

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2020 AND 2019



CLAconnect.com

WEALTH ADVISORY
OUTSOURCING
AUDIT, TAX, AND
CONSULTING

**THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
TABLE OF CONTENTS
YEARS ENDED JUNE 30, 2020 AND 2019**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
BALANCE SHEETS	3
STATEMENTS OF OPERATIONS	4
STATEMENTS OF PARTNERS' DEFICIT	5
STATEMENTS OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DISTRIBUTION OF NET CASH FLOWS	15
SELECTED LINE ITEM DETAIL	16



INDEPENDENT AUDITORS' REPORT

Partners
The Metropolitan of Bethesda Limited Partnership
Bethesda, Maryland

We have audited the accompanying financial statements of The Metropolitan of Bethesda Limited Partnership (the Partnership), which comprise the balance sheets as of June 30, 2020 and 2019, and the related statements of operations, partners' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Partners
The Metropolitan of Bethesda Limited Partnership

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Partnership as of June 30, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The distribution of net cash flows and selected line item detail is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
February 23, 2021

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
BALANCE SHEETS
JUNE 30, 2020 AND 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 179,048	\$ 85,006
Accounts Receivable and Other Assets	44,692	23,349
Total Current Assets	223,740	108,355
RESTRICTED CASH AND CASH EQUIVALENTS		
Customer Deposits - Funded Security Deposits	45,044	45,096
Replacement Reserve	114,637	112,110
Mortgage Escrow	17,298	16,702
Total Restricted Cash and Cash Equivalents	176,979	173,908
FIXED ASSETS		
Property and Equipment, Net of Accumulated Depreciation	5,202,319	5,516,429
Total Assets	\$ 5,603,038	\$ 5,798,692
LIABILITIES AND PARTNERS' DEFICIT		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 43,466	\$ 44,652
Accrued Interest Payable	28,172	29,107
Mortgage Payable, Current	187,657	176,096
Prepaid Rent	9,508	2,388
Total Current Liabilities	268,803	252,243
RESTRICTED CURRENT LIABILITIES		
Customer Deposits Payable	44,230	44,126
NONCURRENT LIABILITIES		
Mortgage Payable, Long Term	5,115,230	5,302,886
Interfund Payable - Operating Loan Deficit	13,418,142	12,756,490
Note Payable - HOC	977,000	977,000
Accrued Asset Management Fee	60,471	60,471
Total Noncurrent Liabilities	19,570,843	19,096,847
Total Liabilities	19,883,876	19,393,216
PARTNERS' DEFICIT		
	(14,280,838)	(13,594,524)
Total Liabilities and Partner's Deficit	\$ 5,603,038	\$ 5,798,692

See accompanying Notes to Financial Statements.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
STATEMENTS OF OPERATIONS
YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REVENUE		
Dwelling Rental Revenue	\$ 795,654	\$ 780,934
Investment Income	1,826	3,476
Other Income	37,977	67,889
Total Revenue	<u>835,457</u>	<u>852,299</u>
EXPENSES		
Administrative	224,838	240,616
Utilities	159,880	152,112
Maintenance	291,335	311,901
Other Expenses	131,807	116,812
Fringe Benefits	52,350	45,109
Depreciation	318,298	318,268
Interest Expense	343,263	354,169
Total Expenses	<u>1,521,771</u>	<u>1,538,987</u>
NET LOSS	<u>\$ (686,314)</u>	<u>\$ (686,688)</u>

See accompanying Notes to Financial Statements.

**THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
STATEMENTS OF PARTNERS' DEFICIT
YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>General Partner</u>	<u>Limited Partner</u>	<u>Total</u>
BALANCE - JULY 1, 2018	\$ (10,890,593)	\$ (2,017,243)	\$ (12,907,836)
Change in Net Deficit	<u>(686,688)</u>	<u>-</u>	<u>(686,688)</u>
BALANCE - JUNE 30, 2019	(11,577,281)	(2,017,243)	(13,594,524)
Change in Net Deficit	<u>(686,314)</u>	<u>-</u>	<u>(686,314)</u>
BALANCE - JUNE 30, 2020	<u>\$ (12,263,595)</u>	<u>\$ (2,017,243)</u>	<u>\$ (14,280,838)</u>

See accompanying Notes to Financial Statements.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	\$ (686,314)	\$ (686,688)
Adjustments to Reconcile Net Loss to Net Cash Used by Operating Activities:		
Depreciation	318,298	318,268
Changes in Operating Assets and Liabilities:		
Accounts Receivable and Other Assets	(21,343)	17,854
Customer Deposits	104	2,670
Accounts Payable and Accrued Liabilities	(1,186)	(11,582)
Accrued Interest Payable	(935)	(878)
Prepaid Rent	7,120	(1,363)
Net Cash Used by Operating Activities	(384,256)	(361,719)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(4,188)	(15,007)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment on Long Term Debt	(176,095)	(165,249)
Interfund Payable - Operating Loan Deficit	661,652	559,638
Net Cash Provided by Financing Activities	485,557	394,389
NET CHANGE IN CASH AND CASH EQUIVALENTS	97,113	17,663
Cash and Cash Equivalents - Beginning of Year	258,914	241,251
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 356,027	\$ 258,914
RECONCILIATION OF CASH AND RESTRICTED DEPOSITS - END OF YEAR PER THE CASH FLOW STATEMENT TO CASH AND RESTRICTED DEPOSITS PER THE BALANCE SHEET		
Cash	\$ 179,048	\$ 85,006
Restricted Deposits	176,979	173,908
	\$ 356,027	\$ 258,914
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest Paid	\$ 344,198	\$ 365,227

See accompanying Notes to Financial Statements.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 ORGANIZATION

The Metropolitan of Bethesda Limited Partnership (the Partnership) was formed on October 5, 1995 as a limited partnership in order to carry out its purpose to develop, construct, own, manage and maintain a 92 unit low and moderately priced housing property for families located in Bethesda, Montgomery County, Maryland (the Project).

Each low-income unit has qualified for and been allocated low-income housing credits pursuant to Internal Revenue Code Section 42 which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. The Project met the provisions of these regulations for 15 consecutive years (the compliance period) and remained qualified to receive the credits. The compliance period ended in 2012. In addition, the Partnership has executed an Extended Low-Income Housing Covenant for Low-Income Housing Tax Credits, which requires the utilization of the Project pursuant to Section 42 for a minimum of 15 years after the close of the compliance period. The Extended Low-Income Housing Covenant is recorded among the Land Records of Montgomery County, Maryland. The disposition of the Project by the Partnership does not remove these low-income requirements. The Partnership's permanent financing is under HUD's Shared Risk Program.

On November 15, 2019, Manufacturers and Traders Trust Company assigned their 99.00% limited partnership interest effective November 1, 2019 to HOC YR 15 LLC. The Housing Opportunities Commission of Montgomery County (the Commission) now controls 100% of the interest in the Partnership, and it is considered a blended component unit of the Commission.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expense during the reporting period. Accordingly, actual results could differ from those estimates. Some of the more significant estimates required to be made by management include allowance for doubtful accounts and depreciation expense.

Cash and Cash Equivalents

The Partnership considers all highly liquid debt instruments with a maturity of three months or less at time of purchase to be cash equivalents. At times cash deposits may exceed the federally insured limits of the financial institution and expose the Partnership to credit risk but they will be collateralized. The Partnership believes it is not exposed to any significant risk of loss on these funds.

Allowance for Doubtful Accounts

All tenant receivables that are ninety or more days past due are charged to this account. There was no allowance account at June 30, 2020 and 2019.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capitalization and Depreciation

Fixed assets are recorded at cost. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, using the straight-line method. Costs incurred in relation to development of the Project for interest, property taxes and insurance are capitalized only during periods in which activities necessary to prepare the property for its intended use are in progress. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred.

