

## **MEMORANDUM**

To: Members of the Housing Commission  
From: Mary Cele Smith, Housing Planner (msmith@cityhpil.com) and  
Lee Smith, Senior Planner (lsmith@cityhpil.com)  
Date: April 28, 2011  
RE: HOUSING COMMISSION PACKET FOR 5-4-2011 MEETING

**Note: Dinner will be served at 6:00 p.m.  
The packet contains the following documents:**

### **Part A. Priority Items**

- Regular Meeting Agenda
- **Agenda Item III. (Action Needed) Approval of Minutes**
  - Meeting Minutes for April 6, 2011 Meeting
- **Agenda Item IV. Scheduled Business**
  - **1. (Action Needed) Items for Omnibus Vote Consideration**
    - Ratification of payments:
      - Mason, Wenk & Berman L.L.C. for closing on Sunset Woods #321 for \$800.00
      - Mason, Wenk & Berman L.L.C. for Invoice #33735 for telephone consult on Peers documents for \$75.00
      - Raynor Door Company for garage door opener for Sunset Woods #319 for \$41.77
  - **2. (Action Needed and Discussion) Housing Commission Peers, Walnut Place, Ravinia, and Sunset Woods. Supporting Materials:**
    - Memo from Staff April 28, 2011 regarding Walnut Place Capital Planning and Financial Reserves
    - Memo from Staff April 28, 2011: Recommendation from Buildings and Grounds/Capital Planning Working Group regarding HUD M2M Refinancing Proposal
    - M2M Underwriting Model for Ravinia Housing from Signet Partners
    - April 2011 Management Report with March 2011 Financials for Peers, Ravinia, and Walnut Housing Associations
    - Summary Spreadsheet: Highland Park Housing Reserve Balances 3/31/2011
    - Housing Trust Fund Fiscal Year 2011 January 1 –December 31 Unaudited
    - National Housing Compliance April 18, 2011 Letter with Management Review for Multifamily Housing Projects for Ravinia Housing

### **Part B. Detailed and Optional Material**

- Financial Reports for Peers, Ravinia, and Walnut Housing Associations and for Sunset Woods Housing Association for the month ending March 31, 2011
- 2007 HPICLT/CPAH Scattered Site Grant – Grant Allocations
- ComEd payments for Sunset Woods Unit #231 and #319

c:  
▪ David Limardi, City Manager  
▪ Michael Blue, Director of Community Development  
▪ Linda Sloan, Planning Division Manager  
▪ Peter Friedman, Corporation Counsel

## **PUBLIC NOTICE**

In accordance with the Statutes of the State of Illinois, and the Ordinances of the City of Highland Park, the **Regular Meeting** of the City of Highland Park Housing Commission, the Peers Housing Association, Walnut Housing Association, Ravinia Housing Association and Sunset Woods Association will be held at the hour of **6:30 P.M. on Wednesday, May 4, 2011 at City Hall, 1707 St. Johns Avenue, Highland Park, Illinois.**

City of Highland Park  
Housing Commission  
**Wednesday, May 4, 2011, at 6:30 p.m.**  
**AGENDA**

**I. Call to order**

**II. Roll Call**

**III. Approval of Minutes – April 6, 2011 Meeting**

**IV. Scheduled Business**

1. Items for Omnibus Vote Consideration

- Ratification of payments:
- Mason, Wenk & Berman L.L.C. for closing on Sunset Woods #321 for \$800.00
- Mason, Wenk & Berman L.L.C. for Invoice #33735 for telephone consult on Peers documents for \$75.00
- Raynor Door Company for garage door opener for Sunset Woods #319 for \$41.77

2. Housing Commission Peers, Walnut, Ravinia, Sunset Woods

- Walnut Place 2010 Weatherization Grant and Capital Plan
- Consideration of U.S. Housing and Urban Development (HUD) Mark-to-Market Proposal for Refinancing Ravinia Housing
- Management Report
- Property Operations Report
- Sunset Woods
  - Report on sales/rental status of Sunset Woods Units 231 and 319

**V. Executive Session for Matters relating to Real Estate Acquisition and Litigation**

**VI. Other Business**

**VII. Adjournment**

Draft

**MINUTES OF A REGULAR MEETING OF THE  
HOUSING COMMISSION OF THE CITY OF HIGHLAND PARK, ILLINOIS**

**MEETING DATE:** Wednesday April 6, 2011

**MEETING LOCATION:** Pre-Session Room, City Hall, 1707 St. Johns Avenue,  
Highland Park, IL

**CALL TO ORDER**

At 6:35 p.m., Chairman David Wigodner called to order the regular meeting of the Highland Park Housing Commission, the Peers Housing Association, the Ravinia Housing Association, the Walnut Housing Association, and the Sunset Woods Association. Each of the Commissioners also serves as Directors of each of the Housing Associations. The Chairman asked Planner M. Smith to call the roll.

**ROLL CALL**

Commissioners Present: Glasner, Meek, Naftzger, Sharfman, and Wigodner

Commissioners Absent: Adler, Barber

Chairman Wigodner declared that a quorum was present.

Council Liaison Present: Lawrence Silberman

Staff Liaisons Present: Planner M. Smith and Planner L. Smith

Others Present: Robert Anthony, Executive Director, Community Partners  
for Affordable Housing

**APPROVAL OF MINUTES**

Regular Meeting of the Housing Commission –March 2, 2011

Commissioner Meek moved approval of minutes of the regular meeting of the Housing Commission, the Peers Housing Association, the Ravinia Housing Association, the Walnut Housing Association, and the Sunset Woods Association held on March 2, 2011. Commissioner Sharfman seconded the motion.

On a roll call vote:

Voting Yea: Glasner, Meek, Naftzger, Sharfman, and Wigodner

Voting Nay: None

The Chairman declared that the motion passed.

**SCHEDULED BUSINESS**

1. Items for Omnibus Vote Consideration

Ratification of payments:

1. ComEd for electric service for Sunset Woods #231 for \$14.63
2. ComEd for electric service for Sunset Woods #319 for \$11.51

The Commissioners unanimously consented to take a single vote by yeas and nays on a number of items grouped together for voting purposes under the designation "omnibus vote—approval of invoices."

Chairman Wigodner entertained a motion to ratify the two payments listed above. Commissioner Glasner moved approval of ratifying the two invoices paid to ComEd for electric service at Sunset Woods Units #231 and #319. Commissioner Meek seconded the motion.

On a voice vote, Chairman Wigodner declared that the motion passed unanimously.

2. Consideration of Community Partners for Affordable Housing Grant Request from Existing Scattered Site Grant for Rehabilitation Work at 1789 Richfield Avenue

Mr. Robert Anthony, Executive Director, Community Partners for Affordable Housing (CPAH), presented the grant request to use funds from the current scattered site grant for rehabilitation work at 1789 Richfield Avenue. This home was among the first that the Highland Park Illinois Community Land Trust acquired in 2004, and at that time, the organization did not have funds available for significant rehabilitation. CPAH recently re-acquired the house, and staff is requesting \$25,000 from the existing Affordable Housing Trust Fund scattered site grant for extensive renovation. The rehabilitation projects are described in the grant request letter in the packet. The home will be resold to a low-income household and remain affordable in perpetuity. CPAH still will acquire and rehabilitate a total of eleven new homes under the existing grant, a number far surpassing the minimum of five units that the grant agreement stipulated.

Chairman Wigodner entertained a motion to permit CPAH to use \$25,000 from the existing scattered site grant for rehabilitation projects at 1789 Richfield Avenue. Commissioner Sharfman moved approval of the motion to permit Community Partners for Affordable Housing to use \$25,000 from the existing scattered site grant from the Affordable Housing Trust Fund for rehabilitation work at 1789 Richfield Avenue. Commissioner Naftzger seconded the motion.

On a voice vote, Chairman Wigodner declared that the motion passed unanimously.

3. Report on Air Leakage Problems at 2005 Skyelar Court (The Pointe)

Chairman Wigodner summarized the situation of 2005 Skyelar Court, one of the inclusionary housing units at The Pointe development. The homeowners experience extremely cold conditions during the winter. The energy audit that CPAH provided recommended insulating shades. Last month, CPAH staff presented a request to the Housing Commission to consider providing a grant or loan to the homeowner for the insulating shades. Following the March Meeting, Chairman Wigodner visited the property with Mr. Anthony and discussed additional strategies for correcting the problem.

The Commissioners discussed the situation and concurred that the Commission should not pay to fix defects for an inclusionary housing unit in a private development. The Commissioners also agreed that it would be appropriate for the homeowner to receive a capital investment credit upon resale for permanently installed shades or other permanent fixtures that ameliorate the air infiltration problem. The Commissioners further observed that it would be useful to consider revisions to the inclusionary housing program to provide homebuyer protections such as insurance, escrows, or warranties for the affordable homebuyers in the future.

#### 4. Housing Commission Peers, Walnut, Ravinia, Sunset Woods Management Report

The Management Report was in the packet.

#### Property Operations Report

Commissioner Glasner presented the property operations report. There are a number of vacancies at Peers and Walnut Place at present. Evergreen staff anticipates that these will be filled quickly. The Commissioners also requested that City staff asks Housing Opportunity Development Corporation staff about the Sunset Woods budget line item reporting the sale of unit 321 as revenue for the Sunset Woods Association. City staff deposited the proceeds from the sale into the Peers Housing Association account to repay a portion of the loan that the Peers Association made to the Sunset Woods Association.

#### Consideration of Resolution to Authorize City staff to pay invoices up to \$40.00 for the four housing associations

Planner M. Smith summarized her conversation with Hart Passman of Holland & Knight regarding the Commission's March 2<sup>nd</sup> motion authorizing City staff to pay invoices up to \$40.00. Mr. Passman confirmed that the by-laws for the four housing associations permit this delegation and recommended that the Housing Commission adopt a resolution to authorize this.

Chairman Wigodner entertained a motion to adopt a resolution to permit City staff to pay invoices up to \$40.00 for the four Housing Associations and to direct staff to provide copies of the invoices and checks in the Housing Commission packet following payment. Commissioner Meek moved approval of the resolution to permit City staff to pay invoices up to \$40.00 for the four Housing Associations (Peers, Ravinia, Walnut, and Sunset Woods) and to direct staff to provide copies of the invoices and checks in the Housing Commission packet following payment. Commissioner Naftzger seconded the motion.

On a voice vote, Chairman Wigodner declared that the motion passed unanimously.

#### Report on Lake County energy-efficiency grants for Peers, Ravinia, and Walnut Place

Planner M. Smith reported that the energy-efficiency improvements for Ravinia Housing on St. Johns were complete. These include new furnaces for the town houses, wall and attic insulation for all the homes, and replacement of the kitchen greenhouse windows in the townhomes with conventional windows that are energy-efficient. The window replacements for the kitchen

greenhouse windows were completed and two furnaces installed at Ravinia on Pleasant Avenue. The expectation is that the remaining eight new furnaces would be installed within the week.

Sunset Woods:

Request for dryer vent cleaning for Unit #319

Planner M. Smith explained that the Condominium Association arranged for dryer vent cleaning at Sunset Woods and the cost is \$50.00 per unit. The Sunset Woods Association does not own dryers in the twelve rentals, but Unit #319 has one.

Chairman Wigodner entertained a motion to authorize staff to pay \$50.00 for dryer vent cleaning for Unit #319 at Sunset Woods. Commissioner Naftzger moved approval of the motion to pay \$50.00 for dryer vent cleaning for Unit #319 at Sunset Woods. Commissioner Sharfman seconded the motion.

On a voice vote, Chairman Wigodner declared that the motion passed unanimously.

Report on sales/rental status of Sunset Woods Units 231 and 319

Planner M. Smith reported that it was likely that a couple would rent Unit #319 starting May 1<sup>st</sup>. The couple meets the age and income requirements for the unit. The rent will be \$1,090 a month.

5. Request from Staff for Emergency Housing Assistance up to \$2,500 from the Affordable Housing Trust Fund for a Highland Park Resident

Planner L. Smith summarized the request for Emergency Housing Assistance that was in the packet. Chairman Wigodner pointed out that the memo needed to be revised to correct the amount of rent for which the applicant would be responsible: the applicant's rent is \$950.00, the proposed assistance is \$500.00 a month, leaving a balance of \$450.00, not \$350.00.

Chairman Wigodner entertained a motion to approve emergency housing assistance up to \$2,500 from the Affordable Housing Trust Fund for a Highland Park resident. Commissioner Naftzger moved approval of emergency housing assistance from the Affordable Housing Trust Fund for an amount up to \$2,500 to pay \$500.00 per month toward the Highland Park resident's rent for a maximum of five months as set forth in the staff memo of March 29, 2011. Commissioner Sharfman seconded the motion.

On a voice vote, Chairman Wigodner declared that the motion passed unanimously.

6. Report from Working Group on Condominium Conversion Ordinances

The report was in the packet.

**EXECUTIVE SESSION FOR MATTERS RELATING TO REAL ESTATE  
ACQUISITION AND LITIGATION**

There was no Executive Session.

**OTHER BUSINESS****Update on Housing and Urban Development (HUD) Mark-to-Market Proposal for Refinancing for Ravinia Housing**

Planner M. Smith reported that Ms. Polly Kuehl, Senior Vice President, Evergreen Real Estate Services, found out this week that HUD expects the Ravinia Housing Association to secure the first mortgage for the refinancing of Ravinia Housing if the Ravinia Housing Association approves HUD's refinancing proposal. Planner M. Smith distributed a list of lenders from Signet, HUD's consultant for the Mark-to-Market program, who are familiar with the HUD M2M program. Evergreen staff has worked with five of the lenders on the list. Ms. Kuehl requested Commission input on the choice of lender. The Commissioners concurred that the list appeared to be reputable lenders and that Ms. Kuehl should contact Ravinia's current lender and lenders from the list to find out who can provide the lowest interest rate.

**Discussion regarding Management's Reports on Section 8 Tenants' Late Rent Payments**

City staff recently found out that the Ravinia tenant who appealed their eviction notice was significantly delinquent on rent payments. This surprise revealed the need for Evergreen staff to keep the Commission and City staff apprized of delinquent rent payments in the Section 8 Housing. Chairman Wigodner directed staff to ask Ms. Kuehl for her recommendation for a mechanism to keep the Commission and City staff informed when tenants are significantly behind on rent.

**ADJOURNMENT**

Chairman Wigodner entertained a motion to adjourn the meeting. Commissioner Meek moved to adjourn. Commissioner Naftzger seconded the motion.

On a voice vote, Chairman Wigodner declared that the motion passed unanimously.

The Housing Commission adjourned its meeting at 8:25 p.m.

Submitted respectfully:

Mary Cele Smith  
Housing Planner

MASON, WENK  
& BERMAN, L.L.C.  
ATTORNEYS AT LAW

Adam E. Berman  
Bruce P. Mason  
Keith J. Wenk

OF COUNSEL  
Craig S. Coan  
Leonard Mason  
Priscilla C. Sperling

1033 Skokie Boulevard  
Suite 250  
Northbrook, Illinois 60062

847-656-6000  
Fax 847-656-6010

April 6, 2011

Mr. Lee Smith  
Highland Park Housing Commission  
1150 Half Day Road  
Highland Park, IL 60035

Closing on Sale of Unit 321	\$800.00
Total Amount Due and Owing	\$800.00

1107

SUNSET WOODS ASSOCIATION

1150 HALF DAY ROAD  
HIGHLAND PARK, IL 60035

DATE 4/28/11

70-2533-719

PAY  
TO THE  
ORDER OF

Mason, Wenk, + Berman L.L.C.

\$ 800.00

Eight hundred and 00/100

DOLLARS

 Security Features  
Indicate  
Details on Back.

HIGHLAND PARK BANK  
& Trust Company  
A Branch of Lake Forest Bank & Trust Co.  
1949 St. Johns Avenue  
Highland Park, IL 60035

Lee Smith

FOR Closing - SW #321

⑈001107⑈ ⑆071925334⑆ ⑈8200011283⑈

**Mason, Wenk  
& Berman, L.L.C.**  
ATTORNEYS AT LAW

1033 Skokie Boulevard  
Suite 250  
Northbrook, Illinois 60062  
Telephone (847) 656-6000  
Facsimile (847) 656-6010

April 06, 2011

Mary Smith  
Highland Park Housing Commission  
1150 Half Day Road  
Highland Park, IL 60035

Invoice #33735

In Reference To: Peers Housing

Professional services

	<u>Hours</u>	<u>Amount</u>
3/9/2011 BPM Telephone call with MS regarding: signing logistics and dating documents	0.25	75.00
SUBTOTAL:		[ 0.25 75.00 ]
For professional services rendered	0.25	\$75.00
Previous balance		\$145.00
12/15/2010 Payment - thank you. Check No. 1037		(\$145.00)
Total payments and adjustments		(\$145.00)
Balance due		\$75.00

<p><b>PEERS HOUSING ASSOCIATION</b> 1150 HALF DAY ROAD HIGHLAND PARK, IL 60035</p>	<p>1039</p> <p>DATE <u>4/28/11</u> 70-2533-719</p>
<p>PAY TO THE ORDER OF <u>Mason, Wenk + Berman LLC</u> \$ <u>75.00</u></p>	
<p><u>Seventy five and 00/100</u> DOLLARS </p>	
<p><b>HIGHLAND PARK BANK</b> &amp; Trust Company A Branch of Lake Forest Bank &amp; Trust Co. 1949 St. Johns Avenue Highland Park, IL 60035</p>	
<p>FOR <u>Invoice # 33735 Peers ground base</u> </p>	
<p>⑈001039⑈ ⑆071925334⑆ ⑆9200011321⑈</p>	

Garage Door Opener for Sunset Woods

Information from Carol Bradford, Condo Board President 1/15/2008

Obtain car remote from:

Raynor Door Company  
1653 Winnetka Road  
Northfield, IL  
phone: 847.441.6900

Car remote FCCIDEF4multicode 3089110145 300

to program it:

down = 1358  
up = 2467910

cost about \$40.00

1108

**SUNSET WOODS ASSOCIATION**  
1150 HALF DAY ROAD  
HIGHLAND PARK, IL 60035

DATE 4/28/11 70-2533-719

PAY TO THE ORDER OF Raynor Door Company \$ 41.77

Forty one 77/100 DOLLARS  Security Features Included. Details on Back.

HIGHLAND PARK BANK  
& Trust Company  
A Branch of Lake Forest Bank & Trust Co.  
1949 St. Johns Avenue  
Highland Park, IL 60035

FOR garage door opener #319 David W... MP

⑈001108⑈ ⑈071925334⑈ ⑈8200011283⑈

## **MEMORANDUM**

To: Housing Commissioners

From: Mary Cele Smith, Housing Planner

Date: April 28, 2011

### **SUBJECT: Walnut Place Capital Planning and Financial Reserves**

Since 2007, the Housing Commission, in consort with Evergreen Real Estate Services, has embarked on capital improvement planning for the two Section 8 developments that it owns, Frank B. Peers Senior Housing and Ravinia Family Housing, along with the Section 8 development that it operates, Walnut Place. These properties face the financial challenges of aging physical plants. The capital planning work advances the Housing Commission's ongoing work plan objectives to:

- Continue working with Evergreen Real Estate Services to assure resident satisfaction and development quality at the Section 8 properties; and
- Encourage incorporation of sustainable building/renovation practices into design recommendations for current and future affordable housing projects.

This memo provides a list of the Walnut Place capital improvements completed through January 23, 2011, the capital improvements plan for 2010-2015, and summarizes the available Walnut Place financial reserves.

#### **Capital Improvements Completed through January 23, 2011**

Evergreen Real Estate Services has completed the following capital improvements for Walnut Place.

- Parking Lot – Resurfaced the parking lot and additional concrete work; upgraded handicap ramps (\$70,000)
- Rooftop HVAC – Replaced (\$34,000)
- Windows – Utilized weatherization funds to replace the double hung windows in all of the bedrooms as well as the side double hung windows in the end units. The funds were from a federal weatherization program administered through Community Action Partnership of Lake County. (The combined value of the windows and boilers was \$261,389; savings to the property was \$261,389.84)
- Boilers – Utilized weatherization funds to replace the two heating boilers in the main building. The funds were from a federal weatherization program administered through Community Action Partnership of Lake County. (The combined value of the windows and boilers was \$261,389; savings to the property was \$261,389.84).

