

## INFORMATIONAL REPORT

**DATE ISSUED:** December 8, 2023

**REPORT NO:** HDP23-025

**ATTENTION:** Chair and Members of the Board of Directors of  
Housing Development Partners of San Diego  
For the Agenda of December 14, 2023

**SUBJECT:** Third Quarter 2023 Property Budget-to-Actual Reports

### **NO ACTION IS REQUIRED ON THE PART OF THE BOARD OF DIRECTORS**

#### **SUMMARY**

The Budget-to-Actual Reports provide an overview of the Housing Development Partners (HDP) properties' financial performance during the third quarter (July through September) of Fiscal Year 2023. Variance notes are provided for line items where actual performance considerably deviates from staff's projections based on the approved 2023 property budgets.

*Please note a Conflict Disclosure Statement at the end of this report.*

#### **CONFLICT DISCLOSURE STATEMENT:**

Two San Diego Housing Commissioners (Commissioners), Eugene "Mitch" Mitchell and Ryan Clumpner, and Interim President & Chief Executive Officer (CEO) of the San Diego Housing Commission (Housing Commission), Jeff Davis, are each directors of Housing Development Partners (HDP), a California nonprofit public benefit corporation qualified as an Internal Revenue Code Section 501(c)(3) corporation for federal purposes. Any Commissioner, who is also a director of HDP as of the date of this staff report, and Interim CEO Davis have no conflict of interest as discussed below.

The Commissioners and Interim CEO Davis receive no compensation for their service on HDP's Board of Directors and/or as officers of HDP. Pursuant to the provisions of Government Code Sections 1091.5(a)(7) and 1091.5(a)(8), the Commissioners and Interim CEO Davis each have a "non-interest" as described in Government Code Section 1091.5 for purposes of their action on Housing Commission matters associated with this matter, if any. This disclosure shall be incorporated into the record of the Housing Commission, if and when this matter is heard by the Housing Commission.

Further, as members of the Housing Commission Board of Commissioners, the Commissioners are legally entitled to vote and be counted for quorum purposes in this HDP matter. Further, Mr. Davis is not compensated by HDP, and he sits on the HDP Board of Directors. He is legally entitled to vote and to be counted for quorum purposes for this HDP matter.

None of HDP's Board members has a financial interest in this action item that would legally preclude their participation under the provisions of Government Code Sections 1090 and/or 87100 et. seq.

Further, the Housing Commission is a public agency, and the Commissioners are not compensated for their service as Commissioners of the Housing Commission. Further, Mr. Davis's compensation from a

public agency, the Housing Commission, is a non-interest under the provisions of Government Code Section 1091.5(a)(9) as well as for the purposes of Government Code Section 87100 et. seq. Mr. Davis's compensation with the Housing Commission is not a financial interest that would, in any way, preclude him being counted for quorum purposes or voting on these matters before HDP.

Further, to the extent that HDP is a public agency for local Ethics Ordinance purposes, neither the Commissioners nor Director Davis have any conflicts of interest under the local ethics ordinance that would preclude their, or any of their, actions in this matter or from being counted for quorum purposes.

This disclosure shall be and is hereby documented in the official records of the HDP. Similar disclosures will be made in the records of the Housing Commission, if and when this matter is heard by the Commission.

**MUTUAL DIRECTORS STATEMENT:**

To the extent that Commissioners may be considered to be "directors" of the Housing Commission for purposes of California Corporations Code Section 5234 and, hence, common directors with HDP, a vote on this matter should incorporate a finding that these transactions are just and reasonable as to HDP.

Respectfully submitted,

*Emmanuel Arellano*

Emmanuel Arellano  
Vice President of Asset Management  
Housing Development Partners

Approved by,

*Emily S. Jacobs*

Emily S. Jacobs  
Executive Vice President  
Housing Development Partners

Attachment: First Quarter 2023 Property Budget-to-Actual Report

Docket materials are available on HDP's website at [www.hdpartners.org](http://www.hdpartners.org)

**ADU**

San Diego, CA 92154

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**2023 - Quarter Three**

**2023 - Year to Date**

	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	Note
<b>INCOME</b>							
Gross Potential Income	24,033	24,372	(339)	68,379	70,183	(1,804)	Note 1
Gain/Loss to Lease	(1,828)	(1,293)	(535)	(1,535)	(3,880)	2,345	Note 2
Vacancy	(3,565)	(1,120)	(2,445)	(6,443)	(3,360)	(3,083)	Note 3
Manager's unit(s)	-	-	-	-	-	-	
Other deductions	-	(1,470)	1,470	(278)	(4,411)	4,133	Note 4
Other Income	129	33	96	1,027	100	927	
<b>TOTAL INCOME</b>	<b>18,769</b>	<b>20,522</b>	<b>(1,753)</b>	<b>61,150</b>	<b>58,632</b>	<b>2,518</b>	
<b>EXPENSES</b>							
Admin	4,100	2,912	1,188	10,095	8,736	1,359	Note 5
Utilities	703	965	(262)	1,187	2,896	(1,709)	
Maintenance & Repair	669	1,487	(818)	1,857	4,461	(2,604)	
Extraordinary Maintenance	-	129	(129)	-	386	(386)	
Taxes & Insurance	(5,860)	870	(6,730)	4,981	2,611	2,370	Note 6
Bad Debt	-	-	-	-	-	-	
Other expenses	4,635	4,635	-	13,905	13,905	-	
<b>TOTAL EXPENSES</b>	<b>4,247</b>	<b>10,998</b>	<b>(6,751)</b>	<b>32,025</b>	<b>32,995</b>	<b>(970)</b>	
<b>NET OPERATING INCOME</b>	<b>14,522</b>	<b>9,524</b>	<b>4,998</b>	<b>29,125</b>	<b>25,637</b>	<b>3,488</b>	
Debt Service	-	-	-	-	-	-	
<b>CASH FLOW</b>	<b>\$ 14,522</b>	<b>\$ 9,524</b>	<b>\$ 4,998</b>	<b>\$ 29,125</b>	<b>\$ 25,637</b>	<b>\$ 3,488</b>	

Notes:

Note 1: QTD/YTD is offset by Gain/Loss to lease

Note 2: QTD/YTD is offset by Gross Potential Rent

Note 3: QTD/YTD increased due to vacant PBV studio unit. 2 cancelled application matches. Management to continue attempts to lease.

Note 4: QTD/YTD is decreased due to no ongoing or active discount/concessions at this project.

Note 5: QTD/YTD increased due to legal program-admin relating to the Welfare Exemption processing. Needs to be reclassified.

Note 6: QTD decreased due to taxes relating to the welfare exemptions being placed in A/R, as we anticipate receiving the funds back.

The YTD increase is due to adding insurance coverage for the ADU's, as well as mandatory property taxes. 2024 budget to reflect accurate taxes.