The estimated service life of the assets for depreciation purposes is as follows:

Buildings and Improvements	15 to 40 Years
Fixed Buildings Equipment	5 to 15 Years
Furniture and Equipment	5 Years

Investment in Real Estate

The Partnership reviews its investment in real estate for impairment annually and whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. For assets held and used, if management's estimate of the aggregate future cash flows to be generated by the rental property, undiscounted and without interest charges, are less than their carrying amounts, an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. The determination of undiscounted cash flows requires significant estimates by management. Subsequent changes in estimated undiscounted cash flows could impact the determination of whether impairment exists. There was no impairment loss recognized during the years ended June 30, 2020 and 2019.

Rental Income and Prepaid Rent

Rental income is recognized as it becomes due. Advance receipts of rental income are deferred and classified as liabilities until earned. All leases between the Partnership and the tenants of the property are operating leases and are no longer than one year.

Income Taxes

No provision or benefit for income taxes have been included in these financial statements since taxable income or loss passes through to, and is reportable by, the partners individually.

The Partnership recognizes the effect of tax positions only when they are more likely than not to be sustained. Management has determined that the Partnership had no uncertain tax positions that would require financial statement recognition or disclosure. The Partnership is no longer subject to U.S. federal, state, or local income tax examinations for periods prior to June 30, 2017.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principles

Cash Flow Changes:

In November 2016, FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230) Restricted Cash*. This ASU was issued to clarify guidance on the classification and presentation of restricted cash in the statement of cash flows and reduce diversity in practice. The amendments to this ASU require that a statement of cash flows explain the change during the period in the total cash and restricted cash or restricted cash equivalents. Therefore, restricted cash is included with cash when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The financial statements reflect the application of ASU 2016-18 using a retrospective approach to each period presented.

Evaluation of Subsequent Events by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, February 23, 2021.

NOTE 3 RESERVES AND ESCROWS

Reserve for Replacements

In accordance with the deed of trust, the Partnership is required to maintain a reserve for replacement account. The required monthly deposit into this account is \$3,450. All withdrawals from the reserve for replacements require approval from the Housing Opportunities Commission of Montgomery County, Maryland (HOC).

Mortgage Escrow

The Partnership is required to make monthly deposits with the mortgagee for payment of the mortgage insurance premium so that a sufficient amount is on deposit when actual payment of such expenses is due.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 3 RESERVES AND ESCROWS (CONTINUED)

The activity in the reserve for replacement and mortgage escrow funds for the years ended June 30, 2020 and 2019 is as follows:

	2020		
	Reserve for Replacement	Mortgage Escrow	Total
Beginning Balance	\$ 112,110	\$ 16,702	\$ 128,812
Interest Earned	1,637	-	1,637
Withdrawals	(40,510)	(26,327)	(66,837)
Deposits	41,400	26,923	68,323
Ending Balance	<u>\$ 114,637</u>	<u>\$ 17,298</u>	<u>\$ 131,935</u>

	2019		
	Reserve for Replacement	Mortgage Escrow	Total
Beginning Balance	\$ 142,962	\$ 16,144	\$ 159,106
Interest Earned	3,154	-	3,154
Withdrawals	(75,406)	(27,219)	(102,625)
Deposits	41,400	27,777	69,177
Ending Balance	<u>\$ 112,110</u>	<u>\$ 16,702</u>	<u>\$ 128,812</u>

NOTE 4 FIXED ASSETS

Fixed assets consist of the following at June 30, 2020 and 2019:

	2020	2019
Buildings and Improvements	\$ 12,231,249	\$ 12,231,249
Fixed Building Equipment	179,971	179,971
Furniture and Equipment	56,170	51,982
Accumulated Depreciation	(7,265,071)	(6,946,773)
Total	<u>\$ 5,202,319</u>	<u>\$ 5,516,429</u>