- Domestic Hot Water Boiler – Replaced (\$14,000)
- Laundry Room Renovation – dryer venting, wallpaper, paint
- Hallway Renovation – Painting (\$16,000)
- Kitchen – Initiated a phased-in kitchen replacement project including cabinets, countertops, sink/faucets, backsplash, and flooring. 19 kitchens completed (\$169,100)
- Bathrooms – Replaced 12 vanities( costs included above with the kitchens)
- Exterior Lighting – Replacement of exterior bollards and building lights
- Cycle Painting – 12 units and 2 townhomes (not including turnover painting)
- Cycle Carpet – 13 units and 1 townhome (not including turnover replacement)

**Walnut Place Capital Improvements Plan 2010-2015**

The attached Walnut Place Capital Improvements spreadsheet provides the capital plan for 2010-2015. The items in red were deferred, because there were insufficient funds in the operating and replacement reserves budgets. Please note that the abbreviation TH is for Townhomes.

**Walnut Place Financial Reserves (4/2011)**

The current balance (March 31, 2011) in reserves for Walnut Place is as follows:

<b>Reserve Account</b>	<b>Balance</b>	<b>Minimum*</b>	<b>Available Balance</b>
Replacement Reserves	\$ 123,565	\$ 102,000*	\$ 21,565
Residual Receipts	\$ 26,996		

\*Note: IHDA requires that a minimum of \$1,500/unit be maintained in the Replacement Reserve account except in the case of emergency.

**Requests for use of Reserves that are pending include:**

The current “cash” balance in the Walnut Operating Account is approximately \$6,500. In order to increase available “cash” for the property, ERES is seeking reimbursement for the hot water boiler (work done in 2010) from Residual Receipts.

The current capital project (deferred from 2010) must be paid from Replacement Reserves (fencing and concrete).

- Replacement of Townhome Fencing and concrete on east site – Approximately \$20,000
- Reimbursement for replacement of the hot water boiler – Approximately \$14,000

**2010 Audit:**

Surplus Cash - \$7,861 (This was calculated from the 2010 audit.)

**Operating Fee:**

This fee (\$7,357) is paid annually to the Housing Commission as part of the Operating Agreement. It has not been paid for FY 2009 and 2010 audits.

**Allowable Distributions to Owners:**

While the fee is “earned” each year, it is only paid if sufficient cash exists. As of December 31, 2010 the cumulative allowable and unpaid distribution was \$182,389.

Walnut Place Capital Improvements											
Revised	4/29/2011										
Capital Improvement	2010		2011		2012		2013		2014		2015
	Note: Items in "Red" are delayed										
Roof (paid from Operations)	84,139	Replace TH Roofs C & D	11,592	Replace Bay Copper Roofs (not if bay windows changed out)	127,520	Replace Roofs A/B (Reserves)	0		0		0
					12,298	Replace Bay Copper Roof (not if bays are repl.)					
Masonry (PNA)	12,000	Tuckpoint E/W Elevations	13,000	Tuckpoint S elevation	15,000	Tuckpoint N elevation (Reserves)	0		0		0
Caulking (paid from Operating)	0		0		0		0		0		0
Windows (PNA)	80,000	Replace Bay window with slider; cut hole for A/C in main bldg.	0		0		0		0		0
	18,000	Replace TH patio doors \$1,500 x 12									
Fences/Landscaping	8,000	Replace bushes on W of TH - barrier	0		0		0		0		0
			24,000	TH Fences - Reserves (Delayed from 2009)							
Parking Lot (Done in 2008)	0		0		10,000	Sealant (Reserves)	0		0		0
Sidewalks/Patios	0		0		0		0		8,700		0
Entry Doors	0		0		0		0		11,725	TH Entry Doors	0
Entry System	12,000	Two systems - res.	0		0		0		0		0
Kitchens/Bathrooms	73,604	Replace 9 kitchens 4% inflation factor	93,558	Replace 11 kitchens 4% inflation factor	97,300	Replace 11 kitchens 4% inflation factor	119,591	Replace 13 kitchens	137,989	Replace 15 kitchens	0
Appliances	0		0		0		0		9,737	Replace 17	10,107
											Replace 17

Hallways/Community Room/Lobby	23,000	Carpet Replacement (Reserves)	0		0		0		18,868	Common/Hall painting	0	
Exterior Lighting Completed in 2008	0		0		0		0		0		0	
Interior Lighting	0		0		0		0		31,165	Common Fixtures	0	
HVAC Systems	0	As needed	4,500	Replace TH Rooftop A/C units (original) (Operations)	3,000	Replace TH Rooftop A/C units (original) (Operations)	0		0		0	
			4,600	Replace 2 TH furnaces	4,800	Replace 2 TH furnaces	0		0		0	
											3,078	Main Bldg. A/C (4)
			2,500	Main Bldg. A/C (4)	2,600	Main Bldg. A/C (4)	2,750	Main Bldg. A/C (4)	2,965	Main Bldg. A/C (4)	0	
Switchgear	0		0		0		0					
Elevator (Up-grades done in 2008; assume State will not require more)	0		0		0		0		13,477	Cab fixtures	0	
									107,812	Elevator hydraulics & pumps		
Domestic Hot Water	2,100	Replace 2 TH boilers (paid from Operations)	2,200	Replace 2 TH boilers (Operations)	2,300	Replace 2 TH boilers (Operations)	2,400	TH (2) (Operations)	0		0	
Fire Systems	7,500	Replace devices (smokes)	0		0		0		0		0	
Apt. Carpet/Tile			5,600	Replace 6 units (Operations)	5,800	Replace 6 units (Operations)	6,000	Replace 6 units (Operations)	6,200	Replace 6 units	6,400	Replace 6 units
<b>TOTAL</b>	<b>320,343</b>		<b>161,550</b>		<b>280,618</b>		<b>127,991</b>		<b>210,649</b>		<b>19,585</b>	
Reserve Balances	135,508	8/1/2010	119,574	1/1/2011	102,000	1/1/2012	102,000	1/1/2013	102,000	1/1/2014	102,000	1/1/2014
Reserve Deposits	9,165	In 2010	21,996	In 2011	21,996	in 2012	21,996	in 2013	21,996	in 2014	21,996	in 2015
Reserve Withdrawal	320,343		161,550		280,618		127,991		210,649		19,585	
Balance	-175,670		-45,980	From 2010 work	-156,622		-3,995		-86,653		104,411	



# **MEMORANDUM**

To: Housing Commissioners

From: Mary Cele Smith, Housing Planner

Date: April 28, 2011

**SUBJECT:** RECOMMENDATION FROM BUILDINGS AND GROUNDS/CAPITAL PLANNING WORKING GROUP REGARDING U.S. HUD'S MARK-TO-MARKET PROGRAM (M2M) REFINANCING PROPOSAL FOR RAVINIA HOUSING

The Buildings and Grounds/Capital Planning Working Group (Chairman Wigodner and Commissioner Adler) met with Ms. Polly Kuehl, Senior Vice President, Evergreen Real Estate Services and City staff (Senior Planner Lee Smith and Housing Planner Mary Cele Smith) on April 21, 2011 to review the refinancing proposal that Signet Consultants prepared for U.S. Housing & Urban Development (HUD) and to make a recommendation to the full Commission. The detailed M2M Underwriting Model from Signet Partners follows this memo.

## **Background**

In August 2008, HUD completed a Housing Rent Comparability Study for Ravinia as part of the Housing Assistance Payment (HAP) renewal and Operating Cost Adjustment Factor (OCAF). The HUD report concluded that Ravinia Housing had higher rents for two unit types than HUD found in comparable units. Conforming to HUD market rents would reduce the overall income to the property by approximately \$12,000, and any reduction in income automatically initiates a financial analysis. HUD established the Mark-to-Market (M2M) program to reduce rents to market levels and to restructure existing debt to levels supportable by these rents. Subsequently, Signet, the consultant to HUD, completed an additional analysis which reported lower rents on most Ravinia Housing units, resulting in \$120,132 less income than the property is currently receiving. While Signet conducted the M2M analysis and until the Ravinia Housing Association either accepts the refinancing proposal and closes the transaction or rejects it, the higher rents remain in place. As part of the refinancing proposal, HUD provides a second mortgage, and Ravinia Housing would undertake significant renovation of the property.

As you may recall, over the past 9 months there have been several revisions to the overall M2M refinancing plan and to the list of renovation tasks. HUD has signed-off on the scenario under consideration. Another significant factor for consideration is that HUD recently changed the rules for accessing residual receipt reserve funds. Under the new rules, it is extremely unlikely that Ravinia Housing could gain access to the \$444,560 in residual receipts. The HUD refinancing proposal, however, would move residual receipts to replacement reserves where the Ravinia Association controls their administration.

The two choices now before the Ravinia Housing Association are to either:

- approve the HUD proposal or
- reject it and appeal the HUD approved market rents.

Below is the summary information on Ravinia Housing's current financial situation and the HUD proposed refinance:

**Ravinia Housing Selected Financial Information as of 3/31/2011:**

Current Mortgage	\$748,000
Residual Receipts	\$444,560
Replacement Reserve	\$ 44,078
Association Money Market Fund	\$144,228

**Proposed M2M Debt Structure:**

There would be 2 loans on the property:

First Mortgage	\$408,400	Loan Amount (Initial Principal)
	5%	Interest Rate
	0.45%	Mortgage Insurance Premium
	30 years	Term
	\$28,133	Annual Debt Service
	Lender to be Determined - (223(a)7 program	
Second Mortgage	\$738,702	Loan Amount (Initial Principal)
	3.5%	Interest Rte
	30 years	Term
	Lender is HUD	

- Note: Repayment of the Second Mortgage is made when the property generates Surplus Cash. HUD is paid a minimum of 75% of the Surplus Cash and the Owners are paid 20-25% of the Surplus Cash. **The M2M Underwriting Model from Signet Partners following this Memo assumes 20% to Ravinia Housing, but a more recent email to Ms. Kuehl indicates that Ravinia Housing would receive 25% of the Surplus Cash.**

Owner Equity required	\$13,999	20% of Transaction Costs (total transaction cost is \$69,997)
	<u>\$49,002</u>	Ravinia Housing Share of Renovation
	\$63,001	Total cash Ravinia Housing contributes

**Recommendation**

The Buildings and Grounds/Capital Planning Working Group and Evergreen staff recommend that the Housing Commission proceed with M2M refinancing. The other option, to request another Owner market study, is problematic. First, it is extremely unlikely that HUD will approve an Owner market study and the current rents. The other significant problem is a risk that the property will not be able to access Residual Receipts for future capital improvements. The existing Replacement Reserve account is insufficient to cover all needed replacements.

M2M refinancing would eliminate those major concerns. The residual receipt reserve fund of \$444,560 would move to replacement reserves, where Ravinia Housing controls their administration. An additional benefit is that the refinancing proposal includes a capital plan allocating \$297,673 to carry out the renovation that will be needed for the property in coming years. The only downside that Ms. Kuehl identified is that future rent increases are based solely on the Operating Cost Adjustment Factor (OCAF), never from a Budget-based approach. This concern, however, may be moot, Ms. Kuehl said, because both OCAF and Budget-based rent increases are constrained by the Market Study rents.

### **Summary of Significant Features of the M2M Refinance Proposal from Polly Kuehl**

#### **Owner Equity:**

As reported above, the M2M program requires that the Owner, the Ravinia Housing Association, provide equity to the transaction. The equity contribution equals 20% of the estimated cost of rehabilitation repairs and 3% of any significant additions (i.e., Air Conditioner installation), as well 20% of the transaction costs. The exact contribution will change as Signet finalizes transaction costs. The total Ravinia Housing contribution that was listed in the current M2M Underwriting Model from Signet is \$63,001. HUD would require this contribution to come from the Ravinia Housing Association money market fund or another outside source, but not from the property's other accounts.

#### **Repayment of Owner Equity:**

Repayment of Ravinia Housing is via the CRP (Capital Recovery Payment). The property can take this as an above the line monthly expense. It is made from Surplus Cash that is generated by the property. The M2M Underwriting Model budget reflects Surplus Cash each year and indicates that 20% of that Surplus Cash will be paid to the Owner. Given this budget, it will require approximately 15 years for Ravinia Housing to be repaid for its equity contribution. Please remember, however, that a recent email from Signet staff to Ms. Kuehl indicates that Ravinia Housing would receive 25% of Surplus Cash. Future payments from Surplus Cash would be considered "distributions" or "profit" to the Owner. Should the property not generate Surplus Cash in a specific fiscal year, no payments to HUD or Ravinia Housing would be made for that period.

It should be noted that the M2M Underwriting Model budget assumes an annual Operating Cost Adjustment Factor (OCAF) increase in rent of approximately 2.75%, which was viewed as the average OCAF increase over the next 30 years. While these percentages may be the average, there are no assurances that these percentages will occur each year. For example, the OCAF decreased for the 2011 year from 4.6% in 2010 to 0.001% in 2011.

#### **Rehabilitation Tasks:**

M2M refinancing will provide \$297,673 for rehabilitation that includes:

Replacement of roofs for both houses	\$17,096
Siding for both houses	35,944
Gutters/Downspouts for both houses	3,938
Tear-off and rebuilt porch at 2755 St. Johns	20,375
Installation of combined Smoke/CO Detectors	16,180

Townhome Kitchen Cabinet and Countertop replacements	79,679	
Townhome Kitchen sinks and faucets	15,215	
Townhomes: 7 Stoves and 7 Refrigerators	8,985	
Masonry work on Townhomes	16,875	
Add Central A/C in Townhomes	49,850	
Add Window A/C in 2 houses	6,475	
	SUB-TOTAL	\$270,612
Contingency (10%)		\$ 27,061
	TOTAL	\$297,673

**Repairs to be Completed Prior to Closing by the Property:**

- Repair Mailboxes
- Replace exterior Bollard lighting
- Install 2 GFIs in each kitchen (32) and 8 exterior GFIs
- Replace 10 closet doors
- Replace all Townhome furnaces (weatherization program provided 14/15)
- Replace bathroom fans

The M2M Underwriting Model indicates that the property will use Operating funds for these repairs. The 2010 audit, however, requires \$35,000 be placed into Residual Receipts (Surplus Cash). It is unlikely that Evergreen can complete all these repairs with remaining cash flow prior to Closing. Evergreen staff may have to pursue release of Replacement Reserves.

**Additional Background Information:**

- Appraisal Value \$738,000 (may be up-dated before Closing)
- Rents Rents used for the deal are considered Exception Rents and generate about \$81,648 less than our current rents. (Exception Rents are 115% of Fair Market Rents for the SMSA). New Rents would be \$1,266 and \$1,385 and generate @\$262,512/year.
- Market Rents The Owner market study done several years ago generated about \$11,580 less income than Ravinia is currently receiving. The Market study conducted through Signet generated about \$120,132 less income than the property is currently receiving.
- Budgets Although expenses are about \$12,000 less/year with the M2M option compared to historical expenses, the M2M budget is acceptable.

**Next Steps**

The Buildings and Grounds/Capital Planning Working Group requests that the Housing Commission consider their recommendation to accept the HUD M2M Refinancing Proposal for Ravinia Housing. Ms. Kuehl is contacting mortgage companies from the Signet list to obtain

the first mortgage. In addition, Ms. Kuehl requested resolution templates from Signet for the Commission to adopt if the Commission decides to accept the refinancing proposal. Staff will send these to the Commissioners if they arrive before the Meeting.

**M2M Underwriting Model for:  
Ravinia Housing**

**City: Highland Park**

**State: IL**

**PAE: Signet Partners**

**Modeling Progress:**

	Stage	Date	Comments
<input type="checkbox"/>	Preliminary Underwriting Plan (PUP): OPTIONAL		
<input checked="" type="checkbox"/>	Restructuring Plan Submission	1/31/2011	PAE Signet Partners
<input type="checkbox"/>	Revised After Plan Review		
<input type="checkbox"/>	Additional Revision		
<input type="checkbox"/>	Closed Transaction Model		
<input type="checkbox"/>	Other		
<input type="checkbox"/>	Other		
<input type="checkbox"/>	Other		

**Additional Progress or Version Comments:**

PAE Signet Partners  
Chicago HUD PM: Ken Jones

**Non-Standard Transactions**

Ravinia Housing  
Signet Partners

Please enter "Yes" or "No" for each of the following:

Is the deal a Section 236/IRP deal?	No
Was the original loan a BMIR?	No
Is the project a Co-op under Section 207, 213, or 236?	No
Was the original HAP contract a Mod Rehab?	No
Is there either Flex Subsidy subordinate debt or a ground lease on the project?	No
Is this an Out-Year Section 8 Contract deal?	No
Is this a partially assisted project?	No
Is this an Additional Funds Transaction (AFT)?	No
Is this a Bond Defeasance Transaction?	No
Is there a Coinsured Mortgage?	No

**Required Waivers**

- PD approval for waiver of transaction costs (non-profit or otherwise):  
describe
- OPG Waiver (Form 5.3) -
  - Delinquent IIUD-held Debt
  - Other: describe
- 223 (a)(7) Waiver (Form 5.3) -
  - New first exceeds current UPB (but not original)
  - Loan to Value exceeds 100%
  - Vacancy/bad debt loss less than 7%
  - Other: describe
- Other: describe

Comment here:

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## RC Special Conditions for Ravinia Housing

	The following Repairs are to be completed by the owner prior to closing: 1) Replace 14 Exterior Bollard Lights at St. Johns; 2) Install 2 GFCI outlets in each kitchen (32 total) and 8 total exterior (1 at each single-family home; 2 at St. Johns, and 4 at Pleasant); 3) Replace 10 broken closet doors; and 4)
1	Repair or replace broken mailboxes. Owner will need to provide a combination of invoices/receipts, pictures and certification to substantiate completion.
2	Prior to closing, Owner to provide evidence that weatherization program is replacing the furnaces and bathroom fans.
3	Owner must re-certify payables prior to closing.
4	Owner must sign 4.7 prior to closing.
5	Prior to schedule of closing Exhibit A requires REAT approval (submitted to REAT simultaneously with transaction submission on 01/31/11)
6	Prior to closing, F-47 Check must be completed (in process as of submission on 01/31/11)
7	
8	
9	Prior to approval by OAHP, Ken Jones, Project Manager, to approve the transfer to Residual Receipts balance to R4R prior to closing.
10	Prior to approval by OAHP, Owner to provide payables certification to determine required payments through closing.
11	
12	
13	
14	
15	

24

Primary Input Page for:

**Ravinia Housing**

Current Model Progress/Stage Date: 1/31/2011

Blue font and grey cell shading indicate User Entry cells on all pages.

Standard Model Revision: 4.40  
Revision Date: 4/20/2006

**General Information:**

Pre-M2M FHA Number (w/out hyphen):	07135467
FHA Program Type:	221(d)3 Mkt Int Rate
Property ID:	800006272
Project Name:	Ravinia Housing
Project Street Address:	755 Pleasant Avenue
Project City:	Highland Park
Project State:	IL
Owner Name:	Highland Park Housing Association #3
Owner's Street Address:	1707 St. Johns Avenue
Owner City, State:	Highland Park, IL
Ownership Entity:	Non-Profit Corporation
Owner Contact:	Polly Kuehl
Owner's Contact Phone Number:	312-382-3228
General Partner:	
Management Company:	Evergreen Real Estate Services, LLC
Type of Agent:	Non-Identity of Interest
Year Constructed:	1983
Year Rehab Completed:	
Loan Servicer:	NorthNarq Capital, LLC
Lender Name:	American National Bank and Trust
Note Holder (if available):	American National Bank and Trust
PAE Name:	Signet Partners

**Property Breakdown:**

	Complete Both Columns Below	
	PAE Pre-Restructure	PAE Post-Restructure
# of Units Total (Asst + Unasst):	17	17
# of Section 8 Assisted	17	17
# of Unassisted	0	0
Sec.8: # Project-Based	17	17
# Tenant-Based:	0	0
# of Elderly/Disabled Units:	0	0
# of Family Units:	17	17
# of Non-Revenue Units:	0	0

**Unit Mix:**

0BR		
1BR		
2BR		
3BR	14	14
4BR	3	3
5BR		
6BR		
7BR		

**Section 8 Information:**

		Original HAP Expiration Date	Extended HAP Expiration Date
1) Section 8 Contract #:	IL060051003	11/9/2009	5/31/2011
2) Section 8 Contract #:			
3) Section 8 Contract #:			
4) Section 8 Contract #:			
5) Section 8 Contract #:			
6) Section 8 Contract #:			
7) Section 8 Contract #:			
8) Section 8 Contract #:			

Number of Units Covered by Each Section 8 Contract
17

Expiring After Closing: S8 Recapture May Be Available

Which contracts will combine (if any?):	None
---	------

Immediate Neighborhood Economic Condition:	Average/Typical
--	-----------------

New Assisted/New Regs HAP Contract?	Yes
Current Project Vacancy Rate (Apts. Only):	5.88%
Is this a Bond Defeasance Transaction?	No
Is this a Transfer of Physical Asset (TPA)?	No

**Types:**

Rural or (Sub)Urban?:	Suburban
Elderly or Family?:	Family
If Urban, MSA or Other?:	Urban MSA
Elevator, Garden, or Mixed?:	Garden

**Appraisal:**

Appraisal Date:	4/15/2009	Appraisal May Need Updating
Appraisal Value:	\$738,000	
Remaining Econ. Useful Life:	55.0	Years

**General and Market Comments:**

- As of 11/12/10, the property had 1 vacant unit (5.880%)
- All rents and comparable rents were reconciled on 01/25/11
- As per 02/16/10 conversation with Ken Jones, HUD Project Manager with the Chicago, IL field office (312-913-8067) this is a New Regs HAP contract.
- Most recent HAP expires 05/31/11 per Ken Jones (01/27/11)
- APPS Check: On 01/28/11, Per Ken Jones, PM, "Per APPS, there are no active flags on the board members, ownership and management entity for the subject property."

