AUGUST 2023

ENREUV

SUSTAINABILITY STUDY

2023 CRHA SUSTAINABILITY STUDY

Presented To
CRHA

OBJECTIVE

the study

- Northern Real Estate Urban Ventures, LLC (NREUV) was engaged by the Charlottesville Housing and Redevelopment Authority (CRHA) to perform a Sustainability Study.
- The Study aims to demonstrate the ability of CRHA to be a sustainable organization
- Our evaluation is documented in this report where the results are summarized below

study timeline

SECTION I — Evaluate Current Physical Property Condition

SECTION II — Perform Market Research

SECTION III — Develop Conceptual Plans

SECTION III — Research and Produce Case Studies

- **Evaluate Current Physical Property Condition**
- **Perform Market Research**
- **Develop Conceptual Plans**
- **Research and Produce Case Studies**
- **Develop Road Map**
- **Formulate Redevelopment Strategy**
- **Sustainability Plan**
    - Includes redeveloping and repositioning specific assets through partnerships
    - Includes low-density assets through its capital improvement program
    - Increases its revenue through sale of assets, developer fees, and increased cash flow (from properties and fees related to increased voucher support

SECTION IV — Develop Road Map

SECTION V — Formulate Redevelopment Strategy

SECTION VI — Sustainability Plan

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Section I: Evaluate Current Physical Property Condition

- 6TH STREET SOUTHEAST
- AVON/LEVY GARAGE
- MADISON AVENUE
- MICHIE DRIVE
- RIVERSIDE AVENUE
- 613 HINTON AVENUE
- 712 ELSOM STREET
- 715 RIDGE STREET
- 905 MONTICELLO AVENUE
- WESTHAVEN

Each property in the portfolio had a complete condition assessment, evaluating the building systems, capital expenditure needs, and a forecast of anticipated capital expenditures over the next ten years.

Requirements represent the cost of addressing the poor condition of an asset (deferred maintenance, code issues, functional requirements, and capital improvements) based on the inspector's observations and data inputs.

