Position 3

Form RD 3560-7
(Rev. 05-06)

MULTIPLE FAMILY HOUSING PROJECT BUDGET/ UTILITY ALLOWANCE

FORM APPROVED
OMB NO.0575-0189

PROJECT NAME	BORROWER NAME	BORROWER ID AND PROJECT NO.
Loan/Transfer Amount $	Note Rate Payment $	IC Payment $

Reporting Period	Budget Type	Project Rental Type	Profit Type	The following utilities are master metered:	I hereby request
☐ Annual ☐ Quarterly ☐ Monthly	☐ Initial ☐ Regular Report ☐ Rent Change ☐ SNR ☐ Other Servicing	☐ Family ☐ Elderly ☐ Congregate ☐ Group Home ☐ Mixed ☐ LH	☐ Full Profit ☐ Limited Profit	☐ Electricity ☐ Gas ☐ Sewer	____ units of RA. Current number of RA units _____. Borrower Accounting Method

Enter report year, i.e., 1/1/15 thru 12/31/15

Enter all rental income except for RD Rental Assistance and HUD Subsidy. Should only be the gross rent receipts actually collected from tenants monthly during the year.

2. Enter amount of Rental Assistance received as cash and/or netted from payment for operating year from annual statement. Can also reflect here the HUD subsidy received if project is 100% HUD subsidized.

PART I—CASH FLOW STATEMENT

	CURRENT BUDGET (2015)	ACTUAL	BUDGET (2016)	COMMENTS or (YTD)
BEGINNING DATES>	(- -)	(- -)	(- -)	(- -)
END DATES>				
OPERATIONAL CASH SOURCES				
1. RENTAL INCOME		*		
2. RHS RENTAL ASSISTANCE REC		*		
3. APPLICATION FEES RECEIVED		*		
4. LAUNDRY AND VENDING		*		
5. INTEREST INCOME		*		
6. TENANT CHARGES				
7. OTHER - PROJECT SOURCES		*		
8. LESS *(Vacancy and Contingency Allowance)*				
9. LESS *(Agency Approved Incentive Allowance)*				
10. SUB-TOTAL *[(1 thru 7) - (8 & 9)]*				
NON-OPERATIONAL CASH SOURCES				
11. CASH - NON PROJECT		*		
12. AUTHORIZED LOAN *(Non-RHS)*				
13. TRANSFER FROM RESERVE		*		
14. SUB-TOTAL *(11 thru 13)*				
15. **TOTAL CASH SOURCES** *(10+14)*				
OPERATIONAL CASH USES				
16. TOTAL O&M EXPENSES *(From Part II)*				
17. RHS DEBT PAYMENT				
18. RHS PAYMENT *(Overage)*		*		
19. RHS PAYMENT *(Late Fee)*				
20. REDUCTION IN PRIOR YEAR PAYABLE				
21. TENANT UTILITY PAYMENTS				
22. TRANSFER TO RESERVE		*		
23. RETURN TO OWNER /NP ASSET MANAGEME				*
24. SUB-TOTAL *(16 thru 23)*				
NON-OPERATIONAL CASH USES				
25. AUTHORIZED DEBT PAYMENT (Non-RHS				
26. ANNUAL CAPITAL BUDGET *(From Part III, Lines 4-6)*		*		
27. MISCELLANEOUS				
28. SUB-TOTAL *(25 thru 27)*				
29. **TOTAL CASH USES** *(24+28)*				
30. **NET CASH (DEFICIT)** *(15–29)*				
CASH BALANCE				
31. BEGINNING CASH BALANCE		*		
32. ACCRUAL TO CASH ADJUSTMENT				
33. ENDING CASH BALANCE		*		

4. If Laundry Income varies significantly from proposed, please provide explanation in Comments Column.

5. Include interest from all accounts, including the reserve account. Exclude interest on tenant security deposits unless interest was transferred to operating account.

Enter approved 2015 budget figures in this column.

Enter approved budget figures for 2016 in this column.

13. Must agree with Part III Line 7 & Part V Column 3.

7 & 11. Explain any amount in the Comments Column.

Enter actual income & expenses for 2015 in this column.

18. Reflect the amount of overage that was paid this past year. Should agree with the annual statement.

22. Must agree with Loan Agreement/Resolution or Workout Plan and with Part III (2). This amount may include accrued interest.

23. Show the calendar year for which the return to owner is being paid, if applicable.

25. Debt repayment other than RD (i.e., Loan from GP, 3rd Party Loan, MHDC, HOME, etc.). Please specify in comments.

26. Carries forward from Part III, 4-6.

31. Combined totals for the general operating & tax and insurance account. Should agree with the actual ending balance for 2014 and the beginning balances reflected in Part III.

Note: If ending cash balance exceeds 20% of Line 16, you will be required to transfer excess funds to reserve account, lower rents, or complete needed capital improvements.

33. Combined totals for the general operating & tax and insurance account. Should agree with the ending balance reflected in Part III and the ending balances on the Balance Sheet.

According to the Paperwork Reduction Act of 199... required to respond to a collectio... control number. The valid OMB control number ... required to complete this information ... per response, including the time for reviewing i... ring and maintaining the data needed, a... information.

