



Wellington Community Housing
Managed by HOUSING CATALYST

Budget Report

FY2025

PREPARED AND PRESENTED BY:



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Overview

The Wellington Housing Authority (WHA) and Wellington Community Housing (WCH) provide affordable rental housing for eligible low-income individuals and families in the community. While both entities are overseen by separate 5-member boards appointed by the Town of Wellington, WHA remains open primarily to preserve flexibility for any future needs or opportunities and has no budgeted activity expected for 2025. Thus, this budget report is focused solely on WCH.

In 2021, Wellington Housing Authority went through a Section 18 disposition and converted 42 units of public housing to tenant-based voucher rental assistance. All 42 units transitioned to Wellington Community Housing, a non-profit corporation. Wellington Housing Authority remains active despite transferring its owned real estate to Wellington Community Housing. However, due to its lack of holdings and lack of anticipated operating activities, no budget has been prepared. Actuals will be presented if they occur as a part of regular quarterly reporting.

Presented here is the 2025 financial year budget for WCH. Unlike properties with specific financial covenants, such as debt service coverage ratios or investor tax-loss requirements, WCH properties operate within the parameters of federal voucher subsidies and budgeted operating expenses. All 42 units utilize Project-Based Vouchers, directly tied to the apartments. Housing Catalyst oversees the management of these 28 family units and 14 senior units, along with providing comprehensive support for agency and non-profit board activities, filings, and reporting requirements.

Economic Conditions and Outlook

Wellington has an estimated population of 12,078 (United States Census Bureau, 2023) and a median household income of \$101,259. The median family income for Larimer County is \$80,664. The median monthly gross rent for Wellington is \$2,269 and 16.4% of homes are renter occupied.

Demand for affordable housing remains strong in the Larimer County market. The rental market has tightened considerably in recent years and rents continue to increase. According to zillow.com, apartment rents in Wellington have remained stable year-over-year with very low vacancy rates.

Long-Term Planning | Major Commitments | Initiatives

Housing Catalyst is dedicated to the development and preservation of affordable housing across Northern Colorado. Supported by funding from local and state partners—such as the City, County, Colorado Division of Housing, Colorado Housing and Finance Authority, equity investors, and lenders—Housing Catalyst works collaboratively to build and maintain a vibrant, diverse portfolio of affordable housing.

By integrating intentional design, sustainable development principles, and strategic planning, Housing Catalyst employs a range of approaches to expand and preserve its affordable housing stock. These strategies include new construction, acquisition, rehabilitation, and the preservation of existing housing. Housing Catalyst extends this expertise to Wellington Community Housing, helping ensure the creation and maintenance of high-quality, sustainable homes in the Wellington community.

Organizational Structure

Wellington Community Housing was formed in 2019 and received all its assets in the form of a contribution from Wellington Housing Authority in 2021. It was awarded IRS 501(c)(3) non-profit status effective October 17, 2019. This designation enables the entity to receive tax deductible bequests, devises, transfers, and gifts. The Wellington Community Housing nonprofit entity was further designated by the IRS as a public charity and will be required to file annual 990 tax forms. Accordingly, no provision for income taxes has been reflected in the 2025 budget.

Wellington Community Housing Budget

Exhibit 1 contains the FY2025 budget for Wellington Community Housing. The Wellington real estate portfolio is budgeted to generate \$154,243 in net operating income.

OPERATING INCOME

Gross potential rent is a financial metric used to evaluate the amount of income that a property could potentially produce. Gross potential rent is calculated assuming all units were rented at market rates and all tenants paid their rent on time each month.

The GPR and other tenant income for 2025 across the portfolio is projected to be \$778,164, assuming a budgeted increase of 2.0%. GPR is reduced by expected losses to lease budgeted in the amount of \$6,236. Vacancies are budgeted at 2%, totaling \$15,564 in 2025, reflecting a continued strong occupancy trend. Allowance for Doubtful Accounts is budgeted at \$16,341 or 2.1%.