Section I:
Evaluate Current Physical Property Condition

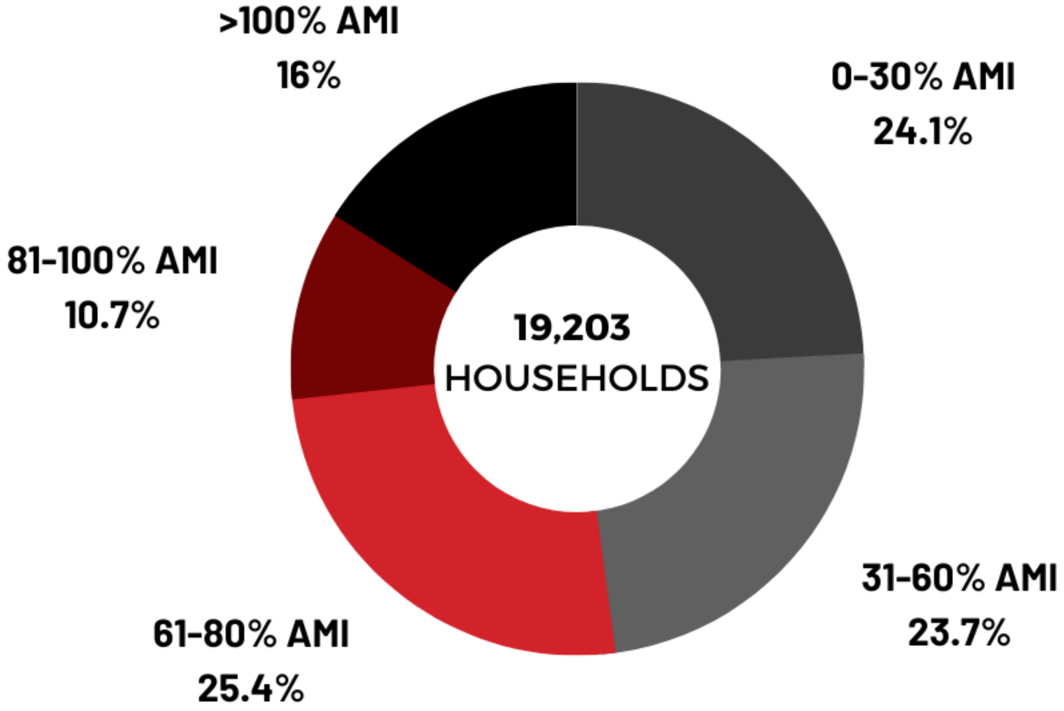
CRHA PCA SNAPSHOT

Property	Requirements	Renewals	5 YR FCI	10 YR FCI
6th Street SE	$3.2M	$5.4M	60%	75%
Avon Levy Garage	$435K	$593K	72%	72%
Madison Avenue	$2.5M	$3.6M	80%	81%
Michie Drive	$2.8M	$4.9M	54%	65%
Riverside Drive	$2.5M	$3.8M	59%	77%
613 Hinton Street	$129K	$250K	56%	72%
712 Elsom Street	$129K	$250K	56%	72%
715 Ridge Street	$157K	$347K	14%	28%
905 Monticello	$133K	$265K	29%	73%
Westhaven	$14.3M	$21.1M	75%	78%
TOTAL	26,283,000	41,505,000		

Conclusion: The investment required to extend the useful life of CRHA's portfolio of properties is significant. CRHA should leverage public financing options to redevelop more substantial assets and utilize capital program dollars to renovate smaller communities.

Section II: Perform Market Research

An analysis of housing demand, housing needs, and housing supply was conducted to understand the Charlottesville market further. Each examined the City of Charlottesville, Albemarle County, and the Charlottesville Designated Market Area.



MARKET DEMAND

TOTAL HOUSEHOLDS IN CHARLOTTESVILLE CITY TRADE AREA

COST BURDEN

Household Income Level	Units For Severely Cost Burdened Households	Units For Other Cost Burdened Households	Replacement Units For Public Housing	Units For Homeless Families and Individuals	TOTAL UNITS
LT 30% of AMI	1,254	188	126	189	1,757
30% to 50% of AMI	828	228			1,057
50% to 80% of AMI	209	333			542
80% to 100% of AMI	-	419			419
TOTAL	**2,291**	**1,168**	**126**	**189**	**3,775**

AFFORDABLE HOUSING NEEDS FOR COST-BURDENED HOUSEHOLDS – 2022 ESTIMATE

Section II: Perform Market Research cont.

PROPERTY	AVG. MONTHLY RENT	ANNUAL INCOME REQUIRED	% AMI	UNITS
A. Rio Hill Drive	$1,100	$41,120	49%	139
B. Mallside Forest Apartments	$1,257	$47,760	56%	160
C. Treesdale	$1,014	$42,300	40%	88
D. Wilton Farm	$1,035	$41,380	47%	144
E. Timberland Park	$1,095	$41,950	48%	80
F. Brookdale Apartments	$1,367	$56,640	60%	96
TOTAL				**707**

Section IV: develop road map

Using all the data and information collected over this process, the following goals and objectives have been developed to guide the development of each CRHA project. These goals will help to ensure that each project accomplishes a standard set of objectives that maximizes its potential to reposition the portfolio for the community and CRHA.

The goals for each project are to:

- Create better quality, modern housing.
- Provide more amenities and services for the community.
- Provide economic empowerment opportunities for Section 3 businesses.
- Allow for significant participation by residents.
- Create long-term sustainability for CRHA through privatization.

Section IV: develop road map

CRHA REDEVELOPMENT PHASING PLAN

SITE	PROJECTED UNITS	PLANNING START	PLANNING COMPLETED	PREDEVELOPMENT START	PREDEVELOPMENT COMPLETED	FINANCIAL CLOSING AND CONSTRUCTION START	CONSTRUCTION COMPLETED
Crescent Halls	105	May-20	Nov-20	Dec-20	Sep-21	Oct-21	Dec-23
South First Street	175	Apr-20	Apr-22	May-22	Jun-24	Jul-24	Jan-26
6th Street	90	Apr-21	Jul-24	Aug-24	Sep-26	Oct-26	Apr-28
Madison	18	Apr-23	Jun-23	Dec-23	Apr-24	May-24	Nov-29
Westhaven	354	Sep-23	Feb-24	Apr-24	Apr-26	May-26	May-32
Michie	23	Apr-25	Jun-25	Jun-24	Oct-24	Nov-24	Nov-29
Riverside	16	Apr-25	Jun-25	Dec-24	Apr-25	May-25	Nov-29
Elsom	1	Apr-24	May-24	Jul-24	Oct-24	Nov-24	May-25
Hinton	1	Apr-24	May-24	Jul-24	Oct-24	Nov-24	May-25
Avon/Levy	100	Apr-24	Dec-24	Jan-25	Jan-26	Feb-26	Feb-28
Monticello	1	Apr-24	May-24	Jul-24	Oct-24	Nov-24	May-25
Ridge	2	Apr-24	May-24	Jul-24	Oct-24	Nov-24	May-25
TOTAL	**896**						

