

# **527 Dale Drive Apartments**

## **Financial Statements**

**For the Years Ended  
June 30, 2021 and 2020**

# 527 Dale Drive Apartments

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For the Years Ended June 30, 2021 and 2020

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## Independent Accountant's Compilation Report

To the Board of Commissioners  
527 Dale Drive Apartments  
10400 Detrick Avenue  
Kensington, MD 20895

Management is responsible for the accompanying financial statements of 527 Dale Drive Apartments, a residential facility owned by the Housing Opportunities Commission of Montgomery County, Maryland (HOC), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, changes in net deficit and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on the 2021 financial statements.

The financial statements of 527 Dale Drive Apartments as of June 30, 2020, were subjected to a compilation engagement by other accountants, whose report dated September 25, 2020, stated that they have not audited or reviewed the 2020 financial statements and do not express an opinion, a conclusion, nor provide any assurance on those financial statements.

The supplementary information contained on pages 14 - 17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The 2021 supplementary information was subject to our compilation engagement. We have not audited or reviewed the 2021 supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information. The 2020 supplementary information was subject to a compilation engagement by other accountants, whose report on such information stated they did not express an opinion, a conclusion, nor provide any assurance on such information.

*SCH & H Attest Services, P.C.*

Sparks, Maryland  
September 23, 2021

# 527 Dale Drive Apartments

## Statements of Financial Position

As of June 30, 2021 and 2020

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	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
<b>Unrestricted current assets</b>		
Cash	\$ 91,845	\$ 85,124
Total unrestricted current assets	<u>91,845</u>	<u>85,124</u>
<b>Restricted cash</b>		
Insurance reserve	160	-
Renovation escrow	6,254	6,254
Reserve for replacements	<u>296,752</u>	<u>289,420</u>
Total restricted cash	303,166	295,674
<b>Property and equipment</b>		
Property and equipment, net of accumulated depreciation	<u>1,792,993</u>	<u>1,860,506</u>
Total assets	<u>\$ 2,188,004</u>	<u>\$ 2,241,304</u>

*See independent accountant's compilation report and notes to financial statements.*

## 527 Dale Drive Apartments

Statements of Financial Position (Continued)

As of June 30, 2021 and 2020

	2021	2020
<b>Liabilities and Net Deficit</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 8,018	\$ 6,745
Interfund payable	68,259	52,193
Total current liabilities	76,277	58,938
<b>Long-term liabilities</b>		
Mortgages payable - Montgomery County	1,738,012	1,738,012
Mortgage payable - Maryland DHCD - net of unamortized financing fees of \$19,936 - 2021 and \$20,989 - 2020	580,064	579,011
Total long-term liabilities	2,318,076	2,317,023
Total liabilities	2,394,353	2,375,961
<b>Contingencies (Note 10)</b>		
<b>Net Deficit</b>		
Investment in capital assets, net of related debt	(545,019)	(477,506)
Restricted net assets	303,166	295,674
Unrestricted net assets	35,504	47,175
Total net deficit	(206,349)	(134,657)
Total liabilities and net deficit	\$ 2,188,004	\$ 2,241,304

*See independent accountant's compilation report and notes to financial statements.*

## 527 Dale Drive Apartments

### Statements of Activities

For the Years Ended June 30, 2021 and 2020

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	<u>2021</u>	<u>2020</u>
<b>Operating revenues</b>		
Dwelling rental income	\$ 104,025	\$ 104,080
Other income	<u>1,980</u>	<u>470</u>
Total operating revenues	<u>106,005</u>	<u>104,550</u>
<b>Operating expenses</b>		
Administrative	15,513	17,669
Operating and maintenance	35,786	39,899
Depreciation	67,513	67,897
Utilities	37,140	25,797
Fringe benefits	4,777	5,458
Interest expense	1,053	1,054
Other	<u>15,915</u>	<u>21,092</u>
Total operating expenses	<u>177,697</u>	<u>178,866</u>
Operating loss	<u>(71,692)</u>	<u>(74,316)</u>
Total change in net deficit	<u>\$ (71,692)</u>	<u>\$ (74,316)</u>

*See independent accountant's compilation report and notes to financial statements.*

