

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION
Board of Directors Regular Meeting
2039 Forest Avenue
Chico, CA 95928**

MEETING AGENDA

November 16, 2017
2:00 p.m.

The Board of Directors welcomes and encourages public participation in the Board meetings. Members of the public may be heard on any items on the Directors' agenda. A person addressing the Directors will be limited to 5 minutes unless the Chairperson grants a longer period of time. Comments by members of the public on any item on the agenda will only be allowed during consideration of the item by the Directors. Members of the public desiring to be heard on matters under jurisdiction of the Directors, but not on the agenda, may address the Directors during agenda item 6.

If you are disabled and need special assistance to participate in this meeting, please contact the Housing Authority office at 895-4474. Notification at least 48 hours prior to the meeting will enable the Board of Directors to make reasonable arrangements.

NEXT RESOLUTION NO. 17-4C

ITEMS OF BUSINESS

1. ROLL CALL
2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
 - 3.1 Minutes of Meeting on August 17, 2017.
 - 3.2 BCAHDC- Financial report
 - 3.3 Tax Credit & Cordillera Apartments report
 - 3.3.1 1200 Park Avenue Apartments Compliance Monitoring Inspection
 - 3.4 Harvest Park Budget – Information
4. CORRESPONDENCE
5. REPORTS FROM PRESIDENT
 - 5.1 Walker Commons Budget – Adopt FY2018 Walker Commons budget.

Recommendation:

Resolution No. 17-4C

5.2 1200 Park Ave Budget – Adoption of FY 2018 1200 Park Ave budget.

Recommendation: Resolution No. 17-5C

5.3 Walker Commons Audit Report – Accept FY2016 Audit Report

Recommendation: Motion

5.4 Cordillera Apartments Write-Offs - Approve write-offs for Cordillera Apartments.

Recommendation: Resolution 17-6C

5.5 Walker Commons Apartments – No-smoking policy implementation.

Recommendation: Motion

5.6 Gridley Springs I Apartments, Property Management – Approve retention of The CBM Group, Inc. as property manager at Gridley Springs I.

Recommendation: Motion

5.7 1200 Park Avenue Apartments, Property Management – Approve retention of AWI, Inc. as property manager at 1200 Park Avenue.

Recommendation: Motion

6. MEETING OPEN FOR PUBLIC DISCUSSION

7. MATTERS CONTINUED FOR DISCUSSION

8. SPECIAL REPORTS

9. REPORTS FROM DIRECTORS

10. MATTERS INITIATED BY DIRECTORS

11. EXECUTIVE SESSION

12. DIRECTORS' CALENDAR

Next meeting – February 15, 2018.

13. ADJOURNMENT

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION**

Board of Directors Meeting

2039 Forest Avenue

Chico, CA 95928

MEETING MINUTES

August 17, 2017

President Mayer called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 2:07 p.m.

1. ROLL CALL

Present for Directors: Kate Anderson, Patricia Besser, Larry Hamman, Roger Hart, Anne Jones, and David Pittman.

Others Present: President Ed Mayer, Chief Financial Officer Sue Kemp, Secretary Marysol Perez, Larry Guanzon, and Tamra Young.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Director Anderson acknowledged the three (3) vacancies at Walker Commons Apts.

Director Pittman moved that the Consent Calendar be accepted as presented. Director Anderson seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 BCAHDC Budget – The FY2018 BCAHDC budget was presented for approval. Budget remains status quo. However BCAHDC receives distributions from four (4) tax credit partnerships: 1200 Park Avenue LP (\$7,292); Walker Commons LP (\$7,500); DFI-DHA Gridley Springs Associates LP (\$3,200); and Chico Harvest Park LP (\$20,000), which are not recognized as revenue. Ending excess cash balance is estimated at \$489,000.

RESOLUTION NO. 17-1C

Director Hart moved that Resolution No. 17-1C be adopted by reading of title only: “APPROVAL OF BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION OPERATING BUDGET FOR F/Y 2017”. Director Hamman seconded. The vote in favor was unanimous.

- 5.2 Cordillera Apartments Budget – The FY 2018 Cordillera Apartments operating budget was presented for approval. The budget for operations and maintenance is prepared in conjunction with RSC Property Management. There is a slight increase in the budget for rents increases. Capital Improvements include estimated non-routine maintenance; balcony replacements/repairs; asphalt work; appliances and tree work. Ending excess cash balance is estimated to be \$327,000.

RESOLUTION NO. 17-2C

Director Hart moved that Resolution No. 17-2C be adopted by reading of title only: “APPROVAL OF THE BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION OPERATING BUDGET FOR CORDILLERA APARTMENTS F/Y 2018”. Director Pittman seconded. The vote in favor was unanimous.

- 5.3 Account Authorization – Butte County Affordable Housing Development Corporation (BCAHDC), is Managing General Partner (MGP) of Walker Commons L.P. (LP). BCHADC has determined that LP Reserve account amounts currently exceed FDIC insurance limits and seeks to distribute LP Reserve account monies, determining that it is in the best interest move assets away from Wall Street, and establish a local relationships with local banks. BCAHDC is seeking to authorization to establish a banking account with Banner Bank, 2485 Notre Dame Boulevard, Suite 775, Chico, CA 95928. Director Hart agreed it was a good philosophy to work with regional and local banks.

RESOLUTION NO. 17-3C

Director Hart moved that Resolution No. 17-3C be adopted by reading of title only: “AUTHORIZATION TO ESTABLISH WALKER COMMONS, L.P. RESERVES ACCOUNT AT BANNER BANK”. Director Jones seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM DIRECTORS

None.

10. MATTERS INITIATED BY DIRECTORS

None.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

Next Meeting – November 16, 2017.

13. ADJOURNMENT

Director Hamman moved that the meeting be adjourned. Director Pittman seconded. The meeting was adjourned at 2:27 p.m.

Dated: August 17, 2017.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

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**BCAHDC GENERAL FUND
BALANCE SHEET
September 30, 2017**

***** A S S E T S *****

Current Assets

Cash-Unrestricted	290,773
Accounts Receivable-Misc	21,652
Tenant Security Deposits	0
Investments-Unrestricted	250,000
Investments-Restricted	0
Interprogram Due From Cordillera	0
Total Current Assets	562,425

Fixed Assets

Land	0
Buildings	0
Appliances - Dwelling units	0
Accumulated Depreciation	0
Total Fixed Assets	0

Other Assets

Prepaid Expenses	0	
Organizational Costs, Net of Amortization	0	
Note Receivable - Chico Valley View Partners	0	Paid 9/22/17
Investment in 1200 Park Avenue, L.P.	-443	2016 Loss \$41
Investment in Chico Harvest Park, L.P.	-176	2016 Loss \$36
Investment in DHI-DFA Gridley Springs Associates, L.P.	-5	2016 Loss \$2
Investment in Walker Commons, L.P.	104,362	2016 Gain \$1,358
Total Other Assets	103,738	2016 Distrib.\$95,788

TOTAL ASSETS

666,163

***** LIABILITIES AND EQUITY *****

Current Liabilities

Accounts Payable	5,827
Accrued Interest Payable	0
Interprogram Due to Cordillera	0
Accrued Fees due to HACB	30,525
CVVP Interest Reserves	0
Total Current Liabilities	36,352

Long-Term Liabilities

Long-Term Debt, Net of Current	0
Total Long-Term Liabilities	0

TOTAL LIABILITIES

36,352

Equity

Prior Year Equity Balance	660,042
Retained Earnings	-30,231
Total Equity	629,811

TOTAL EQUITY

629,811

TOTAL LIABILITIES AND EQUITY

666,163

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BCAHDC-GENERAL FUND INCOME STATEMENT
September 30, 2017

YTD %
100.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Partnership Income	10,816	3,148	7,667	47,139	37,779	9,360	124.78
Misc. Income	0	0	0	6,974	0	6,974	0.00
Investment Income	956	150	806	14,303	1,800	12,503	794.62
TOTAL REVENUES	11,772	3,298	8,473	68,417	39,579	28,838	172.86
Audit Fee	0	250	-250	3,015	3,000	15	100.51
Corporate Services	1,200	1,542	-342	10,784	18,500	-7,716	58.29
Consulting Fees	0	417	-417	0	5,000	-5,000	0.00
Legal Expenses	0	250	-250	2,450	3,000	-550	81.67
Misc. Administrative Costs	15	83	-68	35	1,000	-965	3.50
Outside Management Fees	10,175	3,392	6,783	82,225	40,700	41,525	202.03
Partnership Losses	78	42	36	78	500	-422	15.62
Taxes and Fees	0	7	-7	60	80	-20	75.00
TOTAL EXPENSES	11,468	5,982	5,486	98,648	71,780	26,868	137.43
RETAINED EARNINGS	304	-2,683	2,987	-30,231	-32,201	1,970	93.88

MEMO

Date: November 9, 2017

To: BCAHDC Board of Directors

From: Larry Guanzon, Deputy Executive Director

Subject: Status Report – LIHTC Properties & Cordillera Apartments

- Walker Commons Apartments, Chico (56 units, LIHTC, senior/disabled)
- 1200 Park Avenue Apartments, Chico (107 units, LIHTC, senior)
- Harvest Park Apartments, Chico (90 units, LIHTC, family)
- Gridley Springs I Apartments, Gridley (32 units, LIHTC, family)
- Cordillera Apartments, Chico (20 units, family)

Walker Commons Apartments, Chico (56 units, LIHTC, Senior & Disabled, MGP: BCAHDC, PM: AWI) – The property at this time has one (1) vacancy. Roofing replacements are being scheduled for 2018 and 2019, followed by building siding replacements. Trimming and removal of trees on the East side of the property has been completed. Management is working with property manager AWI on a transition plan to move the property to a no-smoking operation.

1200 Park Avenue Apartments, Chico (107 units, LIHTC, Senior, MGP: BCAHDC, PM: Winn Residential) – This property currently has two (2) vacancies. The property has stabilized under the work of Site Manager Roberto Rojas, who has been promoted to Regional Property Manager by Winn Residential. Potential on-site manager candidates are *still* being interviewed at this time. Winn Residential has requested a management fee increase, which did not meet with Limited Partner approval as it was determined unreasonable and required a change to the Limited Partnership Agreement (LPA); so the property manager has negotiated a December 31, 2017 exit. Property management is proposed to be taken over by AWI, with whom BCAHDC has a working relationship at its Walker Commons Apartment property. AWI has agreed to work on the terms dictated by the Limited Partnership Agreement.

Harvest Park Apartments, Chico (90 units, LIHTC, Family, MGP: BCAHDC, PM Winn Residential) – Harvest Park currently has four (4) vacancies. The property continues operations per budget. A new on-site manager was hired and now property management is looking for another one to hire. Previously, the property had a small kitchen fire in one of the upstairs units, where the sprinkler system extinguished the initial fire, but left water damage in both the upstairs and lower units. A week later another fire transpired in somewhat the same manner, with three (3) units affected – one (1) upstairs, and two (2) downstairs. The 3rd party property manager, WINN Residential, is working with the residents whose homes burned (both Section 8 households), insurance, and remedial vendors, with one of the residents (downstairs) being

moved to an available unit on-site, and the other resident (upstairs) temporarily moved into a local hotel, pending investigative results. The second fire required notice to vacate for the resident due to possible fault by this resident.

Gridley Springs I Apartments, Gridley (32 units, LIHTC, Family, MGP: BCAHDC, PM: CBM Group) – There currently are (2) vacancies at the property. Under-performing property manager, US Residential, has given notice effective October 31st. The firm was purchased at the end of last year, and corporate has determined exit from service to regulated/affordable housing properties. Limited Partnership partner, Dawson Holdings, has brought forward The CBM Group, Inc. to take on property management, as the firm is known to Dawson Holdings, is acceptable to the Limited Partner, and is experienced in tax-credit and USDA program operations. On behalf of the Partnership, BCHADC needs to consider retention of CBM.

Cordillera Apartments, Chico (20 units, Family, Owner: BCAHDC, PM: RSC Assoc.) The property has two (2) vacancies at this time. Please find RSC Associates' monthly report following. We will continue to make capital improvements as cash flow allows: replacing patios railings and exterior windows, and completing exterior painting, all targeted to upgrade the property's curb appeal and valuation.