Section V: Redevelopment Strategy

CRHA's Redevelopment Strategy includes:

- Redeveloping existing property
- Repositioning specific assets
- Performing capital improvements
- Adding environmental sustainability as a core tenet of the redevelopment activities
- Including resident participation as a key factor of the strategy
- Increasing density where possible
- Increasing the number of units at 30% of AMI & the number that qualify for housing subsidies

Redevelopment Strategy

FIGURE 6 - SUMMARY FINANCIALS: AVON LEVY

OPTION A	
Number of Units	100
Number of Affordable	20
Number of Market Rate	80

SOURCES	$	%	USES	$	%
			Hard Costs	38,964,706	61%
Debt	44,534,908	70%	Soft Costs	5,844,706	9%
Equity	19,086,389	30%	Development Fee	2,386,588	4%
			Operating Reserve	2,032,945	3%
			Financing Costs	2,922,353	5%
			Acquisition Costs	11,470,000	18%
Total	63,621,298	100%	Total	63,621,298	100%
IRR		15%	LAND VALUE	11,000,000	

OPTION B	
Number of Units	75
Number of Affordable	15
Number of Market Rate	60

SOURCES	$	%	USES	$	%
			Hard Costs	32,339,580	64%
Debt	35,327,957	70%	Soft Costs	4,850,937	10%
Equity	15,140,553	30%	Development Fee	1,980,799	4%
			Operating Reserve	1,621,726	3%
			Financing Costs	2,425,468	5%
			Acquisition Costs	7,250,000	14%
Total	50,468,510	100%	Total	50,468,510	100%
IRR		15%	LAND VALUE	7,000,000	

FIGURE 7 - SUMMARY FINANCIALS: WESTHAVEN

OPTION A	
Number of Units	354
Number of Affordable	249
Number of Market Rate	105

SOURCES	$	%	USES	$	%
			Hard Costs	126,620,112	72%
Debt	65,833,198	38%	Soft Costs	18,993,017	11%
LIHTC Equity	67,801,345	39%	Development Fee	18,112,847	10%
Deferred Developer Fee	7,768,024	4%	Operating Reserve	1,872,502	1%
GAP	33,692,419	19%	Financing Costs	9,496,508	5%
			Acquisition Costs	-	0%
Total	175,094,986	100%	Total	175,094,986	100%
IRR		-	LAND VALUE	-	

OPTION B	
Number of Units	274
Number of Affordable	192
Number of Market Rate	82

SOURCES	$	%	USES	$	%
			Hard Costs	96,102,078	72%
Debt	49,416,037	37%	Soft Costs	14,415,312	11%
LIHTC Equity	51,844,541	30%	Development Fee	14,170,480	11%
Deferred Developer Fee	6,213,171	4%	Operating Reserve	1,493,036	1%
GAP	25,914,813	15%	Financing Costs	7,207,656	5%
			Acquisition Costs	-	0%
Total	133,388,562	85%	Total	133,388,562	100%
IRR		-	LAND VALUE	-	

OPTION C	
Number of Units	250
Number of Affordable	175
Number of Market Rate	75

SOURCES	$	%	USES	$	%
			Hard Costs	96,165,476	73%
Debt	51,936,537	39%	Soft Costs	14,424,821	11%
LIHTC Equity	48,526,402	28%	Development Fee	12,516,808	10%
Deferred Developer Fee	4,970,004	3%	Operating Reserve	1,230,121	1%
GAP	26,116,693	15%	Financing Costs	7,212,411	5%
			Acquisition Costs	-	0%
Total	131,549,637	85%	Total	131,549,637	100%
IRR		-	LAND VALUE	-	

Section V: Redevelopment Strategy

- The capital improvement program completed by the end of 2026
- Higher-density development completed by 2032
- Current units at 376 units
- Total units to be developed 821, an increase of 218%
- Subsidized units increase by 12.5%
- This strategy yields $23M in developer fees, $11M in sales proceeds, and $21M in cash flows