PART II—OPERATING AND MAINTENANCE EXPENSE SCHEDULE

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
1. MAINTENANCE AND REPAIRS PAYROLL	Enter 2015 approved budget figures in this column.	Enter actual expenses for 2015 operating year in this column.	Enter 2016 approved budget figures in this column.	
2. MAINTENANCE AND REPAIRS SUPPLY				
3. MAINTENANCE AND REPAIRS CONTRACT				
4. PAINTING				
5. SNOW REMOVAL				
6. ELEVATOR MAINTENANCE/CONTRACT				
7. GROUNDS				
8. SERVICES				
9. ANNUAL CAPITAL BUDGET *(From Part V - Operating)*				
10. OTHER OPERATING EXPENSES *(Itemize)*				
11. SUB-TOTAL MAINT. & OPERATING *(1 thru 10)*				
12. ELECTRICITY *If master metered check box on front.*				
13. WATER				
14. SEWER				
15. FUEL *(Oil/Coal/Gas)*				
16. GARBAGE & TRASH REMOVAL				
17. OTHER UTILITIES				
18. SUB-TOTAL UTILITIES *(12 th*				
19. SITE MANAGEMENT PAYRO				
20. MANAGEMENT FEE		*		
21. PROJECT AUDITING EXPENSE				
22. PROJECT BOOKKEEPING/ACCOUNTING		*		
23. LEGAL EXPENSES				
24. ADVERTISING		*		
25. TELEPHONE & ANSWERING SERVICE		*		
26. OFFICE SUPPLIES				
27. OFFICE FURNITURE & EQUIPMENT		*		
28. TRAINING EXPENSE		*		
29. HEALTH INS. & OTHER EMP. BENEFITS				
30. PAYROLL TAXES				
31. WORKER'S COMPENSATION				
32. OTHER ADMINISTRATIVE EXPENSES *(Itemize)*		*		
33. SUB-TOTAL ADMINISTRATIVE *(19 thru 32)*				
34. REAL ESTATE TAXES		*		
35. SPECIAL ASSESSMENTS				
36. OTHER TAXES, LICENSES & PERMITS				
37. PROPERTY & LIABILITY INSURANCE				
38. FIDELITY COVERAGE INSURANCE				
39. OTHER INSURANCE				
40. SUB-TOTAL TAXES & INSURANCE *(34 thru 39)*				
41. TOTAL O&M EXPENSES *(11+18+33+40)*				

Include in this section normal unit turnover costs (i.e., painting, replacement of carpet, appliances, etc.) as reflected in Annual Capital Budget, Part V- operating).

20. Must agree with Management Agreement/Certification based on per occupied unit. If this amount is not in line with vacancy rate, RD may request a copy of the actual monthly rent register.

22. Should not be a separate item for bookkeeping if drawing a management fee. Management fees include bookkeeping/accounting. If any cost reflected here, please explain in Comments Column.

24. If -0-, borrower must explain why as it is a requirement to advertise at least once annually.

27. Must be for site manager's office, not management company.

25. Telephone expense for property, not management.

28. Training expense for property employees, not management employees.

32. Please explain in Comments Column for any cost reflected here.

34. Indicate in column 4 what year's taxes were paid. For any delinquent taxes, explain in Comments Column with year and amount owed to date.

Note: Actual expenses by subtotal category should not exceed 10% of proposed budget. If it exceeds, please provide explanation in Comments Column.

1. This amount should agree with the ending balance for the previous year as shown on 2014 Balance Sheet. Do not include monies in supervised insurance accounts and supervised construction accounts; show these figures in Comments Column.

2. This must agree with Part I Line 22, and Loan Agreement/ Resolution or Servicing Workout Plan.

Lines 3-6 should equal Line 7.

7. Must match Part I Line 13, and Part V total of Column 3.

Enter 2015 year ending balance of operating account. This includes any other operating funds that may be held in another account (i.e., CD's & petty cash).

Enter beginning operating balance at the start of the 2015 operating year.

Enter 2015 year ending balance of tax and insurance account.

Enter 2015 beginning year balance for the tax & insurance account.

Enter 2015 ending year balance for Security Deposits.

Enter 2015 beginning year balance for Security Deposits. These figures do not show anywhere else on this form.

Do not complete. RD completes these fields.

RT III—ACCOUNT BUDGETING/STATUS

	CURRENT BUDGET	ACTUAL	PROPOSE BUD
1. BEGINNING BALANCE		*	
2. TRANSFER TO RESERVE		*	
TRANSFER FROM RESERVE			
3. OPERATING DEFICIT			
4. ANNUAL CAPITAL BUDGET *(Part V - Reserve)*			
5. BUILDING & EQUIPMENT REPAIR			
6. OTHER NON-OPERATING EXPENSES			
7. TOTAL *(3 thru 6)*	( )	(*)	
8. ENDING BALANCE *[(1+2)-7]*			

GENERAL OPERATING ACCOUNT:

BEGINNING BALANCE	*	
ENDING BALANCE	*	

REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT: *

BEGINNING BALANCE	*	
ENDING BALANCE	*	

TENANT SECURITY DEPOSIT ACCOUNT: *

BEGINNING BALANCE	*	
ENDING BALANCE	*	

*(*Complete upon submission of actual*

NUMBER OF APPLICANTS ON THE WAITING LIST		RESERVE A	*
NUMBER OF APPLICANTS NEEDING RA		AMOUNT AHEAD/BEHIND	*

Note for items 2-7: If there is a Capital Needs Assessment (CNA), were items identified for the reporting year completed per the CNA? If not, please comment in the narrative section as to why these items were not completed.