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# Pre-Restructure Loan Data for Ravinia Housing

PAE: Signet Partners

Current Model Progress/Stage Date: 1/31/2011

Please Ensure Completion of Cells D57 through D60

Primary Loan	Pre-Restructure
Original Loan Amount:	\$1,034,700
UPB as of Date:	09/17/10
UPB Amount:	\$762,711
Maturity Date:	02/04/24
Current Date:	09/17/10
Interest Rate:	6.71%
Amortization Period (Years):	30
Monthly P & I Payment:	\$7,198
Mortgage Insurance Premium:	0.50%
Annual Debt Service:	\$90,188
Loan Servicer:	NorthMarq Capital, LLC
Prepayment Penalty (%):	0.000%
Lockout Date:	
Original Term (Years):	30
Years Remaining at M2M Closing:	12.7
Loan Type:	FHA Insured
FHA Program Type:	221(d)3 Mkt Int Rate

## Primary Loan Notes:

The existing mortgage (payable to NorthMarq Capital, LLC) is an FHA-insured 221(d)(3).

The Original Note has been modified twice. 1st: March 1984 changed principal. 2nd: Nov 2003 lowered interest rate. Data entered is current as modified. Calculated P&I does not match actual because amortization changed in 2003 with lower interest based on outstanding principal at that time. No other terms were modified.

The mortgage is backed by bonds issued by The Housing Finance Corporation of Lake County, IL with American National Bank and Trust Company of Chicago as the Bond Trustee. Per Section 2.1 (page 20) of the Trust Indenture (dated November 1, 1992), these bonds can be called for redemption at the option of the Issuer on or after November 1, 2002.

Note: PAE Monthly P&I Entry Does Not Equal Calculated P&I of \$6684

Secondary Loan	Pre-Restructure
Original Loan Amount:	
UPB as of Date:	
UPB Amount:	
Maturity Date:	
Original Term (Years):	
Amortization Period (Years):	
Years Remaining at M2M Closing:	N/A
Interest Rate:	
Mortgage Insurance Premium:	
Monthly P & I Payment:	
Loan Servicer:	
Annual Debt Service:	
Loan Type (Enter I/O, Deferred, etc.):	
FHA Program Type:	

## Secondary Loan Notes:

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Pre-Restructure Loan Data for Ravinia Housing

PAE: Signet Partners

Tertiary Loan	Pre-Restructure
Original Loan Amount:	
UPB as of Date:	
UPB Amount:	
Maturity Date:	
Original Term (Years):	
Amortization Period (Years):	
Years Remaining at M2M Closing:	N/A
Interest Rate:	
Loan Servicer:	
Annual Debt Service:	
Loan Type (Enter I/O, Deferred, etc.):	
FHA Program Type:	

Tertiary Loan Notes:

UPB For Loans To Be Restructured	At UPB Date	At M2M Closing Date
As of Date (Primary Loan)	9/17/2010	5/17/2011
Primary Loan	\$762,711	\$738,782.26
Secondary Loan		
Tertiary Loan		
Total	\$762,711	\$738,782.26

The amortization table (below loan notes) is provided to help determine the estimate of the UPB at closing for any standard amortizing loans.

NOTE: Include only the loans that are FHA insured or were previously insured but are now HUD-held loans. Flexible Subsidy notes and mortgages as well as other types of Residual Receipts notes are not eligible for inclusion in the restructuring as they were never FHA insured.

F47 Check Performed?:

Date F47 Check Performed:

*F47 check only applies to FHA insured loans.*

DATA ELEMENT	HUD F47 DATA	LENDER DATA
Unpaid Principal Balance		
As of what date		
Servicer Name		
Lender Name		
Date Contacted by PAE		

Other Loan Notes: F47 Pending - update requested 01/24/11

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# Rental Comparison for Ravinia Housing

PAE Name: Signet Partners

Note: An Optional Unit Size Blending Table is provided. It begins at row 105.

Current Model Progress/Stage Date: 1/31/2011

<p><b>Owner and PAE Rental Studies</b> PAE Conclusion Column Determines Market</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Unit Type</th> <th>Current Contract Rents</th> <th>Owner's Mkt Study</th> <th>PAE Appraisal</th> <th>PAE Conclusion</th> </tr> </thead> <tbody> <tr><td>0BR</td><td></td><td></td><td></td><td></td></tr> <tr><td>1BR</td><td></td><td></td><td></td><td></td></tr> <tr><td>2BR</td><td></td><td></td><td></td><td></td></tr> <tr><td>3BR</td><td>\$1,635</td><td>\$1,589</td><td>\$1,074</td><td>\$1,266</td></tr> <tr><td>4BR</td><td>\$1,929</td><td>\$1,822</td><td>\$1,210</td><td>\$1,383</td></tr> <tr><td>5BR</td><td></td><td></td><td></td><td></td></tr> <tr><td>6BR</td><td></td><td></td><td></td><td></td></tr> <tr><td>7BR</td><td></td><td></td><td></td><td></td></tr> <tr><td>Averages:</td><td>\$1,782</td><td>\$1,705</td><td>\$1,142</td><td>\$1,325</td></tr> <tr><td>Wghtd Aves:</td><td>\$1,687</td><td>\$1,630</td><td>\$1,098</td><td>\$1,287</td></tr> </tbody> </table>	Unit Type	Current Contract Rents	Owner's Mkt Study	PAE Appraisal	PAE Conclusion	0BR					1BR					2BR					3BR	\$1,635	\$1,589	\$1,074	\$1,266	4BR	\$1,929	\$1,822	\$1,210	\$1,383	5BR					6BR					7BR					Averages:	\$1,782	\$1,705	\$1,142	\$1,325	Wghtd Aves:	\$1,687	\$1,630	\$1,098	\$1,287	<p><b>Affordability Data Entry:</b> AMI from HUD Fiscal Year: <input type="text" value="2010"/></p> <p><b>50% Set-Aside Income Limit Entry:</b> Enter the 4 person, very-low income: <input type="text" value="\$37,530"/> Enter the Area Median Income: <input type="text" value="\$75,100"/></p> <p>AMI City, County, or MSU/PMS/CMSA: <input type="text" value="Chicago-Joliet-Naperville, IL TIMEA"/></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>40% @ 60% AMI Test Annual Affordable Income</td><td><input type="text" value="\$85,461"/></td></tr> <tr><td>Annual Market Income</td><td><input type="text" value="\$154,743"/></td></tr> <tr><td>Total Annual Net Income</td><td><input type="text" value="\$240,204"/></td></tr> <tr><td>20% @ 50% AMI Test Annual Affordable Income</td><td><input type="text" value="\$39,695"/></td></tr> <tr><td>Annual Market Income</td><td><input type="text" value="\$200,321"/></td></tr> <tr><td>Total Annual Net Income</td><td><input type="text" value="\$240,017"/></td></tr> </table>	40% @ 60% AMI Test Annual Affordable Income	<input type="text" value="\$85,461"/>	Annual Market Income	<input type="text" value="\$154,743"/>	Total Annual Net Income	<input type="text" value="\$240,204"/>	20% @ 50% AMI Test Annual Affordable Income	<input type="text" value="\$39,695"/>	Annual Market Income	<input type="text" value="\$200,321"/>	Total Annual Net Income	<input type="text" value="\$240,017"/>	<p><b>Maximum Affordable Rent Determination:</b></p> <p>Maximum Affordable Rent will be the LESSER of:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>A) Market Rent OR</td><td><input type="text" value="\$262,500"/></td></tr> <tr><td>B) The Greater of the Affordable (AMI) Rents</td><td><input type="text" value="\$240,204"/></td></tr> </table> <p>MAX RENT</p> <p>Maximum Rent is Affordable Rent: 40% @ 60% AMI Rent of: <input type="text" value="\$240,204"/></p> <p>NOTE: The model will automatically select the correct annual rent total. *****</p> <div style="border: 1px solid black; padding: 5px;"> <p>ENSURE COMPLETION OF CURRENT RENT AND PROPOSED RENT SECTIONS BELOW. THE RESULT OF THE RENT DETERMINATION SEEN ABOVE IS NOT VALID UNTIL ALL RENT INFORMATION IS PROPERLY ENTERED.</p> </div>	A) Market Rent OR	<input type="text" value="\$262,500"/>	B) The Greater of the Affordable (AMI) Rents	<input type="text" value="\$240,204"/>
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<p><b>Current Assisted Rental Breakdown:</b> Are there Utility Allowances? <input type="text" value="Yes"/></p> <p>Note 1: U/A should be for the subject property per form HUD-92458 Rental Schedule. Note 2: U/A should be zero ONLY if all utilities are owner paid.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Unit Type</th> <th># of Units</th> <th>Rent (\$/p/m)</th> <th>Net Annual Income</th> <th>U/A: Utility Allowance</th> </tr> </thead> <tbody> <tr><td>0BR</td><td></td><td>\$0</td><td>\$0</td><td></td></tr> <tr><td>1BR</td><td></td><td>\$0</td><td>\$0</td><td></td></tr> <tr><td>2BR</td><td></td><td>\$0</td><td>\$0</td><td></td></tr> <tr><td>3BR</td><td>14</td><td>\$1,635</td><td>\$274,692</td><td>\$168</td></tr> <tr><td>4BR</td><td>3</td><td>\$1,929</td><td>\$69,456</td><td>\$205</td></tr> <tr><td>5BR</td><td></td><td>\$0</td><td>\$0</td><td></td></tr> <tr><td>6BR</td><td></td><td>\$0</td><td>\$0</td><td></td></tr> <tr><td>7BR</td><td></td><td>\$0</td><td>\$0</td><td></td></tr> <tr><td>Tot/Ave:</td><td>17</td><td>\$1,782</td><td>\$344,148</td><td>\$187</td></tr> <tr><td>Wghtd Aves:</td><td>NAP</td><td>\$1,687</td><td>NAP</td><td>\$175</td></tr> </tbody> </table> <p>Total Current Net Annual Income: <input type="text" value="\$344,148"/></p>	Unit Type	# of Units	Rent (\$/p/m)	Net Annual Income	U/A: Utility Allowance	0BR		\$0	\$0		1BR		\$0	\$0		2BR		\$0	\$0		3BR	14	\$1,635	\$274,692	\$168	4BR	3	\$1,929	\$69,456	\$205	5BR		\$0	\$0		6BR		\$0	\$0		7BR		\$0	\$0		Tot/Ave:	17	\$1,782	\$344,148	\$187	Wghtd Aves:	NAP	\$1,687	NAP	\$175	<p><b>Current Unassisted Rental Breakdown:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Unit Type</th> <th># of Units</th> <th>Rent (\$/p/m)</th> <th>Net Annual Income</th> </tr> </thead> <tbody> <tr><td>0BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>1BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>2BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>3BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>4BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>5BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>6BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>7BR</td><td></td><td></td><td>\$0</td></tr> <tr><td>Tot/Ave:</td><td>0</td><td>\$0</td><td>\$0</td></tr> <tr><td>Wghtd Aves:</td><td>NAP</td><td>\$0</td><td>NAP</td></tr> </tbody> </table> <p>Note: Net Annual Income does not include U/A</p>	Unit Type	# of Units	Rent (\$/p/m)	Net Annual Income	0BR			\$0	1BR			\$0	2BR			\$0	3BR			\$0	4BR			\$0	5BR			\$0	6BR			\$0	7BR			\$0	Tot/Ave:	0	\$0	\$0	Wghtd Aves:	NAP	\$0	NAP	<p><b>Notes on Post-Restructure Rents:</b></p> <ul style="list-style-type: none"> <li>&gt; Utility Allowance is from blending in table below - 3 bedroom and 4 bedroom setions are only for blening this Utility Allowance.</li> <li>&gt; All rents are blended from table below - currents rents include 5 unit types. New market rent includes 4 types.</li> <li>&gt; All rents and comparable rents were reconciled 01/25/11</li> <li>&gt; Utility allowances confirmed with HUD office 11/1/09</li> </ul>
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# Income and Expense Input Assumptions

Ravinia Housing  
PAE: Signet Partners

Current Model Progress/Stage Date: 1/31/2011

Unit Count: 17

*Trending should begin at the start of the most recent historical financial audit.*

## Historic Income and Expense Assumptions

Rental Income Trending Rate:	2.75%
Commercial Income Trending Rate:	2.75%
Other Income Trending Rate:	2.75%
Real Estate Tax Trending Rate:	2.75%
Operating Expense Trending Rate:	2.75%

First of Three Audited Years:	2007
YTD Thru End of Month #:	9
Typical Historical Data Reflect the Year Beginning:	1/1/2009 (Start Trending)
Proposed Closing Date:	5/17/2011 (Cease Trending)
Approximate Months Trended:	28

## Projected Income and Expense Assumptions

M2M Minimum Rates: Residential Vacancy, 5%. Residential Bad Debt, 2%. Comm'l Vacancy, 10%. Comm'l Bad Debt, 5%.

Apartment Vacancy Rate (project based):	5.88%
Apartment Vacancy Rate (tenant based):	5.88%
Pre-Rest. Average Apartment Vacancy %:	4.68%
Commercial Vacancy Rate (project based):	10.00%
Commercial Vacancy Rate (tenant based):	10.00%
Pre-Restr. Average Comm'l Vacancy %:	0.00%

Apt. Bad Debt Rate (project based):	2.00%
Apt. Bad Debt Rate (tenant based):	2.00%
Pre-Rest. Average Apartment Bad Debt %:	0.00%
Comm'l Bad Debt Rate (project based):	5.00%
Comm'l Bad Debt Rate (tenant based):	5.00%
Pre-Restr. Average Comm'l Bad Debt %:	0.00%

Annual Management Fee \$ (project based):	\$9,180
Annual Management Fee \$ (tenant based):	\$9,180
Pre-Restructure Average Management Fee:	\$10,791
Annual Project Based Mgmt Fee as % of EGI:	4.15%
Annual Tenant Based Mgmt Fee as % of EGI:	4.15%
1st Year of Pro Forma (after Restructuring):	2011

## PCA/2nd Pro Forma Inflation Rates and 2nd Pro Forma Cash Flow Split:

Current Year OCAF:	4.60%
Likely long term future OCAF:	3.00%

Capital Needs Inflation Rate:	2.50%
Other Income Inflation Rate:	3.00%
Expense Inflation Rate:	3.00%

*Inflation rates are not consistent with Expense Inflation  
Please discuss rate variance(s).*

2nd Mortgage Split % to HUD: 80% Statute Requires at least 75%

### Comments:

Vacancy - There are 17 units. Vacancy rates were 2007: 2.2%; 2008: 7.7%; 2009: 4.2%. As of 11/12/10, the property had 1 vacant unit (5.88%), which appears to be typical, since the property is small - 0-2 units is typical (which is 0% - 12% vacancy). The PAE appraiser estimated vacancy for the market rate units at 5% and at 9% for subsidized vacancy rates in the area. The property would not survive a discontinuation of project-based assistance. However, the property's historical rent loss factors (5.88% vacancy and 0% bad debt) are at or below the M2M minimums. Therefore, the PAE underwrote the new first mortgage using the current vacancy of 5.88% and the M2M minimum rate of 2% bad debt.

Split - OAHF Reviewer (BL) / PAE determined 2nd mortgage split most appropriate as 80% to 2nd and 20% to owner.

Mgmt Fee - Management currently receives 3.59% of collections which resulted in \$12,352 in 2009 (or \$44.78 pupm). On 01/27/11, Ken Jones, HUD Project Manager with the Chicago, IL field office informed me that the IL max management fee is \$63 pupm. He agreed that \$45 pupm is appropriate for this property and should continue.

OCAF - IL 2010 OCAF = 4.6%

Historic Income and Expenses for:  
 Ravinia Housing  
 PAE: Signet Partners

Use Audited Information as Provided in the Audited Financial Statements. Use the Historic CapRepairs Deduction page for such expense tracking.

Current Model Progress/Stage Date: 1/31/2011

Unit Count: 17

	Year Ends: 1/1/2010		Year Ends: 5/15/2012		PAE Line Item Specific Comments					
	2007 Audit	2008 Audit	2009 Audit	2010 YTD Annualized		Typical Historical		Typ. Historical Trended		
	Actual	Actual	Actual	9 Month	Annualized	\$ Amt	\$/Unit/Yr	\$ Amt	\$/Unit/Yr	
Rental Income										
Residential-										
Section 8 Project-Based	\$280,241	\$292,010	\$298,385	\$221,958	\$295,944	\$298,385	\$17,552	\$317,854	\$18,697	
Tenant Portion	\$55,080	\$52,138	\$45,763	\$36,153	\$48,204	\$45,763	\$2,692	\$48,749	\$2,868	
Unassisted					\$0	\$0	\$0	\$0	\$0	
Stores & Commercial-					\$0	\$0	\$0	\$0	\$0	
Prk., F&E, Flex Sub., Misc-					\$0	\$0	\$0	\$0	\$0	
<b>Total Rental Income:</b>	<b>\$335,321</b>	<b>\$344,148</b>	<b>\$344,148</b>	<b>\$258,111</b>	<b>\$344,148</b>	<b>\$344,148</b>	<b>\$20,244</b>	<b>\$366,602</b>	<b>\$21,565</b>	
Vacancies: Enter as Negative										
Apartment	(\$7,287)	(\$26,339)	(\$14,487)	\$0	\$0	(\$20,236)	(\$1,190)	(\$21,556)	(\$1,268)	Typical Historical is to have 1 vacant unit of some type = 5.88% vacancy
Furniture					\$0	\$0	\$0	\$0	\$0	
Stores					\$0	\$0	\$0	\$0	\$0	
Garage & Parking Spaces-					\$0	\$0	\$0	\$0	\$0	
Miscellaneous Concessions-					(\$492)	(\$656)	\$0	\$0	\$0	
<b>Total Vacancies:</b>	<b>(\$7,287)</b>	<b>(\$26,339)</b>	<b>(\$14,487)</b>	<b>(\$492)</b>	<b>(\$656)</b>	<b>(\$20,236)</b>	<b>(\$1,190)</b>	<b>(\$21,556)</b>	<b>(\$1,268)</b>	
<b>Net Rental Income:</b>	<b>\$328,034</b>	<b>\$317,809</b>	<b>\$329,661</b>	<b>\$257,619</b>	<b>\$343,492</b>	<b>\$323,912</b>	<b>\$19,054</b>	<b>\$345,046</b>	<b>\$20,297</b>	
Other Income & Bad Debt										
Laundry & Vending-					\$0	\$0	\$0	\$0	\$0	
Damages & Cleaning Fees-					\$0	\$0	\$0	\$0	\$0	
Apartment Bad Debt- Enter as Neg.				(\$848)	(\$1,131)	\$0	\$0	\$0	\$0	Typical Historical is on-going with \$0 in bad debt. YTD 2010 is an anomaly that will likely be cleared in an audit.
Commercial Bad Debt- Enter as Neg.					\$0	\$0	\$0	\$0	\$0	
NSF & Late Charges, Other-	\$2,363	(\$345)	(\$130)	\$53	\$71	\$0	\$0	\$0	\$0	Per ownership, this is a miscellaneous of tenant charges that should be \$0 each year.
<b>Total Other Income:</b>	<b>\$2,363</b>	<b>(\$345)</b>	<b>(\$130)</b>	<b>(\$795)</b>	<b>(\$1,060)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>EFFECTIVE GROSS INCOME</b>	<b>\$330,397</b>	<b>\$317,464</b>	<b>\$329,531</b>	<b>\$256,824</b>	<b>\$342,432</b>	<b>\$323,912</b>	<b>\$19,054</b>	<b>\$345,046</b>	<b>\$20,297</b>	

