safety projects such as the Wilson Hi-Rise electrical work (replacing buss ducts). Some other projects such as the Front Hi-Rise boiler and plumbing replacements may be slightly delayed unless outside funding can be secured. The 2017 and 2018 Capital Fund awards will be used to complete the projects currently in process.

A summary of the uses of the 2017 RHF and 2019 CFP funds is as follows:

Estimated 2019 Capital Fund Award	\$11,177,209
2017 Replacement Housing Factor Award	\$9,564
Scattered Site Holdback	(\$499,773)
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Total Available for RAD Transaction	\$10,687,000
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Estimated IDRR Deposit	(\$9,122,000)
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Available for Conversion Year Activity	\$1,565,000

CHAP AMENDMENTS. Staff are also requesting approval to submit requests to HUD after January 1, 2019 to revise the RAD rents (contract rents) in our current CHAPs (issued in August 2018) from the “Modified 2016 RAD Rent” to the “2018 RAD Rent” rate. That will increase the revenues available after conversion by approximately \$1.8 million in the first year, from \$33,968,359 up to \$35,803,140. Also with the Board’s approval, we would request that the 2019 Operating Cost Adjustment Factor (OCAF) be applied to the 2018 RAD Rent. Historically the OCAF has been approximately 2% per year, which would result in approximately \$691,000 additional revenue in the initial year. Compared to our original estimate based on 2014 RAD Rents, the 2018 RAD Rents plus the 2019 OCAF are expected to generate \$4.5 million more than our original revenue projections for the first year after conversion, and approximately \$107 million more over the 20 year projection period. Staff believe both requests are prudent and improve the financial viability of the RAD transaction. The PHA’s RAD “Readiness Transaction Manager” assigned by HUD informed staff that there is no formal procedure for these requests, and a simple written request and emailed to her will suffice.

OPERATING PRO-FORMA. In conjunction with the Capital Needs Assessment (CNA) and Initial Deposit to the Replacement Reserve (IDRR) described above, the Operating Pro-Forma

represents the financial backbone of any RAD transaction. An Operating Pro-Forma is a financial statement that applies a set of assumptions to make a reasonably accurate projection of what the financial position of an entity will be. HUD requires a 20 year Operating Pro-Forma to be prepared as part of the Financing Plan for each project being converted.

Staff actually prepared two sets of Operating Pro-Formas for each project, using the same assumptions for operating activity, but comparing the consultant’s RAD Capital Needs Assessments (CNAs) with staff’s own CNAs. Staff believe all eight transactions are financially viable under both scenarios, providing assurance that the PHA will be able to continue managing, maintaining and improving the properties to our same historically high standards. Both sets of Operating Pro-Formas are attached to this report, and staff will explain each one in detail at the Board meeting.

After a RAD conversion to PBRA, a PHA is permitted to transfer funds between the projects (fungibility) through “surplus cash” distributions. Surplus cash is defined as the amount available at the end of a fiscal period after payment (or setting aside) of funds for operating expenses, debt service and any required deposits to the Replacement Reserve.

With the Board’s approval of the recommendations presented in this report, staff will continue assembling the Financing Plans so they will be ready for final Board review and approval at the January 23, 2019 meeting.

JMG/AJH/FAH

Attachments:

- 1-Page Summary of Capital Needs Assessments by EMG and PHAP Staff
- Definitions of Line Items in RAD PBRA Pro-Forma
- AMPs 1-8 Operating Pro-Formas Based on EMG and Staff Capital Needs Assessments
- PHA Staff’s Capital Needs Assessments

No Debt Pro-Forma

EMG Capital Needs Assessment
Inflated 20 Year Schedule

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	TOTAL
AMP 1	235,307	127,981	131,181	184,695	116,362	21,403	264,178	280,603	287,618	294,809	302,179	378,687	140,744	71,819	74,179	75,454	77,341	48,540	29,504	52,933	3,195,517
AMP 2	21,333	19,070	445,924	70,471	40,321	41,344	105,847	79,396	27,471	-	26,150	50,651	52,264	1,048,913	5,138	4,905	93,702	122,478	125,540	83,900	2,464,818
AMP 3	231,773	-	5,995	11,780	9,272	57,657	87,675	212,302	40,210	353,168	184,501	677,981	1,017,013	704,335	11,869	203,270	53,130	41,533	-	-	3,903,464
AMP 4	152,247	176,146	-	15,885	-	2,266	158,445	-	-	448,550	12,035	156,989	-	-	-	65,282	201,783	38,834	23,006	-	1,451,468
AMP 5	6,046,922	-	754,254	102,609	137,961	56,570	161,680	99,574	1,401	-	83,733	787,252	-	-	450,835	3,039,268	17,146	45,192	124,788	-	11,909,185
AMP 6	152,747	257,003	72,881	181,728	78,614	-	21,106	32,451	-	-	-	-	-	-	50,818	62,371	115,749	263,196	-	-	1,288,664
AMP 7	121,320	79,916	128,895	51,481	10,667	62,377	101,067	120,251	113,152	77,883	120,220	26,242	-	-	60,720	156,544	1,337,640	209,111	15,073	15,450	2,808,009
AMP 8	315,385	134,300	31,688	145,456	-	-	278,109	297,171	163,373	4,500	391,049	900,702	75,113	34,966	40,622	-	371,121	-	472,560	-	3,656,115
	7,277,034	794,416	1,570,818	764,105	393,197	241,617	1,178,107	1,121,748	633,225	1,178,910	1,119,867	2,978,504	1,285,134	1,860,033	643,363	3,595,541	2,214,234	621,437	1,053,667	152,283	30,677,240

PHA Internal Capital Needs Assessment
Inflated 20 Year Schedule

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	TOTAL	
AMP 1	70,000	25,000	25,000	25,000	225,000	225,000	225,000	250,000	250,000	250,000	250,000	-	-	-	-	-	-	-	-	-	-	1,820,000
AMP 2	2,313,000	-	100,000	3,954,000	-	125,000	15,000	17,000	4,715,446	23,000	1,413,000	695,000	-	100,000	2,856,794	1,703,794	-	102,000	2,305,388	2,305,388	-	22,743,810
AMP 3	1,204,000	300,000	993,723	750,000	3,509,717	-	22,000	100,000	800,000	1,665,976	3,341,606	674,788	-	3,520,400	-	800,000	1,250,000	1,120,000	880,000	-	-	20,932,210
AMP 4	265,000	15,000	15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	295,000
AMP 5	341,000	5,375,000	100,000	2,793,858	2,843,858	125,000	400,000	100,000	-	-	-	800,000	-	-	-	-	-	-	-	-	-	12,878,716
AMP 6	133,000	40,000	-	-	-	-	-	160,000	75,000	1,676,987	1,151,986	35,000	-	-	-	100,000	2,638,072	3,093,072	620,000	-	-	9,723,117
AMP 7	130,731	1,550,087	2,514,271	907	19,054	-	22,000	1,679,600	-	-	75,000	120,000	800,000	-	-	-	408,000	865,000	-	-	-	8,184,650
AMP 8	1,875,401	341,881	-	-	-	-	95,000	-	-	-	-	100,000	1,545,359	1,545,364	800,000	-	500,000	-	-	-	35,000	6,838,005
	6,332,132	7,646,968	3,747,994	7,523,765	6,597,629	475,000	779,000	2,306,600	5,840,446	3,615,963	6,231,592	2,424,788	2,345,359	5,165,764	3,656,794	2,603,794	4,796,072	5,180,072	3,805,388	2,340,388	83,415,508	



DEFINITIONS OF LINE ITEMS IN

RAD PROJECT-BASED RENTAL ASSISTANCE (PBRA) PRO-FORMA

OPERATING INCOME

- 1) Gross Potential Rent: The full amount of rent that can be collected by the project. It is comprised of the contract rent multiplied by the total number of units (assuming 100% occupancy).
- 2) Vacancy Loss/Bad Debt: The amount of revenue not collected by the PHA due to either
 - a. Past-due accounts of tenants no longer occupying a dwelling unit, after all collection efforts have been exhausted OR
 - b. Lost revenue due to the unit being vacant on the effective date of contract rent determination.

This amount is represented as a percentage of Gross Potential Rent and is shown on the financial statements as an offset to operating income.

- 3) Other Income: The income from the operation of the project which cannot be otherwise classified. Income credited to this line includes, but is not limited to, penalties for delinquent rent payments and sales and service charges to tenants.
- 4) Excess Utility: The charges for excess utility consumption by tenants of units where the PHA supplies the utilities; for example, for a tenant-owned air-conditioner or freezer.
- 5) Non Dwelling Rental: The amount collected from outside service providers through space rental agreements in the PHA's Community Centers at family housing sites.
- 6) Laundry Income: The commission collected by the projects from the laundry machine service provider.
- 7) Cell Site Revenue: The rent billed to lessees of non-dwelling rooftop space for the purpose of operating and maintaining a cell service tower.
- 8) Effective Gross Income: The total of the project's income adjusted for vacancy and collection loss.

OPERATING EXPENSES

- 9) Administrative Expenses: The total of the project's administrative expenses and includes salaries, benefits, training, audit fees, and other administrative sundry expenses.