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WALKER COMMONS
BALANCE SHEET
September 30, 2017

***** A S S E T S *****

Current Assets

Cash - Unrestricted	127,111
Cash - Restricted Reserves	290,800
Cash - Tenant Security Deposits	24,742
Accounts Receivable - Misc.	0
Accounts Receivable - Tenants	1,557
Allowance for Doubtful Accounts	0
Prepaid Expenses	7,752
Total Current Assets	451,962

Fixed Assets

Land	600,000
Buildings	2,711,451
Furniture and Equipment	75,044
Accumulated Depreciation	-1,572,860
Total Fixed Assets	1,813,635

Other Assets

Fees net of amortization	4,867
Total Other Assets	4,867

TOTAL ASSETS	2,270,464
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***** LIABILITIES AND EQUITY *****

Current Liabilities

Accounts Payable	11,419
Accrued Liabilities	6,334
Accrued Interest Payable - Current	11,250
Prepaid Rent	3,987
Tenant Security deposits	23,375
Total Current Liabilities	56,365

Long-Term Liabilities

Accrued Interest Payable - Net of Current	34,982	paid down \$51,338
Long-Term Debt - Note Payable	500,000	
Total Long-Term Liabilities	534,982	

TOTAL LIABILITIES	591,347
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Equity

Partner's Equity	1,608,892
Retained Earnings	70,225
Total Equity	1,679,117

TOTAL EQUITY	1,679,117
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TOTAL LIABILITIES AND EQUITY	2,270,464
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WALKER COMMONS INCOME STATEMENT

September 30, 2017

YTD %
75.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Potential Dwelling Rent	32,708	32,635	73	293,463	391,620	-98,157	74.94
Vacancy Loss	-122	-653	531	-5,386	-7,832	2,446	68.77
Manager's Unit - moved to expense	0	0	0	0	0	0	0.00
Net Dwelling Rent	32,586	31,982	604	288,077	383,788	-95,711	75.06
Tenant Charges	40	375	-335	1,078	4,500	-3,422	23.96
Laundry Revenue	174	225	-51	1,907	2,700	-793	70.64
Investment Income	11	25	-14	131	300	-169	43.64
TOTAL REVENUES	32,811	32,607	203	291,193	391,288	-100,095	74.42
EXPENSES							
Advertising	0	46	-46	0	550	-550	0.00
Audit Fee	381	381	0	3,426	4,568	-1,142	75.00
Credit & Collection Expense	24	67	-43	155	800	-646	19.31
Franchise Tax Board Fee	0	67	-67	800	800	0	100.00
Insurance-Liability/Property	1,965	661	1,303	7,748	7,936	-188	97.64
Legal Fees	0	63	-63	0	750	-750	0.00
Management Fees	2,184	2,296	-112	19,656	27,552	-7,896	71.34
Misc. Admin. Costs	329	208	121	736	2,500	-1,764	29.43
Office Supplies	-211	292	-503	6,058	3,500	2,558	173.08
Partnership Expense	625	625	0	5,625	7,500	-1,875	75.00
Property Taxes & Assessments	0	10	-10	55	120	-65	46.03
Resident Services/Supplies	0	250	-250	633	3,000	-2,367	21.11
Security Services	0	33	-33	121	400	-279	30.28
Telephone	374	120	254	2,299	1,440	859	159.68
Training	0	67	-67	1,938	800	1,138	242.29
Total Admin Costs	5,670	5,185	485	49,251	62,216	-12,965	79.16
Site Manager: Salary & Free Rent	4,262	3,585	677	24,871	43,014	-18,143	57.82
Site Maintenance: Salary	3,301	3,181	119	9,679	38,176	-28,497	25.35
Payroll Taxes & Benefits	1,850	0	1,850	8,104	0	8,104	0.00
Total Salary and Benefits	9,412	6,766	2,646	42,655	81,190	-38,535	52.54
Electricity	921	533	388	5,803	6,400	-597	90.66
Gas	69	125	-56	1,158	1,500	-342	77.18
Water and Sewer	2,125	2,167	-41	17,962	26,000	-8,038	69.09
Total Utilities-Project	3,115	2,825	290	24,922	33,900	-8,978	73.52
Landscape Maintenance	3,979	1,875	2,104	11,692	22,500	-10,808	51.96
Maintenance Materials	1,328	625	703	9,587	7,500	2,087	127.83
Other Maintenance Contracts	2,863	625	2,238	7,858	7,500	358	104.78
Trash Removal	311	206	105	1,734	2,472	-738	70.15
Unit Turnover Maintenance	0	0	0	453	0	453	0.00
Total Maintenance Costs	8,481	3,331	5,150	31,324	39,972	-8,648	78.36
Capital Improvements (Expensed)	3,717	833	2,884	10,508	10,000	508	105.08
Extraordinary Maintenance	0	0	0	0	0	0	0.00
Depreciation & Amortization	5,435	6,082	-647	48,911	72,982	-24,071	67.02
Interest Expense-Chico	1,188	1,250	-62	11,188	15,000	-3,812	74.59
Bad Debt-Tenants	0	208	-208	2,208	2,500	-292	88.31
Total Other Expenses	10,340	8,373	1,967	72,815	100,482	-27,667	72.47
TOTAL EXPENSES	37,019	26,480	10,539	220,968	317,760	-96,792	69.54
RETAINED EARNINGS	-4,209	6,127	-10,336	70,225	73,528	-3,303	95.51
+ Deprec & Amort	5,435	6,082	-647	48,911	72,982	-24,071	67.02
- Capital Improvements/Replcmnts	0	4,167	-4,167	0	50,000	-50,000	0.00
- Debt Payments	0	0	0	0	0	0	0.00
- Transfer to Reserves	-933	-933	0	-8,400	-11,200	2,800	75.00
NET CASH FLOW	293	7,109	-6,816	110,736	85,310	25,426	129.80

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Walker Commons October 2017

Variance report sent explaining budget differences and expenditures.

Updates:

Walker Commons has one vacancy and an application in process for move in. It is a heavy turn expected to take approximately two weeks to complete. No notices to vacate.

The gate for the community garden has been built and parts are being ordered for the locking mechanism.

Notices have gone out to all residents regarding the non-smoking implementation. Signage is being posted.

A turkey dinner is planned for November 17th. Walker commons will supply the two turkeys, plates, napkins and utensils and tenants will bring dishes to share. Residents are looking forward to the dinner and a large turnout is expected.

2018 budget drafts have been finalized! ☺

(530) 745-6170 tel
(530) 745-6173 fax
www.awlmc.com

AWI Management Corporation
PO Box 550
Auburn CA 95604



AWI Management Corporation is an Equal Opportunity provider and employer.

Walker Commons For the Month Ended October 31, 2017 Statement of Income & Cash Flow						
	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 32,720.00	\$ 32,635.00	\$ 85.00	\$ 326,612.00	\$ 326,350.00	\$ 262.00
Vacancies	46.00	(652.67)	698.67	(5,340.00)	(6,526.67)	1,186.67
Rent Adjustments	(28.17)	0.00	(28.17)	(457.25)	0.00	(457.25)
Manager's Unit	(601.00)	(601.00)	0.00	(6,010.00)	(6,010.00)	0.00
Total Tenant Rent	\$ 32,136.83	\$ 31,381.33	\$ 755.50	\$ 314,804.75	\$ 313,813.33	\$ 991.42
Other Project Income:						
Laundry Income	\$ 0.00	\$ 225.00	\$ (225.00)	\$ 1,907.29	\$ 2,250.00	\$ (342.71)
Interest Income	0.00	25.00	(25.00)	0.00	250.00	(250.00)
Restricted Reserve Interest Income	.32	0.00	.32	45.60	0.00	45.60
Late Charges	25.68	0.00	25.68	220.12	0.00	220.12
Other Tenant Income	\$ 5.00	\$ 375.00	\$ (370.00)	\$ 498.87	\$ 3,750.00	\$ (3,251.13)
Miscellaneous Income	\$ (630.00)	\$ 0.00	\$ (630.00)	\$ 0.00	\$ 0.00	\$ 0.00
Other Project Income	\$ (599.00)	\$ 625.00	\$ (1,224.00)	\$ 2,671.88	\$ 6,250.00	\$ (3,578.12)
Total Project Income	\$ 31,537.83	\$ 32,006.33	\$ (468.50)	\$ 317,476.63	\$ 320,063.33	\$ (2,586.70)
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 7,115.23	\$ 6,849.99	\$ 265.24	\$ 57,625.96	\$ 68,499.99	\$ (10,874.03)
Utilities (From Pg 2)	3,078.95	3,030.99	47.96	29,898.42	30,309.99	(411.57)
Administrative (From Pg 2)	7,485.42	5,807.50	1,677.92	52,237.69	58,075.00	(5,837.31)
Taxes & Insurance (From Pg 2)	525.20	671.33	(146.13)	6,620.40	6,713.33	(92.93)
Other Taxes & Insurance (Fr Page 2)	2,098.98	971.50	1,127.48	11,368.45	9,715.00	1,653.45
Other Project Expenses	919.09	590.84	328.25	11,793.06	5,908.34	5,884.72
Total O&M Expenses	\$ 21,222.87	\$ 17,922.15	\$ 3,300.72	\$ 169,543.98	\$ 179,221.65	\$ (9,677.67)
Mortgage & Owner's Expense						
Mortgage Payment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest Expense - City of Chico	\$ 1,250.00	\$ 1,250.00	\$ 0.00	\$ 12,500.00	\$ 12,500.00	\$ 0.00
Reporting / Partner Management F	625.00	625.00	0.00	6,250.00	6,250.00	0.00
Capital Improvements - Exterior Pa	0.00	4,166.67	(4,166.67)	0.00	41,666.67	(41,666.67)
Transfer - Reserves	933.34	933.33	.01	9,333.40	9,333.33	.07
Total Mortgage & Owner's Exp.	\$ 2,808.34	\$ 6,975.00	\$ (4,166.66)	\$ 28,083.40	\$ 69,750.00	\$ (41,666.60)
Total Project Expenses	\$ 24,031.21	\$ 24,897.15	\$ (865.94)	\$ 197,627.38	\$ 248,971.65	\$ (51,344.27)
Net Profit (Loss)	\$ 7,506.62	\$ 7,109.18	\$ 397.44	\$ 119,849.25	\$ 71,091.68	\$ 48,757.57

Walker Commons
For the Month Ended October 31, 2017
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Other Cash Flow Items:						
Reserve Transfers	\$ (.32)	\$ 0.00	\$ (.32)	\$ (256,445.41)	\$ 0.00	\$ (256,445.41)
Other Cash Changes	(315.00)	0.00	(315.00)	(213,786.31)	0.00	(213,786.31)
Security-Comm 1st	0.00	0.00	0.00	(24,741.80)	0.00	(24,741.80)
Security Deposits Held	500.00	0.00	500.00	23,560.00	0.00	23,560.00
Chico redevelopment Grant	0.00	0.00	0.00	700,000.00	0.00	700,000.00
Tenant Receivables	3,827.34	0.00	3,827.34	1,869.82	0.00	1,869.82
Other Receivables	905.87	0.00	905.87	(8,149.57)	0.00	(8,149.57)
Capital Improvements - Exterior Pa	0.00	(4,166.67)	4,166.67	0.00	(41,666.67)	41,666.67
Depreciation	0.00	0.00	0.00	1,640,184.48	0.00	1,640,184.48
Fixed Assets	0.00	0.00	0.00	(4,207,597.75)	0.00	(4,207,597.75)
Accounts Payable - Trade	(9,593.16)	0.00	(9,593.16)	1,825.51	0.00	1,825.51
Accrued Fees	0.00	0.00	0.00	6,875.00	0.00	6,875.00
Accrued Interest - City of Chico	1,250.00	0.00	1,250.00	12,500.00	0.00	12,500.00
Prepaid Rents	0.00	0.00	0.00	3,986.75	0.00	3,986.75
Other Notes Payable	625.00	0.00	625.00	592,632.12	0.00	592,632.12
Unclaimed Property	315.00	0.00	315.00	1,024.06	0.00	1,024.06
Partner's Equity	0.00	0.00	0.00	1,751,859.27	0.00	1,751,859.27
Total Other Cash Flow Items	\$ (2,485.27)	\$ (4,166.67)	\$ 1,681.40	\$ 25,596.17	\$ (41,666.67)	\$ 67,262.84
Net Operating Cash Change	\$ 5,021.35	\$ 2,942.51	\$ 2,078.84	\$ 145,445.42	\$ 29,425.01	\$ 116,020.41

Cash Accounts

	End Balance 1 Year Ago	Current Balance	Change
Operating-Comm 1st	\$ 0.00	\$ 145,445.42	\$ 145,445.42
Cash - Owner's Account	0.00	213,536.31	213,536.31
Security-Comm 1st	0.00	24,741.80	24,741.80
Reserve - Comm 1st Bank	0.00	9,334.74	9,334.74
Cash - Investment Restricted	0.00	256,444.07	256,444.07
Payables & Receivables:			
Accounts Payable - Trade	0.00	1,825.51	1,825.51
Rents Receivable - Current Tenants	0.00	(1,900.00)	(1,900.00)
Other Tenant Charges Receivable	0.00	30.18	30.18
Prepaid Rents	0.00	(3,986.75)	(3,986.75)

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
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Maintenance & Operating Expenses:

Walker Commons
For the Month Ended October 31, 2017
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Maintenance Payroll	\$ 1,920.00	\$ 2,608.33	\$ (688.33)	\$ 11,599.40	\$ 26,083.33	\$ (14,483.93)
Janitorial/Cleaning Supplies	145.69	0.00	145.69	1,968.56	0.00	1,968.56
Plumbing Repairs	0.00	0.00	0.00	348.48	0.00	348.48
Painting & Decorating	0.00	0.00	0.00	877.63	0.00	877.63
Repairs & Maintenance - Supply	1,124.36	625.00	499.36	8,888.39	6,250.00	2,638.39
Repairs & Maintenance - Contract	1,289.34	625.00	664.34	6,323.46	6,250.00	73.46
Grounds Maintenance	31.76	1,875.00	(1,843.24)	10,983.33	18,750.00	(7,766.67)
Pest Control Service	370.00	0.00	370.00	1,110.00	0.00	1,110.00
Fire/Alarm Services	0.00	0.00	0.00	1,598.00	0.00	1,598.00
Security Service	0.00	33.33	(33.33)	121.13	333.33	(212.20)
Capital Improvements - Other	436.10	833.33	(397.23)	889.18	8,333.33	(7,444.15)
Capital Improvements - Flooring	0.00	0.00	0.00	5,356.30	0.00	5,356.30
Capital Improvements - Appliance	0.00	0.00	0.00	1,429.41	0.00	1,429.41
Capital Improvements - HVAC Repl	0.00	0.00	0.00	997.48	0.00	997.48
Capital Improvements - Water Heat	1,600.00	0.00	1,600.00	1,600.00	0.00	1,600.00
Carpet Cleaning	0.00	0.00	0.00	330.00	0.00	330.00
HVAC Repairs	120.00	0.00	120.00	2,515.00	0.00	2,515.00
Cable Service	29.95	0.00	29.95	248.91	0.00	248.91
Tenant Services	48.03	250.00	(201.97)	441.30	2,500.00	(2,058.70)
Total Maint. & Operating Exp.	\$ 7,115.23	\$ 6,849.99	\$ 265.24	\$ 57,625.96	\$ 65,499.99	\$ (10,874.03)
Utilities:						
Electricity	\$ 586.88	\$ 533.33	\$ 53.55	\$ 6,389.39	\$ 5,333.33	\$ 1,056.06
Water	830.77	1,083.33	(252.56)	7,211.00	10,833.33	(3,622.33)
Sewer	1,286.88	1,083.33	203.55	12,868.80	10,833.33	2,035.47
Heating Fuel/Other	63.02	125.00	(61.98)	1,220.71	1,250.00	(29.29)
Garbage & Trash Removal	311.40	206.00	105.40	2,045.60	2,060.00	(14.40)
Other Utilities	0.00	0.00	0.00	162.92	0.00	162.92
Total Utilities	\$ 3,078.95	\$ 3,030.99	\$ 47.96	\$ 29,898.42	\$ 30,309.99	\$ (411.57)
Administrative:						
Manager's Salary	\$ 2,511.00	\$ 2,651.67	\$ (140.67)	\$ 21,973.49	\$ 26,516.67	\$ (4,543.18)
Management Fees	2,184.00	2,296.00	(112.00)	21,840.00	22,960.00	(1,120.00)
Bad Debt Expense	2,381.36	208.33	2,173.03	4,589.11	2,083.33	2,505.78
Auditing	380.67	380.67	0.00	3,806.67	3,806.67	.03
Legal	0.00	62.50	(62.50)	0.00	625.00	(625.00)
Other Administrative Expenses	28.39	208.33	(179.94)	28.39	2,083.33	(2,054.94)
Total Administrative Expense	\$ 7,485.42	\$ 5,807.50	\$ 1,677.92	\$ 52,237.69	\$ 58,075.00	\$ (5,837.31)
Taxes & Insurance Reserve For:						
Real Estate Taxes	\$ 0.00	\$ 10.00	\$ (10.00)	\$ 55.23	\$ 100.00	\$ (44.77)
Property Insurance	525.20	661.33	(136.13)	6,565.17	6,613.33	(48.16)
Total Taxes & Insurance Expense	\$ 525.20	\$ 671.33	\$ (146.13)	\$ 6,620.40	\$ 6,713.33	\$ (92.93)