**SFH**

San Diego, CA 92154

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/(under)	YTD Actual	YTD Budget	\$over/(under)	
<b>INCOME</b>							
Gross Potential Income	26,657	35,688	(9,031)	111,749	\$ 107,064	4,685	Note 1
Gain/Loss to Lease	(230)	(9,428)	9,198	(33,067)	(28,284)	(4,783)	Note 2
Vacancy	-	(1,313)	1,313	-	(3,939)	3,939	
Manager's unit(s)	-	-	-	-	-	-	
Other deductions	-	(1,470)	1,470	-	(4,411)	4,411	Note 3
Other Income	129	34	95	339	101	238	
<b>TOTAL INCOME</b>	<b>26,556</b>	<b>23,511</b>	<b>3,045</b>	<b>79,021</b>	<b>70,531</b>	<b>8,490</b>	
<b>EXPENSES</b>							
Admin	3,924	2,911	1,013	9,199	8,733	466	Note 4
Utilities	1,616	965	651	6,338	2,896	3,442	Note 5
Maintenance & Repair	644	1,488	(844)	2,446	4,463	(2,017)	
Extraordinary Maintenance	-	129	(129)	-	386	(386)	
Taxes & Insurance	(5,494)	871	(6,365)	5,348	2,612	2,736	Note 6
Bad Debt	-	-	-	-	-	-	
Other expenses	4,635	4,635	-	13,905	13,905	-	
<b>TOTAL EXPENSES</b>	<b>5,325</b>	<b>10,999</b>	<b>(5,674)</b>	<b>37,236</b>	<b>32,995</b>	<b>4,241</b>	
<b>NET OPERATING INCOME</b>	<b>21,231</b>	<b>12,512</b>	<b>8,719</b>	<b>41,785</b>	<b>37,536</b>	<b>4,249</b>	
Debt Service	-	-	-	-	-	-	
<b>CASH FLOW</b>	<b>\$ 21,231</b>	<b>\$ 12,512</b>	<b>\$ 8,719</b>	<b>41,785</b>	<b>\$ 37,536</b>	<b>\$ 4,249</b>	

Notes:

Note 1: QTD/YTD is offset by Gain/Loss to lease.

Note 2: QTD/YTD included in Gross Potential Rent.

Note 3: QTD/YTD is decreased due to no ongoing or active discounts/concessions at this project.

Note 4: QTD increased due to legal program-admin relating to the Welfare Exemption processing. Needs to be reclassified.

Note 5: QTD/YTD is increased due to electricity cost. The ADU's have a positive utility variance of \$1,709 which partially offsets the SFH's YTD variance.

Note 6: QTD decreased due to previous paid taxes relating to the welfare exemptions being placed in A/R, as we anticipate receiving the funds back.

The YTD increase is due to adding insurance coverage for the ADU's, as well as mandatory property taxes. 2024 budget to reflect accurate taxes.

# BROADWAY

1055 Ninth Avenue  
San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/(under)	YTD Actual	YTD Budget	\$over/(under)	
<b>INCOME</b>							
Gross Potential Income	932,093	931,680	413	\$ 2,795,454	\$ 2,795,040	414	
Gain/Loss to Lease	-	-	-	(1,219)	-	(1,219)	
Vacancy	(4,333)	(46,662)	42,329	(17,910)	(139,985)	122,075	
Manager's unit(s)	(15,996)	(16,023)	27	(47,988)	(48,068)	80	
Other deductions	-	-	-	-	-	-	
Other Income	53,630	24,032	29,598	119,181	72,097	47,084	Note 1
<b>TOTAL INCOME</b>	<b>965,394</b>	<b>893,027</b>	<b>72,367</b>	<b>2,847,518</b>	<b>2,679,084</b>	<b>168,434</b>	
<b>EXPENSES</b>							
Admin	98,124	95,506	2,618	287,625	286,517	1,108	
Utilities	110,724	86,451	24,273	270,050	259,352	10,698	Note 2
Maintenance & Repair	113,367	98,039	15,328	318,235	294,116	24,119	Note 3
Extraordinary Maintenance	-	-	-	-	-	-	
Taxes & Insurance	24,517	31,471	(6,954)	76,186	94,412	(18,226)	Note 4
Bad Debt	-	412	(412)	174	1,238	(1,064)	
Other expenses	103,719	104,635	(916)	310,468	313,904	(3,436)	
<b>TOTAL EXPENSES</b>	<b>450,451</b>	<b>416,514</b>	<b>33,937</b>	<b>1,262,738</b>	<b>1,249,539</b>	<b>13,199</b>	Note 5
<b>NET OPERATING INCOME</b>	<b>514,943</b>	<b>476,513</b>	<b>38,430</b>	<b>1,584,780</b>	<b>1,429,545</b>	<b>155,235</b>	
Debt Service	258,313	258,314	(1)	777,440	774,942	2,498	
Entity Expenses	2,435	-	2,435	16,000	-	16,000	
<b>CASH FLOW</b>	<b>\$ 256,630</b>	<b>\$ 218,199</b>	<b>\$ 38,431</b>	<b>\$ 807,340</b>	<b>\$ 654,603</b>	<b>\$ 152,737</b>	

Notes:

Note 1: QTD/YTD increased due to higher than anticipated tenant recovery charges, restricted interest income and vacancy reimbursement.

Note 2: QTD increased due to electricity cost. Property has enrolled in the CARE discount program as of Q4. YTD increased due to higher than anticipated gas expenses. 2024 budget will look to modernize HVAC system to lower gas usage.

Note 3: QTD/YTD increased due to more than anticipated repair expenses stemming from a fire protection inspection, plumbing contracts, as well as increased need of maintenance supplies and materials. RR withdrawal pending approval in Q4.

RR to help offset eligible variance, per the FY 23 budget.

Note 4: QTD/YTD is lower due to Property and Business Improvements Districts Tax invoice not yet received for 2023.

Note 5: YTD Total expenses are anticipated to align closer to budget as the year continues, and once RR withdrawal is processed in Q4.

# CASA COLINA

5207 52nd Place  
San Diego, CA 92105

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	270,234	265,275	4,959	800,784	795,825	4,959	Note 1
Gain/Loss to Lease	-	-	-	335	-	335	
Vacancy	-	(7,958)	7,958	(4,275)	(23,875)	19,600	Note 2
Manager's unit(s)	(8,496)	(3,537)	(4,959)	(15,570)	(10,611)	(4,959)	Note 1
Other deductions	-	-	-	-	-	-	
Other Income	24,103	21,301	2,802	69,018	63,902	5,116	
<b>TOTAL INCOME</b>	<b>285,841</b>	<b>275,081</b>	<b>10,760</b>	<b>850,292</b>	<b>825,241</b>	<b>25,051</b>	
<b>EXPENSES</b>							
Admin	48,589	52,673	(4,084)	147,892	158,020	(10,128)	Note 3
Utilities	23,226	19,066	4,160	65,634	57,200	8,434	Note 4
Maintenance & Repair	52,701	43,337	9,364	122,680	130,011	(7,331)	Note 5
Extraordinary Maintenance	-	-	-	-	-	-	
Taxes & Insurance	8,688	8,400	288	26,414	25,200	1,214	Note 6
Bad Debt	-	-	-	-	-	-	
Other expenses	30,940	39,479	(8,539)	94,611	118,438	(23,827)	
<b>TOTAL EXPENSES</b>	<b>164,144</b>	<b>162,955</b>	<b>1,189</b>	<b>457,231</b>	<b>488,869</b>	<b>(31,638)</b>	
<b>NET OPERATING INCOME</b>	<b>121,697</b>	<b>112,126</b>	<b>9,571</b>	<b>393,061</b>	<b>336,372</b>	<b>56,689</b>	
Debt Service	61,302	60,727	575	183,317	182,182	1,135	
<b>CASH FLOW</b>	<b>\$ 60,395</b>	<b>\$ 51,399</b>	<b>\$ 8,996</b>	<b>\$ 209,744</b>	<b>\$ 154,190</b>	<b>\$ 55,554</b>	

Notes:

Note 1: QTD/YTD Manager's unit loss is greater than budgeted. Budget used restricted rent, PMCo record market rent. There is no actual impact to revenue.