## 527 Dale Drive Apartments

Statements of Changes in Net Deficit  
For the Years Ended June 30, 2021 and 2020

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Balance - July 1, 2019	\$ (60,341)
Change in net deficit - June 30, 2020	<u>(74,316)</u>
Balance - June 30, 2020	(134,657)
Change in net deficit - June 30, 2021	<u>(71,692)</u>
Balance - June 30, 2021	<u>\$ (206,349)</u>

*See independent accountant's compilation report and notes to financial statements.*

# 527 Dale Drive Apartments

## Statements of Cash Flows

For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>		
Cash received for:		
Rental income	\$ 104,025	\$ 104,080
Miscellaneous income	1,980	470
Total cash receipts	<u>106,005</u>	<u>104,550</u>
Cash paid for services and to employees for:		
Administrative expenses	(6,449)	(8,976)
Management fees	(14,780)	(15,346)
Utilities	(32,913)	(20,848)
Salaries and wages	(14,858)	(13,495)
Operating and maintenance	(28,866)	(30,014)
Property insurance	(2,440)	(2,593)
Miscellaneous taxes and insurance	-	(203)
Fringe benefits	(4,777)	(5,458)
Other expenses	(2,775)	(563)
MCCH Expense	-	(6,412)
Total cash disbursements	<u>(107,858)</u>	<u>(103,908)</u>
Net cash and restricted cash provided by (used in) operating activities	<u>(1,853)</u>	<u>642</u>
<b>Cash flows from financing activities</b>		
Net change in interfund payable	<u>16,066</u>	<u>19,843</u>
Net cash and restricted cash provided by financing activities	<u>16,066</u>	<u>19,843</u>
<b>Net increase in cash and restricted cash</b>	14,213	20,485
Cash and restricted cash, beginning of year	<u>380,798</u>	<u>360,313</u>
Cash and restricted cash, end of year	<u>\$ 395,011</u>	<u>\$ 380,798</u>

*See independent accountant's compilation report and notes to financial statements.*



## 527 Dale Drive Apartments

Statement of Cash Flows (continued)  
For the Years Ended June 30, 2021 and 2020

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	<u>2021</u>	<u>2020</u>
<b>Reconciliation of change in net deficit to net cash provided by (used in) operating activities</b>		
Change in net deficit	\$ (71,692)	\$ (74,316)
Adjustments to reconcile change in net deficit to net cash provided by (used in) operating activities:		
Depreciation	67,513	67,897
Amortization of financing fees	1,053	1,054
Decrease in operating assets:		
Other receivables	-	611
Increase in operating liabilities:		
Accounts payable and accrued expenses	<u>1,273</u>	<u>5,396</u>
Net cash and restricted cash provided by (used in) operating activities	<u>\$ (1,853)</u>	<u>\$ 642</u>

The following table provides a reconciliation of cash and restricted cash reported within the statements of financial position that sum to the total of the same such amounts presented in cash and restricted cash, end of year, above:

Cash	\$ 91,845	\$ 85,124
Insurance reserve	160	-
Renovation escrow	6,254	6,254
Reserve for replacements	<u>296,752</u>	<u>289,420</u>
Total cash and restricted cash, end of year	<u>\$ 395,011</u>	<u>\$ 380,798</u>

*See independent accountant's compilation report and notes to financial statements.*

# 527 Dale Drive Apartments

Notes to Financial Statements  
For the Years Ended June 30, 2021 and 2020

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## 1) Nature of Business and Summary of Significant Accounting Policies

### ***Organization***

527 Dale Drive Apartments (the Property) is a 10 unit residential rental operation owned by the Housing Opportunities Commission of Montgomery County, Maryland (HOC). The project is a component unit of HOC. The property was purchased on May 8, 2006 and renovations were completed in March 2008. Eight (8) units are rented to chronically homeless adults of Montgomery County. The tenant related operations of the project are the responsibility of the Montgomery County Coalition for the Homeless (MCCH). HOC, the landlord, is responsible for all building related issues. An executed memorandum of understanding dated April 3, 2008 outlines the parties' roles and responsibilities.

### ***Method of Accounting***

The Property's financial statements are prepared on the accrual method of accounting which recognizes income when it is earned and expenses when they are incurred.

