

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION**

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

MEETING AGENDA

August 16, 2018

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. 18-4C

ITEMS OF BUSINESS

1. ROLL CALL
2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
 - 3.1 Minutes of Meeting on May 17, 2018
Minutes of Special Meeting on June 21, 2018
 - 3.2 BCAHDC Financial Report
 - 3.3 Tax Credit Report & Cordillera Apartments Report
 - 3.4 Development Status Report – Sunrise Village Senior Apartments, Gridley
4. CORRESPONDENCE
5. REPORTS FROM PRESIDENT
 - 5.1 Butte County Affordable Housing Development Corporation (BCAHDC) Budget
– Adoption of FY 2019 BCAHDC General Fund Proposed Operating Budget.

Recommendation:

Resolution No. 18-4C

- 5.2 Cordillera Apartments Budget – Adoption of FY 2019 Cordillera Apartments Operating Budget.

Recommendation: Resolution No. 18-5C

- 5.3 Walker Commons Audit Report – Accept FY2017 Audit Report.

Recommendation: Motion

- 5.4 Walker Commons Apartments – No-smoking policy implementation.

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 – November 15, 2018

- 13. ADJOURNMENT

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION**

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

MEETING MINUTES

May 17, 2018

Director Anderson called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 4:26 p.m.

1. ROLL CALL

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

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

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Gridley Springs I Audit Report – The Gridley Springs I Apartments audited financial statement for the year ended December 31, 2017 was presented. The 2017 year ended with a surplus of \$50,839. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

MOTION

Director Moravec moved that the Gridley Springs I Apartments audit report be accepted as presented. Director Pittman seconded. The vote in favor was unanimous.

*Butte County Affordable Housing Development Corporation
Board of Directors
Minutes –Meeting of May 17, 2018
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- 5.2 Harvest Park Apartments Audit Report – The Harvest Park Apartments audited financial statements for the year ended December 31, 2017 were presented. Financials, operations and tenant files were reviewed and found to be in compliance. The property seems to be operating in a stable environment, no operational issues reported. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

MOTION

Director Anderson moved that the Harvest Park Apartments audit be accepted as presented. Director Hart seconded. The vote in favor was unanimous.

- 5.3 Prospective Affordable Housing Development Project, Gridley – Senior project in Gridley with 37 units, being developed by Pacific West Communities. A Request for Proposals (RFP) will be issued for application of Section 8 Project Based Vouchers (PBV); Memorandum of Agreement (MOA) will be presented to the Board of Directors in the next couple weeks. The project is gearing up to submit a CTCAC tax-credit application in July's round.
- 5.4 Prospective Affordable Housing Development Project, Chico – Homeless Veterans project in Chico, estimated 50 units, being developed by Urban Housing Communities and Veterans Resource Development Corporation. A Request for Proposals (RFP) will be issued for Project Based Vouchers (PBV). Project is preparing to submit a Veterans Housing and Homelessness Prevention Program application in July.
- 5.5 Prospective Affordable Housing Development Project, Chico – Senior and disabled project in Chico, with 100 estimated units, being developed jointly by CHIP and the Housing Authority. Project proposed to be built on City-owned land. Pre-development work underway, project pending City split of its land to suit project needs.

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 – August 16, 2018.

13. ADJOURNMENT

Director Hamman moved that the meeting be adjourned. Director Moravec seconded. The meeting was adjourned at 4:41 p.m.

Dated: May 17, 2018.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION**

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

**SPECIAL MEETING
MEETING MINUTES**

June 21, 2018

President Mayer called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 3:53 p.m.

1. ROLL CALL

Present for the Directors: Kate Anderson, Patricia Besser, Larry Hamman, and Anne Jones.

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

Public Present: Loren Freeman, HACB, Public Housing Resident.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

None.

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Memorandum of Agreement (MOA) - In efforts to increase the availability of affordable housing in our local jurisdiction, Pacific West Communities (PWC) has approached the HACB (and by association, the Butte County Affordable Development Corporation (BCAHDC)) for participation in the development of an affordable low-income senior housing property in the City of Gridley. The development provides for construction of thirty-seven (37) units, and is called the Sunrise Village Apartments. A MOA outlining development roles for PWC,

Butte County Affordable Housing Development Corporation

Board of Directors

Minutes –Meeting of June 21, 2018

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HACB, and BCAHDC has been drafted for HACB and BCAHDC consideration. PWC seeks a loan of \$350,000 from HACB. Executive Director Mayer recommended adoption of the resolution authorizing the MOA, with no more than a \$200,000 loan, considering the HACB's prioritization of Unfunded Pension Liability concerns. Commissioner Pittman added that the project is in an excellent location; it has great accessibility and he feels comfortable supporting the project. Director Anderson asked if this is typical of development project to ask for loans from HACB. President Mayer replied that Harvest Park and 1200 Park Avenue Apartments each received \$600,000 loan contributions, and Gridley Springs II was loaned \$250,000. Director Hamman said it was a good project to support and he was comfortable with a loan commitment amount of \$100,000 from HACB and \$250,000 loan commitment from BCAHDC.

RESOLUTION NO. 18-3C

Director Hamman moved that Resolution No. 18-3C be adopted by reading of title only: "MEMORANDUM OF UNDERSTANDING WITH PACIFIC WEST COMMUNITIES AND HOUSING AUTHORITY OF THE COUNTY OF BUTTE FOR DEVELOPMENT AND OPERATION OF SUNRISE VILLAGE SENIOR APARTMENTS, GRIDLEY", such Memorandum of Understanding changed to reflect the HACB's prior commitment to loan the project \$100,000. Director Anderson 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 – August 16, 2018.

13. ADJOURNMENT

Director Anderson moved that the meeting be adjourned. Director Besser seconded. The meeting was adjourned at 4:00 p.m.

Dated: June 21, 2018

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

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**BCAHDC GENERAL FUND
BALANCE SHEET
June 30, 2018**

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

Current Assets

Cash-Unrestricted	323,883
Accounts Receivable-Misc	19,023
Tenant Security Deposits	0
Investments-Unrestricted	250,000
Investments-Restricted	0
Interprogram Due From Cordillera	0
Total Current Assets	592,906

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	
Investment in 1200 Park Avenue, L.P.	-483	\$40 decrease: 2017 LP loss
Investment in Chico Harvest Park, L.P.	-164	\$12 increase: \$50 contr-\$38 loss
Investment in DHI-DFA Gridley Springs Associates, L.P.	-7	\$2 decrease: 2017 LP loss
Investment in Walker Commons, L.P.	105,054	\$692 increase: 2017 LP gain
Total Other Assets	104,400	

TOTAL ASSETS

697,306

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

Current Liabilities

Accounts Payable	790
Accrued Interest Payable	0
Interprogram Due to Cordillera	0
Accrued Fees due to HACB	20,350
CVVP Interest Reserves	0
Total Current Liabilities	21,140

Long-Term Liabilities

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

TOTAL LIABILITIES

21,140

Equity

Beginning Net Position	641,160
Change in Net Position	35,006
Total Equity	676,166

TOTAL EQUITY

676,166

TOTAL LIABILITIES AND EQUITY

697,306

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BCAHDC-GENERAL FUND INCOME STATEMENT

June 30, 2018

YTD %
75.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Partnership Income	3,170	3,166	4	72,451	37,992	34,459	190.70
Misc. Income	0	40	-40	82	480	-398	17.17
Investment Income	22	144	-122	434	1,732	-1,298	25.06
TOTAL REVENUES	3,193	3,350	-157	72,968	40,204	32,764	181.49
Audit Fee	0	250	-250	0	3,000	-3,000	0.00
Corporate Services	790	1,542	-752	7,359	18,500	-11,141	39.78
Consulting Fees	0	417	-417	0	5,000	-5,000	0.00
Legal Expenses	0	250	-250	0	3,000	-3,000	0.00
Misc. Administrative Costs	0	83	-83	0	1,000	-1,000	0.00
Outside Management Fees	3,392	3,392	0	30,525	40,700	-10,175	75.00
Partnership Losses	0	42	-42	78	500	-422	15.54
Taxes and Fees	0	7	-7	0	80	-80	0.00
TOTAL EXPENSES	4,181	5,982	-1,801	37,962	71,780	-33,818	52.89
RETAINED EARNINGS	-988	-2,631	1,643	35,006	-31,576	66,582	-110.86

MEMO

Date: August 10, 2018

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)

For Walker Commons Apartments and 1200 Park Ave, please also see monthly reports provided by the property manager, AWI, following this memo. Property manager Winn Residential provides monthly reports for Harvest Park; CBM Group for Gridley Springs I; and RSC Associates for Cordillera Apartments.

Walker Commons Apartments, Chico (56 units, LIHTC, Senior & Disabled, MGP: BCAHDC, PM: AWI) – The property has zero (0) vacancy. Roofing replacements (Phase I) has been completed. With the recommendation of the property manager, AWI, locking security screen doors are being installed by maintenance over a period of time; the first twenty (20) doors have been installed. Clubhouse siding and overhangs are being bid for re-painting, with dry rot repair completed as identified in paint prep. The maintenance person has been replacing rotten post caps throughout the property. Community events have occurred with the last event in July, “a strawberry social”.

1200 Park Avenue Apartments, Chico (107 units, LIHTC, Senior, MGP: BCAHDC, PM: AWI) – This property currently has three (3) vacancies, but has pending applications and tentative move-ins planned. The annual City of Chico-conducted HOME monitoring review went well, with no findings. AWI’s Owner’s Report follows this memo. The “no smoking” policy is anticipated to be fully implemented by January 2019.

Harvest Park Apartments, Chico (90 units, LIHTC, Family, MGP: BCAHDC, PM Winn Residential) – Harvest Park currently has three (3) vacancies. The property continues operations per budget. A new on-site manager was hired by WINN, Wendy Logue, who has transitioned into her new position. Please find WINN Residential Owner’s Report following.

Gridley Springs I Apartments, Gridley (32 units, LIHTC, Family, MGP: BCAHDC, PM: CBM Group) – There currently are four (4) vacancies at the property. Though Limited Partnership

partner, Dawson Holdings, brought forward The CBM Group, Inc. to replace U.S. Residential in property management operations, CBM has now given notice. Two firms are being solicited to replace CMB as of October 1 – Cambridge RE and Sackett PM. The new on-site manager, Sara Kincade, brought on by CBM, has tentatively agreed to stay on at the property, subject to the assuming property management company. Please find CBM Groups Owner's report, following.

Cordillera Apartments, Chico (20 units, Family, Owner: BCAHDC, PM: RSC Assoc.) The property has zero (0) vacancy. Six (6) of twenty (20) balcony assemblies have been replaced, the balance to be completed this summer. 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. Please find RSC's monthly Owner's report, following with pictures of before and after pictures of patio reconstruction.

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WALKER COMMONS
BALANCE SHEET
June 30, 2018

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

Current Assets

Cash - Unrestricted	82,850
Cash - Other	49,313
Cash - Restricted Reserves	350,085
Cash - Tenant Security Deposits	23,470
Accounts Receivable - Misc.	0
Accounts Receivable - Tenants	104
Allowance for Doubtful Accounts	0
Prepaid Expenses	5,318
Total Current Assets	511,140

Fixed Assets

Land	600,000
Buildings	2,711,451
Furniture and Equipment	75,044
Accumulated Depreciation	-1,633,435
Total Fixed Assets	1,753,060

Other Assets

Organizational Fees net of amortization	4,470
Total Other Assets	4,470

TOTAL ASSETS	2,268,670
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***** LIABILITIES AND EQUITY *****

Current Liabilities

Accounts Payable	3,645
Accrued Liabilities	4,774
Accrued Interest Payable - Current	7,500
Prepaid Rent	3,987
Tenant Security deposits	22,870
Total Current Liabilities	42,776

Long-Term Liabilities

Accrued Interest Payable - Net of Current	34,982
Long-Term Debt - Note Payable	500,000
Total Long-Term Liabilities	534,982

TOTAL LIABILITIES	577,758
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Equity

Partner's Equity	1,646,898
Retained Earnings	44,014
Total Equity	1,690,912

TOTAL EQUITY	1,690,912
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TOTAL LIABILITIES AND EQUITY	2,268,670
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WALKER COMMONS INCOME STATEMENT