Walker Commons
For the Month Ended October 31, 2017
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Other Taxes & Insurance:						
Payroll Taxes	\$ 416.83	\$ 0.00	\$ 416.83	\$ 2,881.43	\$ 0.00	\$ 2,881.43
Other Taxes, Fees & Permits	0.00	66.67	(66.67)	800.00	666.67	133.33
Bond Premiums	0.00	0.00	0.00	365.00	0.00	365.00
Worker's Compensation Insurance	251.67	0.00	251.67	1,906.38	0.00	1,906.38
Personnel Medical Insurance	1,430.48	904.83	525.65	5,415.64	9,048.33	(3,632.69)
Total Other Taxes & Insurance	\$ 2,098.98	\$ 971.50	\$ 1,127.48	\$ 11,368.45	\$ 9,715.00	\$ 1,653.45
Other Project Expenses						
Telephone & Answering Service	\$ 127.40	\$ 120.00	\$ 7.40	\$ 1,827.70	\$ 1,200.00	\$ 627.70
Internet Service	59.95	0.00	59.95	658.99	0.00	658.99
Advertising	0.00	45.83	(45.83)	57.50	458.33	(400.83)
Water/Coffee Service	0.00	0.00	0.00	21.18	0.00	21.18
Office Supplies & Expense	201.41	291.67	(90.26)	3,406.11	2,916.67	489.44
Postage	76.24	0.00	76.24	541.65	0.00	541.65
Toner/Copier Expense	321.59	0.00	321.59	1,412.25	0.00	1,412.25
Office Furniture & Equipment Expe	0.00	0.00	0.00	1,802.36	0.00	1,802.36
Travel & Promotion	0.00	66.67	(66.67)	1,719.32	666.67	1,052.65
Training Expense	59.00	0.00	59.00	118.00	0.00	118.00
Credit Checking	73.50	66.67	6.83	228.00	666.67	(438.67)
Total Other Project Expenses	\$ 919.09	\$ 590.84	\$ 328.25	\$ 11,793.06	\$ 5,908.34	\$ 5,884.72
Mortgage & Owner's Expense						
Mortgage Payment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest Expense - City of Chico	\$ 1,250.00	\$ 1,250.00	\$ 0.00	\$ 12,500.00	\$ 12,500.00	\$ 0.00
Reporting / Partner Management F	625.00	625.00	0.00	6,250.00	6,250.00	0.00
Capital Improvements - Exterior Pa	0.00	4,166.67	(4,166.67)	0.00	41,666.67	(41,666.67)
Transfer - Reserves	933.34	933.33	.01	9,333.40	9,333.33	.07
Total Mortgage & Owner's Exp.	\$ 2,808.34	\$ 6,975.00	\$ (4,166.66)	\$ 28,083.40	\$ 69,750.00	\$ (41,666.60)
Total Expenses	\$ 24,031.21	\$ 24,897.15	\$ (865.94)	\$ 197,627.38	\$ 248,971.65	\$ (51,344.27)

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1200 PARK AVENUE L.P.
BALANCE SHEET
September 30, 2017

***** A S S E T S *****

Current Assets

Cash - Operating	150,654	
Cash - Petty Cash	500	
Cash - Replacement Reserve	265,643	
Cash - Security Deposits	37,409	
Accounts Receivable-Tenants	-2,600	<i>WINN to correct against Income</i>
Accounts Receivable-Other	3	
Prepaid Expenses	14,592	
Total Current Assets	466,201	

Fixed Assets

Land	629,523	
Buildings	18,374,883	
Furniture & Equipment	138,522	
Accumulated Depreciation	-5,258,781	
Total Fixed Assets	13,884,147	

Other Assets

Tax Credit & Organizational Fees, Net of Amort.	45,145	
Total Other Assets	45,145	

TOTAL ASSETS

14,395,493

***** L I A B I L I T I E S A N D E Q U I T Y *****

Current Liabilities

Accounts Payable	-60	
Accrued Expenses	17,937	
Accrued Interest Payable - Current	55,125	
Prepaid Rent	9,115	<i>WINN to correct against Income</i>
Tenant Security & Key Deposits	35,903	
Total Current Liabilities	118,020	

Long-Term Liabilities

Accrued Partnership Fees	9,086	
Accrued Interest Payable - Net of Current	533,449	
Loan Payable - HACB	1,126,854	
Loan Payable - City of Chico	3,675,000	
Loan Payable - CITIBANK/Berkadia	1,937,360	
Total Long-Term Liabilities	7,281,749	

TOTAL LIABILITIES

7,399,769

Equity

Partner's Equity	7,279,218	
Retained Earnings	-283,494	
Total Equity	6,995,724	

TOTAL EQUITY

6,995,724

TOTAL LIABILITIES AND EQUITY

14,395,493

1200 PARK AV INCOME STATEMENT

September 30, 2017

**YTD %
75.00**

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Potential Dwelling Rent	65,418	61,095	4,323	569,411	733,140	-163,729	77.67
Vacancy Loss	0	-1,000	1,000	-2,092	-11,994	9,902	17.44
Rent Free Unit - see Maint Salaries	0	0	0	0	0	0	0.00
Net Dwelling Rent	65,418	60,096	5,323	567,319	721,146	-153,827	78.67
Tenant Charges	0	369	-369	1,845	4,425	-2,580	41.69
Laundry Income	0	1,000	-1,000	7,476	12,000	-4,524	62.30
Interest Income	26	6	19	87	74	13	117.57
TOTAL REVENUES	65,444	61,470	3,973	576,727	737,645	-160,918	78.18
EXPENDITURES							
Audit Fee	0	381	-381	4,518	4,568	-50	98.91
Franchise Tax Fee	800	67	733	800	800	0	100.00
Insurance-Property/Liability/Flood	1,334	1,338	-5	12,975	16,058	-3,083	80.80
Legal Expense	0	100	-100	430	1,200	-770	35.83
Management Fee	3,009	3,028	-18	28,610	36,333	-7,723	78.74
Marketing & Renting Expenses	-154	142	-296	905	1,704	-799	53.11
Misc. Administrative	-524	609	-1,133	1,674	7,313	-5,639	22.89
Office Supplies & Contracts	186	961	-774	7,443	11,529	-4,086	64.56
Property Taxes	22	22	0	202	264	-62	76.63
Resident Supplies	516	499	16	1,680	5,989	-4,309	28.04
Telephone	885	645	240	8,590	7,740	850	110.98
Travel & Training	310	121	189	1,080	1,457	-377	74.11
Total Administrative Costs	6,384	7,913	-1,529	68,906	94,955	-26,050	72.57
Administrative Salaries	3,900	3,141	759	29,663	37,694	-8,031	78.69
Maintenance Salaries	4,104	4,346	-242	36,783	52,154	-15,371	70.53
Payroll Taxes & Fringe Benefits	-1,392	3,147	-4,539	20,703	37,767	-17,064	54.82
Total Salary & Benefits	6,612	10,635	-4,022	87,148	127,615	-40,467	68.29
Electricity	4,710	3,950	760	35,140	47,400	-12,260	74.14
Gas	134	72	62	1,411	865	546	163.11
Water & Sewer	4,187	3,583	604	32,435	43,000	-10,565	75.43
Total Utilities	9,031	7,605	1,425	68,986	91,265	-22,279	75.59
Elevator Maintenance	0	689	-689	6,706	8,273	-1,567	81.06
Janitorial Maint. & Supplies	0	1,713	-1,713	3,626	20,550	-16,924	17.65
Landscape Maint. & Supplies	3,010	1,338	1,672	14,600	16,060	-1,460	90.91
Maintenance Supplies	186	500	-314	3,046	6,000	-2,954	50.76
Maint. Repairs Contracts	1,001	1,344	-344	6,365	16,130	-9,765	39.46
Security Contract & Supplies	679	638	41	9,029	7,652	1,377	118.00
Unit Turnover Costs	61	367	-305	2,065	4,400	-2,335	46.93
Trash Removal	535	850	-315	7,924	10,200	-2,276	77.68
Total Maintenance Costs	5,471	7,439	-1,968	53,361	89,265	-35,904	59.78
Bad Debt Expense	0	175	-175	555	2,100	-1,545	26.43
Capital Improvements (Expensed)	0	2,058	-2,058	469	24,700	-24,231	1.90
Depreciation & Amortization	38,983	38,983	0	350,844	467,792	-116,948	75.00
Interest Expense-Mortgage	11,485	11,517	-32	104,137	138,199	-34,062	75.35
Total Other	50,467	52,733	-2,265	456,005	632,791	-176,786	72.06
TCM & SM Fees (prior yr excess cash)	0	0	0	19,352	0	19,352	0.00
Accr. Interest-City of Chico	7,922	6,125	1,797	56,922	73,500	-16,578	77.44
Accr. Interest-HACB	4,815	4,581	234	40,456	54,971	-14,515	73.59
Accr. Interest-Def Dev Fee	0	0	0	0	0	0	0.00
Accr. Annual Admin & Social Serv. Fees	1,008	1,011	-3	9,086	12,131	-3,045	74.90
Total Accrued Expenses	13,744	11,717	2,027	125,815	140,602	-14,787	89.48
TOTAL EXPENSES	91,710	98,041	-6,331	860,221	1,176,493	-316,272	73.12
RETAINED EARNINGS	-26,266	-36,571	10,304	-283,494	-438,848	155,354	64.60
+ Depreciation & Amortization	38,983	38,983	0	350,844	467,792	-116,948	75.00
- Capital Expenditures (Assets)	-1,190	0	-1,190	-12,342	0	-12,342	0.00
- Loan Principal Payments	3,710	3,656	54	32,615	43,877	-11,262	74.33
+ Accrued Expenses - current year	13,744	11,717	2,027	106,463	140,602	-34,139	75.72
- Reserve Usage/Payments	-2,694	-623	-2,072	-24,111	-7,471	-16,640	322.73
NET OPERATING CASH FLOW	18,866	9,850	9,016	104,745	118,198	-13,453	88.62

Balance Sheet**BALANCE SHEET - September 2017**

Period = Sep 2017

Book = Accrual,Audit ; Tree = bs first

		Current Balance
	ASSETS	
	CASH UNRESTRICTED	
1110-0000	Cash - Operating	120,451.30
1111-0000	Petty Cash	500.00
1121-0005	Workers Comp - Reserve	733.00
	TOTAL CASH UNRESTRICTED	121,684.30
	DEVELOPMENT CASH	
1118-0000	Cash - Development	120,161.94
	TOTAL DEVELOPMENT CASH	120,161.94
	CASH RESTRICTED	
1191-0000	Cash - Security Deposit	54,300.00
	TOTAL CASH RESTRICTED	54,300.00
	RESIDENT A/R	
1129-0000	Reserve for Uncollectible A/R	-16,982.89
1130-0000	Accounts Receivable -Residents	6,503.30
	TOTAL RESIDENT A/R	-10,479.59
	SUBSIDY A/R	
1135-0000	Accounts Receivable - Local Housing Authority	-199.81
	TOTAL SUBSIDY A/R	-199.81
	DEFERRED ORGANIZATIONAL EXP	
1873-0000	Tax Credit Fee	44,727.00
1873-0002	Amortization Tax Credit Fee	-8,954.00
	TOTAL DEFERRED ORG EXP	35,773.00
	RESERVE FOR REPLACEMENT	
1316-0000	Escrow - Replacement Reserve	98,921.68
1318-0000	Interest on Replacement Resv	19.77
	TOTAL RESERVE FOR REPLACEMENT	98,941.45
	MORTGAGE ESCROW DEPOSITS	
1322-0000	Escrow - Taxes	3,580.93
1323-0000	Escrow - Tax Payment	-2,323.41
1325-0000	Escrow - Insurance	49,108.58
1326-0000	Escrow - Insurance Payment	-27,444.45
1332-0000	Escrow Operations	250,000.00
1344-0000	Escrow - Other	4,438.00
1344-0018	Escrow - Equity Accounts	3,207.00
1344-0019	Esc-Capital Interest Account	6,039.00
1344-0020	Escrow - Loan Account	20,833.00
	TOTAL MORTGAGE ESCROW DEPOSITS	307,438.65
	PROPERTY AND EQUIPMENT	
1410-0000	Land	1,375,634.00
1420-0000	Building	11,974,275.00
1431-0000	Building Improvements	2,082,769.00
1440-0001	Carpet/Flooring R/R	988.62
1440-0002	Carpet Flooring	13,979.85
1461-0002	Furniture & Fixtures	1,286,289.95
1486-0000	Appliances	1,794.18