### ***Cash and Cash Equivalents***

The Project considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents as of June 30, 2021 and 2020.

### ***Rents Receivable and Bad Debts***

Accounts receivable are reported at their outstanding balances, reduced by an allowance for doubtful accounts.

Management periodically evaluates the need for an allowance for doubtful accounts by considering the Property's past receivables loss experience, known and inherent risks in the accounts receivable population, adverse situations that may affect a debtor's ability to pay, and current economic conditions.

The allowance for doubtful accounts is increased by charges to bad debt expense and decreased by charge offs of the accounts receivable balances. Accounts receivable are considered past due after the tenth of the month in which they were due. Accounts receivable are considered uncollectible if they are outstanding over 90 days. The allowance as of June 30, 2021 and 2020 was \$0.

### ***Property and Equipment***

Buildings and equipment are recorded at cost. The cost of repairs and maintenance is charged to operations as incurred. Major renewals, betterments and additions are capitalized. Buildings and equipment are depreciated over their estimated useful lives of 5 to 40 years using the straight-line method.

### ***Impairment of Long-Lived Assets***

The Property reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. There were no asset impairments during the years ended June 30, 2021 and 2020.

*See independent accountant's compilation report.*

# 527 Dale Drive Apartments

Notes to Financial Statements (Continued)  
For the Years Ended June 30, 2021 and 2020

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## 1) Nature of Business and Summary of Significant Accounting Policies (Continued)

### *Net Assets*

HOC is required to report on a fund basis and categorize net assets as the following:

Investment in capital assets represents the total of property and equipment, net less mortgages payable.

Restricted net assets represents the sum of total restricted cash.

Unrestricted net assets represents the balance remaining after investment in capital assets and restricted net assets.

### *Interest*

The Property has adopted the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Section 835, *Interest*, which states that debt issuance costs related to a note shall be reported on the statement of financial position as a direct deduction from the face amount of that note, and any amortization of debt issuance costs shall be reported as interest expense. Accordingly, the Property is reporting loan fees related to its Montgomery County mortgages payable as a direct deduction from the principal balance of the mortgages, and is reporting amortization of the loan fees as interest expense on the Montgomery County mortgages payable. See Note 5 for more information.

### *Income Taxes*

The Property is a component unit of The Housing Opportunities Commission of Montgomery County, Maryland (HOC), a component unit of Montgomery County, Maryland and is therefore exempt from income taxation. No provision for income taxes has been included in these financial statements and there are no other tax positions which must be considered for disclosure.

### *Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### *Rental Revenue*

Rental income is recognized as rents become due. Rent payments received in advance are deferred until earned. All leases between the Property and tenants of the Property are operating leases. MCCCH pays \$1,080 per month per each supportive housing unit as described in the memorandum of understanding.

### *Advertising*

The Property's policy is to expense advertising costs when incurred and totaled \$153 and \$382, respectively, for the years ended June 30, 2021 and 2020.

### *Reclassification*

Reclassifications have been made to the prior year balances to conform to current year presentation.

*See independent accountant's compilation report.*

## 527 Dale Drive Apartments

Notes to Financial Statements (Continued)  
For the Years Ended June 30, 2021 and 2020

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### 2) Concentration of Risk

The Property maintains its cash balances in several accounts in various banks. The cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each bank. Additionally, the Property is included with the Housing Opportunities Commission of Montgomery County, Maryland (the "Commission") as part of the agency funds, and was entirely insured or collateralized with securities held by the Commission's agent in the Commission's name.

### 3) Restricted Cash

Pursuant the regulatory agreement with the Maryland Department of Housing and Community Development (DHCD), the Property is required to maintain a reserve for replacements and make monthly deposits of \$611 into the reserve. The memorandum of understanding between HOC and MCCH requires surplus cash at the end of each year to be distributed 50% to MCCH and 50% to be deposited into the reserve for replacements. Details of the reserve for replacement account during the years ended June 30 were as follows:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 289,420	\$ 275,065
Monthly deposits	7,332	7,943
Surplus cash deposit	<u>-</u>	<u>6,412</u>
Balance, end of year	<u>\$ 296,752</u>	<u>\$ 289,420</u>

### 4) Property and Equipment

Property and equipment detail as of June 30 was as follows:

