

**MAMMOTH LAKES HOUSING, INC.
Board of Directors Meeting**

**Monday, August 3, 2015
6:00 p.m.**

**Mammoth Lakes Housing Conference Room
587 Old Mammoth Rd.**

Agenda

NOTE: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Mammoth Lakes Housing, Inc. at (760) 934-4740. Notification 48 hours prior to the meeting will enable Mammoth Lakes Housing, Inc to make arrangements to ensure accessibility to this meeting. (28 CFR 13.102-35.104 ADA Title II)

- I. Call to Order
- II. Roll Call
Members: Bill Taylor, Kirk Stapp, Larry Johnston, Colin Fernie, Lindsay Barksdale, and Tom Mazaitis
- III. Public Comments
This is the established time for any member of the public wishing to address the Mammoth Lakes Housing, Inc. Board of Directors on any matter that does not otherwise appear on the agenda. Members of the public desiring to speak on a matter appearing on the agenda should ask the Chairman for the opportunity to be heard when the item comes up for consideration.
- IV. Approval of Minutes from the July 6, 2015 regular BOD Meeting
- V. Board Member Reports
- VI. MLH Monthly Status Report
- VII. Town of Mammoth Lakes' Housing Impact Mitigation Fee Analysis
- VIII. Review the Draft Fourth Quarter Financial Statements

CLOSED SESSION

- IX. Pursuant to Government Code Section 24956.8, the Board will hold a closed session to discuss property negotiations and possible action - APN 295-002-000-000
- X. Adjourn

MAMMOTH LAKES HOUSING, INC.
Board of Directors Meeting

Monday, July 6, 2015
6:00 p.m.

Mammoth Lakes Housing Conference Room
587 Old Mammoth Rd.

Minutes

I. Call to Order

II. Roll Call

Members: Bill Taylor, Kirk Stapp, Larry Johnston, Colin Fernie, Lindsay Barksdale, and Tom Mazaitis

Staff: Jennifer Halferty and Patricia Robertson

Public: Dan Holler

III. Public Comments

There were no comments from the public.

IV. Approval of Minutes from the June 1, 2015 regular BOD Meeting

Larry Johnston made a motion to approve the minutes as amended. Tom Mazaitis seconded the motion. The motion passed 6-0.

V. Board Member Reports

Kirk Stapp noted that the Fourth of July Parade seemed very successful. It seems as though guests are staying longer. It will be interesting to see what the TOT revenue for July will be.

Tom Mazaitis announced to the Board that he and Jes have made the decision to leave Mammoth. He noted that he will have to resign from the Board sometime in the Fall.

VI. MLH Monthly Status Report

Jennifer Halferty reported that the Aspen Village #H105 unit sold and that the San Joaquin Villas unit #D2 was listed for about 1 week before an offer came in. The unit is in escrow for a local family using down payment assistance through the BEGIN program. She also noted that Tom Mazaitis' unit has been listed and that there have been two interested families so far.

Jennifer Halferty gave an overview of the Old Mammoth Place Concept Review application, which will likely have a public workshop before the Planning and Economic Development Commission sometime in August or September. The Concept Review is the preliminary review of a Special Plan amendment, Map amendment, and Use Permit amendment. She noted that the project is requesting the removal of the previously required on-site workforce housing.

Bill Taylor noted that there are many projects with Use Permits that require on-site units, which will likely come forward for amendments under the new policy. This will create substantially less units and compound the issue. We are not simply dealing with the impacts created by new development, but the additional impacts that will not be mitigated by entitled projects seeking amendments.

Jennifer Halferty gave an update on her meeting with Jim Tatum, the City Administrator for the City of Bishop. She explained that Jim Tatum has been in his position for about a year, and was getting familiar with the work that MLH does and the contracts between the City of Bishop and MLH. She mentioned that the City owns a mobile home park. There is interest in having a meeting between MLH and the tenants of the park regarding the CalHome Program.