Balance Sheet

Period = Sep 2017

Book = Accrual,Audit ; Tree = bs first

		Current Balance
	TOTAL PROPERTY AND EQUIPMENT	16,735,730.80
	ACCUMULATED DEPRECIATION	
1520-0000	Res for Deprec - Building	-2,089,597.91
	TOTAL ACCUMULATED DEPRECIATION	-2,089,597.91
	PREPAID EXPENSES AND DEPOSITS	
1241-0000	Prepaid Insurance	13,722.21
1253-0000	Prepaid Benefits	1,048.30
	TOTAL PREPAID EXPENSES AND DEPOSITS	14,770.51
	TOTAL ASSETS	15,388,523.14
	LIABILITIES	
	MORTGAGE NOTES PAYABLE	
2320-0000	Mortgage Payable -1st Mortgage	8,762,499.97
2360-0001	Debt Issuance Costs #1	-447,994.00
2361-0001	Accum Amort - Debt Issuance Costs #1	129,370.00
	TOTAL MORTGAGE NOTES PAYABLE	8,443,875.97
	ACCOUNTS PAYABLE	
2109-0000	Accounts Payable - Other	5,950.00
2110-0000	A/P Trade	1,804.20
	TOTAL ACCOUNTS PAYABLE	7,754.20
	ACCRUED EXPENSES	
2114-0000	Accrued Mortgage Interest	11,402.30
2116-0001	Accrued Interest #2	714,354.00
2116-0008	Accrued Interest #4	8,024.02
2123-0003	Accrued Management Fee Payable-Other	3,222.80
2125-0000	Accrued Real Estate Taxes	1,161.63
2127-0000	Accrued Auditing Fee	11,300.00
2129-0003	Accrued Workers Com	830.75
2130-0000	Accrued Utility Expense	10,919.51
2142-0000	Accrued Investor Service Fee	35,500.00
2143-0000	Accrued Incentive Mgmt Fee	19,700.00
2147-0001	Accrued Asset Management Fee	12,173.20
2148-0000	Accrued Expense Payroll	6,635.20
	TOTAL ACCRUED EXPENSES	835,223.41
	OTHER LIABILITIES	
2156-0003	Loan Payable	4,250,000.00
2156-0055	Loan Payable	661,176.78
2160-0000	Escheatment Liabilities	131.34
	TOTAL OTHER LIABILITIES	4,911,308.12
	SECURITY DEPOSIT LIABILITY	
2191-0000	Security Deposit Liability	52,800.00
	TOTAL SEC DEPOSIT LIABILITY	52,800.00
	PREPAID REVENUE	
2210-0000	Prepaid Rent	7,308.02

Balance Sheet

Period = Sep 2017

Book = Accrual,Audit ; Tree = bs first

		Current Balance
	TOTAL PREPAID REVENUE	7,308.02
	TOTAL LIABILITIES	14,258,269.72
	PARTNERS EQUITY	
	CONTRIBUTIONS/DISTRIBUTIONS	
2940-0000	Distribution to Owners	-192,123.00
	TOTAL DISTRIBUTIONS	-192,123.00
	PARTNERS EQUITY	
2960-0000	Partner's Equity	-1,280,214.62
2960-0007	Partner's Equity - Related	3,194,300.00
2966-0000	Syndication Costs	-40,573.00
3190-0000	Retained Earnings	-551,135.96
	TOTAL PARTNERS EQUITY	1,322,376.42
	TOTAL PARTNERS EQUITY	1,130,253.42
	TOTAL LIAB AND PARTNER EQUITY	15,388,523.14

Budget Comparison

Period = Sep 2017

Book = Accrual ; Tree = is ahdc

HARVEST PARK APARTMENTS

BUDGET COMPARISON - September 2017

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME									
RENTAL INCOME									
5120-0000 Rental Income	58,236	68,251	-10,015	-15	494,654	614,259	-119,605	-19	819,012
5150-0000 Rental Assistance	11,728	0	11,728	N/A	119,656	0	119,656	N/A	0
TOTAL RENTAL INCOME	69,962	68,251	1,711	3	614,310	614,259	51	0	819,012
MISC. INCOME									
5330-0000 Tenant Services	0	0	0	N/A	0	150	-150	-100	200
5332-0000 Application Fees	0	105	-105	-100	875	945	-70	-7	1,260
5385-0000 Late/Term Fees	0	200	-200	-100	400	1,800	-1,400	-78	2,400
5390-0000 Miscellaneous Income	316	0	316	N/A	316	0	316	N/A	0
5390-0002 Damages	729	450	279	62	2,097	4,050	-1,953	-48	5,400
Cable Revenue	-178	0	-178	N/A	-327	1,012	-1,339	-132	1,350
TOTAL MISC. INCOME	867	755	112	15	3,361	7,858	-4,596	-58	10,610
OTHER INCOME									
5410-0000 Interest - Other	0	0	0	-100	0	4	-4	-100	6
5493-0000 Int on Replacement Reserve	20	0	19	4,393	20	4	16	399	5
5990-0000 Miscellaneous Income	-600	0	-600	N/A	-600	0	-600	N/A	0
TOTAL OTHER INCOME	-580	1	-581	-61,827	-580	8	-589	-6,959	11
VACANCY LOSS/RENTAL LOSS/BAD DEBT									
5197-0000 Rent Adjustments	0	0	0	N/A	8,334	0	8,334	N/A	0
5218-0000 Free Rent-Marketing Concession	-50	0	-50	N/A	-1,037	0	-1,037	N/A	0
5220-0000 Vacancies - Apartment	-1,372	-1,449	77	5	-16,553	-13,401	-3,152	-24	-17,748
6539-0002 Maintenance Staff Rent Free Unit	-907	-849	-58	-7	-7,689	-7,641	-58	-1	-10,188
6370-0000 Bad Debt Expense	0	0	0	N/A	-2,651	-1,500	-1,151	-77	-2,000
6370-0004 Bad Debt-Miscellaneous	0	0	0	N/A	-7,196	-2,100	-5,096	-243	-2,800
TOTAL VACANCY	-2,329	-2,298	-31	-1	-28,802	-24,642	-2,160	-9	-32,796
TOTAL INCOME	67,920	66,709	1,210	2	590,289	597,583	-7,294	-1	796,898
EXPENSES									
MANAGEMENT FEES									
6320-0000 Management Fee	3,377	3,313	-64	-2	30,201	29,619	-582	-2	39,497
TOTAL MANAGEMENT FEES	3,377	3,313	-64	-2	30,201	29,619	-582	-2	39,497
REAL ESTATE TAXES									
6710-0000 Taxes - Real Estate	387	12	-375	-3,127	3,485	108	-3,377	-3,127	144
6712-0000 Taxes - Other	0	0	0	N/A	263	347	-84	24	347

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Budget Comparison

Period = Sep 2017

Book = Accrual ; Tree = is ahdc

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
TOTAL REAL ESTATE TAXES	387	12	-375	-3,127	3,748	455	-3,293	-724	491
INSURANCE									
6720-0000 Insurance - Property	2,292	2,551	259	10	21,205	22,593	1,388	6	30,246
6720-0002 Franchise Tax - Calif Prps	0	0	0	N/A	800	800	0	0	800
6722-0000 Insurance - Consultant	3	0	-3	N/A	3	0	-3	N/A	0
TOTAL INSURANCE	2,295	2,551	256	10	22,009	23,393	1,384	6	31,046
UTILITIES EXPENSE									
6430-0000 Electricity Vacant	152	0	-152	N/A	908	0	-908	N/A	0
6440-0000 Gas/Oil Heat Vacant	7	0	-7	N/A	148	0	-148	N/A	0
6450-0000 Electricity	1,562	1,500	-62	-4	12,790	12,950	160	1	17,050
6451-0000 Water & Sewer	0	4,100	4,100	100	32,630	36,200	3,570	10	48,000
6452-0000 Natural Gas Heat	19	25	6	22	1,232	350	-882	-252	800
6454-0000 Utility Processing	47	43	-4	-9	548	387	-161	-42	516
6470-0000 Rubbish Removal	0	875	875	100	9,242	7,875	-1,367	-17	10,500
TOTAL UTILITY EXPENSE	1,787	6,543	4,756	73	57,499	57,762	263	0	76,866
PAYROLL									
6310-0000 Office Payroll	24	1,112	1,089	98	4,322	10,913	6,592	60	14,270
6317-0000 Temporary Services	0	0	0	N/A	13,476	0	-13,476	N/A	0
6330-0000 Manager's Payroll	2,404	1,524	-880	-58	27,457	16,879	-10,578	-63	21,479
6530-0000 Cleaning Payroll	117	0	-117	N/A	117	0	-117	N/A	0
6539-0000 Maintenance Payroll - General	2,855	2,517	-338	-13	17,246	24,657	7,411	30	32,251
6714-0001 Taxes-Payroll Administrative	185	202	16	8	3,108	3,127	19	1	3,736
6724-0002 Taxes-Payroll Maintenance	225	193	-32	-17	1,856	2,387	530	22	2,968
6724-0001 Workers Compensation-Payroll Admin	-4,744	387	5,131	1,327	212	4,074	3,862	95	5,241
6724-0002 Workers Compensation-Payroll Maintenance	-4,323	369	4,692	1,272	-1,171	3,615	4,786	132	4,728
6726-0001 Health Ins & Other Benefits-Payroll Admin	217	914	697	76	3,582	8,045	4,463	55	10,805
6726-0002 Health Ins & Other Benefits-Payroll Maint.	579	909	330	36	6,300	7,939	1,639	21	10,685
TOTAL PAYROLL	-2,461	8,127	10,588	130	76,507	81,637	5,130	6	106,163
OPERATING & MAINTENANCE EXPENSE									
6462-0000 Exterminating Contract	0	230	230	100	2,530	4,310	1,780	41	6,000
6511-0000 Security Contract & Repairs	0	0	0	N/A	1,308	3,978	2,670	67	5,808
6521-0000 Grounds Supplies	110	75	-35	-47	2,140	675	-1,465	-217	900
6522-0000 Grounds Contract	0	1,650	1,650	100	11,835	14,850	3,015	20	19,800
6541-0000 Maintenance Supplies	665	333	-331	-89	7,230	3,000	-4,230	-141	4,000
6543-0000 Plumbing Supplies	0	0	0	N/A	297	0	-297	N/A	0
6545-0000 Repairs - Contract - General	0	635	635	100	3,388	5,715	2,327	41	7,620

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Budget Comparison

Period = Sep 2017

Book = Accrual ; Tree = is ando

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6546-0000 Repairs - Contract - Electric	193	420	227	54	444	3,780	3,336	88	5,040
6547-0000 Repairs - Contract - HVAC	22	0	-22	N/A	22	1,200	1,178	98	1,200
6548-0000 Repairs - Contract - Plumbing	46	210	164	78	4,159	2,170	-1,989	-92	2,800
6552-0000 Uniforms	0	61	61	100	222	551	329	60	735
6581-0000 Appliance Repair	0	0	0	N/A	2,333	0	-2,333	N/A	0
6582-0000 Lock & Key Expense	0	250	250	100	100	500	400	80	500
6590-0000 Miscellaneous Maintenance	0	0	0	N/A	1,748	0	-1,748	N/A	0
6991-0000 Pool Supplies	0	300	300	100	656	2,100	1,444	69	2,600
6992-0000 Pool Contract	0	0	0	N/A	3,177	0	-3,177	N/A	0
TOTAL OPERATING & MAINT. EXPS.	1,035	4,165	3,129	75	41,588	42,823	1,242	3	57,003
TURNOVER COSTS									
6531-0000 Cleaning Supplies	0	50	50	100	137	600	463	77	750
6532-0000 Cleaning Contract	0	90	90	100	150	2,070	1,920	93	2,700
6532-0001 Carpet Cleaning	0	0	0	N/A	198	0	-198	N/A	0
6561-0000 Decorator Supplies	0	0	0	N/A	191	750	559	75	1,000
6562-0000 Decorator Contract Services	0	300	300	100	0	600	600	100	600
TOTAL TURNOVER COSTS	0	440	440	100	676	4,020	3,344	63	5,050
MARKETING									
6210-0000 Rental Advertising	0	0	0	N/A	400	150	-250	-167	150
6210-0006 Signs/Exhibit/Display	0	0	0	N/A	168	0	-168	N/A	0
6212-0000 Collateral Materials/Brand Identity	19	270	251	93	941	1,030	89	9	1,240
6216-0000 Promotions & Promotional Items	0	26	26	100	0	234	234	100	312
6290-0000 Miscellaneous Renting Expense	0	116	116	100	344	1,209	925	73	1,652
6981-0000 Resident Supplies	99	138	39	28	1,134	1,592	458	29	2,256
TOTAL MARKETING	118	550	432	76	2,968	4,275	1,287	30	5,610
ADMINISTRATIVE EXPENSES									
6280-0000 Credit Reports & Fees	0	21	21	100	32	191	159	83	254
6311-0000 Office Expenses	84	180	96	53	5,850	6,052	202	3	7,161
6313-0000 Postage	7	60	53	88	97	540	443	82	720
6316-0000 Travel/Mileage	0	0	0	N/A	431	500	69	14	700
6316-0003 Training	173	0	-173	N/A	758	335	-423	-126	335
6316-0004 Training - New Employee Orientation	0	0	0	N/A	785	0	-785	N/A	0
6340-0000 Legal Expense	0	0	0	N/A	455	1,800	1,345	75	1,800
6350-0000 Auditing	0	0	0	N/A	11,350	11,340	-10	0	11,340
6355-0001 Administrative Fees	0	20	20	100	2,250	2,428	178	7	2,487
6360-0000 Telephone	807	760	-47	-6	6,142	6,840	698	10	9,120
6380-0000 Advertising - Employees	335	0	-335	N/A	585	0	-585	N/A	0