	2007 Audit	2008 Audit	2009 Audit	2010 YTD Annualized		Typical Historical		Typ. Historical Trended		PAE Line Item Specific Comments
	Actual	Actual	Actual	9 Month	Annualized	\$ Amt	\$/Unit/Yr	\$ Amt	\$/Unit/Yr	
Admin. Exps										
Advertising-	\$54	\$162	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Section 8 Admin. Exps.-					\$0	\$0	\$0	\$0	\$0	
Other Admin. Exps.-					\$0	\$0	\$0	\$0	\$0	
										Ravinia shares staff with two other buildings and the payroll related costs are allocated among the buildings based on the number of units. (12% of the payroll costs are allocated to Ravinia). The current staffing consists of 2.5 FTE Office; 0.80 FTE Social Service Coordinator; 3.0 FTE Maintenance/Janitorial. The staffing costs increased in 2008 because they added 1.0 FTE Janitor and a 0.5 FTE Office person. In addition, we had a vacancy in one of the FTE positions in the office for a few months in 2008, otherwise the 2008 rate would have been closer to 2009 and 2010 rate. \$13,000 should be typical and no staffing changes are anticipated.
Office Salaries-	\$4,294	\$10,910	\$13,001	\$9,502	\$12,669	\$13,000	\$765	\$13,848	\$815	
Office Supplies-	\$5,266	\$5,634	\$5,771	\$4,595	\$6,127	\$5,771	\$339	\$6,148	\$362	
Office or Model Apt. Rent-					\$0	\$0	\$0	\$0	\$0	
Management Fee-	\$10,886	\$9,135	\$12,352	\$8,416	\$11,222	\$12,352	\$727	\$13,158	\$774	\$63 pupm per PM
Management or Super. Sal.-	\$6,357				\$0	\$0	\$0	\$0	\$0	
Mgmt. or Super. Free Rent Unit-					\$0	\$0	\$0	\$0	\$0	
										Per ownership: 2009 included a particularly difficult eviction that cost the property around \$2,200. Typical is around \$400.
Legal Expenses (Project)-	\$360	\$351	\$2,610	\$419	\$558	\$400	\$24	\$426	\$25	
Auditing Exps. (Project)-	\$8,300	\$9,300	\$10,900	\$11,300	\$15,067	\$10,900	\$641	\$11,611	\$683	
Bookkeeping Fees/Acct. Services-	\$1,069				\$0	\$0	\$0	\$0	\$0	
Telephone & Answ. Ser.-					\$0	\$0	\$0	\$0	\$0	
Employee Training-					\$0	\$0	\$0	\$0	\$0	
										Per ownership: "There were some unusual costs in some years. In 2008 there was an expense for the 5 year Comparability Study (\$1,350). In 2009 there was a reclassification of the 12/07 interest correction equal to \$8,120. In 2010, there was an adjustment to fix an escrow/reserve balance equal to \$710 and we utilized an outside consultant to audit/correct resident certification for a cost of \$3,000."
Miscellaneous Admin. Exps.-	\$4,439	\$7,093	\$12,498	\$6,311	\$8,415	\$8,000	\$471	\$8,522	\$501	
Total Admin Management Fees	\$30,139	\$33,450	\$44,780	\$32,127	\$42,836	\$38,071	\$2,239	\$40,555	\$2,386	
Total Admin Exps.	\$41,025	\$42,585	\$57,132	\$40,543	\$54,057	\$50,423	\$2,966	\$53,713	\$3,160	
Utilities Expense										
Fuel Oil/Coal-					\$0	\$0	\$0	\$0	\$0	
Fuel for Domestic Hot Water-					\$0	\$0	\$0	\$0	\$0	
										All Utilities are Tenant Paid. This expense is for common area exterior lighting and vacant units. Commonwealth Edison is currently seeking a 7% rate increase. 2010 rate is typical historical.
Electricity (Light & Misc. Power)-	\$1,649	\$1,805	\$2,420	\$2,256	\$3,008	\$3,008	\$177	\$3,204	\$188	All Utilities are Tenant Paid. This line is expense is for common area landscape watering and vacant units. 2008 included a very difficult eviction for which the property had to pay outstanding water bills that tenant left in order to get service returned. Typical set at \$300 per month. Rates with City of Highland Park seem to be stable.
Water-	\$302	\$1,527	\$102	\$104	\$139	\$300	\$18	\$320	\$19	All Utilities are Tenant Paid. Expense is for vacant units. 2008 included a very difficult eviction for which the property had to pay outstanding gas bills that tenant left in order to get service returned. Typical set at 2009 rate.
Gas-	\$532	\$2,981	\$1,200	\$0	\$0	\$1,200	\$71	\$1,278	\$75	All Utilities are Tenant Paid. This line is expense is for vacant units. 2009 should be typical. Rates with City of Highland Park seem to be stable.
Sewer-	\$7	\$404	\$987	\$210	\$280	\$987	\$58	\$1,051	\$62	
Other Utilis-					\$0	\$0	\$0	\$0	\$0	
Total Utilities Exps.:	\$2,490	\$6,717	\$4,709	\$2,570	\$3,427	\$5,495	\$323	\$5,853	\$344	
O & M Expenses										
										Ravinia shares staff with two other buildings and the payroll related costs are allocated among the buildings based on the number of units. (12% of the payroll costs are allocated to Ravinia). The current staffing consists of 2.5 FTE Office; 0.80 FTE Social Service Coordinator; 3.0 FTE Maintenance/Janitorial. The staffing costs increased in 2008 because they added 1.0 FTE Janitor and a 0.5 FTE Office person. Also, the maintenance/janitorial staff are Union and their wage increases were a higher percentage than the other staff. \$19,000 should be typical and no staffing changes are anticipated.
Janitor & Clean Payroll-	\$14,183	\$16,672	\$18,901	\$14,256	\$19,008	\$19,000	\$1,118	\$20,240	\$1,191	

	2007 Audit	2008 Audit	2009 Audit	2010 YTD Annualized		Typical Historical		Typ. Historical Trended		PAE Line Item Specific Comments
	Actual	Actual	Actual	9 Month	Annualized	\$ Amt	\$/Unit/Yr	\$ Amt	\$/Unit/Yr	
Janitor & Clean Supplies-	\$1,213	\$2,538	\$2,372	\$1,239	\$1,653	\$2,372	\$140	\$2,527	\$149	
Janitor & Clean Contract-					\$0	\$0	\$0	\$0	\$0	
Extermin. Payroll/Contract-					\$0	\$0	\$0	\$0	\$0	
Exterminating Supplies-					\$0	\$0	\$0	\$0	\$0	
Garbage & Trash Removal-	\$9,656	\$9,065	\$6,009	\$4,104	\$5,471	\$7,000	\$412	\$7,457	\$439	Per owner: The vendor for trash collection is required by the City of Highland Park (Waste Management). There are two sites at Ravinia (St. John's and Pleasant). The annual cost is approximately \$7,000.
Security Payroll/Contract-					\$0	\$0	\$0	\$0	\$0	
Grounds Payroll-					\$0	\$0	\$0	\$0	\$0	
Grounds Supplies-					\$0	\$0	\$0	\$0	\$0	
Grounds Contract-					\$0	\$0	\$0	\$0	\$0	
Repairs Payroll-					\$0	\$0	\$0	\$0	\$0	
Repair Contract-					\$0	\$0	\$0	\$0	\$0	
Repairs Contract-	\$25,818	\$69,512	\$77,839	\$31,108	\$41,478	\$28,500	\$1,676	\$30,360	\$1,786	Per ownership: In 2008, \$46,063 was capital expenditures. In 2009, \$42,332 was capital expenditures. Typical historical is \$28,500
Elevator Maintenance/Contract-					\$0	\$0	\$0	\$0	\$0	
HVAC R & M-	\$962	\$4,320	\$1,415	\$1,110	\$1,479	\$1,415	\$83	\$1,507	\$89	
Pool Maintenance/Contract-					\$0	\$0	\$0	\$0	\$0	
Snow Removal-	\$1,320	\$10,638	\$9,996	\$9,910	\$13,213	\$9,996	\$588	\$10,648	\$626	
Decorating Payroll/Contract-					\$0	\$0	\$0	\$0	\$0	
Decorating Supplies-					\$0	\$0	\$0	\$0	\$0	
Other Expenses-				\$512	\$682	\$0	\$0	\$0	\$0	
Misc. O & M Expenses-	\$477			\$3,286	\$4,381	\$0	\$0	\$0	\$0	
Neighborhood Network-					\$0	\$0	\$0	\$0	\$0	
Total O & M Expenses:	\$53,629	\$112,745	\$116,532	\$65,524	\$87,365	\$68,283	\$4,017	\$72,738	\$4,279	

	2007 Audit	2008 Audit	2009 Audit	2010 YTD Annualized		Typical Historical		Typ. Historical Trended		PAE Line Item Specific Comments
	Actual	Actual	Actual	9 Month	Annualized	\$ Amt	\$/Unit/Yr	\$ Amt	\$/Unit/Yr	
<b>Taxes &amp; Insurance</b>										
Real Estate Taxes-	\$38,067	\$35,532	\$40,879	\$29,209	\$38,945	\$33,000	\$1,941	\$35,153	\$2,068	Per 11/30/10 letter from owner's attorney, the property won an assessment appeal to reduce 2010 property taxes down to a revised tax amount of \$33,000 per year. PAE used this as typical historical.
Payroll Taxes (FICA)-	\$2,211	\$2,306	\$2,626	\$2,238	\$2,984	\$2,626	\$154	\$2,797	\$165	
Misc. Taxes, Licenses, & Permits-	\$224				\$0	\$0	\$0	\$0	\$0	
Property & Liability Insurance-	\$7,116	\$7,679	\$5,486	\$3,914	\$5,219	\$5,002	\$294	\$5,328	\$313	Per management: The cost was increased in 2008 due to bringing the coverage value to current value. The decrease in 2009 was due to having no claims, bidding the package and just the insurance industry. This coverage is for a group of properties. Ravinia's share of the current premium for coverage through 07/17/11 is \$5001.50. PAE entered this as typical historical.
Fidelity Bond Insurance-				\$34	\$45	\$0	\$0	\$0	\$0	
Workmen's Compensation-	\$1,129	\$1,287	\$1,483	\$198	\$264	\$1,483	\$87	\$1,580	\$93	
Health Ins. & Other Emp. Benefits-	\$2,751	\$4,072	\$4,912	\$3,919	\$5,225	\$4,912	\$289	\$5,232	\$308	
Fire/Hazard (not incl in Prop&Liab)-					\$0	\$0	\$0	\$0	\$0	
Flood (not already incl in Prop&Liab)-					\$0	\$0	\$0	\$0	\$0	
Boiler (not already incl in Prop&Liab)-					\$0	\$0	\$0	\$0	\$0	
Other Insurance-					\$0	\$0	\$0	\$0	\$0	
<b>Total Taxes &amp; Insurance:</b>	<b>\$51,498</b>	<b>\$50,876</b>	<b>\$55,386</b>	<b>\$39,512</b>	<b>\$52,683</b>	<b>\$47,023</b>	<b>\$2,766</b>	<b>\$50,091</b>	<b>\$2,947</b>	
<b>Elderly &amp; Congregate Service Expenses</b>										
Total Eld. Expenses-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Eld. Cong. Serv. Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>TOTAL OPERATING EXPENSES:</b>	<b>\$148,642</b>	<b>\$212,923</b>	<b>\$233,759</b>	<b>\$148,150</b>	<b>\$197,533</b>	<b>\$171,223</b>	<b>\$10,072</b>	<b>\$182,395</b>	<b>\$10,729</b>	
<b>NET OPERATING INCOME:</b>	<b>\$181,755</b>	<b>\$104,541</b>	<b>\$95,772</b>	<b>\$108,674</b>	<b>\$144,899</b>	<b>\$152,689</b>	<b>\$8,982</b>	<b>\$162,651</b>	<b>\$9,568</b>	
Replacement Reserves	\$8,334	\$8,544	\$8,544	\$6,408	\$8,544	\$8,544	\$503	\$9,101	\$535	
<b>ADJUSTED NET OPERATING INCOME</b>	<b>\$173,421</b>	<b>\$95,997</b>	<b>\$87,228</b>	<b>\$102,266</b>	<b>\$136,355</b>	<b>\$144,145</b>	<b>\$8,479</b>	<b>\$153,550</b>	<b>\$9,032</b>	
<b>DEBT SERVICE</b>										
FIRST MORTGAGE DEBT SERVICE:	\$86,374	\$86,374	\$86,374	\$64,781	\$86,374	\$86,374	\$5,081	\$86,374	\$5,081	
1ST MORT. INS. PREMIUM (MIP):	\$4,477	\$4,384	\$4,280	\$3,127	\$4,169	\$4,280	\$252	\$4,280	\$252	
IRP TO 1ST DEBT SERV. (Enter as Neg.):	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
SECOND MORTGAGE DEBT SERVICE:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
THIRD MORTGAGE DEBT SERVICE:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>TOTAL MORTGAGE DEBT SERVICE:</b>	<b>\$90,851</b>	<b>\$90,758</b>	<b>\$90,654</b>	<b>\$67,908</b>	<b>\$90,543</b>	<b>\$90,654</b>	<b>\$5,333</b>	<b>\$90,654</b>	<b>\$5,333</b>	
1st Mortgage DSCR:	1.91	1.06	0.96	1.51	1.51	1.59	NAP	1.69	NAP	

2007 Audit	2008 Audit	2009 Audit	2010 YTD Annualized		Typical Historical		Typ. Historical Trended		PAE Line Item Specific Comments
Actual	Actual	Actual	9 Month	Annualized	\$ Amt	\$/Unit/Yr	\$ Amt	\$/Unit/Yr	

**Surplus Cash Calculations**

Enter all amounts as positive values. Year 2010 should only be entered if it is actually an audited, full year.

NOTE: Possible Payables Issues

CASH	2007	2008	2009	2010
Cash (Accounts 1110,1120,1191,1192)	\$66,369.00	\$6,690.00	\$57,689.00	\$0.00
Tenant subsidy vouchers due for period covered by financial statement	\$1,874.00	\$50,775.00	\$23,780.00	\$0.00
Other (Describe)				\$0.00
<b>TOTAL CASH</b>	<b>\$68,243.00</b>	<b>\$57,465.00</b>	<b>\$81,469.00</b>	<b>\$0.00</b>
<b>OBLIGATIONS</b>				
Accrued Mortgage Interest	\$4,758.00	\$4,589.00	\$4,408.00	\$0.00
Deficient Tax / Insurance / MIP Escrow		\$4,057.00		\$0.00
Delinquent Reserve Deposits		\$712.00		\$0.00
Accounts Payable (due within 30 days)	\$231.00	\$38,671.00	\$25,336.00	\$0.00
Loans and Notes Payable (due within 30 days)				\$0.00
Prepaid Utilities				\$0.00
Utility Advances (payable to tenants)				\$0.00
Accrued Expenses (not escrowed)	\$21,837.00	\$26,495.00	\$78,925.00	\$0.00
Tenant Security Deposits Liability (Account 2191)	\$5,266.00	\$6,674.00	\$6,856.00	\$0.00
Prepaid Rents (Account 2210)	\$885.00	\$2,103.00	\$3,869.00	\$0.00
Delinquent Mortgage Principal	\$0.00	\$2,594.00		\$0.00
Accounts Payable (Section 8)	\$2,765.00	\$11,848.00		\$0.00
Bank Overdraft	\$0.00	\$8,065.00		\$0.00
Other (Describe)	\$0.00	\$0.00		\$0.00
<b>TOTAL OBLIGATIONS</b>	<b>\$35,742.00</b>	<b>\$105,808.00</b>	<b>\$119,394.00</b>	<b>\$0.00</b>
<b>SURPLUS CASH (DEFICIENCY)</b>	<b>\$32,501.00</b>	<b>(\$48,343.00)</b>	<b>(\$37,925.00)</b>	<b>\$0.00</b>

Comment on declining cash/increasing payables:

Projected Income and Expenses for:  
 Ravinia Housing  
 PAE: Signet Partners

Current Model Progress/Stage Date: 1/31/2011  
 Unit Count: 17

	Appraisal		Other (Describe)		Typ. Historical Trended		M2M Project Based		M2M Tenant Based		PAE Line Item Specific Comments
	Actual	\$/Unit/Yr	Actual	\$/Unit/Yr	\$ Amt	\$/Unit/Yr	\$Amt	\$/Unit/Yr	\$ Amt	\$/Unit/Yr	
<b>Rental Income</b>											
Residential-											
Section & Project-Based	\$0	\$0	\$0	\$0	\$317,854	\$18,697	\$240,204	\$14,130	\$0	\$0	
Tenant Portion	\$225,240	\$13,249	\$0	\$0	\$48,749	\$2,868	\$0	\$0	\$0	\$0	
Unassisted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$240,204	\$14,130	
Stores & Commercial-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Prk., F&E, Flex Sub., Misc-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Rental Income:</b>	<b>\$225,240</b>	<b>\$13,249</b>	<b>\$0</b>	<b>\$0</b>	<b>\$366,602</b>	<b>\$21,565</b>	<b>\$240,204</b>	<b>\$14,130</b>	<b>\$240,204</b>	<b>\$14,130</b>	
<b>Vacancies - Enter as Negative</b>											
A: 715-	(\$4,545)	(\$267)	\$0	\$0	(\$21,556)	(\$1,268)	(\$14,124)	(\$831)	(\$14,124)	(\$831)	5.88% Vacancy is 1 vacant unit
F: UT - & Equipment-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Stores & Commercial-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Garage & Parking Spaces-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Miscellaneous Concessions-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Vacancies:</b>	<b>(\$4,545)</b>	<b>(\$267)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$21,556)</b>	<b>(\$1,268)</b>	<b>(\$14,124)</b>	<b>(\$831)</b>	<b>(\$14,124)</b>	<b>(\$831)</b>	
<b>Net Rental Income:</b>	<b>\$220,695</b>	<b>\$12,982</b>	<b>\$0</b>	<b>\$0</b>	<b>\$345,046</b>	<b>\$20,297</b>	<b>\$226,080</b>	<b>\$13,299</b>	<b>\$226,080</b>	<b>\$13,299</b>	
<b>Other Income &amp; Bad Debt</b>											
Laundry & Vending-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Damages & Cleaning Fees-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Apartment Bad Debt- Enter as Neg.	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,804)	(\$283)	(\$4,804)	(\$283)	Although property historically has \$0 bad debt, 2% is program minimum.
Commercial Bad Debt- Enter as Neg.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
NSF & Late Charges, Other-	\$2,000	\$118	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Other Income:</b>	<b>\$2,000</b>	<b>\$118</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$4,804)</b>	<b>(\$283)</b>	<b>(\$4,804)</b>	<b>(\$283)</b>	
<b>EFFECTIVE GROSS INCOME</b>	<b>\$222,695</b>	<b>\$13,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$345,046</b>	<b>\$20,297</b>	<b>\$221,276</b>	<b>\$13,016</b>	<b>\$221,276</b>	<b>\$13,016</b>	