NOTE 5 MORTGAGE PAYABLE

The Partnership holds a mortgage note of \$7,470,518 which bears interest at 6.375% per annum and is secured by a Leasehold Deed of Trust, Security Agreement and Assignment of Rents. There is a single regulatory agreement covering both the Partnership and Metropolitan Development Corporation (within the same complex), which provides that a default on either note is a default on both notes. Principal and interest are payable in monthly installments of \$43,358 until December 2036. The liability of the Partnership under the mortgage note is limited to the underlying value of the real estate collateral, which includes assignment of rents and leases.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 5 MORTGAGE PAYABLE (CONTINUED)

Principal payments over the next five years as of June 30, 2020 and thereafter are payable as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 187,657
2022	199,975
2023	213,103
2024	227,092
2025	242,000
2026-2030	1,470,208
2031-2035	2,020,430
2036-2037	742,422
Total	<u>\$ 5,302,887</u>

NOTE 6 MANAGEMENT FEES

The Project is managed by Bozzuto Management pursuant to a management agreement which provides for a management fee of a flat rate per unit month of \$58 for the second half of fiscal year 2018 and \$60 for fiscal year 2019. An amendment to the management agreement effective December 1, 2019 changed the calculation of the management fee. As of December 1, 2019, the management fee equals 3% of adjusted gross receipts. Management fees charged to operations for the years ended June 30, 2020 and 2019 were \$37,347 and \$66,113, respectively.

NOTE 7 RELATED PARTY TRANSACTIONS

Interfund Payable - Operating Loan Deficit

During the compliance period, the general partner was required to fund operating deficits, as defined in the partnership agreement, through noninterest-bearing operating deficit loans. Through Metropolitan Development Corporation, which is owned by HOC, the general partner has continued to fund operating deficits. The balances at June 30, 2020 and 2019 were \$13,418,142 and \$12,756,490, respectively.

Note Payable - HOC

The Partnership holds a note payable to HOC in the initial amount of \$977,000. The note is a deferred development fee, and payments of interest and principal have been deferred by HOC. The full note is shown as noncurrent on the balance sheet as payments are not expected within the next 12 months. The balances at June 30, 2020 and 2019 were \$977,000 and \$977,000, respectively.

Asset Management Fee

During the compliance period, the Partnership was charged an asset management fee by HOC. The accrued fee at both June 30, 2020 and 2019 was \$60,471.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 8 REAL ESTATE TAXES

The Partnership has entered into a Payment in Lieu of Taxes (PILOT) agreement for the 92 units whereby a portion of Montgomery County real estate tax and special area taxes are abated.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The regulatory agreement requires that 62 units be held available for tenants whose family income is 50% or less for family size of the median income for the Washington Metropolitan Statistical Area as determined by the Department of Housing and Urban Development (HUD). The rents on these units cannot exceed thirty percent of the tenant's maximum income.

The Extended Low-Income Housing Covenant user agreement requires that 100% of the residential units in the Project shall be both rent restricted and occupied by individuals whose income is 50% or less than the median income for the Washington Metropolitan Statistical Area as determined by HUD. Gross rent shall not exceed 30% of household income.

NOTE 10 CONCENTRATION OF CREDIT RISK

The Partnership maintains its cash balances in several accounts in various high credit qualified financial institutions. The cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each financial institution. At times, these balances may exceed the federal insurance limits; however, amounts held in trust accounts and other demand accounts are fully collateralized by either U.S. treasuries or other government guaranteed securities. The collateral is held by the institution's agent in HOC's name.

NOTE 11 OPERATING RISK

The Partnership's sole asset is 92 units of residential housing. The Partnership's operations are concentrated in the multifamily real estate market. In addition, it operates in a heavily regulated environment subject to administrative directives, rules and regulations of federal, state and local regulatory agencies including but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including additional administrative burden, to comply with a change.

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 12 PARTNERS' DEFICIT

The Partnership's continued net losses and partner's deficit has raised substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time. The Commission has pledged to continue to fund operating deficits of the Partnership. Managements plans has alleviated the substantial doubt of the Partnership's ability to continue as a going concern for a reasonable period of time.