- 10) Property Management: The management fee paid by the projects to the Central Administrative Office for property management services. This is calculated as a percentage of effective gross rental income (gross rent less vacancy loss/collection loss).
- 11) Tenant Services: The total of the project's tenant services expenses and includes salaries, benefits, tenant service contracts, and other tenant services expenses.
- 12) Utilities: The total of the project's utility expenses. Utilities will continue to be paid by the PHA for all hi-rise residents. Family site residents will continue to pay their own gas and electric, while the PHA will continue to pay for water/sewer services.
- 13) Ordinary Maintenance: The total of the project's total ordinary maintenance expenses and includes salaries, benefits, maintenance materials and ordinary maintenance contract costs.
- 14) Protective Services: The total of the project's protective services expenses. This line item includes ACOP, off-duty police officer services, and contracted security services.
- 15) General Expenses: The total of the project's other general expenses. This line includes insurance, PILOT, and other general expenses which are not properly classified in any other line item.
- 16) Total Operating Expenses: The total of all cost associated with normal, day-to-day project operations. This line item does not include any non-routine or capital expenditures.
- 17) Replacement Reserve: This line item in Operating Expenses is the required Annual Deposit to the Replacement Reserve (ADRR). This amount is calculated on a per-unit-per-year basis, and is the amount needed to adequately fund the Replacement Reserve on an on-going basis.
- 18) Net Operating Income: The difference between Effective Gross Income and Total Operating Expenses including the Replacement Reserve contribution.
- 19) Debt Service: The total principal and interest payments required for any outstanding project debt.
- 20) Operating Cash Flow: The amount of revenue generated by normal business operations. It is Net Operating Income less any required debt service payments. This is used to determine if an entity can maintain and/or grow its operation.
- 21) Operating Cash Flow Per Unit: Operating cash flow is often represented as a per unit amount. RAD requires a minimum of \$12 per unit.
- 22) Non-Routine Expenses: All costs of repairs, replacements, and rehabilitation of such substantial nature that the work is clearly not a part of the routine maintenance and operating program.

- 23) Capital Expenses: The total of all capital improvements including betterments and additions and replacement of capital equipment in any given fiscal period. This amount is determined by the Capital Needs Assessment.
- 24) Transfer in from Replacement Reserve: The amount needed from the Replacement Reserve, if needed for eligible capital work to be completed.
- 25) Cash Distributions Transfer In/(Out): The amount of "surplus cash" that will be transferred either into or out of the project, when needed.
- 26) Net Cash Flow: The total of Operating Cash Flow less any non-routine or capital expenses, plus any transfers in from the Replacement Reserve and either transfers in or out of surplus cash.
- 27) Cumulative Cash Flow: The total year-over-year of the project's net cash flow.

**OPERATING PRO-FORMA - AMP 1 McDONOUGH
PHA CONTINUED OPERATIONS**

Operating Assumptions							
	Units	2016 Rent		2018 Rent			
0 BR	-	\$ 410	\$ -	440	-	Income Escalation	2.0% (Comparable to OCAF)
1 BR	35	508	17,780	545	19,075	Expense Escalation	3.0%
2 BR	258	642	165,636	689	177,762	Vacancy Loss/Bad Debt	2.0% (PHA Historical)
3 BR	169	903	152,607	969	163,761	Cell Revenue	4.0%
4 BR	90	1,058	95,220	1,135	102,150	Inflation on Reserve	2.5%
5 BR	28	1,217	34,076	1,305	36,540	Interest on Reserve	0.5%
SPUs	-					Reserve Floor	\$ 156,600
						Reserve Deposit	\$ 350
Monthly Gross Potential Rent		<u>465,319</u>		<u>499,288</u>			
		<u>7.30%</u>					

	Year 1 2020	Year 2 2021	Year 3 2022	Year 4 2023	Year 5 2024	Year 6 2025	Year 7 2026	Year 8 2027	Year 9 2028	Year 10 2029	Year 11 2030	Year 12 2031	Year 13 2032	Year 14 2033	Year 15 2034	Year 16 2035	Year 17 2036	Year 18 2037	Year 19 2038	Year 20 2039
Operating Income																				
1) Gross Potential Rent	6,111,285	6,233,511	6,358,181	6,485,345	6,615,052	6,747,353	6,882,300	7,019,946	7,160,345	7,303,552	7,449,623	7,598,615	7,750,587	7,905,599	8,063,711	8,224,985	8,389,485	8,557,275	8,728,421	8,902,989
2) Vacancy Loss/Bad Debt	(122,226)	(124,670)	(127,164)	(129,707)	(132,301)	(134,947)	(137,646)	(140,399)	(143,207)	(146,071)	(148,992)	(151,972)	(155,012)	(158,112)	(161,274)	(164,500)	(167,790)	(171,146)	(174,568)	(178,060)
3) Other Income	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900
4) Excess Utility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Non Dwelling Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Laundry Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Cell-Site Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Effective Gross Income	<u>6,025,959</u>	<u>6,145,741</u>	<u>6,267,917</u>	<u>6,392,538</u>	<u>6,519,651</u>	<u>6,649,306</u>	<u>6,781,554</u>	<u>6,916,447</u>	<u>7,054,038</u>	<u>7,194,381</u>	<u>7,337,531</u>	<u>7,483,543</u>	<u>7,632,475</u>	<u>7,784,387</u>	<u>7,939,337</u>	<u>8,097,385</u>	<u>8,258,595</u>	<u>8,423,029</u>	<u>8,590,753</u>	<u>8,761,829</u>
Operating Expenses																				
9) Administrative	618,717	637,278	656,396	676,088	696,371	717,262	738,780	760,943	783,771	807,284	831,503	856,448	882,141	908,605	935,863	963,939	992,857	1,022,643	1,053,322	1,084,922
10) Property Management	860,029	877,230	894,774	912,670	930,923	949,542	968,532	987,903	1,007,661	1,027,814	1,048,371	1,069,338	1,090,725	1,112,539	1,134,790	1,157,486	1,180,635	1,204,248	1,228,333	1,252,900
11) Tenant Services	178,312	183,662	189,172	194,847	200,692	206,713	212,914	219,301	225,880	232,656	239,636	246,825	254,230	261,857	269,713	277,804	286,138	294,722	303,564	312,671
12) Utilities	557,746	574,478	591,712	609,463	627,747	646,579	665,976	685,955	706,534	727,730	749,562	772,049	795,210	819,066	843,638	868,947	895,015	921,865	949,521	978,007
13) Ordinary Maintenance	1,241,463	1,278,707	1,317,068	1,356,580	1,397,277	1,439,195	1,482,371	1,526,842	1,572,647	1,619,826	1,668,421	1,718,474	1,770,028	1,823,129	1,877,823	1,934,158	1,992,183	2,051,948	2,113,506	2,176,911
14) Protective Services	95,408	98,270	101,218	104,255	107,383	110,604	113,922	117,340	120,860	124,486	128,221	132,068	136,030	140,111	144,314	148,643	153,102	157,695	162,426	167,299
15) General Expenses	906,675	933,875	961,891	990,748	1,020,470	1,051,084	1,082,617	1,115,096	1,148,549	1,183,005	1,218,495	1,255,050	1,292,702	1,331,483	1,371,427	1,412,570	1,454,947	1,498,595	1,543,553	1,589,860
16) Total Operating Expenses	<u>4,458,350</u>	<u>4,583,500</u>	<u>4,712,231</u>	<u>4,844,651</u>	<u>4,980,863</u>	<u>5,120,979</u>	<u>5,265,112</u>	<u>5,413,380</u>	<u>5,565,902</u>	<u>5,722,801</u>	<u>5,884,209</u>	<u>6,050,252</u>	<u>6,221,066</u>	<u>6,396,790</u>	<u>6,577,568</u>	<u>6,763,547</u>	<u>6,954,877</u>	<u>7,151,716</u>	<u>7,354,225</u>	<u>7,562,570</u>
17) Annual Deposit to Replacement Reserve	203,000	208,075	213,277	218,609	224,074	229,676	235,418	241,303	247,336	253,519	259,857	266,353	273,012	279,837	286,833	294,004	301,354	308,888	316,610	324,525
18) Net Operating Income	<u>1,364,609</u>	<u>1,354,166</u>	<u>1,342,409</u>	<u>1,329,278</u>	<u>1,314,714</u>	<u>1,298,651</u>	<u>1,281,024</u>	<u>1,261,764</u>	<u>1,240,800</u>	<u>1,218,061</u>	<u>1,193,465</u>	<u>1,166,938</u>	<u>1,138,397</u>	<u>1,107,760</u>	<u>1,074,936</u>	<u>1,039,834</u>	<u>1,002,364</u>	<u>962,425</u>	<u>919,918</u>	<u>874,734</u>
19) Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20) Operating Cash Flow	<u>1,364,609</u>	<u>1,354,166</u>	<u>1,342,409</u>	<u>1,329,278</u>	<u>1,314,714</u>	<u>1,298,651</u>	<u>1,281,024</u>	<u>1,261,764</u>	<u>1,240,800</u>	<u>1,218,061</u>	<u>1,193,465</u>	<u>1,166,938</u>	<u>1,138,397</u>	<u>1,107,760</u>	<u>1,074,936</u>	<u>1,039,834</u>	<u>1,002,364</u>	<u>962,425</u>	<u>919,918</u>	<u>874,734</u>
21) Per Unit	<u>196</u>	<u>195</u>	<u>193</u>	<u>191</u>	<u>189</u>	<u>187</u>	<u>184</u>	<u>181</u>	<u>178</u>	<u>175</u>	<u>171</u>	<u>168</u>	<u>164</u>	<u>159</u>	<u>154</u>	<u>149</u>	<u>144</u>	<u>138</u>	<u>132</u>	<u>126</u>
22) Non-Routine Expenses	83,796	86,310	88,899	91,566	94,313	97,142	100,056	103,058	106,150	109,335	112,615	115,993	119,473	123,057	126,749	130,551	134,468	138,502	142,657	146,937
23) Capital Expenses	70,000	25,000	25,000	25,000	225,000	225,000	225,000	250,000	250,000	250,000	250,000	-	-	-	-	-	-	-	-	-
24) Transfer in from Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25) Cash Distributions Transfer In/(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26) Net Cash Flow	<u>1,210,813</u>	<u>1,242,856</u>	<u>1,228,510</u>	<u>1,212,712</u>	<u>995,401</u>	<u>976,509</u>	<u>955,968</u>	<u>908,706</u>	<u>884,650</u>	<u>858,726</u>	<u>830,850</u>	<u>1,050,945</u>	<u>1,018,924</u>	<u>984,703</u>	<u>948,187</u>	<u>909,283</u>	<u>867,896</u>	<u>823,923</u>	<u>777,261</u>	<u>727,797</u>
27) Cumulative Cash Flow	<u>1,210,813</u>	<u>2,453,669</u>	<u>3,682,179</u>	<u>4,894,891</u>	<u>5,890,292</u>	<u>6,866,801</u>	<u>7,822,769</u>	<u>8,731,475</u>	<u>9,616,125</u>	<u>10,474,850</u>	<u>11,305,701</u>	<u>12,356,646</u>	<u>13,375,570</u>	<u>14,360,273</u>	<u>15,308,460</u>	<u>16,217,743</u>	<u>17,085,638</u>	<u>17,909,561</u>	<u>18,686,822</u>	<u>19,414,619</u>
Replacement Reserve																				
Inflated Annual Needs																				