June 30, 2018

YTD %
50.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Potential Dwelling Rent	33,150	33,034	116	198,965	396,404	-197,439	50.19
Vacancy Loss	0	-661	661	-1,278	-7,928	6,650	16.12
Net Dwelling Rent	33,150	32,373	777	197,687	388,476	-190,789	50.89
Tenant Charges	31	63	-32	632	750	-118	84.26
Laundry Revenue	99	183	-84	1,086	2,200	-1,114	49.38
Investment Income	55	17	38	196	200	-4	98.23
TOTAL REVENUES	33,334	32,636	699	199,601	391,626	-192,025	50.97
EXPENSES							
Advertising	0	46	-46	0	550	-550	0.00
Audit Fee	381	381	0	2,284	4,568	-2,284	50.00
Credit & Collection Expense	0	67	-67	74	800	-726	9.25
Franchise Tax Board Fee	0	67	-67	800	800	0	100.00
Insurance-Liability/Property	3,655	896	2,759	6,164	10,755	-4,591	57.31
Legal Fees	0	63	-63	0	750	-750	0.00
Management Fees	2,184	2,296	-112	13,104	27,552	-14,448	47.56
Misc. Admin. Costs	122	216	-94	509	2,595	-2,086	19.61
Office Supplies	427	458	-31	2,666	5,500	-2,834	48.47
Partnership Expense	625	625	0	3,750	7,500	-3,750	50.00
Property Taxes & Assessments	0	10	-10	0	120	-120	0.00
Resident Services/Supplies	280	85	195	1,062	1,025	37	103.61
Security Services	0	160	-160	0	1,920	-1,920	0.00
Telephone	192	244	-52	1,276	2,926	-1,650	43.61
Training	0	79	-79	219	942	-724	23.20
Total Admin Costs	7,865	5,692	2,173	31,907	68,303	-36,396	46.71
Site Manager: Salary & Free Rent	3,339	3,417	-78	20,547	41,004	-20,457	50.11
Site Maintenance: Salary	963	2,699	-1,736	6,266	32,392	-26,126	19.35
Payroll Taxes & Benefits	1,150	2,578	-1,428	9,838	30,935	-21,097	31.80
Total Salary and Benefits	5,453	8,694	-3,242	36,652	104,331	-67,679	35.13
Electricity	557	639	-82	2,595	7,667	-5,072	33.85
Gas	61	125	-64	921	1,500	-579	61.40
Water and Sewer	2,257	2,012	245	11,819	24,143	-12,324	48.95
Total Utilities-Project	2,875	2,776	99	15,334	33,310	-17,976	46.04
Landscape Maintenance	1,820	1,115	705	8,983	13,380	-4,398	67.13
Maintenance Materials	458	817	-359	3,903	9,800	-5,897	39.82
Other Maintenance Contracts	256	1,133	-876	5,144	13,590	-8,446	37.85
Trash Removal	311	311	0	1,868	3,737	-1,869	50.00
Unit Turnover Maintenance	1,252	83	1,169	2,284	1,000	1,284	228.43
Total Maintenance Costs	4,098	3,459	639	22,182	41,507	-19,325	53.44
Capital Improvements (Expensed)	0	1,696	-1,696	5,752	20,350	-14,598	28.27
Extraordinary Maintenance	0	0	0	0	0	0	0.00
Depreciation & Amortization	9,455	6,105	3,350	36,628	73,256	-36,628	50.00
Interest Expense-Chico	1,250	1,250	0	7,500	15,000	-7,500	50.00
Bad Debt-Tenants	-50	208	-258	-369	2,500	-2,869	-14.76
Total Other Expenses	10,655	9,259	1,396	49,511	111,106	-61,595	44.56
TOTAL EXPENSES	30,945	29,880	1,066	155,587	358,557	-202,970	43.39
RETAINED EARNINGS	2,389	2,756	-367	44,014	33,069	10,945	133.10
+ Deprec & Amort	9,455	6,105	3,350	36,628	73,256	-36,628	50.00
- Capital Improvements/Replemnts	0	16,667	-16,667	0	200,000	-200,000	0.00
- Debt Payments	0	0	0	0	0	0	0.00
- Transfer to Reserves	-933	15,733	-16,667	-5,600	188,800	-194,400	-2.97
NET CASH FLOW	10,911	7,927	2,983	75,042	95,125	-20,083	78.89



AWI
Management Corporation
Always With Integrity

**Walker Commons
July 2018**

Variance report sent explaining budget differences and expenditures.

Updates:

Walker Commons is 100% occupied; however will soon be very busy with four upcoming vacancies all headed our way at once. The Property Manager is busy meeting with applicants to ensure timely turn around.

The maintenance tech Miguel is busy installing the next round of screen doors. Once the 20 doors we currently have on hand are installed, 16 units will remain for completion.

Maintenance is installing a small air conditioner in the laundry room. With summer in full swing, temperatures inside the laundry room have been stifling. The ac was purchased for around \$150 and will go a long way in increasing the comfort of residents while using the facilities.

Upcoming projects that staff is currently obtaining estimates for are: replacement of wooden awnings at front and rear of community room, repainting the sided areas of the community room and coming up with a plan for more user friendly and professional looking computer stations.

July's resident event was a strawberry social. Many residents showed up with their bowl and spoon! The bowls were filled with fresh strawberries, ice cream, cake, whipped cream, nuts, and friendliness! Those who couldn't come because of the heat, were treated to a "one time only strawberry delivery service".



(530) 745-6170 tel
(530) 745-6173 fax
www.awimc.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 July 31, 2018
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 33,171.00	\$ 33,033.67	\$ 137.33	\$ 232,182.00	\$ 231,235.67	\$ 946.33
Vacancies	0.00	(660.67)	660.67	(1,278.13)	(4,624.67)	3,346.54
Rent Adjustments	(2.00)	0.00	(2.00)	(48.35)	0.00	(48.35)
Manager's Unit	(628.00)	(628.00)	0.00	(4,369.00)	(4,396.00)	27.00
Total Tenant Rent	<u>\$ 32,541.00</u>	<u>\$ 31,745.00</u>	<u>\$ 796.00</u>	<u>\$ 226,486.52</u>	<u>\$ 222,215.00</u>	<u>\$ 4,271.52</u>
Other Project Income:						
Laundry Income	\$ 143.56	\$ 183.33	\$ (39.77)	\$ 1,229.97	\$ 1,283.33	\$ (53.36)
Restricted Reserve Interest Incom	52.16	0.00	52.16	248.61	0.00	248.61
Late Charges	0.00	20.83	(20.83)	64.44	145.83	(81.39)
Other Tenant Income	\$ 2.00	\$ 41.67	\$ (39.67)	\$ 415.50	\$ 291.67	\$ 123.83
Miscellaneous Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 154.00	\$ 0.00	\$ 154.00
Other Project Income	<u>\$ 197.72</u>	<u>\$ 245.83</u>	<u>\$ (48.11)</u>	<u>\$ 2,112.52</u>	<u>\$ 1,720.83</u>	<u>\$ 391.69</u>
Total Project Income	<u><u>\$ 32,738.72</u></u>	<u><u>\$ 31,990.83</u></u>	<u><u>\$ 747.89</u></u>	<u><u>\$ 228,599.04</u></u>	<u><u>\$ 223,935.83</u></u>	<u><u>\$ 4,663.21</u></u>
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 8,040.33	\$ 7,815.91	\$ 224.42	\$ 41,276.68	\$ 54,711.41	\$ (13,434.73)
Utilities (From Pg 2)	3,286.39	3,087.26	199.13	20,489.21	21,610.76	(1,121.55)
Administrative (From Pg 2)	5,188.94	5,757.33	(568.39)	37,112.52	40,301.33	(3,188.81)
Taxes & Insurance (From Pg 2)	765.25	875.00	(109.75)	6,551.29	6,125.00	426.29
Other Taxes & Insurance (Fr Page	1,423.48	2,675.84	(1,252.36)	12,439.84	18,730.84	(6,291.00)
Other Project Expenses	421.64	1,044.09	(622.45)	5,224.40	7,308.59	(2,084.19)
Total O&M Expenses	<u>\$ 19,126.03</u>	<u>\$ 21,255.43</u>	<u>\$ (2,129.40)</u>	<u>\$ 123,093.94</u>	<u>\$ 148,787.93</u>	<u>\$ (25,693.99)</u>
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	\$ 8,750.00	\$ 8,750.00	\$ 0.00
Reporting / Partner Management F	625.00	625.00	0.00	4,375.00	4,375.00	0.00
Transfer - Reserves	933.34	933.33	.01	6,533.38	6,533.33	.05
Total Mortgage & Owner's Exp.	<u>\$ 2,808.34</u>	<u>\$ 2,808.33</u>	<u>\$.01</u>	<u>\$ 19,658.38</u>	<u>\$ 19,658.33</u>	<u>\$.05</u>
Total Project Expenses	<u><u>\$ 21,934.37</u></u>	<u><u>\$ 24,063.76</u></u>	<u><u>\$ (2,129.39)</u></u>	<u><u>\$ 142,752.32</u></u>	<u><u>\$ 168,446.26</u></u>	<u><u>\$ (25,693.94)</u></u>
Net Profit (Loss)	<u><u>\$ 10,804.35</u></u>	<u><u>\$ 7,927.07</u></u>	<u><u>\$ 2,877.28</u></u>	<u><u>\$ 85,846.72</u></u>	<u><u>\$ 55,489.57</u></u>	<u><u>\$ 30,357.15</u></u>

Other Cash Flow Items:

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1200 PARK AVENUE L.P.
BALANCE SHEET
June 30, 2018

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

Current Assets

Cash - Operating	102,010
Cash - Other	6,129
Cash - Replacement Reserve	277,063
Cash - Security Deposits	35,603
Accounts Receivable-Tenants	145
Accounts Receivable-Other	0
Prepaid Expenses	27,623
Total Current Assets	448,573

Fixed Assets

Land	629,523
Buildings	18,372,150
Furniture & Equipment	128,912
Accumulated Depreciation	-5,603,599
Total Fixed Assets	13,526,986

Other Assets

Tax Credit & Organizational Fees, Net of Amort.	21,369
Total Other Assets	21,369

TOTAL ASSETS

13,996,928

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

Current Liabilities

Accounts Payable	4,909
Accrued Expenses	2,287
Accrued Interest Payable - Current	36,750
Prepaid Rent	3,279
Tenant Security & Key Deposits	33,944
Total Current Liabilities	81,169

Long-Term Liabilities

Accrued Partnership Fees	6,172
Accrued Interest Payable - Net of Current	519,906
Loan Payable - HACB	1,149,579
Loan Payable - City of Chico	3,675,000
Loan Payable - CITIBANK/Berkadia	1,902,967
Unamortized Debt Issuance Costs	-17,745
Total Long-Term Liabilities	7,235,879

TOTAL LIABILITIES

7,317,048

Equity

Partner's Equity	6,874,610
Retained Earnings	-194,730
Total Equity	6,679,880

TOTAL EQUITY

6,679,880

TOTAL LIABILITIES AND EQUITY

13,996,928

1200 PARK AV INCOME STATEMENT

June 30, 2018

YTD %
50.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Potential Dwelling Rent	66,794	64,226	2,568	401,102	770,714	-369,612	52.04
Vacancy Loss	-2,294	-963	-1,331	-7,768	-11,561	3,793	67.19
Rent Free Unit - see Maint Salaries	0	0	0	0	0	0	0.00
Net Dwelling Rent	64,500	63,263	1,237	393,334	759,153	-365,819	51.81
Tenant Charges	821	365	455	3,002	4,385	-1,383	68.46
Laundry Income	0	1,000	-1,000	2,801	12,000	-9,199	23.34
Interest Income	16	4	11	71	50	21	142.18
TOTAL REVENUES	65,336	64,632	704	399,208	775,588	-376,380	51.47
EXPENDITURES							
Audit Fee	400	400	0	2,400	4,800	-2,400	50.00
Franchise Tax Fee	0	67	-67	0	800	-800	0.00
Insurance-Property/Liability/Flood	2,178	1,358	820	8,563	16,300	-7,737	52.53
Legal Expense	0	100	-100	0	1,200	-1,200	0.00
Management Fee	3,239	3,232	7	16,499	38,779	-22,280	42.55
Marketing & Renting Expenses	54	0	54	192	0	192	0.00
Misc. Administrative	186	286	-100	1,419	3,428	-2,009	41.38
Office Supplies & Contracts	642	883	-242	3,923	10,600	-6,677	37.01
Property Taxes	0	25	-25	1,409	300	1,109	469.65
Resident Supplies	216	333	-118	267	4,000	-3,733	6.67
Telephone	722	879	-157	3,551	10,550	-6,999	33.66
Travel & Training	60	42	18	1,227	500	727	245.45
Total Administrative Costs	7,696	7,605	91	39,450	91,257	-51,807	43.23
Administrative Salaries	4,245	4,420	-175	26,117	53,040	-26,923	49.24
Maintenance Salaries	0	4,103	-4,103	0	49,240	-49,240	0.00
Payroll Taxes & Fringe Benefits	2,168	2,947	-778	11,366	35,358	-23,992	32.15
Total Salary & Benefits	6,413	11,470	-5,057	37,483	137,638	-100,155	27.23
Electricity	4,297	4,108	190	20,341	49,290	-28,949	41.27
Gas	177	163	14	2,379	1,950	429	122.02
Water & Sewer	3,762	3,608	154	18,879	43,300	-24,421	43.60
Total Utilities	8,236	7,878	358	41,599	94,540	-52,941	44.00
Elevator Maintenance	0	707	-707	0	8,478	-8,478	0.00
Janitorial Maint. & Supplies	128	1,130	-1,003	1,081	13,560	-12,479	7.97
Landscape Maint. & Supplies	7,405	1,958	5,448	14,733	23,490	-8,757	62.72
Maintenance Supplies	0	1,000	-1,000	0	12,000	-12,000	0.00
Maint. Repairs Contracts	5,772	1,924	3,848	34,165	23,085	11,080	148.00
Security Contract & Supplies	390	902	-512	2,010	10,819	-8,809	18.58
Unit Turnover Costs	445	232	213	1,190	2,780	-1,590	42.81
Trash Removal	617	618	0	1,700	7,412	-5,712	22.93
Total Maintenance Costs	14,757	8,469	6,288	54,879	101,624	-46,745	54.00
Bad Debt Expense	61	175	-114	804	2,100	-1,296	38.28
Capital Improvements (Expensed)	269	2,058	-1,789	4,229	24,700	-20,471	17.12
Depreciation & Amortization	38,983	38,983	0	233,896	467,792	-233,896	50.00
Interest Expense-Mortgage	11,282	11,270	12	68,037	135,240	-67,203	50.31
Total Other	50,595	52,486	-1,891	306,966	629,832	-322,866	48.74
TCM & SM Fees (prior yr excess cash)	0	0	0	43,278	0	43,278	0.00
Accr. Interest-City of Chico	6,125	6,125	0	36,750	73,500	-36,750	50.00
Accr. Interest-HACB	4,637	4,598	38	27,362	55,181	-27,819	49.59
Accr. Interest-Def Dev Fee	0	0	0	0	0	0	0.00
Accr. Annual Admin & Social Serv. Fees	1,047	1,029	18	6,173	12,345	-6,173	50.00
Total Accrued Expenses	11,808	11,752	56	113,563	141,026	-27,463	80.53
TOTAL EXPENSES	99,505	99,660	-155	593,939	1,195,917	-601,978	49.66
RETAINED EARNINGS	-34,169	-35,027	859	-194,730	-420,329	225,599	46.33
+ Depreciation & Amortization	38,983	38,983	0	233,896	467,792	-233,896	50.00
- Capital Expenditures (Assets)	0	0	0	0	0	0	0.00
- Loan Principal Payments	3,912	3,925	-12	23,131	47,096	-23,965	49.11
+ Accrued Expenses - current year	11,808	11,752	56	70,284	141,026	-70,742	49.84
- Reserve Usage/Payments	-8,025	-617	-7,408	-16,050	-7,400	-8,650	216.89
NET OPERATING CASH FLOW	4,685	11,166	-6,481	70,268	133,993	-63,725	52.44