CRHA SUBSIDIZED UNITS

			PROJECTED PHA SUBSIDIES			
SITE	CURRENT UNITS	PROJECTED UNITS	TPV	ACC	PBV	TOTAL
Westhaven	126	354	63		63	126
Crescent Halls	105	105	52	53		105
South 1st Street	58	175	58	13	24	95
6th Street	25	90	0	10	40	50
Madison	18	18		18		18
Michie	23	23		23		23
Riverside	16	16		16		16
Elsom	1	1		1		1
Hinton	1	1		1		1
Avon/Levy	-	100			10	10
Monticello	1	1		1		1
Ridge	2	2		2		2
TOTAL	**376**	**896**	**173**	**138**	**137**	**448**

SECTION VI

Long Term Agency Sustainability

Long Term Agency Sustainability

- Depends on HUD Payments, Developer Fees, and ongoing cash flows
- Each property to be redeveloped would be self-sustaining and generate cash flows to support Agency expenses
- Existing properties to be redeveloped under Capital Improvement programs would be supported by programs for the long-term
- The few units remaining would rely on a small investment from HUD or could be repaired utilizing the significant reserves created by developer fees
- Developer fees should be invested in stable fixed-income assets to be drawn upon when required, reserves are vital to the long-term sustainability of the agency

COMPARATIVE ANALYSIS FOR LAST 3 YEARS OF INTERNAL FINANCIALS

- FY 2022 shows more rent and fees collected, operating expenses were unchanged
- FY 2020 - FY 2022, Agency income was negative (rent collections were down, and operations remained steady)
- FY 2023 shows $348,000 in earnings, $500,000 in shortfall funds, $545,000 in repositioning fees

Long Term Agency Sustainability

HUD RENT PAYMENTS

HUD rent payments will increase yearly based on allowable increases utilizing an inflation factor. The ability of the agency to collect higher rents and target lower incomes based on its voucher system makes it an excellent source of affordable housing in the downtown Charlottesville area.

The Agency's ability to obtain project-based vouchers for its redevelopment projects is critical. These additional vouchers will allow it to collect higher rents for its properties and generate more income that will help to sustain the Agency's operations.

DEVELOPER FEES

Developer Fees are calculated based on the financial feasibility of each project. The cumulative estimated developer's fees are $23M. A schedule of estimated developer fees is included in Figure 9 below. Developer fees will assist the Agency in creating a significant cash reserve that will support long-term financial health.

CRHA DEVELOPER FEE											
	FISCAL 2021-2022	FISCAL 2022-2023	FISCAL 2023-2024	FISCAL 2024-2025	FISCAL 2025-2026	FISCAL 2026-2027	FISCAL 2027-2028	FISCAL 2028-2029	FISCAL 2029-2030	FISCAL 2030-2031	FISCAL 2031-2032
YEAR			1	2	3	4	5	6	7	8	9
SITE											
Westhaven - Ph I							$ 4,195,631.23				
Westhaven - Ph II								$ 6,344,613.07			
Westhaven - Ph III									$ 4,195,631.23		
Westhaven - Ph IV										$ 2,455,979.25	
Westhaven - Ph V											$ 526,007.95
Crescent Halls			$ 500,000.00								
South 1st Street Ph I			$ 500,000.00								
South 1st Street Ph II					$1,487,610.00						
6th Street Ph I						$1,376,100.00					
6th Street Ph II							$ 1,376,100.00				
Avon/Levy							$ 11,000,000.00				
Madison											
Michie											
Riverside											
Elsom											
Hinton											
Monticello											
Ridge											
TOTAL	$ -	$ -	$1,000,000.00	$ -	$1,487,610.00	$1,376,100.00	$ 16,571,731.23	$ 6,344,613.07	$ 4,195,631.23	$ 2,455,979.25	$ 526,007.95

Notes:
1) Includes Deferred Fee

Long Term Agency Sustainability

CASH FLOW

Cash Flows collected are upwards of $21M over the 20-year period of NREUV's analysis. Westhaven has the most potential to develop meaningful cash flows for the agency. Its proximity to downtown and sizeable redevelopment potential positions the site to have significant impacts for the Agency and the City of Charlottesville. See a summary 20 year cash flows outlined below in Figure 10 below and on the next page. Like Developer Fees, cash flow from redeveloped properties will facilitate overall efficient performance of the Agency.