Budget Comparison

Period = Sep 2017

Book = Accrual ; Tree = is andc

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6385-0000 Dues and Memberships	0	0	0	N/A	-20	180	200	111	345
6390-0000 Miscellaneous	180	200	20	10	944	400	-544	-136	400
6392-0000 Bank Charges	18	195	177	91	1,511	1,752	241	14	2,336
TOTAL ADMINISTRATIVE EXPENSES	1,604	1,438	-168	-12	31,169	32,357	1,188	4	36,998
TOTAL EXPENSES	8,142	27,138	18,994	70	286,384	276,347	9,983	4	368,725
NET OPERATING INCOME	59,777	39,573	20,204	51	323,905	321,238	2,670	1	438,173
REPLACEMENT RESERVE									
1316-0000 Escrow - Replacement Reserve	2,332	2,333	0	0	20,992	20,997	4	0	27,996
TOTAL REPLACEMENT RESERVE	2,332	2,333	0	0	20,992	20,997	4	0	27,996
DEBT SERVICE									
2320-0000 Mortgage Payable -1st Mortgage	4,167	4,167	0	0	37,500	37,500	0	0	50,000
6820-0000 Interest on Mortgage	11,254	11,353	99	1	102,126	102,225	99	0	136,283
6824-0000 Interest on Mortgage - 4th	1,297	0	-1,297	N/A	12,933	0	-12,933	N/A	0
6828-0000 Service Fee	6,303	6,292	-11	0	57,037	56,758	-279	0	75,611
TOTAL DEBT SERVICE	23,021	21,811	-1,209	-6	209,596	196,483	-13,113	-7	261,895
MISCELLANEOUS									
6890-0000 Miscellaneous Financial Exp	417	417	0	0	3,750	3,750	0	0	5,000
6892-0000 Trustee Fees	283	325	42	13	2,550	2,925	375	13	3,900
TOTAL MISCELLANEOUS	700	742	42	6	6,300	6,675	375	6	8,900
IMPOUNDS/ MISCELLANEOUS									
1440-0001 Carpet/Flooring R/R	989	0	-989	N/A	989	0	-989	N/A	0
1440-0002 Carpet/Flooring	0	0	0	N/A	10,355	4,000	-6,355	-159	4,000
1461-0002 Furniture & Fixtures	0	0	0	N/A	-101	0	101	N/A	0
1486-0000 Appliances	0	0	0	N/A	1,795	2,250	455	20	3,000
TOTAL IMPOUNDS/ MISCELLANEOUS	989	0	-989	N/A	13,037	6,250	-6,787	-109	7,000
MORTGAGOR EXPENSES									
7115-0000 Non Profit Fee	0	0	0	N/A	0	0	0	N/A	20,000
7135-0000 Asset Management Fee Paid from Surplus	0	0	0	N/A	0	0	0	N/A	10,609
7153-0000 Administration Fee Expense	0	0	0	N/A	0	0	0	N/A	8,442
TOTAL MORTGAGOR EXPENSES	0	0	0	N/A	0	0	0	N/A	39,051
PROFIT / LOSS	32,735	14,887	18,048	123	73,860	90,831	-16,851	-19	93,331

Budget Comparison

Period = Sep 2017

Book = Accrual ; Tree = is ahdc

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
ADDITIONAL ADJUSTMENTS TO CASH FLOW									
Cash - Other	13,660	0	13,660	N/A	7,796	0	7,796	N/A	0
Accounts Payable	2,003	0	2,003	N/A	-5,021	0	-5,021	N/A	0
Net A/R	-336	0	-336	N/A	14,063	0	14,063	N/A	0
Net Prepaids	2,516	0	2,516	N/A	2,519	0	2,519	N/A	0
Net Accruals	-13,047	0	-13,047	N/A	-41,498	0	-41,498	N/A	0
Net Real Estate Tax	-216	-12	-204	-1,704	-77	-108	31	29	-144
Net Insurance	447	-2,551	2,998	118	-147	-22,593	22,446	99	-30,246
Net Deposits	0	0	0	N/A	600	0	600	N/A	0
Loan/Note Payable	0	0	0	N/A	43,782	0	43,782	N/A	0
Capital/Partners Equity	0	0	0	N/A	-192,123	0	-192,123	N/A	0
Escrows - Other	-20	0	-19	-4,393	-20	-4	-16	-399	-5
TOTAL CASH FLOW ADJUSTMENTS	5,007	-2,563	7,570	295	-170,125	-22,705	-147,421	-649	-30,395
NET ADJUSTED CASH FLOW	37,742	12,124	25,619	211	-96,146	68,126	-164,271	-241	62,936
Net Change in Cash from TB	37,742	0	-37,742	N/A	-96,146	0	96,146	N/A	0

Balance Sheet

Period = Sep 2017

Book = Accrual ; Tree = usr_bs

BALANCE SHEET - September 2017**Current Balance**

10000-00	ASSETS	
10005-00	Cash and Cash Equivalents	
10010-00	Cash - Property Level Petty Cash	75.00
10021-00	Cash - USRG Operating Cash	108,837.39
10040-00	Cash - Property Level Security Deposits	13,082.79
10087-00	Cash - First Republic Distribution	22,756.00
10285-00	Cash - Operating Reserve	85,000.00
10286-00	Cash - USDA Reserve	106,917.89
10295-00	Cash - Operating Deficit Reserve	120,000.00
10345-00	Cash - Restricted Reserve	20.00
10999-00	Total Cash and Cash Equivalents	456,689.07
11005-00	Restricted Cash	
11020-00	Deposits - Insurance Escrow	4,573.07
11050-00	Deposits - Replacement Reserve	252,566.26
11999-00	Total Restricted Cash	257,139.33
13000-00	Real Estate Inventory	
14000-00	Rental Real Estate	
14005-00	Land	
14010-00	Rental RE - Land	149,957.00
14015-00	Total Land	149,957.00
14019-00	Rental Real Estate	
14020-00	Rental RE - Land Improvements	165,810.00
14030-00	Rental RE - Buildings	3,137,787.00
14070-00	Rental RE - Furniture & Fixtures	373,940.00
14086-00	Total Rental Real Estate	3,677,537.00
14089-00	Accumulated Depreciation	
14090-00	Rental RE - Accumulated Depreciation	-481,860.00
14095-00	Total Accumulated Depreciation	-481,860.00
14199-00	Net Rental Real Estate	3,345,634.00
14999-00	Real Estate Inventory and Net Rental Real Estate	3,345,634.00
16007-00	Accounts Receivable	
17010-00	A/R - Base Rent	5,193.08
17030-00	A/R - Section 8 (HAP Contract)	25,858.39
17230-00	A/R - Other Management Fees	340.00
17990-00	A/R - Miscellaneous	100.00
17999-00	Total Accounts Receivable	31,491.47
18000-00	Other Assets	
18005-00	Prepaid Expenses	
18070-00	Prepaid Property Insurance	5,889.36
18990-00	Prepaid - Other	6,400.00
18999-00	Total Prepaid Expenses	12,289.36
19005-00	Deposits and Other Assets	
19060-00	Deposits - Utility	200.00
19499-00	Total Deposits and Other Assets	200.00
19550-00	Deferred Financing Expenses	
19600-00	Deferred Borrowing Costs	66,675.00
19603-00	TCAC Fees	20,129.00
19625-00	Intangible Assets - Amort	-1,667.00
19632-00	Less: Accum Amortization	-1,342.00
19899-00	Total Deferred Financing Expenses	83,795.00

Balance Sheet

Period = Sep 2017

Book = Accrual ; Tree = usr_bs

		Current Balance
19950-00	Total Other Assets	96,284.36
19999-00	TOTAL ASSETS	<u>4,187,238.23</u>
20010-00	LIABILITIES	
21005-00	Trade Accounts Payable	
21012-00	A/P - Trade Accounts - Yardi	1,522.01
21020-00	Total Trade Accounts Payable	1,522.01
22000-00	Accrued Interest	
22005-00	Accrued Interest - 1st Mortgage	
22010-00	Accrued Interest - 1st Mortgage	1,347.00
22018-00	Total Accrued Interest - 1st Mortgage	1,347.00
22024-00	Accrued Interest - Other	
22025-00	Accrued Interest - 3rd Mortgage	111,800.00
22030-00	Accrued Interest - USDA	1,572.00
22340-00	LP Asset Mgmt Fee Payable	2,652.00
22998-00	Total Accrued Interest - Other	116,024.00
22999-00	Total Accrued Interest	117,371.00
23000-00	Accrued Property Taxes	
23010-00	Accrued Property Taxes	353.34
23999-00	Total Accrued Property Taxes	353.34
24000-00	Accounts Payable and Other Liabilities	
24020-00	Accrued Property Expenses	9,104.28
24038-00	Accrued Developer Fee	159,702.00
24991-00	Accrued Expense - Other	-240.00
25010-00	Prepaid Rent	2,177.00
25999-00	Total Accounts Payable and Other Liabilities	170,743.28
26001-00	Tenant Security Deposits	
26010-00	Security Deposits	12,912.79
26020-00	Security Deposits - Refunds Pending	541.00
26029-00	Total Tenant Security Deposits	13,453.79
26702-00	Mortgages and Notes Payable	
26703-00	Mortgage Notes Payable	
26709-99	1st Mortgage Principal	
26710-00	1st Mortgage Principal - Residential	1,075,453.13
26728-00	Total 1st Mortgage Principal	1,075,453.13
26729-99	2nd Mortgage Principal	
26730-00	2nd Mortgage Principal - Residential	342,027.06
26739-00	Total 2nd Mortgage Principal	342,027.06
26759-99	Other Mortgage Principal	
26760-00	4th Mortgage Principal - Residential	2,080,000.00
26775-00	Total Other Mortgage Principal	2,080,000.00
26779-00	Total Mortgage Notes Payable	3,497,480.19
26780-00	Debt Issuance Costs	
26782-00	Accum Amort - Deferred Financing Charges	3,795.00
26789-00	Total Debt Issuance Costs	3,795.00
26900-00	Total Mortgages and Notes Payable Other	3,501,275.19
27230-00	TOTAL LIABILITIES	<u>3,804,718.61</u>
27500-00	EQUITY	

Balance Sheet

Period = Sep 2017

Book = Accrual ; Tree = usr_bs

Current Balance

27505-00	Shareholder Equity	
28110-00	Retained Earnings	
28200-00	Net Income/(Loss)	47,545.41
28260-00	Retained Earnings - Beginning of Year	-571,210.14
28759-00	Total Retained Earnings	-523,664.73
28799-00	Partnership Capital	
28822-00	Capital - Limited Partner	926,184.00
28830-07	Capital - Syndication	-20,000.00
28840-00	Owners Capital - Distributions	80,159.35
28840-31	Capital - To/From Owner - Audit Entry	-80,159.00
28910-00	Total Partnership Capital	906,184.35
28995-00	Total Shareholder Equity	382,519.62
29998-00	TOTAL EQUITY	382,519.62
29999-00	TOTAL LIABILITIES & EQUITY	4,187,238.23



November 9, 2017

Mr. Ed Mayer, Executive Director
Housing Authority of the County of Butte
2039 Forest Avenue, Suite 10
Chico, CA 95928

RE: CORDILLERA APARTMENTS

Dear Ed:

Please find enclosed for your review the following financial information for the month that ended October 31, 2017. This statement is accompanied by the following financial statements for the Cordillera Apartments.

1. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
2. 12 Month Income Statement
3. 2017/2018 Performance Review.
4. 2017/2018 Turnover Analysis.
5. Capital Improvement Summary.

Cordillera Apartments ended the month of October with no vacant units as there were no new move-ins or move-outs. But we do have 2 units that vacated during the first few days of November.

The total rental income for the month of October came to \$12,177.82 which was below budget by \$67.18. This variance was due to above budget unpaid rent. Total service income for the month came to \$395.32 and was below budget by \$105.68 as the property did not collect any late fees or cleaning reimbursements. This brought the total October income to \$12,573.14 and \$172.86 below budget for the reasons stated above.

Moving on to the monthly expenses, you will see that the renting expenses came to \$40.02 which was less than budget by \$86.98. Total administrative expenses for the month were higher than budgeted at \$1,835.45 due to the higher resident manager expense. Total utility expenses came to \$2,069.02 which was below budget by \$243.98. The apartment turnover expenses were also



Mr. Ed Mayer, Executive Director
Chico, California

November 9, 2017
Page 2

below budget due to the current lack of any turnover activity. The total maintenance expenses were lower than budget. This brought the net operating income in higher than budget by \$2,454.33 at \$7,846.33 for the reasons described above.

There were no capital improvement costs for the month of October which were budgeted at a total of \$2,800.00. This brought the net project cash flow to \$7,846.33 which was above budget by \$5,254.33.

As you review the Cash Balance Summary on the Cash Flow Statement for October, you will see that the property ended the month with total cash on hand of \$22,331.86. Of that amount, \$3,000.00 is in the general checking account, \$19,321.55 in the general savings account and \$10.31 in the replacement reserve account. This balance reflects a distribution of \$17,000.00 from the general savings account made to you during the month of October. The net reduction in the general savings account of \$9,153.67 is the net difference of the \$17,000.00 distribution and the October transfer of \$7,846.33.

Please give me a call if you have any questions regarding the Cordillera Apartments.

Sincerely yours,

CORDILLERA APARTMENTS



Richard Gillaspie
Property Manager

RG:cb
Enclosures

CORDILLERA APARTMENTS
2016 - 2017 PERFORMANCE REVIEW

CA08pr

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2012/13	11389	11484	11819	11973	14126	11965	13079	12349	13616	10181	14489	9926	146,396
TOTAL INCOME 2013/14	12142	11712	11065	11430	14576	11920	11848	11872	12906	12019	11183	11554	144,226
TOTAL INCOME 2014/15	13264	11964	11308	10500	9853	9942	10261	11854	13959	13236	12927	11227	140,293
TOTAL INCOME 2015/16	10964	11839	12711	13063	13605	13294	11700	11879	13338	12835	13897	12887	152,013
TOTAL INCOME 2016/17	12897	13454	13984	13050	14438	13207	12429	13965	13308	12985	13292	13451	160,459
TOTAL INCOME 2017/18	12573												12,573
VARIANCE	-324												-324

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2012/13 VACANCY LOSS	-685	-1416	-1987	-982	-320	0	-68	0	0	0	0	-114	-5,571
2013/14 VACANCY LOSS	-685	-1085	-685	-228	-128	-93	-1357	-731	-55	-685	-685	-685	-7,102
2014/15 VACANCY LOSS	-732	-376	0	-2,509	-3677	-2737	-2550	-1370	-611	0	0	1225	-13,337
2015/16 VACANCY LOSS	0	-695	-400	23	0	0	-348	-118	-701	-303	0	-45	-2,584
2016/17 VACANCY LOSS	0	0	0	0	0	0	0	0	0	0	0	0	0
2017/18 VACANCY LOSS	0												0
VARIANCE	0												0

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2012/13 UNPAID RENTS	-1974	-747	-519	66	2182	-213	-26	-150	299	-1595	-278	-1674	-4,631
2013/14 UNPAID RENTS	-1762	-188	-179	-1539	1407	-637	598	0	-250	0	0	-420	-2,971
2014/15 UNPAID RENTS	493	-1190	-2278	588	1301	1	-11	-554	85	475	432	-2162	-2,822
2015/16 UNPAID RENTS	-1094	-302	205	-16	823	-1640	-142	-1307	1698	-66	-430	135	-2,137
2016/17 UNPAID RENTS	-275	-550	-95	512	1220	-18	-755	605	-83	-305	-522	55	-211
2017/18 UNPAID RENTS	-911												-911
VARIANCE	-636												-636