Therefore, the effective gross income (EGI) for the 2025 budget is expected to be \$740,023. EGI is the true amount of income that a rental property is expected to generate. It is the total income expected from all operations of the rental property after an allowance is made for the revenue that is lost as a result of lease negotiations, vacancy, or unpaid rents.

Below in Figure 1 is a historical summary of EGI for the portfolio. After the conversion of the portfolio from public housing, there was a dramatic increase in the effective gross income as depicted in figure 1.



Figure 1 – 5 Year Historical Operating Income

OPERATING EXPENSES

Combined operating expenses are budgeted to be \$586,030 in 2025. This represents a 3% decrease from the 2024 proforma forecast. The operating expenses are made up of several categories as depicted in Figure 2. Notable expenses are mentioned below.

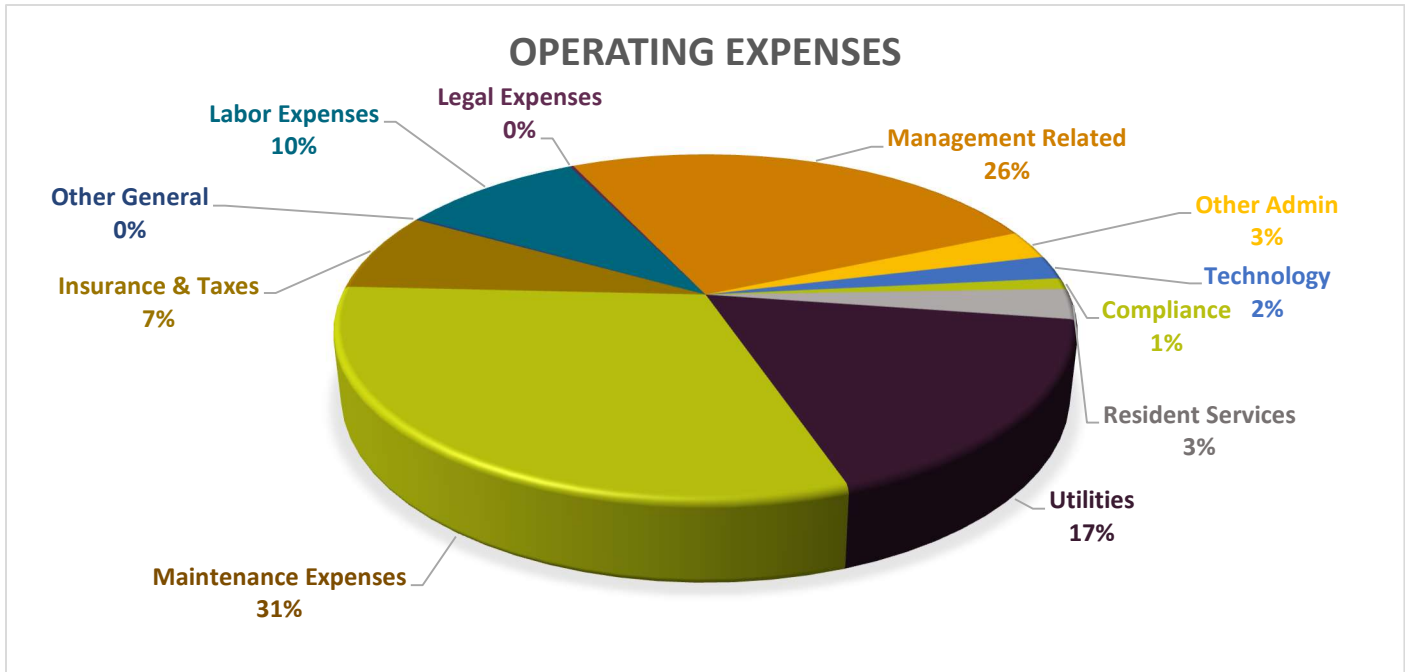


Figure 2 - Operating Expenses by Category

Maintenance Expenses \$181,819

Maintenance expenses represent the largest budgeted expenditure for 2025, totaling \$181,819—a 4.4% decrease from the 2024 proforma of \$190,126. Preventative maintenance and groundskeeping services are billed at \$75 per hour, while non-routine maintenance is billed at \$85 per hour.