	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL
	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031
YEAR			1	2	3	4	5	6	7	8
SITE										
Westhaven - Ph I								$ 108,119.84	$ 113,428.54	$ 118,678.31
Westhaven - Ph II									$ 378,044.57	$ 362,032.87
Westhaven - Ph III										$ 118,998.68
Westhaven - Ph IV										
Westhaven - Ph V										
Crescent Halls			$ 46,501.00	$ 41,821.68	$ 36,811.07	$ 31,455.41	$ 25,740.45	$ 19,651.45	$ 13,173.14	$ 6,289.68
South 1st Street Ph I			$ 40,031.00	$ 38,734.04	$ 37,268.65	$ 35,627.20	$ 33,801.74	$ 31,784.08	$ 29,565.69	$ 27,137.76
South 1st Street Ph II						$ 151,641.21	$ 147,963.86	$ 143,920.67	$ 139,495.56	$ 134,671.86
6th Street Ph I							$ 34,284.32	$ 32,975.78	$ 31,527.38	$ 29,932.93
6th Street Ph II								$ 34,284.32	$ 32,975.78	$ 31,527.38
Avon/Levy										
Madison			$ 54,881.28	$ 91,833.84	$ 94,405.19	$ 97,048.53	$ 99,765.89	$ 102,559.34	$ 105,431.00	$ 108,383.07
Michie			$ 70,318.08	$ 117,362.52	$ 120,648.67	$ 124,026.83	$ 127,499.58	$ 131,069.57	$ 134,739.52	$ 138,512.23
Riverside			$ 73,689.60	$ 81,647.64	$ 83,933.77	$ 86,283.92	$ 88,699.87	$ 91,183.47	$ 93,736.60	$ 96,361.23
Elsom			$ 8,520.00	$ 5,093.04	$ 5,235.65	$ 5,382.24	$ 5,532.95	$ 5,687.87	$ 5,847.13	$ 6,010.85
Hinton			$ 1,680.00	$ 5,093.04	$ 5,235.65	$ 5,382.24	$ 5,532.95	$ 5,687.87	$ 5,847.13	$ 6,010.85
Monticello			$ 7,416.00	$ 5,093.04	$ 5,235.65	$ 5,382.24	$ 5,532.95	$ 5,687.87	$ 5,847.13	$ 6,010.85
Ridge			$ 7,129.68	$ 10,217.76	$ 10,503.86	$ 10,797.97	$ 11,100.31	$ 11,411.12	$ 11,730.63	$ 12,059.09
TOTAL	$ -	$ -	$ 310,166.64	$ 396,896.60	$ 399,278.15	$ 553,027.79	$ 585,454.87	$ 724,023.24	$ 1,101,389.80	$ 1,202,617.61

