

A stylized illustration of a lantern hanging from a decorative stand. The lantern has a yellow flame inside. The stand is made of dark lines. The background is a solid blue color.

2019 Boston

ANNUAL CONFERENCE
& SHOWPLACE

KHC's Proactive Approach to LIHTC Compliance & Asset Management



Proactive Approach to LIHTC issues

Risk Based Approach

More Robust Asset Management

Integration in our Data Management System

Informing Front-End Policy & Funding Decisions

Factors that Shaped KHC's Approach

- Trimmed staff & reluctant to add new positions.
- Growing & aging portfolio.
- Need to address preservation and troubled properties.
- Desire to inform up-front policy & funding decisions to prevent troubled properties.
- ADMS & TDCS software & in-house developers.

The background of the slide is a collage of various residential buildings, including houses and townhomes, in different colors and styles, creating a textured, urban feel.


2 Software Systems

Make Our New Approach Possible

ADMS

TDCS

Authority Data Management System

 AuthorityDMS v 5.4.3.3 - [Project - Mt. Washington Place]

GeneralAccountingUtilitiesUFAMessagingWeb Draw

Building InformationFormsDrawsMonitoringFeesDocument SearchDocument ClassificationHDS ExportImpact Review

Project NameMt. Washington Place

Address12053 Hwy. 44 East

Address2

City, St, ZipMt. Washington KY 40047-

CountyBullittView on map

Phone/Fax(270) 259-5461 () -

Qualified Census Tract☐ DDA☐ Scattered Site☐

Census Tract

Total Project Buildings4

Project Manager

Other ManagerAdrian Moore

Inspector

Process TypeCOMPLIANCE EUA-Risk Sharin

StageActive

Programs

Source	Program	Award #	Stat	Award Amou
Risk Sharing	Rental Production	KY-99-034	Mo...	\$0.00
Tax Exempt Bond	Rental Production	KY-99-034	Con...	\$0.00
Federal Tax Credit	Rental Production	KY-99-034	App...	\$117,724.00
HOME	SU-Rental Production Funding	KY-99-034	App...	\$325,000.00

Click Here To Add A New Program...

Project Counts

New	32
Rehab	0
Total	32

Project Type

Elderly☐

Special Needs 100%☐

Special Needs Units☐

Family☐

EntitiesContactsDistrictsPartnershipStatusCommentsDocumentsScoringSources/LoansConstruction CostsAmenitiesFeaturesExpenses/IncomePopulation ServedDevelopment Type < >

Entity Role	Entity Details	Entity Name
General Partner	View/Edit Details	Watkins Investments, LLC LP/SLP
Limited Partner	View/Edit Details	Watkins Investments, LLC LP/SLP
▶ Project Owner	View/Edit Details	Mt. Washington Place, Limited
Management Company	View/Edit Details	Homeland, Inc.
* Click Here To Add A New Entity...		

ADMS is now start-to-finish project workflow, data, and document management system.

LIHTC Application Process
Construction Monitoring & Completion
Ongoing Compliance Monitoring
Ongoing Asset Management

Tenant Data Certification System

Collects info on tenants, rent rolls, UA, HH size, date for income recertification, etc.



Tenant Data Certification System

Welcome to the Tenant Data Certification System

This site will allow organizations working with the Kentucky Housing Corporation to manage information about their awards.

Username:

Password:

Login

[New User? Register Here](#) | [Forgot Your Password?](#) | [KHC Home](#)

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KHC'S APPROACH TO LIHTC COMPLIANCE

Multifamily Compliance Scoring for Reviews

Programmatic Issues	Physicals/Health/Safety Issues	Project Changes	Vacancy	AM Score + Loan Status
(0) Open 8823 or State (KHC) Issues	(0) REAC >60	(0) New owner/mgt. co. w/no experience & unwilling to cooperate with KHC.	(0) > 30% vacancy loss for current review year	(0) Impact Score of D- or less
(5) Workout/Plan of Action or Forwarded to legal.	(5) Health and Safety (Life Threatening) Issue.	(5) New owner/mgt. co. w/no experience	(5) \leq 30% vacancy loss for current review year	(5) Loan Status in Default.
(10) 4 or more Programmatic Findings. (recerts, over income, etc)	(10) Over 30% of units have major physical issues.	(10) New owner/mgt. co. w/minimal experience in all funding sources.	(10) \leq 20% vacancy loss for current review year	(10) Loan Status in Default with workout plan.
(15) 3 or fewer Programmatic Findings.	(15) 30% or less of units have physical issues.	(15) New owner/mgt. co. with existing projects in the KHC portfolio.	(15) \leq 10% vacancy loss in current review year	(15) < 3 delinquent payments in past 24 months
(20) No Programmatic Findings:	(20) No Physical or Health/Safety Issues.	(20) No change in owner/mgt. co.	(20) \leq 5% vacancy for current review year	(20) Current Loan Status with no delinquents or NA

Multifamily Compliance Scoring

Score	Rating	Review Rotation
91-100	Excellent	3 to 5 Year Review
81-90	Good	3 to 5 Year Review
76-80	Satisfactory	2-3 Year Review
66-75	Danger	Annual Review
65 or below	Fail	Annual Review and/or Refer to Legal

Annual Compliance Review Plan

1. Use scores to see which projects are on the coming year's rotation.
2. Desk vs. On site? (is inspection required?)
3. Staff discussion – real on-the-ground knowledge (i.e. a new manager needing help).
4. Assign out reviews monthly and quarterly.

