

## **Multifamily Operating Expenses Effective March 27, 2019**

Sponsors should adhere to the following project minimums.

### **(A) Management Fee for Project**

Management fee for projects should be budgeted within the average range of \$54 - \$69 per unit per month. Each year the range will be increased by the Agency based on the current Consumer Price Index (CPI).

### **(B) Insurance**

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

(C) Reserve for Repairs and Replacement should be budgeted as follows:

- 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 50 units or more at four hundred forty (\$440) per unit for senior rehabilitation.
- Projects of 50 units or more at four hundred ninety (\$490) per unit for family rehabilitation

### **(C) Administrative Expenses**

- Auditing – Cannot exceed the “base fee “which is \$12,765

- Bookkeeping/Accounting & Computer Charges-are applicable to the preparation of Monthly/Quarterly Operation Reports (MORs/QORs) and when combined, cannot exceed \$6.92 per unit per month, but not to exceed \$1,065 per month

(D) Salaries and Related Charges

- Developments of 50 or more units should have a Site Manager and at a minimum, a Superintendent
- Benefits and Payroll should be estimated with the following guidelines:

Benefits – between 15% and 30% of the total salaries

Payroll Taxes – at 10% of the total salaries

Worker's Compensation – between 2% and 3%