	Appraisal		Other (Describe)		Typ. Historical Trended		M2M Project Based		M2M Tenant Based		PAE Line Item Specific Comments
	Actual	S/Unit/Yr	Actual	S/Unit/Yr	\$ Amt	S/Unit/Yr	\$Amt	S/Unit/Yr	\$ Amt	S/Unit/Yr	
Admin. Exps											
Advertising-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Section & Admin. Exps.-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Admin. Exps.-	\$29,750	\$1,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
											Ravinia shares staff with two other buildings and the payroll related costs are allocated among the buildings based on the number of units. (12% of the payroll costs are allocated to Ravinia). The current staffing consists of 2.5 FTE Office; 0.80 FTE Social Service Coordinator; 3.0 FTE Maintenance/Janitorial. The staffing costs increased in 2008 because they added 1.0 FTE Janitor and a 0.5 FTE Office person. In addition, we had a vacancy in one of the FTE positions in the office for a few months in 2008, otherwise the 2008 rate would have been closer to 2009 and 2010 rate. No staffing changes are anticipated, so this is trended from typical historical.
Office Salaries-	\$0	\$0	\$0	\$0	\$13,848	\$815	\$13,848	\$815	\$13,848	\$815	
Office Supplies-	\$0	\$0	\$0	\$0	\$6,148	\$362	\$6,148	\$362	\$6,148	\$362	
Office or Model Apt. Rent-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Management Fee-	\$6,757	\$397	\$0	\$0	\$13,158	\$774	\$9,180	\$540	\$9,180	\$540	This is \$45 pupm in line with 2009 AFS and Ken Jones, PM
Management or Super. Sal.-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Mgmt. or Super. Free Rent Unit-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Legal Expenses (Project)-	\$0	\$0	\$0	\$0	\$426	\$25	\$426	\$25	\$426	\$25	
Auditing Exps. (Project)-	\$0	\$0	\$0	\$0	\$11,611	\$683	\$11,611	\$683	\$11,611	\$683	
Bookkeeping Fees/Acct. Services-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Telephone & Answ. Ser.-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Employee Training-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
											Per ownership: "There were some unusual costs in some years. In 2008 there was an expense for the 5 year Comparability Study (\$1,350). In 2009 there was a reclassification of the 12/07 interest correction equal to \$8,120. In 2010, there was an adjustment to fix an escrow/reserve balance equal to \$710 and we utilized an outside consultant to audit/correct resident certification for a cost of \$3,000. When these costs are removed from each of those fiscal years, the average Miscellaneous Administrative cost is about \$5,000."
Miscellaneous Admin. Exps-	\$0	\$0	\$0	\$0	\$8,522	\$501	\$5,000	\$294	\$5,000	\$294	
Total Admin. Less Management Fee:	\$29,750	\$1,750	\$0	\$0	\$40,555	\$2,386	\$37,033	\$2,178	\$37,033	\$2,178	
Total Admin. Exps.:	\$36,507	\$2,147	\$0	\$0	\$53,713	\$3,160	\$46,213	\$2,718	\$46,213	\$2,718	
Utilities Expense											
Fuel Oil/Coal-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fuel for Domestic Hot Water-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Electricity (Light & Misc. Power)-	\$1,020	\$60	\$0	\$0	\$3,204	\$188	\$3,218	\$189	\$3,218	\$189	All Utilities are Tenant Paid. This expense is for common area exterior lighting and vacant units. Commonwealth Edison is currently seeking a 7% rate increase. PAE added 7% to untrended typical historical.
Water-	\$1,785	\$105	\$0	\$0	\$320	\$19	\$320	\$19	\$320	\$19	All Utilities are Tenant Paid - these expenses are only based on common area landscaping and vacant units. Rates with City of Highland Park seem to be stable. This is trended from typical historical.
Gas-	\$1,190	\$70	\$0	\$0	\$1,278	\$75	\$1,500	\$88	\$1,500	\$88	All Utilities are Tenant Paid - these expenses are only based on vacant units and will vary with vacancies. North Shore Gas took a rate increase on 01/28/10. PAE added 25% to untrended typical historical to reflect this increase.
Sewer-	\$0	\$0	\$0	\$0	\$1,051	\$62	\$1,051	\$62	\$1,051	\$62	All Utilities are Tenant Paid - these expenses are only based on common area landscaping and vacant units. Rates with City of Highland Park seem to be stable. This is trended from typical historical.
Other Utils-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Utilities Exps.:	\$3,995	\$235	\$0	\$0	\$5,853	\$344	\$6,089	\$358	\$6,089	\$358	
O & M Expenses											

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	Appraisal		Other (Describe)		Typ. Historical Trended		M2M Project Based		M2M Tenant Based		PAE Line Item Specific Comments
	Actual	S/Unit/Yr	Actual	S/Unit/Yr	\$ Amt	S/Unit/Yr	\$Amt	S/Unit/Yr	\$ Amt	S/Unit/Yr	
Janitor & Clean Payroll-	\$0	\$0	\$0	\$0	\$20,240	\$1,191	\$20,240	\$1,191	\$20,240	\$1,191	Ravinia shares staff with two other buildings and the payroll related costs are allocated among the buildings based on the number of units. (12% of the payroll costs are allocated to Ravinia). The current staffing consists of 2.5 FTE Office; 0.80 FTE Social Service Coordinator; 3.0 FTE Maintenance/Janitorial. The staffing costs increased in 2008 because they added 1.0 FTE Janitor and a 0.5 FTE Office person. Also, the maintenance/janitorial staff are Union and their wage increases were a higher percentage than the other staff. No staffing changes are anticipated - this is trended off typical historical.
Janitor & Clean Supplies-	\$0	\$0	\$0	\$0	\$2,527	\$149	\$2,527	\$149	\$2,527	\$149	
Janitor & Clean Contract-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Extermin. Payroll/Contract-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Exterminating Supplies-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Garbage & Trash Removal-	\$7,905	\$465	\$0	\$0	\$7,457	\$439	\$7,457	\$439	\$7,457	\$439	City of Highland Park requires use of Waste Management. Rates stable - trended from typical historical.
Service Payroll/Contract-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Gr Payroll-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Gr Supplies-	\$850	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Grounds Contract-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Repairs Payroll-	\$13,855	\$815	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Repairs Material-	\$765	\$45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Repairs Contract-	\$0	\$0	\$0	\$0	\$30,360	\$1,786	\$30,360	\$1,786	\$30,360	\$1,786	This is trended off the typical historical, which PAE adjusted to remove capital expenditures that should not have been in this operating budget.
Elevator Maintenance/Contract-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
HVAC R & M-	\$0	\$0	\$0	\$0	\$1,507	\$89	\$500	\$29	\$500	\$29	PAE reduced this expense as all AC will be new and all furnaces are being replaced through a weatherization program.
Pool Maintenance/Contract-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Snow Removal-	\$0	\$0	\$0	\$0	\$10,648	\$626	\$10,648	\$626	\$10,648	\$626	
Decorating Payroll/Contract-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Decorating Supplies-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Expenses-	\$765	\$45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Misc. O & M Expenses-	\$24,650	\$1,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Neighborhood Network-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total O &amp; M Expenses:</b>	<b>\$48,790</b>	<b>\$2,870</b>	<b>\$0</b>	<b>\$0</b>	<b>\$72,738</b>	<b>\$4,279</b>	<b>\$71,731</b>	<b>\$4,219</b>	<b>\$71,731</b>	<b>\$4,219</b>	

	Appraisal		Other (Describe)		Typ. Historical Trended		M2M Project Based		M2M Tenant Based		PAE Line Item Specific Comments
	Actual	S/Unit/Yr	Actual	S/Unit/Yr	\$ Amt	S/Unit/Yr	\$Amt	S/Unit/Yr	\$ Amt	S/Unit/Yr	
<b>Taxes &amp; Insurance</b>											
Real Estate Taxes-	\$39,100	\$2,300	\$0	\$0	\$35,153	\$2,068	\$33,000	\$1,941	\$33,000	\$1,941	Per 11/30/10 letter from owner's attorney, the property won an assessment appeal to reduce 2010 property taxes down to a revised tax amount of \$33,000 per year.
Payroll Taxes (FICA)-	\$2,380	\$140	\$0	\$0	\$2,797	\$165	\$2,797	\$165	\$2,797	\$165	
Misc. Taxes, Licenses, & Permits-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Property & Liability Insurance-	\$6,120	\$360	\$0	\$0	\$5,328	\$313	\$5,002	\$294	\$5,002	\$294	This coverage is for a group of properties. Ravinia's share of the current premium for coverage through 07/17/11 is \$5001.50. PAE entered this as projected.
Fidelity Bond Insurance-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Workmen's Compensation-	\$0	\$0	\$0	\$0	\$1,580	\$93	\$1,580	\$93	\$1,580	\$93	
Health Ins. & Other Emp. Benefits-	\$6,290	\$370	\$0	\$0	\$5,232	\$308	\$5,232	\$308	\$5,232	\$308	
Fire/Hazard (not incl in Prop&Liab)-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Flood (not already incl in Prop&Liab)-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Boiler (not already incl in Prop&Liab)-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Insurance-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Taxes &amp; Insurance:</b>	<b>\$53,890</b>	<b>\$3,170</b>	<b>\$0</b>	<b>\$0</b>	<b>\$50,091</b>	<b>\$2,947</b>	<b>\$47,611</b>	<b>\$2,801</b>	<b>\$47,611</b>	<b>\$2,801</b>	
<b>Elderly &amp; Congregate Service Expenses</b>											
Trustee Service Expenses-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Elderly &amp; Cong. Service Expenses:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>TOTAL OPERATING EXPENSES:</b>	<b>\$143,182</b>	<b>\$8,422</b>	<b>\$0</b>	<b>\$0</b>	<b>\$182,395</b>	<b>\$10,729</b>	<b>\$171,644</b>	<b>\$10,097</b>	<b>\$171,644</b>	<b>\$10,097</b>	
Capital Recovery Pmt (Equity/Return page):	\$0	\$0	\$0	\$0	\$0	\$0	\$6,795	\$400	\$6,795	\$400	
<b>NET OPERATING INCOME:</b>	<b>\$79,513</b>	<b>\$4,677</b>	<b>\$0</b>	<b>\$0</b>	<b>\$162,651</b>	<b>\$9,568</b>	<b>\$42,836</b>	<b>\$2,520</b>	<b>\$42,836</b>	<b>\$2,520</b>	
Replacement Reserves	\$11,262	\$662	\$0	\$0	\$9,101	\$535	\$16,000	\$941	\$16,000	\$941	
<b>ADJUSTED NET OPERATING INCOME</b>	<b>\$68,251</b>	<b>\$4,015</b>	<b>\$0</b>	<b>\$0</b>	<b>\$153,550</b>	<b>\$9,032</b>	<b>\$26,836</b>	<b>\$1,579</b>	<b>\$26,836</b>	<b>\$1,579</b>	
<b>DEBT SERVICE</b>											
FIRST MORTGAGE DEBT SERVICE:	\$86,374	\$5,081	\$86,374	\$5,081	\$86,374	\$5,081	\$86,374	\$5,081	\$86,374	\$5,081	
1ST MORT. INSURANCE PREMIUM (MIP):	\$0	\$0	\$0	\$0	\$4,280	\$252	\$4,280	\$252	\$4,280	\$252	
1RP.TO DEBT SERVICE (Enter as Neg.):	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
SECOND MORTGAGE DEBT SERVICE:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
THIRD MORTGAGE DEBT SERVICE:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>TOTAL MORTGAGE DEBT SERVICE:</b>	<b>\$86,374</b>	<b>\$5,081</b>	<b>\$86,374</b>	<b>\$5,081</b>	<b>\$90,654</b>	<b>\$5,333</b>	<b>\$90,654</b>	<b>\$5,333</b>	<b>\$90,654</b>	<b>\$5,333</b>	
1st Mortgage DSCR:	0.79	NAP	0.00	NAP	1.69	NAP	0.30	NAP	0.30	NAP	







**Reserves for Replacement Schedule**

Ravinia Housing  
PAE Name: Signet Partners

Current Model Progress/Stage Date: 1/31/2011  
Unit Count: 17

**Input Data:**

Current Replacement Reserve Balance:	\$486,501.08	Anticipated Reserves at Closing:	\$489,349
Anticipated R4R Deposits (Pre-Closing):	\$2,848.00	Anticipated Residual Receipts at Closing:	\$0.00
Anticipated R4R Withdrawals (Pre-Closing):	\$0.00	Anticipated Surplus Accounts at Closing:	\$0
Anticipated/Existing R4R Balance at Closing:	\$489,349.08	Owner's % Share of Surplus Accounts (up to 10%):	10.0%
Initial Deposit to Replacement Reserve (IDRR):	\$593,000	Owner's \$ Amount Share of Surplus Accounts:	\$0
First Year Reserve Deposit:	\$16,000	Reserve Account Interest Rate:	1.00%
Reserve Balance Floor:	\$8,544		
(Floor = 1x Deposit @ PAE Assignment Date)			

Year of Requirement	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Inflated Annual PCA Needs	\$64,526	\$74,136	\$75,990	\$47,530	\$52,358	\$69,024	\$0	\$5,659	\$102,671	\$99,561
Beginning Balance (Equals IDRR in Year 1)	\$593,000	\$550,162	\$497,719	\$443,385	\$417,623	\$387,277	\$340,422	\$363,027	\$380,746	\$301,739
Annual Reserve (R4R) Deposit from Property Cash Flow	\$16,000	\$16,480	\$16,974	\$17,484	\$18,008	\$18,548	\$19,105	\$19,678	\$20,268	\$20,876
IRP &/or Out-Year S8 Funds for Additional Deposit to R4R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Withdrawals (Equal to Inflated Annual PCA Needs)	(\$64,526)	(\$74,136)	(\$75,990)	(\$47,530)	(\$52,358)	(\$69,024)	\$0	(\$5,659)	(\$102,671)	(\$99,561)
Interest Income	\$5,687	\$5,213	\$4,682	\$4,284	\$4,004	\$3,620	\$3,500	\$3,700	\$3,395	\$2,624
Ending Balance	\$550,162	\$497,719	\$443,385	\$417,623	\$387,277	\$340,422	\$363,027	\$380,746	\$301,739	\$225,678
Indicators of Reserve Inadequacy										

*Reserves are Adequate in Each Year*

Year-20 Ending Balance per Unit:	\$4,910
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**Reserves Comments:**

- R4R account balance = \$41,941.52 as of 12/31/10. Residual Receipts balance is \$444,559.56 as of 12/31/10. PAE has requested approval from Ken Jones, PM, to transfer this Residual Receipts balance to the R4R prior to M2M closing. Although his approval is still pending as of 01/31/11, PAE has included above as such.  
 -The PAE anticipates four deposits to R4R prior to closing of \$712 each for a total of \$2,848  
 -The PAE anticipates an R4R withdraws prior to closing: \$0 for R/E items (Note: these items are being completed with operating cash).  
 -The PAE is proposing an IDRR of \$593,000 and a first year deposit of \$16,000  
 -Ending Balances: The lowest year-end balance in the R4R occurs in year 15 (\$26,809 or \$1,577 per unit). The PAE looked at the 20 year schedule and found that no additional financing would be necessary. The year 20 ending balance is projected to be \$4,910 per unit.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Inflated Needs per Unit per Annum	\$3,796	\$4,361	\$4,470	\$2,796	\$3,080	\$4,060	\$0	\$333	\$6,039	\$5,857
Reserve Deposit per Unit per Annum	\$941	\$969	\$998	\$1,028	\$1,059	\$1,091	\$1,124	\$1,158	\$1,192	\$1,228

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**Reserves for Replacement Schedule**

Ravinia Housing

PAE Name: Signet Partners

Current Model Progress/Stage Date: 1/31/2011

Unit Count: 17

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Totals	Averages
<b>Year of Requirement</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>		
Inflated Annual PCA Needs	\$65,518	\$71,421	\$77,789	\$70,028	\$33,887	\$11,113	\$0	\$10,371	\$0	\$57,769	\$989,352	\$49,468
Beginning Balance (Equals IDRR in Year 1)	\$225,678	\$183,699	\$136,017	\$82,125	\$36,182	\$26,809	\$40,961	\$67,174	\$84,001	\$112,216	N/A	\$263,498
Annual Reserve (R4R) Deposit from Property Cash Flow	\$21,503	\$22,148	\$22,812	\$23,497	\$24,201	\$24,927	\$25,675	\$26,446	\$27,239	\$28,056	\$429,926	\$21,496
IRP &/or Out-Year S8 Funds for Additional Deposit to R4R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Withdrawals (Equal to Inflated Annual PCA Needs)	(\$65,518)	(\$71,421)	(\$77,789)	(\$70,028)	(\$33,887)	(\$11,113)	\$0	(\$10,371)	\$0	(\$57,769)	(\$989,352)	(\$49,468)
Interest Income	\$2,037	\$1,591	\$1,085	\$589	\$313	\$337	\$538	\$752	\$976	\$974	\$49,902	\$2,495
Ending Balance	\$183,699	\$136,017	\$82,125	\$36,182	\$26,809	\$40,961	\$67,174	\$84,001	\$112,216	\$83,477	N/A	\$238,022
Indicators of Reserve Inadequacy											N/A	N/A

Reserves are Adequate in Each Year

Year-20 Ending Balance per Unit:	\$4,910
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Additional Reserves Comments:

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	AVERAGE
Inflated Needs per Unit per Annum	\$3,854	\$4,201	\$4,576	\$4,119	\$1,993	\$654	\$0	\$610	\$0	\$3,398	\$2,910
Reserve Deposit per Unit per Annum	\$1,265	\$1,303	\$1,342	\$1,382	\$1,424	\$1,466	\$1,510	\$1,556	\$1,602	\$1,650	\$1,264

Rent Comparability Grid

Unit Type →

Subject's FHA #:

Subject		Comp #1					Comp #2					Comp #3					
Project Name		Project Name					Project Name					Project Name					
Street Address		Street Address					Street Address					Street Address					
City County		City County					City County					City County					
Data on Subject		Data	Owner \$ Adj	Apprsr \$ Adj	PAE \$ Adj	Footnote #	Data	Owner \$ Adj	Apprsr \$ Adj	PAE \$ Adj	Footnote #	Data	Owner \$ Adj	Apprsr \$ Adj	PAE \$ Adj	Footnote #	
<b>A. Rents Charged</b>																	
1	\$ Last Rent / Restricted?																
2	Date Last Leased (mo/yr)																
3	Rent Concessions																
4	Occupancy for Unit Type	%					%					%					
5	Effective Rent & Rent/ sq. ft.																
<p>\$ Adj. #1 is for Owner's Appraiser, \$ Adj. #2 is for PAE's Appraiser, \$ Adj. #3 is for PAE's Reconciliation. In Parts B thru E, adjust only for variances from the subject's market values.</p>																	
<b>B. Design, Location, Condition</b>																	
6	Structure / Stories																
7	Yr. Built/Yr. Renovated																
8	Condition /Street Appeal																
9	Neighborhood																
10	Same Market? Miles to Subj																
<b>C. Amenities</b>																	
11	# Bedrooms																
12	# Baths																
13	Unit Interior Sq. Ft.																
14	Balcony/ Patio																
15	AC: Central/ Wall																
16	Range/ refrigerator																
17	Microwave/ Dishwasher																
18	Washer/Dryer																
19	Floor Coverings																
20	Window Coverings																
21	Cable/ Satellite/Internet																
22	Special Features																
23																	
<b>D. Site Equipment/ Amenities</b>																	
24	Parking (\$ Fee)																
25	Extra Storage																
26	Security																
27	Rooms																
28	Pool/ Recreation Areas																
29	Netwk																
30	Service Coordination																
31	Non-shelter Services																
32																	
<b>E. Utilities</b>																	
33	Heat (in rent? type)																
34	Cooling (in rent? type)																
35	Cooking (in rent? type)																
36	Hot Water (in rent? type)																
37	Other Electric																
38	Cold Water/ Sewer																
39	Trash /Recycling																
<b>F. Adjustments Recap</b>																	
40	# Adjustments B to D																
41	Sum Adjustments B to D																
42	Sum Utility Adjustments																
43	Net/ Gross Adjts B to E																
<b>G. Adjusted &amp; Market Rents</b>																	
44	Adjusted Rent (5+ 43)																
45	Adj Rent/Last rent																
46	Estimated Market Rent																

Enter footnotes for each comparable in the text boxes provided at right.

1.	1.	1.
2.	2.	2.
3.	3.	3.
4.	4.	4.
5.	5.	5.
6.	6.	6.
7.	7.	7.
8.	8.	8.
9.	9.	9.
10.	10.	10.
11.	11.	11.
12.	12.	12.
13.	13.	13.
14.	14.	14.
15.	15.	15.
16.	16.	16.
17.	17.	17.
18.	18.	18.
19.	19.	19.
20.	20.	20.