1200 Park Avenue July 2018

Variance report sent explaining budget differences and expenses.

Updates:

1200 Park Avenue currently has three vacancies, with applications in process. Staff is working through the two large binders of interested applicants to fill the units. Two move-ins and two move-outs during the month of July.

Staff is continuing to work on obtaining estimates for necessary gutter cleaning and a roof assessment before the rain arrives.

We are planning to move forward with implementing the no smoking policies at 1200 Park Avenue January 1, 2019. Residents will receive advance notification of the upcoming change in September. We will work with Butte County health department to provide residents with available resources, as needed.

Residents enjoyed the July birthday party. The turnout was fair for the reinstatement of this activity. We are hoping to see even more smiling faces for the August birthday party taking place on Friday the 17th.



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

AWI Management Corporation
PO Box 550
Auburn CA 95604



AWI Management Corporation is an Equal Opportunity provider and employer.

Park Avenue
For the Month Ended July 31, 2018
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 66,379.00	\$ 65,006.17	\$ 1,372.83	\$ 467,641.61	\$ 455,043.17	\$ 12,598.44
Vacancies	(1,161.00)	(963.42)	(197.58)	(8,929.00)	(6,743.92)	(2,185.08)
Rent Adjustments	(121.00)	0.00	(121.00)	(281.28)	0.00	(281.28)
Manager's Unit	(780.00)	(780.00)	0.00	(5,460.00)	(5,460.00)	0.00
Total Tenant Rent	\$ 64,317.00	\$ 63,262.75	\$ 1,054.25	\$ 452,971.33	\$ 442,839.25	\$ 10,132.08
Other Project Income:						
Laundry Income	\$ 0.00	\$ 1,000.00	\$ (1,000.00)	\$ 2,800.75	\$ 7,000.00	\$ (4,199.25)
Interest Income	47.17	0.00	47.17	89.46	0.00	89.46
Restricted Reserve Interest Income	9.32	4.17	5.15	38.12	29.17	8.95
Late Charges	49.08	0.00	49.08	624.70	0.00	624.70
Other Tenant Income	\$ 1,336.00	\$ 365.41	\$ 970.59	\$ 2,807.00	\$ 2,557.91	\$ 249.09
Miscellaneous Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 955.53	\$ 0.00	\$ 955.53
Other Project Income	\$ 1,441.57	\$ 1,369.58	\$ 71.99	\$ 7,315.56	\$ 9,587.08	\$ (2,271.52)
Total Project Income	\$ 65,758.57	\$ 64,632.33	\$ 1,126.24	\$ 460,286.89	\$ 452,426.33	\$ 7,860.56
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 7,423.73	\$ 12,537.58	\$ (5,113.85)	\$ 64,834.07	\$ 87,763.08	\$ (22,929.01)
Utilities (From Pg 2)	10,591.72	8,496.01	2,095.71	53,890.84	59,472.01	(5,581.17)
Administrative (From Pg 2)	7,435.77	8,326.58	(890.81)	49,358.10	58,286.08	(8,927.98)
Taxes & Insurance (From Pg 2)	2,161.34	1,302.00	859.34	10,152.34	9,114.00	1,038.34
Other Taxes & Insurance (Fr Page 2)	2,439.03	3,134.33	(695.30)	15,935.92	21,940.33	(6,004.41)
Other Project Expenses	1,181.13	1,800.10	(618.97)	10,825.03	12,600.60	(1,775.57)
Total O&M Expenses	\$ 31,232.72	\$ 35,596.60	\$ (4,363.88)	\$ 204,996.30	\$ 249,176.10	\$ (44,179.80)
Mortgage & Owner's Expense						
Mortgage Payment	\$ 25,956.27	\$ 25,918.09	\$ 38.18	\$ 158,510.76	\$ 181,426.59	\$ (22,915.83)
Managing General Partner Fees	\$ 1,028.75	\$ 1,028.75	\$ 0.00	\$ 50,479.71	\$ 7,201.25	\$ 43,278.46
Transfer - Reserves	2,675.00	2,675.00	0.00	18,725.00	18,725.00	0.00
Total Mortgage & Owner's Exp.	\$ 29,660.02	\$ 29,621.84	\$ 38.18	\$ 227,715.47	\$ 207,352.84	\$ 20,362.63
Total Project Expenses	\$ 60,892.74	\$ 65,218.44	\$ (4,325.70)	\$ 432,711.77	\$ 456,528.94	\$ (23,817.17)
Net Profit (Loss)	\$ 4,865.83	\$ (586.11)	\$ 5,451.94	\$ 27,575.12	\$ (4,102.61)	\$ 31,677.73

Other Cash Flow Items:

BALANCE SHEET - HARVEST PARK

		Current Month Jun 2018	Prior Month May 2018	Current Period Increase (Decrease)	Balance 12/2017	YTD Increase (Decrease)
ASSETS						
CASH UNRESTRICTED						
1110-0000	Cash - Operating	83,088	147,380	-64,292	103,952	-20,864
1111-0000	Petty Cash	500	500	0	500	0
1121-0005	Workers Comp - Reserve	6,254	5,700	554	2,932	3,322
	TOTAL CASH UNRESTRICTED	89,842	153,581	-63,738	107,384	-17,542
DEVELOPMENT CASH						
1118-0000	Cash - Development	120,158	120,158	0	120,158	0
	TOTAL DEVELOPMENT CASH	120,158	120,158	0	120,158	0
CASH RESTRICTED						
1191-0000	Cash - Security Deposit	54,900	54,300	600	52,400	2,500
	TOTAL CASH RESTRICTED	54,900	54,300	600	52,400	2,500
RESIDENT A/R						
1129-0000	Reserve for Uncollectible A/R	-2,694	-2,694	0	-2,694	0
1130-0000	Accounts Receivable -Residents	5,099	5,388	-289	20,517	-15,418
	TOTAL RESIDENT A/R	2,405	2,694	-289	17,823	-15,418
SUBSIDY A/R						
1133-0000	Reserve for Uncollectible-Sub	-521	-521	0	-521	0
1134-0001	AR Subsidy Suspense Clearing	1,879	1,893	-14	-71	1,950
1135-0000	Accounts Receivable - Local Housing Authority	3,559	3,066	493	4,075	-516
	TOTAL SUBSIDY A/R	4,917	4,438	479	3,483	1,434
MISCELLANEOUS A/R						
1142-0000	Accounts Receivable - Other	14,613	14,763	-150	16,692	-2,079
	TOTAL MISCELLANEOUS A/R	14,613	14,763	-150	16,692	-2,079
DEFERRED ORGANIZATIONAL EXP						
1873-0000	Tax Credit Fee	44,727	44,727	0	44,727	0
1873-0002	Amortization Tax Credit Fee	-11,936	-11,936	0	-11,936	0
	TOTAL DEFERRED ORG EXP	32,791	32,791	0	32,791	0
RESERVE FOR REPLACEMENT						
1316-0000	Escrow - Replacement Reserve	119,939	117,606	2,332	105,944	13,995
	TOTAL RESERVE FOR REPLACEMENT	119,939	117,606	2,332	105,944	13,995

BALANCE SHEET - HARVEST PARK

	Current Month Jun 2018	Prior Month May 2018	Current Period Increase (Decrease)	Balance 12/2017	YTD Increase (Decrease)
MORTGAGE ESCROW DEPOSITS					
1322-0000 Escrow - Taxes	7,247	6,840	407	604	6,643
1323-0000 Escrow - Tax Payment	-5,830	-5,830	0	0	-5,830
1325-0000 Escrow - Insurance	40,252	37,736	2,516	27,184	13,068
1326-0000 Escrow - Insurance Payment	-31,660	-31,660	0	0	-31,660
1332-0000 Escrow Operations	250,000	250,000	0	250,000	0
1344-0000 Escrow - Other	5,333	5,333	0	5,333	0
1344-0018 Escrow - Equity Accounts	2,312	2,312	0	2,312	0
1344-0019 Esc-Capital Interest Account	63,057	63,057	0	63,057	0
1344-0020 Escrow - Loan Account	20,833	20,833	0	20,833	0
TOTAL MORTGAGE ESCROW DEPOSITS	351,544	348,621	2,922	369,323	-17,779
PROPERTY AND EQUIPMENT					
1410-0000 Land	1,375,634	1,375,634	0	1,375,634	0
1420-0000 Building	11,974,275	11,974,275	0	11,974,275	0
1431-0000 Building Improvements	2,082,769	2,082,769	0	2,082,769	0
1440-0002 Carpet Flooring	9,618	7,670	1,948	3,625	5,993
1461-0002 Furniture & Fixtures	1,286,391	1,286,391	0	1,286,391	0
1486-0000 Appliances	1,947	1,137	810	0	1,947
TOTAL PROPERTY AND EQUIPMENT	16,730,634	16,727,876	2,758	16,722,694	7,940
ACCUMULATED DEPRECIATION					
1520-0000 Res for Deprec - Building	-2,785,809	-2,785,809	0	-2,785,809	0
TOTAL ACCUMULATED DEPRECIATION	-2,785,809	-2,785,809	0	-2,785,809	0
CONSTRUCTION IN PROGRESS					
1912-6590 Miscellaneous Maintenance	55	0	55	0	55
TOTAL CONSTRUCTION IN PROGRESS	55	0	55	0	55
PREPAID EXPENSES AND DEPOSITS					
1241-0000 Prepaid Insurance	24,799	27,086	-2,287	6,861	17,938
1253-0000 Prepaid Benefits	570	570	0	0	570
TOTAL PREPAID EXPENSES AND DEPOSITS	25,370	27,657	-2,287	6,861	18,508
TOTAL ASSETS	14,761,358	14,818,675	-57,317	14,769,744	-8,386

