

The Housing Fund
Budget Workbook - Assumptions
Fiscal Year 2021

Assumptions (built into budget):

New investments

New investments of \$2,000,000 comprised of Notes Payable and LOC.

Investment Strategy

Reduce Interest Expense - ~16k Savings

Renegotiate or pay off 720,000 of higher interest rate debt by Sept 2020.

Generate 7k interest income on cash in bank

Daily Liquidity Account

Money Market

Development loans

\$ 2,143,502	2 loans > 750K	10/01/20 Beg Balance	\$ 6,637,304
\$ 3,566,017	11 Loans Under 750k	FY21 Draws	\$ 5,809,519
\$ 100,000	Draws on Existing Loans	Less Payoffs	\$ (1,323,106)
\$ 5,809,519	Total FY21 Draws	Less Payments	\$ (760,779)
		Less Write Offs	\$ -
		09/30/21 Balance	<u>\$ 10,362,938</u>

Consumer loans

\$1,734,000	New DPA loans - 170 @ 10.2k Each	10/01/20 Beg Balance	\$ 6,623,333
\$100,000	10 HIP Loans	FY21 New Loans	\$ 1,888,000
\$54,000	54 loans averaging 1,000 each for CLC	Less Payoffs	\$ (523,944)
\$1,888,000	Total FY21 Loans	Less Payments	\$ (283,606)
		Less Write Offs	\$ (16,688)
		09/30/21 Balance	<u>\$ 7,687,096</u>

Loans maturing or being paid off by customers

807,100 in consumer loans paid off or paid down (524k Payoff, 283.1k Prin. Pmts.)

2,083,900 of development loans paid off (1.32M payoff, 761k Prin. Pmts., includes Habitat)

Community Land Trust

Assumes 3 will close in FY21 and 5 additional started during Q3 and Q4.

144,000 Net Proceeds from Sale of Maury Street Home-Q4

Technical Assistance

USDA - intermediary 6 @ 1,250 each	7,500
Pinnacle & Citizens 34 @ 500 each and 18 HBE at 250 each	21,500
New Partners 30 @ 500 each and 10 HBE at 250 each	17,500
TRLP 6 at 2,500 each	15,000
Homebuyer Ed	
Money Mgmt. (CLC) - 45 @ 25 each	1,125
eHome - 220 @ 74 each	17,600
THDA - 70 @ 150 each	10,500
	<u>90,725</u>

Other Fee Income

Credit Reports - DPA and DL	3,591
Wire Fee (Added at closing 15)	2,550
	<u>6,141</u>

Cost Savings

Closing Vantage Way (4,668/mo Jan-Sep 2020)	42,002
Vantage Way savings offset of moving costs (35,500 net)	(6,500)
Remove Clarksville Phone	1,200
Reduction of interest expense	16,000
	-
	<u>52,702</u>

