

MAINTENANCE & OPERATING EXPENSE GUIDELINES

NEW CONSTRUCTION

2025

As Of 3/20/2025

	M&O Electric Heat (VRF)/Gas Water		M&O All Electric (assumes VRF)*		Passive House(assumes VRF)*		Per/
	PW/Union Building Staff	Per	PW/Union Building Staff	Per	PW/Union Building Staff	Per	
ADMINISTRATIVE							
Legal	\$24,000	\$240	\$24,000	\$240	\$24,000	\$240	/du
Accounting	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	/project
Management Fee ¹	\$135,964	6.5%	\$135,964	6.5%	\$135,964	6.5%	of ERI
Fire and Liability Insurance ²	\$155,000	\$1,550	\$155,000	\$1,550	\$155,000	\$1,550	/du
Tax Credit Monitoring ³	\$12,600	\$126	\$12,600	\$126	\$12,600	\$126	See footnote
Benchmarking Expense	\$600	\$600	\$600	\$600	\$600	\$600	/bldg
UTILITIES							
Heating ⁴	\$70,329	\$197	\$70,329	\$197	\$42,126	\$118	/rm
Owner Paid Cooling (if applicable)		\$108		\$108		\$86	/rm
Hot Water ⁵							
Gas Hot Water	\$45,696	\$128					/rm
Electric Heat Pump Hot Water			\$66,759	\$187	\$66,759	\$187	/rm
Electric (common areas)	\$71,400	\$200	\$71,400	\$200	\$71,400	\$200	/rm
Water & Sewer	\$107,100	\$300	\$107,100	\$300	\$107,100	\$300	/rm
Broadband ⁶							
MAINTENANCE							
Supplies/Cleaning/Exterminating	\$49,980	\$140	\$49,980	\$140	\$49,980	\$140	/rm
Repairs/Replacement	\$110,000	\$1,100	\$120,000	\$1,200	\$120,000	\$1,200	/du
Super & Maintenance Salaries ⁷	\$269,541	\$2,695	\$269,541	\$2,695	\$269,541	\$2,695	/1 Super 1 Porter
Elevator Maintenance & Repairs [Assumes 2]	\$20,000	\$10,000	\$20,000	\$10,000	\$20,000	\$10,000	/elev
Bldg Reserve	\$40,000	\$400	\$40,000	\$400	\$40,000	\$400	/du
HDC Servicing Fee ⁸							
M&O Before Taxes and Debt Service	\$1,132,210	\$11,322	\$1,163,273	\$11,633	\$1,135,070	\$11,351	/du
		\$3,171		\$3,258		\$3,179	/rm

NOTES

- MANAGEMENT FEE:** 8% for Supportive Housing Loan Program.
 - INSURANCE:** Project Managers are directed to underwrite to an actual quote whenever possible, including inflators. Sponsors should review their ability to get umbrella coverage and underwrite to a lower rate if possible.
 - TAX CREDIT MONITORING:** This fee is a combination of the building fee (\$100 per building), plus the unit fee (0.75% of the maximum annual tax credit rent for all LIHTC units). The unit fee is capped at \$12,500 for buildings of 150 units or less, and \$17,500 for buildings over 150 units.
 - HEATING:** Project Managers are directed to underwrite to the method of heating utilized. Passive House: For all PH buildings, heating discounted by 40% of electric heat.
 - HOT WATER:** Project Managers are directed to underwrite according to project type (gas/electric).
 - BROADBAND:** Project Managers are directed to include broadband and underwrite to an actual quote whenever broadband is incorporated into construction.
 - SUPER & MAINTENANCE SALARIES:** 1 staff member for every 65 units. Additional staff may be added per 65 units of housing. This schedule assumes 1 super + 1 porter for a 100 unit building at prevailing wage/union. In addition, use a 1.15 multiple to account for overtime/vacation assumptions. Handyperson will be considered on a case-by-case basis.
- Salary Assumptions:**
- | | Prevailing Wage | With Multiplier | Hourly | Non-Union | With Multiplier | Hourly |
|----------------------|-----------------|------------------|---------|-----------|-----------------|---------|
| FT Super | \$130,432 | \$149,996 | \$40.85 | \$97,302 | \$111,898 | \$27 |
| FT Porter | \$103,952 | \$119,545 | \$29.78 | \$81,754 | \$94,018 | \$20.50 |
| FT Super + FT Porter | | \$269,541 | | | | |
| FT Handyperson | \$110,698 | \$127,302 | \$32.60 | | | |
- *Salaries are estimated based on an hourly wage, 40 hour workweek, 52 weeks/year plus assumptions for payroll taxes, benefits, and workers comp.
- HDC SERVICING FEE:** Servicing fee set at 0.25% of senior permanent loan.