Note 2: QTD: Property has maintained 100% Occupancy and had minimal turnover YTD

Note 3: QTD/YTD Admin savings from budget are driven by payroll and benefits savings. Staff did not elect most expensive benefits package.

Note 4: QTD/YTD Utilities is over budgeted primarily due to water & electricity expense. Water variance from budget reduced in Q3 following irrigation repair.

Note 5: QTD is higher due to expenses preparing for the REAC Inspection. YTD variance is off set due to payroll benefits savings from budget.

Note 6: QTD/YTD is slightly over budget due to new insurance policy & rate effective 9/1

Note 7: QTD/YTD Other Expenses is lower due to timing of RR deposit and less resident services coordinator electing less expensive payroll benefits..

## HOTEL CHURCHILL

827 C Street  
San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/(under)	YTD Actual	YTD Budget	\$over/(under)	
<b>INCOME</b>							
Gross Potential Income	469,986	463,842	6,144	1,391,538	\$ 1,385,394	6,144	
Gain/Loss to Lease	(2,752)	(1,982)	(770)	14,307	(5,947)	20,254	Note 1
Vacancy	(19,926)	(23,093)	3,167	(48,143)	(69,279)	21,136	
Manager's unit(s)	(6,312)	(6,354)	42	(18,936)	(19,062)	126	
Other deductions	-	-	-	-	-	-	
Other Income	3,415	5,560	(2,145)	15,091	16,680	(1,589)	Note 2
<b>TOTAL INCOME</b>	<b>444,411</b>	<b>437,973</b>	<b>6,438</b>	<b>1,353,857</b>	<b>1,307,786</b>	<b>46,071</b>	
<b>EXPENSES</b>							
Admin	51,601	61,538	(9,937)	150,007	184,614	(34,607)	Note 3
Utilities	29,500	27,182	2,318	112,966	81,544	31,422	Note 4
Maintenance & Repair	79,600	63,980	15,620	241,489	191,940	49,549	Note 5
Extraordinary Maintenance	-	650	(650)	-	1,950	(1,950)	
Taxes & Insurance	7,401	7,519	(118)	22,045	22,558	(513)	
Bad Debt	3,605	3,940	(335)	7,713	11,819	(4,106)	
Other expenses	22,949	33,244	(10,295)	51,160	99,731	(48,571)	Note 6
<b>TOTAL EXPENSES</b>	<b>194,656</b>	<b>198,053</b>	<b>(3,397)</b>	<b>585,380</b>	<b>594,156</b>	<b>(8,776)</b>	Note 7
<b>NET OPERATING INCOME</b>	<b>249,755</b>	<b>239,920</b>	<b>9,835</b>	<b>768,477</b>	<b>713,630</b>	<b>54,847</b>	Note 8
Debt Service	1,890	1,890	-	5,670	5,670	-	
<b>CASH FLOW</b>	<b>\$ 247,865</b>	<b>\$ 238,030</b>	<b>\$ 9,835</b>	<b>762,807</b>	<b>\$ 707,960</b>	<b>\$ 54,847</b>	

### Notes:

Note 1: QTD/YTD G/L to lease increased due to prior adjustments/tenant rent recovery. Property rent increase anniversary was also moved up a month in FY23.

Note 2: QTD/YTD is decreased due to the commercial space not being occupied in Q1 through Q3. QTD/YTD is closer to budget due to damages being charged to tenant ledgers and reflected as accrued income. Attempts to collect are utilized via the rental assistance program and via LEAP, if applicable.

Note 3: QTD/YTD is decreased due to the assistant manager position being vacant in Q1 and savings in employee benefits. Property management fees also seem to be undercharged. PM company to make adjustment.

Note 4: QTD/YTD increased due to higher than anticipated electricity, sewer and water cost. As of August, the property received the SDGE CARE Program discount of 30% on electricity moving forward. Property also addressed 3 separate water related issues in August. September numbers came in below budget. The property will have a 3rd party conduct an energy efficiency analysis in Q4 to see where savings can take place.

Note 5: QTD/YTD is higher due to an increase in security coverage while no assistant manager was at the property, as well as having to pay for temporary maintenance while the maintenance staff transferred to another property in Q1 and Q2. Also, contributing to the variance is increased expenses in exterminating, plumbing, repair and trash contracts. A replacement reserve reimbursement for \$16k is currently pending.

Note 6: QTD/YTD is lower due to the ground lease expense scheduled to come out later in FY23.

Note 7: QTD/YTD numbers are scheduled to increase significantly once ground lease payment is made. September MTD expenses are trending in the right direction, but the property will need to continue to monitor expenses and look for savings. The RR withdrawal should assist in getting expenses closer to FY23 budget after the ground lease payment is made.

Note 8: Increased income is helping to offset the increased expenses. Property's cashflow should align at year end, but lowering expenses will continue to be a priority.

## LOGAN DEV/KNOX GLEN

4754 Logan Avenue  
San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	272,562	272,562	-	781,228	817,686	(36,458)	
Gain/Loss to Lease	(27,872)	(36,547)	8,675	(67,856)	(109,642)	41,786	Note 1
Vacancy	(1,586)	(11,801)	10,215	(5,675)	(35,402)	29,727	
Manager's unit(s)	(5,811)	(5,274)	(537)	(16,028)	(15,822)	(206)	
Other deductions	-	-	-	-	-	-	
Other Income	4,514	1,391	3,123	10,203.00	4,172.00	6,031	Note 2
<b>TOTAL INCOME</b>	<b>241,807</b>	<b>220,331</b>	<b>21,476</b>	<b>701,872</b>	<b>660,992</b>	<b>40,880</b>	
<b>EXPENSES</b>							
Admin	27,943	30,403	(2,460)	85,700	91,210	(5,510)	Note 3
Utilities	19,966	23,506	(3,540)	67,902	70,517	(2,615)	
Maintenance & Repair	65,793	39,842	25,951	169,474	119,526	49,948	Note 4
Extraordinary Maintenance	-	-	-	791	-	791	
Taxes & Insurance	10,250	10,092	158	33,870	30,277	3,593	Note 5
Bad Debt	7,547	1,273	6,274	7,635	3,818	3,817	
Other expenses	5,575	6,013	(438)	16,724	18,038	(1,314)	
<b>TOTAL EXPENSES</b>	<b>137,074</b>	<b>111,129</b>	<b>25,945</b>	<b>382,096</b>	<b>333,386</b>	<b>48,710</b>	
<b>NET OPERATING INCOME</b>	<b>104,733</b>	<b>109,202</b>	<b>(4,469)</b>	<b>319,776</b>	<b>327,606</b>	<b>(7,830)</b>	Note 6
Debt Service	58,432	58,426	6	175,297	175,277	20	
<b>CASH FLOW</b>	<b>\$ 46,301</b>	<b>\$ 50,776</b>	<b>\$ (4,475)</b>	<b>\$ 144,479</b>	<b>\$ 152,329</b>	<b>\$ (7,850)</b>	

### Notes

Note 1: QTD/YTD reflects a gain to lease offsetting GPR.