**OPERATING PRO-FORMA - AMP 2 McHAMLINE, FRONT, SEAL
PHA CONTINUED OPERATIONS**

Operating Assumptions							
	Units	2016 Rent		2018 Rent			
0 BR	-	\$ 543	\$ -	563	-	Income Escalation	2.0% (Comparable to OCAF)
1 BR	476	672	319,872	697	331,772	Expense Escalation	3.0%
2 BR	3	849	2,547	881	2,643	Vacancy Loss/Bad Debt	2.0% (PHA Historical)
3 BR		1,194		1,238		Cell Revenue	4.0%
4 BR		1,400		1,452		Inflation on Reserve	2.5%
5 BR		1,610		1,670		Interest on Reserve	0.5%
SPUs		392		-		Reserve Floor	\$ 123,241
						Reserve Deposit	\$ 350
Monthly Gross Potential Rent		322,419		334,415			
		3.72%					

	Year 1 2020	Year 2 2021	Year 3 2022	Year 4 2023	Year 5 2024	Year 6 2025	Year 7 2026	Year 8 2027	Year 9 2028	Year 10 2029	Year 11 2030	Year 12 2031	Year 13 2032	Year 14 2033	Year 15 2034	Year 16 2035	Year 17 2036	Year 18 2037	Year 19 2038	Year 20 2039
Operating Income																				
1) Gross Potential Rent	4,093,240	4,175,104	4,258,606	4,343,778	4,430,654	4,519,267	4,609,652	4,701,845	4,795,882	4,891,800	4,989,636	5,089,429	5,191,218	5,295,042	5,400,943	5,508,962	5,619,141	5,731,524	5,846,154	5,963,077
2) Vacancy Loss/Bad Debt	(81,865)	(83,502)	(85,172)	(86,876)	(88,613)	(90,385)	(92,193)	(94,037)	(95,918)	(97,836)	(99,793)	(101,789)	(103,824)	(105,901)	(108,019)	(110,179)	(112,383)	(114,630)	(116,923)	(119,262)
3) Other Income	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625
4) Excess Utility	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916
5) Non Dwelling Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Laundry Income	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137	27,137
7) Cell-Site Revenue	74,963	77,961	81,079	84,322	87,695	91,203	94,851	98,645	102,591	106,695	110,963	115,402	120,018	124,819	129,812	135,004	140,404	146,020	151,861	157,935
8) Effective Gross Income	4,142,015	4,225,241	4,310,191	4,396,902	4,485,414	4,575,763	4,667,988	4,762,131	4,858,233	4,956,337	5,056,484	5,158,720	5,263,090	5,369,638	5,478,414	5,589,465	5,702,840	5,818,592	5,936,770	6,057,428
Operating Expenses																				
9) Administrative	338,008	348,148	358,592	369,350	380,431	391,844	403,599	415,707	428,178	441,023	454,254	467,882	481,918	496,376	511,267	526,605	542,403	558,675	575,435	592,698
10) Property Management	576,033	587,554	599,305	611,291	623,517	635,987	648,707	661,681	674,915	688,413	702,181	716,225	730,550	745,161	760,064	775,265	790,770	806,586	822,718	839,172
11) Tenant Services	87,579	90,206	92,912	95,699	98,570	101,527	104,573	107,710	110,941	114,269	117,697	121,228	124,865	128,611	132,469	136,443	140,536	144,752	149,095	153,568
12) Utilities	581,637	599,086	617,059	635,571	654,638	674,277	694,505	715,340	736,800	758,904	781,671	805,121	829,275	854,153	879,778	906,171	933,356	961,357	990,198	1,019,904
13) Ordinary Maintenance	755,608	778,276	801,624	825,673	850,443	875,956	902,235	929,302	957,181	985,896	1,015,473	1,045,937	1,077,315	1,109,634	1,142,923	1,177,211	1,212,527	1,248,903	1,286,370	1,324,961
14) Protective Services	76,494	78,788	81,152	83,587	86,095	88,678	91,338	94,078	96,900	99,807	102,801	105,885	109,062	112,334	115,704	119,175	122,750	126,433	130,226	134,133
15) General Expenses	432,472	445,446	458,809	472,573	486,750	501,353	516,394	531,886	547,843	564,278	581,206	598,642	616,601	635,099	654,152	673,777	693,990	714,810	736,254	758,342
16) Total Operating Expenses	2,847,830	2,927,504	3,009,453	3,093,744	3,180,444	3,269,622	3,361,351	3,455,704	3,552,758	3,652,590	3,755,283	3,860,920	3,969,586	4,081,368	4,196,357	4,314,647	4,436,332	4,561,516	4,690,296	4,822,778
17) Annual Deposit to Replacement Reserve	167,650	171,841	176,137	180,540	185,054	189,680	194,422	199,283	204,265	209,372	214,606	219,971	225,470	231,107	236,885	242,807	248,877	255,099	261,476	268,013
18) Net Operating Income	1,126,535	1,125,896	1,124,601	1,122,618	1,119,916	1,116,461	1,112,215	1,107,144	1,101,210	1,094,375	1,086,595	1,077,829	1,068,034	1,057,163	1,045,172	1,032,011	1,017,631	1,001,977	984,998	966,637
19) Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20) Operating Cash Flow	1,126,535	1,125,896	1,124,601	1,122,618	1,119,916	1,116,461	1,112,215	1,107,144	1,101,210	1,094,375	1,086,595	1,077,829	1,068,034	1,057,163	1,045,172	1,032,011	1,017,631	1,001,977	984,998	966,637
21) Per Unit	196	196	196	195	195	194	193	193	192	190	189	188	186	184	182	180	177	174	171	168
22) Non-Routine Expenses	49,517	51,002	52,532	54,108	55,731	57,403	59,125	60,899	62,726	64,608	66,546	68,542	70,598	72,716	74,897	77,144	79,458	81,842	84,297	86,826
23) Capital Expenses	2,313,000	-	100,000	3,954,000	-	125,000	15,000	17,000	4,715,446	23,000	1,413,000	695,000	-	100,000	2,856,794	1,703,794	-	102,000	2,305,388	2,305,388
24) Transfer in from Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25) Cash Distributions Transfer In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26) Net Cash Flow	(1,235,982)	1,074,894	972,069	(2,885,490)	1,064,185	934,058	1,038,090	1,029,245	(3,676,962)	1,006,767	(392,951)	314,287	997,436	884,447	(1,886,519)	(748,927)	938,173	818,135	(1,404,687)	(1,425,577)
27) Cumulative Cash Flow	(1,235,982)	(161,088)	810,981	(2,074,509)	(1,010,324)	(76,267)	961,823	1,991,068	(1,685,894)	(679,127)	(1,072,078)	(757,791)	239,645	1,124,092	(762,427)	(1,511,354)	(573,181)	244,954	(1,159,733)	(2,585,309)
Replacement Reserve																				
Inflated Annual Needs	2,313,000	-	100,000	3,954,000	-	125,000	15,000	17,000	4,715,446	23,000	1,413,000	695,000	-	100,000	2,856,794	1,703,794	-	102,000	2,305,388	