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2012/13 TOTAL OPER. EXP.	8538	9295	6483	8170	6966	5661	5398	7233	7178	5882	6259	9323	86,386
2013/14 TOTAL OPER. EXP.	10653	11934	13419	6836	6025	5393	8312	8774	12084	5946	11078	5747	106,201
2014/15 TOTAL OPER. EXP.	9777	7662	8765	7841	8345	13740	6859	6171	14768	7212	6035	10136	107,310
2015/16 TOTAL OPER. EXP.	7689	6815	13468	10215	5574	8094	11930	9206	11314	8233	7254	8134	107,925
2016/17 TOTAL OPER. EXP.	6951	6078	7857	6823	6924	6880	11809	5761	4565	6685	7877	5482	83,693
2017/18 TOTAL OPER. EXP.	4727												4,727
VARIANCE	-2224												-2,224

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2012/13 TOTAL NOI	2850	2189	5337	3803	7160	6305	7681	5116	6438	4299	8230	603	60,010
2013/14 TOTAL NOI	1489	-222	-2354	4595	8551	6527	3535	3098	822	6073	104	5766	37,985
2014/15 TOTAL NOI	3487	4302	2543	2659	1508	-3798	3402	5682	-810	6024	6893	1090	32,983
2015/16 TOTAL NOI	3275	5025	-757	2848	8031	5201	-230	2673	2023	4601	6643	4753	44,087
2016/17 TOTAL NOI	5946	7376	6127	6227	7514	6328	619	8204	8743	6300	5414	7969	76,767
2017/18 TOTAL NOI	7846												7,846
VARIANCE	1901												1,901

GRIDLEY SPRINGS I

Income Statement Summary

Gridley Springs
U.S. Residential Group LLC
As of September, 2017

10/4/2017
3:28 PM

Square Feet:	25,500
Units:	32

Tree: wc_is2

Revenue	September				Year-To-Date			
	Actual	%	Budget	Variance	Actual	%	Budget	Variance
Rent Per Schedule	\$ 23,198	104.4%	\$ 23,540	\$ (342)	\$ 210,010	105.5%	\$ 211,860	\$ (1,850)
Leases (Under) Over	(980)	-4.4%	(1,213)	233	(10,875)	-5.5%	(12,068)	1,193
Gross Possible Rent	22,218	100.0%	22,327	(109)	199,135	100.0%	199,792	(657)
Vacancy Loss	-	0.0%	(706)	706	(3,136)	-1.6%	(2,824)	(312)
Other Rental Losses	-	0.0%	-	-	(45)	0.0%	-	(45)
Total Rental Losses	-	0.0%	(706)	706	(3,181)	-1.6%	(2,824)	(357)
Net Rental Revenue	22,218	100.0%	21,621	597	195,954	98.4%	196,968	(1,014)
Other Revenue	228	1.0%	370	(142)	3,324	1.7%	3,330	(6)
Total Revenue	22,446	101.0%	21,991	455	199,278	100.1%	200,298	(1,020)
Operating Expenses								
Salaries	2,254	10.1%	3,386	1,133	28,818	14.5%	30,518	1,700
Management Fees	1,600	7.2%	1,600	-	14,100	7.1%	14,400	300
Property Administration	7,719	34.7%	678	(7,041)	15,263	7.7%	13,102	(2,161)
Leasing	41	0.2%	-	(41)	130	0.1%	250	120
Utilities	2,008	9.0%	3,359	1,350	17,171	8.6%	19,995	2,823
Services	3,510	15.8%	2,100	(1,410)	22,261	11.2%	19,150	(3,111)
Cleaning & Decorating	-	0.0%	125	125	1,509	0.8%	2,595	1,086
Repairs & Maintenance	90	0.4%	151	61	3,335	1.7%	1,359	(1,976)
Property Taxes	118	0.5%	342	224	1,060	0.5%	3,075	2,015
Hazard Insurance	736	3.3%	732	(4)	6,603	3.3%	6,588	(15)
Total Operating Expenses	18,076	81.4%	12,473	(5,603)	110,251	55.4%	111,031	781
Net Operating Income	4,370	19.7%	9,518	(5,149)	89,028	44.7%	89,267	(239)
Property Replacement								
Recurring	1,360	6.1%	652	(708)	5,074	2.5%	4,776	(298)
Non Recurring	432	1.9%	-	(432)	3,184	1.6%	-	(3,184)
Total Property Replacements	1,792	8.1%	652	(1,140)	8,258	4.1%	4,776	(3,482)
Interest Expense	3,678	16.6%	3,699	21	33,147	16.6%	33,291	144
Non-Operating Expenses	16	0.1%	-	(16)	78	0.0%	-	(78)
Net Income	\$ (1,117)	-5.0%	5,167	(6,284)	\$ 47,545	23.9%	51,199	(3,654)

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CORDILLERA APTS
BALANCE SHEET
September 30, 2017

***** A S S E T S *****

Current Assets

Cash - Unrestricted	344,173
Accounts Receivable-Misc	0
Accounts Receivable-Tenants	2,284
Interprogram Due from General Fund	0
Tenant Security Deposits	9,600
Investments - Unrestricted	0
Investments - Restricted	0
Total Current Assets	356,057

Fixed Assets

Land	188,299
Buildings	581,961
Appliances - Dwelling units	10,722
Accumulated Depreciation	-418,937
Total Fixed Assets	362,045

Other Assets

Prepaid Expenses	3,178
Total Other Assets	3,178

TOTAL ASSETS	721,280
---------------------	----------------

***** L I A B I L I T I E S A N D E Q U I T Y *****

Current Liabilities

Accounts Payable	2,434
Interprogram Due to General Fund	0
Accrued Interest Payable	0
Prepaid Rent	208
Tenant Security Deposits	9,000
Total Current Liabilities	11,642

Long-Term Liabilities

Long-Term Debt, Net of Current	26,112
Total Long-Term Liabilities	26,112

TOTAL LIABILITIES	37,754
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Equity

Prior Year Equity Balance	630,244
Retained Earnings	53,282
Total Equity	683,526

TOTAL EQUITY	683,526
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TOTAL LIABILITIES AND EQUITY	721,280
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CORDILLERA INCOME STATEMENT

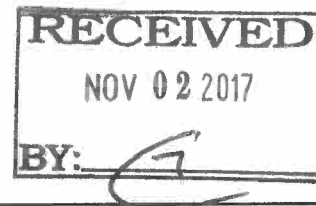
September 30, 2017

YTD %
100.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
Gross Potential Rent	13,820	13,733	87	164,860	164,800	60	100.04
Manager's Unit - moved to expense	0	0	0	0	0	0	0.00
Vacancy Loss	0	-368	368	0	-4,410	4,410	0.00
Rebates	0	0	0	0	0	0	0.00
Net Dwelling Rent	13,820	13,366	454	164,860	160,390	4,470	102.79
Tenant Charges	5	129	-124	2,882	1,550	1,332	185.97
Laundry Revenue	319	150	169	2,074	1,800	274	115.23
Other Income	0	0	0	0	0	0	0.00
Investment Income	12	84	-73	167	1,012	-845	16.52
TOTAL REVENUES	14,156	13,729	427	169,984	164,752	5,232	103.18
Resident Manager Expense	1,302	1,108	195	12,999	13,290	-291	97.81
Advertising	0	33	-33	0	400	-400	0.00
Audit	0	25	-25	152	300	-148	50.57
Bad Debts	0	140	-140	0	1,680	-1,680	0.00
Credit and Collection Expense	0	38	-38	30	450	-420	6.67
Legal Expense	0	100	-100	0	1,200	-1,200	0.00
Management Fees (RSC)	673	639	34	8,023	7,663	360	104.69
Management Fees (HACB)	600	600	0	7,200	7,200	0	100.00
Consulting Fees	0	0	0	0	0	0	0.00
Office Supplies	98	77	21	866	924	-58	93.74
Other Admin. Expense	0	8	-8	169	100	69	168.60
Property Taxes	0	50	-50	679	600	79	113.19
Resident Activities	0	33	-33	0	400	-400	0.00
Telephone	130	122	8	1,553	1,464	89	106.05
Total Admin Costs	2,803	2,973	-169	31,670	35,671	-4,001	88.78
Electricity	357	232	125	2,644	2,784	-140	94.98
Gas	239	458	-219	4,350	5,500	-1,150	79.09
Water	1,150	700	450	5,593	8,400	-2,807	66.58
Sewer	919	477	442	5,515	5,727	-212	96.30
Total Utilities-Project	2,665	1,868	798	18,103	22,411	-4,308	80.78
Unit Turnover Maintenance	0	1,442	-1,442	3,209	17,300	-14,091	18.55
Grounds Maintenance	1,628	707	922	8,780	8,480	300	103.53
Routine Maintenance Contracts	657	1,595	-938	21,313	19,140	2,173	111.35
Capital Improv/Replacements	0	4,294	-4,294	3,800	51,531	-47,731	7.37
Trash-Project	912	587	325	7,368	7,044	324	104.60
Total Maintenance Costs	3,197	8,625	-5,427	44,470	103,495	-59,025	42.97
Interest Expense	24	24	0	283	283	0	100.16
Insurance-Liab/Auto/Prop	454	801	-347	5,322	9,614	-4,292	55.36
Total Other Expenses	478	825	-347	5,605	9,897	-4,292	56.64
TOTAL EXPENSES	9,143	14,290	-5,146	99,848	171,474	-71,626	58.23
RETAINED EARNINGS	5,013	-560	5,573	70,136	-6,722	76,858	-1,043.38
- Principal Payments	0	-186	186	0	-2,236	2,236	0.00
- Capital Improvements-Assets	0	0	0	0	0	0	0.00
NET CASH FLOW	5,013	-747	5,759	70,136	-8,958	79,094	-782.95
Depreciation & Amortization	1,405	0	1,405	16,855	0	16,855	0.00



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE



915 Capitol Mall, Suite 485
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/ctcac

MEMBERS

JOHN CHIANG, CHAIRMAN
State Treasurer

BETTY YEE
State Controller

MICHAEL COHEN
Director of Finance

MARK STIVERS
Executive Director

October 30, 2017

Edward S. Mayer
1200 Park Avenue, L.P., a CA LP
2039 Forest Ave.
Chico, CA 95928

RE: 1200 Park Avenue Apartments (CA-2004-070)

COMPLIANCE MONITORING INSPECTION

On **October 5, 2017**, the California Tax Credit Allocation Committee (CTCAC) staff conducted a physical inspection of the above property and inspected tenant files and rent records to determine compliance with the Low-Income Housing Tax Credit program requirements. Among other things, the law and regulations require that tax credit units be rent restricted and occupied by income eligible households whose income is verified by third party documentation. All units must be habitable and the property must be safe for all tenants.

Twenty-three files were inspected. Staff noted that the households occupying the tax credit units appear to be income qualified and paying rents within the tax credit limits. **Twenty-three** units and the property were inspected, and all appear safe and habitable for all tenants with all required project amenities in place with the exception of the following:

- Elevator permit is expired as of 07/19/17.

Our staff would like to thank your management representatives for their courteous assistance during the CTCAC audit. We appreciate your cooperation in helping CTCAC fulfill our responsibilities to the IRS. If you have any questions regarding this letter, please contact Quang Le at (916) 651-3882.

Sincerely,

Quang Le
Program Analyst

Cc: Kevin Grani – Winn Residential
Ammer Singh – Compliance Program Manager - CTCAC

HARVEST PARK, LP
PROPOSED OPERATING BUDGET
JANUARY 1, 2018 TO DECEMBER 31, 2018

	2017 Approved Budget	2018 Proposed Budget	Change from 2017 to 2018
REVENUES			
<i>Potential Dwelling Rent</i>	819,012	823,728	4,716
<i>Vacancy Loss</i>	-17,748	-21,193	-3,445
<i>Manager Unit</i>	-10,188	-10,812	-624
Net Dwelling Rent	791,076	791,723	647
Tenant Charges	9,260	9,060	-200
Misc. Income	1,361	681	-680
TOTAL REVENUES	801,697	801,464	-233
EXPENSES			
Audit Fee	11,340	11,918	578
Bank Charges	2,336	1,882	-454
Franchise Tax Fee	800	800	0
Insurance-Property/Liability	30,246	28,470	-1,776
Legal Expense	1,800	1,800	0
Management Fee	39,497	39,290	-207
Marketing & Renting Expense	3,354	3,834	480
Misc. Admin. Costs	4,722	4,484	-238
Office Supplies & Contracts	7,161	7,398	237
Property Taxes	491	5,207	4,716
Resident Supplies & Activities	2,256	1,900	-356
Telephone	9,120	10,920	1,800
Travel & Training	1,035	2,335	1,300
Total Admin. Costs	114,158	120,238	6,080
Administrative Salaries	35,749	43,094	7,345
Maintenance Salaries	32,251	33,449	1,198
Payroll Taxes & Fringe	38,163	38,010	-153
Total Salary & Benefits	106,163	114,553	8,390
Electricity	17,050	18,330	1,280
Gas	800	2,200	1,400
Water & Sewer	48,000	48,000	0
Total Utilities	65,850	68,530	2,680
Operating and Maintenance Expenses	57,003	81,900	24,897
Trash Removal	10,500	11,550	1,050
Unit Turnover Maintenance	5,050	4,700	-350
Total Maintenance Costs	72,553	98,150	25,597
Total Operating Expenses	358,724	401,471	42,747
Bad Debt Expense	4,800	9,600	4,800
Partner & Trustee Fees	47,951	48,522	571
Interest Expense - Mortgage	261,895	275,075	13,180
Total Other Expenses	314,646	333,197	18,551
TOTAL EXPENSES	673,370	734,668	61,298
RETAINED EARNINGS	128,327	66,796	-61,531
- Capital Improvements (Assets)	-7,000	0	7,000
- Transfer to Reserve	-27,996	-27,996	0
NET OPERATING CASH FLOW	93,331	38,800	-54,531

November 9, 2017

M E M O

To: BCAHDC Board of Directors

From: Larry Guanzon, HACB Deputy Exec. Director 
Sue Kemp, BCAHDC Mgt CFO 

Subject: Walker Commons, LP Proposed 2018 Operating Budget

Attached please find a proposed Operating Budget for Walker Commons' calendar year 2018. The budget was prepared by AWI, third party property manager, with in-house input.