Note 2: QTD/YTD increased due to interest income and tenant rent recovery.

Note 3: QTD/YTD decreased due to slight savings in manager salary and benefits.

Note 4: QTD/YTD is higher due to temporary maintenance salary, trash collection, tree trimming, plumbing contracts, flooring, as well as furniture & appliances. RR eligible cost to be reimbursed through the reserve account in Q4.

Note 5: QTD/YTD slightly increased due to property taxes and insurance.

Note 6: QTD/YTD decreased due to R&M not reflecting an adequate budget for the property's needs. Additional large expenses expected in Q4 in R&M. Some expenses will be utilized in the RR reimbursement. 2024 budget to reflect closer to historical actuals.



# MARINER'S VILLAGE

## Address

San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	778,707	921,519	(142,812)	2,496,279	2,765,241	(268,962)	See Note 1
Gain/Loss to Lease	50,393	(180,144)	230,537	3,250	(540,433)	543,683	See Note 2
Vacancy	(8,896)	(37,077)	28,181	(28,348)	(111,232)	82,884	See Note 3
Manager's unit(s)	(10,854)	-	(10,854)	(40,530)	-	(40,530)	
Other deductions	-	-	-	-	-	-	
Other Income	50,790	26,576	24,214	123,038	79,729	43,309	See Note 4
<b>TOTAL INCOME</b>	<b>860,140</b>	<b>730,874</b>	<b>129,266</b>	<b>2,553,689</b>	<b>2,193,305</b>	<b>360,384</b>	
<b>EXPENSES</b>							
Admin	99,934	86,973	12,961	301,008	260,920	40,088	See Note 5
Utilities	75,793	71,879	3,914	206,163	215,637	(9,474)	See Note 6
Maintenance & Repair	66,921	78,381	(11,460)	226,173	235,144	(8,971)	See Note 7
Extraordinary Maintenance	15,845	-	15,845	25,508	-	25,508	See Note 8
Taxes & Insurance	32,762	30,657	2,105	98,212	91,970	6,242	
Bad Debt	71,432	6,250	65,182	96,124	18,750	77,374	See Note 9
Other expenses	80,240	98,449	(18,209)	241,867	295,346	(53,479)	See Note 10
<b>TOTAL EXPENSES</b>	<b>442,927</b>	<b>372,589</b>	<b>70,338</b>	<b>1,195,055</b>	<b>1,117,767</b>	<b>77,288</b>	
<b>NET OPERATING INCOME</b>							
	<b>417,213</b>	<b>358,285</b>	<b>58,928</b>	<b>1,358,634</b>	<b>1,075,538</b>	<b>283,096</b>	
Debt Service	251,659	251,096	563	754,977	753,289	1,688	
<b>CASH FLOW</b>	<b>\$ 165,554</b>	<b>\$ 107,189</b>	<b>\$ 58,365</b>	<b>\$ 603,657</b>	<b>\$ 322,249</b>	<b>\$ 281,408</b>	

### Notes:

Note 1: QTD/YTD Gross Potential reflects being under budget due to PMCo not increasing max rent potential in software - no actual impact to revenue.

Note 2: QTD/YTD Property has a net gain to lease. Non vouchered unit rents are below the restricted limit, however 40% of tenants have HCVs so the property is receiving the payment standard, offsetting the budgeted loss to lease.

Note 3: QTD/YTD Vacancy loss is under budget due to high occupancy/ low vacancy.

Note 4: QTD/YTD other income is over budget primarily due to interest and carport garage income.

Note 5: QTD/YTD admin expense is over budget due to higher than budgeted management fee (% of income), and benefits for maintenance payroll being recorded as an admin expense when budgeted in maintenance.

Note 6: QTD/YTD Utilities are accrued based on estimates, pending bills based on usage to verify savings.

Note 7: QTD/YTD maintenance is under budget due to payroll savings (position now filled) and maintenance staff benefits budgeted in maintenance but expensed in admin.

Note 8: QTD/YTD These are Replacement Reserve Eligible expenses. A replacement reserve draw request has been submitted for approval.

Note 9: QTD/YTD Bad debt is due to former tenants who went through UDs for non payment.

There are 2 additional UDs in process and Tenant AR is down to 1.7% of YTD revenue.

Note 10: QTD/YTD other expenses is under budget as a additional not required expenses (service coordinator)were budgeted.

## NEW PALACE

1814 Fifth Avenue  
San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	475,333	484,674	(9,341)	\$ 1,355,235	\$ 1,397,521	(42,286)	Note 1
Gain/Loss to Lease	(19,862)	(49,747)	29,885	(37,134)	(149,242)	112,108	Note 2
Vacancy	(27,439)	(21,040)	(6,399)	(69,841)	(63,120)	(6,721)	
Manager's unit(s)	(6,603)	(6,603)	-	(17,955)	(17,955)	-	
Other deductions	-	-	-	-	-	-	
Other Income	3,284	972	2,312	8,866	2,917	5,949	Note 3
<b>TOTAL INCOME</b>	<b>424,713</b>	<b>408,256</b>	<b>16,457</b>	<b>1,239,171</b>	<b>1,170,121</b>	<b>69,050</b>	
<b>EXPENSES</b>							
Admin	52,538	54,228	(1,690)	161,074	162,685	(1,611)	
Utilities	35,040	24,713	10,327	87,000	74,138	12,862	Note 4
Maintenance & Repair	40,715	46,302	(5,587)	127,861	138,906	(11,045)	Note 5
Extraordinary Maintenance	-	-	-	-	-	-	
Taxes & Insurance	6,622	8,277	(1,655)	23,154	24,830	(1,676)	
Bad Debt	11,542	213	11,329	15,014	639	14,375	Note 6
Other expenses	38,793	17,462	21,331	68,306	52,387	15,919	Note 7
<b>TOTAL EXPENSES</b>	<b>185,250</b>	<b>151,195</b>	<b>34,055</b>	<b>482,409</b>	<b>453,585</b>	<b>28,824</b>	
<b>NET OPERATING INCOME</b>	<b>239,463</b>	<b>257,061</b>	<b>(17,598)</b>	<b>756,762</b>	<b>716,536</b>	<b>40,226</b>	Note 8
Debt Service	78,914	73,858	5,056	224,373	221,573	2,800	
<b>CASH FLOW</b>	<b>\$ 160,549</b>	<b>\$ 183,203</b>	<b>\$ (22,654)</b>	<b>\$ 532,389</b>	<b>\$ 494,963</b>	<b>\$ 37,426</b>	

### Notes

Note 1: QTD/YTD is offset by Gain/Loss to lease.

Note 2: QTD/YTD Loss to lease is partially offset in GPR. Loss to lease is lower due to higher than anticipated rent increase approval as of February 2023.