SUPPLEMENTARY INFORMATION

**THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
DISTRIBUTION OF NET CASH FLOWS
YEAR ENDED JUNE 30, 2020**

Net Loss		\$ (686,314)
Add: Noncash and Partnership Expense		
Depreciation	\$ 318,298	
Disbursement from Replacement Reserve	<u>(40,510)</u>	<u>277,788</u>
Less: Debt and Reserve Payments and Requirements		
Mortgage Principal Payments	176,095	
Replacement Reserve Deposits	<u>41,400</u>	<u>217,495</u>
Net Cash Flow		<u>(626,021)</u>
Order of Distribution		
Operating Deficit Loans		-
Balance of Distribution		<u>-</u>
99% to Limited Partner		-
1% to General Partner		<u>-</u>
Total Distributable Net Cash Flow		<u><u>\$ -</u></u>

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
SELECTED LINE ITEM DETAIL
YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Accounts Receivable and Other Assets:		
Prepaid Mortgage Insurance	\$ 17,551	\$ 18,146
Other Receivables	27,141	5,203
Total Accounts Receivable and Other Assets	<u>\$ 44,692</u>	<u>\$ 23,349</u>
Accounts Payable and Accrued Liabilities:		
Accounts Payable	\$ 4,895	\$ 24,698
Accrued Salaries	21,070	584
Accrued Expenses	17,501	19,370
Total Accounts Payable and Accrued Liabilities	<u>\$ 43,466</u>	<u>\$ 44,652</u>
Customer Deposits Payable:		
Customer Deposits	35,964	\$ 35,527
Accrued Interest on Customer Deposits	8,266	8,599
Total Customer Deposits Payable	<u>\$ 44,230</u>	<u>\$ 44,126</u>

THE METROPOLITAN OF BETHESDA LIMITED PARTNERSHIP
SELECTED LINE ITEM DETAIL (CONTINUED)
YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Dwelling Rental Revenue:		
Gross Potential Tenant Rent	\$ 809,326	\$ 791,353
Vacancy	(12,102)	(10,419)
Concessions	(1,570)	-
Total Dwelling Rental Revenue	<u>\$ 795,654</u>	<u>\$ 780,934</u>
Other Income:		
Tenant Charges	\$ 11,759	\$ 6,242
Parking Income	21,894	20,912
Miscellaneous Income	4,324	40,735
Total Other Income	<u>\$ 37,977</u>	<u>\$ 67,889</u>
Administrative Expenses:		
Salaries	\$ 141,104	\$ 120,405
Office Supplies and Expenses	4,249	3,518
Professional Fees	6,718	5,374
Accounting and Auditing Fees	2,640	12,500
Property Management Fees	37,347	66,113
Licenses and Fees	4,518	86
Computer Software	9,159	9,197
Resident Gifts	5,640	6,135
Program Supplies	11,395	16,007
Miscellaneous Administrative Expenses	2,068	1,281
Total Administrative Expenses	<u>\$ 224,838</u>	<u>\$ 240,616</u>
Utilities:		
Water	\$ 55,045	\$ 49,230
Electricity	65,461	66,025
Gas	23,458	22,483
Trash Removal	15,916	14,374
Total Utilities	<u>\$ 159,880</u>	<u>\$ 152,112</u>
Maintenance:		
Salaries and Related Expenses	\$ 70,790	\$ 62,381
Repair and Grounds Contracts	137,086	164,670
Appliances	38,421	26,749
Repairs Materials and Supplies	45,038	58,101
Total Maintenance	<u>\$ 291,335</u>	<u>\$ 311,901</u>
Other Expenses:		
Security	\$ 24,129	\$ 26,564
Insurance - Property	8,840	25,400
Loan Management Fees	21,340	-
Mortgage Insurance	26,922	27,786
Liability Insurance	21,139	11,935
Real Estate Tax	24,645	23,478
Other Expenses	3,015	-
Other Taxes and Fees	300	300
Bad Debts - Tenants	1,477	1,349
Total Other Expenses	<u>\$ 131,807</u>	<u>\$ 116,812</u>