BALANCE SHEET - HARVEST PARK

		Current Month Jun 2018	Prior Month May 2018	Current Period Increase (Decrease)	Balance 12/2017	YTD Increase (Decrease)
LIABILITIES						
MORTGAGE NOTES PAYABLE						
2320-0000	Mortgage Payable -1st Mortgage	4,175,000	4,179,167	-4,167	4,200,000	-25,000
2360-0001	Debt Issuance Costs #1	-447,994	-447,994	0	-447,994	0
2361-0001	Accum Amort - Debt Issuance Costs #1	152,568	152,568	0	152,568	0
	TOTAL MORTGAGE NOTES PAYABLE	3,879,574	3,883,741	-4,167	3,904,574	-25,000
ACCOUNTS PAYABLE						
2109-0000	Accounts Payable - Other	5,950	5,950	0	5,950	0
2110-0000	A/P Trade	194	-63	256	711	-517
	TOTAL ACCOUNTS PAYABLE	6,144	5,887	256	6,661	-517
ACCRUED EXPENSES						
2113-0000	Accrued Expenses	0	0	0	6,306	-6,306
2114-0000	Accrued Mortgage Interest	67,820	67,820	0	67,820	0
2116-0001	Accrued Interest #2	766,204	766,204	0	766,204	0
2116-0008	Accrued Interest #4	18,035	16,738	1,297	10,252	7,783
2123-0000	Accrued Management Fee Payable	0	0	0	249	-249
2123-0003	Accrued Management Fee Payable-Other	3,064	3,064	0	3,064	0
2125-0000	Accrued Real Estate Taxes	0	-972	972	0	0
2127-0000	Accrued Auditing Fee	11,350	11,350	0	11,350	0
2129-0003	Accrued Workers Com	6,645	6,091	554	3,323	3,322
2130-0000	Accrued Utility Expense	10,883	10,883	0	10,883	0
2142-0000	Accrued Investor Service Fee	20,000	20,000	0	20,000	0
2143-0000	Accrued Incentive Mgmt Fee	10,609	10,609	0	10,609	0
2147-0001	Accrued Asset Management Fee	8,441	8,441	0	8,441	0
2148-0000	Accrued Expense Payroll	6,420	6,420	0	6,990	-570
	TOTAL ACCRUED EXPENSES	929,470	926,648	2,823	925,490	3,981
OTHER LIABILITIES						
2156-0003	Loan Payable	8,800,000	8,800,000	0	8,800,000	0
2156-0055	Loan Payable	661,177	661,177	0	661,177	0
2160-0000	Escheatment Liabilities	131	131	0	131	0
	TOTAL OTHER LIABILITIES	9,461,308	9,461,308	0	9,461,308	0
SECURITY DEPOSIT LIABILITY						
2191-0000	Security Deposit Liability	53,400	52,800	600	50,900	2,500
	TOTAL SEC DEPOSIT LIABILITY	53,400	52,800	600	50,900	2,500

BALANCE SHEET - HARVEST PARK

		Current Month Jun 2018	Prior Month May 2018	Current Period Increase (Decrease)	Balance 12/2017	YTD Increase (Decrease)
	PREPAID REVENUE					
2210-0000	Prepaid Rent	9,507	7,638	1,869	6,798	2,709
	TOTAL PREPAID REVENUE	9,507	7,638	1,869	6,798	2,709
	TOTAL LIABILITIES	14,339,404	14,338,022	1,381	14,355,730	-16,327
	PARTNERS EQUITY					
	CONTRIBUTIONS/DISTRIBUTIONS					
2940-0000	Distribution to Owners	-80,717	0	-80,717	0	-80,717
	TOTAL DISTRIBUTIONS	-80,717	0	-80,717	0	-80,717
	PARTNERS EQUITY					
2960-0000	Partner's Equity	-2,739,714	-1,976,861	-762,853	-1,976,861	-762,853
2960-0007	Partner's Equity - Related	3,194,300	3,194,300	0	3,194,300	0
2966-0000	Syndication Costs	-40,573	-40,573	0	-40,573	0
3190-0000	Retained Earnings	88,658	-696,213	784,871	-762,853	851,511
	TOTAL PARTNERS EQUITY	502,672	480,653	22,018	414,013	88,658
	TOTAL PARTNERS EQUITY	421,954	480,653	-58,699	414,013	7,941
	TOTAL LIAB AND PARTNER EQUITY	14,761,358	14,818,675	-57,317	14,769,744	-8,386

BUDGET COMPARISON - HARVEST PARK

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
	INCOME									
	RENTAL INCOME									
5120-0000	Rental Income	60,200.00	68,644.00	-8,444.00	-12.30	360,753.64	411,864.00	-51,110.36	-12.41	823,728.00
5150-0000	Rental Assistance	10,386.00	0.00	10,386.00	N/A	65,655.36	0.00	65,655.36	N/A	0.00
	TOTAL RENTAL INCOME	70,586.00	68,644.00	1,942.00	2.83	426,409.00	411,864.00	14,545.00	3.53	823,728.00
	MISC. INCOME									
5332-0000	Application Fees	175.00	105.00	70.00	66.67	910.00	630.00	280.00	44.44	1,260.00
5385-0000	Late/Term Fees	0.00	200.00	-200.00	-100.00	650.00	1,200.00	-550.00	-45.83	2,400.00
5390-0000	Miscellaneous Income	0.00	0.00	0.00	N/A	5.00	0.00	5.00	N/A	0.00
5390-0002	Damages	400.00	450.00	-50.00	-11.11	2,377.00	2,700.00	-323.00	-11.96	5,400.00
	Cable Revenue	-199.37	0.00	-199.37	N/A	-2,577.51	330.00	-2,907.51	-881.06	660.00
	TOTAL MISC. INCOME	375.63	755.00	-379.37	-50.25	1,364.49	4,960.00	-3,495.51	-71.92	9,720.00
	OTHER INCOME									
5493-0000	Int on Replacement Reserve	0.00	1.78	-1.78	-100.00	0.00	10.68	-10.68	-100.00	21.36
	TOTAL OTHER INCOME	0.00	1.78	-1.78	-100.00	0.00	10.68	-10.68	-100.00	21.36
	VACANCY LOSS/RENTAL LOSS/BAD DEBT									
5197-0000	Rent Adjustments	0.00	0.00	0.00	N/A	-7,871.20	0.00	-7,871.20	N/A	0.00
5218-0000	Free Rent-Marketing Concession	-50.00	-50.00	0.00	0.00	-2,151.00	-300.00	-1,851.00	-617.00	-600.00
5220-0000	Vacancies - Apartment	-538.00	-1,331.82	793.82	59.60	-7,704.46	-10,680.91	2,976.45	27.87	-20,593.25
6539-0002	Maintenance Staff Rent Free Unit	-907.00	-901.00	-6.00	-0.67	-5,442.00	-5,406.00	-36.00	-0.67	-10,812.00
6370-0000	Bad Debt Expense	197.35	0.00	197.35	N/A	-1,569.85	-1,800.00	230.15	12.79	-3,600.00
6370-0004	Bad Debt-Miscellaneous	0.00	0.00	0.00	N/A	-855.00	-3,000.00	2,145.00	71.50	-6,000.00
6371-0000	Bad Debt Recovery - Resident Rent	197.35	0.00	197.35	N/A	197.35	0.00	197.35	N/A	0.00
	TOTAL VACANCY	-1,100.30	-2,282.82	1,182.52	51.80	-25,396.16	-21,186.91	-4,209.25	-19.87	-41,605.25
	TOTAL INCOME	69,861.33	67,117.96	2,743.37	4.09	402,377.33	395,547.77	6,829.56	1.73	791,864.11
	EXPENSES									
	MANAGEMENT FEES									
6320-0000	Management Fee	3,533.88	3,333.40	-200.48	-6.01	20,772.55	19,625.89	-1,146.66	-5.84	39,290.21
	TOTAL MANAGEMENT FEES	3,533.88	3,333.40	-200.48	-6.01	20,772.55	19,625.89	-1,146.66	-5.84	39,290.21
	REAL ESTATE TAXES									
6710-0000	Taxes - Real Estate	971.70	399.00	-572.70	-143.53	5,830.20	2,394.00	-3,436.20	-143.53	4,860.00
6712-0000	Taxes - Other	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A	347.00
	TOTAL REAL ESTATE TAXES	971.70	399.00	-572.70	-143.53	5,830.20	2,394.00	-3,436.20	-143.53	5,207.00

BUDGET COMPARISON - HARVEST PARK

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
INSURANCE										
6720-0000	Insurance - Property	2,287.02	2,401.00	113.98	4.75	13,722.12	14,064.00	341.88	2.43	28,470.00
6720-0002	Franchise Tax - Calif Pnps	0.00	0.00	0.00	N/A	800.00	800.00	0.00	0.00	800.00
6722-0000	Insurance - Consultant	0.00	0.00	0.00	N/A	31.04	0.00	-31.04	N/A	0.00
	TOTAL INSURANCE	2,287.02	2,401.00	113.98	4.75	14,553.16	14,864.00	310.84	2.09	29,270.00
UTILITIES EXPENSE										
6430-0000	Electricity Vacant	61.65	185.00	123.35	66.68	147.43	585.00	437.57	74.80	1,280.00
6430-0001	Employee Unit Utility	0.00	0.00	0.00	N/A	245.56	0.00	-245.56	N/A	0.00
6440-0000	Gas/Oil Heat Vacant	5.94	20.00	14.06	70.30	82.49	120.00	37.51	31.26	240.00
6450-0000	Electricity	0.00	1,500.00	1,500.00	100.00	6,248.08	8,400.00	2,151.92	25.62	17,050.00
6451-0000	Water & Sewer	3,951.55	4,500.00	548.45	12.19	18,841.39	23,900.00	5,058.61	21.17	48,000.00
6452-0000	Natural Gas Heat	0.00	25.00	25.00	100.00	948.72	1,190.00	241.28	20.28	1,960.00
6454-0000	Utility Processing	48.96	63.00	14.04	22.29	339.28	378.00	38.72	10.24	756.00
6470-0000	Rubbish Removal	1,022.96	925.00	-97.96	-10.59	6,720.72	5,775.00	-945.72	-16.38	11,550.00
	TOTAL UTILITY EXPENSE	5,091.06	7,218.00	2,126.94	29.47	33,573.67	40,348.00	6,774.33	16.79	80,836.00
PAYROLL										
6310-0000	Office Payroll	76.94	0.00	-76.94	N/A	966.97	0.00	-966.97	N/A	0.00
6317-0000	Temporary Services	0.00	0.00	0.00	N/A	-559.11	0.00	559.11	N/A	0.00
6330-0000	Manager's Payroll	2,788.35	2,988.00	199.65	6.68	20,682.84	21,240.00	557.16	2.62	43,093.51
6530-0000	Cleaning Payroll	335.50	0.00	-335.50	N/A	1,209.08	0.00	-1,209.08	N/A	0.00
6539-0000	Maintenance Payroll - General	452.44	2,540.00	2,087.56	82.19	13,611.49	16,464.00	2,852.51	17.33	33,449.49
6714-0001	Taxes-Payroll Administrative	181.65	228.58	46.93	20.53	1,893.63	2,157.85	264.22	12.24	3,829.63
6714-0002	Taxes-Payroll Maintenance	113.83	194.31	80.48	41.42	1,694.62	1,792.50	97.88	5.46	3,091.89
6724-0001	Workers Compensation-Payroll Admin	311.71	259.36	-52.35	-20.18	1,870.26	1,843.64	-26.62	-1.44	3,740.53
6724-0002	Workers Compensation-Payroll Maintenance	241.95	220.47	-21.48	-9.74	1,451.70	1,429.07	-22.63	-1.58	2,903.43
6726-0001	Health Ins & Other Benefits-Payroll Admin	1,357.93	974.95	-382.98	-39.28	8,545.22	6,006.25	-2,538.97	-42.27	12,387.64
6726-0002	Health Ins & Other Benefits-Payroll Maint.	647.41	958.34	310.93	32.44	4,263.90	5,842.36	1,578.46	27.02	12,056.39
	TOTAL PAYROLL	6,507.71	8,364.01	1,856.30	22.19	55,830.80	56,775.87	1,145.07	2.02	114,552.51
OPERATING & MAINTENANCE EXPENSE										
6462-0000	Exterminating Contract	390.00	360.00	-30.00	-8.33	645.00	3,160.00	2,515.00	79.59	6,320.00
6511-0000	Security Contract & Repairs	0.00	0.00	0.00	N/A	2,520.94	2,868.00	347.06	12.10	6,456.00
6521-0000	Grounds Supplies	110.00	75.00	-35.00	-46.67	1,445.00	8,720.00	7,275.00	83.43	9,520.00
6522-0000	Grounds Contract	1,650.00	1,650.00	0.00	0.00	11,725.00	9,900.00	-1,825.00	-18.43	19,800.00
6541-0000	Maintenance Supplies	528.74	333.33	-195.41	-58.62	2,550.03	1,999.98	-550.05	-27.50	3,999.96
6545-0000	Repairs - Contract - General	519.11	500.00	-19.11	-3.82	2,235.32	3,000.00	764.68	25.49	6,000.00
6546-0000	Repairs - Contract - Electric	0.00	0.00	0.00	N/A	206.72	1,000.00	793.28	79.33	2,000.00
6547-0000	Repairs - Contract - HVAC	460.00	300.00	-160.00	-53.33	460.00	600.00	140.00	23.33	1,200.00