VII. Review the latest action by the Town Council on the Town of Mammoth Lakes Nexus Study/Fee Study

Jennifer Halferty gave a brief recap of the July 1st meeting regarding the Nexus Study/Fee Study. The Council voted 3-2 to adopt the fees as presented. They also gave Town staff direction to bring back an analysis and options to phase in the housing fees which also identifies funding sources to backfill any fees foregone due to the phasing. This item will be back before the Council at their August 19th meeting.

There was a discussion regarding how much housing the fee will actually be able to develop through the partnership between the Town and MLH. There was staff direction to prepare a report and agendize the item for the August 3rd meeting.

Colin Fernie gave a brief recap of the item stating that it was an overwhelming agenda. This item in particular was contentious. Some councilmembers want to send a strong message to stimulate development. Colin Fernie believes that staff brought the fees to a reasonable level and that a 70% reduction does send a strong message. He wants to have a credible fee program and recognized that there are other factors that make development financially difficult. He stated that a moratorium could potentially create more entitlements than put shovels in the ground and explained that affordable housing is a very important part of a sustainable community in the long run. He noted that a push for the reinstatement of Measure 2002A could happen as funds become available. Bill Taylor mentioned that while some political commitments were shaved only slightly, the housing component was disproportionately cut. It would be more equitable if it were spread more evenly.

There was a discussion regarding diversifying the local economy and the concept of the "destination resort."

VIII. Review and adoption of the Draft Fiscal Year 15/16 Operating Budget

Bill Taylor asked a question regarding the expenditures to the line item "deed restriction retention." Jennifer Halferty explained that while it appeared that the organization had only spent a portion of the funds allocated in the 14/15 Budget, the rest of the funds allocated to this line item are expressed in the Cost of Sales which MLH has absorbed during the resales of deed restricted units.

Bill Taylor made a motion to adopt the Fiscal Year 15/16 Operating Budget. Larry Johnston seconded the motion. The motion passed 6-0.

IX. Adjourn

August 2015 - Mammoth Lakes Housing Status Update

1) Community Resource

a) Wait-List Management

1) **34** low and very low income households currently on rental waiting list

b) Application distribution, provide program/project information

- 1) **Distributed twelve (12)** rental and purchase applications
- 2) Answered **eleven (11)** rental inquiries via phone/email/walk-ins
- 3) Answered **ten (10)** ownership inquiries via phone/email/walk-ins
- 4) Answered **one tenant's right** inquiry

c) Mammoth Lakes Housing Website Data:

2015	Jan	Feb	March	April	May	June	July
Total Visitors	930	656	1,141	1,111	1,232	1,675	1,728
Percent of Sessions that are New Visitors	70%	72%	68%	69%	71%	80%	77.5%
Pages per Visit	3.01	3.07	3.4	3.59	3.2	2.6	3.08
Avg. Length of Visit in Minutes	2:10	1:54	2:26	2:14	2:25	1:20	2:28

2) Housing Program Development, Management and Maintenance

a) **Two (2) Kitzbuhl rental applications** were processed.

b) **One first-time homebuyer application** was processed.

c) **One Star Apartment** unit was lease.

d) **Down Payment Assistance-**

- i. Re-use BEGIN Funds are available in the Town of Mammoth Lakes. Up to 20% of purchase price available as a deferred loan to households earning up to 120% of the AMI at Aspen Village, Meridian Court, and San Joaquin Villas.
- ii. HOME funds for the City of Bishop and the Town of Mammoth Lakes funds are now available. Staff is working with Mono County and HCD staff on the set-up of the County's 2013 HOME grant program.

- iii. CalHome manufactured home funds are available in Mono County, Town of Mammoth Lakes, and in the City of Bishop. MLH staff is working with Next Step and Clayton Homes to offer special pricing to our clients that wish to replace their older, inefficient mobile homes in both community settings and on scattered sites.

3) Deed Restriction Management

- a) MLH has a deed restricted property at Aspen Village Townhomes listed on the MLS. BEGIN funds of up to 20% of the purchase price are available to qualified buyers.
- b) The San Joaquin Villas unit MLH purchased in accordance with the resale restriction using both the Town Revolving Loan Fund and MLH capital is in escrow. Escrow is on schedule to close the middle of August.
- c) Staff is processing an owner's intent to sell their deed restricted property at San Joaquin Villas.
- d) The **annual monitoring** of occupancy of down payment assistance loans and deed restricted units is underway. To-date, 93% of the homeowners have responded since the requests were sent out in the middle of May.