Marketing Expense

\$ 8,500	Website, promotional, media
\$ 1,500	Print budget

Payroll

New credit administrator Jan and new position for capacity and outreach

2% Cost of Living Adjustment + 3%

Capital budget - cash outlay but not an expense

Software	30,000	<<Only 10k of 40k spent thru 8/21
Total	<u>30,000</u>	

The Housing Fund
Budget Workbook - Summary
Fiscal Year 2021

	Budget FY 20	Forecast FY 20	Budget FY 21		FY21 B vs FY20 FC	Variance %
Ordinary Income/Expense						
Income						
31500 • Government Income	295,320	330,220	171,755	1	(158,465)	-47.99%
31650 • Private Grant	150,000	802,500	475,000	2	(327,500)	-40.81%
31700 • Loan Servicing Fees	20,040	17,620	17,580		(40)	-0.23%
31800 • Other Fee Revenue	199,002	177,188	183,616	3	6,428	3.63%
31950 • Contribution	60,000	63,248	20,000	4	(43,248)	-68.38%
32000 • Interest Income	860,753	556,357	676,989	5	120,632	21.68%
39000 • Other Income	167,100	9,500	167,025	6	157,525	1,658.16%
Total Income	1,752,215	1,956,633	1,711,965		(244,668)	-12.5%
Gross Profit	1,752,215	1,956,633	1,711,965		(244,668)	-12.5%
Expense						
40005 • Payroll & Related Costs	954,825	888,531	1,031,692	7	(143,161)	-16.11%
40020 • Provision For Uncoll Loans	135,352	(132,562)	16,688	8	(149,250)	112.59%
40025 • Marketing & Promotions	15,000	7,216	8,500		(1,284)	-17.79%
40035 • Depreciation & Amortization	27,960	32,204	32,340		(136)	-0.42%
40040 • Interest	244,830	271,107	264,660	9	6,447	2.38%
40045 • Occupancy Costs	80,252	115,933	85,817		30,116	25.98%
40050 • Printing & Reproduction	4,400	-	1,500		(1,500)	0.0%
40055 • Professional Fees	76,425	61,029	71,675		(10,646)	-17.44%
40060 • Program Servicing Fees	29,847	30,635	25,600		5,035	16.44%
45756 • Community Rehab & Recovery	-	192,016	-	10	192,016	100.0%
40099 • Office Exp. & General Admin	144,704	206,140	141,270		64,870	31.47%
Total Expense	1,713,595	1,672,249	1,679,741		(7,492)	-0.45%
Net Ordinary Income	38,620	284,384	32,224		(252,160)	-88.67%
Net Income	38,620	284,384	32,224		(252,160)	-88.67%

- 1 FY20 Budget included Barnes Fund/Actual was PPP.
- 2 Private Grants from Financial Institutions, FC 20 includes \$600k Pinnacle loan forgiveness, FY21B includes \$225k Pinnacle and \$100k Citizens.
- 3 Svcg., Application, Processing, Our House Homeowners, Inspection
- 4 FY20- \$50k Stock donation rec'd
- 5 FY21 - Increased interest income from Dev volume
- 6 FY21 - \$144k Sale of CLT Home
- 7 Adding Credit Admin position and position to increase capacity
- 8 FY20 - Reduction in flood reserve balances and expense
- 9 FY21 - Payoffs and renegotiating rates
- 10 FY20 Forecast includes \$73k of Cmnty. Rehab and \$119k of recovery.

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

Pending

Complete

Pending

	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
Income				
31536C · THDA HBEI Contract	42,373	20,420	27,905	<i>THDA and eHome</i>
31536F · THDA TRLP (New)	25,221	30,000	15,000	<i>New THDA TRLP Program in FY20</i>
Total 31536 ·	67,594	50,420	42,905	
31530 Gov't Grant	142,025	150,000	25,000	<i>Barnes Fund Budget, PPP FY20</i>
31595 CLT Donated property	-	-	-	
31577 MDHA loan servicing	54,470	50,400	37,350	
31578 USDA intermediary servicing	3,750	15,000	7,500	
31579 NMC servicing	-	-	-	
31553 · Federal - NSP2 Program Revenue	62,381	29,500	59,000	<i>Resale of NSP Our House units</i>
Total 31500 · Government Income	330,220	295,320	171,755	
31650 · Private Grant	12,500			
31651 · Financial Institution	790,000	150,000	475,000	<i>\$600k F/C, \$325k Bud - Loans Forgiven</i>
Total 31650 · Private Grant	802,500	150,000	475,000	
31700 · Loan Servicing Fees - MDHA	-			
31760 · TN Loan	793	1,320	780	
31775 · Truxton Trust	12,660	15,120	12,780	
31780 · Late Fees - DPA Loans	2,445	3,600	2,220	
31785 · Late Fees - WAH Loans	1,722	-	1,800	

