STATE OF MICHIGAN
RICK SNYDER
GOVERNOR
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING
EARL POLESKI
EXECUTIVE DIRECTOR

December 19, 2018

Lansing Housing Commission
419 Cherry St.
Lansing, MI 48933

RE: **2019 Budget Acceptance**
OLIVER GARDENS MSHDA #3007

Dear Management Agent:

The enclosed budget form for Fiscal Year 2019 has been reviewed and accepted 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 that this budget acceptance does not represent pre-approved use of Replacement Reserve funds. A review of the requested items and 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 2019.

Thank you very much for the cooperation you extended in preparing and analyzing this development's budget.

Sincerely,

Justin Wieber
Asset Manager

Enc.: Budget Review Form #450A
Rent Schedule

Asset Manager Review Sheet

Development:	OLIVER GARDENS		
MSHDA #:	3007	Budget	2019

Score 3.5

2018 BUDGET	PREVIOUS YEARS EXPENSES	PROPOSED 2019 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.

AM	Date 12/19/2018
Supervisor	Date 12/19/2018

Asset Manager Review Sheet

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MSHDA #:	3007	Budget	2019

Score 3.5

		2018 BUDGET	PREVIOUS YEARS EXPENSES	PROPOSED 2019 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	293,760	82,848	291,336		291,336	252%	208,488	YES	YES	ACCEPTABLE
Deductions											
a. Loss to Lease:	1a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Vacancy Loss:	1b	1,518	-3,507	1,632		1,632	-147%	5,139	YES	YES	ACCEPTABLE
c. Non-Rental Unit:	1c	0	0	0		0	0%	0	NO		ACCEPTABLE
d. Bad Debt/Former Residents:	1d	1,800	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:		290,442	86,355	287,904	0	287,904					
Economic Vacancy		1.13%	-4.23%	1.18%	0.00%	1.18%					
2. ***Other Income***											
a. Late Charges:	2a	0	25	0		0	-100%	(25)	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	178,470	0		0	-100%	(178,470)	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	19	0		0	-100%	(19)	NO		ACCEPTABLE
Total Other Income:		0	178,514	0	0	0					
3. **TOTAL INCOME:**	3	290,442	264,869	287,904	0	287,904					
EXPENDITURES											
Administrative											
4. *Management Fees*											
a. Management Fees:	4a	14,130	14,130	14,130		14,130	0%	0	NO		ACCEPTABLE
b. Premium Management Fees:	4b	2,370	6,720	0		0	-100%	(6,720)	NO		ACCEPTABLE

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c. COE Expenses:	4c	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Management Fees:		16,500	20,850	14,130	0	14,130					
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	5,934	6,632	6,400		6,400	-3%	(232)	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	3,061	2,853	3,475		3,475	22%	622	NO		ACCEPTABLE
g. Office:	7g	0	0	0		0	0%	0	NO		ACCEPTABLE
h. Auditing:	7h	12,281	9,150	9,500		9,500	4%	350	NO		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	225	150	150		150	0%	0	NO		ACCEPTABLE
Total Other Administrative:		21,501	18,785	19,525	0	19,525					
Total Administrative:		38,001	39,635	33,655	0	33,655					
Utilities											
8. Electricity:	8	36,910	37,130	36,000		36,000	-3%	(1,130)	NO		ACCEPTABLE
9. Water & Sewer:	9	25,089	24,727	23,500		23,500	-5%	(1,227)	NO		ACCEPTABLE
10. Fuel:	10	11,540	11,815	14,000		14,000	18%	2,185	NO		ACCEPTABLE
Total Utilities:		73,539	73,672	73,500	0	73,500					