4) Administration of Local Housing Trust Fund and Other Funding Opportunities

- a) Special condition set-up for the Town's CDBG single family rehabilitation and down payment assistance award is complete.
- b) MLH and Mono County have finalized the Subrecipient Agreement for their 2013 HOME award.
- c) Staff is working on additional marketing material on the Town's current programs for down payment assistance and rehabilitation loans.
- d) Staff completed the HOME long-term monitoring of Willow Plaza Apartments for the City of Bishop. Work is underway to renew our contract for services with the City as our last contract expired at the end of this past fiscal year.

5) Market Analysis

- a) MLH staff is tracking the real estate market for the potential sale of deed restricted units.
 - Watching for **BEGIN eligible units** to promote those down payment assistance funds
 - (1) One deed restricted **San Joaquin Villas** unit is under contract and scheduled to close in the middle of August.
 - (2) One deed restricted **Aspen Village** unit is listed with MLH.
 - (3) One non-deed restricted **Aspen Village at Mammoth Creek** condominium is on the market and eligible for BEGIN funds.
 - (4) One non-deed restricted **San Joaquin Villas** condominiums are listed and are BEGIN eligible.
- b) **Median home sales** figures for Mammoth Lakes:

2012

- Single family: \$575,000
- Condominiums: \$244,000

2013

- Single family: \$575,000
- Condominiums: \$260,500

2014

- Single family: \$619,000
- Condominiums: \$292,500

2015 Year-to-Date

- Single family: \$907,500
- Condominiums: \$315,000

6) Coordination with Town of Mammoth Lakes Staff

- a) The Town Council is scheduled to hold a workshop on the Housing Strategy at 5 pm on October 7, 2015.
- b) Town Council is in the planning stage for some upcoming goal setting meetings. Town Council is interested in setting up a group meeting with the NGOs as part of the process. Once a date is set, it will be shared with the MLH Board.
- c) Regretfully, Jen Daugherty is leaving the Town of Mammoth Lakes. Jen has worked closely on most workforce housing items for several years. Ruth Traxler, Assistant Planner with the Town, will be taking over much of workforce housing work from Jen. MLH is working with the Town to help ensure a smooth transition.
- d) MLH has reviewed the concept review materials for the Old Mammoth Place Amendment and attended the special PEDC workshop on July 30, 2015.

AGENDA BILL

Subject: Town of Mammoth Lakes' Housing Impact Mitigation Fee
 Presented by: Jennifer Halferty, Executive Director

BACKGROUND:

On July 6, the Mammoth Lakes Housing, Inc. (MLH) Board of Directors directed staff to bring back for discussion information on the delivery of workforce housing given the Housing Impact Mitigation Fees adopted by Town Council. An analysis is addressed in the Analysis/Discussion section, below.

At their July 1 meeting, the Mammoth Lakes Town Council adopted housing mitigation fees based on the type of new development:

Use	Housing Fee
Residential	\$5,700 per unit
Lodging	\$3,700 per room
Retail/Restaurants	\$2/gross square foot
Office	\$2/gross square foot
Light Industrial	\$1/gross square foot
Service Uses	\$2/gross square foot

The adopted fees cover 30% of the gap for households at or below 60% of the Area Median Income (AMI), with the remaining 70% to be covered by the Town, MLH, and/or other programs or service providers.

As reported in the July 1, 2015 Town Council Staff Report, Town staff anticipates an estimated 30 new residential permits to be issued in fiscal year 2016/2017. At a rate of \$5,700 per residential unit, the Town would collect \$171,000 in housing mitigation fees. AECOM's report indicates that 72% of the households generated by residential development are 60% AMI and below. Therefore, approximately \$123,120 of those mitigation funds collected would be used to serve households earning 60% AMI and below.