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

Pending

Complete

Pending

	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
Total 31700 - Loan Servicing Fees	17,620	20,040	17,580	
31800 - Other Fee Revenue	3,043			
31100 - Development Loan Fees	35,235	48,029	24,706	
31101 - DPA Processing Fees	95,857	92,293	106,642	
31102 - Puertas Abiertas Admin Fee	1,170	3,660	600	
31103 - Technical Assistance Fee	8,750		4,708	
31105 - Our House Homeowner Fee	20,520	25,800	19,620	
31115 Development Application fees	11,789	12,000	8,500	
31200 - Subordination Fees	480	480	600	
31300 - Warrant Fees Repaid	324	240	240	
31400 - Inspection Fee	20	16,500	18,000	
Total 31800 - Other Fee Revenue	177,188	199,002	183,616	
31950 - Contribution	-	-	-	
31955 - Income Contribution	63,248	60,000	20,000	Stock donation in FY20
Total 31950 - Contribution	63,248	60,000	20,000	
32000 - Interest Income				
34304 - Interest Income - Dev Loans	297,917	633,448	454,662	Projected increase in # of loans
34305 - Interest Income - DPA Loans	189,323	158,779	203,411	DPA budgeted for 170 in FY21

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

	Pending	Complete	Pending	
	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
34306 · DPA - Interest AHR Loans	-	-	-	
34311 · Interest Income - PAL Loans	-	-	-	
Total 34305 · Interest Income - DPA Loans	189,323	158,779	203,411	
34308 · Interest Income - Flood Individ	3,394	3,360	3,360	
34309 · Interest Income HIP Loans	-	1,758	3,732	
343xx · Interest Income - CLC Loans	-	9,033	4,625	
34300 · Interest Income - Unrestricted	65,723	54,375	7,200	Int rates dropped due to COVID
Total 34325 · Other Interest Income	65,723	54,375	7,200	
Total 32000 · Interest Income	556,357	860,753	676,989	
39000 · Other - Sale of Maury St. CLT	-	144,000	144,000	Proceeds - Sale of CLT Donated Home - Maury St.
34500 · Loss Recoveries	800	600	900	
34600 · Rental Income	8,700	8,700	8,700	
34601 · Ground Lease Fees - CLT	-	1,800	1,425	
39999 · Other Revenue	-	12,000	12,000	
Total 39000 · Other Income	9,500	167,100	167,025	
Total Income	1,956,633	1,752,215	1,711,965	

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

	Pending	Complete	Pending	
	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
Gross Profit	1,956,633	1,752,215	1,711,965	
Expense				
40005 · Payroll & Related Costs				Vacant positions part of FY20
41100 · Salaries	707,777	752,315	830,642	Credit Administrator manage portfolio + 1 staff for add'l capacity
41121 · Employee Payroll Tax	47,286	56,710	62,654	
41122 · Employee Insurance	109,514	121,780	111,029	
41123 · Employee Pensions	15,639	18,989	19,124	
41125 · Contract Staff	-	-	-	
41126 · Employee Workers Comp Ins.	1,315	2,031	2,243	
41200 · Compensated Absences	7,000	3,000	6,000	
Total 40005 · Payroll & Related Costs	888,531	954,825	1,031,692	
40020 · Provision For Uncoll Loans	-			
45711 · Loan Loss Expense - FLOOD I	(135,548)	(2,160)	-	FY20 Flood reserves decreased
45712 · Loan Loss Expense - DPA Loans	2,986	64,265	16,688	
45713 · Loan Loss Expense - Dev Loans	-	73,248	-	
Total 45710 · Loan Loss Reserve Expense	(132,562)	135,352	16,688	
Total 40020 · Provision For Uncoll Loans	(132,562)	135,352	16,688	

The Housing Fund
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Fiscal Year 2021

