Submitting a Successful Development Budget

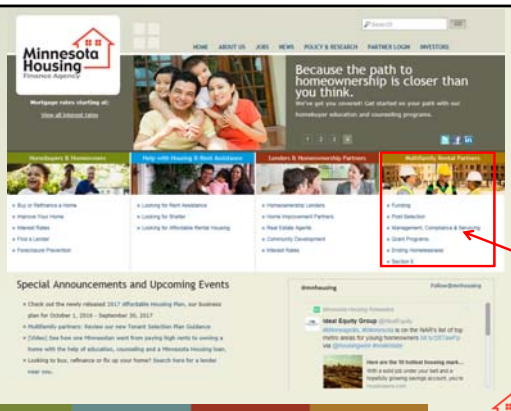
2016/2017

1

Our Mission:

Housing is the foundation for success,
so we collaborate
with individuals, communities and partners
to create, preserve and finance
affordable housing.

2



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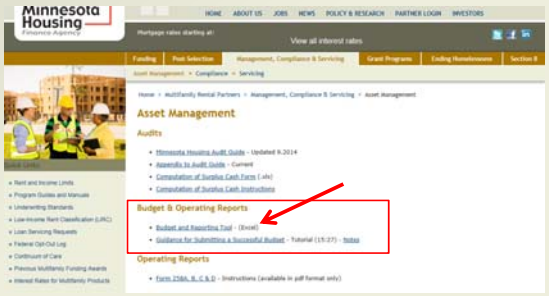

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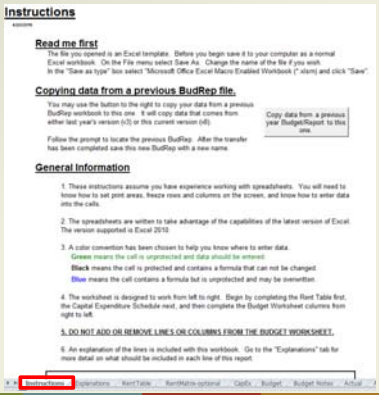

5

Check your BudRep version!

- Be sure to use Version 15, dated 4/20/2016, from the website
- If your template is older than 4/20/2016, follow steps to copy data to new BudRep template
- Failure to do this may require resubmission of budget

6

Does your budget begin in a month other than January?

SPECIAL INSTRUCTION FOR ENTERING A NON CALENDAR ACCOUNTING PERIOD

Before you begin any entry, go to the ACTUAL spreadsheet near cell H2. If you are using an accounting period that does not begin in January, click on the box labeled "Use NON-CALENDAR Accounting Year".

In cell H3, enter the number of the calendar month that is the first month of the accounting year. For example, October would be entered as "10"; April as "4"; etc. In cell I4, enter the year of the first month in the accounting year.

If you use the NON-CALENDAR Accounting Year, you must use the manual GPR entry on the Rent Table. Note that the year appears on line 56 above the month. Enter the monthly GPR in the appropriate year and month.

The budget will be organized in calendar order. When you begin to enter actual data enter it in the correct calendar month. For example, if you are entering October actuals use the column labeled "Oct".

7

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Change to New Budget Year

1. Go to Budget tab
2. Click "Create a BUDREP for next Year"

8

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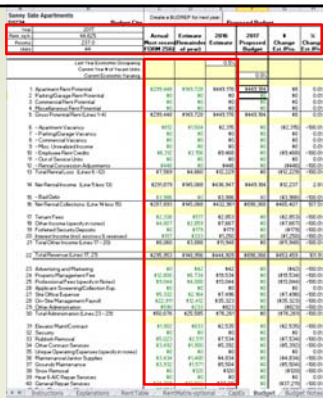
Change to New Budget Year

- Changes date to next calendar year
- Populates columns C, D and E in Budget Tab



9

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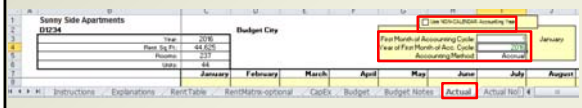
New Development - First Budget



If this is your first budget for a new development:

1) **Go to the Actual Tab**
2) **Enter the first month of the accounting cycle**
3) **Enter the year of the first month of accounting cycle**
4) **If Non-Calendar Accounting Year – Check Box**

10

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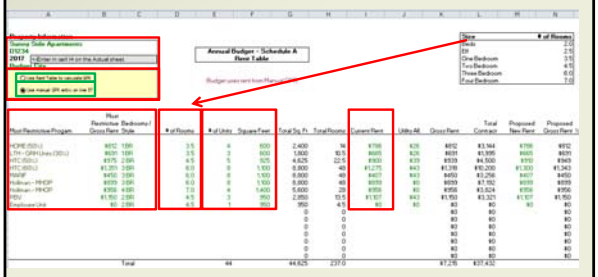
Completing Rent Table

