



Lt. Governor Sheila Y. Olive  
Chairman

Charles A. Richman  
Executive Director

4/5/18

Mr. Hubert Graham  
State Realty Agency  
1290 Springfield Ave  
Irvington, NJ 07111

Re: HMFA #00618, Pilgrim Baptist II  
Annual Operating Budget  
For Year Ending: 12/31/2018

Dear Mr. Graham:

This is to inform you that the Annual Operating Budget for the referenced development has been approved by the New Jersey Housing and Mortgage Finance Agency as adjusted. A copy of the budget, Repair & Replacement funding schedule, escrow change memorandum and explanations for the adjustments are enclosed for your information.

Based on our review, your housing operation will be adequately funded without a rent increase for this year. However, if you still feel that a rent increase should be implemented, a complete request should be made in writing no less than sixty (60) days prior to the next HAP anniversary date and the rents may be adjusted in accordance with HUD Notice H95-12 of March 7, 1995.

Please be reminded that you are still required to comply with the regulations on Utility Allowance Adjustments under Title 24, Code of Federal Regulations, Section 883-711.

If you have any questions regarding our adjustments, please contact Andrew Phillips, Housing Management Officer.

Very truly yours,

Debbie Keramas  
Asset Manager

B-21A  
Enclosure

c: Mr. Michael Floyd, Pres.  
Andrew Phillips

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

637 South Clinton Avenue ^ P.O. Box 18550 ^ Trenton, NJ 08650-2085

TELEPHONE: (609) 278-7400 ^ WEB: www.njhousing.gov

HMFA #618 DEVELOPMENT: Pilgrim Baptist II

BUDGET FOR YEAR ENDING: 12/31/18

Apartment Rents – Adjusted to current level. A 2.5% vacancy has been assumed.

Gross Apt. Rents, Excluding Super's Apt.		\$2,495,700
Less: Vacancy	(2.5%)	( 62,100)
Net Apt. Rent		\$2,383,200

Management Fees – based on \$65.29 per unit per month (rounded). (\$119,100/year rounded.)

Administrative - Auditing expense adjusted based on the audit engagement agreement on file.  
Bookkeeping/accounting expense adjusted to Agency-approved maximum fee.

Salaries and related charges – it is the development owner's responsibility to comply with DCA or any other local ordinance regarding live-in staff requirements.

Maintenance Contracts – Monitoring & Protection – it is the owner's responsibility to comply with any applicable local security ordinances.

Utilities – Utilities adjusted to reflect 5% increase.

Real Estate Taxes – Based on adjusted rents as explained above.

Net Apt. Rent	\$2,433,300		
Gross Shelter Rents	\$2,433,300	@ 7.40% =	\$180,100
Laundry income	\$3,300		
Late charges and other	<u>\$9,800</u>		
	\$13,100	@ 20% =	<u>\$2,600</u>
		Total Taxes	\$182,700

Insurance – All insurance requirements need to be submitted to the Agency's Insurance Division in a timely manner.

R & R – Adjusted per the updated R & R funding schedule. The current level of funding may or may not be sufficient to warrant a distribution of ROE.

Reserve Refunds – Subject to Agency review and approval.

Capital Additions – Subject to Agency review and approval.

Return on Equity – Any distribution is subject to Agency approval.

## Financials

Housing Management Officer: Andrew Phillips

Page No: 1

Property/Project:	00618 Pilgrim Baptist Village II Rockea Christmas-McFadden 5 Avon Ave Newark, NJ 07108-2801	MANAGING AGENT	State Realty Agency Mr. Hubert Graham 1290 Springfield Ave Irvington, NJ 07111-1927
-------------------	---------------------------------------------------------------------------------------------------------	----------------	----------------------------------------------------------------------------------------------

