

Subject: **Multifamily Operating Expense Minimums**

Management Fee- (Increased by the Agency based on current CPI Index):

\$55 - \$70 per unit per month

Insurance- NO CHANGE

- 2 Stories and below- \$500 per unit & 3 Stories and above - \$550 per unit

Reserve for Repairs and Replacement- NO CHANGE

- Under fifty (50) units for *rehabilitation or new construction* at five hundred twenty-five (**\$525**) per unit.
- Projects of fifty (50) units or more at four hundred forty (**\$440**) per unit for *family new construction*.
- Projects of fifty (50) units or more at three hundred ninety (**\$390**) per unit for *senior new construction*.
- Projects of fifty (50) units or more at four hundred forty (**\$440**) per unit for *senior rehabilitation*.
- Projects of fifty (50) units for more at four hundred ninety (**\$490**) per unit for *family rehabilitation*.

Administrative Expenses-

- Auditing- Cannot exceed the “base fee” which is **\$13,255**.
- Bookkeeping/Accounting & Computer Charges- are applicable to the preparation of Monthly/Quarterly Operation Reports and when combined, cannot exceed **\$7.18** per unit per month, but not to exceed **\$1,105** per month.

Salaries and Related Charges- NO CHANGE

- Developments of 50 or more units should have a Site Manager and at a minimum a Superintendent.

Benefits and Payroll estimates:

- Benefits – Between 15% and 30% of the total salaries
- Payroll Taxes – at 10% of the total salaries
- Worker’s Compensation- between 2% and 3% of the total salaries