Authority Data Management System

AuthorityDMS v 5.4.3.3 - [Project - Mt. Washington Place]

General Accounting **Utilities** UFA Messaging Web Draw

Building Information Forms **Draws** Monitoring Fees Document Search Document Classification HDS Export Impact Review

Project Name: Mt. Washington Place [Project Manager](#)

Address: 12053 Hwy. 44 East [Other Manager](#) Adrian Moore

Address 2:
Inspector:
City, St, Zip: Mt. Washington KY 40047-
County: Bullitt [View on map](#) Process Type: COMPLIANCE EUA-Risk Sharin Stage: Active

Phone/Fax: (270) 259-5461 () -

Qualified Census Tract ☐ DDA ☐ Scattered Site ☐ [Census Tract](#)
Total Project Buildings: 4

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[Click Here To Add A New Program...](#)

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Special Needs Units	<input type="checkbox"/>
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Building Information Forms Draws **Monitoring** Fees Document Search Document Classification HDS Export Impact Review

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Address 2

City, St, Zip Mt. Washington KY 40047-

County Bullitt [View on map](#)

Phone/Fax (270) 259-5461 () -

Qualified Census Tract ☐ DDA ☐ Scattered Site ☐

[Census Tract](#)

Total Project Buildings 4

Entities Contacts Districts Partnership Status Comments

In Balance	Version	Fin
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Final Underwrit	Risk Sharing
<input checked="" type="checkbox"/>	Final Underwrit	Conventional
<input checked="" type="checkbox"/>	Final Underwrit	HOME
* Click Here To Add A New Loan/Source...		

Monitoring Summary

Action	Monitoring Year	Monitorings
Desk Review/Files...	2019	1
Ownership Change	2019	2
Annual Report	2018	3

Monitoring Type	Award Number	Contact Date	Scheduled Review Date	Review Close Date
Housing Credit	KY-99-034	04/01/2019	03/06/2019 10:45 AM	
HOME	KY-99-034	04/01/2019	03/06/2019 10:45 AM	
Risk Sharing	KY-99-034	04/01/2019	03/06/2019 10:45 AM	

Action	Monitoring Year	Monitorings
Desk Review/Files...	2018	1
Annual Report	2017	3
Desk Review	2017	3
AM Review	2016	1
Annual Report	2016	3
Site Review/Files O...	2016	1
AM Review	2015	1
Annual Report	2015	3
Site-Review	2015	1
AM Review	2014	1
Annual Report	2014	3
Site-Review	2014	3



General Accounting Utilities UFA Messaging Web Draw

Building Information Forms Draws Monitoring Fees Document Search

Project Name Mt. Washington Place

Address 12053 Hwy. 44 East

Address 2

City, St, Zip Mt. Washington KY 40047-

County Bullitt [View on map](#)

Phone/Fax (270) 259-5461 () -

Qualified Census Tract ☐ DDA ☐ Scattered Site ☐[Census Tract](#)

Total Project Buildings 4

Entities Contacts Districts Partnership Status Comment

In Balance Version File

☒ ☐ ☒ ☐☒ ☒ Final Underwrit Risk Sharing☒ ☒ Final Underwrit Conventional☒ ☒ Final Underwrit HOME

* Click Here To Add A New Loan/Source...

Document Name:

Standardized Name:

Knowledge Lake Document Class:

Knowledge Lake Document Type:

