STATE OF MICHIGAN

RICK SNYDER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

EARL POLESKI
EXECUTIVE DIRECTOR

January 22, 2018

Lansing Housing Commission
419 Cherry St.
Lansing, MI 48933

RE: **2018 Budget Changes**
OLIVER GARDENS, MSHDA #3007

Dear Management Agent:

The following adjustments have been made to the 2018 budget submission for the above-mentioned development. These budget changes must be recorded on the appropriate line items of the Monthly Income and Expenditure Report:

- Line item #2d Subsidies/Grants: Reduced by $174,911 to $0
- Line item #E3-D Replacement Reserve Deposit: Increased by $86 to $9,518

The enclosed budget form for Fiscal Year 2018 has been reviewed by the Authority. This budget will be incorporated into the Authority's files for the above-referenced development. The accepted utility allowances are included on the enclosed Rent Schedule.

Please be advised, however, that this budget acceptance does not represent pre-approved use of Replacement Reserve funds. A review of the status of the development's financial position must be conducted when receipts for the replacement work are submitted to the Authority.

The management fee and the employee positions listed in the budget are the maximums acceptable for 2018.

Thank you very much for the cooperation you extended in preparing and analyzing this development's budget. If you have any questions or comments regarding these adjustments, please call me.

Sincerely,

Justin Wieber
Asset Manager

Enc.: Budget Review Form #450A
Rent Schedule

735 EAST MICHIGAN AVENUE • P.O. BOX 30044 • LANSING, MICHIGAN 48909
www.michigan.gov/mshda • 517-373-8370 • FAX 517-335-4797 • TOLL-FREE 855-MI-MSHDA (855-646-7432)

Asset Manager Review Sheet

Development:	OLIVER GARDENS		
MSHDA #:	3007	Budget	2018

Score 3

2017 BUDGET	PREVIOUS YEARS EXPENSES	PROPOSED 2018 BUDGET	MSHDA Adjustments	APPROVED BUDGET	Variance %	Variance Amount	Var Req Detail	Is detail accept-able	Line Item Acceptable

CERTIFICATION: (You must sign here)

I, the undersigned, certify that all information contained herein is true and correct to the best of my knowledge.

Management Company	By (Signature)
AM	Date 1-22-18
Supervisor	Date 1-25-18

Asset Manager Review Sheet

Development:	OLIVER GARDENS
MSHDA #:	3007 / Budget / 2018

Score 3

		2017 BUDGET	PREVIOUS YEARS EXPENSES	PROPOSED 2018 BUDGET	MSHDA Adjustments	APPROVED BUDGET	Variance %	Variance Amount	Var Req Detail	Is detail accept-able	Line Item Acceptable
INCOME											
1. ***Gross Rent Potential-GRP***	1	0	82,848	293,760		293,760	255%	210,912	YES	YES	ACCEPTABLE
Deductions											
a. Loss to Lease:	1a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Vacancy Loss:	1b	0	-2,123	1,518		1,518	-172%	3,641	YES	YES	ACCEPTABLE
c. Non-Rental Unit:	1c	0	0	0		0	0%	0	NO		ACCEPTABLE
d. Bad Debt/Former Residents:	1d	0	0	1,800		1,800	100%	1,800	NO		ACCEPTABLE
e. Marketing Rent Concessions:	1e	0	0	0		0	0%	0	NO		ACCEPTABLE
Gross Rent Potential Minus Total Deductions:		0	84,971	290,442	0	290,442					
Economic Vacancy		#DIV/0!	-2.56%	1.13%	0.00%	1.13%					
2. ***Other Income***											
a. Late Charges:	2a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Laundry and Carport Income:	2b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. Commercial Income:	2c	0	0	0		0	0%	0	NO		ACCEPTABLE
d. Subsidies/Grants:	2d	0	174,911	174,911	(174,911)	0	-100%	(174,911)	YES	YES	ACCEPTABLE
e. Interest Income:	2e	0	0	0		0	0%	0	NO		ACCEPTABLE
g. Excess Rental Income:	2g	0	0	0		0	0%	0	NO		ACCEPTABLE
h. Bad Debt Recovery:	2h	0	0	0		0	0%	0	NO		ACCEPTABLE
i. Interest Reduction Subsidy:	2i	0	0	0		0	0%	0	NO		ACCEPTABLE
j. Other:	2j	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Other Income:		0	174,911	174,911	(174,911)	0					
3. **TOTAL INCOME:**	3	0	259,882	465,353	(174,911)	290,442					
EXPENDITURES											
Administrative											
4. *Management Fees*											
a. Management Fees:	4a	0	14,130	14,130		14,130	0%	0	NO		ACCEPTABLE
b. Premium Management Fees:	4b	0	6,524	2,370		2,370	-64%	(4,154)	NO		ACCEPTABLE