Appraiser's Signature \_\_\_\_\_ Date \_\_\_\_\_

Attached are explain 4 4 of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

# Form 7.4 or 7.4a Base Data

## Ravinia Housing

### Underwriting Model Identification

Model name	RaviniaOKPOLC40411.xls
Model version	4.40
Model revision date	April 20, 2006

Existing Loan is Insured or HUD Held?	Insured
Type of New First Mortgage	Takeout
Market Rent or Exception Rent Restructure?	Exception Rent
Out Year Deal?	No
Number of out year HAPs	1
Latest Out Year Extended Expiration	May 31, 2011
Leave out year HAP(s) in place after M2M?	No
Mortgage Restructuring Note? ("2nd mortgage")	Yes
Contingent Repayment Note? ("3rd mortgage")	No
Result of RAAP	Project
Existing Loan is Section 236?	No
Existing Loan is BMIR?	No
Bond financed property?	No
Additional Funds Transaction?	No
Co-op?	No
Operating Deficit Escrow (ODE):	No
Subordinate Debt?	No

Name of property	Ravinia Housing
City, county, state	Highland Park, IL
FHA number	071-35467
HAP Contract number(s)	IL060051003

est'd Closing Date	May 17, 2011
original principal balance of Existing Loan	\$1,034,700
total transaction cost amount	\$69,997.21
estimated claim payment	\$738,702.29
UPB pre-M2M	\$738,782.26
UPB minus claim	\$79.97

Original Principal Amount	\$408,400.00
Lender	0
Loan Type	223 (a)7
Interest Rate	5.00%
Mortgage Insurance Premium	0.45%
Loan Term	30

MRN amount	\$738,702.29
MRN interest rate	3.50%
MRN term	30.0 years
MRN share of cash flow	80%

CRN amount	\$0.00
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**Form 7.4 or 7.4a Base Data**  
**Ravinia Housing**

for significant additions	\$1,859
for rehab other than significant additions	\$47,143
for transaction costs	\$13,999
number of monthly CRPs	180
monthly CRP amount	\$566.25
IPF percentage	1.40%
estimated pre M2M R4R balance	\$489,349
IDRR amount	\$593,000
monthly post M2M R4R deposit	\$1,333
REMS ID	800006272

# User Input to Create Claim Payment Checklist Ravinia Housing

Most Recent Model Update: 1/31/2011

1) Enter the date the following items were received:

Date Received

Form 7.4a	Restructuring Commitment with Exhibit A and Exhibit F	
	Certification of Mortgage Balance	
	Certification of Mortgage Balance and/or HUD-Held Payoff Statement	
	Form 7.6 Application for 541(b) Payment	
	Wiring Instructions for Partial Payment of Claim - Payment Information Form - Treasury Financial Communication System for Existing Mortgagee	
	Written Authorization from Existing Mortgagee (in F47) for Payment to be sent to Other Entity (aka Treasury Letter)	
	Official Corporate Resolution naming corporate officers with signing authority for Mortgagee	
	Delegation of Authority requesting Servicer to act on behalf of Mortgagee (if applicable)	
	If Power of Attorney submitted in lieu of Treasury Letter, certification by PAE attorney clarifying content	
	Official Corporate Resolution naming corporate officers with signing authority for Servicer	
Form 4.11 F47 Clearance Certification -or-		
Form 4.12 F47 Reconciliation Form		
Insurance Termination Request for Multifamily Mortgage (HUD Form 9807)		
Form 7.7 Closing Parties Checklist		
Form 9807 (if Non-Claim, not HUD-Held)		
Form 7.4	Form 7.5 Claim Payment Summary	
Form 7.4a	Form 7.12 M2M HUD-Held Restructuring Summary - or -	
	Form 7.13 M2M Non-Claim/Non-HUD-Held Restructuring Summary	

2) Will this asset will be rolled up with others during the restructuring?

*If multiple assets will be rolled up together during the restructuring, please list correct surviving numbers (must correspond).*

	No
FHA#	071-35467
REMS ID	800006272
Sec8 #	IL060051003

3) If any of the following conditions are true, approvals must be obtained before the asset can be scheduled.

*If the model indicates or any of the following conditions are true, the description boxes in #4 below will be shaded blue.*

Transfer of Physical Assets (TPA)	No
Transfer of Physical Assets (TPA) to a Qualified Non-Profit (QNP) w/debt relief at closing	No

4) Is this a Bond-Financed Loan (if so, please indicate if either condition below exists):

CMB > 2 months bond interest (provide breakout from trustee)	No
Bond fees > \$5K (provide breakout from trustee)	No

5) If this is a 236 Interest Reduction Payment (IRP) transaction, how will the IRP be reused?

*If IRP will be reused toward R4R, a waiver will be required.*

6) Will any of the existing Subordinate debt be paid off during the restructuring?

7) If any of the following conditions are true, approvals must be obtained before the asset can be scheduled:

*If the model indicates or any of the above conditions are true, the description box will be shaded blue and you must provide info.*

Date

236 Interest Reduction Payments (IRP) Re-Use:	
236 Reality Check approved by HQ Transaction Specialist on:	
IRP Re-Use model submitted to HQ Closing on:	
IRP to R4R Waiver approved on:	
Existing Subordinate Debt (e.g., workouts, conventional, and/or Flex): original debt instruments, draft subordination documents and memo of explanation sent to HQ Closing for approval by OGC on:	
Additional Funds (AF Model): Highlights Memo submitted to and approved by HQ Transaction Specialist on:	
Transfer of Physical Assets (TPA): Preliminary Approval submitted to and approved by PO Director on:	
Qualified Non-Profit (QNP) Debt Forgiveness/Assignment:	
approved by OAHF DAS on:	
documents submitted to the HQ Transaction Sepcialist on:	

8) Comments to be included at bottom of Checklist:

**Mark-to-Market  
Claim Payment Checklist**

**Form 7.4**

Date: 4/21/11 Most Recent Model Update: 1/31/11  
 Property Name: *Ravinia Housing*  
 FHA Number: 071-35467

Checklist of required documents (if applicable to the transaction)  
 to be submitted to OAHP HQ at least 16 days prior to closing:

Date Received	Document
1/0/00	Form 7.5 Claim Payment Summary
	Restructuring Commitment with Exhibit A and Exhibit F
	Certification of Mortgage Balance
	Form 7.6 Application for 541(b) Payment
	Wiring Instructions for Partial Payment of Claim - Payment Information Form - Treasury Financial Communication System for Existing Mortgagee
	Written Authorization from Existing Mortgagee (in F47) for Payment to be sent to Other Entity (aka Treasury Letter)
	Official Corporate Resolution naming corporate officers with signing authority for Mortgagee
	Delegation of Authority requesting Servicer to act on behalf of Mortgagee (if applicable)
	If Power of Attorney submitted in lieu of Treasury Letter, certification by PAE attorney clarifying content
	Official Corporate Resolution naming corporate officers with signing authority for Servicer
	Form 4.11 F47 Clearance Certification -or- Form 4.12 F47 Reconciliation Form
	Insurance Termination Request for Multifamily Mortgage (HUD Form 9807)
	Form 7.7 Closing Parties Checklist
	<b>If any of the following are true, approvals <u>must</u> be obtained <u>before</u> the asset can be scheduled.</b>
	Existing debt bond financed
	236 (Interest Reduction Payments - IRP) deal
	Additional Funds (AF model)
	Subordinate debt
	Transfer of Physical Assets (TPA)
	Transfer of Physical Assets (TPA) to a Qualified Non-Profit (QNP) w/debt relief at closing
	<b>This deal cannot be scheduled as modeled: CRN cannot be less than \$25,000.</b>

**Mark-to-Market** **Form 7.4a**  
**HUD-Held or Non-Claim/Non-HUD-Held Restructuring Summary Checklist**

Date: 4/21/11 Most Recent Model Update: 1/31/11  
 Property Name: *Ravinia Housing*  
 FHA Number: 071-35467  
Checklist of required documents (if applicable to the transaction)  
to be submitted to OAHP HQ at least 16 days prior to closing:

Date Received	Document
1/0/00	Form 7.12 M2M HUD-Held Restructuring Summary - or - Form 7.13 M2M Non-Claim/Non-HUD-Held Restructuring Summary
	Restructuring Commitment with Exhibit A and Exhibit F
	Certification of Mortgage Balance and/or HUD-Held Payoff Statement
	Form 4.11 F47 Clearance Certification -or- Form 4.12 F47 Reconciliation Form (n/a if HUD-Held)
	Form 7.7 Closing Parties Checklist
	Form 9807 (if Non-Claim, not HUD-Held)
	<b>If <u>any</u> of the following are true, approvals <u>must</u> be obtained <u>before</u> the asset can be scheduled.</b>
	Existing debt bond financed
	236 (Interest Reduction Payments - IRP) deal
	Additional Funds (AF model)
	Subordinate debt
	Transfer of Physical Assets (TPA)
	Transfer of Physical Assets (TPA) to a Qualified Non-Profit (QNP) w/debt relief at closing

	<b>This deal cannot be scheduled as modeled: CRN cannot be less than \$25,000.</b>

**Mark-to-Market  
Claim Payment Checklist**

**Form 7.4a**

**\*\* Shaded items must be cleared before transaction can be added to the Closing Calendar \*\***

	Bond-Financed Existing Loan (address any timing issues in comments below):	
	CMB > 2 months bond interest (provide breakout from trustee)	
	Bond fees > \$5K (provide breakout from trustee)	
	Co-op Borrower: PO Closing Coordinator must ensure that transaction was modeled for a co-op and that co-op closing documents are being used	
	No Takeout Loan: HUD mortgage will be first in priority	
	Below Market Interest Rate (BMIR) Loan: PO Closing Coordinator must ensure that transaction was modeled for a BMIR and that BMIR closing documents are being used	
	Original HAP Contract was a Mod Rehab: PO Closing Coordinator must ensure that a Mod Rehab HAP Contract is being used	
	Out-Year Section 8 Contract deal: PO Closing Coordinator must ensure that the transaction was modeled for Sec8 Recapture and that a Sec8 Recapture Agreement is being used	
	Operating Deficit Escrow (ODE) deal: PO Closing Coordinator must ensure that the transaction was modeled for ODE and that an Operating Deficit Escrow Agreement is being used	
		Date
	236 Interest Reduction Payments (IRP) Re-Use:	
	236 Reality Check approved by HQ Transaction Specialist on:	
	IRP Re-Use model submitted to HQ Closing on:	
	IRP to R4R Waiver approved on:	
	Existing Subordinate Debt approved by OGC on:	
	Additional Funds (AF Model): Highlights Memo submitted to and approved by HQ Transaction Specialist on:	
	Transfer of Physical Assets (TPA): Preliminary Approval submitted to and approved by PO Director on:	
	Qualified Non-Profit (QNP) Debt Forgiveness/Assignment:	
	approved by OAHP DAS on:	
	documents submitted to the HQ Transaction Specialist on:	
<b>X</b>	F47 Reconciliation (one form always required to be attached):	
	Form 4.11 OR	
	Form 4.12	
	Comments/Other (specify):	

NOTE: PAE must assure all necessary reviews and approvals are obtained prior to closing.

## Instructions

1. Print this out for your reference, then open the original model in need of upgrade.
2. Rename the original model "Model to be Upgraded". This must be exact (less the quotes).
3. Click the button at right that corresponds with the original model revision.
4. Comply with the the last two prompts you see (hit enter twice).

*Prompt one will delete a worksheet named "Upgrade", used only in this process.*

*Prompt two will remind you to rename your model to avoid errantly over-writing the master.*

*NOTE: Depending on the revision of Excel being used, it is also possible to see prompts indicating "the name being copied already exists in the destination worksheet- use this version of the name?". Select "Yes" to use that version of the name if you encounter any such prompts.*

### Additional Information:

1. In past upgrades, PAEs have indicated that they would prefer to keep their formulae in place. Therefore, this upgrade tool will preserve formulae as a link to the old pre-conversion model. It will be very important for PAEs to review their upgraded files, removing any external links to the original model, and identifying and correcting formulae that no longer reference valid cells, especially if the old revision was version 3.2. The following procedure should be used to review formulae in the upgraded model:

- a. Locate any links to the original model by searching each page of the upgraded model with the Find function (from the Edit menu). SEE #2 BELOW FOR COMMON LINKS.
- b. Search for the text ".xls". When you find a link, exit the Find function dialog box
- c. In the formula bar where the link is displayed, delete the link name from just after the first quotation mark to the end of the close bracket. For example, you would delete the following in bold/underline: **'[Model to be Upgraded]PCAInput!J25**.
- d. Verify that the cells referenced in the formula are still valid in the new model by going to each cell to determine that the formula is picking up the appropriate value.
- e. Repeat the Find ".xls" search until there are no more links found on that worksheet. Then repeat for remaining worksheets where formulae may have been entered.
- f. After each worksheet has had its links removed, check the Edit menu to see if the Links command is still active. It will only be active if there are still links remaining that you have missed.
- g. If the original model has formulaic links to PAE worksheets that are not contained within the standard model, it is advisable to copy those unique worksheets into the upgrade model beforehand. This will help to avoid link problems that are not easily resolved within the context of the upgrade.

### 2. THE FOLLOWING ARE EXAMPLES OF COMMON EXTERNAL LINK LOCATIONS THAT SHOULD BE CHECKED FOLLOWING UPGRADE:

- a. ProjectedInc&Exp cells K118 and M118.
- b. Reserves 20 Year Schedule cell I11.
- c. Sources&Uses Transaction Costs Detail, particularly cells J32 and J33.
- d. IRP Application cell H41.
- e. S8 Out-Year Recapture cells B9:B16 and cell E73.
- f. Input Assumptions cells P17 and P18.
- g. Loan Input cell G71.

3. A few cases have been left as "hard data/values copies" or as default calculations, but they are minimal, e.g. the 1st sizing calculations for the new mortgages on the DS&LoanSizing worksheet. This was primarily because of formatting issues.

4. As has always been the case, some data simply cannot transfer because it does not exist in a workable format in one model or the other, e.g. annual IRP entries in the original 3.2 models cannot possibly be transferred accurately to the monthly IRP schedule in the current models. Also as before, all text boxes must be updated manually using the Copy-Paste function.

5. All converted models must be carefully reviewed to ensure that no data is lost or inaccurate. Transaction Costs require particular attention, particularly if the original file was revision 4 or 4.1, as the "other user defined" costs do not transfer. Some additional examples of the most likely formulaic shifts that need updating (will not apply in all cases- this depends on your original revision): 1) If transaction costs referenced the amortization table on LoanInput. Reason: The addition of the F47 information to the LoanInput page caused a three row shift in the location of the amort table. For example, a reference to the amort ending balance in G88 would need to become G91. 2) Transaction costs that were formulaic references to the new loan amount. Reason: The addition of extra Transaction Cost entries on Sources&Uses can cause a 5 row shift when formulae are pasted into the upgrade model. For example, a reference to the new loan amount in S&U cell K3 may become an incorrect reference to cell K5 when pasted back in. 3) If using a formulaic reference in cell D58 of the LoanInput page to pull the balance to be restructured. Reason: As noted above, the three row shift in the amort table will require a like shift in this formula. For example, a reference to the amort ending balance in G88 would need to become G91.

Mark-to-Market (M2M)  
Official Term Sheet

Form 7.19  
Office of Affordable  
Housing Preservation

Transaction Terms for Closing

Is this the FINAL Revision?   
Date:

General Information

Underwriting Model Name:	<input type="text"/>	Current Model Progress Date:	1/31/2011
Project Name:	Ravinia Housing	Restructuring Commitment Date:	<input type="text"/>
Closing Month:	May-2011	RC Expiration Date:	<input type="text"/>
Initial 7.19 Date:	<input type="text"/>	7.19 Revision Number:	<input type="text"/>
Project Street Address:	755 Pleasant Avenue	(Should be the same as RC Amendment Number)	
Project City:	Highland Park	Property ID Number:	800006272
Project State:	IL	Fiscal Year End:	<input type="text"/>
Old FHA Project Number:	07135467	Firm Commitment Date:	<input type="text"/>
Old FHA Program Type:	221(d)3 Mkt Int Rate		
Original Note Maturity Date:	February 4, 2024		
New FHA Project Number:	0		
New FHA Program Type:	223 (a)7		
HAP Contract 1 Number:	IL060051003	HAP Contract 5 Number:	0
HAP Contract 2 Number:	0	HAP Contract 6 Number:	0
HAP Contract 3 Number:	0	HAP Contract 7 Number:	0
HAP Contract 4 Number:	0	HAP Contract 8 Number:	0

New Mortgages

Principal Amount of New First:	\$408,400.00	Principal Amount of Second:	\$738,702.29
Monthly P&I Payment:	\$2,192.38	Interest Rate:	3.500%
Interest Rate:	5.000%	Maturity Date:	January 0, 1900
Amortization Term (in Years):	30	Amortization Term (in Years):	30
First P&I Payment Date:	July 1, 2011	Lender:	HUD
Maturity Date:	January 0, 1900	Post-Restructuring FHA Number*:	07135467V
Lender:	0		
% of Cash Flow to Debt Service:	80.00%	Principal Amount of Third:	\$0.00
		Interest Rate:	3.500%
		Maturity Date:	January 0, 1900
		Amortization Term (in Years):	30
		Lender:	HUD
		Post-Restructuring FHA Number*:	<input type="text"/>

\* Note: 2nd and 3rd FHA Numbers will not reflect the last characters "V" and "W" in the actual legal documents.

Mark-to-Market (M2M)  
 Official Term Sheet

Form 7.19  
 Office of Affordable  
 Housing Preservation

Assorted Deal Financial Data

Monthly R4R Deposit: \$1,333.33 (R4R deposit excludes IRP and Out-Year S8 Recapture, if applicable. See note below.)

Annual R4R Deposit: \$16,000.00

*NOTE: If Out-Year S8 Recapture funds go to the R4R (see page 4, cell H145) enter the total of the monthly recapture amount plus the monthly R4R deposit (cell C54) for entry in the HUD Regulatory Agreement(s). Insert that total with an asterisk next to it and type a note on that page of the Regulatory Agreement clarifying "\*\* This includes the Monthly Recapture Payment from the Section 8 Recapture Agreement entered into contemporaneously."*

IDRR: \$593,000.00  
 R4R Existing Balance: \$489,349.08  
 New Money for IDRR (if >0): \$103,650.92

**Below: Summary of Rehab without Significant Additions**  
 Estimated Rehab Cost: \$214,287.00  
 Total Amount of Rehab Escrow: \$235,715.70  
 (Rehab Including Contingency)

Total Rehab Escrow %: 110.00%  
 Contingency: \$21,428.70  
 Owner's Portion of Rehab Escrow: \$47,143.14  
 Rehab Funded by Loan Proceeds: \$188,572.56  
 Rehab Escrow Admin Fee: \$27,000.00

Residual Receipts at Closing: \$0.00  
 Total Approved Transaction Costs: \$69,997.21  
 Owner's Portion of Trans. Costs: \$13,999.44

Estimated Significant Additions: \$56,325  
 Total Significant Additions: \$61,958  
 (Significant Additions including Contingency)  
 Total Sig. Additions in Escrow %: 110.00%  
 Contingency: \$5,633  
 Owner's Portion of Sig. Additions: \$1,859  
 Sig. Adds. Funded by Loan Proceeds: \$60,099

**TOTAL ESCROW \*:** \$297,673.20  
 \* Total Rehab plus Total Significant Additions

IPF Percent of EGI: 1.40%  
 Monthly CRP: \$566.25  
 Number of Months of CRP: 180

Partial Payment of Claim: \$738,702.29  
 UPB for Claim Package: \$738,782.26  
 Operating Deficit Escrow: \$0.00

*If Additional Funds are used for Rehab, RC must include both the Baseline and Additional Funds Rehab Schedules.*

**Mark-to-Market (M2M)  
Official Term Sheet**

**Form 7.19  
Office of Affordable  
Housing Preservation**

**Post-Restructuring HAP Contract Rents**

Market or Exception Rents:	Exception Rents	4BR Rent:	\$1,384
0BR Rent:	\$0	5BR Rent:	\$0
1BR Rent:	\$0	6BR Rent:	\$0
2BR Rent:	\$0	7BR Rent:	\$0
3BR Rent:	\$1,266		
Affordable Rent Selection (20%/50% or 40%/60%):			<input type="text" value="40%/60%"/>

**Proposed Assisted Unit Counts and Utility Allowances**

Number of 0BR Units:	0	0BR Utility Allowance:	\$0
Number of 1BR Units:	0	1BR Utility Allowance:	\$0
Number of 2BR Units:	0	2BR Utility Allowance:	\$0
Number of 3BR Units:	14	3BR Utility Allowance:	\$168
Number of 4BR Units:	3	4BR Utility Allowance:	\$205
Number of 5BR Units:	0	5BR Utility Allowance:	\$0
Number of 6BR Units:	0	6BR Utility Allowance:	\$0
Number of 7BR Units:	0	7BR Utility Allowance:	\$0

**Owner's Signature Block**

ENTER HERE.