Requires Follow-Up: ☐

Clear

Search

Name	St	S	KL Doc Cla	KL Doc Typ	F	Fol	Saved Date	Private	Archive	Vers	Owner	Las	Com
2016 HOME Rent Approval.pdf			Complianc..	Annual Re..	F		8/8/2016	No	Yes	1	Matt Mulberry	Ma..	Appr
2017 AFS.pdf			Complianc..	FINANCIAL	F		4/11/2018	No	No	1	Matt Mulberry	Ma..	
2017 HOME Rent Approval.pdf			Complianc..	Annual Re..	F		7/25/2017	No	Yes	1	Ariane Butcher	Ari..	Appr
2017 TDCS.pdf			Complianc..	FINANCIAL	F		4/11/2018	No	No	1	Matt Mulberry	Ma..	
2018 HOME Rent Approval.pdf			Complianc..	Annual Re..	F		7/12/2018	No	No	1	Ariane Butcher	Ari..	Appr
2019 HOME Rent Approval-MW.pdf			Complianc..	Annual Re..	F		8/7/2019	No	No	1	Connie Allen	Co..	
99-034 (Mt Washington - Review Criteria).doc			Complianc..	Desk Revie..	F		10/3/2017	No	Yes	1	Connie Allen	Co..	
99-034 HOME 2019 Workbook.xls			Complianc..	MONITORIL..	F		3/27/2019	No	Yes	1	Lisa Babb	Lis..	
99-034 HOME Clear Letter 3-27-19.pdf			Complianc..	MONITORIL..	F		3/27/2019	No	Yes	1	Lisa Babb	Lis..	
99-034 Mt Washington HOME All Clear 5-24-18.pdf			Complianc..	MONITORIL..	F		5/29/2018	No	Yes	1	Ariane Butcher	Ari..	
99-034 Mt Washington HOME Scheduling 5-24-18.pdf			Complianc..	MONITORIL..	F		5/3/2018	No	Yes	1	Ariane Butcher	Ari..	
99-034 Mt Washington HOME WB 5-24-18.xls			Complianc..	MONITORIL..	F		5/29/2018	No	Yes	1	Ariane Butcher	Ari..	
99-034-01 HOME Schedule Letter.pdf			Complianc..	MONITORIL..	F		3/27/2019	No	Yes	1	Lisa Babb	Lis..	
Asset Management - Impact Review Data Mt Washington Place.pdf			Complianc..	FINANCIAL	F		4/2/2019	No	No	1	Adrian Moore	Ad..	
Clear Letter.pdf			Complianc..	SITE REVL..	F		1/27/2017	No	Yes	1	Lisa Babb	Lis..	
Copy of Tenant Profile Report.xls			Complianc..	MONITORIL..	F		3/27/2019	No	Yes	1	Lisa Babb	Lis..	
EXPIRED 2015 Audit Review - Mt Washington Place.msg			Complianc..	FINANCIAL	F		7/13/2016	No	Yes	1	Matt Mulberry	Ma..	
HI AM Review - 2016.xlsm			Complianc..	FINANCIAL	F		4/11/2018	No	No	1	Matt Mulberry	Ma..	
HI AM Review - Mt Washington Place.xlsm			Complianc..	FINANCIAL	F		5/3/2017	No	Yes	3	Matt Mulberry	Ma..	
HL-HUD 132 - HUD-5381 Emergency Transfer Plan for Victims of Do..			Complianc..	MONITORIL..	F		5/21/2018	No	Yes	1	Ariane Butcher	Ari..	
HOME quest_2945.pdf			Complianc..	MONITORIL..	F		5/24/2018	No	Yes	1	Ariane Butcher	Ari..	
Homeland Notification Letters.pdf			Complianc..	HOME DO..	F		4/5/2016	No	Yes	1	Carlisha McKissic..	Ca..	
Inquiry about LP change.msg			Complianc..	CORRESP..	F		9/26/2015	No	Yes	1	Michael Dant	Mi..	
Inspection_Mt. Washington Place_93_Findings.pdf			Complianc..	Desk Revie..	F		8/2/2017	No	Yes	1	Connie Allen	Co..	
Inspection_Mt. Washington Place_93_Findings.pdf			Complianc..	Desk Revie..	F		12/4/2017	No	Yes	1	Connie Allen	Co..	
Inspection_Mt. Washington Place_93_Full.pdf			Complianc..	Desk Revie..	F		8/2/2017	No	Yes	1	Connie Allen	Co..	
Inspection_Mt. Washington Place_93_Full.pdf			Complianc..	Desk Revie..	F		12/4/2017	No	Yes	1	Connie Allen	Co..	

Multifamily Compliance Workbook

Project	Hampton Place Apartments Phase I
HC Project Number	KY-90-041
Inspection Date	07/29/2019
Officer Conducting Review	Connie Allen
County	Jefferson
MSA	40/60
HOME Grand Number	
Has HOME Rent Approval Form	N/A
Nonprofit Set-aside	No

ADMS- automates a Compliance Monitoring Workbook

Automated Compliance Workbook

1. Eliminated most manual data input previously required.
2. Cut prep time for monitoring by 50%!
3. Workbook is generated via ADMS & TDCS
4. Staff download workbook into a Google Doc OR work online via ADMS.
5. Finished workbook syncs back to ADMS.
6. 1st year reviews tougher because mgt. co. might not have entered into TDCS (or entered correctly).