BUDGET COMPARISON - HARVEST PARK

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
6548-0000	Repairs - Contract - Plumbing	465.00	268.33	-196.67	-73.29	950.63	1,889.98	939.35	49.70	3,499.96
6552-0000	Uniforms	0.00	67.00	67.00	100.00	0.00	402.00	402.00	100.00	804.00
6581-0000	Appliance Repair	877.78	250.00	-627.78	-251.11	1,234.56	1,500.00	265.44	17.70	3,000.00
6582-0000	Lock & Key Expense	0.00	0.00	0.00	N/A	0.00	250.00	250.00	100.00	500.00
6590-0000	Miscellaneous Maintenance	0.00	0.00	0.00	N/A	420.05	500.00	79.95	15.99	1,000.00
6991-0000	Pool Supplies	1,569.03	155.00	-1,414.03	-912.28	423.53	570.00	146.47	25.70	1,140.00
6992-0000	Pool Contract	-1,253.83	205.00	1,458.83	711.62	1,087.25	1,230.00	142.75	11.61	2,460.00
	TOTAL OPERATING & MAINT. EXPS.	5,315.83	4,163.66	-1,152.17	-27.67	25,904.03	37,589.96	11,685.93	31.09	67,699.92
	TURNOVER COSTS									
6531-0000	Cleaning Supplies	0.00	0.00	0.00	N/A	430.57	200.00	-230.57	-115.28	400.00
6532-0000	Cleaning Contract	1,445.00	0.00	-1,445.00	N/A	2,954.00	1,350.00	-1,604.00	-118.81	2,700.00
6532-0001	Carpet Cleaning	0.00	0.00	0.00	N/A	170.00	0.00	-170.00	N/A	0.00
6561-0000	Decorator Supplies	157.00	0.00	-157.00	N/A	355.10	500.00	144.90	28.98	1,000.00
6562-0000	Decorator Contract Services	1,350.00	0.00	-1,350.00	N/A	1,350.00	300.00	-1,050.00	-350.00	600.00
	TOTAL TURNOVER COSTS	2,952.00	0.00	-2,952.00	N/A	5,259.67	2,350.00	-2,909.67	-123.82	4,700.00
	MARKETING									
6210-0000	Rental Advertising	0.00	50.00	50.00	100.00	400.00	550.00	150.00	27.27	550.00
6212-0000	Collateral Materials/Brand Identity	141.28	70.00	-71.28	-101.83	749.30	820.00	70.70	8.62	1,440.00
6216-0000	Promotions & Promotional Items	0.00	0.00	0.00	N/A	54.37	156.00	101.63	65.15	312.00
6290-0000	Miscellaneous Renting Expense	80.58	116.00	35.42	30.53	687.58	766.00	78.42	10.24	1,532.00
6981-0000	Resident Supplies	93.65	141.00	47.35	33.58	718.60	846.00	127.40	15.06	1,900.00
	TOTAL MARKETING	315.51	377.00	61.49	16.31	2,609.85	3,138.00	528.15	16.83	5,734.00
	ADMINISTRATIVE EXPENSES									
6280-0000	Credit Reports & Fees	0.00	10.60	10.60	100.00	-50.10	63.60	113.70	178.77	127.20
6311-0000	Office Expenses	307.01	232.00	-75.01	-32.33	3,285.21	2,692.00	-593.21	-22.04	5,523.10
6312-0000	Copy Machine	0.00	123.00	123.00	100.00	0.00	738.00	738.00	100.00	1,476.00
6313-0000	Postage	4.00	33.33	29.33	88.00	109.76	199.98	90.22	45.11	399.96
6316-0000	Travel/Mileage	0.00	200.00	200.00	100.00	100.19	500.00	399.81	79.96	700.00
6316-0003	Training	0.00	0.00	0.00	N/A	609.38	167.40	-441.98	-264.03	1,634.80
6340-0000	Legal Expense	0.00	900.00	900.00	100.00	3,245.00	1,800.00	-1,445.00	-80.28	1,800.00
6350-0000	Auditing	0.00	0.00	0.00	N/A	11,400.00	11,917.50	517.50	4.34	11,917.50
6355-0001	Administrative Fees	0.00	19.80	19.80	100.00	153.39	2,368.03	2,214.64	93.52	2,486.28
6360-0000	Telephone	1,095.67	910.00	-185.67	-20.40	5,791.33	5,460.00	-331.33	-6.07	10,920.00
6385-0000	Dues and Memberships	0.00	0.00	0.00	N/A	0.00	180.00	180.00	100.00	450.00
6390-0000	Miscellaneous	0.00	0.00	0.00	N/A	507.00	465.00	-42.00	-9.03	665.00
6392-0000	Bank Charges	-44.14	156.80	200.94	128.15	-458.37	940.80	1,399.17	148.72	1,881.60
	TOTAL ADMINISTRATIVE EXPENSES	1,362.54	2,585.53	1,222.99	47.30	24,692.79	27,492.31	2,799.52	10.18	39,981.44

BUDGET COMPARISON - HARVEST PARK

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
	TOTAL EXPENSES	28,337.25	28,841.80	504.35	1.75	188,826.52	204,577.83	15,751.31	7.70	387,271.08
	NET OPERATING INCOME	41,524.08	38,276.36	3,247.72	8.48	213,550.81	190,969.94	22,580.87	11.82	404,593.03
	REPLACEMENT RESERVE/OTHER ESCROWS									
1316-0000	Escrow - Replacement Reserve	2,332.50	2,333.00	0.50	0.02	13,995.00	13,998.00	3.00	0.02	27,996.00
	TOTAL REPLACEMENT RESERVE/OTHER ESCROWS	2,332.50	2,333.00	0.50	0.02	13,995.00	13,998.00	3.00	0.02	27,996.00
	DEBT SERVICE									
2320-0000	Mortgage Payable -1st Mortgage	4,166.67	4,166.67	0.00	0.00	25,000.02	25,000.02	0.00	0.00	50,000.04
6820-0000	Interest on Mortgage	11,253.86	11,253.86	0.00	0.00	67,572.64	67,572.64	0.00	0.00	134,848.40
6824-0000	Interest on Mortgage - 4th	1,297.17	1,284.33	-12.84	-1.00	7,783.02	7,632.78	-150.24	-1.97	15,510.00
6828-0000	Service Fee	6,254.65	6,228.19	-26.46	-0.42	37,598.35	37,424.38	-173.97	-0.46	74,716.24
	TOTAL DEBT SERVICE	22,972.35	22,933.05	-39.30	-0.17	137,954.03	137,629.82	-324.21	-0.24	275,074.68
	INSURANCE CLAIMS PROCEEDS & COSTS									
5922-0000	Insurance Proceeds Claim #1	0.00	0.00	0.00	N/A	-6,499.99	0.00	6,499.99	N/A	0.00
5922-0002	Insurance Proceeds Claim #2	0.00	0.00	0.00	N/A	-8,112.90	0.00	8,112.90	N/A	0.00
6597-0000	All Costs Recoverable from Ins.Claim#1	0.00	0.00	0.00	N/A	16,050.33	0.00	-16,050.33	N/A	0.00
6597-0002	All Costs Recoverable from Ins.Claim#2	0.00	0.00	0.00	N/A	2,051.01	0.00	-2,051.01	N/A	0.00
	TOTAL INSURANCE CLAIMS PROCEEDS & COSTS	0.00	0.00	0.00	N/A	3,488.45	0.00	-3,488.45	N/A	0.00
	MISCELLANEOUS									
6890-0000	Miscellaneous Financial Exp	416.67	416.67	0.00	0.00	6,750.02	2,500.02	-4,250.00	-170.00	5,000.04
6892-0000	Trustee Fees	283.33	325.00	41.67	12.82	1,699.98	1,950.00	250.02	12.82	3,900.00
	TOTAL MISCELLANEOUS	700.00	741.67	41.67	5.62	8,450.00	4,450.02	-3,999.98	-89.89	8,900.04
	CAPITAL EXPENDITURES									
1440-0002	Carpet/Flooring	1,948.19	1,600.00	-348.19	-21.76	5,992.75	8,000.00	2,007.25	25.09	11,200.00
1486-0000	Appliances	809.63	0.00	-809.63	N/A	1,947.03	1,500.00	-447.03	-29.80	3,000.00
	TOTAL CAPITAL EXPENDITURES	2,757.82	1,600.00	-1,157.82	-72.36	7,939.78	9,500.00	1,560.22	16.42	14,200.00
	MORTGAGOR EXPENSES									
7115-0000	Non Profit Fee	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A	20,000.00
7135-0000	Asset Management Fee Paid from Surplus	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A	10,927.00

BUDGET COMPARISON - HARVEST PARK

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
7153-0000 Administration Fee Expense	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A	8,695.00
TOTAL MORTGAGOR EXPENSES	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A	39,622.00
PROFIT / LOSS	12,761.41	10,668.64	2,092.77	19.62	41,723.55	25,392.10	16,331.45	64.32	38,800.31
ADDITIONAL ADJUSTMENTS TO CASH FLOW									
Cash - Other	-553.66	0.00	-553.66	N/A	-3,321.96	0.00	-3,321.96	N/A	0.00
Construction In Progress	-55.12	0.00	-55.12	N/A	-55.12	0.00	-55.12	N/A	0.00
Accounts Payable	256.49	0.00	256.49	N/A	-516.75	0.00	-516.75	N/A	0.00
Net A/R	-40.24	0.00	-40.24	N/A	16,062.56	0.00	16,062.56	N/A	0.00
Net Prepaids	1,869.00	0.00	1,869.00	N/A	2,138.74	0.00	2,138.74	N/A	0.00
Net Accruals	1,850.83	-1,284.33	3,135.16	244.11	3,980.64	-7,632.78	11,613.42	152.15	-15,510.00
Net Real Estate Tax	565.09	-399.00	964.09	241.63	-813.21	-2,394.00	1,580.79	66.03	-4,860.00
Net Insurance	-228.73	-2,401.00	2,172.27	90.47	654.57	-14,064.00	14,718.57	104.65	-28,470.00
Capital/Partners Equity	-80,717.14	0.00	-80,717.14	N/A	-80,717.14	0.00	-80,717.14	N/A	0.00
Escrows - Other	0.00	-1.78	1.78	100.00	0.00	-10.68	10.68	100.00	-21.36
TOTAL CASH FLOW ADJUSTMENTS	-77,053.48	-4,088.11	-72,967.37	-1,785.74	-82,587.67	-24,101.46	-38,486.21	-159.68	-48,861.36
NET ADJUSTED CASH FLOW	-64,292.07	6,582.53	-70,874.60	-1,076.71	-20,864.12	1,290.64	-22,154.76	-1,716.57	-10,061.05
Net Change in Cash from TB	-64,292.07	0.00	64,292.07	N/A	-20,864.12	0.00	20,864.12	N/A	0.00

Monthly Property Summary Report

75 Harvest Park Court

ay 2018



HARVEST
P A R K

CHICO, CA.
90 UNITS
TAX CREDIT

INCOME AND EXPENSE SUMMARY

Total Operating Income Actual/Month:	\$70,028.00
Total Operating Income Budget/Month:	\$67,117.96
Total Operating Income Actual/YTD:	\$332,156.00
Total Operating Income Budget/YTD:	\$328,428.81
Total Operating Expenses Actual/Month:	\$26,150.01
Total Operating Expenses Budget/Month:	\$27,221.60
Total Operating Expenses Actual/YTD:	\$160,489.27
Total Operating Expenses Budget/YTD:	\$175,736.23
Total Net Operating Income Actual/Month:	\$43,877.99
Total Net Operating Income Budget/Month:	\$39,896.36
Total Net Operating Income Actual/YTD:	\$172,026.73
Total Net Operating Income Budget/YTD:	\$152,693.58

BUDGET VARIANCE REPORT

(Line Item Variance Report: Expenses Exceeding 10% of budget or \$500 minimum variance.)

6450-0000	Electricity \$500 positive variance for the month, being conservative where we can on usage to come back in line with budget YTD.
6539-0000	Payroll \$2,274.51 positive variance due to maintenance staff being out on temp disability, we have our manger from the sister site Parkside cover occasionally as needed for work orders.
6521-0000	Grounds Supplies \$530 variance due to having to replace two irrigation timers and one Palm Plant in front of entry by community room.
6340-0000	Legal \$1,000 variance due to legal expense due to legal expense associated with audit.

SUMMARY OF CAPITAL EXPENSES AND IMPROVEMENTS

YTD Budgeted Capital Improvements / Cash Flow: \$3,950

YTD Actual Capital Improvements / Cash Flow: \$5,181.96

YTD Budgeted Capital Improvements / RR: * See Below

YTD Actual Capital Improvements / RR: * See Below

NOTE: CAPITAL EXPENSE GL CODE IS BEING CHANGED. 1499.0002 IS NO LONGER BEING USED.

Description of Capital Improvements YTD:

Carpet Replacement: Unit 115 and 243

Washer replaced in unit 106

GENERAL PROPERTY ISSUES and HIGHLIGHTS

Unit turnovers have increased, we have had several problematic/challenging households move out, and this is due to management holding people accountable to the rules and regulations of the site. We have been able to turn the units and keep up with timely turnover of the units by using vendors and maintenance staff from Parkside Terrace at the site on an as needed basis.

Monthly Property Summary Report

75 Harvest Park Court

June 2018



HARVEST
P A R K

CHICO, CA.
90 UNITS
TAX CREDIT

INCOME AND EXPENSE SUMMARY

Total Operating Income Actual/Month:	\$69,861.33
Total Operating Income Budget/Month:	\$67,117.96
Total Operating Income Actual/YTD:	\$402,377.33
Total Operating Income Budget/YTD:	\$395,547.77
Total Operating Expenses Actual/Month:	\$28,337.25
Total Operating Expenses Budget/Month:	\$28,841.60
Total Operating Expenses Actual/YTD:	\$188,826.52
Total Operating Expenses Budget/YTD:	\$204,577.83
Total Net Operating Income Actual/Month:	\$41,524.08
Total Net Operating Income Budget/Month:	\$38,276.36
Total Net Operating Income Actual/YTD:	\$213,550.81
Total Net Operating Income Budget/YTD:	\$190,969.94

BUDGET VARIANCE REPORT

(Line Item Variance Report: Expenses Exceeding 10% of budget or \$500 minimum variance.)