**OPERATING PRO-FORMA - AMP 3 IOWA, EDGERTON, WILSON
RAD FINANCING PLAN**

Operating Assumptions					
	Units	2016 Rent	2018 Rent		
0 BR		\$ 534	\$ 559		
1 BR	553	661	691	382,123	
2 BR	3	835	873	2,619	
3 BR		1,175	1,229		
4 BR		1,377	1,440		
5 BR		1,584	1,657		
SPUs			422		
Monthly Gross Potential Rent		<u>368,038</u>	<u>384,742</u>		
					4.54%

Income Escalation	2.0%	(Comparable to OCAF)
Expense Escalation	3.0%	
Vacancy Loss/Bad Debt	5.0%	(HUD Requirement)
Cell Revenue	4.0%	
Inflation on Reserve	2.5%	
Interest on Reserve	0.5%	
Reserve Floor	\$ 195,173	
Reserve Deposit	\$ 350	

	Year 1 2020	Year 2 2021	Year 3 2022	Year 4 2023	Year 5 2024	Year 6 2025	Year 7 2026	Year 8 2027	Year 9 2028	Year 10 2029	Year 11 2030	Year 12 2031	Year 13 2032	Year 14 2033	Year 15 2034	Year 16 2035	Year 17 2036	Year 18 2037	Year 19 2038	Year 20 2039
Operating Income																				
1) Gross Potential Rent	4,709,242	4,803,427	4,899,496	4,997,486	5,097,436	5,199,385	5,303,373	5,409,440	5,517,629	5,627,982	5,740,542	5,855,353	5,972,460	6,091,909	6,213,747	6,338,022	6,464,782	6,594,078	6,725,960	6,860,479
2) Vacancy Loss/Bad Debt	(235,462)	(240,171)	(244,975)	(249,874)	(254,872)	(259,969)	(265,169)	(270,472)	(275,881)	(281,399)	(287,027)	(292,768)	(298,623)	(304,595)	(310,687)	(316,901)	(323,239)	(329,704)	(336,298)	(343,024)
3) Other Income	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941	15,941
4) Excess Utility	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912	17,912
5) Non Dwelling Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Laundry Income	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176	33,176
7) Cell-Site Revenue	270,078	280,881	292,116	303,801	315,953	328,591	341,735	355,404	369,620	384,405	399,781	415,772	432,403	449,699	467,687	486,394	505,850	526,084	547,127	569,012
8) Effective Gross Income	<u>4,810,888</u>	<u>4,911,166</u>	<u>5,013,666</u>	<u>5,118,442</u>	<u>5,225,546</u>	<u>5,335,036</u>	<u>5,446,968</u>	<u>5,561,401</u>	<u>5,678,397</u>	<u>5,798,017</u>	<u>5,920,325</u>	<u>6,045,386</u>	<u>6,173,269</u>	<u>6,304,042</u>	<u>6,437,776</u>	<u>6,574,544</u>	<u>6,714,422</u>	<u>6,857,487</u>	<u>7,003,818</u>	<u>7,153,496</u>
Operating Expenses																				
9) Administrative	400,249	412,257	424,625	437,364	450,485	464,000	477,920	492,258	507,026	522,237	537,904	554,041	570,662	587,782	605,415	623,577	642,284	661,553	681,400	701,842
10) Property Management	642,435	655,284	668,389	681,757	695,392	709,300	723,486	737,956	752,715	767,769	783,125	798,787	814,763	831,058	847,679	864,633	881,926	899,564	917,555	935,907
11) Tenant Services	96,162	99,047	102,018	105,079	108,231	111,478	114,822	118,267	121,815	125,469	129,233	133,110	137,103	141,216	145,452	149,816	154,310	158,939	163,707	168,618
12) Utilities	656,817	676,522	696,818	717,723	739,255	761,433	784,276	807,804	832,038	856,999	882,709	909,190	936,466	964,560	993,497	1,023,302	1,054,001	1,085,621	1,118,190	1,151,736
13) Ordinary Maintenance	745,850	768,226	791,273	815,011	839,461	864,645	890,584	917,302	944,821	973,166	1,002,361	1,032,432	1,063,405	1,095,307	1,128,166	1,162,011	1,196,871	1,232,777	1,269,760	1,307,853
14) Protective Services	187,861	193,497	199,302	205,281	211,439	217,782	224,315	231,044	237,975	245,114	252,467	260,041	267,842	275,877	284,153	292,678	301,458	310,502	319,817	329,412
15) General Expenses	454,762	468,405	482,457	496,931	511,839	527,194	543,010	559,300	576,079	593,361	611,162	629,497	648,382	667,833	687,868	708,504	729,759	751,652	774,202	797,428
16) Total Operating Expenses	<u>3,184,136</u>	<u>3,273,238</u>	<u>3,364,882</u>	<u>3,459,146</u>	<u>3,556,102</u>	<u>3,655,832</u>	<u>3,758,413</u>	<u>3,863,931</u>	<u>3,972,469</u>	<u>4,084,115</u>	<u>4,198,961</u>	<u>4,317,098</u>	<u>4,438,623</u>	<u>4,563,633</u>	<u>4,692,230</u>	<u>4,824,521</u>	<u>4,960,609</u>	<u>5,100,608</u>	<u>5,244,631</u>	<u>5,392,796</u>
17) Annual Deposit to Replacement Reserve	194,600	199,465	204,452	209,563	214,802	220,172	225,676	231,318	237,101	243,029	249,105	255,333	261,716	268,259	274,965	281,839	288,885	296,107	303,510	311,098
18) Net Operating Income	<u>1,432,151</u>	<u>1,438,464</u>	<u>1,444,332</u>	<u>1,449,733</u>	<u>1,454,642</u>	<u>1,459,032</u>	<u>1,462,879</u>	<u>1,466,153</u>	<u>1,468,827</u>	<u>1,470,873</u>	<u>1,472,260</u>	<u>1,472,955</u>	<u>1,472,930</u>	<u>1,472,150</u>	<u>1,470,581</u>	<u>1,468,185</u>	<u>1,464,929</u>	<u>1,460,772</u>	<u>1,455,677</u>	<u>1,449,603</u>
19) Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20) Operating Cash Flow	1,432,151	1,438,464	1,444,332	1,449,733	1,454,642	1,459,032	1,462,879	1,466,153	1,468,827	1,470,873	1,472,260	1,472,955	1,472,930	1,472,150	1,470,581	1,468,185	1,464,929	1,460,772	1,455,677	1,449,603
21) Per Unit	215	216	216	217	218	219	219	220	220	220	221	221	221	221	220	220	220	219	218	217
22) Non-Routine Expenses	62,601	64,479	66,413	68,405	70,457	72,571	74,748	76,990	79,300	81,679	84,129	86,653	89,253	91,931	94,689	97,530	100,456	103,470	106,574	109,771
23) Capital Expenses	231,773	-	5,995	11,780	9,272	57,657	87,675	212,302	40,210	353,168	184,501	677,981	1,017,013	704,335	11,869	203,270	53,130	41,533	-	-
24) Transfer in from Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25) Cash Distributions Transfer In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26) Net Cash Flow	<u>1,137,777</u>	<u>1,373,985</u>	<u>1,371,924</u>	<u>1,369,548</u>	<u>1,374,913</u>	<u>1,328,804</u>	<u>1,300,456</u>	<u>1,176,861</u>	<u>1,349,317</u>	<u>1,036,026</u>	<u>1,203,630</u>	<u>708,321</u>	<u>366,664</u>	<u>675,884</u>	<u>1,364,023</u>	<u>1,167,385</u>	<u>1,311,343</u>	<u>1,315,769</u>	<u>1,349,103</u>	<u>1,339,832</u>
27) Cumulative Cash Flow	<u>1,137,777</u>	<u>2,511,762</u>	<u>3,883,687</u>	<u>5,253,235</u>	<u>6,628,148</u>	<u>7,956,953</u>	<u>9,257,409</u>	<u>10,434,270</u>	<u>11,783,587</u>	<u>12,819,613</u>	<u>14,023,243</u>	<u>14,731,564</u>	<u>15,098,229</u>	<u>15,774,113</u>	<u>17,138,136</u>	<u>18,305,521</u>	<u>19,616,864</u>	<u>20,932,633</u>	<u>22,281,736</u>	<u>23,621,568</u>
Replacement Reserve																				
Inflated Annual Needs	231,773	-	5,995	11,780	9,272	57,657	87,675	212,302	40,210	353,168	184,501	677,981	1,017,013	704,335	11,869	203,270	53,130	41,533	-	-
Beginning Balance	415,000	379,809	581,672	783,533	985,728	1,196,701	1,365,606	1,510,780	1,537,397	1,742,467	1,640,765	1,713,735	1,298,599	547,906	113,480	377,801	458,455	697,092	955,788	1,264,836
Annual Deposit	194,600	199,465	204,452	209,563	214,802	220,172	225,676	231,318	237,101	243,029	249,105	255,333	261,716	268,259	274,965	281,839	288,885	296,107	303,510	311,098
Withdrawals	(231,773)	-	(5,995)	(11,780)	(9,272)	(57,657)	(87,675)	(212,302)	(40,210)	(353,168)	(184,501)	(677,981)	(1,017,013)	(704,335)	(11,869)	(203,270)	(53,130)	(41,533)	-	-
Interest on Reserve	1,982	2,398	3,405	4,412	5,442	6,390	7,173	7,601	8,179	8,437	8,365	7,512	4,605	1,649	1,225	2,085	2,882	4,122	5,538	7,102
Ending Balance	<u>379,809</u>	<u>581,672</u>	<u>783,533</u>	<u>985,728</u>	<u>1,196,701</u>	<u>1,365,606</u>	<u>1,510,780</u>	<u>1,537,397</u>	<u>1,742,467</u>	<u>1,640,765</u>	<u>1,713,735</u>	<u>1,298,599</u>	<u>547,906</u>	<u>113,480</u>	<u>377,801</u>	<u>458,455</u>	<u>697,092</u>	<u>955,788</u>	<u>1,264,836</u>	<u>1,583,036</u>
Reserve Adequacy	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	Below Floor	OK	OK	OK	OK	OK	OK

