HUD REAC FINANCIAL RISK MODEL

Section 1 — Project Status

Peer Group Profile		Project Profile		Project Program/Finance Profile as of December 31, 2015	
Size:	Medium	Project Name:	xxx	Property Category	Assisted-Previously Insured
Hub:	State "X"	Contract ID:	YYY	HUD Affiliated (Yes/No):	Yes
Program	All Hud Programs	Property Id:	ZZZ	HUD Affiliated Program(s) :	Subsidized

Section 2 — Project Level Data / Project Data

Year	Units	Peer Group Affiliation Code	Financial Risk Aversion Indicators: Operating Cost Coverage Ratio (OCCR)	Per Unit Year Surplus Cash	Quick Ratio (QR)	Debt Service Coverage Ratio (DSCR) *	Management Risk Aversion Indicators: Excessive Tenant Account Receivable	Occupancy Rate	Building/Property Physical Condition Risk Aversion Indicators: Inspection Scores (PASS MF) *	Accumulated Reserves for Replacement (R4R) Per Unit Year	Property Construction Year	R4R & Property Age & PASS Combined Risk Aversion Color	FASS-MF Performance Indicator *
2015	88	HFA	(R) 1.05	(R) -$1,785	(R) 0.104	(R) -0.59	(R) 0.22	(G) 98%	(R) 39	(G) $852	1970	(R)	
2014	88	HFA	(R) 1.03	(R) -$752	(R) 0.301	(R) -0.96	(R) 0.26	(Y) 96%	(R) 59	(Y) $436	1970	(R)	
2013	88	HFA	(R) 1.22	(Y) $122	(G) 1.535	(G) 2.17	(R) 0.61	(Y) 97%	(G) 91	(Y) $419	1970	(Y)	
2012	88	HFA	(R) 1.03	(G) $462	(G) 1.703	(R) -0.50	(R) 0.19	(Y) 96%	(G) 91	(Y) $667	1970	(Y)	
2011	88	FHA	(R) 1.17	(R) -$62	(G) 1.269	(R) 0.27	(R) 0.48	(Y) 97%	(G) 91	(G) $4,444	1970	(Y)	(G) 75

Section 3 — HFA Peer Group Data

HFA Peer Group Averages for "X" State for Size 51 units to 150 units (limits inclusive)

HFA Peer Group	Average Units	Property Count *	OCCR	Per Unit Year Surplus Cash	QR	DSCR	Excessive Tenant Account Receivable	Occupancy Rate	PASS MF	R4R Per Unit Year	Construction Year	R4R & PASS Color	FASS-MF
2015	92	45	(Y) 1.51	(G) $1,304	(G) 2.760	(G) 3.35	(G) 0.17	(Y) 96%	(G) 91	(G) $4,478	1950	(Y)	
2014	92	43	(Y) 1.54	(G) $1,769	(G) 2.751	(G) 1.63	(G) 0.20	(G) 98%	(G) 91	(G) $3,929	1942	(Y)	
2013	94	43	(Y) 1.57	(G) $1,437	(G) 2.195	(G) 1.70	(G) 0.19	(G) 98%	(G) 92	(G) $3,103	1943	(Y)	
2012	96	73	(G) 1.79	(G) $1,418	(G) 2.089	(G) 1.47	(R) 0.11	(G) 99%	(G) 93	(G) $4,935	1956	(Y)	
2011	98	66	(G) 1.73	(G) $1,151	(G) 1.791	(R) 0.91	(R) 0.11	(G) 98%	(G) 90	(G) $3,988	1956	(Y)	

Section 4 — FHA Peer Group Data

FHA Peer Group Averages for "X" State for Size 51 units to 150 units (limits inclusive)