	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL	FISCAL
	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038	2038-2039	2039-2040	2040-2041	2041-2042	2042-2043
YEAR	9	10	11	12	13	14	15	16	17	18	19	20
SITE												
Westhaven - Ph I	$ 123,863.03	$ 128,976.29	$ 134,011.41	$ 138,961.41	$ 143,819.02	$ 148,576.64	$ 153,226.36	$ 157,759.94	$ 162,168.77	$166,443.90	$ 170,576.00	$ 174,555.34
Westhaven - Ph II	$ 345,700.92	$ 329,042.34	$ 312,050.59	$ 294,719.00	$ 277,040.78	$ 259,009.00	$ 240,616.58	$ 221,856.31	$ 202,720.84	$ 183,202.66	$ 163,294.11	$ 142,987.39
Westhaven - Ph III	$ 125,498.47	$ 131,966.25	$ 138,396.53	$ 144,783.54	$ 151,121.27	$ 157,403.42	$ 163,623.41	$ 169,774.35	$ 175,849.08	$ 181,840.08	$ 187,739.52	$ 193,539.24
Westhaven - Ph IV	$ 65,132.77	$ 68,125.90	$ 71,073.28	$ 73,970.84	$ 76,814.32	$ 79,599.27	$ 82,321.06	$ 84,974.86	$ 87,555.64	$ 90,058.15	$ 92,476.94	$ 94,806.32
Westhaven - Ph V		$ 24,649.27	$ 25,754.54	$ 26,841.13	$ 27,907.43	$ 28,951.79	$ 29,972.46	$ 30,967.63	$ 31,935.43	$ 32,873.87	$ 33,780.91	$ 34,654.43
Crescent Halls	$ (1,015.27)	$ (8,758.66)	$ (16,958.05)	$ (25,631.57)	$ (34,798.02)	$ (44,476.84)	$ (54,688.14)	$ (65,452.75)	$ (76,792.20)	$ (88,728.77)	$ (101,285.53)	$ (114,486.31)
South 1st Street Ph I	$ 24,491.12	$ 21,616.32	$ 18,503.51	$ 15,142.54	$ 11,522.85	$ 7,633.53	$ 3,463.28	$ (999.64)	$ (5,767.33)	$ (10,852.37)	$ (16,267.76)	$ (22,026.97)
South 1st Street Ph II	$ 129,432.28	$ 123,758.95	$ 117,633.30	$ 111,036.13	$ 103,947.54	$ 96,346.91	$ 88,212.89	$ 79,523.38	$ 70,255.49	$ 60,385.50	$ 49,888.87	$ 38,740.20
6th Street Ph I	$ 28,185.98	$ 26,279.87	$ 24,207.69	$ 21,962.27	$ 19,536.21	$ 16,921.82	$ 14,111.12	$ 11,095.89	$ 7,867.57	$ 4,417.33	$ 736.00	$ (3,185.90)
6th Street Ph II	$ 29,932.93	$ 28,185.98	$ 26,279.87	$ 24,207.69	$ 21,962.27	$ 19,536.21	$ 16,921.82	$ 14,111.12	$ 11,095.89	$ 7,867.57	$ 4,417.33	$ 736.00
Avon/Levy												
Madison	$ 111,417.79	$ 114,537.49	$ 117,744.54	$ 121,041.39	$ 124,430.55	$ 127,914.60	$ 131,496.21	$ 135,178.10	$ 138,963.09	$142,854.06	$ 146,853.97	$ 150,965.88
Michie	$ 142,390.57	$ 146,377.51	$ 150,476.08	$ 154,689.41	$ 159,020.71	$ 163,473.29	$ 168,050.54	$ 172,755.96	$ 177,593.12	$ 182,565.73	$ 187,677.57	$ 192,932.54
Riverside	$ 99,059.34	$ 101,833.00	$ 104,684.33	$ 107,615.49	$ 110,628.72	$ 113,726.33	$ 116,910.66	$ 120,184.16	$ 123,549.32	$ 127,008.70	$ 130,564.94	$ 134,220.76
Elsom	$ 6,179.15	$ 6,352.17	$ 6,530.03	$ 6,712.87	$ 6,900.83	$ 7,094.05	$ 7,292.69	$ 7,496.88	$ 7,706.80	$ 7,922.59	$ 8,144.42	$ 8,372.46
Hinton	$ 6,179.15	$ 6,352.17	$ 6,530.03	$ 6,712.87	$ 6,900.83	$ 7,094.05	$ 7,292.69	$ 7,496.88	$ 7,706.80	$ 7,922.59	$ 8,144.42	$ 8,372.46
Monticello	$ 6,179.15	$ 6,352.17	$ 6,530.03	$ 6,712.87	$ 6,900.83	$ 7,094.05	$ 7,292.69	$ 7,496.88	$ 7,706.80	$ 7,922.59	$ 8,144.42	$ 8,372.46
Ridge	$ 12,396.74	$ 12,743.85	$ 13,100.68	$ 13,467.50	$ 13,844.59	$ 14,232.23	$ 14,630.74	$ 15,040.40	$ 15,461.53	$ 15,894.45	$ 16,339.50	$ 16,797.00
TOTAL	$ 1,255,024.14	$1,268,390.85	$ 1,256,548.37	$ 1,242,945.37	$ 1,227,500.73	$ 1,210,130.36	$ 1,190,747.05	$ 1,169,260.38	$ 1,145,576.62	$1,119,598.61	$ 1,091,225.63	$ 1,060,353.31

LONG TERM SUSTAINABILITY

MANAGEMENT OPERATIONS VS PROPERTY OPERATIONS

- Business Units Analyzed Separately
- By FY 2030 Real Estate generates $2.7M per year
- By FY 2030 Agency Mgmt generates $900K per year