**Rehabilitation Escrow Contact Information**

*Closing Escrow Agent should remit Rehab Escrow funds to:*

Holder of Rehab Funds Organization:	0
Holder of Rehab Funds Address:	0
Holder of Rehab Funds City:	0
Holder of Rehab Funds State:	0
Holder of Rehab Funds Zip Code:	00000
Holder of Rehab Funds Contact Phone:	-

*Rehab Escrow Administrator (leave blank if administrator will hold the funds)*

Rehab Escrow Administrator Organization:	0
Rehab Escrow Administrator Address:	0
Rehab Escrow Administrator City:	0
Rehab Escrow Administrator State:	0
Rehab Escrow Administrator Zip Code:	00000
Rehab Escrow Administrator Contact Phone:	-

**Other Escrow Information**

Taxes to be Escrowed at Closing:	\$68,231.17	Insurance to be Escrowed at Closing:	\$0.00
Current Tax Escrow Balance:	\$68,231.17	Current Insurance Escrow Balance:	\$0.00

**Mark-to-Market (M2M)  
Official Term Sheet**

**Form 7.19  
Office of Affordable  
Housing Preservation**

**IRP and Section 8 Out-Year Recapture**

Is IRP Available?:	<input type="text"/>		
Total IRP Remaining:	\$0	S8 Out-Yr. Recapture to R4R, Mth 1:	\$0
IRP Term Remaining: (Months):	0	Months of O-Y Rec. Applied to R4R:	0
Original IRP Maturity Date:	<input type="text"/>	S8 O-Y Recapture to D/S, Mth 1:	\$0
IRP Applied to R4R, Month 1:	\$0	Months of O-Y Rec. Applied to D/S:	0
Months of IRP Applied to R4R:	0	Starting Month, Year of O-Y Rec.	June-11
IRP to Debt Service (D/S), Mth 1:	\$0		
Months of IRP Applied to D/S:	0		
Starting Month, Year of IRP **:	July-11		

**\*\* Note: The IRP Start Date cannot precede the Closing Date**  
*Attach both old and new IRP Schedules to Form 7.19*

**Signatures below must be provided and dated to confirm that the above terms reflect the approved Restructuring Plan**

OAHP Signature: _____	OAHP Signature Date: _____
(OAHP Signature Required for Final Revision only)	
PAE Staff Signature: _____	PAE Signature Date: _____
PAE Attorney Signature: _____	PAE Attorney Signature Date: _____

Approved Model Comparison:	PD Approves of Any Changes (sign): _____
Approved Expense Cushion:	Approved Loan Committee Level:
Current Expense Cushion: 11.2%	Current Loan Committee Level: POLC
Approved Year-20 R4R Ending Balance pU:	Approved 2nd balance as a % of Residual Value:
Current Year-20 R4R Ending Balance pU: \$4,910	Current 2nd balance as a % of Residual Value: 51.3%
Approved Exception Rents as % of FMR:	(outstanding balance vs. residual value upon maturity of the 1st mortgage)
Current Exception Rents as % of FMR: 115.0%	

Mark-to-Market (M2M)  
Official Term Sheet

Form 7.19  
Office of Affordable  
Housing Preservation

**RC Special Conditions:**

- 1: The following Repairs are to be completed by the owner prior to closing: 1) Replace 14 Exterior Bollard Lights at St. Johns; 2) Install 2 GFCI outlets in each kitchen
- 2: Prior to closing, Owner to provide evidence that weatherization program is replacing the furnaces and bathroom fans.
- 3: Owner must re-certify payables prior to closing.
- 4: Owner must sign 4.7 prior to closing.
- 5: Prior to schedule of closing Exhibit A requires REAT approval (submitted to REAT simultaneously with transaction submission on 01/31/11)
- 6: Prior to closing, F-47 Check must be completed (in process as of submission on 01/31/11)
- 7:
- 8:
- 9: Prior to approval by OAHP, Ken Jones, Project Manager, to approve the transfer to Residual Receipts balance to R4R prior to closing.
- 10: Prior to approval by OAHP, Owner to provide payables certification to determine required payments through closing.
- 11:
- 12:
- 13:
- 14:
- 15:

**Non-Standard Transactions**

- 1: N/A
- 2: N/A
- 3: N/A
- 4: N/A
- 5: N/A
- 6: N/A
- 7: N/A
- 8: N/A
- 9: N/A
- 10: N/A

**Required Waivers**

- 1: N/A
- 2: N/A
- 3: N/A
- 4: N/A



# EVERGREEN

## Real Estate Services, L.L.C.

566 West Lake Street, Suite 400  
Chicago, IL 60661-1414

www.evergreen-housing.com  
Phone: 312-234-9400  
Fax: 312-382-3220

### MEMORANDUM

TO: Highland Park Housing Commission

FROM: Polly Kuehl, Management Agent *Polly Kuehl*

RE: April Management Report/ March Financials

DATE: April 25, 2011

HUD's Loan Committee has approved Signet's model for Ravinia Mark-to-Market (M2M) refinancing. As soon as the Refinancing Commitment is issued, the Housing Commission has 30 days to approve and Closing would occur within 30-45 days after approval. Red Capital Group and Berkadia are being considered as the Lender for the first mortgage.

The Ravinia audit reflected approximately \$33,000 in Surplus Cash that is required to be deposited into Residual Receipts. After the end of the fiscal year and prior to the audit completion, most of these funds were utilized for repairs required for closing. A request has been made to HUD to waive the deposit to Residual Receipts since HUD will be moving all Residual Receipts funds into Replacement Reserves as part of the Closing. If this is not granted, a request for reimbursement may need to be made from Replacement Reserves so that sufficient funds exist to make the Surplus Cash deposit.

#### Frank B. Peers

**Occupancy:** Unit #415 was filled in April. There is, currently, one vacancy (#115), which is ready for showing. Three households are in processing for the Peers and Walnut vacancies.

**Physical:** There was flooding in the lower level of the mechanical room as the sump pump did not function during the recent rain. The sump pump was replaced the day after flooding. Vendors who service the equipment were called to inspect boilers and hot water heaters. There was no damage to equipment.

**Social Programs:** Residents participated in routine social programs, i.e. bingo, move nights, luncheons, exercise class, coffees and commodity food distribution. The building celebrated both Passover and Easter.

**Financial:** Net Operating Income (NOI) for the month was positive to budget by \$4,488 and YTD NOI was positive to budget by \$12,833.

**Income** – Income was negative to budget for the month due to Vacancy Loss.

**Expenses** – The expense line items that were negative to budget were:

- Audit (#6350) – This line item had a \$8,600 positive variance as the entire audit expense was anticipated to be paid in March. Only \$5,500 was paid. This skewed the month and when removed, the property would have had a negative NOI of approximately (\$4,000).
- Temporary Help (#6385) – Temporary clerical assistance until the vacant position is filled.
- Telephone (#6360) – This reflects two months of the main office line payment.
- Snow Removal (#6548) – Seasonal
- Electrical Repairs (#6591) – This reflects a kitchen timer replacement in the common area kitchen

### **Walnut Place**

**Occupancy:** There were two move-in (#312 and #405) during April. Currently, there are 2 vacancies (#204 and #414). Unit #204 has light inhibiting screening on the living room window, which makes the unit darker. A new window is being purchased without the inhibitor in hopes of improving the overall environment in that unit.

**Physical Site:** The cement work and fences are in process of being replaced at the townhomes. This should be complete by the end of April.

**Social Programs:** Similar to Peers, Walnut Place had bingo, monthly luncheon, chair exercises and food distribution. The Passover and Easter luncheons were held.

**Financial:** Net Operating Income (NOI) for the month was positive to budget by \$12,304 and YTD NOI was positive to budget by \$11,989.

**Income** – Income was negative to budget, primarily due to Vacancy Loss.

**Expenses** – Line items that were negative to budget for the month include:

- Audit (#6350) – This line item reflects a \$6,500 positive variance as the entire audit cost was budgeted to have been paid during March and only \$5,000 was paid. As a result, this skewed the positive variance by \$6,500 for March.
- Payroll (#6540) – This line item reflects the March salary increases and bonuses. The Office Salaries were not impacted as the PT Assistant position is still vacant.
- Telephone (#6360) – This reflects two months of payment
- Temporary Help (#6385) – This reflects temporary clerical assistance until the PT position can be filled.
- Roof Repairs (#6598) – Crawford Roof Maintenance made a minor repair to the senior building roof

## Ravinia Housing

**Occupancy:** There continues to be one vacancy (743 Pleasant Avenue). This unit is “ready” and has been shown twice. Additional applications are being processed. The applicants who rejected the unit felt that it was too far away from friends and family who lived on the south side of Chicago.

**Physical Site:** There are several repair items that must be completed before closing and the property is approximately 60% complete with those tasks.

**Social Programs:** Ravinia residents receive a monthly newsletter, as well as birthday/anniversary and get-well cards.

**Financial:** Net Operating Income (NOI) for the month is \$2,352, which is insufficient to cover Debt Service and reserve payments. Approximately \$3,000 in “cash” had to be used to cover the deficit for the month. Current cash for the property is \$24,293.

**Income** – Income for the month reflects the 1 vacant unit.

**Expenses** – The expense line items that appear to be higher than normal are:

- Temporary Help (#6385) – As the PT Administrative Assistant has not been hired, the property utilized outside assistance.
- Payroll (#6310, #6510, #6715) – March is the month when annual salary increases are initiated and bonuses are paid. This skews the payroll related line items.
- Audit (#6350) – An audit payment was made, which skewed the month’s expenses.
- Snow Removal (#6548) – Seasonal Cost

Highland Park Housing Commission									
Reserve Balances									
Date: 3/31/2011									
Account Name	Frank B. Peers	Walnut Place	Ravinia Housing	Sunset Woods	Housing Trust Fund	TOTAL			
Checking (Property)	2,507	6,413	24,293	14,098					
Security Deposit	18,082	20,508	6,985	10,403					
Replacement Reserve	131,844	123,565	44,078	0					
Residual Receipts	14	26,996	444,560	0					
Operating Reserve	0	0	0	18,990					
Association Money		104,262	144,228	176,125					
Market Checking									
Association Small Business Checking	215,100			9,502					
Association Receivable/(Liability)	267,139			-258,832					
Association CDs	Maturity								
CD #1	7/7/2011	502,977							
CD #2	4/7/2011	503,411							
Association MaxSafe Money Market	914,160								
TOTAL	2,555,234	281,744	664,144	-29,714					
*Net income after deducting program costs and expenditures/obligations.									

<b>Housing Trust Fund</b>	
<b>Fiscal Year 2011</b>	
January 1 - December 31 - Unaudited	Unaudited Through 03/31
Beginning Balance, Jan 1 (Unaudited)	\$1,523,586
Revenue:	
Demolition Tax	6,667
Demolition Permits	0
Interest Revenue	288
Contributions/Donations/Other	0
Proceeds of Ceding Volume Cap	0
	6,955
Expenditures:	
Program Costs	(6,957)
	(6,957)
Ending Balance	\$1,523,583
Pending Obligations	
CPAH Scattered Site Program	(\$361,512)
Employer Assisted Housing	(\$50,000)
HPI CLT Operating Grant	(\$25,000)
Emergency Housing Assistance	(\$10,000)
Housing Planner	(\$28,590)
Third party Expenses	(\$4,000)
Total Pending Obligations	(\$479,102)
<b>Net Balance</b>	<b>\$1,044,481</b>



Chicago Field Office

8608 W. Catalpa Avenue, Suite 801 | Chicago, Illinois 60656-1402  
Tel 773.304.0431 | Fax 773.304.0558 | TTY (Hearing Impaired) 877.349.8100 | Toll Free 866.737.7504

April 18, 2011

Mr. Lee Smith  
Ravinia Housing Association, c/o Planning Dept.  
1150 Half Day Road  
Highland Park, Illinois 60035

SUBJECT: Management & Occupancy Review  
HAP Contract No. IL06-0051-003  
Ravinia Housing  
Highland Park, Illinois

Dear Mr. Smith:

On March 22, 2011, Ms. Elizabeth Nerney conducted a Management and Occupancy Review (MOR) of the subject property and met with Ms. Cheryl Warren. Enclosed is a copy of form HUD-9834, Management Review Summary, which identifies the findings noted as a result of the MOR.

The property received an overall rating of **SATISFACTORY**. The findings and deficiencies noted are correctable. Please provide a written response to this office regarding the findings cited in the HUD-9834 **within 30 days** from the date of this letter. **Your response should be faxed to 1-866-967-5034.** Faxing instructions are included with this letter. When transmitting information to us that contains sensitive tenant information, please always black out the month and date of the birth and the social security number for all tenants.

If you have questions or require additional information regarding the enclosed documents or the MOR in general, please contact Ms. Nerney at (773) 304-0431 ext, 3006 or via e-mail at [elizabeth.nerney@nhcinc.org](mailto:elizabeth.nerney@nhcinc.org).

Sincerely,

Kim Henry  
Senior Field Office Manager

KH/en

Enclosures: form HUD 9834 Summary and Narrative

cc: Ms. Polly Kuehl, [PKuehl@evergreenres.com](mailto:PKuehl@evergreenres.com)  
Ms. Cheryl Warren, [cwarren@evergreenres.com](mailto:cwarren@evergreenres.com)  
Ms. Heidi Martin, [hpsh400central@yahoo.com](mailto:hpsh400central@yahoo.com)  
MOR File  
NHC Invoice

# Management Review for Multifamily Housing Projects

U.S. Department of Housing and Urban Development  
Office of Housing – Federal Housing Commissioner

OMB Approval No. 2502-0178  
Exp. 11/30/2011

## SUMMARY REPORT

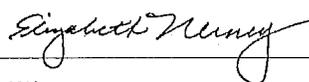
Date of On-Site Review: March 22, 2011	Date of Report: April 18, 2011	Project Number: 071-35467	Contract Number: IL06-0051-003
Section of the Act: 221(d) (3)	Name of Owner: Ravinia Housing Association	Project Name: Ravinia Housing	Project Address: 735-63 Pleasant Avenue / 2743-55 St. John's Avenue Highland Park, Illinois 60035
Loan Status: <input checked="" type="checkbox"/> Insured <input type="checkbox"/> HUD-Held <input type="checkbox"/> Non-Insured <input type="checkbox"/> Co-Insured	Contract Administrator: <input type="checkbox"/> HUD <input type="checkbox"/> CA <input checked="" type="checkbox"/> PBCA	Type of Subsidy: <input checked="" type="checkbox"/> Section 8 <input type="checkbox"/> PAC <input type="checkbox"/> Section 236 <input type="checkbox"/> Section 221(d)(3) BMIR	Type of Housing: <input checked="" type="checkbox"/> Family <input type="checkbox"/> Disabled <input type="checkbox"/> Elderly <input type="checkbox"/> Elderly/Disabled <input type="checkbox"/> Other (please specify)
		<input type="checkbox"/> Rent Supplement <input type="checkbox"/> RAP <input type="checkbox"/> PRAC <input type="checkbox"/> Unsubsidized	

For each applicable category, assess the overall performance by checking the appropriate column. Indicate A (Acceptable) or C (Corrective action required). Include target completion dates (TCD) for all corrective action items. For those items not applicable, place N/A in the TCD column.

A. General Appearance and Security	A	C	TCD	General Appearance and Security Rating
1. General Appearance	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Rated
2. Security	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
B. Follow-up and Monitoring of Project Inspections	A	C	TCD	Follow-up and Monitoring of Project Inspections Rating
3. Follow-Up and Monitoring of Last Physical Inspection and Observations	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/> Superior <input type="checkbox"/> Above Average <input type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Rated
4. Follow-Up and Monitoring of Lead-Based Paint Inspection	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
C. Maintenance and Standard Operating Procedures	A	C	TCD	Maintenance and Standard Operating Procedures Rating
5. Maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Rated
6. Vacancy and Turnover	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
7. Energy Conservation	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
D. Financial Management/Procurement	A	C	TCD	Financial Management/Procurement Rating
8. Budget Management	<input type="checkbox"/>	<input type="checkbox"/>	HUD Only	<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory <input checked="" type="checkbox"/> Not Rated
9. Cash Controls	<input type="checkbox"/>	<input type="checkbox"/>	HUD Only	
10. Cost Controls	<input type="checkbox"/>	<input type="checkbox"/>	HUD Only	
11. Procurement Controls	<input type="checkbox"/>	<input type="checkbox"/>	HUD Only	
12. Accounts Receivable/Payable	<input type="checkbox"/>	<input type="checkbox"/>	HUD Only	
13. Accounting and Bookkeeping	<input type="checkbox"/>	<input type="checkbox"/>	HUD Only	
E. Leasing and Occupancy	A	C	TCD	Leasing and Occupancy Rating
14. Application Processing/ Tenant Selection	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Rated
15. Leases and Deposits	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
16. Eviction/Termination of Assistance Procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
17. Tenant Rental Assistance Certification System (TRACS) Monitoring and Compliance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	30 days	
18. Tenant File Security	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
19. Summary of Tenant File Review	<input type="checkbox"/>	<input checked="" type="checkbox"/>	30 days	
F. Tenant/Management Relations	A	C	TCD	Tenant Services Rating
20. Tenant Grievances	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Rated
21. Provision of Tenant Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
G. General Management Practices	A	C	TCD	General Management Practices Rating
22. General Management Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	30 days	<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Rated
23. Owner/Agent Participation	<input type="checkbox"/>	<input type="checkbox"/>	HUD Only	
24. Staffing and Personnel Practices	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
<b>Overall Rating:</b> <input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory <input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory				

Name and Title of Person Preparing this Report: (Please type or print):

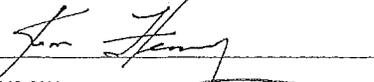
Elizabeth Nerney, Field Office Asset Manager

Signature: 

Date: April 18, 2011

Name and Title of Person Approving this Report: (Please type or print):

Kim Henry, Senior Field Office Manager

Signature: 

Date: April 18, 2011

NOTE: If this review is conducted by a CA or PBCA as indicated above, the overall rating reflects a review as it relates to compliance with the Housing Assistance Payment Contract (HAP) only.

**SUMMARY REPORT – FINDINGS**

For each “C” item checked on the summary report, reference the appropriate citing, and target completion date. Findings should include the condition, criteria, cause, effect and required corrective action:

- o The condition describes the problem or deficiency
- o The criteria cites the statutory, regulatory or administrative requirements that were not met
- o The cause explains why the condition occurred
- o The effect describes what happened because of the condition

Corrective actions are required for all findings.

**PROPERTY OVERVIEW:**

**Ravinia Housing**  
**735-63 Pleasant Avenue**  
**2743-55 St. John’s Avenue**  
**Highland Park, Illinois 60035**

**Management and Occupancy Review**  
**March 22, 2011**

Ravinia Housing is a family property located in Highland Park, Illinois. The property is financed under section 221(d) (3) of the National Housing Act. Ravinia Housing is made up of two single family houses, constructed in 1925, and 15 townhouses, constructed in 1983. The property has a total of 17 units, all of which are under the Section 8 program. There are 14 three-bedroom units and three four-bedroom units.

Unit types, contract rents, utility allowances and effective dates are distributed as follows:

<u>Unit Type</u>	<u># of Units</u>	<u>Contract Rent</u>	<u>Effective Date</u>	<u>Utility Allowance</u>	<u>Effective Date</u>
3 BR townhouse	10	\$1,612	11/10/07	\$177	11/10/07
3 BR townhouse	3	\$1,640	11/10/07	\$175	11/10/09
3 BR house	1	\$1,851	11/10/07	\$232	11/10/07
4 BR townhouse	2	\$1,890	11/10/07	\$172	11/10/07
4 BR house	1	\$2,008	11/10/07	\$247	11/10/09

<u>Item Number</u>	<u>Finding</u>	<u>Target Completion Date</u>
<b>A. GENERAL APPEARANCE AND SECURITY</b>		
1. General Appearance	<p>General observations were made based upon a cursory overview of the buildings and grounds. The two sites appear to be in good condition and were clear of debris. The single family homes and five of the townhouses are located in a quiet residential area on St. John’s Avenue. The remaining townhouses are located off of a busier area on Pleasant Avenue. These buildings are conveniently located next to a city park, which has benches and a play area.</p> <p>There is ample parking for the residents off of the alley. While there are no laundry facilities on site, each unit has a hookup for a washer and dryer if the resident wishes to install his or her own appliances. There is no management office on-site. All management activities are handled at the Peers Senior Housing</p>	

	<p>building, located at 400 Central Avenue in downtown Highland Park.</p> <p>Since the last review, the following improvements have been made:</p> <ul style="list-style-type: none"> <li>• Kitchens in two units at St. John's site replaced</li> <li>• High efficiency furnaces installed in all units</li> <li>• New windows installed</li> <li>• Extra insulation added in attics</li> <li>• Plumbing and sinkhole at Pleasant site repaired</li> </ul> <p>The property is currently being refinanced. The target completion date for this is June 2011. There are many improvements that are planned that will be completed with funds from the refinance.</p>	
2. Security	There were no findings observed.	
<b>B. FOLLOW-UP AND MONITORING OF PROJECT INSPECTIONS</b>		
3. Follow-up and Monitoring of Last Physical Inspection and Observations	The latest Real Estate Assessment Center (REAC) inspection was conducted on October 26, 2010. The property received a rating of 92c with one Exigent Health and Safety (EH&S) deficiency and nine Level 3 deficiencies noted. The EH&S deficiency and a sample of the Level 3 deficiencies were inspected. All repairs have been made.	
4. Follow-up and Monitoring of Lead-Based Paint Inspection	There were no findings observed.	
<b>C. MAINTENANCE AND STANDARD OPERATING PROCEDURES</b>		
5. Maintenance	There were no outstanding work orders on the day of the review.	
6. Vacancy and Turnover	There was one vacant unit on the day of the review. The unit at 743 Pleasant is a three bedroom unit and has been vacant since 10/20/10. The unit is not lease ready and maintenance has not begun turning the unit over. The unit will require painting, new carpet and either new kitchen cabinets or extensive repairs to the existing cabinets. Management stated they had not begun work on this unit because of unanticipated high turnover at their other properties. The owner should make the necessary repairs to the unit as soon as possible in order to collect all available subsidy money.	
7. Energy Conservation	Management has attempted to reduce energy consumption by using extra caulking and weather stripping as needed, as well as compact fluorescent light bulbs (CFLs). Low flow toilets and Energy Star appliances are installed as old units require replacement. Each unit is individually metered. During the past year Management installed new windows, high efficiency furnaces and extra insulation.	
<b>D. FINANCIAL MANAGEMENT / PROCUREMENT</b> <i>(Not Applicable)</i>		
<p>The PBCA MOR and the associated rating do not address or encompass a review of the Annual Financial Statement and related issues. You are reminded that the Departmental Enforcement Center (DEC) has one or more open referrals for non-compliance relative to your financial statement. If you have not already done so, you must contact the DEC at (312) 353-5895 ext. 2124 to resolve these issues.</p>		
<b>E. LEASING AND OCCUPANCY</b>		
14. Application Processing/Tenant Selection	There were no findings observed.	
15. Leases and	There were no findings observed.	