AWI has been managing the property since February and is now more familiar with the site. No Capital Improvements were completed in 2017. After year end, staff may request that the Board authorize depositing additional funds into Reserves to be used in 2018. In 2018, roof replacements are planned for 30 units at an estimated cost of \$200,000. The remaining of roofs should be replaced in 2019. Also planned in 2018 is the repainting of the Community Building.

If you have any questions we will gladly answer them at the Board Meeting.

Recommend motion to approve Resolution No. 17-4C

WALKER COMMONS, LP
PROPOSED OPERATING BUDGET
January 1, 2018 to December 31, 2018

	2017 Approved Budget	2017 Estimated Actuals	2018 Proposed Budget	Change from 2017 to 2018	Notes
REVENUES					
Potential Dwelling Rent	391,620	391,284	396,404	4,784	
Vacancy Loss	-7,832	-7,181	-7,928	-96	2%
Manager's Unit (expensed)	0	0	0	0	
Net Dwelling Rent	383,788	384,103	388,476	4,688	
Tenant Charges	4,500	1,438	750	-3,750	
Laundry Revenue	2,700	2,543	2,200	-500	
Investment Income	300	175	200	-100	interest on Reserves
TOTAL REVENUES	391,288	388,258	391,626	338	
EXPENSES					
Advertising	550	0	550	0	
Audit Fee	4,568	4,518	4,568	1	
Credit and Collection Expense	800	206	800	0	
Franchise Tax Board	800	800	800	0	
Insurance-Liability/Property	7,936	7,748	10,755	2,819	
Legal Fees	750	0	750	0	
Management Fees	27,552	26,208	27,552	0	
Misc. Admin. Costs	2,500	981	2,595	95	
Office Supplies	3,500	8,077	5,500	2,000	
Partnership Fee	7,500	7,500	7,500	0	
Property Taxes	120	133	120	0	
Resident Services/Supplies	3,000	845	1,025	-1,975	
Security Services	400	162	1,920	1,520	
Telephone	1,440	3,066	2,926	1,486	
Training & Travel	800	2,584	942	142	
Total Admin Costs	62,215	62,827	68,303	6,088	
Site Manager: salary & free rent	43,014	41,162	41,004	-2,010	
Site Maintenance: salary	38,176	31,711	32,392	-5,784	
Payroll Taxes & Benefits	0	0	30,935	30,935	
Total Payroll	81,190	72,873	104,331	23,141	
Electricity	6,400	7,737	7,667	1,267	
Gas	1,500	1,544	1,500	0	
Water & Sewer	26,000	23,950	24,143	-1,857	
Total Utilities-Project	33,900	33,230	33,310	-590	
Landscape Maintenance	22,500	15,589	13,380	-9,120	
Maintenance Materials	7,500	12,783	9,800	2,300	
Maintenance Contracts	7,500	15,478	13,590	6,090	includes \$3,500 comm bldg painting
Trash Removal	2,472	2,312	3,737	1,265	
Unit Turnover Maintenance	0	604	1,000	1,000	
Total Maintenance Costs	39,972	46,765	41,507	1,535	
Total Operating Expenses	217,277	215,696	247,451	30,174	
Capital Improvements (Expensed)	10,000	19,011	20,350	10,350	
Depreciation & Amortization	72,982	73,256	73,256	274	
Interest Expense - City Chico	15,000	15,000	15,000	0	
Bad Debt - Tenants	2,500	2,500	2,500	0	estimated
Total Other Expenses	100,482	109,767	111,106	10,624	
TOTAL EXPENSES	317,759	325,463	358,557	40,798	
RETAINED EARNINGS	73,528	62,795	33,069	-40,459	
+ Deprec & Amort	72,982	73,256	73,256	274	
- Capital Improvements (Assets)	-50,000	0	-200,000	-150,000	roofing for 30 units
+ Transfer from Reserves	0	0	200,000	200,000	
- Transfer to Reserves	-11,200	-11,200	-11,200	0	
NET CASH FLOW	85,310	124,851	95,125	9,815	

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 17-4C

APPROVAL OF THE OPERATING BUDGET FOR F/Y 2018
FOR WALKER COMMONS APARTMENTS, CHICO, CA

WHEREAS, Butte County Affordable Housing Development Corporation (BCAHDC) approves its Operating Budget on an annual basis; and

WHEREAS, BCAHDC, as Managing General Partner of Walker Commons LP, owner of Walker Commons Apartments, Chico, California, prepares the budget for Walker Commons Apartments in conjunction with costs projected by its Managing General Partner agent, Housing Authority of the County of Butte; and

WHEREAS, the Board of Directors of BCAHDC has reviewed the budget as proposed and found the budget to be in the best interest of the Walker Commons Apartments property and BCAHDC;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation, acting as Managing General Partner of Walker Commons LP, owner of Walker Commons Apartments, Chico, CA, to hereby approve and adopt the Operating Budget for fiscal year 2018 for Walker Commons Apartments, Chico, California, such Operating Budget attached to and made a part of this Resolution No. 17-4C.

Dated: November 16, 2017.

Edward S. Mayer, President



ATTEST:

Marysol Perez, Secretary

November 9, 2017

M E M O

To: BCAHDC Board of Directors

From: Larry Guanzon, HACB Deputy Exec. Director 
Sue Kemp, BCAHDC CFO 

Subject: 1200 Park Avenue, LP Proposed 2018 Operating Budget

Attached please find a proposed Operating Budget for 1200 Park Avenue, LP calendar year 2017. The budget was prepared in coordination with AWI.

2018 will be AWI's first year managing the property. The budget was compiled using current and historical trends, plus AWI's known management costs. \$7,500 in roofing repairs in planned for 2018.

If you have any questions we will gladly answer them at the Board Meeting.

Recommend motion to approve Resolution No. 17-5C

1200 PARK AVENUE, L.P.
OPERATING BUDGET
JANUARY 1, 2018 TO DECEMBER 31, 2018

	2017 Approved Budget	2017 Estimated Actuals	2018 Proposed Budget	Change from 2017 to 2018	Notes
REVENUES					
Potential Dwelling Rent	733,140	759,215	770,714	37,574	
Vacancy Loss	-11,994	-2,789	-11,561	433	1.50%
Concessions	0	0	0	0	
Net Dwelling Rent	721,146	756,425	759,153	38,007	
Laundry Income	12,000	2,460	12,000	0	
Tenant Charges	4,425	9,968	4,385	-40	
Interest Income	74	116	50	-24	
TOTAL REVENUES	737,645	768,970	775,588	37,943	
EXPENSES					
Audit Fee	4,568	4,518	4,800	233	
Bank Charges	2,600	1,692	1,100	-1,500	
Franchise Tax Fee	800	800	800	0	
Insurance-Property/Liability	16,058	17,300	16,300	242	
Legal Expense	1,200	573	1,200	0	
Management Fee	36,333	38,147	38,779	2,446	
Marketing & Renting Expense	1,704	1,207	0	-1,704	
Misc. Admin. Costs	4,713	540	2,328	-2,385	
Office Supplies & Contracts	11,529	9,924	10,600	-929	
Property Taxes	264	270	300	36	
Resident Supplies & Activities	5,989	2,239	4,000	-1,989	
Telephone	7,740	11,453	10,550	2,810	
Travel & Training	1,457	1,440	500	-957	
Total Admin. Costs	94,955	90,101	91,257	-3,698	
Administrative Salaries	37,694	39,551	53,040	15,346	
Maintenance Salaries	52,154	49,043	49,240	-2,914	
Payroll Taxes & Fringe	37,767	27,603	35,358	-2,409	
Total Salary & Benefits	127,615	116,198	137,638	10,023	
Electricity	47,400	46,854	49,290	1,890	
Gas	865	1,881	1,950	1,085	
Water & Sewer	43,000	43,247	43,300	300	
Total Utilities	91,265	91,982	94,540	3,275	
Elevator Maintenance	8,273	8,942	8,478	205	
Cleaning Contract & Supplies	20,550	4,835	13,560	-6,990	
Landscape Maintenance & Supplies	16,060	19,467	23,490	7,430	
Maintenance Supplies	6,000	4,061	12,000	6,000	
Repairs Contracts	16,130	8,487	23,085	6,955	incl. \$7,500 roof repairs
Security Contract & Supplies	7,652	12,039	10,819	3,167	
Trash Removal	10,200	2,753	7,412	-2,788	
Unit Turnover Maintenance	4,400	10,565	2,780	-1,620	
Total Maintenance Costs	89,265	71,148	101,624	12,359	
Total Operating Expenses	403,100	369,429	425,059	21,960	
Bad Debt Expense	2,100	740	2,100	0	estimated
Capital Improvements (expensed)	24,700	17,057	24,700	0	
Depreciation and Amortization	467,792	467,792	467,792	0	
Interest Expense - Mortgage	138,199	138,849	135,240	-2,959	
Total Other Expenses	632,791	624,439	629,832	-2,959	
TCM & SM Fees (prior yr excess cash)	0	19,352	0	0	calculated at year end
Accrued Interest - Chico RDA	73,500	75,896	73,500	0	
Accrued Interest - HACB	54,971	53,941	55,181	210	
Accrued Annual Admin. Fee	5,000	5,000	5,000	0	
Accrued Social Service Reimb. Fee	7,131	7,131	7,345	214	increases 3% per year
Total Accrued Expenses	140,602	161,319	141,026	424	
TOTAL EXPENSES	1,176,493	1,155,187	1,195,917	19,425	
RETAINED EARNINGS	-438,848	-386,218	-420,329	18,519	
+ Depreciation and Amortization	467,792	467,792	467,792	0	
+ Accrued Expenses	140,602	141,968	141,026	424	
- Capital Improvements (Assets)	0	0	0	0	
- Debt Payments - Principal	-43,877	-40,878	-47,096	-3,219	
+ Transfer from Reserve	24,700	12,522	24,700	0	
- Transfer to Reserve	-32,174	-32,148	-32,100	74	
NET OPERATING CASH FLOW	118,196	163,038	133,993	15,798	

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 17-5C

APPROVAL OF THE OPERATING BUDGET FOR F/Y 2018
FOR 1200 PARK AVENUE APARTMENTS, CHICO, CA

WHEREAS, Butte County Affordable Housing Development Corporation (BCAHDC) approves its Operating Budget on an annual basis; and

WHEREAS, BCAHDC, as Managing General Partner of 1200 Park Avenue LP, itself owner of 1200 Park Avenue Apartments, Chico, California, prepares the budget for 1200 Park Avenue Apartments in conjunction with costs projected by 1200 Park Avenue Apartments property manager, WINN Residential; and

WHEREAS, the Board of Directors of BCAHDC has reviewed the budget as proposed and found the budget to be in the best interest of the 1200 Park Avenue Apartments property and BCAHDC;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation, acting as Managing General Partner of 1200 Park Avenue LP, owner of the 1200 Park Avenue Apartments, Chico, CA, to hereby approve and adopt the Operating Budget for fiscal year 2018 for 1200 Park Avenue Apartments, Chico, California, such Operating Budget attached to and made a part of this Resolution No. 17-5C.

Dated: November 16, 2017.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

WALKER COMMONS, L.P.
(A California Limited Partnership)

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

Walker Commons, L.P.
(A California Limited Partnership)

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INDEPENDENT AUDITOR'S REPORT

The Partners of
Walker Commons, L.P.
Chico, California

We have audited the accompanying financial statements of Walker Commons, L.P. (a California Limited Partnership), which comprise the balance sheets as of December 31, 2016 and December 31, 2015, and the related statements of operations, partners' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Walker Commons, L.P. as of December 31, 2016 and December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Patel & Associates, LLP
Certified Public Accountants

A handwritten signature in black ink, appearing to read "Sanwar Hashmi", written in a cursive style.

Oakland, California
August 30, 2017

WALKER COMMONS, L.P.
(A California Limited Partnership)
BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current assets:		
Cash	\$ 215,023	\$ 88,804
Reserved cash (Note 5)	307,117	296,437
Prepaid expenses	3,925	2,025
Accounts receivable	<u>3,098</u>	<u>208</u>
Total current assets	<u>529,163</u>	<u>387,474</u>
Property and equipment- net (Note 2)	1,862,148	1,931,334
Other assets - net (Note 3)	<u>5,266</u>	<u>5,796</u>
Total assets	<u>\$ 2,396,577</u>	<u>\$ 2,324,604</u>
 LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 4,806	\$ 22,286
Tenant security deposits	24,717	25,237
Accrued interest payable - current (Note 4)	15,000	15,000
Accrued liabilities	9,431	7,500
Unearned rent	<u>4,381</u>	<u>1,936</u>
Total current liabilities	58,335	71,959
Long term debt (Note 4)	<u>586,382</u>	<u>586,382</u>
Total liabilities	644,717	658,341
Partners' capital	<u>1,751,860</u>	<u>1,666,263</u>
Total liabilities and partners' capital	<u>\$ 2,396,577</u>	<u>\$ 2,324,604</u>

The accompanying notes are an integral part of these financial statements

WALKER COMMONS, L.P.
(A California Limited Partnership)
STATEMENT OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Revenue:		
Rental income	\$ 386,477	\$ 387,446
Miscellaneous other income	1,952	6,963
Interest income	<u>224</u>	<u>286</u>
Total revenue	<u>388,653</u>	<u>394,695</u>
Expenses:		
Administration	27,317	51,558
Tenant service	4,350	2,988
Utilities	28,964	33,052
Maintenance	55,887	81,011
Management	23,823	28,911
Franchise tax	800	800
Insurance	11,606	6,040
General expenses	4,361	873
Interest	15,000	15,688
Partnership fee	7,500	7,500
Amortization	530	530
Depreciation	<u>72,726</u>	<u>68,851</u>
Total expenses	<u>252,864</u>	<u>297,802</u>
Net income	<u>\$ 135,789</u>	<u>\$ 96,893</u>