ADMS- automated Compliance Monitoring Workbook

Entities

Owner

Entity Hampton Place Housing, LLC
Contact Linda Orange
Address PO Box 40177 Indianapolis, IN 46240
Phone (317) 469-0400
Fax
Email linda.orange@glickco.com

Management

Entity Gene B. Glick Company, Inc.
Contact Debbie Ernstberger
Address 1549 W. Madison St. Louisville, KY 40203
Phone (502) 540-8993
Fax
Email debbie.ernstberger@glickco.com

Resident Manager

Contact Kristy Lawson
Address 1549 W. Madison, Louisville, KY 40203
Phone (502) 584-4890
Fax
Email m1p529@glickco.com

Buildings/Units

150 Total Number of Units in Project
113 Number of HC Units
19 Number of Buildings in Project
0 Number of HOME Units
0 Number of LOW HOME Units
0 Number of High HOME Units
HOME Assisted-Units
Fixed/Floating
Wait List Info # of Applicants

Actual number reviewed/assigned: 23

Misc Property Info

Yes Multi Building
12/01/1992 PIS
1993 Credit Year
CS#
Yes Have APR Fees been charged
correctly
Yes APR Fees Current
Yes Owner Cert on File

ADMS- automated Compliance Monitoring Workbook

ADMS- automated Compliance Monitoring Workbook

BIN	# Units	20% to Test	Credit Year	Address
KY-90-04101	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04102	6	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04103	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04104	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04105	8	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04106	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04107	6	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04108	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04109	4	1	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04110	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04111	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04112	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04113	4	1	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04114	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04115	6	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04116	9	2	1993	1631-1647 W. Madison St. Louisville, KY 40203
KY-90-04117	8	2	1993	1631-1647 W. Madison St. Louisville, KY 40203

ADMS-

automated Compliance Monitoring Workbook

Fair Housing

Adequate Does the agency have a written non-discrimination policy? Comment:

Adequate Can the agency document that staff have been trained in fair housing practices? (sign in sheets)
Comment:

Adequate Have there been any fair housing complaints made against this agency? If so, please provide documentation that the complaints have been resolved. Comment:

Adequate Are services provided to clients without regard to race, color, national origin, sex, religion, disability, familial status, age, sexual orientation or gender identity? Comment:

Adequate Does the agency's tenant selection plan reveal language that supports fair housing practices?
Comment:

Adequate Does the agency provide opportunity for soliciting voluntary indications of handicapped status and requests for Reasonable Accommodations? Comment:

Adequate Does the agency have procedures in place to process a reasonable accommodation request?
Comment:

Adequate Are clients informed of their rights to fair housing at application or intake? Comment:

Adequate Does the agency letterhead display the Fair Housing logo? Comment:

Adequate Does the agency have a written grievance procedure? Comment:

Adequate Is the grievance procedure shared with clients? Comment:

Adequate Is the project subject to affirmative marketing practices? (Multi-Family Projects includes homeowner projects with 5 or more units) Comment:

Adequate Is there adequate documentation to support that the agency has affirmatively marketed the program/project, and included the fair housing logo in marketing materials? Comment:

Is there a Title VI Coordinator? (Federal Funded Recipients Only) Comment:

Are Fair Housing Posters prominently displayed? Comment:

Proactive Compliance TA

- When property ownership changes:
 - Asset Managers alert Compliance Staff
 - Compliance will then add to next year's rotation
 - Also offer to do a TA visit to inform them about what they've gotten themselves into
- Compliance staff also reser

KHC'S APPROACH TO ASSET MANAGEMENT

Building Out KHC's Asset Management

KHC worked with an AM consultant in 2015:

1. Developed AM policies and procedures.
2. Risk-based approach with each staff having a portfolio of projects.
3. Annual Impact Reviews rendering a risk rating.
4. Delegation of decision making authority.
5. Establishment of an Asset Management Committee that meets quarterly.

Building Out KHC's Asset Management

- AM Committee
- Delegation to decisions
- Portfolio review
- ADMS/TDCS trends

Asset Mgt Impact Review Scoring

- Loan Payments/Foreclosure Risk
- DCR
- Vacancy
- Inspection issues (low REAC)
- Projected vs Actual
 - Income
 - Cash Flow
 - Operating Expenses

Asset Mgt Impact Review Scoring

Score	Risk Rating
A	Pass
B	Pass/Watch
C	Special Mention
D+	Substandard, Foreclosure not probable
D	Substandard, Foreclosure a significant risk > 5 years out
D-	Substandard, Foreclosure a significant risk < 5 years
E	Doubtful, foreclosure <u>probable</u> within 1 year
F	Foreclosure or Deed in Lieu process underway

Authority Data Management System

AuthorityDMS v 5.4.3.3 - [Project - Mt. Washington Place]

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Reviewed By: Adrian Moore
Financials Used: Audit
Financials Year: 2018
Review Date: 04/01/2019
Impact Pool: Direct Financial Impact
Created By: Adrian Moore