ANALYSIS/DISCUSSION:

Rental New Construction

According to the AECOM Affordable Workforce Housing Fee Nexus Study and Fee Recommendation report dated June 23, 2015, new workforce multi-family rental development will require the following subsidy per unit based upon the household Area Median Income (AMI):

	Extremely Low Income (0 - 30%)	Very Low Income (31 - 50%)	Low Income (51% - 60%)
Production Costs	\$283,800	\$283,800	\$283,800
Supportable Price at Income Levels	\$77,800	\$129,600	\$155,500
Subsidy per 2 bedroom unit (900 sq. ft.)	\$206,000	\$154,200	\$128,300

Source: AECOM, Table 14, p. 40

It's important to note that prevailing wages, required when federal and state funds are utilized, were not incorporated into the above production costs. MLH's previous low-income multi-family developments have required federal prevailing wages. Accordingly, the above development costs are roughly \$28,000 below anticipated actual costs for such development if the Town and MLH were to utilize grant, tax-credits, and/or bonds as in the past.

Due to ongoing shortages of both state and federal grant funds, grant funding is a growingly competitive proposition for new workforce housing production. The common composition of affordable housing development financing for low income households typically combine HOME funds, tax credits, bonds and increasingly there's a need for local funds.

Some good news is that at the state level, there is legislation moving through the legislature, AB 35, which proposes to expand the state Low-Income Housing Tax Credit (LIHTC) by \$300 million annually. This financing allows developers to sell tax credits to generate revenue that is then cobbled together with other funds to build housing that is affordable for the long term.

Other good news includes the first ever funding of the National Housing Trust Fund (NHTF) which will be administered in California by the Housing and Community Development Department (HCD). AB 90 proposes spending 90% of the funds for programs that produce, preserve, rehabilitate or promote the operation of rental housing that serves extremely low income, and very low income households. The remaining 10% of the NHTF may be used to support homeownership for low income and very low income households.

Again this year, there is a bill (AB 1335) proposed to create a permanent source for funding affordable housing in California. It is estimated to generate \$500 million a year for affordable housing should it be approved by the legislature and signed by Governor Brown.

Current funding is available through the state's cap and trade program which funds the Affordable Housing and Sustainable Communities (AHSC) Program. Recently, approximately \$122 million in new projects were awarded in its first funding cycle. The one rural project recently funded by the AHSC program was in Truckee and it has a density of 60 units per acre. This program is highly competitive and requires housing to be in transit rich job centers with high densities. Currently, the Strategic Growth Council, who oversees the Program, is holding workshops for feedback on how the first funding cycle worked and they intend to release revised guidelines by the end of the year. There is also continued push from California Coalition for Rural Housing (CCRH) and other rural advocates for the Program to create a rural set-aside which would allow for geographic apportionment across the state.

At the federal level, commonly utilized affordable housing finance tools include federal LIHTC, the HOME Program, and the Community Development Block Grant (CDBG) Program. The Senate Appropriations Subcommittee on Transportation and Housing and Urban Development (THUD) 2015/2016 fiscal year budget is proposing to virtually eliminate the HOME program, and seeks a much smaller cut to the CDBG program. The HOME funding limit for rental new construction under the 2015 Notice of Funding Availability (NOFA) was **\$4.5 million**, a significant amount to assist in the development of affordable housing. The CDBG funding limits for new development are much lower, and depend on the activity. The following are activities allowed under the 2015 NOFA that relate to new construction:

- Housing Project – acquisition of land, **\$600,000 maximum**, and
- Public Improvements In-Support of New Construction, **\$1.5M maximum**.

Mortgage Assistance

The use of the mitigation funds for mortgage assistance for low income households is not advised. Currently, the Town has approximately \$1.1 million in mortgage assistance available to households earning 80% AMI and below.

However, the 28% of the mitigation fees collected by the Town for households earning 61% AMI and above could be used to fund the “middle income” mortgage assistance program proposed by MLH earlier this year. However, if the Mitigation Fee Fund is used for this program the income limits would need to be re-written in accordance with the Town’s nexus study which does not show that new development creates any need for housing above 120% AMI. In the case of the anticipated 2016/17 fiscal year fees, approximately \$47,000 could be allocated for use on this program. That amount could potentially create homeownership for **one workforce household**.