No Units: 151

Report No: 1

Year: 2018

Year-to-Date 12

FYE: 12/31

Description	Budget
1000 4110 Gross Apt. Rents	2,495,700.00
1050 4210 Vacancy Loss	-62,400.00
1055 4211 Collection Losses	0.00
1056 4240 Rent Concessions	0.00
1060 4120 Vacancy Subsidy (Sec 8)	0.00
1099 MOR Net Apartment Rents	0.00
<b>1100 Net Apartment Rents</b>	<b>2,433,300.00</b>
1200 4130 Commercial Rent	0.00
1250 4150 Garage & Parking	0.00
1260 4220 Garage&Park Coll. Losses	0.00
1300 4230 Commercial Vacancy	0.00
1349 MOR Net Other Rents	0.00
<b>1350 Net Other Rents</b>	<b>0.00</b>
<b>1400 Total Rental Income</b>	<b>2,433,300.00</b>
1500 4310 Laundry Income	3,300.00
1550 4320 Air Cond. Surcharge	0.00
1600 4340 Vending Income	0.00
1625 4350 Misc. Service Income	0.00
1650 4410 Investment Income	0.00
1700 4430 Late Charges & Other	9,800.04
1750 4450 Interest-Security Deposi	500.04
1800 4460 Other	9,099.96
1801 4510 Recreation Facilities	0.00
1802 4520 Gain/Loss Insurance Clai	0.00
1803 4530 Gain/Loss Tenant Stores	0.00
1804 4560 Gain/Loss Sale Investmen	0.00
1805 4565 Gain/Loss Property Equip	0.00
1806 4570 Bond Assistance Revenue	0.00
1807 4590 Other Income	0.00
1849 MOR Total Other Income	0.00
<b>1850 Total Other Income</b>	<b>22,700.04</b>
<b>1900 Total Income</b>	<b>2,456,000.04</b>
2000 5121 Stationery Supplies	1,700.04
2010 5122 Telephone	13,200.00
2020 5123 Dues & Subscriptions	7,899.96
2030 5124 Postage	2,300.04
2031 5125 Other Office Expenses	7,800.00
2032 5126 Other Insurance	12,600.00
2040 5127 Inspection Fee	200.04
2041 5128 Other Taxes	0.00
2050 5151 Advertising	0.00
2051 5152 Other Professional Fees	1,500.00
2060 5153 Legal Services	13,200.00
2061 5154 Credit Check Fees	0.00
2065 5155 Auditing (Year End)	14,499.96
2070 5156 Social Services	0.00
2071 5157 Net Congregate Expenses	0.00
2072 5158 Uniform Expenses	0.00
2075 5159 Bookkeeping & Acctg.	12,399.96
2080 5160 Computer Charges	1,800.00
2081 5161 Electronic Services	0.00

## Financials

Housing Management Officer: Andrew Phillips

Page No: 2

Property/Project: 00618  
 Pilgrim Baptist Village II  
 Rockea Christmas-McFadden  
 5 Avon Ave  
 Newark, NJ 07108-2801

MANAGING AGENT

State Realty Agency  
 Mr. Hubert Graham  
 1290 Springfield Ave  
 Irvington, NJ 07111-1927

No Units: 151

Report No: 1

Year: 2018

Year-to-Date 12

FYE: 12/31

Description	Budget
2085 5195 Misc. Administrative	13,500.00
2090 5196 Other	4,100.04
2091 Cable TV	0.00
2094 MOR Total Administrative	0.00
<b>2095 Total Administrative</b>	<b>106,700.04</b>
2100 5210 Super's Salary	40,400.04
2110 5211 Janitorial Salaries	0.00
2120 5212 Landscaping Salaries	0.00
2130 5213 Security Salaries	0.00
2135 Dietary Salaries	0.00
2136 Nursing Salaries	0.00
2140 5214 Social Service Salaries	0.00
2150 5215 Office Salary	76,500.00
2155 Environmental Salaries	0.00
2160 5216 Maintenance Salaries	32,300.04
2170 5217 Other Salaries	22,899.96
2171 5218 Bus/Van Driver Salaries	0.00
2175 5261 Employee Benefits	48,699.96
2180 5262 Employer Payroll Taxes	20,900.04
2185 5263 Workmen's Comp.	8,600.04
2190 5264 Fidelity Bonds	0.00
2194 MOR Total Salaries	0.00
<b>2195 Total Salaries</b>	<b>250,299.96</b>
2200 5321 Masonry	2,499.96
2210 5322 Carpentry	40,500.00
2220 5323 Plumbing	56,799.96
2225 5324 Electrical	20,499.96
2230 5325 Kitchen Equipment	0.00
2240 5327 Elevator Parts	0.00
2245 5328 Windows & Glass	2,100.00
2250 5329 Vehicles & Equipment	2,700.00
2255 5330 Snow Removal	16,200.00
2260 5331 Grounds & Landscaping	13,500.00
2265 5340 Painting & Decorating	10,899.96
2270 5341 Small Equipment	0.00
2275 5342 Janitorial Supplies	1,400.04
2280 5344 HVAC Supplies	6,000.00
2281 5345 Hardware Supplies	9,500.04
2285 5350 Misc. Supplies	1,700.04
2290 5390 Other	12,500.04
2294 MOR Total Maint. & Repairs	0.00
<b>2295 Total Maint &amp; Repairs</b>	<b>196,800.00</b>
2300 5413 Monitoring & Protection	127,700.04
2301 5414 Fire System Monitoring	2,100.00
2302 5415 Cleaning	33,000.00
2310 5425 Elevator Contract	0.00
2320 5426 Rubbish Rem. Contract	42,300.00
2330 5430 HVAC Maintenance	0.00
2340 5432 Grounds Parking Landscap	0.00
2350 5460 Exterminating Contract	10,700.04
2360 5440 Painting & Decorating	0.00