Note 3: QTD/YTD increased due to PBV vacant unit reimbursement, increased laundry collection and damages collection.

Note 4: QTD/YTD is higher due to electricity cost. Staff currently investigating higher than normal invoices and have been approved for CARE Program discount in November. Property will also have an energy analysis conducted in the 4th quarter.

Note 5: QTD/YTD decreased due to less than anticipated cost in employee benefits.

Note 6: QTD/YTD increased due to PM company being instructed to write off bad debt from protected periods in Q3.

Note 7: QTD/YTD increased due to Winn expensing the SDHC Compliance Monitoring Fee twice. Winn currently investigating the expense and will request reimbursement as needed.

Note 8: Due to the property receiving max rents the property has a positive NOI variance even with the increased bad debt and utilities. NOI will continue to reflect positive variance trend once SDHC monitoring fee adjusted.

## PARKER KIER

2172 Front St  
San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/(under)	YTD Actual	YTD Budget	\$over/(under)	
<b>INCOME</b>							
Gross Potential Income	225,183	225,183	-	675,549	675,549	-	
Gain/Loss to Lease	(2,439)	(1,636)	(803)	(8,582)	(4,907)	(3,675)	Note 1
Vacancy	(18,341)	(11,234)	(7,107)	(40,233)	(33,701)	(6,532)	Note 2
Manager's unit(s)	(7,017)	(7,052)	35	(21,051)	(21,157)	106	
Other deductions	-	-	-	-	-	-	
Other Income	8,400	742	7,658	20,944	2,226	18,718	Note 3
<b>TOTAL INCOME</b>	<b>205,786</b>	<b>206,003</b>	<b>(217)</b>	<b>626,627</b>	<b>618,010</b>	<b>8,617</b>	
<b>EXPENSES</b>							
Admin	21,560	22,195	(635)	68,167	66,585	1,582	Note 4
Utilities	12,843	19,166	(6,323)	67,544	57,497	10,047	Note 5
Maintenance & Repair	68,719	44,089	24,630	147,636	132,268	15,368	Note 6
Extraordinary Maintenance	-	-	-	-	-	-	
Taxes & Insurance	6,644	3,909	2,735	14,759	11,728	3,031	Note 7
Bad Debt	-	-	-	1,459	-	1,459	
Other expenses	4,205	13,778	(9,573)	10,839	41,335	(30,496)	Note 8
<b>TOTAL EXPENSES</b>	<b>113,971</b>	<b>103,137</b>	<b>10,834</b>	<b>310,404</b>	<b>309,413</b>	<b>991</b>	
<b>NET OPERATING INCOME</b>	<b>91,815</b>	<b>102,866</b>	<b>(11,051)</b>	<b>316,223</b>	<b>308,597</b>	<b>7,626</b>	Note 9
Debt Service	-	-	-	-	-	-	
<b>CASH FLOW</b>	<b>\$ 91,815</b>	<b>\$ 102,866</b>	<b>\$ (11,051)</b>	<b>316,223</b>	<b>308,597</b>	<b>\$ 7,626</b>	

### Notes:

Note 1: QTD/YTD is higher than anticipated due to tenants within a year of move in unable to qualify for the previous rent increase in October of 2022.

Note 2: QTD/YTD is higher due to increased turnover and multiple evictions in Q2 and Q3 of FY23. Occupancy at time of report is 100%.

Note 3: QTD/YTD is higher due to damages being charged to tenant ledgers reflected as accrued income. Attempts to collect are utilized via the rental assistance program and via LEAP, if applicable. Over half of the increased income is from PBV vacancy loss reimbursement.

Note 4: YTD is slightly increased due to legal expenses from evictions.

Note 5: YTD is higher than anticipated due to increased gas and electricity cost. Historically, electricity and gas expenses have been increased in the first half of the year and lower in the second half. The property was approved for a 30% electricity discount through SDGE CARE Program in August of 2023.

Note 6: QTD/YTD increased due to the fire and safety and flooring replacement cost. Property is scheduled to offset this cost with a replacement reserve withdrawal per the 2023 budget.

Note 7: QTD/YTD increased due to Franchise Tax Board increasing fee in FY23 to \$3,200. FY24 budget will reflect the increase in expense.

Note 8: YTD line will increase expenses once ground lease payment is made. Staff will continue to watch expenses throughout the rest of FY23.

Note 9: YTD should come close to budgeted NOI after ground lease expense and RR withdrawal in the 4th quarter.

# QUALITY INN

1840 Fourth Avenue  
San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/(under)	YTD Actual	YTD Budget	\$over/(under)	
<b>INCOME</b>							
Gross Potential Income	518,376	517,116	1,260	1,547,232	1,545,972	1,260	
Gain/Loss to Lease	26,446	(20)	26,466	-	(59)	59	
Vacancy	(67,761)	(25,831)	(41,930)	(198,796)	(77,492)	(121,304)	Note 1
Manager's unit(s)	(6,312)	(6,322)	10	(18,936)	(18,968)	32	
Other deductions	-	-	-	-	-	-	
Other Income	9,531	1,342	8,189	17,598	4,028	13,570	Note 2
<b>TOTAL INCOME</b>	<b>480,280</b>	<b>486,285</b>	<b>(6,005)</b>	<b>1,347,098</b>	<b>1,453,481</b>	<b>(106,383)</b>	
<b>EXPENSES</b>							
Admin	66,656	76,473	(9,817)	207,492	229,418	(21,926)	Note 3
Utilities	24,940	18,417	6,523	68,739	55,250	13,489	Note 4
Maintenance & Repair	84,753	41,885	42,868	239,614	125,654	113,960	Note 5
Extraordinary Maintenance	-	-	-	-	-	-	
Taxes & Insurance	5,919	6,970	(1,051)	23,686	20,910	2,776	Note 6
Bad Debt	20,171	7,216	12,955	37,069	21,648	15,421	Note 7
Other expenses	47,280	31,444	15,836	114,070	94,332	19,738	Note 8
<b>TOTAL EXPENSES</b>	<b>249,719</b>	<b>182,405</b>	<b>67,314</b>	<b>690,670</b>	<b>547,212</b>	<b>143,458</b>	
<b>NET OPERATING INCOME</b>							
	<b>230,561</b>	<b>303,880</b>	<b>(73,319)</b>	<b>656,428</b>	<b>906,269</b>	<b>(249,841)</b>	Note 9
Debt Service	70,225	73,975	(3,750)	221,925	221,925	-	
<b>CASH FLOW</b>	<b>\$ 160,336</b>	<b>\$ 229,905</b>	<b>\$ (69,569)</b>	<b>\$ 434,503</b>	<b>\$ 684,344</b>	<b>\$ (249,841)</b>	

## Notes:

Note 1: QTD/YTD Leasing vacant units is taking longer than anticipated partially due to referral process revisions and onboarding a new service provider partner in Q1.

Current Occupancy rate is 96.7%, 3 vacant with an average days vacant of 93, down from a 2023 peaks of 17 vacant and 184 average days vacant.

Note 2: QTD/YTD Other Income is over budget due to interest income.

Note 3: QTD/YTD Admin is under budget primarily due to reduced mgmt. fee based on income and employees selecting less expensive benefits packages.