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c. COE Expenses:	4c	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Management Fees:		0	20,654	16,500	0	16,500					
5. *Marketing*											
a. Advertising:	5a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Marketing Payroll:	5b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. Other:	5c	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Marketing:		0	0	0	0	0					
6. *Legal*:	6	0	0	0		0	0%	0	NO		ACCEPTABLE
7. *Other Administrative*											
a. Administrative Payroll:	7a	0	5,934	5,934		5,934	0%	0	NO		ACCEPTABLE
b. Temp Administrative Services:	7b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. Employee Pension Plans:	7c	0	0	0		0	0%	0	NO		ACCEPTABLE
d. Employer Payroll Taxes:	7d	0	0	0		0	0%	0	NO		ACCEPTABLE
e. Taxes Other:	7e	0	0	0		0	0%	0	NO		ACCEPTABLE
f. Telephone:	7f	0	3,312	3,061		3,061	-8%	(251)	NO		ACCEPTABLE
g. Office:	7g	0	0	0		0	0%	0	NO		ACCEPTABLE
h. Auditing:	7h	0	15,050	12,281		12,281	-18%	(2,769)	YES	YES	ACCEPTABLE
i. Credit Reports:	7i	0	0	0		0	0%	0	NO		ACCEPTABLE
j. Human Services Program:	7j	0	0	0		0	0%	0	NO		ACCEPTABLE
k. Miscellaneous:	7k	0	-68	225		225	-431%	293	NO		ACCEPTABLE
Total Other Administrative:		0	24,228	21,501	0	21,501					
Total Administrative:		0	44,882	38,001	0	38,001					
Utilities											
8. Electricity:	8	0	35,936	36,910		36,910	3%	974	NO		ACCEPTABLE
9. Water & Sewer:	9	0	21,652	25,089		25,089	16%	3,437	NO		ACCEPTABLE
10. Fuel:	10	0	10,317	11,540		11,540	12%	1,223	NO		ACCEPTABLE
Total Utilities:		0	67,905	73,539	0	73,539					

Asset Manager Review Sheet

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MSHDA #:	3007	Budget	2018

Score 3

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Operating & Maintenance											
11. *Maintenance*											
a. Maintenance Payroll:	11a	0	2,902	1,496		1,496	-48%	(1,406)	NO		ACCEPTABLE
b. Temp Maintenance Services:	11b	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Maintenance:		0	2,902	1,496	0	1,496					
12. *Janitorial*											
a. Janitorial Payroll:	12a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Temporary Janitorial Services:	12b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. Janitorial Supplies:	12c	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Janitorial:		0	0	0	0	0					
13. *Grounds*											
a. Grounds Maintenance Payroll:	13a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Temporary Grounds Services:	13b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. Snow Removal:	13c	0	2,670	4,950		4,950	85%	2,280	YES	YES	ACCEPTABLE
d. Lawn Maintenance:	13d	0	375	1,832		1,832	389%	1,457	NO		ACCEPTABLE
e. Parking Lot/Concrete Repairs:	13e	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Grounds:		0	3,045	6,782	0	6,782					
14. *Non-Capitalized Repairs & Maint*											
a. Land Improvements:	14a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Building & Components:	14b	0	9,980	9,500		9,500	-5%	(480)	NO		ACCEPTABLE
c. Maintenance Equipment:	14c	0	0	3,200		3,200	100%	3,200	YES	YES	ACCEPTABLE
d. Office Furniture:	14d	0	0	0		0	0%	0	NO		ACCEPTABLE
e. Furniture & Fixtures:	14e	0	0	0		0	0%	0	NO		ACCEPTABLE
f. Painting Units:	14f	0	0	600		600	100%	600	NO		ACCEPTABLE
g. Cleaning Units:	14g	0	0	1,000		1,000	100%	1,000	NO		ACCEPTABLE
h. Heating & Air Conditioning:	14h	0	0	1,205		1,205	100%	1,205	NO		ACCEPTABLE
i. Plumbing:	14i	0	0	0		0	0%	0	NO		ACCEPTABLE