Acquisition with Rehabilitation and Affordability Restriction

Several possible scenarios exist under this option that utilizes existing housing stock, they include:

1. Acquisition and rehabilitation of multi-family apartments for long-term affordable rentals; and
2. Acquisition and rehabilitation of individual condominium units for re-sale with long-term affordability restriction; and
3. Acquisition and rehabilitation of individual condominium units for long-term affordable rentals.

Scenario 1: There are approximately 890 apartments in Mammoth Lakes which are located in varying sized apartment complexes throughout town. As of today, there are two on the market and both are under contract at approximately \$250 per square foot. As with the Star Apartments, apartment complexes may be bought, and rented by MLH using a combination of Town housing funds and grant funding. Grant funds for this type of activity are competitive; require low, very low, and extremely low income households to be served; and require a five unit complex to be purchased at a minimum. CDBG and HOME are the primary grants that work for this type of affordable housing production in Mammoth Lakes.

In order for a grant/Town funded scenario to provide at least five units, the following mix of events would need to take place: an apartment complex of at least five units is for sale; a seller is willing to enter into a purchase option; the Town is eligible to apply for grant funds; funds are available for this activity; and the Town is awarded.

Without grant funding the Town and MLH could use a combination of the Measure 2002A housing funds currently not allocated to housing along with the mitigation fees to purchase **two apartments**, which could be rehabilitated at the time of purchase if funding allows or later as more mitigation fees are collected and/or Measure 2002A funds are available.

Scenario 2: According to the AECOM report, utilizing this method and assuming a condo purchase price of \$200,000, with \$30,000 in rehabilitation and \$77,739 for down payment assistance for one unit, \$137,739 in permanent subsidy is needed per unit. MLH would recommend the Town down payment assistance grant funds be used in place of the housing mitigation fees which would limit the need for permanent subsidy from the fee.

Therefore, permanent subsidy per condo, given the assumptions from AECOM, would require roughly \$98,000 per unit for 60% AMI households. Short-term funding would be necessary to bridge the costs between purchase and resale. Additional permanent subsidy funds may be necessary should the condos cost more, need more extensive rehabilitation, or for the purpose of creating below-market-rate value.

If a combination of Town grant funds for down payment assistance, Measure 2002A funds, and the mitigation fees are used for this method, approximately **four units** could be secured. Long-term affordability would be established with the execution of a resale restriction agreement at time of sale to the qualifying household.

Scenario 3: Assuming AECOM's two-bedroom condo sales price of \$200,000 with a median HOA monthly payment of \$500 with the objective of creating long-term rentals through the acquisition of scattered condominiums the following financials need to be considered:

60% AMI household Rent: \$890/month
(~~\$785~~) Management fees, reserves, and HOA
\$105 Net Rent

50% AMI Household Rent: \$700/month
(~~\$724~~) Management fees, reserves, and HOA
(\$24) Net Rent

With the use of Measure 2002A funds and the FY 16/17 mitigation fees **two units** could be added to the long-term affordable rental stock. With a combination of the two AMIs a total annual net rent of approximately \$972 could be achieved.

Grants do not fund the purchase of scattered, individual units for rent by a jurisdiction. Rent restrictions would be recorded against the title of the units to ensure long-term affordability.

RECOMENDATION:

This is a discussion item. No formal action is being requested of the MLH Board.

Mammoth Lakes Housing, Inc.
Statement of Cash flow
For the Quarter Ending Jun 30, 2015 - PreAudit

	June 30, 2015	
Increase/(Decrease) in Net Assets	\$	11,426
<u>Non Cash Operating Transactions</u>		
Depreciation	\$ 5,697	
A/R	\$ (4,788)	
A/P	\$ 451	
Prepaid Expenses	\$ 666	\$ 2,026
Cash flow from Operations	\$	13,452
<u>Cash Flow from Properties</u>		
Old Mammoth Triplex	\$ -	
1700 OMR	\$ -	
Property Valuation	\$ -	\$ -
<u>Cash Flow from Investment Activities</u>		
HBA	\$ 30,146	
Investment in SHA	\$ (54,882)	
1700 OMR	\$ 304,296	
Fixed Assets	\$ -	\$ 279,560
<u>Cash Flow from Financing Activities</u>		
TOML RLF	\$ (88,273)	
Mortgage-1700 OMR	\$ -	
CALHFA HELP 2 Program	\$ -	
OVCB #4 Loan	\$ (1,482)	\$ (89,755)
Net change in Cash	\$	203,257
Cash at Mar 31, 2015	\$	260,020
Cash at Jun 30, 2015	\$	463,277