The accompanying notes are an integral part of these financial statements

WALKER COMMONS, L.P.
(A California Limited Partnership)
STATEMENT OF PARTNERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>BCAHDC</u>	<u>Housing Authority of the County of Butte</u>	<u>Total</u>
Balance, January 1, 2015	\$ 265,217	\$ 1,354,548	\$ 1,619,765
Net income	969	95,924	96,893
Distributions	<u>(33,765)</u>	<u>(16,630)</u>	<u>(50,395)</u>
Balance, December 31, 2015	232,421	1,433,842	1,666,263
Net income	1,358	134,431	135,789
Distributions	<u>(33,629)</u>	<u>(16,563)</u>	<u>(50,192)</u>
Balance, December 31, 2016	<u>\$ 200,150</u>	<u>\$ 1,551,710</u>	<u>\$ 1,751,860</u>

The accompanying notes are an integral part of these financial statements

WALKER COMMONS, L.P.
(A California Limited Partnership)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Net income	\$ 135,789	\$ 96,893
Adjustment to reconcile increase in net income to net cash provided by operating activities:		
Depreciation and amortization	73,256	69,381
(Increase) in prepaid expenses	(1,900)	(35)
(Increase) in reserved cash	(10,680)	(10,781)
Decrease/(Increase) in accounts receivable	(2,890)	2,491
Increase in accounts payable	(17,480)	2,445
(Decrease)/Increase in unearned rent	2,445	(481)
Increase/(decrease) in other liabilities	<u>1,411</u>	<u>270</u>
Net cash provided by operating activities	<u>179,951</u>	<u>160,183</u>
Cash flows from financing activities:		
Acquisition of capital assets	(3,540)	(105,570)
Net cash used in financing activities	<u>(3,540)</u>	<u>(105,570)</u>
Cash flows from investing activities:		
Distribution	<u>(50,192)</u>	<u>(50,395)</u>
Net cash used in investing activities	<u>(50,192)</u>	<u>(50,395)</u>
Net increase in cash	126,219	4,218
Cash, beginning of year	<u>88,804</u>	<u>84,586</u>
Cash, ending of year	<u>\$ 215,023</u>	<u>\$ 88,804</u>
Supplemental disclosures:		
Interest paid	\$ <u>15,000</u>	\$ <u>15,000</u>
Income taxes paid	\$ <u>800</u>	\$ <u>800</u>

The accompanying notes are an integral part of these financial statements

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Walker Commons, L.P. (a California Limited Partnership) was formed in May 1995, to own, maintain and operate a 56-unit senior and disabled households' apartment complex. The complex is for persons of low and moderate income pursuant to the rules and regulations of Section 42 of the Internal Revenue Code. The project is located in Chico, California. The major activities of the partnership are governed by the partnership agreement.

Organization

The Partnership consists of a General Partner, BCAHDC with a 1% share, and one limited partner, Housing Authority of the County of Butte with a 99% share.

Method of Accounting

The partnership uses the accrual basis of accounting.

Income Taxes

No provision or benefit for income taxes has been included in these financial statements. Partners are taxed individually on their shares of the partnership earnings. The net income or loss is allocated to the partners in accordance with the regulations of the partnership.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reserved Cash

The reserved cash is maintained in a FDIC insured money market account. The Partnership is required to make monthly deposits to the Replacement Reserve account held at Umpqua Bank. During 2016 and 2015, the Partnership made deposits of \$11,200 and 11,200 respectively. The account earned interest that is not considered restricted therefore it was not added to the restricted cash balance. As of December 31, 2016 and 2015, the reserved cash balance was \$307,117 and \$296,437 respectively.

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

NOTE 2: PROPERTY AND EQUIPMENT

Fixed assets are recorded at cost. Depreciation is determined using the straight line method which is generally over a period of seven years for furniture, fixtures, and equipment to 40 years for buildings. Depreciation expense for the years ended December 31, 2016 and December 31, 2015 was \$72,726 and \$68,851 respectively.

Property and equipment consist of the following:

	<u>2016</u>	<u>2015</u>
Land	\$ 600,000	\$ 600,000
Building	2,110,927	2,810,927
Grant, reduction cost	-	(700,000)
Furnishings	9,203	9,203
Appliances	65,842	65,842
Building improvements	<u>600,523</u>	<u>596,983</u>
Total	\$ 3,386,495	\$ 3,382,955
Accumulated depreciation	<u>(1,524,347)</u>	<u>(1,451,621)</u>
Net property and equipment	<u>\$ 1,862,148</u>	<u>\$ 1,931,334</u>

NOTE 3: OTHER ASSETS

Other assets consist of the following:

	<u>2016</u>	<u>2015</u>
Tax credits - 15 years	\$ 97,493	\$ 97,493
Organization expenses - 5 years	7,697	7,697
Loan fee - 30 years	<u>15,914</u>	<u>15,914</u>
Total	121,104	121,104
Accumulated amortization	<u>(115,838)</u>	<u>(115,308)</u>
Net other assets	<u>\$ 5,266</u>	<u>\$ 5,796</u>

Straight line amortization is used on all of the above assets. Amortization for the years ended December 31, 2016 and December 31, 2015 was \$530 and \$530 respectively.

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

NOTE 4: LONG-TERM DEBT

Long-term debt at December 31, 2016 and 2015 consists of the following:

	<u>2016</u>	<u>2015</u>
Note payable amounting to \$500,000 to the City of Chico, California with annual payments of interest only at 3% per annum. The payments are deferred to the extent they exceed the “residential receipts” of the partnership. The note is secured by a subordinate deed of trust on all of the partnership’s real estate. The loan agreement contains operating restrictions on the project which are expected to be met.	\$ 500,000	\$ 500,000

The partnership paid \$15,000 of interest during fiscal year 2016. As of December 31, 2016 accrued interest on the Note was \$101,382, of which \$15,000 is current. The note is due on May 8, 2051.

\$ <u>86,382</u>	\$ <u>86,382</u>
\$ <u><u>586,382</u></u>	\$ <u><u>586,382</u></u>

The following are maturities of long-term debt for each of the next five years and thereafter:

2017	\$ -
2018	-
2019	-
2020	-
2021	-
Thereafter	<u>500,000</u>
Total	<u><u>\$ 500,000</u></u>

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

NOTE 5: RESERVED CASH

As part of the partnership agreement, the following cash reserves have been segregated:

	<u>2016</u>	<u>2015</u>
Replacement reserve	\$ 282,400	\$ 271,200
Security deposits reserve	<u>24,717</u>	<u>25,237</u>
	<u>\$ 307,117</u>	<u>\$ 296,437</u>

NOTE 6: PARTNERSHIP DISTRIBUTIONS AND ALLOCATION OF PROFITS AND LOSSES

Cash flow from operations for each fiscal year commencing in 1996 shall be distributed 33% to the limited partner and 67% to the general partner. Pursuant to the loan agreement with the City of Chico, the partnership may make distributions to the partners when residual receipts exceed the amount necessary to pay that year's annual interest to the City.

All items includable in the calculation of income or loss not arising from a sale or refinancing all tax credits, shall be allocated 99% to the limited partner and 1% to the general partner.

NOTE 7: RELATED PARTY TRANSACTIONS

Fees paid or due to the Housing Authority of the County of Butte through BCAHDC are as follows:

	<u>2016</u>		<u>2015</u>	
	<u>Paid</u>	<u>Unpaid</u>	<u>Paid</u>	<u>Unpaid</u>
Partnership fee	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500

Fees paid or due to the Housing Authority of the County of Butte

	<u>2016</u>		<u>2015</u>	
	<u>Paid</u>	<u>Unpaid</u>	<u>Paid</u>	<u>Unpaid</u>
Management fee	\$ 23,823	\$ -	\$ 28,911	\$ 2,437

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

NOTE 8: CONTINGENCIES

In consideration of a grant of \$700,000 made by the Chico Redevelopment Agency Low Income Housing Program to the Housing Authority of the County of Butte, who used the grant to fund building costs, the partnership has entered into a regulatory agreement with the agency. Such agreement now favors the City of Chico as Successor Agency to the Chico Redevelopment Agency. This agreement sets forth certain covenants, conditions, and restrictions regarding the manner in which Walker Commons, L.P., will hold and use the property and the Walker Commons Housing Project. Generally, Walker Commons, L.P., agrees that for a 55-year period following the issuance of an unconditional certificate of occupancy, it will cause 56 dwelling units to be rented to persons of low and very low income, subject to various covenants and conditions.

The grant is secured by a subordinate deed of trust on the partnership's real estate. The grant agreement contains operating restrictions on the project which are expected to be met. The grant contingencies expire on May 8, 2051.

NOTE 9: SUBSEQUENT EVENTS

The management of Walkers Commons, L.P. have reviewed the results of operations for the period of time from its year end December 31, 2016 through August 30, 2017, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

WALKER COMMONS, L.P.
(A California Limited Partnership)
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2016

There were no findings reported in the current year.

WALKER COMMONS, L.P.
(A California Limited Partnership)
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016

There were no findings reported in the prior year.

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION
RESOLUTION No. 17-6C
APPROVE WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS RECEIVABLE FOR
CORDILLERA APARTMENTS AS OF SEPTEMBER 30, 2017**

THEREFORE, BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation, acting as owner of Cordillera Apartments, to authorize the following tenant accounts receivable amount be written off the Balance Sheet as uncollectible as of September 30, 2017:

Balances from 7/1/2016 to 6/30/2017

PROJECT	# of UNITS	RENT	OTHER CHARGES	TOTAL
Cordillera Apartments	1	<u>\$1,444.17</u>	<u>\$1,787.10</u>	<u>\$3,231.27</u>
	TOTALS	<u>\$1,444.17</u>	<u>\$1,787.10</u>	<u>\$3,231.27</u>

Date: November 16, 2017

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

November 9, 2017

Memo

To: BCAHDC Board of Directors

From: Ed Mayer, President

Subject: Walker Commons Apts, Chico
No-smoking policy implementation

The Walker Commons Apartments, a 56-unit multi-family apartment property serving seniors and disabled, has been managed by third-party property manager AWI since the first of the year. AWI has proposed moving to a no-smoking policy at the property, having successfully implemented no-smoking policies at many of the residential properties for which it is responsible.

To date, the issue has been raised conceptually by Housing Authority management and discussed positively by the Board of Commissioners of the Housing Authority. The Housing Authority has itself committed to a no-smoking policy for its HUD Public Housing properties. The Butte County Department of Public Health stands by in support, with informational materials for residents, smoking cessation classes, and applicable site and building signage.

Housing Authority management recommends such policy implementation for the Walker Commons Apartments, based on health-related reasons for property residents and their guests, whether smokers or subject to second-hand smoke, and based on projected savings associated with maintenance and turnover of dwelling units in which smokers have been present. Given the high concentrations of special needs tenants at the property, the no-smoking policy will be implemented with extra care and sensitivity.

Recommended: motion to direct AWI, property manager, to implement a no-smoking policy at the Walker Commons Apartments, Chico.

November 9, 2017

Memo

To: BCAHDC Board of Directors

From: Ed Mayer, President

Subject: Gridley Springs I Apartments, Gridley
Property Management Company Change

U.S. Residential, Inc., property manager for the Gridley Springs I Apartments, Gridley, has given notice and is no longer working at the property as of October 30, 2017.

The firm started its work at the Gridley Springs Apartment complex in January 2016, and was bought out by a larger firm at the end of the year. Under new ownership, U.S. Residential never quite got their act together at the site (Dawson Holdings, BCAHDC partner in the Gridley Springs I property, was also not happy with U.S. Residential performance.) Apparently, in providing notice, U.S. Residential indicated that a corporate decision had been made to exit service at all affordable housing (regulated) properties.

As Dawson Holdings drives the partnership at Gridley Springs I, which is also subject to the partnership interest of the Limited Partner, it was Dawson Holdings that brought forward a property manager known to them, The CBM Group, Inc. (CBM), acceptable to the tax-credit partnership. CBM is a qualified operator of regulated housing properties, including tax-credit, and USDA programs, which regulate the Gridley Springs I property.

Housing Authority staff has vetted CBM, discovering that the firm is an unrelated outgrowth of AWI, with whom BCAHDC works at its Walker Commons Apartment property, and with whom Banyard Management works at its Chico Commons Apartment property, both in Chico. CBM has agreed to manage the property under substantively the same terms as U.S. Residential. It is proposed that CBM be the property manager for Gridley Springs II, owned by the Housing Authority, so that one firm manages the two (2) adjacent Gridley Springs Apartment properties in concert.

State CTCAC, tax-credit regulator, has approved the management change.

HACB staff recommends action by the BCAHDC Board of Directors, authorizing the retention of CBM at the Gridley Springs I property.

Recommendation: motion to approve retention of The CBM Group, Inc. as property manager at the Gridley Springs I property, 210 Ford Avenue, Gridley.

November 9, 2017

Memo

To: BCAHDC Board of Directors

From: Ed Mayer, President

Subject: 1200 Park Avenue Apartments, Chico
Property Management Company Change

Winn Residential, third-party property manager at the 1200 Park Avenue Apartments, Chico (107 units, senior) has requested an increase in compensation, and a change in how compensation is calculated. Winn Residential has served as property manager since construction of the property, and currently serves at property manager at the Harvest Park Apartments, Chico, in which BCHADC is Managing General Partner.

In short, Winn Residential proposed to move away from an incentive-based, net-rents fee, to a straight per door fee. Per the Limited Partnership Agreement (LPA), the proposed terms were discussed with BCAHDC's Limited Partner, Aldon Torch, who indicated the proposed terms were both unreasonable and required a change to the LPA, an expensive proposition. HACB staff agreed with the assessment. As a result, Winn Residential has negotiated to leave the property as of the first of the year.

Winn Residential's departure leaves the Partnership seeking a replacement property manager, one who is acceptable to the Limited Partner. AWI, Inc., with whom Banyard Management works at the Chico Commons Apartments, Chico and with whom BCAHDC works at the Walker Commons Apartments, Chico, has stepped up, willing to work under the terms of the LPA in assuming responsibility for property operations. Staff is currently negotiating terms of the Property Management Agreement with Aldon Torch, who has taken a keen interest in the Agreement.

Housing Authority staff has previously vetted AWI, and has almost a year's positive operating experience with the firm.

HACB staff recommends action by the BCAHDC Board of Directors, authorizing the retention of AWI, Inc. at the 1200 Park Avenue Apartment property, Chico.

Recommendation: motion to approve retention of AWI, Inc. as property manager at the 1200 Park Avenue Apartment property, 1200 Park Avenue, Chico, as of January 1, 2018.