Housing Catalyst leverages its in-house maintenance department to support its portfolio of managed properties. This approach allows for close cost monitoring and fosters operational efficiencies as technicians gain familiarity with the properties they service.

To ensure maintenance costs remain competitive and reasonable, Housing Catalyst benchmarks its rates against the local market annually. This process involves comparing hourly service rates and project management fees with those charged by local third-party contractors and service providers. Any discrepancies are carefully evaluated, and adjustments are made as necessary to align with market standards while maintaining high-quality service.

Management Related \$153,635

Housing Catalyst charges fees related to the overall management of the portfolio. Property management and accounting fees are billed at the agreed upon contractual rates of 8% of revenue or \$62,253 each; compliance is billed at \$98.32 per unit per annum or \$4,129; and the board administration fee (previously called the corporate management fee) is a fixed fee of \$25,000. In total, fees are \$153,635 or 1.6% over the 2024 proforma of \$151,237.

Utilities Expenses \$102,152

Utilities make up 17% of total expenses for the portfolio at \$102,152 and are expected to decrease from the 2024 proforma by \$1,253 or 1.2%.

Labor Expenses \$55,458

Labor costs are reimbursed to Housing Catalyst at cost, with no added markups. For 2025, labor expenses are projected to increase by \$11,131, or 2.5%, compared to the 2024 proforma. This increase reflects both a higher allocation of resources required to effectively manage the property and inflation-driven increases in labor rates.

NET OPERATING INCOME

The 2025 net operating income (NOI) for WCH is projected to be \$154,243. This represents a \$38,250 increase or 33% over the 2024 proforma. The NOI for 2025 as a percentage of revenues is 20.8%.

NON-OPERATING INCOME (EXPENSES)

The 2025 non-operating income and expenses are made up of income and expense streams that are deemed not to be directly related to operating and are ancillary to operations. By separating out items that are not directly attributed to operations, it allows management to monitor the operations of the portfolio more closely.

Non-operating expenses that are typically reflected in this section are depreciation, amortization, and interest expense. For 2025 WCH has budgeted \$44,547 for depreciation expense and a nominal amount of expense of \$500 for the line of credit annual fee.

NET INCOME

The 2025 net income is budgeted to be \$109,196 which is a \$44,351 increase from the 2024 proforma and represents 14.8% of revenue.

Capital Expenditure Budget

The 2025 capital budget for Wellington Community Housing is set at a total fixed asset cost of \$31,460, which includes direct project costs as well as oversight fees. Key allocations for unit upgrades and improvements are as follows:

- Unit - Appliances: Budgeted at a base cost of \$6,000 with an additional project management fee of \$600, for a total of \$6,600. This allocation covers the replacement or upgrade of essential in-unit appliances.
- Unit - HVAC: A base cost of \$10,000, plus a \$1,000 project management fee, totaling \$11,000. This will fund HVAC upgrades to improve energy efficiency and climate control within the units.
- Unit - Flooring - Carpet: With a base cost of \$10,000 and a \$1,000 project management fee, totaling \$11,000, this allocation will address carpet replacement to maintain unit quality and appearance.

In addition to these project-specific costs, a Capital Oversight Fee of 10% (\$2,860) has been added. This fee goes to the property management team for oversight and coordination, bringing the Total Fixed Asset Cost to \$31,460. This comprehensive budget ensures that essential improvements are made while allowing for effective management and quality control across Wellington Community Housing's properties.

Introduction of 3-Year Rolling Budgets

In 2025, Housing Catalyst is introducing a 3-year rolling budget as part of our long-term financial planning strategy. This approach allows us to forecast future needs, operational costs, and strategic initiatives over a multi-year horizon, rather than just one fiscal year. For the Wellington Board, this forward-looking view provides several benefits: it enhances transparency around future financial requirements, improves your ability to plan for larger projects, and allows for earlier identification of potential funding needs or opportunities.