Risk Rating: Pass

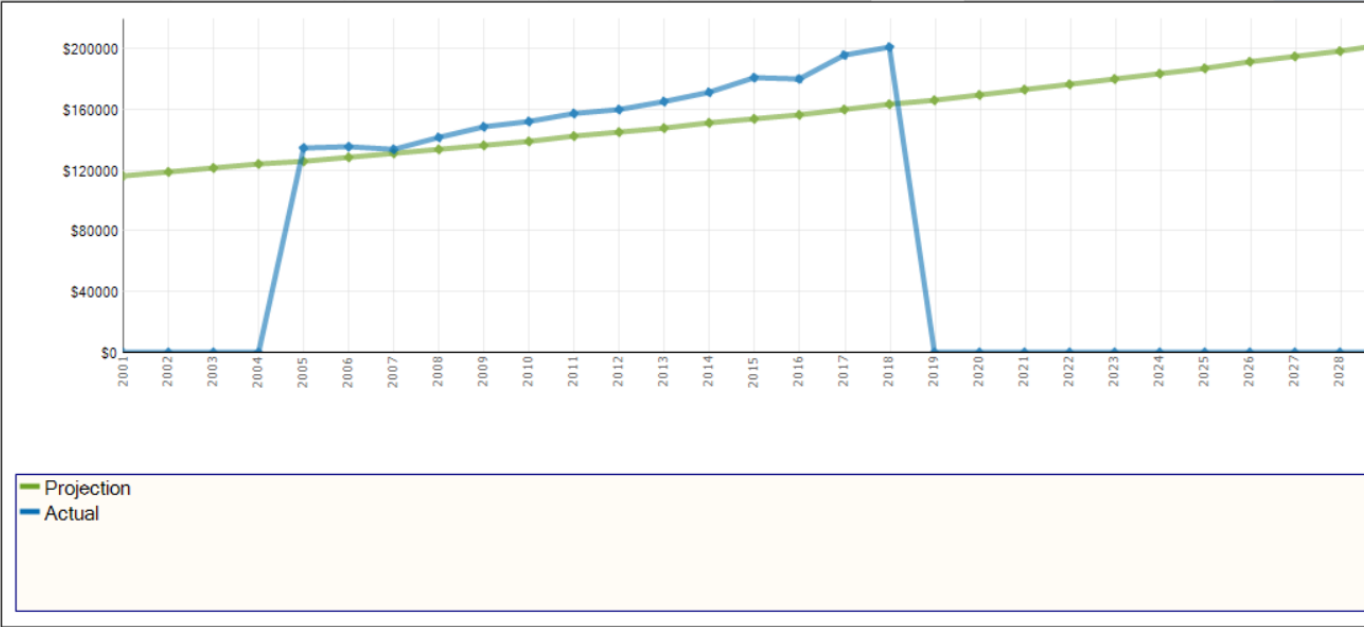
A Composite Risk Rating

AM Review

Income Trending

- Project Info
- Documents
- Q&A
- Loans
- Population Served
- Programs
- Capital Reserve
- Economic Vacancy
- Bad Debts
- DSCR
- Cash Flow
- Income
- Revenue/Expense
- Expenses

Year	Projection	Actual	Pct
2001	\$116,564		
2002	\$118,895		
2003	\$121,273		
2004	\$123,698		
2005	\$126,172	\$134,546	106.64%
2006	\$128,695	\$135,132	105%
2007	\$131,269	\$133,590	101.77%
2008	\$133,894	\$141,860	105.95%
2009	\$136,572	\$148,819	108.97%
2010	\$139,303	\$152,390	109.39%
2011	\$142,089	\$157,609	110.92%
2012	\$144,931	\$160,210	110.54%
2013	\$147,830	\$165,064	111.66%
2014	\$150,787	\$171,392	113.67%
2015	\$153,803	\$180,868	117.6%
2016	\$156,879	\$179,987	114.73%
2017	\$160,017	\$196,184	122.6%
2018	\$163,217	\$201,518	123.47%
2019	\$166,481		
2020	\$169,811		
2021	\$173,207		
2022	\$176,671		



Reviewed By Risk Rating

Financials Used

Financials Year

Review Date

Impact Pool

Created By

A Composite Risk Rating

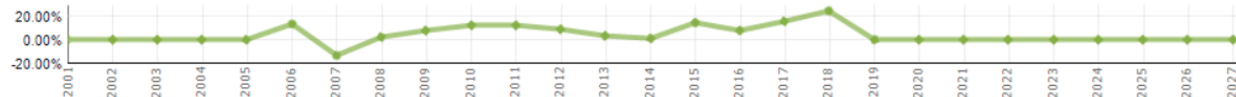
AM Review

Cash Flow Trending

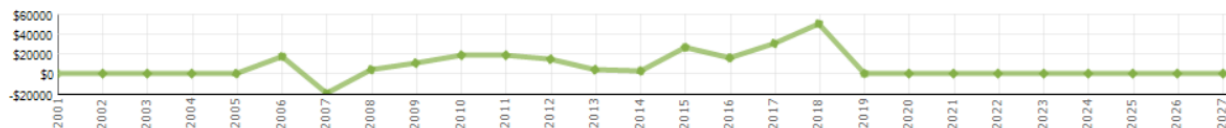
Project Info Documents Q&A Loans Population Served Programs Capital Reserve Economic Vacancy Bad Debts DSCR Cash Flow Income Revenue/Expense Expenses