FHA Peer Group	Average Units	Property Count	OCCR	Per Unit Year Surplus Cash	QR	DSCR	Excessive Tenant Account Receivable	Occupancy Rate	PASS MF	R4R Per Unit Year	Construction Year	R4R & PASS Color	FASS-MF
2015	94	155	(G) 1.68	(G) $1,672	(G) 2.083	(G) 1.50	(Y) 0.06	(G) 98%	(G) 92	(G) $8,546	1957	(Y)	(G) 75
2014	94	147	(G) 1.64	(G) $1,856	(G) 2.992	(G) 1.36	(Y) 0.09	(G) 98%	(G) 91	(G) $7,698	1958	(Y)	(G) 73
2013	93	129	(G) 1.64	(G) $1,560	(G) 1.995	(Y) 1.18	(Y) 0.07	(G) 98%	(G) 89	(G) $5,953	1957	(Y)	(G) 74
2012	93	124	(G) 1.68	(G) $1,618	(G) 2.490	(G) 1.40	(Y) 0.06	(G) 98%	(G) 87	(G) $5,399	1955	(Y)	(G) 74
2011	92	123	(G) 1.70	(G) $1,265	(G) 2.097	(R) -0.06	(Y) 0.06	(G) 98%	(G) 87	(G) $5,498	1954	(Y)	(G) 72

Section 5 — Thresholds

Individual Indicators Performance Threshold Levels

Color	Risk	OCCR	Per Unit Year Surplus Cash	QR	DSCR	Excessive Tenant Account Receivable	Occupancy Rate	PASS MF	R4R Per Unit Year	Construction Age	FASS-MF
Red	High Risk	<=1.5	< $0	<=.50	<=.1.00	>.10	<=95%	<60	<=$300	Age > 15	<60
Yellow	Medium Risk	>1.5 & <=1.6	>=$0 & <$300	>.50 & <=.80	>1.00 & <=1.20	>.05 & <=.10	>95% & <=97%	>=60 & <80	>$300 & <=$800	Age >5 & <= 15	>=60 & <70
Green	Low Risk	>1.6	>=$300	>.80	>1.20	<=.05	>97%	>=80	>$800	Age <= 5	>=70

R4R & Property Age & PASS Combined Threshold Levels

Red - High Risk: (PASS < 60 AND R4R > 800 AND Age > 5) OR (PASS < 60 AND R4R <= 800) OR (PASS => 60 & < 80 AND R4R > 800 AND Age > 15) OR (PASS => 60 & < 80 AND R4R <= 300 AND Age > 5) OR (PASS => 80 AND R4R <= 300 AND Age > 15)

Yellow - Medium Risk: (PASS < 60 AND R4R > 800 AND Age <= 5) OR (PASS => 60 & < 80 AND R4R > 300 & <= 800 AND Age <= 15) OR (PASS => 60 & < 80 AND R4R <= 300 AND Age <= 5) OR (PASS => 80 AND R4R > 800 AND Age > 15) OR (PASS => 80 AND R4R > 300 & <= 800 AND Age > 5) OR (PASS => 80 AND R4R <= 300 AND Age <= 15)

Green - Low Risk: (PASS => 60 & < 80 AND R4R > 800 AND Age <= 5) OR (PASS => 80 AND R4R > 800 AND Age <= 15) OR (PASS => 80 AND R4R > 300 AND Age <= 5)

Note1: Weighted averages for the peer group comparison are computed based on the number of units attached to each property.

Note 2: **Use Results with Caution** The underlying financial data used for data modeling and comparison purposes, as provided by the State HFA, may have been provided outside of HUD/REAC Secured Systems. Financial data on State HFA properties may not have been subject to a financial or quality assurance review by the Department of HUD.

Note 3: Be advised that prior to 2013 properties may have been inspected utilizing an earlier version of the Uniform Physical Condition Standards (UPCS) inspection software.

* The weighted average for the peer group may be computed based on a lower property count than what is indicated, as not all properties in the peer group are required to serve debt, have a physical inspection, and/or be assessed based on FASS risk.