Note 4: QTD/YTD Utilities are overbudget due to electric rate increases higher than budgeted, property pays electric for units and common area.

Note 5: Security expense included in R&M will be offset by \$45k YTD (\$15k QTD); QTD/YTD is over budget due to sump pump replacement and accrual of false fire alarm fees.

YTD budget variance includes expenses from a 1st qtr water intrusion remediation project, and 2nd qtr emergency elevator repairs.

QI has capital lease up incentive funds that will be used to mitigate against the occurrence of unexpected elevator, plumbing and false fire alarm expenses.

Note 6: QTD Taxes & Insurance is under budget and YTD over because an expense paid in Q1 was budgeted over 12 months.

Note 7: QTD/YTD Bad debt is over budget due to write off of current tenant's delinquency during the Covid protected period.

Tenants with delinquency, who have refused to enter a payment plan have being served 3/30 day pay or quit notices.

Note 8: QTD/YTD Other expenses; ground lease expense is over budget due to being a % of prior year's gross revenue which was higher than anticipated and unknown at time of budgeting.

Note 9: QTD/YTD NOI is less than budgeted primarily due to untypical vacancy, and unusual repair and maintenance expenses.

Occupancy is currently above budgeted level

## TOWN & COUNTRY

Address

San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	715,620	715,620	-	2,126,828	2,146,860	(20,032)	See Note 1
Gain/Loss to Lease	(59,414)	(67,718)	8,304	(179,219)	(203,152)	23,933	See Note 2
Vacancy	(19,735)	(32,395)	12,660	(68,090)	(97,185)	29,095	
Manager's unit(s)	(10,782)	(10,584)	(198)	(32,126)	(31,752)	(374)	
Other deductions	(1,459)	-	(1,459)	(1,459.00)	-	(1,459)	
Other Income	11,476	3,859	7,617	83,093.00	11,577.00	71,516	See Note 3
<b>TOTAL INCOME</b>	<b>635,706</b>	<b>608,782</b>	<b>26,924</b>	<b>1,929,027</b>	<b>1,826,348</b>	<b>102,679</b>	
<b>EXPENSES</b>							
Admin	66,238	68,456	(2,218)	208,860	205,369	3,491	
Utilities	40,268	48,824	(8,556)	127,822	146,471	(18,649)	See Note 4
Maintenance & Repair	127,188	112,092	15,096	361,983	336,275	25,708	See Note 5
Extraordinary Maintenance	395	-	395	7,250	-	7,250	See Note 5
Taxes & Insurance	21,589	22,015	(426)	64,234	66,045	(1,811)	
Bad Debt	61,906	39,476	22,430	66,183	118,428	(52,245)	See Note 6
Other expenses	24,741	30,626	(5,885)	73,628	91,878	(18,250)	See Note 7
<b>TOTAL EXPENSES</b>	<b>342,325</b>	<b>321,489</b>	<b>20,836</b>	<b>909,960</b>	<b>964,466</b>	<b>(54,506)</b>	See Note 8
<b>NET OPERATING INCOME</b>	<b>293,381</b>	<b>287,293</b>	<b>6,088</b>	<b>1,019,067</b>	<b>861,882</b>	<b>157,185</b>	
Debt Service	223,520	228,520	(5,000)	684,060	685,560	(1,500)	
<b>CASH FLOW</b>	<b>\$ 69,861</b>	<b>\$ 58,773</b>	<b>\$ 11,088</b>	<b>\$ 335,007</b>	<b>\$ 176,322</b>	<b>\$ 158,685</b>	

### Notes:

Note 1: Gross potential income QTD is on budget, YTD is under budget due to the PMCo not updating the max potential rents in their system until May.

Note 2: Gain/loss to lease: QTD/YTD has a positive variance because we're receiving more TBV S8 rents than budgeted. (S8 rents are at restricted limit, non vouchered unit rents are below)

Note 3: Other Income QTD/YTD is over budget due to rent delinquency recovery from current tenants (~\$38k) and damages caused by/charged to a tenant.

Note 4: Utilities QTD/YTD is underbudget because of water & sewer expense, we're anticipating corrected billings based on actual readings. Offsets being over budget on SDG&E

Note 5: R&M QTD is over budget due to expenses related to a heavy unit turn and appliance replacement; YTD R&M is over budget due to 1st quarter remediation;

PM submitted \$21k of RR expenses to offset the impact to operating cash.

Note 6: Bad Debt QTD is over budget due to expenses related to former tenant rent write off; YTD Bad debt is under budget;

Allowances for current tenant bad debt expense to be reconciled in 4th quarter.

Note 7: Other Expenses QTD/YTD is under budget due to an error in the budgeted deposit amount (expense). The correct amount is being deposited.

Note 8: Total Expenses QTD is over budget driven by former tenant bad debt hitting this qtr. Total expenses YTD is under budget driven by bad debt savings to budget;

However allowances for current tenant bad debt will be reconciled in Q4.

## VILLAGE NORTH

7720 Belden Street  
San Diego, CA 92101

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	2023 - Quarter Two			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	720,286	681,147	39,139	1,388,616	1,344,549	44,067	Note 1
Gain/Loss to Lease	(229,362)	(246,857)	17,495	(437,199)	(493,715)	56,516	Note 2
Vacancy	(15,037)	(21,493)	6,456	(21,133)	(42,985)	21,852	
Manager's unit(s)	(5,866)	(5,994)	128	(11,860)	(11,988)	128	
Other deductions	(75)	-	(75)	(75)	-	(75)	
Other Income	9,890	1,973	7,917	12,686	3,946	8,740	Note 3
<b>TOTAL INCOME</b>	<b>479,836</b>	<b>408,776</b>	<b>71,060</b>	<b>931,035</b>	<b>799,807</b>	<b>131,228</b>	
<b>EXPENSES</b>							
Admin	62,096	54,173	7,923	122,676	108,346	14,330	Note 4
Utilities	21,308	17,345	3,963	42,887	34,690	8,197	Note 5
Maintenance & Repair	54,279	33,493	20,786	85,668	66,985	18,683	Note 6
Extraordinary Maintenance	-	-	-	-	-	-	
Taxes & Insurance	13,400	15,589	(2,189)	33,599	31,178	2,421	
Bad Debt	10,573	1,217	9,356	10,816	2,435	8,381	
Other expenses	40,538	38,176	2,362	80,701	76,352	4,349	Note 7
<b>TOTAL EXPENSES</b>	<b>202,194</b>	<b>159,993</b>	<b>42,201</b>	<b>376,347</b>	<b>319,986</b>	<b>56,361</b>	
<b>NET OPERATING INCOME</b>	<b>277,642</b>	<b>248,783</b>	<b>28,859</b>	<b>554,688</b>	<b>479,821</b>	<b>74,867</b>	Note 8
Debt Service	129,876	129,876	-	259,752	259,753	(1)	
<b>CASH FLOW</b>	<b>\$ 147,766</b>	<b>\$ 118,907</b>	<b>\$ 28,859</b>	<b>294,936</b>	<b>220,068</b>	<b>\$ 74,868</b>	

### Notes:

Note 1: QTD/YTD increased due to the property receiving payment standard approval post budget finalization.