6450-0000	Electricity Variance due to expense not hitting this period, called and researched issue of why not paid. Invoice will be paid in July
6539-0000	Payroll \$2,087 positive variance due to maintenance staff being out on temp disability.
6581-000	Appliance Repair \$628 variance due maintenance staff being on temp disability, have had to call out vendors for repairs.

SUMMARY OF CAPITAL EXPENSES AND IMPROVEMENTS

YTD Budgeted Capital Improvements / Cash Flow: \$9,500

YTD Actual Capital Improvements / Cash Flow: \$7,939.78

YTD Budgeted Capital Improvements / RR: * See Below

YTD Actual Capital Improvements / RR: * See Below

NOTE: CAPITAL EXPENSE GL CODE IS BEING CHANGED. 1499.0002 IS NO LONGER BEING USED.

Description of Capital Improvements YTD:

Carpet Replacement: Unit 115,243 and 223

Washer replaced in unit 106

Fridge replaced in unit 223

GENERAL PROPERTY ISSUES and HIGHLIGHTS

Unit turnovers have increased, we have had several problematic/challenging households move out, and this is due to management holding people accountable to the rules and regulations of the site. We have been able to turn the units and keep up with timely turnover of the units by using vendors and maintenance staff from Parkside Terrace at the site on an as needed basis.

Monthly Property Summary Report

75 Harvest Park Court

July2018



HARVEST
P A R K

CHICO, CA.

90 UNITS

TAX CREDIT

INCOME AND EXPENSE SUMMARY

Total Operating Income Actual/Month: \$68,278.39

Total Operating Income Budget/Month: \$64,882.96
Total Operating Income Actual/YTD: \$470,655.72
Total Operating Income Budget/YTD: \$460,430.73
Total Operating Expenses Actual/Month: \$32,909.62
Total Operating Expenses Budget/Month: \$33,982.38
Total Operating Expenses Actual/YTD: \$221,736.14
Total Operating Expenses Budget/YTD: \$238,560.21
Total Net Operating Income Actual/Month: \$35,368.77
Total Net Operating Income Budget/Month: \$30,900.58
Total Net Operating Income Actual/YTD: \$248,910.58
Total Net Operating Income Budget/YTD: \$221,870.52

BUDGET VARIANCE REPORT

(Line Item Variance Report: Expenses Exceeding 10% of budget or \$500 minimum variance.)

6450-0000 Electricity – Variance of \$693.89 over budget for the month due to invoice from previous hitting in July. YTD we are \$1,458 under budget

6451-0000 Water/Sewer – Variance of \$5,185.54 over budget for the month due to invoice from previous period hitting in July, YTD we are over \$126 over budget

6539-0000 Payroll \$2,613 positive variance due to maintenance staff being out on temp disability, returned to work at the end of July.

6541-0000 Maintenance Supplies – Variance of \$604.69 due to the amount of unit turn overs at the site, over budget YTD due 21 units turned thus far in 2018, we are under budget in other areas of the operating and maintenance expense line items to make up the difference.

SUMMARY OF CAPITAL EXPENSES AND IMPROVEMENTS

YTD Budgeted Capital Improvements / Cash Flow: \$11,850.00

YTD Actual Capital Improvements / Cash Flow: \$7,939.788,312.46

YTD Budgeted Capital Improvements / RR: * See Below

YTD Actual Capital Improvements / RR: * See Below

NOTE: CAPITAL EXPENSE GL CODE IS BEING CHANGED. 1499.0002 IS NO LONGER BEING USED.

Description of Capital Improvements YTD:

Carpet Replacement: Unit 115,243 and 223

Washer replaced in unit 106

Fridge replaced in unit 223

Dishwasher Replaced in unit 203

GENERAL PROPERTY ISSUES and HIGHLIGHTS

Unit turnovers have been a challenge with our maintenance staff being out on temp disability but he returned at the end of July, we have kept up turning the units and getting them re-rented using temp staff that we identified and using our cleaners we had hired originally from 1200 Park Ave., it has saved the site money to use the cleaners in house than to sub that out to vendors.

BALANCE SHEET - GRIDLEY SPRINGS I

June 30, 2018

Assets

Current Assets

Petty Cash	\$ 250	
Operating Account	78,417	
Cash - Management Other	13,252	
Cash - Tax & Insurance Reserve	4,758	
Cash - Security Deposits	12,376	
USDA Reserve	62,774	
Operating Reserve	85,000	
Operating Deficit Reserve	121,114	
Reserve	14,525	
Cash - Owner's Reserve	20	
Reserve Escrow-Bonneville	1,623	
Reserve Escrow-Lewiston Bank	260,251	
Rents Receivable - Current Tenants	(590)	
Other Receivables	440	
Other Tenant Charges Receivable	50	
Rental Assistance Receivable	9,340	
Prepaid Insurance	3,681	
Prepaid Expenses - Other	1,000	
Total Current Assets		\$ 668,280

Long Term Assets

Land	\$ 149,957	
Land Improvements	165,810	
Building	3,137,787	
Accumulated Depreciation - Building	(637,552)	
Furniture and Equipment	373,940	
Asset	20,129	
Refundable Deposits	200	
Accumulation Amortization - Org Costs	(5,367)	
Loan Fee	66,675	
Accumulated Amortization - Loan Fee	(4,446)	
Total Long Term Assets		\$ 3,267,133

Total Assets	\$ 3,935,413
---------------------	---------------------

Liabilities and Equity

Current Liabilities

Accounts Payable - Trade	\$ 4,552
Accrued Insurance	3,043
Accrued Property Taxes	595

BALANCE SHEET - GRIDLEY SPRINGS I

June 30, 2018

Accrued Interest	\$ 1,347	
Accrued Mortgage Insurance	174,200	
Accrued Interest	1,468	
Accrued Rptng/PTR Management Fee	2,732	
Other Accrued Expenses	(240)	
Security Deposits Held	11,490	
Total Current Liabilities		\$ 199,187

Long Term Liabilities

Accrued Managing GP Fee	\$ 3,200	
Mortgage Note Payable - Bonneville	339,449	
2nd Mortgage Payable - USDA	1,065,020	
Loan Payable - City of Gridley	2,080,000	
Developer Fee Payable	106,010	
Total Long Term Liabilities		\$ 3,593,679
Total Liabilities		\$ 3,792,866

Equity

PARTNERS EQUITY	\$ (5,419)	
Partner's Equity (CF Distributions)	383	
Partner's Equity	926,184	
Partner's Equity	(20,000)	
AGP Cash Flow Distributions	80,159	
MGP Cash Flow Distributions	(80,159)	
Retained Earnings - Prior Year	(812,976)	
Undistributed Income (Loss)	60,543	
Net Income	(6,168)	
Total Equity		\$ 142,547
Total Liabilities & Equity		\$ 3,935,414

STATEMENT OF INCOME AND CASH FLOW - GRIDLEY SPRINGS I

For the Month Ended June 30, 2018

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance	YTD Per Unit
Rental Income							
Gross Rents	\$ 23,856	\$ 22,969	\$ 887	\$ 141,536	\$ 137,813	\$ 3,723	\$ 0
Overages Collected	290	0	290	1,790	0	1,790	0
Vacancies	(1,604)	(289)	(1,315)	(18,815)	(1,733)	(17,082)	0
Manager's Unit Vacancy	0	0	0	(708)	0	(708)	0
Collected Tenant Rents	\$ 22,542	\$ 22,680	\$ (138)	\$ 123,803	\$ 136,080	\$ (12,277)	\$ 0
Other Project Income:							
Laundry Income	\$ 0	\$ 207	\$ (207)	\$ 962	\$ 1,242	\$ (280)	\$ 0
Interest Income	0	17	(17)	85	103	(18)	0
Late Charges	30	0	30	130	0	130	0
Other Tenant Income	853	5	848	3,468	28	3,440	0
Other Project Income	\$ 883	\$ 229	\$ 654	\$ 4,645	\$ 1,373	\$ 3,272	\$ 0
Total Project Income	\$ 23,425	\$ 22,909	\$ 516	\$ 128,448	\$ 137,453	\$ (9,005)	\$ 0
Project Expenses (From Page 2):							
Repairs & Maintenance	\$ 3,755	\$ 3,389	\$ 366	\$ 19,840	\$ 20,333	\$ (493)	\$ 0
Utilities	(5,010)	2,584	(7,594)	11,505	15,507	(4,002)	0
Administrative	3,666	4,026	(360)	38,219	24,155	14,064	0
Taxes & Insurance	890	1,114	(224)	6,132	6,682	(550)	0
Other Taxes & Insurance	563	1,572	(1,009)	5,096	9,434	(4,338)	0
USDA - RD Overages	290	0	290	1,790	0	1,790	0
Other Project Expenses	217	538	(321)	3,886	3,225	661	0
Total Operating & Maint. Expenses	\$ 4,371	\$ 13,223	\$ (8,852)	\$ 86,468	\$ 79,336	\$ 7,132	\$ 0
Net Operating Income (Loss)	\$ 19,054	\$ 9,686	\$ 9,368	\$ 41,980	\$ 58,117	\$ (16,137)	\$ 0
Other Income, Expense and Cash Flow Items:							
Monthly Required Transfers to Reserves	\$ 3,236	\$ 1,698	\$ 1,538	\$ 16,021	\$ 10,189	\$ 5,832	\$ 0
Debt Service Payment	\$ 3,959	\$ 5,274	\$ (1,315)	\$ 23,756	\$ 31,644	\$ (7,888)	\$ 0
Return to Owner	\$ 0	\$ 2,700	\$ (2,700)	\$ 0	\$ 16,200	\$ (16,200)	\$ 0
Incentive Performance Fee	0	0	0	0	0	0	0
Total Other income, Expense and CF Items:	\$ 7,195	\$ 9,672	\$ (2,477)	\$ 39,777	\$ 58,033	\$ (18,256)	\$ 0
Total Net Project Inflow (Outflow):	\$ 11,859	\$ 14	\$ 11,845	\$ 2,203	\$ 84	\$ 2,119	\$ 0
Authorized Reserve Withdrawals	\$ 17,024	\$ 2,458	\$ 14,566	\$ 20,313	\$ 14,747	\$ 5,566	\$ 0
RTO Given to AP This Year:	0	0	0	0	0	0	0
Transfer - Excess Ops. Cash	0	0	0	0	0	0	0

Date/Time sue
8/9/2018 11:08:02 AM

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Housing Authority of the County of Butte
BCAHDC-CORDILLERA BALANCE SHEET
June, 2018
Cumulative

ASSETS

Current Assets

Cash - Unrestricted	378,985.67
Cash - Other restricted	0.00
Cash - Tenant Security Deposits	8,999.50
Accounts Receivable - Misc	0.00
Accounts Receivable - Tenants	7,892.71
Accrued Interest Receivable	0.00
Investments - Unrestricted	0.00
Investments - Restricted	0.00
Interprogram Due from General Fund	0.00
Total Current Assets	395,877.88

Fixed Assets

Land	188,298.92
Buildings	581,960.58
Furniture Equipment & Machinery	10,722.00
Accumulated Depreciation	-431,577.95
Capital Fund Expenditures to Date	0.00
Total Fixed Assets	349,403.55

Other Assets

Prepaid Expenses and Other Assets	4,975.00
Total Other Assets	4,975.00

TOTAL ASSETS

750,256.43

LIABILITIES

Current Liabilities

Accounts payable < 90 days	0.00
Accrued Interest Payable	195.84
Tenant Security Deposits	9,999.50
Accrued Liabilities - Other	0.00
Prepaid Rent	1,681.55
Interprogram Due To General Fund	0.00
Total Current Liabilities	11,876.89

Long-Term Liabilities

Long-Term Debt Net of Current	26,112.14
Total Long-Term Liabilities	26,112.14

TOTAL LIABILITIES

37,989.03

EQUITY

Restricted Net Position	0.00
Unrestricted Net Position	682,949.70
Change in Net Position	29,317.70
TOTAL EQUITY	712,267.40