	MANAGEMENT OPERATIONS										
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
TENANT REVENUE											
TOTAL SUBSIDY REVENUE		$ 2,938,187.00	$ 4,677,844.00	$4,877,554.00	$ 6,566,086.34	$ 6,930,417.39	$ 8,680,838.29	$ 10,500,642.96	$ 11,339,909.03	$ 11,983,834.43	$ 12,664,324.48
TOTAL FEE REVENUE		$ 568,300.00	$ 600,512.00	$ 459,570.00	$ 558,240.88	$ 589,940.03	$ 809,160.15	$ 1,092,934.25	$ 1,174,045.38	$ 1,373,161.19	$ 1,451,134.78
TOTAL MISC REVENUE		$ 2,700.00	$ 2,700.00	$ 1,897,970.00	$ 169,127.00	$ 178,730.71	$ 188,879.75	$ 199,605.10	$ 210,939.48	$ 222,917.46	$ 235,575.61
GRAND TOTAL REVENUE	-	$ 3,509,187.00	$ 5,281,056.00	$7,235,094.00	$ 7,293,454.22	$ 7,699,088.13	$ 9,678,878.19	$ 11,793,182.31	$ 12,724,893.89	$ 13,579,913.09	$ 14,351,034.87
TOTAL OPERATING ADMIN		$ 745,374.63	$ 965,732.00	$ 1,515,229.00	$ 1,318,128.08	$ 1,392,976.67	$ 1,493,449.72	$ 1,605,624.78	$ 1,698,991.00	$ 1,810,709.78	$ 1,913,529.13
TOTAL TENANT SERVICES				$ 9,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL UTILITIES				$ 4,424.00	$ 3,640.00	$ 3,640.00	$ 3,640.00	$ 3,640.00	$ 3,640.00	$ 3,640.00	$ 3,640.00
TOTAL MAINTENANCE				$ 1,150.00							
TOTAL INSURANCE		$ 5,494.88	$ 18,803.00	$ 14,380.00	$ 12,603.00	$ 16,282.37	$ 15,465.66	$ 14,874.17	$ 18,850.80	$ 18,081.05	$ 17,554.62
TOTAL OTHER EXPENSES		$ 26,404.38	$ 35,241.00	$ 6,750.00	$ 56,464.00	$ 59,670.25	$ 63,058.57	$ 66,639.29	$ 70,423.33	$ 74,422.25	$ 78,648.24
TOTAL HAP PAYMENTS		$ 2,627,485.63	$ 4,221,827.00	$ 5,714,529.00	$ 5,766,546.00	$ 6,093,993.55	$ 7,790,473.95	$ 9,412,857.69	$ 10,162,168.31	$ 10,739,216.87	$ 11,349,032.57
GRAND TOTAL EXPENSES	-	**$ 3,404,759.52**	**$ 5,241,603.00**	**$ 7,265,962.00**	**$ 7,157,381.08**	**$ 7,566,562.84**	**$ 9,366,087.90**	**$ 11,103,635.92**	**$ 11,954,073.44**	**$ 12,646,069.96**	**$ 13,362,404.55**
DEBT PAYMENTS			$ 10,508.00								
CASH FLOW	-	$ 104,427.48	$ 28,945.00	$ (30,868.00)	$ 136,073.14	$ 132,525.28	$ 312,790.29	$ 689,546.38	$ 770,820.45	$ 933,843.12	$ 988,630.32