The initial 3-year budget included in this report serves as a high-level forecast, capturing anticipated operating needs for the 2025–2027 period. Details can be found in Exhibit 3, which provides a breakdown of projected expenses and revenue. This rolling budget will continue to be refined in future years as more data becomes available, enabling us to make adjustments based on Wellington’s evolving needs.

By adopting this longer-term perspective, we’re helping the Wellington Board plan for greater financial stability and resilience in managing its affordable housing portfolio. This proactive approach supports our shared commitment to maintaining quality affordable housing in Wellington and enhances the Board’s preparedness for future challenges and opportunities.

Key Definitions

NET INCOME: Net income (“NI”), also called net earnings, is calculated as sales minus cost of goods sold, selling, general and administrative expenses, operating expenses, depreciation, interest, taxes, and other expenses. It is a useful number for investors to assess how much revenue exceeds the expenses of an organization. This number appears on a company’s income statement and is also an indicator of a company’s profitability. (Investopedia, 2021)

NET OPERATING INCOME: Net operating income (NOI) is a calculation used to analyze the profitability of real estate investments and organizations. NOI equals all revenue from the property, minus all reasonably necessary operating expenses.

NET CASH FLOW: The net cash flow of an organization represents the sum over a period of time of the total cash received (inflow) from sales and loans less the total amount of money spent (outflow) by the company over the same period. It is an important measure of a company’s ability to survive and grow (Bankrate, 2021).

EXHIBIT 1: Operations Budget

2 Year Annual Comparison - Current

Project Start Date = 1/1/2025

Cutoff Date = 06/2024

Actual Books = accrual

Description	01/24 - 12/24	01/25 - 12/25	Amount	Percent
	Proforma	Advanced Budget	Variance	Variance
OPERATING REVENUES				
RENTAL INCOME				
POTENTIAL RENTAL INCOME				
Gross Potential Rent	646,222	778,164	131,942	0.204
(Loss) Gain to Lease	-35,670	-6,236	29,434	-0.825
Tenant Base Rent	23,751	0	-23,751	-1.000
Subsidy - Housing Choice Voucher	95,275	0	-95,275	-1.000
Less: Vacancies	-10,805	-15,564	-4,759	0.440
Less: Concessions	-102	0	102	-1.000
NET POTENTIAL RENT	718,671	756,364	37,693	0.052
NET POTENTIAL RENT ADJUSTMENTS				
Less: Write-offs	-7,739	0	7,739	-1.000
Less: Allowance for Doubtful Accounts	0	-16,341	-16,341	0.000
Repayment Agreement 1	0	0	0	0.000
Repayment Agreement 2	0	0	0	0.000
NET POTENTIAL RENT ADJUSTMENTS	-7,739	-16,341	-8,602	1.112
NET RENTAL INCOME	710,932	740,023	29,091	0.041
OTHER TENANT INCOME				
Ancillary Income	434	0	-434	-1.000
Late Charges	1,300	0	-1,300	-1.000
Legal Fees - Tenant	0	0	0	0.000
NSF Charges	0	0	0	0.000
Utility Reimb.-Tenant	2,509	0	-2,509	-1.000
Misc. Tenant Income	0	0	0	0.000
Tenant Work Orders	5,023	0	-5,023	-1.000
TOTAL OTHER TENANT INCOME	9,266	0	-9,266	-1.000
EFFECTIVE GROSS INCOME	720,198	740,023	19,825	0.028
OTHER INCOME				
Interest Income - Unrestricted	223	251	28	0.126
TOTAL OTHER INCOME	223	251	28	0.126
TOTAL OPERATING REVENUE	720,421	740,274	19,853	0.028