Completing Rent Table



12

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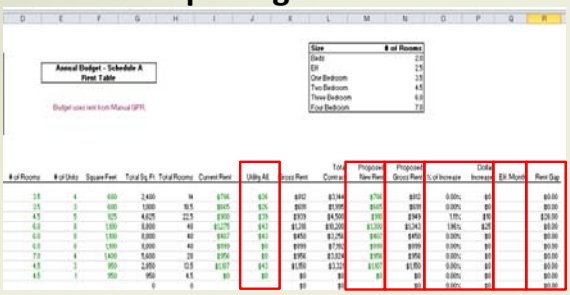
Utility Allowance Payment Standard

- Must be submitted with your budget
- Circle applicable utility expense for each type of unit at the property
- Total all circled expenses and write that number below the unit type

Appropriate Payment Standard	679	836	1045	1375	1573	1809	2088
Less: Total Allowance for this unit		$ 24	$ 39	$ 43	$ 60		
Total (Tenant Rent less allowance)							
Tax Credit Rent	641	796	996	1333	1556	1904	2153
Payment Standards (% of HUD FMR)	100%	103%	100%	99%	95%	95%	97%

Completing Rent Table



Size	# of Rooms
Bedd	2.0
Eff	2.5
One Bedroom	2.5
Two Bedroom	4.5
Three Bedroom	6.0
Four Bedroom	7.0

Annual Budget - Schedule A
Rent Table

Budget used rent from Manual GPR

# of Rooms	# of Units	Square Feet	Total Sq. Ft.	Total Rooms	Current Rent	Utility Alt.	Gross Rent	Total Contract	Proposed New Rent	Proposed Gross Rent	% of Increase	Dollar Increase	Eff. Month	Rent Gap
2.0	4	600	2,400	14	$794	$24	$812	$3,344	$794	$812	0.00%	$0		$0.00
2.5	2	650	1,300	10.5	$945	$24	$969	$1,995	$945	$969	0.00%	$0		$0.00
4.5	5	925	4,625	22.5	$900	$39	$939	$4,500	$900	$949	1.0%	$10		$120.00
6.0	8	1,150	9,200	48	$1,279	$43	$1,318	$10,200	$1,300	$1,343	1.96%	$25		$0.00
6.0	8	1,150	9,200	48	$1407	$43	$1450	$11,256	$1407	$1450	0.00%	$0		$0.00
6.0	8	1,150	9,200	48	$1199	$0	$1199	$7,192	$1199	$1199	0.00%	$0		$0.00
7.0	4	1,400	5,600	28	$1756	$0	$1756	$13,024	$1756	$1756	0.00%	$0		$0.00
4.5	3	950	2,850	13.5	$1,107	$43	$1,150	$3,321	$1,107	$1,150	0.00%	$0		$0.00
4.5	1	950	950	4.5	$0	$0	$0	$0	$0	$0	0.00%	$0		$0.00
			0	0			$0	$0		$0	0.00%	$0		$0.00

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Program Types

Size	# of Rooms
Bedd	2.0
Eff	2.5
One Bedroom	2.5
Two Bedroom	4.5
Three Bedroom	6.0
Four Bedroom	7.0

Total Contract	Proposed New Rent	Proposed Gross Rent	% of Increase	Dollar Increase	Eff. Month	Rent Gap
$3,344	$794	$812	0.00%	$0		$0.00
$1,995	$945	$969	0.00%	$0		$0.00
$4,500	$900	$949	1.0%	$10		$120.00
$10,200	$1,300	$1,343	1.96%	$25		$0.00
$11,256	$1407	$1450	0.00%	$0		$0.00
$7,192	$1199	$1199	0.00%	$0		$0.00
$13,024	$1756	$1756	0.00%	$0		$0.00
$3,321	$1,107	$1,150	0.00%	$0		$0.00
$0	$0	$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$0		$0	0.00%	$0		$0.00
$37,432	$37,432					

Enter an "X" if the program

LIHTC	HOME	LTH	Bond	Eqty/Dvlr	Owner Dvlr	Pass Asst	Op Sub	Source of Rental Asst. or Operating Subsidy
	X							
		X					X	GPH
X								
X								
						X		Hollman - MHOP
						X		Hollman - MHOP
		X				X		Project Based Assistance - MPI
				X				

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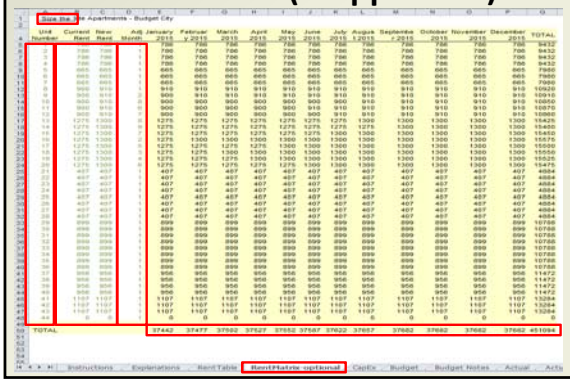
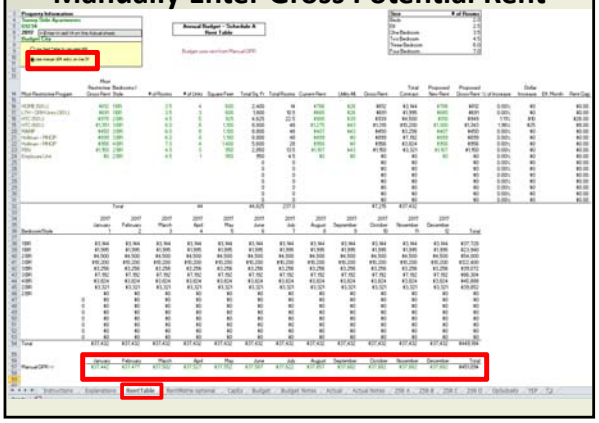
Rent Matrix (If Applicable)