Notes:
(1) Year 2020 Financials Not Available

LONG TERM SUSTAINABILITY

	PROPERTY OPERATIONS										
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
TENANT REVENUE	$ 1,189,236.00	$ 1,392,037.00	$ 1,224,663.00	$ 1,307,015.00	$ 880,880.00	$ 942,157.23	$ 800,511.42	$ 1,032,649.47	$ 1,182,380.46	$ 1,179,779.70	$ 1,146,372.82
TOTAL SUBSIDY REVENUE	$ 1,316,787.00	$ 1,528,305.00	$ 4,295,144.00	$ 1,431,556.00	$ 5,452,798.00	$ 1,684,682.67	$ 1,037,089.92	$ 1,804,781.72	$ 2,300,659.94	$ 2,453,117.35	$ 2,592,415.16
TOTAL FEE REVENUE					$ 1,000,000.00	$ 1,487,610.00	$ 16,571,731.23	$ 4,195,631.23	$ 526,007.95	$ -	$ -
TOTAL MISC REVENUE	$ 118,003.00	$ 252,244.00	$ 34,034.00	$ 768,390.00	$ 4,161.00	$ 4,397.28	$ 4,646.97	$ 4,910.85	$ 5,189.70	$ 5,484.40	$ 5,795.82
GRAND TOTAL REVENUE	$ 2,624,026.00	$ 3,172,586.00	$ 5,553,841.00	$ 3,506,961.00	$ 7,337,839.00	$ 4,118,847.18	$ 18,413,979.54	$ 7,037,973.26	$ 4,014,238.05	$ 3,638,381.44	$ 3,744,583.80
TOTAL OPERATING ADMIN	$ 761,053.00	$ 822,627.00	$ 945,282.00	$ 846,028.00	$ 723,928.00	$ 512,956.09	$ 254,975.51	$ 194,645.54	$ 206,499.46	$ 219,075.27	$ 232,416.96
TOTAL TENANT SERVICES	$ 54,520.00	$ 54,520.00	$ 100,170.00	$ 62,600.00	$ 101,870.00	$ 89,908.88	$ 95,014.27	$ 100,409.56	$ 106,111.21	$ 112,136.63	$ 118,504.20
TOTAL UTILITIES	$ 839,907.00	$ 987,319.00	$ 943,336.00	$ 888,594.00	$ 888,594.00	$ 553,906.45	$ 585,359.47	$ 150,437.38	$ 158,979.82	$ 168,007.33	$ 177,547.46
TOTAL MAINTENANCE	$ 934,001.00	$ 1,134,698.00	$ 1,150,429.00	$ 1,161,789.00	$ 1,244,619.00	$ 1,481,102.62	$ 1,009,341.70	$ 259,400.82	$ 274,130.63	$ 289,696.87	$ 306,147.01
TOTAL INSURANCE	$ 56,225.00	$ 70,788.00	$ 73,380.00	$ 76,019.00	$ 83,347.00	$ 123,407.29	$ 130,414.85	$ 137,820.32	$ 145,646.31	$ 153,916.69	$ 162,656.70
TOTAL OTHER EXPENSES	$ 220,391.00	$ 308,212.00	$ 87,657.00	$ 92,431.00	$ 85,103.00	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL HAP PAYMENTS											
GRAND TOTAL EXPENSES	$ 2,866,097.00	$ 3,378,164.00	$3,300,254.00	$ 3,127,461.00	$ 3,127,461.00	$ 2,761,281.33	$ 2,075,105.79	$ 842,713.62	$ 891,367.44	$ 942,832.80	$ 997,272.33
EXCESS REVENUE OVER OP	$ (242,071.00)	$ (205,578.00)	$ 357,114.00	$ 379,500.00	$ 4,210,378.00	$ 1,357,565.85	$ 16,338,873.75	$ 6,195,259.63	$ 3,122,870.62	$ 2,695,548.65	$ 2,747,311.48
TRANSFERS IN	$ 255,362.00	$ 241,250.00									
CAPITAL/DEBT PAYMENTS			$1,896,473.00								
CASH FLOW	$ 13,291.00	$ 35,672.00	$ 357,114.00	$ 379,500.00	$ 4,210,378.00	$ 1,357,565.85	$ 16,338,873.75	$ 6,195,259.63	$ 3,122,870.62	$ 2,695,548.65	$ 2,747,311.48

LONG TERM SUSTAINABILITY

LONG TERM SUSTAINABILITY

- Ability to work with financial partners and earn all of the fees
- Demand for Housing is Robust
- Increasing Number of Units With Vouchers Subsidy Generates Additional Income
- Sale or Capitalized Ground Lease Generates Significant Cash Infusion
- New Construction Minimizes Need for Investment in Obsolete Assets
- Agency is Now Poised For Sustainability

A detailed financial model demonstrating 20 years of cash flows is included in Exhibit J. A synopsis of the findings below is included in Figure 13.

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
TOTAL REVENUE		6,923,023	$ 10,834,897	$ 10,742,055	$ 14,173,007	$ 9,859,134	$ 11,204,859	$ 12,233,114	$ 27,439,140	$ 18,729,245	$ 18,052,594
OPERATING TRANSFERS-IN		241,250	-	-	(60,634)	694,248	694,248	694,248	347,124	347,124	-
GRAND TOTAL REVENUE		**7,164,273**	**10,834,897**	**10,742,055**	**14,112,373**	**10,553,382**	**11,899,108**	**12,927,363**	**27,786,264**	**19,076,369**	**18,052,594**
TOTAL EXPENSES		6,782,924	8,541,857	10,393,423	10,509,416	10,120,422	10,409,251	10,755,895	11,044,822	11,372,011	11,970,991
NON-OPERATING EXPENDITURES			1,906,981								
GRAND TOTAL EXPENSES		**6,782,924**	**10,448,838**	**10,393,423**	**10,509,416**	**10,120,422**	**10,409,251**	**10,755,895**	**11,044,822**	**11,372,011**	**11,970,991**
CASH FLOW		381,349	386,059	348,632	3,602,957	432,960	1,489,856	2,171,468	16,741,442	7,704,358	6,081,603

CRHA SUSTAINABILITY STUDY

NORTHERN
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