Note 2: QTD/YTD decreased due less anticipated loss to lease stemming from Payment standard increase.

Note 3: QTD/YTD is higher due to damages being charged to tenant ledgers reflected as accrued income. Attempts to collect are utilized via the rental assistance program and via LEAP, if applicable. PBV vacancy loss reimbursement accounts for a portion of the actuals.

Note 4: QTD/YTD is higher due to property management fee (%), and an increase in legal contracts.

Note 5: QTD/YTD increased due to higher than anticipated cost in gas, water, and sewer. Property will apply for SDGE CARE Program, but may not qualify.

Note 6: QTD/YTD increased due to 3-4 units needing bio-hazard cleaning, plumbing expenses, general repair contracts and Furniture and Appliance Replacements. The property will utilize a replacement reserve withdrawal to help offset cost.

Note 7: QTD/YTD higher due to increased income resulting in a higher ground lease fee.

Note 8: QTD/YTD increased due to higher than anticipated income. Property has been put on notice that expenses need to be controlled where applicable.

## WEST PARK

1830 Fourth Avenue  
San Diego, CA 92101

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	2023 - Quarter Three			2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	232,992	231,984	1,008	693,768	695,952	(2,184)	
Gain/Loss to Lease	(9,464)	10	(9,474)	(1,581)	32	(1,613)	
Vacancy	(46,689)	(11,600)	(35,089)	(156,091)	(34,799)	(121,292)	Note 1
Manager's unit(s)	(6,438)	(6,364)	(74)	(19,062)	(19,094)	32	
Other deductions	-	-	-	-	-	-	
Other Income	104	827	(723)	29,816	2,481	27,335	Note 2
<b>TOTAL INCOME</b>	<b>170,505</b>	<b>214,857</b>	<b>(44,352)</b>	<b>546,850</b>	<b>644,572</b>	<b>(97,722)</b>	
<b>EXPENSES</b>							
Admin	41,145	38,877	2,268	111,092	116,630	(5,538)	
Utilities	14,040	12,496	1,544	39,705	37,489	2,216	
Maintenance & Repair	95,053	34,373	60,680	180,795	103,120	77,675	Note 3
Extraordinary Maintenance	-	-	-	-	-	-	
Taxes & Insurance	4,786	3,506	1,280	11,486	10,519	967	
Bad Debt	42,542	18,656	23,886	43,620	55,968	(12,348)	Note 4
Other expenses	19,623	9,262	10,361	34,439	27,785	6,654	Note 5
<b>TOTAL EXPENSES</b>	<b>217,189</b>	<b>117,170</b>	<b>100,019</b>	<b>421,137</b>	<b>351,511</b>	<b>69,626</b>	
<b>NET OPERATING INCOME</b>	<b>(46,684)</b>	<b>97,687</b>	<b>(144,371)</b>	<b>125,713</b>	<b>293,061</b>	<b>(167,348)</b>	Note 7
Debt Service	20,543	24,012	(3,469)	74,305	72,036	2,269	Note 6
<b>CASH FLOW</b>	<b>\$ (67,227)</b>	<b>\$ 73,675</b>	<b>\$ (140,902)</b>	<b>\$ 51,408</b>	<b>\$ 221,025</b>	<b>\$ (169,617)</b>	Note 7

### Notes:

Note 1: QTD/YTD Leasing vacant units is taking longer than anticipated partially due to referral process revisions and onboarding a new service provider partner in Q3.

Current Occupancy rate is 91.3%, 5 vacant with an average days vacant of 65, down from a 2023 peaks of 14 vacant and 228 average days vacant.

Occupancy is anticipated to be at the budgeted 95% by end of November.

Note 2: QTD/YTD Other income is over budgeted due to damages charged to a former tenant's ledger, this is offset by a bad debt expense.

Note 3: QTD/YTD Maintenance & Repair is over budget due to remediation expense on 3 units following water damage that was below the insurance deductible for such losses.

YTD includes emergency repair the fire service back flow preventer in June.

Note 4: QTD/YTD budgeted bad debt expense due to tenants with delinquency vacating has not yet materialized, in part due to the PBV program.

Note 5: QTD/YTD Other Expense is over budget due to temporary relocation of tenants during the remediation referenced in note 3.

Note 6: QTD Debt service is under budget, and YTD is over budget due to Bond admin fee being paid in Q2 but budgeted as a straight line over the year.

Note 7: QTD NOI & NCF are negative due expenses for a water remediation project, bad debt accrued through prior periods hitting the 3rd quarter, and vacancy loss.

YTD NOI & NCF remains positive, staff continue focusing on improved occupancy and cost control.

# STUDIO 15

1475 Imperial Avenue  
San Diego, CA 92101

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	FY 2023 - Quarter Three			FY 2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/ (under)	YTD Actual	YTD Budget	\$over/ (under)	
<b>INCOME</b>							
Gross Potential Income	\$743,800	\$694,008	\$49,792	\$2,158,056	\$2,082,024	\$76,032	
Gain/Loss to Lease	\$0	\$0	\$0	\$0	\$0	\$0	
Vacancy	(\$74,259)	(\$48,582)	(\$25,677)	(\$177,912)	(\$145,746)	(\$32,166)	
Manager's unit(s)	\$0	\$0	\$0	\$0	\$0	\$0	
Other deductions	\$0	\$0	\$0	\$0	\$0	\$0	
Other Income	\$10,754	\$4,716	\$6,038	\$49,738	\$14,148	\$35,590	
<b>TOTAL INCOME</b>	<b>\$680,294</b>	<b>\$650,142</b>	<b>\$30,152</b>	<b>\$2,029,882</b>	<b>\$1,950,426</b>	<b>\$79,456</b>	Note 1
<b>EXPENSES</b>							
Admin	\$155,499	\$163,483	(\$7,984)	\$436,288	\$516,626	(\$80,338)	Note 2
Utilities	\$135,344	\$98,826	\$36,518	\$292,218	\$296,478	(\$4,260)	Note 3
Maintenance & Repair	\$211,717	\$122,521	\$89,196	\$582,503	\$435,135	\$147,368	Note 4
Extraordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	
Taxes & Insurance	\$43,317	\$24,633	\$18,684	\$92,721	\$73,899	\$18,822	Note 5
Bad Debt	\$47,486	\$0	\$47,486	\$185,128	\$0	\$185,128	Note 6
Other expenses	\$2,520	\$3,501	(\$981)	\$7,560	\$10,503	(\$2,943)	
<b>TOTAL EXPENSES</b>	<b>\$595,882</b>	<b>\$412,964</b>	<b>\$182,918</b>	<b>\$1,596,418</b>	<b>\$1,332,641</b>	<b>\$263,777</b>	
<b>NET OPERATING INCOME</b>	<b>\$84,412</b>	<b>\$237,178</b>	<b>(\$152,766)</b>	<b>\$433,465</b>	<b>\$617,785</b>	<b>(\$184,320)</b>	
Debt Service	\$126,055	\$96,162	\$29,893	\$334,429	\$288,486	\$45,943	Note 7
<b>CASH FLOW</b>	<b>(\$41,643)</b>	<b>\$141,016</b>	<b>(\$182,659)</b>	<b>\$99,036</b>	<b>\$329,299</b>	<b>(\$230,263)</b>	Note 8

**Notes:**

Note 1: QTD/YTD is higher, revenue outperformed budget offsetting the higher vacancy than budgeted

Note 2: QTD/YTD Admin is higher due to \$47k of bad debt expense recorded in Q3/ \$185k YTD

Note 3: QTD/YTD Utilities are higher due to timing of electrical & water expense entry

Note 4: QTD/YTD R&M is over budget due to security patrol, Replacement reserve eligible expenses, & Expenses related to high volume of unit turns

Note 5: QTD/YTD is over budget due to misc. taxes, licenses and permits

Note 6: QTD/YTD Bad Debt is due to high turn over and reconciling tenant AR following covid protection period

Note 7: QTD/YTD is over budgeted due to an unbudgeted issuers fee, and significantly higher than budgeted interest on bonds

Note 8: QTD absorbed significant unusual bad debt & debt service expenses along with recording of R&M and utility expenses incurred in prior quarters.