	<u>2021</u>	<u>2020</u>
Building and renovations	\$ 2,690,153	\$ 2,690,153
Equipment	<u>41,537</u>	<u>41,537</u>
Total property and equipment	2,731,690	2,731,690
Less: accumulated depreciation	<u>938,697</u>	<u>871,184</u>
Property and equipment, net	<u>\$ 1,792,993</u>	<u>\$ 1,860,506</u>

*See independent accountant's compilation report.*

## 527 Dale Drive Apartments

Notes to Financial Statements (Continued)  
For the Years Ended June 30, 2021 and 2020

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### 5) Long-Term Debt

#### ***Mortgages Payable – Montgomery County***

On May 8, 2006, HOC entered into a mortgage note payable to Montgomery County, Maryland in the original amount of \$1,000,000. The mortgage was funded through the HOME Program and is non-interest bearing. There were no financing fees incurred related to this mortgage. The mortgage is secured by a first deed of trust, security agreement, and assignment of rents on the Property. No payments were due until the eleventh (11<sup>th</sup>) anniversary of the note, May 8, 2017 at which point annual payments of the lesser of fifty percent (50%) of Net Cash Flow, as defined in the note, or the amount which when applied to reduction of principal shall amortize the entire principal debt over a twenty (20) year term, are due. The mortgage matures on July 1, 2036. The outstanding principal balance as of June 30, 2021 and 2020 is \$1,000,000.

On May 8, 2006, HOC entered into a mortgage note payable to Montgomery County, Maryland in the original amount of \$1,580,000. The mortgage was funded through the Housing Initiative Fund (HIF) Program and is non-interest bearing. There were no financing fees incurred related to this mortgage. The mortgage was originally secured by a second deed of trust, security agreement, and assignment of rents on the Property. On June 30, 2009, the mortgage note was amended, reducing the principal balance to \$738,012 and subordinating the deed of trust to the loan documents securing the DHCD PRHP loan. No payments were due until June 30, 2017, at which point annual payments of the lesser of fifty percent (50%) of Net Cash Flow, as defined in the note, or the amount which when applied to reduction of principal shall amortize the entire principal debt over the loan's remaining term, are due. The mortgage matures on July 1, 2036. The outstanding principal balance as of June 30, 2021 and 2020 is \$738,012.

The Property intends to apply its 50% of Surplus Cash to the mortgages after DHCD approves the release of Surplus Cash. Montgomery County has granted deferment of repayment and compliance monitoring fees from March 5, 2020 through June 30, 2021.

#### ***Mortgage Payable – Maryland DHCD***

The Property is obligated to repay a mortgage payable to DHCD in the original amount of \$600,000. The mortgage was funded through the Partnership and Rental Housing Program (PRHP). Financing fees related to the mortgage were \$32,615 and are being amortized to interest expense on a straight-line basis, the results of which are not materially different from that of the effective interest method over the term of the loans. The mortgage was originally secured by a third deed of trust on the Property. On June 30, 2009, the Montgomery County HIF mortgage note was amended, subordinating its deed of trust to the DHCD PRHP loan documents. The mortgage is non-interest bearing and becomes due and payable on the occurrence of sale or refinancing of the property, the project no longer being used by low-income individuals or in an event of default, as defined in the deed of trust. The outstanding principal balance as of June 30, 2021 and 2020 is \$600,000. Unamortized financing fees as of June 30, 2021 and 2020 were \$19,936 and \$20,989, respectively. Interest expense incurred during the years ended June 30, 2021 and 2020 was \$1,053 for and \$1,054, respectively including amortization of financing fees of \$1,053 and \$1,054, respectively. Estimated financing fees being amortized to interest expense for each of the next five years are \$1,054.

*See independent accountant's compilation report.*

# 527 Dale Drive Apartments

Notes to Financial Statements (Continued)  
For the Years Ended June 30, 2021 and 2020

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## 6) Related Party Transactions

### *Asset Management Fee*

The Property was charged an asset management fee of \$10,700 and \$10,710, respectively, for the years ended June 30, 2021 and 2020, by HOC.