A

Year	Cash Flow	Cash Flow % of Gross Potential Rent
2005		
2006	\$17,773	13.42%
2007	(\$19,164)	-14.26%
2008	\$3,809	2.69%
2009	\$11,212	7.58%
2010	\$19,113	12.50%
2011	\$18,908	12.06%
2012	\$14,959	9.36%
2013	\$4,877	2.95%
2014	\$2,426	1.40%
2015	\$27,055	14.99%
2016	\$15,699	8.34%
2017	\$30,305	15.32%
2018	\$50,153	24.41%
2019		
2020		
2021		
2022		
2023		



Cash Flow % of GPR Trend



Cash Flow

Reviewed By: Adrian Moore
 Financials Used: Audit
 Financials Year: 2018
 Review Date: 04/01/2019
 Impact Pool: Direct Financial Impact
 Created By: Adrian Moore

Risk Rating: Pass

A Composite Risk Rating

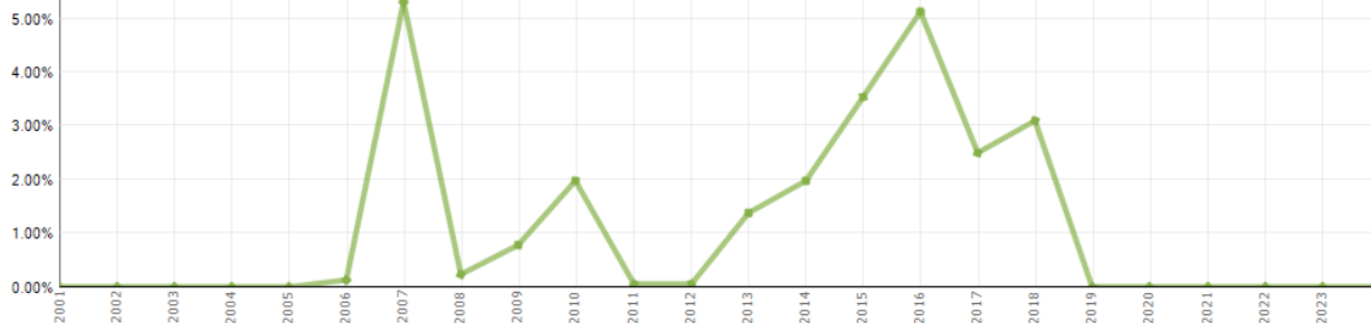
AM Review

Economic Vacancy

Project Info Documents Q&A Loans Population Served Programs Capital Reserve Economic Vacancy Bad Debts DSCR Cash Flow Income Revenue/Exp

A

Year	Economic Vacan
2005	00.00%
2006	00.12%
2007	05.31%
2008	00.21%
2009	00.76%
2010	01.97%
2011	00.05%
2012	00.05%
2013	01.37%
2014	01.96%
2015	03.52%
2016	05.12%
2017	02.50%
2018	03.08%
2019	
2020	
2021	
2022	
2023	



Economic Vacancy

Reviewed By Adrian Moore
Financials Used Audit
Financials Year 2018
Review Date 04/01/2019
Impact Pool Direct Financial Impact
Created By Adrian Moore

Risk Rating Pass

A Composite Risk Rating

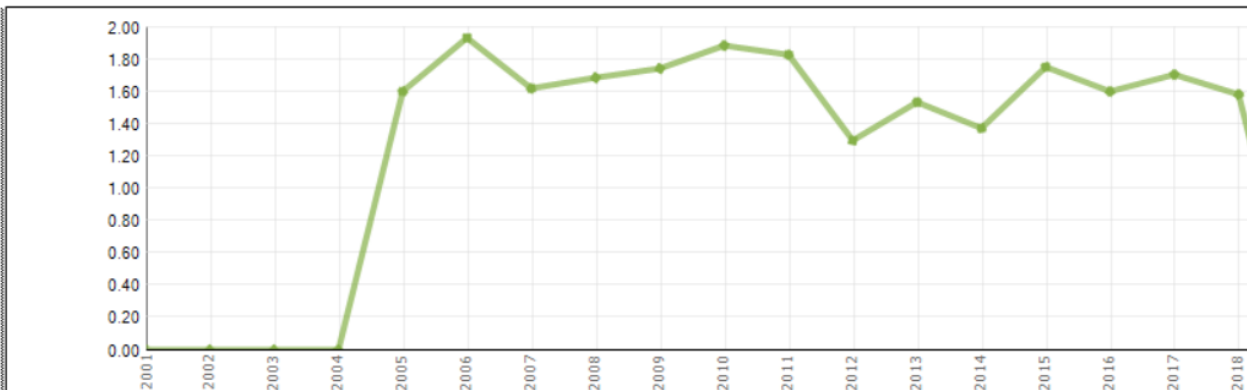
AM Review

DCR

Project Info Documents Q&A Loans Population Served Programs Capital Reserve Economic Vacancy Bad Debts DSCR

