



Definition of Cash Flow

In determining any loan payments due to OHFA that may be calculated based on a percent of the project's cash flow, subject to the start date within any loan or mortgage documents, cash flow will be defined as all Gross Cash Receipts to the property minus:

1. Debt service on loans with a superior mortgage position (excluding General Partner and/or partner/partnership notes/mortgages);
2. Replenishment of the Operating Reserve Account up to the maximum of its original established amount through year 10;
3. Payment of any deferred developer fee through year 10 after obligations to Operating Reserve Account are met;
4. Any required payments deposited to or in the established Partnership Replacement Reserve accounts;
5. Asset Management fees required by the Syndicator, if not capitalized; and
6. Supported payments made for the following Project Operating Expenses:
 - a. Advertising
 - b. Legal
 - c. Accounting/auditing
 - d. Elevator maintenance/operation
 - e. Heating, lighting and hot water for common areas
 - f. Water/Sewer – common areas
 - g. Trash/snow removal
 - h. Security – requires OHFA approval to be included
 - i. Decorating
 - j. Repairs not funded through Replacement Reserve
 - k. Exterminating
 - l. Grounds maintenance
 - m. Maintenance salaries & Payroll Taxes
 - n. Maintenance supplies
 - o. Office Supplies
 - p. Service Coordinator/Supportive Services – requires OHFA approval to be included
 - q. Property manager salary, payroll taxes
 - r. Property Insurance
 - s. Property Taxes
 - t. Management Fees not to exceed 6% of Effective Gross Income (excluding Management Incentives, bookkeeping fees, compliance fees, bonuses, administrative service fees, incentive fees of any kind, etc.)
 - u. Owner-Paid Utilities – Units if applicable and common space

“Gross Cash Receipts” means all cash received in any fiscal year from the operations of the Partnership including all government subsidies received by the Partnership, construction contingency, but excluding Capital Contributions, loan proceeds, repayment of rent, security deposits, insurance proceeds, condemnation awards, proceeds from Net Cash from Sales and Refinancing, and any other funds not generated from current Project Operating Expenses. The Partnership definition of “Net Cash from Sales and Refinancing” (or other applicable related term or activity) must be provided to OHFA for review and approval.

Year 10 is calculated from the date / year a project starts construction.

The Cash Flow Loan Repayment Calculation Form can be downloaded from the [OHFA website](#).