### *Interfund Payable*

The Property has numerous transactions with HOC to finance operations and provide services. To the extent that funds to finance certain transactions of the Property have not been paid or collected as of year-end, interfund receivables and payables are recorded. The balance of the interfund payable as of June 30, 2021 and 2020 was \$68,259 and \$52,193, respectively.

## 7) Real Estate Taxes

The Property has entered into a Payment In Lieu Of Taxes (PILOT) agreement whereby Montgomery County real estate tax and special area taxes are abated.

## 8) Property Management Fee

HOC has a management agreement with Residential One, LLC through March 31, 2022, at a rate of \$43 per unit per month. In the event the Property scores below 80 on a REAC inspection during the term of the agreement, or if operating or capital expenses exceed budget by more than ten percent (10%) due to costs incurred to prepare for a REAC inspection, the fee shall be reduced by two percent (2%). During the years ended June 30, 2021 and 2020, management fees of \$4,080 and \$4,636, respectively, were incurred.

## 9) MCCH Expense

As discussed in Note 3, a memorandum of understanding between HOC and MCCH requires 50% of surplus cash, as defined, to be paid to MCCH. During 2021, there was no distribution to MCCH. In January 2020, \$6,412 was paid to MCCH, which represented the amount due for 2019.

## 10) Business Risk Factor

In December 2019, a novel strain of coronavirus (COVID-19) was reported in Wuhan, China. The World Health Organization has declared COVID-19 to constitute a Public Health Emergency of International Concern. In March 2020, COVID-19 began to spread throughout the United States. Efforts to contain COVID-19, including restrictions mandated by U.S. Federal and various state and local governments has caused numerous businesses to close or modify their operations in an effort to prevent COVID-19 from spreading more rapidly. Because of the size and duration of this pandemic, the direct and indirect consequences of COVID-19 are not yet known and may not emerge for some time. The future impact of the pandemic is highly uncertain and cannot be predicted, but it could have a material adverse impact on the future results of operations and financial position of the Property.

*See independent accountant's compilation report.*

# 527 Dale Drive Apartments

Notes to Financial Statements (Continued)  
For the Years Ended June 30, 2021 and 2020

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## 11) Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through the independent accountant's report date, the date the financial statements were available to be issued. There were no events that required recognition or disclosure in the financial statements.

*See independent accountant's compilation report.*

## 527 Dale Drive Apartments

Detail of Selected Statements of Financial Position Accounts  
As of June 30, 2021 and 2020

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	<u>2021</u>	<u>2020</u>
<b>Accounts payable and accrued expenses</b>		
Accounts payable	\$ 2,275	\$ 1,186
Accrued salaries	238	219
Accrued leave	1,114	1,080
Accrued utility payments	3,507	3,293
Accrued other liabilities	<u>884</u>	<u>967</u>
Total accounts payable and accrued expenses	<u>\$ 8,018</u>	<u>\$ 6,745</u>

*See independent accountant's compilation report.*



# 527 Dale Drive Apartments

Detailed Statements of Activities  
For the Years Ended June 30, 2021 and 2020

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	<u>2021</u>	<u>2020</u>
<b>Dwelling rental income</b>		
Rent	\$ 103,680	\$ 103,680
Laundry income	345	400
Total dwelling rental income	<u>\$ 104,025</u>	<u>\$ 104,080</u>
<b>Other income</b>		
Rental license	\$ 470	\$ 470
Miscellaneous	1,510	-
Total other income	<u>\$ 1,980</u>	<u>\$ 470</u>
<b>Administrative expenses</b>		
Advertising and marketing	\$ 153	\$ 382
Contract management fees	4,080	4,636
Miscellaneous	98	38
Salaries	3,978	4,526
Office supplies and expense	1,336	1,975
Professional fees	3,628	4,175
Licenses	470	470
Telephone	1,770	1,467
Total administrative expenses	<u>\$ 15,513</u>	<u>\$ 17,669</u>
<b>Operating and maintenance expenses</b>		
Contracts	\$ 4,568	\$ 7,169
Exterminating	1,136	263
Grounds maintenance	3,840	4,204
HVAC repairs and maintenance	595	2,399
Janitorial	7,604	8,100
Salaries	10,933	10,656
Snow removal	5,280	1,170
Supplies and repairs	1,830	5,938
Total operating and maintenance expenses	<u>\$ 35,786</u>	<u>\$ 39,899</u>