## Financials

Housing Management Officer: Andrew Phillips

Page No: 3

Property/Project: 00618  
 Pilgrim Baptist Village II  
 Rockea Christmas-McFadden  
 5 Avon Ave  
 Newark, NJ 07108-2801

MANAGING AGENT

State Realty Agency  
 Mr. Hubert Graham  
 1290 Springfield Ave  
 Irvington, NJ 07111-1927

No Units: 151

Report No: 1

Year: 2018

Year-to-Date 12

FYE: 12/31

Description	Budget
2370 5490 Other Contacts	3,000.00
2371 Raw Food Contact	0.00
2372 Kitchen Supplies Contract	0.00
2373 Other Dietary Contract	0.00
2374 Laundry-Housekeeping	0.00
2375 Other-Housekeeping	0.00
2376 Van/Bus Contract	0.00
2377 Transportation Fuel	0.00
2378 Other Transportation	0.00
2380 Assisted Living Expenses	0.00
2394 MOR Total Maint. Contracts	0.00
<b>2395 Total Maint. Contracts</b>	<b>218,799.96</b>
2400 5521 Water	51,200.04
2410 5522 Sewer Charges	59,799.96
2420 5523 Electricity	41,199.96
2430 5524 Gas	5,400.00
2440 5525 Fuel Oil	0.00
2494 MOR Total Utilities	0.00
<b>2495 Total Utilities</b>	<b>157,599.96</b>
2500 5600 Managing Agent's Fee	119,100.00
<b>2501 Total Managing Agent Fees</b>	<b>119,100.00</b>
2600 5710 Real Estate Taxes	182,700.00
<b>2601 Total Real Estate Taxes</b>	<b>182,700.00</b>
2700 5712 Insurance	129,399.96
<b>2701 Total Insurance</b>	<b>129,399.96</b>
2750 Capital Leases	0.00
<b>2800 Total Other Operational Exp</b>	<b>431,199.96</b>
<b>2900 Total Expenses</b>	<b>1,361,400.00</b>
<b>2950 Net From Operating</b>	<b>1,094,600.04</b>
3000 Debt Service	630,000.00
<b>3001 Total Debt Services</b>	<b>630,000.00</b>
3100 5813 Hsg. Finance Fund	0.00
<b>3102 Total Hsg Finance Fund</b>	<b>0.00</b>
3200 5850 Provision for R&R	245,300.04
<b>3202 Total Provision for R&amp;R</b>	<b>245,300.04</b>
<b>3900 Total D/S + R&amp;R</b>	<b>875,300.04</b>
<b>3950 9998 Net Income (Loss)</b>	<b>219,300.00</b>
4000 1997 Other Sources of Funds	0.00
<b>4001 Total Other Sources of Funds</b>	<b>0.00</b>
4100 1998 R&R Refunds	102,699.96
<b>4101 Total R&amp;R Refunds</b>	<b>102,699.96</b>
4200 1410 Real Estate Escrow	0.00
4300 1411 Insurance Escrow	0.00
4400 1999 Capital Additions	102,699.96
<b>4401 Total Capital Additions</b>	<b>-102,699.96</b>
4500 2160 Return on Equity	0.00
<b>4501 Total Return on Equity</b>	<b>0.00</b>
<b>4900 9999 Cash Flow</b>	<b>219,300.00</b>
9000 Water, Gallons	0.00
9100 Electricity, KWH	0.00
9200 Gas, Therms	0.00