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j. Electrical:	14j	0	0	0		0	0%	0	NO		ACCEPTABLE
k. Pool Maintenance:	14k	0	0	0		0	0%	0	NO		ACCEPTABLE
l. Elevator:	14l	0	0	0		0	0%	0	NO		ACCEPTABLE
m. Ext Cycle Painting/Waterproofing:	14m	0	0	0		0	0%	0	NO		ACCEPTABLE
n. Common Area Costs:	14n	0	0	0		0	0%	0	NO		ACCEPTABLE
o. Other:	14o	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Non-Cap Repairs & Maint:		0	9,980	15,505	0	15,505					
15. *Other Operating*											
a. Vehicle & Equip Operating Exp:	15a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Exterminating:	15b	0	1,184	1,199		1,199	1%	15	NO		ACCEPTABLE
c. Rubbish Removal:	15c	0	1,989	2,244		2,244	13%	255	NO		ACCEPTABLE
d. Security Payroll:	15d	0	0	0		0	0%	0	NO		ACCEPTABLE
e. Other:	15e	0	1,788	3,341		3,341	87%	1,553	NO		ACCEPTABLE
Total Other Operating:		0	4,961	6,784	0	6,784					
Total Operating & Maint:		0	20,888	30,567	0	30,567					
Other Expenditures											
16. Taxes											
a. Property Taxes or PILOT Exp:	16a										
b. Other:	16b	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Taxes:		0	0	0	0	0					
17. Interest Expense											
a. Mortgage Interest:	17a	0	92,034	76,184		76,184	-17%	(15,850)	NO		ACCEPTABLE
b. Other Interest:	17b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. S8 Pres Pass-thru Prog Bond Int:	17c	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Interest Expense:		0	92,034	76,184	0	76,184					
18. *Insurance*											
a. Property & Liability Insurance:	18a										

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Score 3

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b. Employee Health Benefits:	18b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. Worker's Compensation:	18c	0	0	0		0	0%	0	NO		ACCEPTABLE
d. Other:	18d	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Insurance:		0	0	0	0	0					
Total Other Expenditures:		0	92,034	76,184	0	76,184					
19. *Excess Income Payment:*	19	0	0	0		0	0%	0	NO		ACCEPTABLE
20. *Regulatory and Bond Fees:*											
a. S8 Pres Pass-Thru Trustee Bond Fees:	20a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Sec 8 Pres Pass-Thru Reg Fees:	20b	0	0	0		0	0%	0	NO		ACCEPTABLE
c. ARRA Regulatory Fees:	20c	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Regulatory and Bond Exp:		0	0	0	0	0					
21. TOTAL EXPENDITURES:	21	0	225,709	218,291	0	218,291					
Subtotal of Income Minus Expenses	22	0	34,173	247,062	(174,911)	72,151					
Escrow Activities											
Tax Escrow											
Deposit:	E1-D	0	10,488	16,968		16,968	62%	6,480	YES	YES	ACCEPTABLE
Insurance Escrow											
Deposit:	E2-D	0	10,488	6,250		6,250	-40%	(4,238)	YES	YES	ACCEPTABLE
Replacement Reserve											
Deposit:	E3-D	0	8,988	9,432	86	9,518	6%	530	YES	YES	ACCEPTABLE
Withdrawal:	E3-W	0	0	0		0	0%	0	NO		ACCEPTABLE
DCE Principal											
Withdrawal:	E4-W	0	0	0		0	0%	0	NO		ACCEPTABLE
DCE Interest											
Withdrawal:	E5-W	0	0	0		0	0%	0	NO		ACCEPTABLE
ORC											

Asset Manager Review Sheet

Development:	OLIVER GARDENS		
MSHDA #:	3007	Budget	2018

Score 3

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Withdrawal:	E6-W	0	0	0		0	0%	0	NO		ACCEPTABLE
Operating Assurance											
Withdrawal:	E7-W	0	0	0		0	0%	0	NO		ACCEPTABLE
Operating Deficit											
Withdrawal:	E8-W	0	0	0		0	0%	0	NO		ACCEPTABLE
Misc. Special Escrow											
Deposit:	E9-D	0	0	0		0	0%	0	NO		ACCEPTABLE
Withdrawal:	E9-W	0	0	0		0	0%	0	NO		ACCEPTABLE
Other Escrow											
Deposit:	E10-D	0	0	0		0	0%	0	NO		ACCEPTABLE
Withdrawal:	E10-W	0	0	0		0	0%	0	NO		ACCEPTABLE
Net Escrow Deposits & Withdrawal		0	(29,964)	(32,650)	(86)	(32,736)					
Fixed Assets											
Land Improvements - Additions	FA2	0	0	0		0	0%	0	NO		ACCEPTABLE
Building and Components - Additions	FA3	0	0	0		0	0%	0	NO		ACCEPTABLE
Maintenance Equipment - Additions	FA4	0	0	0		0	0%	0	NO		ACCEPTABLE
Office Equipment - Additions	FA5	0	0	0		0	0%	0	NO		ACCEPTABLE
Furniture and Fixtures - Additions	FA6	0	0	0		0	0%	0	NO		ACCEPTABLE
Other - Additions	FA7	0	0	0		0	0%	0	NO		ACCEPTABLE
Deduct Total Fixed Asset Additions		0	0	0	0	0					
Liability Activities											
Short-Term Related Party Advances/Liabilities	L9	0	-2,404	0		0	-100%	2,404	YES	YES	ACCEPTABLE