Pending

Complete

Pending

	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
41901 · Marketing Expense	5,841	9,500	8,000	
40025 · Marketing & Promotions - Other	-	3,100	-	
41907 · Sponsorships & Promotions	1,375	2,400	500	
Total 40025 · Marketing & Promotions	7,216	15,000	8,500	
48075 · Dep Exp- Leasehold Impr	18,600	18,000	18,600	
48085 · Dep Exp - Computers	13,352	8,400	13,488	
48095 · Dep Exp- Furn & Fixt	252	1,560	252	
Total 48000 · Depreciation Expense	32,204	27,960	32,340	
Total 40035 · Depreciation & Amortization	32,204	27,960	32,340	
45801 · Interest Expense - Nashville	252,607	220,830	257,160	
45803 · Interest Expense - Clarksville	18,500	24,000	7,500	
Total 45800 · Interest Expense	271,107	244,830	264,660	
Total 40040 · Interest	271,107	244,830	264,660	

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Budget Workbook - Detail
Fiscal Year 2021

	Pending	Complete	Pending	
	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	<i>Comments</i>
40045 · Occupancy Costs				
41902 · Enviromental Service	1,487	5,000	5,000	
41910 · Facilities Rent	94,768	59,998	60,107	<i>Vantage Way/Laurel House</i>
41911A · Moving Costs	6,487		6,500	
41915 · Telephone	7,015	6,600	6,000	
43200 · Electricity	2,705	4,950	4,650	
43300 · Gas	2,811	2,900	2,900	
41503 · Parking - THF Office	-	-	-	
45924 · Protective Services	660	804	660	
Total 40045 · Occupancy Costs	115,933	80,252	85,817	
40050 · Printing & Reproduction	-			
41913 · Printing	-	4,400	1,500	
Total 40050 · Printing & Reproduction	-	4,400	1,500	
40055 · Professional Fees				
41300 · Legal Fees	29,734	45,000	40,250	<i>Title issues - CLT</i>
41710 · Audit & Tax Fees	31,295	31,425	31,425	
Total 40055 · Professional Fees	61,029	76,425	71,675	
40060 · Program Servicing Fees	-			

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

Pending

Complete

Pending

	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
41904 · Court Cost	-	1,800	-	
45910 · Other Program Servicing Fees	-	-	-	
45915 · Fees & Title Costs	4,738	9,300	7,600	
45918 · Inspection	25,897	18,747	18,000	
Total 40060 · Program Servicing Fees	30,635	29,847	25,600	
40099 · Office Expense & General Admin				
41929 · Computer Hardware	-	500	-	
41930 · Computer Maintenance	24,209	20,220	20,940	
41931 · Communication-Computer	3,553	3,192	3,540	
41932 · Computer Software	-	-	-	
Total 40100 · Computer & Technology	27,762	23,912	24,480	
40105 · Contract Labor	-			
41903 · Admin Contracts	9,600	10,860	10,760	
41905 · Admin Contract - 401K	-	-	-	
41920 · Personal Serv Contract	7,500	4,500	4,500	
Total 40105 · Contract Labor	17,100	15,360	15,260	
40110 · Employee Welfare	60,000	9,000	10,000	
41400 · Training	4,488	6,000	5,700	
41908 · Employee Recruitment	-	-	-	

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

	Pending	Complete	Pending	
	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
Total 40110 • Employee Welfare	64,488	15,000	15,700	
45103 • General Liability Insurance	2,231	1,920	2,256	
45107 Bond	2,471	2,184	2,676	Required for MDHA servicing contract
45108 E&O insurance	6,840	6,850	6,840	Required for MDHA servicing contract
45106 • Officers & Directors Insurance	2,928	2,918	2,928	
Total 40115 • Insurance Expense	14,470	13,872	14,700	
40120 • Property Mgt & Development	-	-	-	
45755 • REO Expenses	12,398	10,000	12,850	Maintenance on donated property
45756a • Community Rehab	73,209	-	-	Pearl Cohn Rehab
45756b • Community Recovery	118,807	-	-	Disaster Assistance
Total 40120 • Property Mgt & Development	204,414	10,000	12,850	
40125 • Repairs & Maintenance	-			
41923 • Equipment & Service Contracts	18,397	17,400	18,600	
41926 • Facilities Maintenance	180	960	480	
Total 40125 • Repairs & Maintenance	18,577	18,360	19,080	
40130 • Tax Expense	745	400	400	Prof. Priv. Tax