Description	01/24 - 12/24	01/25 - 12/25	Amount	Percent
	Proforma	Advanced Budget	Variance	Variance
OPERATING EXPENSES				
ADMINISTRATIVE				
Labor Expenses				
Management Labor	44,327	55,458	11,131	0.251
Total Labor Expenses	44,327	55,458	11,131	0.251
Legal Expense				
Legal-Criminal Background Checks	54	0	-54	-1.000
Legal-Tenant Screening	197	1,060	863	4.381
Legal-General Expense	183	79	-104	-0.568
Total Legal Expense	434	1,139	705	1.624
Management Related Expense				
Property Management Expense	58,235	62,253	4,018	0.069
Accounting/Bookkeeping Expense	58,235	62,253	4,018	0.069
Board Administration Expense	25,000	25,000	0	0.000
Total Management Related Expenses	141,470	149,506	8,036	0.057
Other Administrative Expenses				
Staff Training & Conferences	3,838	3,000	-838	-0.218
Travel, Lodging & Per Diems	1,896	0	-1,896	-1.000
Mileage	98	467	369	3.765
Auditing & Tax Services	9,713	9,456	-257	-0.026
Marketing	113	115	2	0.018
Resident Relocation	3,190	1,030	-2,160	-0.677
Security Services	1,756	1,616	-140	-0.080
Miscellaneous Admin Expenses	86	0	-86	-1.000
Total Other Administrative Expenses	20,689	15,684	-5,005	-0.242
Technology Expenses				
Managed Services - Internal	4,732	5,783	1,051	0.222
Telephone - Landline Virtual	671	0	-671	-1.000
Internet Services	14,959	7,228	-7,731	-0.517
Cellular - Phones Tablets	286	0	-286	-1.000
Total Technology Expenses	20,648	13,011	-7,637	-0.370
Compliance Expenses				
Compliance Services - Internal	9,767	4,129	-5,638	-0.577
Compliance Services - Consultants	0	2,010	2,010	0.000
Total Compliance Expenses	9,767	6,139	-3,628	-0.371
TOTAL ADMINISTRATIVE EXPENSES	237,335	240,938	3,603	0.015
GENERAL EXPENSES				
Resident Services				
Resident Services - Internal	33,600	16,800	-16,800	-0.500
Total Resident Services	33,600	16,800	-16,800	-0.500

Description	01/24 - 12/24	01/25 - 12/25	Amount	Percent
	Proforma	Advanced Budget	Variance	Variance
Utilities Expense				
Water	67,159	66,012	-1,147	-0.017
Electricity	12,381	10,580	-1,801	-0.145
Electricity-Vacant Units	650	211	-439	-0.675
Gas	10,404	12,107	1,703	0.164
Trash Removal Services	12,812	13,242	430	0.034
Total Utility Expenses	103,405	102,152	-1,253	-0.012
Maintenance Expenses				
<i>Supplies</i>				
Supplies-Grounds	476	413	-63	-0.132
Supplies-Appliances	430	200	-230	-0.535
Supplies-Electrical	1,368	1,200	-168	-0.123
Supplies-Pest Control	51	43	-8	-0.157
Supplies-Janitorial	340	381	41	0.121
Supplies-General	1,357	855	-502	-0.370
Supplies-Plumbing	646	2,240	1,594	2.467
Supplies-Paint	655	0	-655	-1.000
Supplies-HVAC	427	488	61	0.143
Supplies-Doors	880	2,038	1,158	1.316
Supplies-Windows	473	1,321	848	1.793
Total Supplies Materials	7,103	9,180	2,077	0.292
<i>Contracts</i>				
Contract-Work Orders - Internal	35,577	38,003	2,426	0.068
Contract-Preventative - Internal	19,298	15,600	-3,698	-0.192
Contract-System Services	0	0	0	0.000
Contract-Appliance	594	554	-40	-0.067
Contract-Carpet Cleaning	0	431	431	0.000
Contract-Electrical	3,093	2,344	-749	-0.242
Contract-Pest Control	2,358	2,744	386	0.164
Contract-Grounds	89,729	64,441	-25,288	-0.282
Contract-Janitorial	922	1,836	914	0.991
Contract-Plumbing	11,246	13,363	2,117	0.188
Contract-HVAC	2,590	4,960	2,370	0.915
Contract-Windows	529	1,517	988	1.868
Contract-General	7,770	10,846	3,076	0.396
Total Contract Costs	173,706	156,640	-17,066	-0.098
Total Maintenance Expenses - Core	180,809	165,819	-14,990	-0.083
<i>Unit Turn Costs</i>				
Unit Turn-Work Order	3,844	5,100	1,256	0.327
Unit Turn-External	5,473	8,500	3,027	0.553
Unit Turn Materials	0	2,400	2,400	0.000
Total Unit Turn Costs	9,317	16,000	6,683	0.717
Total Maintenance Expenses	190,126	181,819	-8,307	-0.044

