

**REGIONAL HOUSING AUTHORITY OF
SUTTER AND NEVADA COUNTIES,
CALIFORNIA**

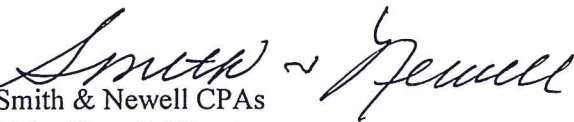
**DEBT SERVICE COVERAGE RATIO CALCULATION
FOR KINGWOOD COMMONS
WITH INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
MARCH 31, 2015**

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**INDEPENDENT AUDITOR'S REPORT ON DEBT SERVICE COVERAGE RATIO
CALCULATION FOR KINGWOOD COMMONS**

To the Board of Commissioners
Regional Housing Authority of Sutter and Nevada Counties
Yuba City, California

We have audited the financial statements of the Regional Housing Authority of Sutter and Nevada Counties as of and for the year ended March 31, 2015, and have issued our report thereon dated September 30, 2015 which contains an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Debt Service Coverage Ratio Calculation for Kingwood Commons is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.


Smith & Newell CPAs
Yuba City, California
September 30, 2015

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Schedule of Debt Service Coverage Ratio Calculation for Kingwood Commons
For the Year Ended March 31, 2015

Net Operating Income (Kingwood Commons)	(\$ 227,897)
Plus Adjustments to Arrive at Income Available for Debt Service:	
Insurance	6,550
Amortization	161,374
Depreciation	<u>151,116</u>
Income Available for Debt Service	<u>\$ 91,143</u>
Debt Service Requirement:	
Interest	\$ 206,999
Principal	<u>2,065</u>
Total Debt Service Requirement	<u>\$ 209,064</u>
Debt Service Coverage Ratio	<u>43.60%</u>

See Independent Auditor's Report

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