**OPERATING PRO-FORMA - AMP 5 MT AIRY, VALLEY
PHA CONTINUED OPERATIONS**

Operating Assumptions									
	Units	2016 Rent		2018 Rent		Income Escalation		2.0% (Comparable to OCAF)	
0 BR	21	\$ 462	\$ 9,702	492	10,332	Expense Escalation	3.0%		
1 BR	235	573	134,655	610	143,350	Vacancy Loss/Bad Debt	2.0% (PHA Historical)		
2 BR	111	724	80,364	771	85,581	Cell Revenue	4.0%		
3 BR	172	1,017	174,924	1,083	186,276	Inflation on Reserve	2.5%		
4 BR	50	1,193	59,650	1,271	63,550	Interest on Reserve	0.5%		
5 BR	20	1,372	27,440	1,461	29,220	Reserve Floor	\$	595,459	
SPUs	-	-	-	-	-	Reserve Deposit	\$	600	
Monthly Gross Potential Rent		486,735		518,309		6.49%			

	Year 1 2020	Year 2 2021	Year 3 2022	Year 4 2023	Year 5 2024	Year 6 2025	Year 7 2026	Year 8 2027	Year 9 2028	Year 10 2029	Year 11 2030	Year 12 2031	Year 13 2032	Year 14 2033	Year 15 2034	Year 16 2035	Year 17 2036	Year 18 2037	Year 19 2038	Year 20 2039	
Operating Income																					
1) Gross Potential Rent	6,344,102	6,470,984	6,600,404	6,732,412	6,867,060	7,004,401	7,144,489	7,287,379	7,433,127	7,581,790	7,733,426	7,888,095	8,045,857	8,206,774	8,370,909	8,538,327	8,709,094	8,883,276	9,060,942	9,242,161	
2) Vacancy Loss	(126,882)	(129,420)	(132,008)	(134,648)	(137,341)	(140,088)	(142,890)	(145,748)	(148,663)	(151,636)	(154,669)	(157,762)	(160,917)	(164,135)	(167,418)	(170,767)	(174,182)	(177,666)	(181,219)	(184,843)	
3) Other Income	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	37,542	
4) Excess Utility	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	13,360	
5) Non Dwelling Rental	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	19,759	
6) Laundry Income	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	19,974	
7) Cell-Site Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8) Effective Gross Income	6,307,855	6,432,199	6,559,031	6,688,399	6,820,354	6,954,948	7,092,234	7,232,266	7,375,099	7,520,789	7,669,392	7,820,968	7,975,575	8,133,274	8,294,126	8,458,195	8,625,547	8,796,245	8,970,358	9,147,953	
Operating Expenses																					
9) Administrative	367,900	378,936	390,304	402,013	414,073	426,495	439,290	452,469	466,043	480,024	494,425	509,258	524,536	540,272	556,480	573,174	590,369	608,080	626,322	645,112	
10) Property Management	921,392	939,820	958,616	977,789	997,344	1,017,291	1,037,637	1,058,390	1,079,558	1,101,149	1,123,172	1,145,635	1,168,548	1,191,919	1,215,757	1,240,072	1,264,874	1,290,171	1,315,975	1,342,295	
11) Tenant Services	170,917	176,045	181,326	186,766	192,369	198,140	204,084	210,207	216,513	223,008	229,698	236,589	243,687	250,998	258,528	266,284	274,273	282,501	290,976	299,705	
12) Utilities	803,985	828,104	852,947	878,535	904,891	932,038	959,999	988,799	1,018,463	1,049,017	1,080,488	1,112,903	1,146,290	1,180,679	1,216,099	1,252,582	1,290,159	1,328,864	1,368,730	1,409,792	
13) Ordinary Maintenance	1,560,395	1,607,207	1,655,423	1,705,086	1,756,239	1,808,926	1,863,194	1,919,090	1,976,663	2,035,963	2,097,042	2,159,953	2,224,752	2,291,495	2,360,240	2,431,047	2,503,978	2,579,097	2,656,470	2,736,164	
14) Protective Services	95,951	98,768	101,731	104,783	107,926	111,164	114,499	117,934	121,472	125,116	128,869	132,735	136,717	140,819	145,044	149,395	153,877	158,493	163,248	168,145	
15) General Expenses	955,642	984,311	1,013,840	1,044,255	1,075,583	1,107,850	1,141,086	1,175,319	1,210,579	1,246,896	1,284,303	1,322,832	1,362,517	1,403,393	1,445,495	1,488,860	1,533,526	1,579,532	1,626,918	1,675,726	
16) Total Operating Expenses	4,876,122	5,013,191	5,154,187	5,299,227	5,448,425	5,601,904	5,759,789	5,922,208	6,089,291	6,261,173	6,437,997	6,619,905	6,807,047	6,999,575	7,197,643	7,401,414	7,611,056	7,826,738	8,048,639	8,276,939	
17) Annual Deposit to Replacement Reserve	365,400	374,535	383,898	393,495	403,332	413,415	423,750	434,344	445,203	456,333	467,741	479,435	491,421	503,707	516,300	529,208	542,438	555,999	569,899	584,146	
18) Net Operating Income	1,066,334	1,044,473	1,020,945	995,677	968,596	939,629	908,695	875,714	840,605	803,283	763,654	721,627	677,107	629,992	580,182	527,572	472,053	413,507	351,820	286,868	
19) Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20) Operating Cash Flow	1,066,334	1,044,473	1,020,945	995,677	968,596	939,629	908,695	875,714	840,605	803,283	763,654	721,627	677,107	629,992	580,182	527,572	472,053	413,507	351,820	286,868	
21) Per Unit	146	143	140	136	133	129	124	120	115	110	104	99	93	86	79	72	65	57	48	39	
22) Non-Routine Expenses	122,563	126,240	130,027	133,928	137,946	142,084	146,347	150,737	155,259	159,917	164,715	169,656	174,746	179,988	185,388	190,950	196,679	202,579	208,656	214,916	
23) Capital Expenses	341,000	5,375,000	100,000	2,793,858	2,843,858	125,000	400,000	100,000	-	-	-	800,000	-	-	-	-	-	-	-	-	
24) Transfer in from Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
25) Cash Distributions Transfer In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26) Net Cash Flow	602,771	(4,456,767)	790,918	(1,932,109)	(2,013,208)	672,545	362,348	624,977	685,346	643,366	598,939	(248,029)	502,361	450,004	394,794	336,622	275,374	210,928	143,164	71,952	
27) Cumulative Cash Flow	602,771	(3,853,997)	(3,063,078)	(4,995,187)	(7,008,395)	(6,335,850)	(5,973,502)	(5,348,525)	(4,663,179)	(4,019,813)	(3,420,874)	(3,668,903)	(3,166,542)	(2,716,539)	(2,321,744)	(1,985,122)	(1,709,748)	(1,498,820)	(1,355,656)	(1,283,704)	
Replacement Reserve																					
Inflated Annual Needs	341,000	5,375,000	100,000	2,793,858	2,843,858	125,000	400,000	100,000	-	-	-	800,000	-	-	-	-	-	-	-	-	
Beginning Balance	7,659,000	7,721,756	2,747,399	3,045,743	654,608	(1,788,746)	(1,508,554)	(1,492,287)	(1,164,569)	(724,076)	(270,222)	197,337	(123,043)	368,992	875,803	1,397,773	1,935,293	2,488,763	3,058,596	3,645,213	
Annual Deposit	365,400	374,535	383,898	393,495	403,332	413,415	423,750	434,344	445,203	456,333	467,741	479,435	491,421	503,707	516,300	529,208	542,438	555,999	569,899	584,146	
Withdrawals	(341,000)	(5,375,000)	(100,000)	(2,793,858)	(2,843,858)	(125,000)	(400,000)	(100,000)	-	-	-	(800,000)	-	-	-	-	-	-	-	-	
Interest on Reserve	38,356	26,108	14,447	9,228	(2,828)	(8,223)	(7,483)	(6,626)	(4,710)	(2,480)	(182)	185	613	3,104	5,670	8,312	11,033	13,834	16,718	19,686	
Ending Balance	7,721,756	2,747,399	3,045,743	654,608	(1,788,746)	(1,508,554)	(1,492,287)	(1,164,569)	(724,076)	(270,222)	197,337	(123,043)	368,992	875,803	1,397,773	1,935,293	2,488,763	3,058,596	3,645,213	4,249,045	
Reserve Adequacy	OK	OK	OK	OK	Below Floor	Below Floor	Below Floor	Below Floor	Below Floor	Below Floor	Below Floor	Below Floor	Below Floor	OK	OK	OK	OK	OK	OK	OK	