Description	01/24 - 12/24	01/25 - 12/25	Amount	Percent
	Proforma	Advanced Budget	Variance	Variance
Insurance & Taxes Expenses				
Insurance - Property	39,863	16,953	-22,910	-0.575
Insurance - Liability	0	4,104	4,104	0.000
Insurance - D&O E&O	0	678	678	0.000
Insurance - Specialty Other	0	21,648	21,648	0.000
Total Tax & Insurance Expenses	39,863	43,383	3,520	0.088
Other General Expenses				
Membership and Fees	89	91	2	0.022
Filing Fees	0	10	10	0.000
Office Supplies	0	144	144	0.000
Postage Usage Supplies	9	9	0	0.000
Small Office Equipment	0	180	180	0.000
Miscellaneous General Expense	0	504	504	0.000
Total Other General Expenses	98	938	840	8.571
TOTAL GENERAL EXPENSES	367,092	345,092	-22,000	-0.060
TOTAL DIRECT OPERATING EXPENSES	604,427	586,030	-18,397	-0.030
TOTAL OPERATING EXPENSES	604,427	586,030	-18,397	-0.030
NET OPERATING INCOME	115,993	154,243	38,250	0.330
NON-OPERATING INCOME EXPENSE				
NON OPERATING EXPENSES				
<i>Interest Expense</i>				
Other Financing Costs	500	500	0	0.000
<i>Total Interest Expense</i>	<i>500</i>	<i>500</i>	<i>0</i>	<i>0.000</i>
<i>Depreciation Amortization Expense</i>				
Depreciation - Buildings	36,372	23,838	-12,534	-0.345
Depreciation - Furn,Fix,Equip - Units	8,271	12,175	3,904	0.472
Depreciation - Furn,Fix,Equip - Common	6,006	8,534	2,528	0.421
<i>Total Depreciation Amortization Expense</i>	<i>50,649</i>	<i>44,547</i>	<i>-6,102</i>	<i>-0.120</i>
TOTAL NON OPERATING EXPENSES	51,149	45,047	-6,102	-0.119
NET NON-OPERATING INCOME EXPENSE	-51,149	-45,047	6,102	-0.119
NET INCOME (LOSS)	64,845	109,196	44,351	0.684

EXHIBIT 2: Capital Expenditure Budget

			SUBTOTAL	
	BASE COST	PJ FEES - MTC	COST	TOTAL COST
Welch Community Housing	\$ 26,000.00	\$ 2,600.00	\$ 28,600.00	\$ 28,600.00
Unit - Appliances	\$ 6,000.00	\$ 600.00	\$ 6,600.00	\$ 6,600.00
Unit - HVAC	\$ 10,000.00	\$ 1,000.00	\$ 11,000.00	\$ 11,000.00
Unit - Flooring - Carpet	\$ 10,000.00	\$ 1,000.00	\$ 11,000.00	\$ 11,000.00
Grand Total	\$ 26,000.00	\$ 2,600.00	\$ 28,600.00	\$ 28,600.00