Loan Number: 00618 Pilgrim Bap. II 1ST As of: 03/28/2018

Description	Replace Cost	Units on Hand	Total Cost	Estimated Life	Annual Required	Age To-Date	Required To-Date	Balance On-Hand	Over (Short)	Remain. Life	Annual Adjust	New Ann. Required	New Monthly Payment
1 Refrigerators	475.00	0	0 REFRIGERATORS	17	4,247.06	11	46,717.66	37,770.67	-8,946.99	6	1,491.17	5,738.23	478.19
2 Ranges	300.00	0	0 RANGES	17	2,682.35	7	18,776.45	15,180.54	-3,595.91	10	359.59	3,041.94	253.50
3 Apartment Fixtures	2,500.00	0	0 APPT FIXTURES	20	19,000.00	14	266,000.00	215,057.84	-50,942.16	6	8,490.36	27,490.36	2,290.86
7 Boiler/Heating System	4,600.00	0	0 BOILERS	20	34,960.00	8	279,680.00	226,117.96	-53,562.04	12	4,463.50	39,423.50	3,285.29
9 O/S Paint/Caulk/Brickwork	70,000.00	0	0 EXTERIOR WORK	30	2,333.33	30	69,999.90	56,594.09	-13,405.81	0	13,405.81	15,739.14	1,311.60
10 Carpet/Decorating Common Areas	70,000.00	0	0 COMMON AREA & PAINTING DECOR	24	2,916.67	24	70,000.08	56,594.23	-13,405.85	0	13,405.85	16,322.52	1,360.21
11 Site Improvements	100,000.00	1	0 Landscape / Fencing	22	4,545.45	7	31,818.15	25,724.60	-6,093.55	15	406.24	4,951.69	412.64
11 Site Improvements	106,000.00	1	1 PAVING	24	4,416.67	9	39,750.03	32,137.43	-7,612.60	15	507.51	4,924.18	410.35
11 Site Improvements	180,000.00	2	2 SIDEWALKS	25	7,200.00	14	100,800.00	81,495.60	-19,304.40	11	1,754.95	8,954.95	746.25
11 Site Improvements	200,000.00	3	3 CONCRETE STEPS	33	6,060.61	33	200,000.13	161,697.73	-38,302.40	0	38,302.40	44,363.01	3,696.92
12 Roofing	37,000.00	4	4 EMERGENCY LIGHTING	20	1,850.00	16	29,600.00	23,931.25	-5,668.75	4	1,417.19	3,267.19	272.27
13 Windows, Storms, Screens	16,150.00	0	0 ROOFING	20	10,497.50	16	167,960.00	135,793.66	-32,166.34	4	8,041.59	18,539.09	1,544.92
14 Vehicles Heavy Equipment	350.00	960	0 STORM WINDOWS	29	11,586.21	5	57,931.05	46,836.57	-11,094.48	24	462.27	12,048.48	1,004.04
22 Security Systems, Camera, TV	30,000.00	0	0 BUS/REPAIRS	21	1,428.57	21	29,999.97	24,254.62	-5,745.35	0	5,745.35	7,173.92	597.83
36 Garage	50,000.00	1	1 Security Cameras, TV	20	2,500.00	8	20,000.00	16,169.76	-3,830.24	12	319.19	2,819.19	234.93
37 Smoke Detectors	300.00	152	1 Garage Doors	20	2,280.00	19	43,320.00	35,023.71	-8,296.29	1	8,296.29	10,576.29	881.36
41 Office Renovations	75,000.00	1	0 SMOKE/HEAT DETECTORS	22	3,409.09	22	74,999.98	60,636.59	-14,363.39	0	14,363.39	17,772.48	1,481.04
9999	30,000.00	0	0 OFFICE RENOVATIONS	20	1,500.00	14	21,000.00	16,978.25	-4,021.75	6	670.29	2,170.29	180.86
9999	.00	0	0	0	.00	0	.00	.00	.00	0	.00	.00	.00
	2,736,550.00				123,413.51		1,568,353.40	1,267,995.10	-300,358.30		121,902.94	245,316.45	20,443.06

MEMORANDUM.....New Jersey Housing and Mortgage Finance Agency

---

---

To: Hubert Graham  
From: A. Phillips

Date: March 28, 2018

Subject: Change in Monthly Escrow

HMFA# 618

Development: Pilgrim Baptist II

A review of your escrow account balance(s) indicates that a change in funding of the monthly deposits is needed in order to meet your development's annual financial obligations. The following adjusted monthly escrow amount(s) should be funded effective May 1, 2017.

Reserve for Replacement	<u>\$ 20,400</u>
R & R Loan Repayment (if applicable)	<u>- n/a</u>
Real Estate Tax	<u>\$ 14,792.00</u>
Insurance	<u>\$ 9,725</u>

If your development is currently receiving housing assistance payments under the Section 8 program, the Agency will automatically withhold the adjusted amount from your Section 8 funds. All other developments should begin to fund the revised amount as the effective date.

If you have any questions regarding these adjustments, please contact your Housing Management Office.

c Subsidy & Escrow Section  
Carmen Martinez