Mammoth Lakes Housing, Inc.
Statement of Financial Position
For the Quarter Ending Jun 30, 2015 - PreAudit

	<u>9/30/2014</u>	<u>12/31/2014</u>	<u>3/31/2015</u>	<u>6/30/2015</u>	<u>Change from Prior Quarter</u>
Cash	250,350	243,845	260,020	463,277	203,257
A/R	-	27,433	2,800	7,588	4,788
Other current Assets	3,141	3,067	1,363	697	(666)
Fixed Assets	351,155	351,155	351,155	351,155	-
Accum Depr	(174,109)	(179,806)	(185,503)	(191,200)	(5,697)
HBA	3,445,496	3,406,791	3,398,378	3,368,232	(30,146)
Investment in SHA, LLC	300,750	300,750	300,750	355,632	54,882
<u>Rental Property</u>					
Old Mammoth Triplex	870,967	870,967	870,967	870,967	-
Total Rental Property	870,967	870,967	870,967	870,967	-
<u>Property Held for Sale</u>					
Meridian Court	381,634	381,634	381,634	381,634	-
Other Property Valuation	(231,634)	(231,634)	(231,634)	(231,634)	-
Net Meridian Court	150,000	150,000	150,000	150,000	-
1700 OMR	304,296	304,296	304,296	-	(304,296)
Total Property Held for Sale	454,296	454,296	454,296	150,000	(304,296)
Total Assets	5,502,046	5,478,497	5,454,226	5,376,348	(77,878)
Current Liabilities	105,255	101,843	106,455	106,906	451
<u>LT Liabilites</u>					
TOML RLF	88,273	88,273	88,273	-	(88,273)
TOML Note Pay. 1829 OMR	853,000	853,000	853,000	853,000	-
CALHFA HELP Program	396,519	396,519	396,519	396,519	-
CALHFA HELP 2 Program	342,243	342,243	342,243	342,243	-
Oak Valley Loan - #4	144,069	142,606	141,105	139,623	(1,482)
	1,824,104	1,822,641	1,821,140	1,731,385	(89,755)
Total Liabilities	1,929,359	1,924,485	1,927,595	1,838,290	(89,304)
<u>Net Assets</u>					
Unrestricted	3,557,937	3,539,263	3,511,882	3,517,077	5,195
Designated-Reserve STAR Apts	14,750	14,750	14,750	20,981	6,231
Total Net Assets	3,572,686	3,554,013	3,526,631	3,538,058	11,427
Total Liabilities & Net Assets	5,502,045	5,478,497	5,454,226	5,376,348	(77,878)

Mammoth Lakes Housing, Inc.
Statement of Activities
For the Quarter Ending Jun 30, 2015 - PreAudit