C

Year	Ratio
2004	
2005	1.60
2006	1.93
2007	1.62
2008	1.68
2009	1.74
2010	1.88
2011	1.82
2012	1.29
2013	1.53
2014	1.37
2015	1.75
2016	1.60
2017	1.70
2018	1.58
2019	
2020	



Reviewed By:

Financials Used:

Financials Year:

Review Date:

Impact Pool:

Created By:

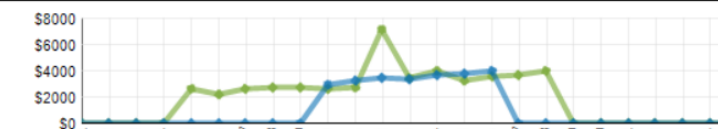
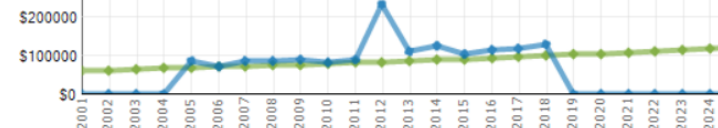
Risk Rating:

A Composite Risk Rating

AM Review

OpEx Trending

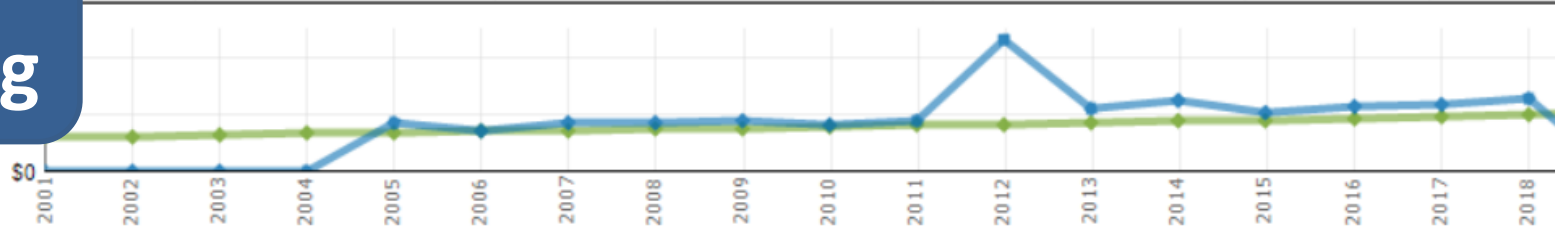
Project Info	Documents	Q&A	Loans	Population Served	Programs	Capital Reserve	Economic Vacancy	Bad Debts	DSCR	Cash Flow	Income	Revenue/Expense	Expenses
Year	Projection	Actual	Bad Debt	Actual - Bad Debt	Actual % of Projection	PUPA	PUPA County Average						
2001	\$58,930												
2002	\$60,698												
2003	\$62,519												
2004	\$64,395												
2005	\$66,327	\$84,026	\$0	\$84,026	126.68%	\$2,626							
2006	\$68,317	\$67,864	\$266	\$67,598	98.95%	\$2,121							
2007	\$70,367	\$83,104	\$2,500	\$80,604	114.55%	\$2,597							
2008	\$72,478	\$84,955	\$0	\$84,955	117.21%	\$2,655							
2009	\$74,652	\$85,940	\$519	\$85,421	114.43%	\$2,686							
2010	\$76,892	\$81,589	\$487	\$81,102	105.48%	\$2,550	\$2,857						
2011	\$79,199	\$86,898	\$0	\$86,898	109.72%	\$2,716	\$3,170						
2012	\$81,575	\$228,757	\$80	\$228,677	280.33%	\$7,149	\$3,434						
2013	\$84,022	\$108,225	\$828	\$107,397	127.82%	\$3,382	\$3,317						
2014	\$86,543	\$124,940	\$0	\$124,940	144.37%	\$3,904	\$3,663						
2015	\$89,139	\$103,280	\$2,362	\$100,918	113.21%	\$3,228	\$3,723						
2016	\$91,813	\$112,339	\$794	\$111,545	121.49%	\$3,511	\$3,897						
2017	\$94,567	\$115,445	\$2,547	\$112,898	119.38%	\$3,608							
2018	\$97,404	\$127,313	\$602	\$126,711	130.09%	\$3,979							
2019	\$100,326												
2020	\$103,336												
2021	\$106,436												
2022	\$109,536												
2023	\$112,636												
2024	\$115,736												