**OPERATING PRO-FORMA - AMP 8 CLEVELAND, DUNEDIN, MONTREAL
RAD FINANCING PLAN**

Operating Assumptions						
	Units	2016 Rent		2018 Rent		
0 BR	-	\$ 512	\$ -	536	-	Income Escalation 2.0% (Comparable to OCAF)
1 BR	466	635	295,910	665	309,890	Expense Escalation 3.0%
2 BR	16	802	12,832	840	13,440	Vacancy Loss/Bad Debt 5.0% (HUD Requirement)
3 BR	24	1,127	27,048	1,181	28,344	Cell Revenue 4.0%
4 BR	36	1,321	47,556	1,384	49,824	Inflation on Reserve 2.5%
5 BR	12	1,520	18,240	1,592	19,104	Interest on Reserve 0.5%
SPUs	-	440	-	421	-	Reserve Floor \$ 182,806
						Reserve Deposit \$ 500
Monthly Gross Potential Rent			401,586	420,602		
			4.74%			

	Year 1 2020	Year 2 2021	Year 3 2022	Year 4 2023	Year 5 2024	Year 6 2025	Year 7 2026	Year 8 2027	Year 9 2028	Year 10 2029	Year 11 2030	Year 12 2031	Year 13 2032	Year 14 2033	Year 15 2034	Year 16 2035	Year 17 2036	Year 18 2037	Year 19 2038	Year 20 2039
Operating Income																				
1) Gross Potential Rent	5,148,168	5,251,132	5,356,155	5,463,278	5,572,544	5,683,995	5,797,675	5,913,629	6,031,902	6,152,540	6,275,591	6,401,103	6,529,125	6,659,708	6,792,902	6,928,760	7,067,335	7,208,682	7,352,856	7,499,913
2) Vacancy Loss	(257,408)	(262,557)	(267,808)	(273,164)	(278,627)	(284,200)	(289,884)	(295,681)	(301,595)	(307,627)	(313,780)	(320,055)	(326,456)	(332,985)	(339,645)	(346,438)	(353,367)	(360,434)	(367,643)	(374,996)
3) Other Income	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529
4) Excess Utility	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526
5) Non Dwelling Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Laundry Income	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116
7) Cell-Site Revenue	208,896	217,251	225,941	234,979	244,378	254,153	264,319	274,892	285,888	297,324	309,217	321,586	334,449	347,827	361,740	376,210	391,258	406,908	423,184	440,111
8) Effective Gross Income	5,166,826	5,272,996	5,381,458	5,492,263	5,605,465	5,721,118	5,839,280	5,960,010	6,083,365	6,209,407	6,338,198	6,469,804	6,604,288	6,741,720	6,882,167	7,025,702	7,172,396	7,322,326	7,475,567	7,632,198
Operating Expenses																				
9) Administrative	543,524	559,829	576,624	593,923	611,741	630,093	648,996	668,466	688,520	709,176	730,451	752,365	774,936	798,184	822,130	846,794	872,198	898,364	925,315	953,074
10) Property Management	702,313	716,359	730,687	745,300	760,206	775,411	790,919	806,737	822,872	839,330	856,116	873,238	890,703	908,517	926,688	945,221	964,126	983,408	1,003,077	1,023,138
11) Tenant Services	111,936	115,294	118,753	122,316	125,985	129,765	133,658	137,668	141,798	146,052	150,434	154,947	159,595	164,383	169,314	174,393	179,625	185,014	190,564	196,281
12) Utilities	734,623	756,661	779,361	802,742	826,824	851,629	877,178	903,493	930,598	958,516	987,271	1,016,889	1,047,396	1,078,818	1,111,183	1,144,518	1,178,854	1,214,220	1,250,647	1,288,166
13) Ordinary Maintenance	993,138	1,022,932	1,053,620	1,085,229	1,117,786	1,151,320	1,185,860	1,221,436	1,258,079	1,295,821	1,334,696	1,374,737	1,415,979	1,458,458	1,502,212	1,547,278	1,593,696	1,641,507	1,690,752	1,741,475
14) Protective Services	89,011	91,681	94,431	97,264	100,182	103,187	106,283	109,471	112,755	116,138	119,622	123,211	126,907	130,714	134,635	138,674	142,834	147,119	151,533	156,079
15) General Expenses	637,168	656,283	675,971	696,250	717,138	738,652	760,812	783,636	807,145	831,359	856,300	881,989	908,449	935,702	963,773	992,686	1,022,467	1,053,141	1,084,735	1,117,277
16) Total Operating Expenses	3,811,713	3,919,039	4,029,447	4,143,024	4,259,862	4,380,057	4,503,706	4,630,907	4,761,767	4,896,392	5,034,890	5,177,376	5,323,965	5,474,776	5,629,935	5,789,564	5,953,800	6,122,773	6,296,623	6,475,490
17) Annual Deposit to Replacement Reserve	277,000	283,925	291,023	298,299	305,756	313,400	321,235	329,266	337,498	345,935	354,583	363,448	372,534	381,847	391,393	401,178	411,207	421,487	432,024	442,825
18) Net Operating Income	1,078,114	1,070,032	1,060,989	1,050,940	1,039,847	1,027,662	1,014,340	999,837	984,100	967,081	948,725	928,980	907,789	885,097	860,840	834,960	807,390	778,066	746,921	713,883
19) Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20) Operating Cash Flow	1,078,114	1,070,032	1,060,989	1,050,940	1,039,847	1,027,662	1,014,340	999,837	984,100	967,081	948,725	928,980	907,789	885,097	860,840	834,960	807,390	778,066	746,921	713,883
21) Per Unit	162	161	160	158	156	155	153	150	148	145	143	140	137	133	129	126	121	117	112	107
22) Non-Routine Expenses	89,910	92,607	95,385	98,247	101,194	104,230	107,357	110,578	113,895	117,312	120,831	124,456	128,190	132,036	135,997	140,077	144,279	148,607	153,065	157,657
23) Capital Items	315,385	134,300	31,688	145,456	-	-	278,109	297,171	163,373	4,500	391,049	900,702	75,113	34,966	40,622	-	371,121	-	472,560	-
24) Transfer In from Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25) Cash Distributions Transfer In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26) Net Cash Flow	672,819	843,125	933,916	807,237	938,653	923,432	628,874	592,088	706,832	845,269	436,845	(96,178)	704,486	718,095	684,221	694,883	291,990	629,459	121,296	556,226
27) Cumulative Cash Flow	672,819	1,515,944	2,449,859	3,257,096	4,195,749	5,119,181	5,748,054	6,340,142	7,046,975	7,892,243	8,329,089	8,232,910	8,937,396	9,655,491	10,339,712	11,034,595	11,326,584	11,956,043	12,077,339	12,633,565
Replacement Reserve																				
Inflated Annual Needs																				

**OPERATING PRO-FORMA - AMP 8 CLEVELAND, DUNEDIN, MONTREAL
PHA CONTINUED OPERATIONS**

Operating Assumptions									
	Units	2016 Rent		2018 Rent					
0 BR	-	\$ 512	\$ -	536	-	Income Escalation 2.0% (Comparable to OCAF)			
1 BR	466	635	295,910	665	309,890	Expense Escalation 3.0%			
2 BR	16	802	12,832	840	13,440	Vacancy Loss/Bad Debt 2.0% (PHA Historical)			
3 BR	24	1,127	27,048	1,181	28,344	Cell Revenue 4.0%			
4 BR	36	1,321	47,556	1,384	49,824	Inflation on Reserve 2.5%			
5 BR	12	1,520	18,240	1,592	19,104	Interest on Reserve 0.5%			
SPUs	-	-	-	-	-	Reserve Floor \$ 182,806			
						Reserve Deposit \$ 500			
Monthly Gross Potential Rent		401,586		420,602					
				4.74%					