	Q1 <u>Jul - Sep 14</u>	Q2 <u>Oct - Dec 14</u>	Q3 <u>Jan - Mar 15</u>	Q4 <u>Apr - Jun 15</u>	Total <u>FY 2015</u>	Total Budget <u>FY 2015</u>	Act \$ vs. Budget	Act as % of Budget
Operations Income (non HBA)								
Revenue								
Valuation Adjustment of Meridian C	-	-	-	-	-	-	-	0%
Other Unit Sales Activity	-	-	-	285,000	285,000	-	285,000	0%
Cost of Sale	-	-	-	(304,296)	(304,296)	-	(304,296)	0%
Net Unit Sales Activity	-	-	-	(19,296)	(19,296)	-	(19,296)	0%
Interest Income	-	-	-	-	-	-	-	0%
Application Revenue	250	100	50	100	500	500	-	100%
County Contract Income	-	-	-	-	-	15,000	(15,000)	0%
Contract Income - Other	1,400	4,942	8,008	14,040	28,390	4,000	24,390	710%
Developer Fee	-	-	-	-	-	-	-	0%
Grants - Administration	1,781	-	17,702	94,736	114,219	142,750	(28,531)	80%
Misc. Revenue	-	-	-	-	-	-	-	0%
Town-Contract Services	82,298	82,298	64,595	-	229,190	229,190	0	100%
Stipend	-	500	-	-	500	-	500	0%
Total Revenue	85,729	87,840	90,356	89,580	353,503	391,440	(37,937)	90%
Expenses								
Bank Service Charges	6	-	6	-	12	-	12	0%
Board Development	-	-	-	-	-	3,000	(3,000)	0%
Deed Restriction Retention	1,143	2,751	2,702	14,463	21,059	40,000	(18,941)	53%
Dues and Subscriptions	1,006	2,109	1,417	-	4,532	3,375	1,157	134%
HOA Fees	1,031	1,031	1,031	1,031	4,126	4,126	(0)	100%
Insurance	967	1,117	967	(70)	2,982	3,000	(18)	99%
Interest Expense	1,862	1,854	1,785	1,804	7,306	7,600	(294)	96%
Legal Notice	467	109	-	-	576	-	576	0%
Licenses and Permits	-	1	-	-	1	500	(499)	0%
Marketing	515	-	-	85	600	600	-	100%
Office Supplies & Misc.	1,459	735	1,473	1,006	4,673	4,850	(177)	96%
Payroll Expense	60,762	51,731	81,119	54,281	247,894	224,000	23,894	111%
Printing and Reproduction	-	-	-	335	335	200	135	168%
Professional Fees	9,808	3,967	1,299	4,104	19,178	39,100	(19,922)	49%
Property Expenses	-	-	-	-	-	-	-	0%
Property Taxes	-	364	-	-	364	335	29	109%
Publication	-	375	-	-	375	375	-	100%
Repairs	-	-	-	-	-	350	(350)	0%
Travel & Training	1,744	2,983	790	2,197	7,714	7,750	(36)	100%
Utilities	1,573	1,323	1,470	1,472	5,839	5,900	(61)	99%
Total Expenses	82,345	70,452	94,060	80,708	327,566	345,061	(17,495)	95%
Net Operations Income	3,383	17,387	(3,704)	8,872	25,938	46,379	(20,441)	
Other Income								
HBA Grants	-	-	-	27,866	27,866	-	27,866	0%
CallHome Reuse	-	-	-	209	209	-	209	0%
MCWD Reimbursement	8,540	-	-	-	8,540	-	8,540	0%
Rental Income	12,145	13,037	15,765	18,587	59,534	-	59,534	0%
Total Other Revenue	20,685	13,037	15,765	46,662	96,149	-	96,149	0%
Other Expenses								
Depreciation	5,697	5,697	5,697	5,697	22,788	-	22,788	0%
Repayment of HBA Revolving Loan	-	40,655	31,800	30,000	102,455	-	102,455	0%
LT Maint. Reserve	-	-	-	6,231	6,231	-	6,231	0%
Rental Expenses	3,920	2,745	1,945	2,179	10,790	-	10,790	0%
Total Other Expenses	9,617	49,097	39,442	44,107	142,264	-	22,788	-
Total Other Income	11,068	(36,061)	(23,677)	2,554	(46,116)	-	(46,116)	
Increase/(Decrease) in Net Assets	14,451	(18,674)	(27,381)	11,426	(20,178)	46,379	(66,557)	
Net Assets at Beginning of Period	3,558,235	3,572,686	3,554,013	3,526,631				
Net Assets at End of Period	3,572,686	3,554,013	3,526,631	3,538,057				

Sierra Housing Advocates, LLC.
Statement of Financial Position
For the Quarter Ending Jun 30, 2015 - PreAudit