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Operating & Maintenance											
11. *Maintenance*											
a. Maintenance Payroll:	11a	1,496	2,007	2,400		2,400	20%	393	NO		ACCEPTABLE
b. Temp Maintenance Services:	11b	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Maintenance:		1,496	2,007	2,400	0	2,400					
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	4,950	9,634	8,600		8,600	-11%	(1,034)	NO		ACCEPTABLE
d. Lawn Maintenance:	13d	1,832	2,067	2,000		2,000	-3%	(67)	NO		ACCEPTABLE
e. Parking Lot/Concrete Repairs:	13e	0	0	0		0	0%	0	NO		ACCEPTABLE
Total Grounds:		6,782	11,701	10,600	0	10,600					
14. *Non-Capitalized Repairs & Maint*											
a. Land Improvements:	14a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Building & Components:	14b	9,500	2,942	3,500		3,500	19%	558	NO		ACCEPTABLE
c. Maintenance Equipment:	14c	3,200	0	1,500		1,500	100%	1,500	NO		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	600	0	600		600	100%	600	NO		ACCEPTABLE
g. Cleaning Units:	14g	1,000	0	800		800	100%	800	NO		ACCEPTABLE
h. Heating & Air Conditioning:	14h	1,205	1,730	1,600		1,600	-8%	(130)	NO		ACCEPTABLE
i. Plumbing:	14i	0	0	700		700	100%	700	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:		15,505	4,672	8,700	0	8,700					
15. *Other Operating*											
a. Vehicle & Equip Operating Exp:	15a	0	0	0		0	0%	0	NO		ACCEPTABLE
b. Exterminating:	15b	1,199	2,399	2,400		2,400	0%	1	NO		ACCEPTABLE
c. Rubbish Removal:	15c	2,244	2,230	2,300		2,300	3%	70	NO		ACCEPTABLE
d. Security Payroll:	15d	0	0	0		0	0%	0	NO		ACCEPTABLE
e. Other:	15e	3,341	12,863	10,500		10,500	-18%	(2,363)	NO		ACCEPTABLE
Total Other Operating:		6,784	17,492	15,200	0	15,200					
Total Operating & Maint:		30,567	35,872	36,900	0	36,900					
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	76,184	90,495	85,447		85,447	-6%	(5,048)	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:		76,184	90,495	85,447	0	85,447					
18. *Insurance*											
a. Property & Liability Insurance:	18a										

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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:		76,184	90,495	85,447	0	85,447					
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	218,291	239,674	229,502	0	229,502					
Subtotal of Income Minus Expenses	22	72,151	25,195	58,402	0	58,402					
Escrow Activities											
Tax Escrow											
Deposit:	E1-D	16,968	16,968	17,791		17,791	5%	823	NO		ACCEPTABLE
Insurance Escrow											
Deposit:	E2-D	6,250	6,252	15,631		15,631	150%	9,379	YES	YES	ACCEPTABLE
Replacement Reserve											
Deposit:	E3-D	9,518	9,434	9,518		9,518	1%	84	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

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Withdrawal:	E6-W	0	0	0		0	0%	0	NO		ACCEPTABLE
Operating Assurance											
Withdrawal:	E7-W	0	0	18,000		18,000	100%	18,000	YES	YES	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		(32,736)	(32,654)	(24,940)	0	(24,940)					
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	0	0		0	0%	0	NO		ACCEPTABLE

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Other Short-Term Liabilities	L10	0	0	0		0	0%	0	NO		ACCEPTABLE
Deduct Liability Activity		0	0	0	0	0					
Financing Activities											
1st Mortgage Principal Balance	F1	31,343	29,818	32,947		32,947	10%	3,129	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		(31,343)	(29,818)	(32,947)	0	(32,947)					
Surplus Cash Activities											
Allowable Distributions	OE2	0	0	0		0	0%	0	NO		ACCEPTABLE
Net Surplus or Deficit Budget		8,072	(37,277)	515	0	515					

2019 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, 2019	
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	
	0 BR	
	1 BR	
	2 BR	
	3 BR	
	4 BR	

				2018 RENT SCHEDULE		2019 RENT SCHEDULE						2019 RENT POTENTIAL TOTALS	
Bedroom #/Size	Special Units	# Units	Rent Restrict % / Unit Type	2018 Rent	Utility Allowance	Rent Increase	2019 Rent	% Increase	Max.County Gross Rent	Utility Allowance	Maximum Allow. Rent	Monthly Rent Potential	Annual Rent Potential
1	PBV	28	30%	$816			$816		$430		$430	$22,848	$274,176
1	PBV	2	30% HOME	$715			$715		$430		$430	$1,430	$17,160
	30	30										$24,278	$291,336

* 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 the 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

12-19-18
Date

MSHDA Mgmt. 451D3
08/13