
To: Donna Spencer, Director of Multifamily/Supportive Housing and Lending
Date: July 9, 2024
From: Katone Glover, Director of Asset Management *KG*
Subject: Multifamily Operating Expense Minimums

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

- **\$68 - \$80** 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 or more at four hundred ninety (**\$490**) per unit for family rehabilitation.

Administrative Expenses

- Auditing – Cannot exceed the “base fee” which is **\$18,925**.
- Bookkeeping/Accounting & Computer Charges – are applicable to the preparation of Monthly/Quarterly Operation Reports and when combined, cannot exceed **\$8.09** per unit per month, but not to exceed **\$1,244** per month.

Salaries and Related Charges – NO CHANGE

- Developments of fifty (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 – 10% of the total salaries.
- Worker’s Compensation – between 2% and 3% of the total salaries.