	<u>9/30/2014</u>	<u>12/31/2014</u>	<u>3/31/2015</u>	<u>6/30/2015</u>	<u>Change from Prior Quarter</u>
Cash	25,613	26,831	31,737	25,778	(5,959)
Prepaid Expenses	345	264	183	102	(81)
Fixed Assets	410,114	410,113	304,712	577,712	273,000
Accum Depr	(20,633)	(23,046)	(25,459)	(28,972)	(3,512)
Total Assets	415,439	414,162	311,173	574,620	263,448
Lease-to-Own Savings	-				-
Tenant Security Deposits	3,000	3,000	3,000	3,000	-
Total Current Liabilities	3,000	3,000	3,000	3,000	-
Long Term Liabilities					
TOML Revolving Loans	105,000	105,000	-	211,676	211,676
Total Long Term Liabilities	105,000	105,000	-	211,676	211,676
<u>Net Assets</u>					
Unrestricted	307,438	306,162	303,785	355,557	51,772
TOML	-	-	4,388	4,388	-
Total Net Assets	307,438	306,162	308,173	359,944	51,772
Total Liabilities & Net Assets	415,438	414,162	311,173	574,620	263,448

Sierra Housing Advocates, LLC.
Statement of Cash flow
For the Quarter Ending Jun 30, 2015 - PreAudit

June 30, 2015

Increase/(Decrease) in Net Assets	\$	(3,110)
 <u>Non Cash Operating Transactions</u>		
Depreciation	\$ 3,512	
A/R	\$ -	
Lease-to-Own Savings	\$ -	
Tenant Security Deposits	\$ -	
Purchase of SJV Unit #18 (D2)	\$ (273,000)	
Prepaid Expenses	\$ 81	\$ (269,407)
Cash flow from Operations	\$	(272,517)
 <u>Cash Flow from Investment Activities</u>		
Members Equity-Purchase of SJV #18	\$ 54,882	\$ 54,882
 <u>Cash Flow from Financing Activities</u>		
TOML Revolving Loans	\$ 211,676	
	\$	211,676
 Net change in Cash		
	\$	(5,959)
Cash at Mar 31, 2015	\$	31,737
Cash at Jun 30, 2015	\$	25,778

Sierra Housing Advocates, LLC.
Statement of Activities
For the Quarter Ending June 30, 2015 - PreAudit

	Q1 <u>Jul - Sep 14</u>	Q2 <u>Oct - Dec 14</u>	Q3 <u>Jan - Mar 15</u>	Q4 <u>Apr - Jun 15</u>	Total <u>FY 2015</u>
Operations Income (non HBA)					
Revenue					
Rental Revenue	9,416	7,261	7,321	5,961	29,959
Sale of Property	-	-	(401)	-	(401)
Misc. Revenue	-	-	-	-	-
Total Revenue	<u>9,416</u>	<u>7,261</u>	<u>6,920</u>	<u>5,961</u>	<u>29,558</u>
Expenses					
Deed Restriction Retention	761	3,909	4,922	1,997	11,589
HOA Fees	1,962	1,962	1,962	1,962	7,848
Insurance	-	-	-	-	-
LLC FTB Fee	-	-	-	1,600	1,600
Property Taxes	-	178	-	-	178
Repairs and Maintenance	-	75	-	-	75
Total Expenses	<u>2,723</u>	<u>6,124</u>	<u>6,884</u>	<u>5,559</u>	<u>21,290</u>
Net Operations Income	6,693	1,137	36	402	8,268
Other Income					
	-	-	-	-	-
	-	-	-	-	-
Total Other Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Expenses					
Depreciation	2,413	2,413	2,413	3,512	10,752
Total Other Expenses	<u>2,413</u>	<u>2,413</u>	<u>2,413</u>	<u>3,512</u>	<u>10,752</u>
Total Other Income	(2,413)	(2,413)	(2,413)	(3,512)	(10,752)
Increase/(Decrease) in Net Assets	4,280	(1,276)	(2,377)	(3,110)	(2,484)
Net Assets at Beginning of Period	<u>-</u>	<u>4,280</u>	<u>3,004</u>	<u>626</u>	
Net Assets at End of Period	<u>4,280</u>	<u>3,004</u>	<u>626</u>	<u>(2,484)</u>	