	Year 1 2020	Year 2 2021	Year 3 2022	Year 4 2023	Year 5 2024	Year 6 2025	Year 7 2026	Year 8 2027	Year 9 2028	Year 10 2029	Year 11 2030	Year 12 2031	Year 13 2032	Year 14 2033	Year 15 2034	Year 16 2035	Year 17 2036	Year 18 2037	Year 19 2038	Year 20 2039
Operating Income																				
1) Gross Potential Rent	5,148,168	5,251,132	5,356,155	5,463,278	5,572,544	5,683,995	5,797,675	5,913,629	6,031,902	6,152,540	6,275,591	6,401,103	6,529,125	6,659,708	6,792,902	6,928,760	7,067,335	7,208,682	7,352,856	7,499,913
2) Vacancy Loss	(102,963)	(105,023)	(107,123)	(109,266)	(111,451)	(113,680)	(115,954)	(118,273)	(120,638)	(123,051)	(125,512)	(128,022)	(130,583)	(133,194)	(135,858)	(138,575)	(141,347)	(144,174)	(147,057)	(149,998)
3) Other Income	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529	20,529
4) Excess Utility	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526	15,526
5) Non Dwelling Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Laundry Income	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116	31,116
7) Cell-Site Revenue	208,896	217,251	225,941	234,979	244,378	254,153	264,319	274,892	285,888	297,324	309,217	321,586	334,449	347,827	361,740	376,210	391,258	406,908	423,184	440,111
8) Effective Gross Income	5,321,271	5,430,530	5,542,143	5,656,161	5,772,641	5,891,638	6,013,210	6,137,418	6,264,322	6,393,983	6,526,466	6,661,837	6,800,161	6,941,511	7,085,954	7,233,565	7,384,416	7,538,586	7,696,153	7,857,196
Operating Expenses																				
9) Administrative	543,524	559,829	576,624	593,923	611,741	630,093	648,996	668,466	688,520	709,176	730,451	752,365	774,936	798,184	822,130	846,794	872,198	898,364	925,315	953,074
10) Property Management	747,699	762,653	777,907	793,465	809,334	825,521	842,031	858,872	876,049	893,570	911,442	929,671	948,264	967,229	986,574	1,006,305	1,026,431	1,046,960	1,067,899	1,089,257
11) Tenant Services	111,936	115,294	118,753	122,316	125,985	129,765	133,658	137,668	141,798	146,052	150,434	154,947	159,595	164,383	169,314	174,393	179,625	185,014	190,564	196,281
12) Utilities	734,623	756,661	779,361	802,742	826,824	851,629	877,178	903,493	930,598	958,516	987,271	1,016,889	1,047,396	1,078,818	1,111,183	1,144,518	1,178,854	1,214,220	1,250,647	1,288,166
13) Ordinary Maintenance	993,138	1,022,932	1,053,620	1,085,229	1,117,786	1,151,320	1,185,860	1,221,436	1,258,079	1,295,821	1,334,696	1,374,737	1,415,979	1,458,458	1,502,212	1,547,278	1,593,696	1,641,507	1,690,752	1,741,475
14) Protective Services	89,011	91,681	94,431	97,264	100,182	103,187	106,283	109,471	112,755	116,138	119,622	123,211	126,907	130,714	134,635	138,674	142,834	147,119	151,533	156,079
15) General Expenses	637,168	656,283	675,971	696,250	717,138	738,652	760,812	783,636	807,145	831,359	856,300	881,989	908,449	935,702	963,773	992,686	1,022,467	1,053,141	1,084,735	1,117,277
16) Total Operating Expenses	3,857,099	3,965,333	4,076,667	4,191,189	4,308,990	4,430,167	4,554,818	4,683,042	4,814,944	4,950,632	5,090,216	5,233,809	5,381,526	5,533,488	5,689,821	5,850,648	6,016,105	6,186,325	6,361,445	6,541,609
17) Annual Deposit to Replacement Reserve	277,000	283,925	291,023	298,299	305,756	313,400	321,235	329,266	337,498	345,935	354,583	363,448	372,534	381,847	391,393	401,178	411,207	421,487	432,024	442,825
18) Net Operating Income	1,187,172	1,181,272	1,174,454	1,166,674	1,157,895	1,148,072	1,137,157	1,125,111	1,111,880	1,097,416	1,081,668	1,064,581	1,046,101	1,026,176	1,004,740	981,739	957,104	930,774	902,684	872,762
19) Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20) Operating Cash Flow	1,187,172	1,181,272	1,174,454	1,166,674	1,157,895	1,148,072	1,137,157	1,125,111	1,111,880	1,097,416	1,081,668	1,064,581	1,046,101	1,026,176	1,004,740	981,739	957,104	930,774	902,684	872,762
21) Per Unit	179	178	177	175	174	173	171	169	167	165	163	160	157	154	151	148	144	140	136	131
22) Non-Routine Expenses	89,910	92,607	95,385	98,247	101,194	104,230	107,357	110,578	113,895	117,312	120,831	124,456	128,190	132,036	135,997	140,077	144,279	148,607	153,065	157,657
23) Capital Items	1,875,401	341,881	-	-	-	-	95,000	-	-	-	-	100,000	1,545,359	1,545,364	800,000	-	500,000	-	-	35,000
24) Transfer in from Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25) Cash Distributions Transfer In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26) Net Cash Flow	(778,139)	746,784	1,079,069	1,068,427	1,056,701	1,043,842	934,800	1,014,533	997,985	980,104	960,837	840,125	(627,448)	(651,224)	68,743	841,662	312,825	782,167	749,619	680,105
27) Cumulative Cash Flow	(778,139)	(31,355)	1,047,714	2,116,141	3,172,842	4,216,684	5,151,484	6,166,017	7,164,002	8,144,106	9,104,942	9,945,067	9,317,619	8,666,395	8,735,139	9,576,801	9,889,626	10,671,793	11,421,412	12,101,517
Replacement Reserve																				
Inflated Annual Needs	1,875,401	341,881																		

St Paul PHA 20 Year Capital Needs Assessment

2018.10.22

AMP	Property	Repair	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	Totals		
1	McDonough Homes	Parking Lot Repairs		\$25,000	\$25,000	\$25,000	\$25,000																		\$100,000		
		Bathroom Glass Block Replacement	\$75,000																								\$0
		Playground improvements	\$25,000																								\$0
		McDonough Gardens	\$50,000																								\$0
		Parking Lot Repairs		\$25,000																							\$25,000
		Replace Concrete Stairs in Lot 22		\$20,000																							\$20,000
		Replace Furnaces							\$225,000	\$225,000	\$225,000	\$250,000	\$250,000	\$250,000	\$250,000												\$1,675,000
McDonough Homes Subtotal																							\$1,820,000				
AMP 1 TOTAL																							\$1,820,000				
2	Front Hi-Rise	Roof Replacement (new in 2003)																\$278,000							\$278,000		
		Exterior Concrete Repair														\$10,000										\$10,000	
		Exterior Masonry Repair									\$2,000											\$2,000				\$4,000	
		Exterior Joint Sealant Repair														\$95,000										\$95,000	
		Windows (weatherstripping done in 2016)														\$275,000										\$275,000	
		Door Repair (hollow metal)							\$15,000	\$15,000	\$15,000	\$15,000														\$60,000	
		Electrical Panel Replacement	\$17,434																							\$17,434	
		Hot Water Storage Tank Replacement		\$50,000																							\$50,000
		Engineering for Plumbing Modernization				\$100,000																					\$100,000
		Plumbing Modernization					\$3,954,000																				\$3,954,000
		Boiler Replacement		\$1,755,000																							\$1,755,000
		BUS Duct Replacement														\$800,000											\$800,000
	Parking Lot Relacement		\$175,000																							\$175,000	
	Front Hi-Rise Subtotal																							\$7,573,434			
	Hamline Hi-Rise	Roof Replacement (new in 2015)																								\$0	
		Exterior Masonry Repair																								\$0	
		Exterior Metal Panel Repair														\$10,000										\$10,000	
		Exterior Joint Sealant Repair							\$100,000																	\$100,000	
		Lintel Repair							\$25,000											\$25,000						\$50,000	
		Trash Compactor Replacement		\$33,000																						\$33,000	
		Door Repair/Replacement (hollow metal)														\$40,000										\$40,000	
		Community Room HVAC Replacement	\$100,000																								\$100,000
		Domestic Water Booster Pump Replacement	\$30,000																								\$30,000
		Hot Water Storage Tank Replacement		\$50,000																							\$50,000
		Engineering for Plumbing Modernization																					\$100,000				\$100,000
		Plumbing Modernization																						\$2,305,388	\$2,305,388		\$4,610,776
	Window Replacement																	\$900,000								\$900,000	
	Boiler Replacement												\$1,683,500													\$1,683,500	
	Hamline Hi-Rise Subtotal																							\$7,707,276			
	Seal Hi-Rise	Roof Replacement (new in 1999)													\$348,000											\$348,000	
		Exterior Masonry Repair													\$150,000	\$150,000										\$300,000	
		Exterior Concrete Repair													\$30,000	\$30,000										\$60,000	
Exterior Joint Sealant Repair														\$85,000	\$85,000										\$170,000		
Door Repair/Replacement (hollow metal)													\$8,000												\$8,000		
Reinsulate Breezeway Soffit			\$200,000																						\$200,000		
Domestic Water Booster Pump Replacement		\$30,000																							\$0		
Hot Water Storage Tank Replacement			\$50,000																							\$50,000	
Engineering for Plumbing Modernization																		\$100,000							\$100,000		
Plumbing Modernization																			\$1,678,794	\$1,678,794					\$3,357,588		
Window Replacement													\$1,317,846													\$1,317,846	
Boiler Replacement													\$1,699,100													\$1,699,100	
Seal Hi-Rise Subtotal																							\$7,610,534				
AMP 2 TOTAL																							\$22,891,244				
Edgerton Hi-Rise	Roof Replacement (new in 2007)																								\$420,000		
	Exterior Concrete Repair																		\$60,000	\$60,000	\$420,000				\$180,000		
	Exterior Stucco Repair																		\$293,333	\$293,333	\$293,333				\$879,999		
	Exterior Joint Sealant Repair																		\$86,667	\$86,667	\$86,667				\$260,001		
	Exterior Railing Repair																		\$20,000	\$20,000	\$20,000				\$60,000		
	Parking Lot Repairs		\$100,000																						\$100,000		
	Door Repair/Replacement (hollow metal)						\$20,000																		\$20,000		
	Trash Compactor Replacement		\$33,000																						\$33,000		
	Domestic Water Booster Pump Replacement		\$30,000																						\$30,000		
	Window Replacement													\$1,665,976											\$1,665,976		
	Engineering for Plumbing Modernization													\$17,133											\$17,133		
	Plumbing Modernization														\$384,788										\$384,788		
	BUS Duct Replacement												\$800,000												\$800,000		
	Boiler Replacement																	\$1,608,100							\$1,608,100		
Elevator Modernization						\$650,000																		\$650,000			
Edgerton Hi-Rise Subtotal																							\$6,308,997				
AMP 3 TOTAL																							\$0				