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

Pending

Complete

Pending

	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
45202 · Franchise & Excise Tax	100	100	350	
45205 · Taxes - Property	4,252	1,400	4,400	
Total 40130 · Tax Expense	5,097	1,900	5,150	
40135 · Travel, Meals & Entertainment				
41500 · Travel	1,494	3,900	4,800	M.Crawford Travel - TN
41502 · Out of Town Travel	12,405	7,400	2,400	M.Crawford Travel - TN
41927 · Food	1,602	2,900	1,200	M.Crawford Travel - TN
Total 40135 · Travel, Meals & Entertain.	15,501	14,200	8,400	
40195 · General Administrative Expense				
41402 · Bank Service Charges & Fees	7,183	7,800	6,150	
41906 · Dues & Licenses	2,704	1,950	1,950	
41909 · Memberships	5,096	4,650	4,650	
41911 · Office Supplies	3,165	4,200	1,200	
41912 · Postage & Express Delivery	2,099	2,400	1,200	
41914 · Publications	275	300	300	
41921 · Small Office Equipment	-	-	-	
41925 · Other Sundry	-	-	-	
41935 · Payroll Processing	-	-	-	
45917 · Fees/Collection	10,225	10,800	10,200	

The Housing Fund
Budget Workbook - Detail
Fiscal Year 2021

Pending

Complete

Pending

	Actual FY 20 though July plus forecast for Aug/Sept	Budget FY 20	Budget FY 21	Comments
Total 40195 - General Administrative Exp.	30,747	32,100	25,650	
Total 40099 - Office Exp. & General Admin	398,156	144,704	141,270	
Total Expense	1,672,249	1,713,595	1,679,741	
Net Income (loss)	284,384	38,620	32,224	

The Housing Fund

Budget Workbook - Comparison of Cash, Loans Receivable and Notes Payable Fiscal Year 2021

Estimated beginning balances (as of 10-1-20)

Cash

Unrestricted	4,200,000	*
Operating Reserve	799,357	
Restricted	2,250,000	
	<hr/>	
	7,249,357	

Loans Receivable

Consumer	6,623,333	Lending detail page
Development	6,637,304	Lending detail page
Habitat	973,316	**
Shared equity	1,545,752	***
Flood	1,051,425	****
	<hr/>	
	16,831,130	

Notes Payable

Banks	16,876,001	*
Individuals	58,160	
	<hr/>	
	16,934,161	

Excess of Loans Receivable to Notes Payable (103,031)

* Estimates beginning balance of FY21 after July close

** Habitat loans estimated based on July balance less Aug and Sept pmts

*** Shared equity July balance estimated to be best approximation for Oct balance

**** Majority of flood loan receivables are paid to MDHA as we receive the monthly payments.

The Housing Fund
Budget Workbook - Cash Budget
Fiscal Year 2021

Beginning cash (estimates as of 10-1-20)

Unrestricted	4,200,000
Operating Reserve	799,357
Restricted	2,250,000
	<hr/>
	7,249,357

Income - cash items only	1,711,965	*
Expense - cash items only	(1,598,714)	**
	<hr/>	
	113,252	

Other sources (uses) of cash

Capital expenses	(30,000)
Consumer lending	(1,063,763)
Development lending	(3,725,634)
New investment from Bank Notes	1,500,000
New investment - LOC	500,000
	<hr/>
	(2,819,396)

Ending cash (estimate for 9-30-21)

Unrestricted	1,493,855
Operating Reserve	799,357
Restricted	2,250,000
	<hr/>
	4,543,212

*** Income - cash items only**

Total Income - FY20	1,711,965
Less: donated property (non cash item)	-
	<hr/>
	1,711,965

**** Expense - cash items only**

Total Expense - FY20	1,679,741
Less: loan loss reserve expense (non cash item)	(16,688)
Less: depreciation expense (non cash item)	(32,340)
Less: accrued interest added to principal annually (non cash item)	(32,000)
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	1,598,714