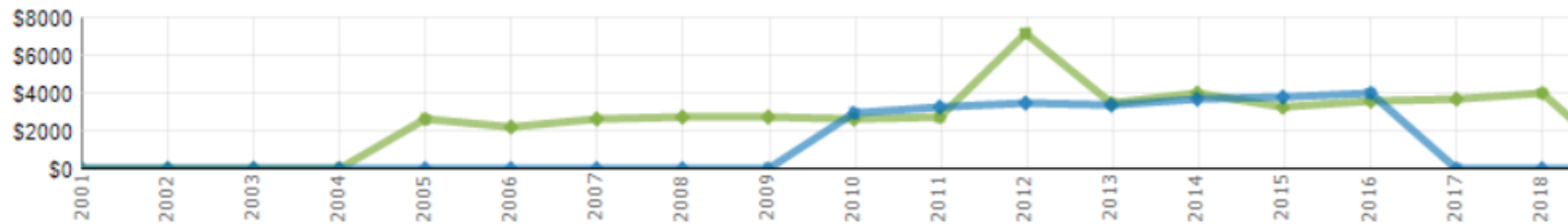
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2020	\$103,336						

**OpEx
Trending**

OpEx Trending



— Projection
— Actual



— PUPA
— PUPA County Average

Portfolio Reviews

Project Name	Units	County	City	15 End	30 End	Loan Source	Balance	Maturity	AM Comments	Last Compliance Review	Compliance Review Issues	Monitoring Status	Next review scheduled
KDVA Homes 07	26	Rowan	Morehead	2026	2041	Exchange TCAP AHTF	\$1,588,757 \$398,658 \$355,918	12/31/2026 12/01/2041 12/01/2041	ARRA Project Last Impact Review = Substandard D+ Current Occupancy = 96%	8/7/2018	Project had numerous physical issues with 2018 review. Management requested an extension in order to clear all issues. Project scored a Satisfactory due to the amount of physical issues. Project is set for a physical review only in 2019.	Closed all clear	2021-Full review- 2019 Physical review only.
KDVA Homes 08	22	Jefferson	Louisville	2026	2041	Exchange AHTF	\$1,555,598 \$306,936	12/31/2026 12/31/2046	ARRA Project Last Impact Review = Substandard D+ Current Occupancy = 95%	1/16/2019	Desk Review-files only-Review closed with no issues.	Closed all clear	2020
Cottages of Fawn Lakes	10	Jefferson	Louisville	n/a	2043	SMAL AHTF	\$625,273 \$300,000	12/1/2043 12/1/2043	Homes can be sold but repayment of SMAL (\$70K) and AHTF (\$30K) is required after each sale. Last Impact Review = Substandard D+	3/9/2018	2018 review issues were management didn't submit the Annual Performance Reports for current year.	Closed all clear	2021
Wilart Arms Apartments	66	Jefferson	Louisville	2026	2041	TCAP Exchange	\$3,756,525 \$1,102,279	12/31/2041 12/31/2026	ARRA Project Last Impact Review = Substandard D+ Current Occupancy = 86%	3/6/2018	Several file issues were noted due to income and assets not verified correctly. Several physical findings that were corrected.	Closed all clear	2021
Russell Emerging A	24	Jefferson	Louisville	2015	2030				Housing Credit Only Last Impact Review = Pass/Watch Current	6/12/2014	Several physical findings only- all corrected.	Closed all clear	2019
Russell Emerging B	24	Jefferson	Louisville	2015	2030				Housing Credit Only Last Impact Review = Pass/Watch Current	6/12/2014	Several physical findings only- all corrected.	Closed all clear	2019
West Louisville Emerging	34	Jefferson	Louisville	2016	2031				Housing Credit Only Last Impact Review = Pass Current Occupancy = 76%	5/17/2016	Several physical findings-all corrected.	Closed all clear	2021
Norton Commons Senior Residences	24	Jefferson	Louisville	2021	2036				Housing Credit Only Last Impact Review = Substandard D+	4/12/2018	Several physical findings-all corrected.	Closed all clear	2021
Maidie Lane	7	Shelby	Shelbyville	2016	2031				Housing Credit Only Single Family Homes Last Impact Review = Special Mention Current Occupancy = 57%	7/29/2016	Several physical findings-all corrected.	Closed all clear	2019
				2016	2031				Housing Credit Only Last Impact Review = Substandard D+ Current Occupancy = 96%	9/27/2018	Very few physical findings -all cleared within 30 days of review.	Closed all clear	2021

Examples of Coordination

- AM Committee meets quarterly
- AM Committee approves owner changes contingent upon TA sessions with Compliance Staff.
- Portfolio Reports for AM Committee & for up-front LIHTC decision process

Next Steps & Aspirations

- Portfolio Assessment
- Multiple underwriting standards based on real #s seen by AM (historic adaptive reuse)
- Early alerts and interventions when property starts to go off-trend.
- Analysis of properties/portfolios that do better than projected.

Key Ingredients

- ADMS software & in house developers
- Executive-level approval & support
 - To shift to risk-based approach.
 - To value compliance & asset management.
 - To bring in AM consultant.
 - To get IT staff to commit time on development for Compliance & Asset Management.

Thank You

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Matthew Mulberry

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