TOTAL LIABILITIES AND EQUITY

750,256.43

CORDILLERA INCOME STATEMENT

June 30, 2018

**YTD %
75.00**

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
Gross Potential Rent	14,125	13,965	160	125,865	167,575	-41,710	75.11
Manager's Unit - moved to expense	0	0	0	0	0	0	0.00
Vacancy Loss	55	-368	423	-2,687	-4,410	1,723	60.94
Rebates	0	0	0	0	0	0	0.00
Net Dwelling Rent	14,180	13,597	583	123,178	163,165	-39,987	75.49
Tenant Charges	150	129	21	1,977	1,550	427	127.57
Laundry Revenue	0	150	-150	1,178	1,800	-622	65.46
Other Income	0	0	0	0	0	0	0.00
Investment Income	24	18	7	212	212	0	100.04
TOTAL REVENUES	14,354	13,894	460	126,545	166,727	-40,182	75.90
Resident Manager Expense	1,102	1,161	-59	10,434	13,930	-3,496	74.90
Advertising	0	33	-33	0	400	-400	0.00
Audit	0	38	-38	0	450	-450	0.00
Bad Debts	0	140	-140	0	1,680	-1,680	0.00
Credit and Collection Expense	30	38	-8	135	450	-315	30.00
Legal Expense	0	100	-100	0	1,200	-1,200	0.00
Management Fees (RSC)	671	649	21	5,745	7,792	-2,047	73.73
Management Fees (HACB)	600	600	0	5,400	7,200	-1,800	75.00
Consulting Fees	0	0	0	0	0	0	0.00
Office Supplies	46	77	-32	539	924	-385	58.35
Other Admin. Expense	12	8	4	2,068	100	1,968	2,068.34
Property Taxes	0	113	-113	1,295	1,358	-63	95.35
Resident Activities	0	33	-33	0	400	-400	0.00
Telephone	133	132	1	1,193	1,584	-391	75.34
Total Admin Costs	2,593	3,122	-529	26,809	37,468	-10,659	71.55
Electricity	0	179	-179	1,274	2,153	-879	59.16
Gas	0	429	-429	2,648	5,146	-2,498	51.46
Water	494	700	-206	4,049	8,400	-4,351	48.20
Sewer	460	477	-18	3,677	5,727	-2,050	64.20
Total Utilities-Project	954	1,786	-832	11,647	21,426	-9,779	54.36
Unit Turnover Maintenance	1,377	1,442	-65	13,659	17,300	-3,641	78.95
Grounds Maintenance	525	707	-182	5,303	8,480	-3,177	62.53
Routine Maintenance Contracts	2,928	1,595	1,333	16,529	19,140	-2,611	86.36
Capital Improv/Replacements	0	4,294	-4,294	2,513	51,531	-49,018	4.88
Trash-Project	566	456	110	3,758	5,472	-1,714	68.68
Total Maintenance Costs	5,396	8,494	-3,097	41,762	101,923	-60,162	40.97
Interest Expense	22	22	0	196	261	-65	75.03
Insurance-Liab/Auto/Prop	498	515	-18	4,173	6,180	-2,007	67.52
Total Other Expenses	519	537	-17	4,369	6,441	-2,072	67.83
TOTAL EXPENSES	9,462	13,938	-4,476	84,587	167,258	-82,671	50.57
RETAINED EARNINGS	4,892	-44	4,936	41,959	-531	42,490	-7,901.83
- Principal Payments	0	-188	188	0	-2,258	2,258	0.00
- Capital Improvements-Assets	0	0	0	0	0	0	0.00
+ Reserves Usage	0	-232	232	0	-2,789	2,789	0.00
NET CASH FLOW	4,892	0	4,892	41,959	0	41,959	0.00
Depreciation & Amortization	1,405	1,405	0	12,641	16,860	-4,219	74.98

August 8, 2018

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 July 31, 2018. 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 July with no vacant units as there were no new move-outs or move-ins.

The total rental income for the month of July came to \$11,876.80 which was lower than budget by \$1,268.20. This variance was mainly due to higher unpaid rents and the use of prepaid rent. Total service income for the month came in higher than budget at a total \$349.12. This brought the total July income to \$12,225.92 and \$1,070.08 lower than budget for the reasons stated above.

Moving on to the monthly expenses, you will see that the renting expenses came to \$47.53 and less than budget by \$29.47. Total administrative expenses for the month were lower than budgeted at \$1,756.22. Total utility expenses came to \$2,067.02 which was lower than budget by \$483.98. The apartment turnover expenses for the month came in lower than anticipated at a total

Mr. Ed Mayer, Executive Director
Chico, California

August 8, 2018
Page 2

of \$2,111.30. The maintenance expenses totaled \$747.33 which was lower than budget by \$1,872.67. This brought the net operating income to \$5,496.52, higher than budget by \$1,892.52.

The capital improvements for the month of July consisted of the down payment for the work on the porches in the amount of \$3,100.00. The budgeted financial expense of the capital replacement reserve reimbursement of \$12,000.00 was not received. So, this brought the net project cash flow to \$2,396.52 which was below budget by \$8,307.48.

As you review the Cash Balance Summary on the Cash Flow Statement for July, you will see that the property ended the month with total cash on hand of \$24,523.48. Of that amount, \$3,000.00 is in the general checking account, \$21,513.17 in the general savings account and \$10.31 in the replacement reserve account.

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
2017 - 2018 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	11906	12640	13899	12945	12516	11735	13266	13415	12226			127,122
VARIANCE	-324	-1548	-1344	848	-1493	-691	-693	-699	108	-759			-6,594

	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	-1377	28	0	0	0	-660	-732	55	0			-2,687
VARIANCE	0	-1377	28	0	0	0	-660	-732	55	0			-2,687

	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	-840	-2043	1030	-665	-910	-860	-433	-406	-956			-6,995
VARIANCE	-636	-290	-1948	518	-1885	-892	-105	-1038	-323	-651			-7,252

	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	8499	10532	8417	6199	4874	12195	9040	6518	6729			77,729
VARIANCE	-2224	2420	2675	1594	-725	-2006	386	3279	1953	44			7,396

	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	3408	2108	5482	6746	7643	-460	4226	6897	5497			49,393
VARIANCE	1901	-3968	-4019	-745	-768	1315	-1079	-3977	-1846	-803			-13,990







From: James Coles
To: [Larry Guanzon](#)
Cc: [Marysol Perez](#); [Marie Demers](#)
Subject: Re: FW: FW: Walker Commons 2018 HOME Monitoring Compliance
Date: Wednesday, June 6, 2018 6:19:54 PM

Larry,

You can use this email as your clearance letter for your files.

On behalf of the City of Chico, we have received your Property Owner Certification of Compliance with 24 CFR 92.504(d)(1)(ii)(C) for the City of Chico HOME Loan to Walker Commons, dated 3/15/18. Your 2018 City of Chico HOME Monitoring is complete.

On Wed, Jun 6, 2018 at 2:21 PM, Larry Guanzon <LarryG@butte-housing.com> wrote:

Hi James

Can we get a clearance letter for our files?

Larry

June 6, 2018

Jennifer McDonell
Regional Manager
AWI Management Corporation
120 Center Street
Auburn, CA 95603

RE: HOME Monitoring for 1200 Park Avenue Apartments
2018 Monitoring Clearance Letter

Dear Ms. McDonell,

Thank you for your response to the Long-Term Monitoring conducted on April 18, 2018. Based upon your comments, submittals, and follow up inspection, we are clearing the findings noted in the Summary Report Letter sent on May 10, 2018.

As of the date of this letter, the City of Chico is satisfied that appropriate corrective actions were taken to comply with federal HOME requirements.

Your responses to the findings are addressed as follows:

Findings

Finding #1:

Finding: An Insurance Certificate needs to name the City of Chico as Additionally Insured.

Clearance: The property management company, AWI Management Company, provided a copy of the Insurance Certificate naming the City of Chico as additionally insured.

Finding #2

Finding: HOME regulations require that the Tenant Lease Agreement is for a term of 12 months, with subsequent renewals of at least 30 days (month-to-month). If the Tenant Lease Agreement term is not 12 months, it must be agreed to by the owner and tenant at the tenant's election.

Clearance: The tenant lease agreement was updated with an Addendum with an option of 6 months, if signed by all tenants 18+ years of age. The Lease Agreement, by default, is for 12 months. AWI submitted a copy of the new Addendum, titled "HOME/Other State or Federal Program Leases Addendum less than 12 months lease election".

Finding #3:

Finding: The Annual 90-120 Day Notice of Income Recertification and Annual Unit Inspection Letter were missing from tenant files for Units #135 and #234.

Clearance: AWI submitted a copy of Notice of Income Certification for Unit #234. Upon AWI's start of management at 1200 Park Avenue, AWI Staff began to work on re-certifications; prioritizing based on upon expiration dates. The notice was served late on 2/14/18 for the 4/1/18 recertification date. All certifications are now caught up, with notices served in a timely manner.

Unit #135 is a new move-in unit, with the initial occupancy date of 3/27/18. It is scheduled to have a Recertification Notice in October 2018 for a March 1, 2019 recertification effective date. Annual Inspection is scheduled to coincide with anniversary of move-in.

Finding #4:

Finding: The Annual 90-120 Day Notice of Income Recertification for Unit #249 was dated 7/17/17 for an 8/1/17 income certification. The notice was not 90 days before recertification. Only one Annual Unit Inspection Notice was found, but it was dated 2010.

Clearance: 1200 Park Avenue Apartments is under new management effective early January 2018. AWI could not find some of the Annual Inspection Reports, Notice of Income Certifications, and Notice of Annual Inspections. In addition, some of the past notices of re-certifications were less than 90 days before re-certifications. AWI will rectify this for 2018/19 Year re-certification notices.

Finding #5:

Finding: On the Tenant Income Certification Forms, please make sure that HOME is checked as a funding source in the tenant files for Units #135, #234, #249.

Clearance: AWI checked HOME in Tenant Income Certification (TIC) Forms for Units #135, #234, #249 and copies of the TIC were submitted.

Finding #6:

Finding: Please use the correct Utility Allowance (UA) Schedule. On Tenant Income Certification for Unit #249, \$51 was used. The Project Compliance Report and UA Schedule shows \$56.

Clearance: \$51 was the UA amount in place at the time the 8/1/17 recertification for unit 249 was completed. AWI submitted an updated UA reflecting the \$56 shown in the Project Compliance Report.

Finding #7:

Finding: We were not able to review a Monthly Property Report to Owner.

Clearance: Current financial reports, for the month ending April 2018, were sent to the owner to fulfill the requirement of a Monthly Property Report to Owner. Copies of the current financial reports submitted by AWI include a Balance Sheet, Statement of Income & Cash Flow, and Comparative Income Statement.

Finding #8:

Finding: In reviewing the Affirmative Marketing Analysis Plan, we have found that the percentage of Hispanic/Latino tenants is considerably below area census numbers.

Clearance: AWI submitted a copy of an outreach letter dated 4/4/18 to the Hispanic Resource Council of Northern California. AWI also provided a copy of their Spanish marketing flyer that will be sent to local Spanish advertising sources and various agencies affiliated with the Spanish population, on at least an annual basis.

Concerns**Concern #1:**

Concern: The patios on the east side, Park Avenue frontage, of the building are showing staining from water runoff where there is a weep hole at the edge of the patio floor. The patio just south of the main entrance shows signs of water intrusion below the patio around the community room window.

Clearance: Per AWI, the water intrusion noted to the south of the main entrance (above community room window) was found to be caused by a leaking water heater valve. The valve has been replaced. The weep hole has been inspected, cleaned and repaired as needed with new flashing and a stucco patch. AWI submitted a copy of the completed work order. In addition, AWI will be contacting local stucco contractors to inspect all weep holes for water staining and provide recommendations/ costs for required upkeep and preventative maintenance.

Concern #2:

Concern: A portion of the carpet near Unit #225 is folding up and is a tripping hazard.

Clearance: Per AWI, the carpet repair in the second floor hallway is pending. The first flooring contractor that inspected the area was unable to perform the repair because of the glue down style of carpeting. AWI has been advised it is not a simple process to separate the carpet from the glue and concrete without tearing the material. In addition, the carpet may not re attach securely. AWI has contacted two other vendors that are scheduled to inspect for recommendations of repair. Once the carpet repair is complete, AWI will send proof of completion.

Attached is the updated HOME Annual Monitoring Report Questionnaire. If you should need further information or technical assistance, please contact me at 513-3116 or jcoles@housing-tools.com.

Sincerely,



James Coles
City of Chico Representative

cc: Marie Demers, City of Chico Housing Manager
Encl. HOME Monitoring Report Questionnaire – Updated

MEMO

Date: August 10, 2018

To: BCAHDC Board of Directors

From: Ed Mayer, Executive Director

Subject: Sunrise Village Senior Apartments, Gridley
Status

An application for Low-Income Housing Tax Credits was submitted to CTCAC in the July funding round, such funding pre-requisite to advancing this development. The State has not made formal awards, but it is anticipated that the project will not score sufficiently in this round to secure the credits. This is more typical than atypical, in that it often takes two or three application rounds before a project has been perfected enough to score sufficiently for credit award.

Project developer, Pacific West Communities (PWC), is comfortable with the project's current status, and looks forward to tax-credit application re-submittal in CTCAC's first funding round in 2019. If awarded credits at that time, it would be anticipated that the project would be placed in service sometime in 2020.

The project site has been purchased, and PWC is a strong partner, one of the largest tax-credit developers in the state.

The project received an allocation of Section 8 Vouchers from the Housing Authority, such that all units at the property can be occupied by seniors without regard to income.

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION

RESOLUTION NO. 18-4C

APPROVAL OF THE BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT
CORPORATION OPERATING BUDGET FOR F/Y 2019

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

WHEREAS, the Board of Directors of BCAHDC has reviewed the BCAHDC General Fund budget as proposed and found the budget to be in the best interest of the BCAHDC;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation to hereby approve and adopt the Butte County Affordable Housing Development Corporation General Fund Budget for fiscal year 2019, extending from October 1, 2018 through September 30, 2019, such Operating Budget attached to and made a part of this Resolution No. 18-4C.