PART IV—RENT SCHEDULE AND UTILITY ALLOWANCE

A. CURRENT APPROVED RENTS/ UTILITY ALLOWANCE

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	UTILITY ALLOWANCE
				CURRENT RENT TOTALS:					
						BASIC	NOTE	HUD	

N/A

B. PROPOSED RENTS - Effective Date: _____/_____/_____

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE		
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD
				PROPOSED RENT TOTALS:				
						BASIC	NOTE	HUD

N/A

C. PROPOSED UTILITY ALLOWANCE - Effective Date: _____/_____/_____

MONTHLY DOLLAR ALLOWANCES

BR SIZE	UNIT TYPE	NUMBER	ELECTRIC	GAS	WATER	SEWER	TRASH	OTHER	TOTAL

N/A

PART V - ANNUAL CAPITAL BUDGET

	Proposed Number of Units/Items	Proposed from Reserve	Actual from Reserve	Proposed from Operating	Actual from Operating	Actual Total Cost	Total Actual Units/Items
			3		5	6	7
Appliances:							
Range							
Refrigerator							
Range Hood							
Washers & Dryers							
Other:							
Carpet & Vinyl:							
1BR							
2BR							
3BR							
4BR							
Other:							
Cabinets:							
Kitchens							
Bathrooms							
Other:							
Doors:							
Exterior							
Interior							
Other:							
Window Coverings:							
List:							
Other:							
Heating & Air Conditioning:							
Heating							
Air Conditioning							
Other:							
Plumbing:							
Water Heater							
Bath Sinks							
Kitchen Sinks							
Faucets							
Toilets							
Other							
Major Electrical:							
List:							
Other:							
Structures:							
Windows							
Screens							
Walls							
Roofing							
Siding							
Exterior Painting							
Other							
Paving:							
Asphalt							
Concrete							
Seal & Stripe							
Other:							
Landscape & Grounds:							
Landscaping							
Lawn Equipm							
Fencing							
Recreation Ar							
Signs							
Other:							
Accessibility Features:							
List:							
Other:							
Automation Equipment:							
Site Management							
Common Area							
Other:							
Other:							
List:							
List:							
List:							
TOTAL CAPITAL EXPENSES:			*		*	*	

Enter Actual amount with-drawn from reserve funds.

Enter Actual amount paid from the O&M Account for applicable Items.

Sum amount paid from the O&M account and/or Reserve Funds.

Enter quantity of actual units/ items for capital improve-ments that were funded from reserve account & operating account.

NOTE:
Roofing, concrete for parking lots, sidewalks, etc., are considered capital improvements.

If you have a current Transition Plan in place and you had items that were to be completed in 2015, you should have an amount entered here. If you don't, you must explain in the Narrative why you did not complete the TP items as required. Failure to complete required items may mean you are in non-compliance and will be serviced accordingly.

Enter Sum amount of Column. Must agree with Part I, Line 13 & Part III, Line 7.

Total column enter in Part II, Line 9.

Sum of actual amount funded from reserve account and operating account.

PART VI -- SIGNATURES, DATES AND COMMENTS

Warning: **Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.**

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

The Actual Budget must be completed in its entirety and transmitted via MINC. Borrower/Management should retain a copy for their records.

(DATE) (Signature of Borrower or Borrower's Representative)

(Title)

AGENCY APPROVAL *(Rural Development Approval Official)*: DATE:

COMMENTS:

Timeframes for Submitting Yearend Report: Due within 90 days from accounting year end.

NOTE: You must provide explanations where needed or the report will not be considered complete.

Provide sufficient comments to avoid additional follow-ups from Rural Development. If you have additional comments or documentation that cannot be transmitted through MINC, please provide this to the appropriate servicing office via email or regular mail such as:

✓Are there any delinquent real estate taxes? If so, please explain with year and amount owed and when they will be paid. Please note that any penalties charged are not an allowable project expense.

✓If actual operating expenses were greater than 10% over the proposed for any subtotal group, please provide explanation.

✓For a specific line item, explain any unusual expenses or deviations from the proposed budget.

✓If an amount is reflected in Part II, Line 32. Other Administrative Expenses, please itemize here.

✓If you have a Management Agreement/Contract, and there is amount reflected in Part II, Line 22, Project bookkeeping/Accounting, please explain here what this expense was for. Bookkeeping/Accounting is a management expense.

✓Please list what items were completed for the reporting year per the Transition Plan. Describe item and cost amount. If items were not completed as required, you must provide an explanation why.