AMP	Property	Repair	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	Totals		
3	Iowa Hi-Rise	Exterior EIFS Repair (new in 2009)																							\$0		
		Exterior Joint Sealant Repair (new in 2009)																								\$0	
		Parking Lot Improvements		\$75,000																							\$75,000
		Trash Compactor Replacement		\$33,000																							\$33,000
		Hot Water Storage Tank Replacement		\$50,000																							\$50,000
		Window Replacement (new in 2009)																									\$0
		Door Repair/Replacement (hollow metal)									\$2,000											\$30,000					\$32,000
		Engineering for Plumbing Modernization																									\$0
		Plumbing Modernization																									\$0
		BUS Duct Replacement																			\$800,000						\$800,000
	Boiler Replacement														\$1,718,600											\$1,718,600	
	Elevator Modernization					\$750,000																				\$750,000	
	Iowa Hi-Rise Subtotal																								\$3,458,600		
	Wilson Hi-Rise	Roof Replacement (new in 2011)																			\$660,000	\$660,000				\$0	
		Exterior Masonry Repair																								\$1,320,000	
		Exterior Concrete Repair														\$250,000										\$250,000	
		Exterior Stucco Repair				\$2,000																				\$2,000	
		Exterior Joint Sealant Repair										\$100,000									\$100,000					\$200,000	
		Trash Compactor Replacement		\$33,000																						\$33,000	
		Door Repair/Replacement (hollow metal)														\$40,000										\$40,000	
		Domestic Water Booster Pump Replacement	\$30,000																								\$0
		Hot Water Storage Tank Replacement		\$50,000																							\$50,000
		Engineering for Plumbing Modernization					\$100,000																				\$100,000
Plumbing Modernization								\$3,509,717																		\$3,509,717	
Window Replacement															\$1,605,873											\$1,605,873	
Sliding Glass Door Replacement				\$300,000	\$241,723																					\$541,723	
BUS Duct Replacement	\$48,000	\$800,000																							\$800,000		
Boiler Replacement																	\$1,912,300								\$1,912,300		
Wilson Hi-Rise Subtotal																								\$10,364,613			
AMP 3 TOTAL																								\$20,132,210			
4	Roosevelt Homes	Parking Lot Improvements		\$15,000	\$15,000	\$15,000																				\$45,000	
		Furnace Replacement	\$516,621																								\$0
		Attic Insulation - Roof and Soffit Repair		\$250,000																							\$250,000
AMP 4 TOTAL																								\$295,000			
5	Mt Airy Hi-Rise	Roof Replacement (new in 2011)																								\$0	
		Exterior Masonry Repair (repair in 2011)																									\$0
		Trash Compactor Replacement		\$33,000																							\$33,000
		Window Weatherstripping									\$275,000																\$275,000
		Door Repair/Replacement (hollow metal)									\$50,000																\$50,000
		Replacement of Community Room AHU	\$127,500																								\$0
		Replacement of Hot Water Storage Tanks		\$50,000																							\$50,000
		Engineering for Plumbing Modernization				\$100,000																					\$100,000
		Plumbing Modernization					\$1,968,858	\$1,968,858																			\$3,937,716
	Elevator Modernization						\$650,000																			\$650,000	
	Mt Airy Hi-Rise Subtotal																								\$5,095,716		
	Mt Airy Homes	Exterior Modernization	\$890,624	\$0	\$5,300,000																						\$5,300,000
		AE Fees for Exterior Modernization	\$42,741																								\$0
		Retaining Wall Replacement	\$75,000	\$75,000	\$75,000																						\$150,000
		Trash Enclosure Repairs					\$50,000	\$50,000	\$50,000																		\$150,000
		Porch Rock Faced Block Repair					\$75,000	\$75,000	\$75,000																		\$225,000
		Playground improvements	\$25,000																								\$0
Community Center Roof and Column Repair			\$150,000																							\$150,000	
Parking Lot Repairs					\$50,000				\$50,000																\$100,000		
Mt Airy Homes Subtotal																								\$6,075,000			
Valley Hi-Rise	Roof Replacement (new in 2014)																									\$0	
	Exterior Masonry Repair (repair in 2014)																									\$0	
	Exterior Joint Sealant Repair										\$100,000															\$100,000	
	Trash Compactor Replacement		\$33,000																							\$33,000	
	Door Repair/Replacement (hollow metal)									\$25,000																\$25,000	
	Window Weatherstripping	\$342,000																								\$0	
	Corridor Painting and Flooring	\$150,000																								\$0	
	BUS Duct Replacement														\$800,000											\$800,000	
	Plumbing Modernization	\$2,289,448																								\$0	
	Asbestos Abatement for Plumbing Mod	\$311,082																								\$0	
Misc Plumbing Mod Costs/Relocation	\$119,076																								\$0		
Elevator Modernization						\$750,000																			\$750,000		
Valley Hi-Rise Subtotal																								\$1,708,000			
AMP 5 TOTAL																								\$12,878,716			
		Roof Replacement	\$250,000																							\$0	
		Exterior Concrete Repair (repaired in 2012)																									\$0
		Exterior Masonry Repair																					\$470,000			\$470,000	

AMP	Property	Repair	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	Totals		
8	Cleveland Hi-Rise	Door Repair (sliding glass)								\$50,000															\$50,000		
		Domestic Water Booster Pump Replacement	\$30,000																							\$0	
		Electrical Panel Replacement	\$18,992																							\$0	
		Engineering for Plumbing Modernization														\$100,000										\$100,000	
		Plumbing Modernization															\$1,545,359	\$1,545,364								\$3,090,723	
		Elevator Modernization		\$750,000																						\$750,000	
																										Cleveland Hi-Rise Subtotal	\$4,053,723
	Dunedin Hi-Rise	Roof Replacement (new in 2014)																								\$0	
		Exterior Masonry Repair		\$638,282																							\$638,282
		Exterior Concrete Repair																									\$0
		Exterior EIFS Repair																									\$0
		Exterior Joint Sealant Repair																									\$0
		Exterior Railing and Lintel Repair																									\$0
		Trash Compactor Replacement		\$33,000																							\$33,000
		Door Repair/Replacement (hollow metal)									\$15,000																\$15,000
		Hot Water Storage Tank Replacement		\$50,000																							\$50,000
		Engineering for Plumbing Modernization																							\$35,000	\$35,000	
		Engineering for Elevator Modernization	\$12,300																								\$0
	Elevator Modernization		\$308,119	\$341,881																						\$650,000	
																										Dunedin Hi-Rise Subtotal	\$1,421,282
	Dunedin Terrace	Final Phase of Modernization	\$1,056,372																							\$0	
																											Dunedin Terrace Subtotal
	Montreal Hi-Rise	Roof Replacement (new in 2012)																								\$0	
		Exterior Masonry Repair (repaired in 2015)																								\$0	
		Exterior EIFS Repair																								\$0	
		Exterior Concrete Repair																			\$500,000					\$500,000	
		Exterior Joint Sealant Repair																								\$0	
		Exterior Sheet Metal Panel Repair/Replacement																								\$0	
		Trash Compactor Replacement		\$33,000																						\$33,000	
		Domestic Water Booster Pump Replacement		\$30,000																							\$30,000
		BUS Duct Replacement																		\$800,000						\$800,000	
		Electrical Panel Replacement	\$18,992																								\$0
		Plumbing Modernization	\$4,112,575																								\$0
																										Montreal Hi-Rise Subtotal	\$1,363,000
																										AMP 8 TOTAL	\$6,838,005
Yearly Totals			2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	Grand Total		
			\$11,487,722	\$6,332,132	\$7,646,968	\$3,747,994	\$7,523,765	\$6,597,629	\$475,000	\$779,000	\$2,306,600	\$5,840,446	\$3,615,963	\$6,231,592	\$2,424,788	\$2,345,359	\$5,165,764	\$3,656,794	\$2,603,794	\$4,796,072	\$5,180,072	\$3,805,388	\$2,305,388	\$35,000	\$83,415,508		