Capital Oversight Fee \$ 2,860 10%
Total Fixed Asset Cost \$ 31,460

EXHIBIT 3: 3-Year Rolling Budget

Advanced Budget

Period = 01/2025 - 12/2027

Description	Total	Total/Unit	EOY 2025	EOY 2026	EOY 2027
OPERATING REVENUES					
RENTAL INCOME					
POTENTIAL RENTAL INCOME					
Gross Potential Rent	2,429,117	57,836	778,164	809,291	841,662
(Loss) Gain to Lease	-19,465	-463	-6,236	-6,485	-6,744
Less: Vacancies	-48,583	-1,157	-15,564	-16,186	-16,833
NET POTENTIAL RENT	2,361,069	56,216	756,364	786,620	818,085
NET POTENTIAL RENT ADJUSTMENTS					
Less: Allowance for Doubtful Accounts	-51,011	-1,215	-16,341	-16,995	-17,675
NET POTENTIAL RENT ADJUSTMENTS	-51,011	-1,215	-16,341	-16,995	-17,675
NET RENTAL INCOME	2,310,057	55,001	740,023	769,624	800,410
EFFECTIVE GROSS INCOME	2,310,057	55,001	740,023	769,624	800,410
OTHER INCOME					
Interest Income - Unrestricted	753	18	251	251	251
TOTAL OTHER INCOME	753	18	251	251	251
TOTAL OPERATING REVENUE	2,310,810	55,019	740,274	769,876	800,661
OPERATING EXPENSES					
ADMINISTRATIVE					
Labor Expenses					
Management Labor	174,833	4,163	55,458	58,231	61,143
Total Labor Expenses	174,833	4,163	55,458	58,231	61,143
Legal Expense					
Legal-Tenant Screening	3,247	77	1,060	1,082	1,105
Legal-General Expense	241	6	79	80	82
Total Legal Expense	3,488	83	1,139	1,163	1,187
Management Related Expense					
Property Management Expense	194,329	4,627	62,253	64,743	67,333
Accounting/Bookkeeping Expense	194,329	4,627	62,253	64,743	67,333
Board Administration Expense	76,586	1,823	25,000	25,525	26,061
Total Management Related Expenses	465,244	11,077	149,506	155,011	160,727
Other Administrative Expenses					
Staff Training & Conferences	9,190	219	3,000	3,063	3,127
Mileage	1,430	34	467	477	487
Auditing & Tax Services	28,968	690	9,456	9,655	9,857
Marketing	354	8	115	118	120
Resident Relocation	3,157	75	1,030	1,052	1,074
Security Services	4,950	118	1,616	1,650	1,684
Total Other Administrative Expenses	48,048	1,144	15,684	16,014	16,350

Description	Total	Total/ Unit	EOY 2025	EOY 2026	EOY 2027
Technology Expenses					
Managed Services - Internal	16,698	398	5,783	5,573	5,342
Internet Services	22,143	527	7,228	7,380	7,535
Total Technology Expenses	38,841	925	13,011	12,953	12,877
Compliance Expenses					
Compliance Services - Internal	12,650	301	4,129	4,216	4,305
Compliance Services - Consultants	6,158	147	2,010	2,052	2,095
Total Compliance Expenses	18,808	448	6,139	6,268	6,400
TOTAL ADMINISTRATIVE EXPENSES	749,263	17,840	240,938	249,640	258,604
GENERAL EXPENSES					
Resident Services					
Resident Services - Internal	51,466	1,225	16,800	17,153	17,513
Total Resident Services	51,466	1,225	16,800	17,153	17,513
Utilities Expense					
Water	202,222	4,815	66,012	67,398	68,813
Electricity	32,411	772	10,580	10,802	11,029
Electricity-Vacant Units	648	15	211	216	220
Gas	37,090	883	12,107	12,362	12,621
Trash Removal Services	40,566	966	13,242	13,520	13,804
Total Utility Expenses	312,937	7,451	102,152	104,297	106,488
Maintenance Expenses					
<i>Supplies</i>					
Supplies-Grounds	1,266	30	413	422	431
Supplies-Appliances	613	15	200	204	208
Supplies-Electrical	3,676	88	1,200	1,225	1,251
Supplies-Pest Control	131	3	43	44	45
Supplies-Janitorial	1,168	28	381	389	398
Supplies-General	2,621	62	855	873	892
Supplies-Plumbing	6,862	163	2,240	2,287	2,335
Supplies-HVAC	1,495	36	488	498	509
Supplies-Doors	6,242	149	2,038	2,080	2,124
Supplies-Windows	4,047	96	1,321	1,349	1,377
Total Supplies Materials	28,121	670	9,180	9,372	9,569
<i>Contracts</i>					
Contract-Work Orders - Internal	116,419	2,772	38,003	38,801	39,616
Contract-Preventative - Internal	47,790	1,138	15,600	15,928	16,262
Contract-Appliance	1,697	40	554	566	577
Contract-Carpet Cleaning	1,321	31	431	440	450
Contract-Electrical	7,181	171	2,344	2,393	2,443
Contract-Pest Control	8,406	200	2,744	2,802	2,860
Contract-Grounds	197,411	4,700	64,441	65,794	67,176
Contract-Janitorial	5,624	134	1,836	1,875	1,914
Contract-Plumbing	40,937	975	13,363	13,644	13,930
Contract-HVAC	15,195	362	4,960	5,064	5,170
Contract-Windows	4,649	111	1,517	1,549	1,582
Contract-General	33,227	791	10,846	11,074	11,307
Total Contract Costs	479,857	11,425	156,640	159,929	163,288
Total Maintenance Expenses - Core	507,977	12,095	165,819	169,301	172,857