Dated: August 16, 2018.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

BCAHDC - GENERAL FUND
PROPOSED OPERATING BUDGET
October 1, 2018 to September 30, 2019

	2019 Proposed Budget	2018 Approved Budget	2018 Estimated to FYE	2017 Audited Actuals	Variance 2018 Actual 2019 Budget	Notes
REVENUE						
Investment Income	1,500	1,732	1,500	14,303	0.0%	<i>Interest / LP Gains / 2017: CVVP Loan donations / 2017: CVVP Loan fee</i>
Misc. Income	100	480	82	6,974	22.0%	
Partnership Fees*	38,210	37,992	74,929	58,488	-49.0%	<i>2017 & 2018: rec'd additional 1200 Park Ave partnership fees from excess cash flow</i>
TOTAL REVENUE	39,810	40,204	76,511	79,766	-48.0%	
EXPENSES						
Audit & Accounting Fees	3,100	3,000	3,100	3,015	0.0%	<i>Budgeted to HACB contract maximum placeholder</i>
Corporate Services	18,500	18,500	12,000	10,784	54.2%	
Consulting Fees	5,000	5,000	0	0	0.0%	
Legal Expenses	3,000	3,000	0	2,450	0.0%	<i>placeholder</i>
Misc. Admin. Expenses	1,000	1,000	0	35	0.0%	<i>Misc.</i>
Outside Management Fees**	40,700	40,700	40,700	82,225	0.0%	<i>2017: Accrued fees for both 2017 and 2016</i>
Partnership Losses	500	500	0	78	0.0%	<i>Estimated LP losses</i>
Taxes and Fees	80	80	70	60	14.3%	<i>CA filing fees</i>
TOTAL EXPENSES	71,880	71,780	55,870	98,648	28.7%	
NET INCOME	-32,070	-31,576	20,641	-18,882	-255.4%	
LP Distributions	<u>20,000</u>		<u>20,925</u>	<u>95,788</u>		
Net Cash Flow	<u>-12,070</u>		<u>41,566</u>	<u>76,906</u>		

* Partnership Fees:

1200 Park Ave LP \$7,510; Walker Commons \$7,500; Gridley Springs I \$3,200; Harvest Pk \$20,000

1200 Park Avenue fees from excess cash flow vary from year to year

** Outside Management Fees:

1200 Park Ave LP \$10,000; Walker Commons \$7,500; Gridley Springs I \$3,200; Harvest Pk \$20,000

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION
PROPOSED OPERATING BUDGET
CORDILLERA APTS
October 1, 2018 to September 30, 2019

	2019 Proposed Budget	2018 Approved Budget	2018 Estimated To FYE	2017 Audited Actuals	Variance 2018 Actual 2019 Budget	Notes
REVENUE						
Gross Potential Rent	172,230	167,575	167,820	164,860	2.6%	rent increases
Resident Mgr's Apt	0	0	0	0	0.0%	moved to Res. Mgr. Expense
Vacancy Loss	-4,410	-4,410	-3,583	0	23.1%	
Net Rental Income	167,820	163,165	164,237	164,860	2.2%	
Tenant Charges	1,550	1,550	2,636	2,583	-41.2%	
Laundry Income	1,800	1,800	1,571	2,074	14.6%	
Other Income	0	0	0	0	0.0%	
Investment Income	312	212	200	167	0.0%	includes \$200 interest on Reserves
TOTAL REVENUES	171,482	166,727	168,644	169,685	1.7%	
EXPENSES						
Resident Manager's Expense	14,280	13,930	13,911	12,999	2.6%	Includes Res. Mgr. Free Rent
Advertising	400	400	0	0	0.0%	
Audit	450	450	450	152	0.0%	
Bad Debts	1,680	1,680	1,500	132	0.0%	
Credit Reports	450	450	180	30	150.0%	
Legal Expense	1,400	1,200	0	0	0.0%	
Management Fee (RSC)	8,030	7,792	7,660	8,023	4.8%	
Management Fee (HACB)	7,200	7,200	7,200	7,200	0.0%	
Consulting Fees	0	0	0	0	0.0%	
Office Supplies	924	924	719	866	28.5%	
Misc. Admin. Expense	250	100	2,758	314	-90.9%	
Property Taxes	1,800	1,358	1,726	679	4.3%	Estimated over income units
Resident Activities	400	400	200	0	0.0%	
Telephone & Internet	1,584	1,584	1,591	1,553	-0.5%	
TOTAL ADMINISTRATIVE	38,848	37,468	37,895	31,947	2.5%	
Electricity	2,580	2,153	1,698	2,644	51.9%	
Gas	4,521	5,146	3,531	4,350	28.0%	
Sewer	5,727	5,727	5,398	5,593	6.1%	
Water	8,400	8,400	4,902	5,515	71.3%	
TOTAL UTILITIES	21,228	21,426	15,530	18,103	36.7%	
Unit Turnover Maintenance	17,300	17,300	18,212	3,209	-5.0%	
Landscape Maintenance	8,480	8,480	7,070	8,780	19.9%	
Routine Maintenance Contracts	17,740	19,140	22,039	21,313	-19.5%	
Capital Improvements-Expensed	17,100	51,531	53,351	3,800	-67.9%	2018 budgeted asphalt & patio
Trash Removal	5,472	5,472	5,011	7,368	9.2%	
TOTAL MAINTENANCE	66,092	101,923	105,682	44,470	-37.5%	
Interest Expense, City Of Chico	239	261	261	283	-8.5%	
Property And Liability Insurance	6,269	6,180	5,673	5,322	10.5%	
TOTAL OTHER EXPENSES	6,508	6,441	5,934	5,605	9.7%	
TOTAL EXPENSES	132,676	167,258	165,041	100,124	-19.6%	
NET INCOME (w/o depreciation)	38,807	-531	3,603	69,560	977.0%	
- Debt Principal Payments	-2,280	-2,258	-2,258	-2,258	1.0%	
+ Reserves Usage	0	2,789	0	0	0.0%	
- Capital Improvements-Capitalized	0	0	0	0	0.0%	
NET CASH FLOW	36,527	0	1,345	67,303	2615.1%	

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

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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

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266 17th Street, Suite 200
Oakland, California 94612-4124

Telephone: (510) 452-5051
Fax: (510) 452-3432
Email: sharshwal@patelcpa.com

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, 2017 and December 31, 2016, 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.

Auditors' 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, 2017 and December 31, 2016, 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

Patel & Associates, LLP

Oakland, California
June 25, 2018

WALKER COMMONS, L.P.
(A California Limited Partnership)
BALANCE SHEETS
DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets:		
Cash	\$ 150,402	\$ 215,023
Reserved cash (Note 5)	318,344	307,117
Prepaid expenses	4,164	3,925
Accounts receivable	<u>(4,058)</u>	<u>3,098</u>
Total current assets	<u>468,852</u>	<u>529,163</u>
Property and equipment- net (Note 2)	1,789,423	1,862,148
Other assets - net (Note 3)	<u>4,736</u>	<u>5,266</u>
Total assets	<u><u>2,263,011</u></u>	<u><u>2,396,577</u></u>
 LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	3,196	4,806
Tenant security deposits	23,130	24,717
Accrued interest payable - current (Note 4)	15,000	15,000
Accrued liabilities	7,500	9,431
Unclaimed Property	<u>1,024</u>	<u>-</u>
Unearned rent	<u>-</u>	<u>4,381</u>
Total current liabilities	49,850	58,335
Long term debt (Note 4)	<u>534,982</u>	<u>586,382</u>
Total liabilities	584,832	644,717
Partners' capital	<u>1,678,179</u>	<u>1,751,860</u>
Total liabilities and partners' capital	<u><u>\$ 2,263,011</u></u>	<u><u>\$ 2,396,577</u></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, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Revenue:		
Rental income	\$ 385,828	\$ 386,477
Miscellaneous other income	3,936	1,952
Interest income	<u>148</u>	<u>224</u>
Total revenue	<u>389,912</u>	<u>388,653</u>
Expenses:		
Administration	47,767	27,317
Tenant service	5,048	4,350
Utilities	34,442	28,964
Maintenance	73,927	55,887
Management	26,208	23,823
Franchise tax	800	800
Insurance	20,525	11,606
General expenses	11,462	4,361
Bad Debts	4,754	-
Interest	14,938	15,000
Partnership fee	7,500	7,500
Amortization	530	530
Depreciation	<u>72,725</u>	<u>72,726</u>
Total expenses	<u>320,626</u>	<u>252,864</u>
Net income	<u>\$ 69,286</u>	<u>\$ 135,789</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, 2017 AND 2016

	<u>BCAHDC</u>	<u>Housing Authority of the County of Butte</u>	<u>Total</u>
Balance, January 1, 2016	\$ 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	200,150	1,551,710	1,751,860
Net income	693	68,593	69,286
Distributions	<u>(95,788)</u>	<u>(47,179)</u>	<u>(142,967)</u>
Balance, December 31, 2017	<u><u>\$ 105,055</u></u>	<u><u>\$ 1,573,124</u></u>	<u><u>\$ 1,678,179</u></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, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Net income	\$ 69,286	\$ 135,789
Adjustment to reconcile increase in net income to net cash provided by operating activities:		
Depreciation and amortization	73,255	73,256
(Increase) in prepaid expenses	(239)	(1,900)
Decrease in reserved cash	(11,227)	(10,680)
Decrease/(Increase) in accounts receivable	7,156	(2,890)
(Decrease) in accounts payable	(1,610)	(17,480)
(Decrease)/Increase in unearned rent	(4,381)	2,445
Increase/(decrease) in other liabilities	<u>(53,894)</u>	<u>1,411</u>
Net cash provided by operating activities	<u>78,346</u>	<u>179,951</u>
Cash flows from financing activities:		
Acquisition of capital assets		(3,540)
Net cash used in financing activities	<u> </u>	<u>(3,540)</u>
Cash flows from investing activities:		
Distribution	<u>(142,967)</u>	<u>(50,192)</u>
Net cash used in investing activities	<u>(142,967)</u>	<u>(50,192)</u>
Net increase in cash	(64,621)	126,219
Cash, beginning of year	<u>215,023</u>	<u>88,804</u>
Cash, ending of year	<u>\$ 150,402</u>	<u>\$ 215,023</u>
Supplemental disclosures:		
Interest paid	\$ <u>14,938</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, 2017 AND 2016

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 First Foundation Bank. The account earned interest that is not considered restricted therefore it was not added to the restricted cash balance. As of December 31, 2017 and 2016, the reserved cash balance was \$318,344 and \$307,117 respectively.

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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, 2017 and December 31, 2016 was \$72,725 and \$72,726 respectively.

Property and equipment consist of the following:

	<u>2017</u>	<u>2016</u>
Land	\$ 600,000	\$ 600,000
Building	2,810,928	2,810,927
Grant, reduction cost	(700,000)	(700,000)
Furnishings	9,203	9,203
Appliances	65,841	65,842
Land & Building improvements	<u>600,523</u>	<u>600,523</u>
Total	\$ 3,386,495	\$ 3,386,495
Accumulated depreciation	<u>(1,597,072)</u>	<u>(1,524,347)</u>
Net property and equipment	<u>\$ 1,789,423</u>	<u>\$ 1,862,148</u>

NOTE 3: OTHER ASSETS

Other assets consist of the following:

	<u>2017</u>	<u>2016</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>(116,368)</u>	<u>(115,838)</u>
Net other assets	<u>\$ 4,736</u>	<u>\$ 5,266</u>

Straight line amortization is used on all of the above assets. Amortization for the years ended December 31, 2017 and December 31, 2016 was \$530 and \$530 respectively.

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 4: LONG-TERM DEBT

Long-term debt at December 31, 2017 and 2016 consists of the following:

	<u>2017</u>	<u>2016</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 \$14,938 of interest during fiscal year 2017. As of December 31, 2017 accrued interest on the Note was \$49,982, of which \$15,000 is current. The note is due on May 8, 2051.	\$ <u>34,982</u>	\$ <u>86,382</u>
	<u>\$ 534,982</u>	<u>\$ 586,382</u>

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

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

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 5: RESERVED CASH

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

	<u>2017</u>	<u>2016</u>
Replacement reserve	\$ 293,602	\$ 282,400
Security deposits reserve	<u>24,742</u>	<u>24,717</u>
	<u>\$ 318,344</u>	<u>\$ 307,117</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>2017</u>		<u>2016</u>	
	<u>Paid</u>	<u>Unpaid</u>	<u>Paid</u>	<u>Unpaid</u>
Partnership fee	\$ 7,500	\$ 7,500	\$ -	\$ -

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

	<u>2017</u>		<u>2016</u>	
	<u>Paid</u>	<u>Unpaid</u>	<u>Paid</u>	<u>Unpaid</u>
Management fee	\$ -	\$ -	\$ 1,610	\$ 0

WALKER COMMONS, L.P.
(A California Limited Partnership)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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, 2017 through June 25, 2018, 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, 2017

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, 2017

There were no findings reported in the prior year.

August 10, 2018

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.

This policy has been discussed twice previously with the Board. To date, the Board has expressed caution in adopting such policy. However, staff now recommends moving forward with adoption of a no-smoking policy for the property. AWI has demonstrated its no-smoking policy implementation practices in management of the 1200 Park Avenue property, which serves a low-income senior population. Their approach has been incremental and sensitive.

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.