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Score 3

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Other Short-Term Liabilities	L10	0	0	0		0	0%	0	NO		ACCEPTABLE
Deduct Liability Activity		0	2,404	0	0	0					
Financing Activities											
1st Mortgage Principal Balance	F1	0	28,367	31,343		31,343	10%	2,976	NO		ACCEPTABLE
Delinquent Mortgage Principal	F2	0	0	0		0	0%	0	NO		ACCEPTABLE
Small Size Loan	F5	0	0	0		0	0%	0	NO		ACCEPTABLE
Security Loan	F6	0	0	0		0	0%	0	NO		ACCEPTABLE
Preservation Loan	F7	0	0	0		0	0%	0	NO		ACCEPTABLE
MSHDA HOME Loan	F8	0	0	0		0	0%	0	NO		ACCEPTABLE
TCAP Loan	F9	0	0	0		0	0%	0	NO		ACCEPTABLE
NSP Loan	F10	0	0	0		0	0%	0	NO		ACCEPTABLE
1602 Loan	F11	0	0	0		0	0%	0	NO		ACCEPTABLE
Other MSHDA Loan	F12	0	0	0		0	0%	0	NO		ACCEPTABLE
Other Loan Balance	F13	0	0	0		0	0%	0	NO		ACCEPTABLE
Long-Term Related Party Loans	F14	0	0	0		0	0%	0	NO		ACCEPTABLE
Long-Term Related Party Advances	F15	0	0	0		0	0%	0	NO		ACCEPTABLE
Other Financing	F19	0	0	0		0	0%	0	NO		ACCEPTABLE
Deduct Financing Activities		0	(28,367)	(31,343)	0	(31,343)					
Surplus Cash Activities											
Allowable Distributions	OE2	0	0	0		0	0%	0	NO		ACCEPTABLE
Net Surplus or Deficit Budget		0	(21,754)	183,068	(174,997)	8,071					

2018 RENT SCHEDULE FOR MSHDA PROGRAMS

Development	OLIVER GARDENS
MSHDA #	3007
County	Ingham
MSHDA Asset Mgr.	Justin Wieber
# Family Units	
# Elderly Units	30
Total Units	30

Program	Team	
Management Co.	Lansing Housing Commission	
Rent Effective Date	January 1, 2018	
Rent Restriction (based on # in household)		NO
Rent Restriction (based on 1.5 per bdrm)		YES
Last Contract Rent Adj Date (PBV only)		
HAP Anniversary Date (PBV only)		

Funding Sources	YES/NO	Expiration Date
MSHDA	Yes	2/1/2043
Tax Credits	Yes	12/31/2036
HOME	No	
1602	No	
TCAP	No	

Project Based Vouchers	TOTAL	30
	0 BR	
	1 BR	30
	2 BR	
	3 BR	
	4 BR	

Bedroom #/Size	Special Units	# Units	Rent Restrict % / Unit Type	2017 RENT SCHEDULE		2018 RENT SCHEDULE						2018 RENT POTENTIAL TOTALS	
				2017 Rent	Utility Allowance	Rent Increase	2018 Rent	% Increase	Max.County Gross Rent	Utility Allowance	Maximum Allow. Rent	Monthly Rent Potential	Annual Rent Potential
1	PBV	30	30%	$816			$816		$400		$400	$24,480	$293,760
	30	30										$24,480	$293,760

* Maximum Allowable Rent = Maximum County Gross Rent Minus Utility Allowance

Notes: Placed In Service Date: 7/12/2007. This development has HOME funds and a HAP contract, but both HOME and HAP are from the Lansing Housing Commission, not from MSHDA. The only programs thru MSHDA for this property are the bond loan and LIHTC. The tenant paid portion of rent must be below the 30% limit on this rent schedule. The voucher rent payment may exceed the 30% limit as long as the tenant paid portion is below the limit. All utilities for this development are paid by the property, tenants do not pay utilities.

Asset Manager

12-14-17
Date

MSHDA Mgmt. 451D3
08/13