*See independent accountant's compilation report.*

## 527 Dale Drive Apartments

Detailed Statements of Activities (Continued)  
For the Years Ended June 30, 2021 and 2020

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	2021	2020
<b>Utilities expense</b>		
Electricity	\$ 11,719	\$ 15,080
Gas	1,670	2,166
Trash removal	4,013	1,971
Water	19,738	6,580
	<u>37,140</u>	<u>25,797</u>
Total utilities expense	<u>\$ 37,140</u>	<u>\$ 25,797</u>
<b>Fringe benefits</b>		
Accrued leave	\$ 34	\$ 622
Contract managed benefits	1,036	687
FICA	681	640
Health insurance	2,253	2,363
Retirement benefits	538	781
Unemployment	35	35
Workers compensation	200	330
	<u>4,777</u>	<u>5,458</u>
Total fringe benefits	<u>\$ 4,777</u>	<u>\$ 5,458</u>
<b>Other expenses</b>		
Asset management fees	\$ 10,700	\$ 10,710
Insurance	2,440	2,593
MCCH expense	-	6,412
Security contracts	2,775	1,174
Taxes	-	203
	<u>15,915</u>	<u>21,092</u>
Total other expenses	<u>\$ 15,915</u>	<u>\$ 21,092</u>

*See independent accountant's compilation report.*

## 527 Dale Drive Apartments

Schedule of Surplus Cash  
For the Year Ended June 30, 2021

Acct#	Description	Amount	Apply as	+/- Adjust	Total
S1200-010	Rental Receipts	104,025	Cash	-	104,025
S1200-020	Interest Receipts	-	N/A	-	-
S1200-030	Other Operating Receipts	1,980	Cash	-	1,980
S1200-050	Administrative Expenses Paid	(6,449)	Obligation	-	(6,449)
S1200-070	Management Fees Paid	(14,780)	Obligation	-	(14,780)
S1200-090	Utilities Paid	(32,913)	Obligation	-	(32,913)
S1200-100	Salaries & Wages Paid	(14,858)	Obligation	-	(14,858)
S1200-110	Operating and Maintenance Paid	(28,866)	Obligation	-	(28,866)
S1200-120	Real Estate Taxes Paid	-	Obligation	-	-
S1200-140	Property Insurance Paid	(2,440)	Obligation	-	(2,440)
S1200-150	Miscellaneous Taxes & Insurance Paid	-	N/A	-	-
S1200-160	Net Tenant Security Deposits Received (Paid)	-	N/A	-	-
X1200-170	Other Operating Expenses Paid	(7,552)	Obligation	-	(7,552)
S1200-180	Interest Paid on First Mortgage	-	N/A	-	-
X1200-190	Interest Paid on Other Mortgages	-	N/A	-	-
S1200-220	Miscellaneous Financial Expenses Paid	-	Obligation	-	-
X1200-200	Entity/Construction Expenses Paid	-	N/A	-	-
S1200-245	Net Deposits to Mortgage Escrows	-	N/A	-	-
S1200-250	Net Deposits to Reserve for Replacements	(7,332)	N/A	-	(7,332)
S1200-230		-			-
S1200-255	Net Deposits to Other Reserves	-	N/A	-	-
S1200-260	Net Deposits to the Residual Receipts Account	-	N/A	-	-
S1200-330	Net Purchase of Fixed Assets	-	N/A	-	-
S1200-335	Other Investing Activities	-	N/A	-	-
S1200-360	Mortgage Principal Payments - First Mortgage	-	N/A	-	-
S1200-361	Mortgage Principal Payments - Second Mortgage	-	N/A	-	-
S100-362	Mortgage Principal Payments - Third Mortgage	-	N/A	-	-
X1200-363	Mortgage Principal Payments - Other Mortgages	-	N/A	-	-
S1200-380	Payment of Development Fee	-	N/A	-	-
X1200-390	Net Change in Due from Partners	-	N/A	-	-
S1200-420	Distributions				
S1200-450	Other Financing Activities	-	Obligation		
				<b>Grand Total:</b>	<b>(9,185)</b>

See independent accountant's compilation report.