Manually Enter Gross Potential Rent



Requesting Rent Increases

- Typically once per year at budget time, but can be requested at any time
- **Must be requested in writing** and need to be approved by the Housing Management Officer
- Analysis of marketability, affordability, current tenant population and reasonableness will be evaluated
- May not be approved if results in potential displacement of tenants
- For Supportive Housing units without a rent subsidy, see document located on the Asset Management Home Page titled "Long-term Homelessness (LTH) Rent Increase Policy"

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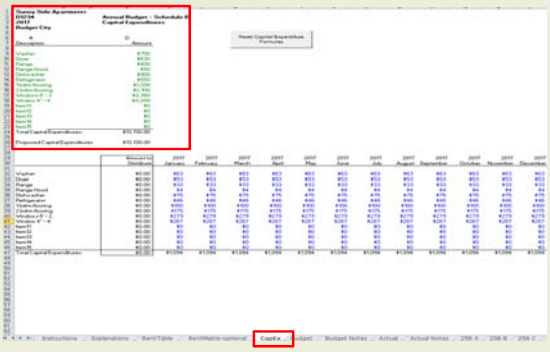
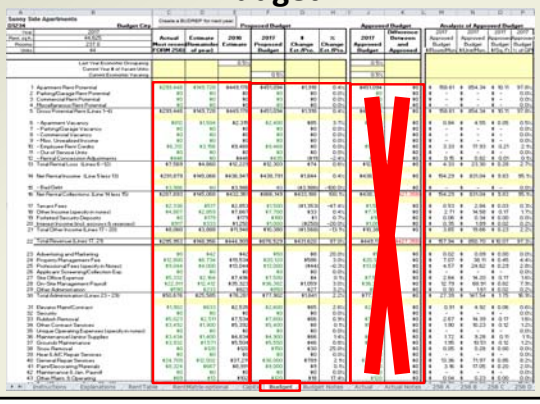
Capital Expenditures



Budget



Budget Notes

Common Errors

- Incomplete budget notes: Budget line items that say (specify in notes) must have written budget note
- Missing Rent Matrix for non-Section 8 developments
- Front desk costs and tenant service coordinator expenses must be written on Line 35 - Unique Operating Expenses (not Line 29 – Other Administration)

22

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Common Errors

- Line 18:
  - MPHA payment from Hollman units
  - MARIF Operating Subsidy Reserve
  - Section 236 developments with excess income
- State management fee in budget notes as:
  - A dollar per occupied unit, or
  - A percentage of collections

23

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Required Submission Items

- **Budget** (Must be BudRep15 approved in 2016)
- **Utility Allowance Payment Standard**
- **Written Rent Increase Request** (if applicable)
  - Including supplemental information supporting the need to increase rents
- **Rent Matrix** unless you are using rent matrix in budget

24

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Secure Upload Submission

Secure Upload

- **Submit budgets through our Secure Upload Portal on the Minnesota Housing Partner Login webpage at: www.mnhousing.gov.**
  - From Minnesota Housing's Home Page, click the Partner Login link
  - Select the Multifamily Secure Upload Tool Portal
    - *Upload Instructions are available on the Partner Login webpage*
  - Click Secure Upload – To send files to Minnesota Housing
  - Enter mhfa.AM@state.mn.us in the Recipient Email and click Start
  - When only uploading a property budget one budget at a time, you must write in the subject line, 2017 Budget, the name of the property name and development ID number
  - Ex. 2017 Budget - Sunny Side Apartments D#1234
  - Then, click the button "Select files to send". You can upload 10 files at one time through the regular upload.
  - **NOTE:** If you want to send more than 10 files or multiple folders with all the submission documents, click the button "Select files and folders to send" (Enhanced upload). You need to LABEL ALL FILES in the folder with the property name the document item applies to **BEFORE** you upload the document. You need the full version of JAVA in order to use the Enhanced upload tool.
  - Once you hit the upload button through the regular or enhanced upload file transfer screens, you will then receive a confirmation email. Check your junk mail if you haven't received one.

25

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For More Information

Contact your assigned Housing Management Officer

Diane Bauleke – Diane.Bauleke@state.mn.us
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www.mnhousing.gov

26

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