MAINTENANCE & OPERATING EXPENSE GUIDELINES

PRESERVATION

2025

As of: 3/20/2025

(Preservation deals should be underwritten using actual expenses as a guideline when information is available)

	M&O Guideline	
	PW/Union Building Staff	Per/
ADMINISTRATIVE		
Legal	\$25,000	\$250 /du
Accounting	\$25,000	\$25,000 /project
Management Fee	\$135,964	6.5% of ERI
Fire and Liability Insurance ¹	\$155,000	\$1,550 /du
Tax Credit Monitoring ²	\$12,600	\$126 <i>See footnote</i>
Benchmarking Expense	\$600	\$600 /bldg
UTILITIES		
Heating ³	\$78,897	\$204 /rm (assumes gas. See footnote 3 for electric heating)
<i>Owner Paid Cooling (if applicable)</i>		\$108 /rm
Hot Water ⁴	\$42,483	\$136 /rm (assumes gas. See footnote 4 for electric hot water)
Electric (common areas)	\$76,755	\$215 /rm
Water & Sewer	\$110,670	\$310 /rm
Broadband ⁵		
MAINTENANCE		
Supplies/Cleaning/Exterminating	\$64,260	\$180 /rm
Repairs/Replacement ⁶	\$145,000	\$1,450 /du (non electric)
Super & Maintenance Salaries ⁷	\$269,541	\$2,695 /du
Elevator Maintenance & Repairs	\$20,000	\$10,000 /elev
Bldg Reserve	\$40,000	\$400 /du
M&O Before Taxes and Debt Service	\$1,201,770	\$12,018 /du \$3,366 /rm

NOTES

- INSURANCE:** Project Managers are directed to underwrite to an actual quote whenever possible, including inflators. Sponsors should review their ability to get umbrella coverage and underwrite to a lower rate if possible.
- TAX CREDIT MONITORING:** This fee is a combination of the building fee (\$100 per building), plus the unit fee (0.75% of the maximum annual tax credit rent for all LIHTC units). The unit fee is capped at \$12,500 for buildings of 150 units or less, and \$17,500 for buildings over 150 units.
- HEATING:** Project Managers are directed to underwrite to the method of heating utilized. Per HPD guidance, electric standard set at \$256/rm. If Passive House, standard set at \$154/rm.
- HOT WATER:** Project Managers are directed to underwrite according to project type. Per HPD guidance, electric standard set at \$187/rm, same as new construction.
- BROADBAND:** Project Managers are directed to include broadband and underwrite to an actual quote whenever broadband is incorporated into construction.
- REPAIRS/REPLACEMENT:** For electric buildings, standard set at \$1,550/du.
- SUPER & MAINTENANCE SALARIES:** 1 staff member for every 65 units. Additional staff may be added per 65 units of housing. This schedule assumes 1 super + 1 porter for a 100 unit building at prevailing wage/union. Handyperson will be considered on a case-by-case basis.

Salary Assumptions:

	<u>Prevailing Wage</u>	<u>With Multiplier</u>	<u>Non-Union</u>	<u>With Multiplier</u>
FT Super	\$130,432	\$149,996	\$97,302	\$111,898
FT Porter	\$103,952	\$119,545	\$81,754	\$94,018
FT Handyperson	\$110,698	\$127,302		

*Salaries are estimated based on an hourly wage, 40 hour workweek, 52 weeks/year plus assumptions for payroll taxes, benefits, and workers comp.