YTD NOI and Cash Flow variance from budget is driven by \$185k of bad debt and \$70k of replacement reserve eligible expenses.



# ISLAND VILLAGE

1245 Market Street  
San Diego, CA 92101

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## FY 2023 - Quarter Three

	Quarterly Actual	Quarterly Budget	\$over/ (under)
Gross Potential Income	\$1,994,876	\$1,947,333	\$47,543
Gain/Loss to Lease	\$0	\$0	\$0
Vacancy	(\$152,152)	(\$112,000)	(\$40,152)
Manager's unit(s)	(\$29,718)	(\$29,721)	\$3
Other deductions	\$37,358	\$20,419	\$16,939
Other Income	\$153,087	\$247,132	(\$94,045)
<b>TOTAL INCOME</b>	<b>\$2,003,450</b>	<b>\$2,073,163</b>	<b>(\$69,713)</b>

## FY 2023 - Year to Date

	YTD Actual	YTD Budget	\$over/ (under)
Gross Potential Income	\$4,788,142	\$4,552,250	\$235,892
Gain/Loss to Lease	\$0	\$0	\$0
Vacancy	(\$314,493)	(\$252,000)	(\$62,493)
Manager's unit(s)	(\$36,879)	(\$36,882)	\$3
Other deductions	\$0	\$0	\$0
Other Income	\$307,518	\$315,396	(\$7,878)
<b>TOTAL INCOME</b>	<b>\$4,744,288</b>	<b>\$4,578,764</b>	<b>\$165,524</b>

### INCOME

Gross Potential Income  
Gain/Loss to Lease  
Vacancy  
Manager's unit(s)  
Other deductions  
Other Income  
**TOTAL INCOME**

### EXPENSES

Admin  
Utilities  
Maintenance & Repair  
Extraordinary Maintenance  
Taxes & Insurance  
Bad Debt  
Other expenses  
**TOTAL EXPENSES**

### NET OPERATING INCOME

Debt Service

### CASH FLOW

#### Notes:

Note 1: QTD/YTD is higher due to more income from Tenant Assistance Payments

Note 2: QTD/YTD is higher due to high turn over following covid protection period

Note 3: QTD/YTD Admin is higher due to eviction expense and increased management fees

Note 4: QTD/YTD Utilities are higher due to electricity & water expense higher than budgeted

Note 5: QTD/YTD R&M is higher due to building component upgrades and repairs associated with high unit turn over.

Upgrades and repairs are expensed as RR balance is less than \$100k

Note 6: QTD reflects an journal entry correction; YTD is higher due to higher than anticipated insurance premium increase

Note 7: QTD/YTD Bad Debt is higher due to high turn over following covid protection period and associated former tenant write off

Note 8: QTD/YTD NOI & NCF are under budget due to excessive bad debt from covid period and non-recurring capital upgrades

Accounting for these, the property still returns a cash flow of 29% of total revenue through Q3

### NOTE

Note 1
Note 2
Note 3
Note 4
Note 5
Note 6
Note 7
Note 8

# COURTYARD TERRACES

4321 52nd Street  
San Diego, CA 92115

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	FY 2023 - Quarter Three			FY 2023 - Year to Date			NOTE
	Quarterly Actual	Quarterly Budget	\$over/(under)	YTD Actual	YTD Budget	\$over/(under)	
<b>INCOME</b>							
Gross Potential Income	\$271,986	\$271,647	\$339	\$815,958	\$814,941	\$1,017	
Gain/Loss to Lease	\$18,612	\$5,997	\$12,615	\$54,522	\$18,615	\$35,907	Note 1
Vacancy	(\$1,237)	(\$2,096)	\$859	(\$19,206)	(\$6,287)	(\$12,919)	
Manager's unit(s)	(\$3,804)	(\$3,552)	(\$252)	(\$11,412)	(\$10,656)	(\$756)	
Other deductions	(\$8,330)	(\$5,600)	(\$2,730)	(\$47,149)	(\$16,800)	(\$30,349)	Note 2
Other Income	\$2,580	\$1,996	\$583	\$9,114	\$6,039	\$3,075	Note 3
<b>TOTAL INCOME</b>	<b>\$279,807</b>	<b>\$268,393</b>	<b>\$11,414</b>	<b>\$801,827</b>	<b>\$805,852</b>	<b>(\$4,025)</b>	
<b>EXPENSES</b>							
Admin	\$63,575	\$72,010	(\$8,435)	\$217,348	\$232,363	(\$15,015)	
Utilities	\$22,988	\$30,646	(\$7,658)	\$71,395	\$91,938	(\$20,543)	
Maintenance & Repair	\$48,319	\$75,932	(\$27,612)	\$126,729	\$135,467	(\$8,738)	
Extraordinary Maintenance	\$7,678	\$0	\$7,678	\$7,678	\$0	\$7,678	
Taxes & Insurance	\$13,191	\$11,286	\$1,905	\$32,700	\$31,780	\$920	Note 3
Bad Debt	\$0	\$0	\$0	\$0	\$0	\$0	
Other expenses	\$205	\$150	\$55	\$205	\$150	\$55	
<b>TOTAL EXPENSES</b>	<b>\$155,957</b>	<b>\$190,024</b>	<b>(\$34,067)</b>	<b>\$456,055</b>	<b>\$491,698</b>	<b>(\$35,643)</b>	
<b>NET OPERATING INCOME</b>	<b>\$123,850</b>	<b>\$78,369</b>	<b>\$45,481</b>	<b>\$345,772</b>	<b>\$314,154</b>	<b>\$31,618</b>	Note 4
Debt Service	\$73,946	\$73,993	(\$47)	\$221,056	\$221,103	(\$47)	
<b>CASH FLOW</b>	<b>\$49,904</b>	<b>\$4,376</b>	<b>\$45,528</b>	<b>\$124,716</b>	<b>\$93,051</b>	<b>\$31,665</b>	

**Notes:**

Note 1: QTD/YTD is higher due to more income from the Base Scheduled rent Subsidy.

Note 2: QTD/YTD is higher due to former tenant Delinquent Rent Write-Off.

Note 3: QTD/YTD is higher due to property insurance policy increase

Note 4: QTD NCF is higher than budgeted due to savings from budgeted R&M

YTD is higher due to savings from budgeted payroll and utility expenses.