Description	Total	Total/Unit	EOY 2025	EOY 2026	EOY 2027
<i>Unit Turn Costs</i>					
Unit Turn-Work Order	15,624	372	5,100	5,207	5,316
Unit Turn-External	26,039	620	8,500	8,678	8,861
Unit Turn Materials	7,352	175	2,400	2,450	2,502
Total Unit Turn Costs	49,015	1,167	16,000	16,336	16,679
Total Maintenance Expenses	556,992	13,262	181,819	185,637	189,536
<i>Insurance & Taxes Expenses</i>					
Insurance - Property	56,115	1,336	16,953	18,648	20,513
Insurance - Liability	13,584	323	4,104	4,514	4,966
Insurance - D&O E&O	2,244	53	678	746	820
Insurance - Specialty Other	71,655	1,706	21,648	23,813	26,194
Total Tax & Insurance Expenses	143,598	3,419	43,383	47,721	52,494
<i>Other General Expenses</i>					
Membership and Fees	277	7	91	92	94
Filing Fees	31	1	10	10	10
Office Supplies	441	11	144	147	150
Postage Usage Supplies	28	1	9	9	10
Small Office Equipment	552	13	180	184	188
Miscellaneous General Expense	1,544	37	504	515	525
Total Other General Expenses	2,873	68	938	957	978
TOTAL GENERAL EXPENSES	1,067,866	25,425	345,092	355,766	367,008
TOTAL DIRECT OPERATING EXPENSES	1,817,129	43,265	586,030	605,406	625,692
TOTAL OPERATING EXPENSES	1,817,129	43,265	586,030	605,406	625,692
NET OPERATING INCOME	493,682	11,754	154,243	164,469	174,970
NON-OPERATING INCOME EXPENSE					
<i>NON OPERATING EXPENSES</i>					
<i>Interest Expense</i>					
Other Financing Costs	1,532	36	500	510	521
Total Interest Expense	1,532	36	500	510	521
<i>Depreciation / Amortization Expense</i>					
Depreciation - Buildings	73,026	1,739	23,838	24,339	24,850
Depreciation - Furn,Fix,Equip - Units	37,298	888	12,175	12,431	12,692
Depreciation - Furn,Fix,Equip - Common	26,144	622	8,534	8,713	8,896
Total Depreciation / Amortization Expense	136,468	3,249	44,547	45,483	46,438
TOTAL NON OPERATING EXPENSES	138,000	3,286	45,047	45,993	46,959
NET NON-OPERATING INCOME EXPENSE	-138,000	-3,286	-45,047	-45,993	-46,959
NET INCOME (LOSS)	355,682	8,469	109,196	118,476	128,010