	<p><i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Paragraph 6-8, <u>Lead-Based Paint Disclosure Form</u>, page 6-14 through 6-17.</p> <hr/> <p>3. <i>Move-In 2/15/03, Annual Recertification 2/1/11</i></p> <p><b>a. Finding:</b> The move-in inspection has not been signed or dated by Management.  <b>Cause / Effect:</b> Error. / Management is out of compliance with HUD requirements.  <b>Corrective Action Required:</b> For all move-in inspections, Management and the tenant must sign <u>and</u> date the inspection form. Management must now sign and date the inspection. The inspection must not be backdated. <b>In response, certify the completion of the above.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Paragraph 6-29(C), <u>Move-In Inspection Requirements</u>, page 6-43 and 6-44.</p> <p><b>b. Finding:</b> The tenant has not signed the Violence Against Women Act (VAWA) lease addendum.  <b>Cause / Effect:</b> Oversight. / The tenant has not been informed of her rights and responsibilities under the VAWA protections.  <b>Corrective Action Required:</b> All adult leaseholders must sign the VAWA lease addendum. Have the tenant sign the form. <b>In response, submit a copy of the signed addendum.</b>  <i>Reference:</i> HUD Notice H 08-07, Implementation of the Violence Against Women and Justice Department Reauthorization Act of 2005 for the Multifamily Project-Based Section 8 Housing Assistance Payments Program, Paragraph VI(A)(3)(a), <u>Lease Addendum</u>, page 6.</p> <p><b>c. Finding:</b> The annual recertification was completed late. The tenant did not receive a 30-day notice of the rent increase.  <b>Cause / Effect:</b> Only the first reminder notice was sent and the tenant responded timely. The tenant signed the 50059 after the annual recertification effective date. / Management may lose revenue due to the certification being processed late.  <b>Corrective Action Required:</b> The recertification date is the 1<sup>st</sup> day of the month in which the resident moved into the property. The entire recertification process must be completed, including obtaining all required signatures, within a timeframe to allow a 30-day notice of rent change to be processed prior to the tenant anniversary date. The tenant rent increased from \$143 to \$155 in February. Because the tenant received less than a 30 day notice of the increase, the tenant must be credited or reimbursed \$12. <b>In response, submit evidence of the rent credit/refund. Outline Management's plan for completing recertifications on time.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Paragraph 5-31, <u>Procedures for Calculating Rent</u>, page 5-79; Paragraph 7-5(A) and (B), <u>Timing of Annual Recertifications</u>, pages 7-6 and 7-7; Paragraph 7-6, <u>Overview of Annual Recertification Procedures</u>, pages 7-8 and 7-9; Figure 7-3, <u>Recertification Steps</u>, page 7-10; Paragraph 7-8(D), <u>Late Response/Processing of Recertifications</u>, pages 7-16 through 7-21.</p> <p><b>d. Finding:</b> The minor's name has been incorrectly listed on the 50059 as "Mark" instead of "Marc."</p>	<p>30 days</p> <p>30 days</p> <p>30 days</p> <p>30 days</p>
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	<p><b>Cause / Effect:</b> Data entry error. / The 50059 does not reflect correct information.  <b>Corrective Action Required:</b> The Family Record portion of form 50059 must reflect accurate information. Management must correct the 50059 as noted above and transmit the correction to TRACS. <b>In response, certify the completion of the above.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Appendix 7-A, Section C, MAT Field C5, <u>The HUD-50059 Data Requirements</u>, page 25.</p> <p><b>e. Finding:</b> Management calculated income from a business as \$11,377. NHC was unable to calculate income.  <b>Cause / Effect:</b> Although the file contained the tax form 1040, the Schedule C was not in the file as required. / The tenant may not be paying the correct amount of rent.  <b>Corrective Action Required:</b> Obtain the Schedule C to accurately determine the net income from a business. If necessary, process a correction to the annual recertification effective 2/1/11, adjusting the annual income as necessary. If the correction causes the rent to increase, the tenant must receive a 30-day notice of the rent increase. Rent may not be charged retroactively. <b>In response, submit a copy of the 1040 and the Schedule C. If necessary, submit a copy of the signed, corrected 50059 effective 2/1/11.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Paragraph 5-6(H), <u>Income from a Business</u>, page 5-11; Paragraph 8-20(B), <u>Owner's Obligation to Repay</u>, page 8-29; Appendix 3, <u>Acceptable Forms of Verification</u>, page 13.</p> <hr/> <p>4. <i>Move-In 11/28/00, Corrected Annual Recertification 11/1/10</i></p> <p><b>a. Finding:</b> The file contained the required Citizenship Declaration form from the Citizens forms packet for Jazmin and [redacted], however they were not filled out correctly. The head of household signed the children's names on the form instead of her own.  <b>Cause/Effect:</b> Management oversight. / Management is out of compliance with HUD regulations.  <b>Corrective Action Required:</b> The resident must fill in the child's name in the declaration section and then sign her name as head of household in order to complete the Citizenship Declaration form for a minor child. Jazmin should complete her own form since she is now an adult. <b>In response, certify that the forms have been completed correctly.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Exhibit 3-5, <u>Sample Declaration Format</u>.</p> <p><b>b. Finding:</b> The move-in inspection has not been signed or dated by Management.  <b>Cause / Effect:</b> Error. / Management is out of compliance with HUD requirements.  <b>Corrective Action Required:</b> For all move-in inspections, Management and the tenant must sign <u>and</u> date the inspection form. Management must now sign and date the inspection. The inspection must not be backdated. <b>In response, certify the completion of the above.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Paragraph 6-29(C), <u>Move-In Inspection Requirements</u>, page 6-43 and 6-44.</p>	<p>30 days</p> <p>30 days</p> <p>30 days</p>
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	<p><b>c. Finding:</b> The annual recertification was completed late.  <b>Cause / Effect:</b> Only the first reminder notice was sent and the tenant responded timely. The tenant signed the original 50059 on 12/8/10. / Management may lose revenue due to the certification being processed late.  <b>Corrective Action Required:</b> The recertification date is the 1<sup>st</sup> day of the month in which the resident moved into the property. The entire recertification process must be completed, including obtaining all required signatures, within a timeframe to allow a 30-day notice of rent change to be processed prior to the tenant anniversary date. Although the tenant rent decreased in this instance, the recertification must be complete prior to the effective date. <b>In response, outline Management’s plan for completing recertifications on time.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Paragraph 5-31, <u>Procedures for Calculating Rent</u>, page 5-79; Paragraph 7-5(A) and (B), <u>Timing of Annual Recertifications</u>, pages 7-6 and 7-7; Paragraph 7-6, <u>Overview of Annual Recertification Procedures</u>, pages 7-8 and 7-9; Figure 7-3, <u>Recertification Steps</u>, page 7-10; Paragraph 7-8(D), <u>Late Response/Processing of Recertifications</u>, pages 7-16 through 7-21.</p>	30 days
	<p><b>d. Finding:</b> The corrected 50059 for the 11/1/10 annual recertification has not been signed by Jazmin.  <b>Cause / Effect:</b> Management error. / Management has collected assistance payments they are not entitled to.  <b>Corrective Action Required:</b> Management must ensure that no 50059s are submitted to TRACS for payment until all adult household members and the Owner/Agent have both signed the data sheets. Obtain Jazmin’s signature on the 50059. <b>Submit a copy of the signed data form. Certify that Management will not submit any 50059s for payment until the appropriate signatures have been obtained.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Figure 7-3, <u>Recertification Steps #8</u>, page 7-10; Paragraph 9-5(A)(4), <u>Owner Submission Requirements</u>, page 9-5; Appendix 7, Section B, MAT Field B77 and B78, <u>The 50059 Data Requirements</u>, page 21.</p>	30 days
	<p><b>e. Finding:</b> Management calculated annual income from child support as \$4,032. NHC calculated \$4,368.  <b>Cause / Effect:</b> Management calculated payments at twice a month. It appears that the tenant is receiving payments biweekly. / The tenant rent is not correct.  <b>Corrective Action Required:</b> Process a correction to the annual recertification effective 11/1/10, correcting the child support amount. <b>In response, submit a copy of the signed, corrected annual recertification.</b>  <i>Reference:</i> HUD Handbook 4350.3, Rev-1, Change 3, Paragraph 5-6(F), <u>Alimony or Child Support</u>, page 5-10; Paragraph 8-20(B), <u>Owner’s Obligation to Repay</u>, page 8-29; Paragraph 8-21, <u>Reimbursement to Tenant for Overpayment of Rent</u>, page 8-29.</p>	30 days
	<p><b>f. Finding:</b> The file contains verification that Jazmin is a full time student at Highland Park High School. The family did not receive the dependent allowance for Jazmin.  <b>Cause / Effect:</b> The family member was coded as “other family member.” / The</p>	30 days

	<p>procedures. There were no dates on the reports provided, so it is unclear when the reports were actually accessed.</p> <ul style="list-style-type: none"> <li>• It appears that Management is obtaining the Identity Verification reports quarterly instead of monthly.</li> <li>• There is no evidence that Management has ever accessed the New Hires or No Income reports, though the policy states these reports will be obtained quarterly.</li> <li>• It is unclear if Management is routinely obtaining the Income Discrepancy Report. While two of the files reviewed contained printouts indicating that there was a discrepancy for the household, the other three files did not. The EIV master file did not contain any documentation that showed there were no income discrepancies for a specific recertification month.</li> </ul> <p><b>Cause / Effect:</b> Management stated they just realized the dates were not printing. Management states these reports have all been accessed and printed, but the site manager was unable to provide the specific missing reports on the day of the MOR. / Management is not fully utilizing the EIV system to ensure subsidy is properly distributed at the property as required by HUD.</p> <p><b>Corrective Action Required:</b> Although most of the other reports were accessed sometime prior to the review, Management must immediately begin accessing and reconciling the various EIV reports periodically as directed by the property's EIV Policy and HUD Notice 10-10. Management must ensure that the date prints in the footer so that an auditor is able to determine whether or not the property is in compliance with their established EIV policies. Reports and documents supporting reconciliation of discrepancies must be maintained either in the tenant file or in a master EIV file as directed by the notice. <b>In response, certify the implementation of the above.</b></p> <p><i>Reference:</i> HUD Notice H 10-10, Enterprise Income Verification (EIV) System.</p>	
23. Owner Agent Participation	<i>(Not applicable)</i>	
24. Staffing and Personnel Practices	There were no findings observed.	
	<p>NHC would like to thank the staff of Ravinia Housing for the courtesy and cooperation extended during this review.</p> <p><b>Recommendation:</b> The Office of Multifamily Housing has created a National Rental Housing Integrity Improvement Project (RHIP) Listserv that distributes weekly e-mails containing occupancy related tips and the latest RHIP news. If you have not subscribed to the Listserv, please visit the Multifamily Housing RHIP webpage for more information:  <a href="http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm">http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm</a>.</p>	

**FRANK B. PEERS HOUSING**  
**Balance Sheet**  
Month Ending 03/31/11

**ASSETS**

## Current Assets

1110-0000 - Petty Cash	300.00
1121-0000 - Cash - Operating	2,507.29
1130-0000 - Tenant/member accounts receivable	13,302.87
1131-0000 - Accounts receivable - subsidy	55,030.00
1240-0000 - Prepaid property and liability insurance	4,108.38
Total Current Assets	<u>75,248.54</u>

## Other Assets

1290-0000 - Misc Prepaid Expenses	734.26
1192-0000 - Tenant Sec Dep	18,082.48
1310-0000 - Real estate tax escrow	126,012.82
1311-0000 - Insurance escrow	25,524.49
1330-0000 - Debt Service Escrow	138,750.50
1140-0000 - Accounts Receivable - Other	3,284.36
1320 - Replacement Reserve	131,843.78
1340 - Residual Receipt	13.69
Total Other Assets	<u>444,246.38</u>

## Fixed Assets

1420-0000 - Building	1,848,860.15
1430-0000 - Land Improvements	1,619,406.39
1450-0000 - Furniture for project/tenant use	475,792.67
1497-0000 - Site improvements	160,218.77
4120-0000 - Accum depr - buildings	(2,828,199.27)
1498-0000 - Current F/A	5,004.90
Total Fixed Assets	<u>1,281,083.61</u>

## Financing Costs

1900-0001 - Deferred Financing Costs	192,398.85
1999-0000 - Accum Amort - Bond Costs	(41,361.94)
Total Financing Costs	<u>151,036.91</u>

## Partnership Assets

1701-0000 - Cash - Partnership	215,099.87
1702-0000 - Partnership MM	1,920,548.87
1702-1000 - Partnership F/A	221,340.23
1703-0000 - Partnership Receivable	267,138.69
Total Partnership Assets	<u>2,624,127.66</u>

**Total Assets**

**4,575,743.10**

**FRANK B. PEERS HOUSING**  
**Balance Sheet**  
Month Ending 03/31/11

**Liabilities & Equity**

## Current Liabilities

2110-0000 - Accounts payable	20,115.09
2113-0000 - Flex Benefit Payable	(0.01)
2120-0000 - Accrued wages and p/r taxes payable	2,658.23
2150-0000 - Accrued property taxes	105,555.28
2180-0000 - Misc current liabilities	11,562.28
<b>Total Current Liabilities</b>	<u>139,890.87</u>

## Non-Current Liabilities

2191-0000 - Security deposits-residential	17,392.00
2191-0001 - Pet Deposit	250.00
2210-0000 - Prepaid Rent	4,545.96
2211-0000 - Prepaid HUD	23,637.00
2320-1000 - Mortgage payable - 2nd note	2,290,000.00
2320-0000 - Mortgage Payable (long term)	2,083,830.53
<b>Total Non-Current Liabilities</b>	<u>4,419,655.49</u>

## Owner's Equity

3100-0000 - Limited Partners Equity	2,622,952.86
3209-0000 - Prior Year Retained Earnings	(2,639,246.38)
3210-0000 - Retained earnings	30,155.17
Current YTD Earnings	2,335.09
<b>Total Owner's Equity</b>	<u>16,196.74</u>

**Total Liability & Owner Equity**

4,575,743.10

## FRANK B. PEERS HOUSING

### Actual vs Budget Accrual Operating Statement

	Month Ending 03/31/11			Year To Date 03/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>GROSS OPERATING INCOME</b>							
<b>RESIDENTIAL RENTAL INCOME</b>							
5120-0000 - Apartment rent	20,645.00	16,200.00	4,445.00	62,226.00	48,600.00	13,626.00	194,400.00
5121-0000 - Tenant assistant payments	60,355.00	64,800.00	(4,445.00)	180,774.00	194,400.00	(13,626.00)	777,600.00
5140-0000 - Commercial base rent	60.00	60.00	0.00	650.85	180.00	470.85	720.00
<b>TOTAL RESIDENTIAL RENTAL INCOME</b>	<b>81,060.00</b>	<b>81,060.00</b>	<b>0.00</b>	<b>243,650.85</b>	<b>243,180.00</b>	<b>470.85</b>	<b>972,720.00</b>
<b>VACANCIES &amp; ADJUSTMENTS</b>							
5220-0000 - Vacancy loss - apartments	(4,463.00)	(500.00)	(3,963.00)	(13,242.00)	(1,500.00)	(11,742.00)	(6,000.00)
5221-0000 - Non-Revenue Units	(1,250.00)	(1,200.00)	(50.00)	(3,600.00)	(3,600.00)	0.00	(14,400.00)
<b>TOTAL VACANCIES &amp; ADJUSTMENTS</b>	<b>(5,713.00)</b>	<b>(1,700.00)</b>	<b>(4,013.00)</b>	<b>(16,842.00)</b>	<b>(5,100.00)</b>	<b>(11,742.00)</b>	<b>(20,400.00)</b>
<b>OTHER INCOME</b>							
5910-0000 - Laundry income	0.00	208.00	(208.00)	545.50	624.00	(78.50)	2,500.00
5990-0000 - Misc other income	0.00	50.00	(50.00)	470.85	150.00	320.85	600.00
5413-0000 - Interest income - escrow	2.40	166.00	(163.60)	2.40	498.00	(495.60)	2,000.00
<b>TOTAL OTHER INCOME</b>	<b>2.40</b>	<b>424.00</b>	<b>(421.60)</b>	<b>1,018.75</b>	<b>1,272.00</b>	<b>(253.25)</b>	<b>5,100.00</b>
<b>GROSS OPERATING INCOME</b>	<b>75,349.40</b>	<b>79,784.00</b>	<b>(4,434.60)</b>	<b>227,827.60</b>	<b>239,352.00</b>	<b>(11,524.40)</b>	<b>957,420.00</b>
<b>ADVERTISING &amp; RENTING EXPENSE</b>							
6213-0000 - Employee Recruitment	1.98	0.00	(1.98)	34.98	200.00	165.02	200.00
6253-0000 - Credit Report Fees	0.00	30.00	30.00	42.00	90.00	48.00	360.00
<b>TOTAL ADVERTISING &amp; RENTING EXPENSE</b>	<b>1.98</b>	<b>30.00</b>	<b>28.02</b>	<b>76.98</b>	<b>290.00</b>	<b>213.02</b>	<b>560.00</b>
<b>ADMINISTRATIVE EXPENSE</b>							
6311-0000 - Office supplies	362.02	270.00	(92.02)	215.17	810.00	594.83	3,240.00
6316-0000 - Office Equipment	162.85	300.00	137.15	661.47	900.00	238.53	3,600.00
6320-0000 - Management fee	3,652.25	3,833.00	180.75	11,231.23	11,499.00	267.77	46,000.00
6340-0000 - Legal Expense - Project	0.00	200.00	200.00	0.00	600.00	600.00	2,400.00
6350-0000 - Audit Expense	5,500.00	14,100.00	8,600.00	5,500.00	14,100.00	8,600.00	14,100.00
6360-0000 - Telephone	975.33	750.00	(225.33)	2,108.63	2,250.00	141.37	9,000.00
6365-0000 - Training & Education Expense	0.00	100.00	100.00	0.00	300.00	300.00	1,200.00
6370-0000 - Bad debts	0.00	50.00	50.00	0.00	150.00	150.00	600.00
6371-0000 - Fees Dues & Contributions	0.00	25.00	25.00	0.00	75.00	75.00	300.00
6380-0000 - Consulting/study costs	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00
6385-0000 - Temporary Help	409.86	0.00	(409.86)	409.86	0.00	(409.86)	0.00
6390-0000 - Misc administrative expenses	29.44	100.00	70.56	211.46	300.00	88.54	1,200.00
6390-0002 - Computer Supplies/Data Processing	126.63	130.00	3.37	379.89	390.00	10.11	1,560.00
6395-0000 - Tenant Retention	369.61	625.00	255.39	1,244.67	1,875.00	630.33	7,500.00
6431-0000 - Travel & Expense Reimbursement	164.17	300.00	135.83	548.01	900.00	351.99	3,600.00
6860-0000 - Security Deposit Interest	(3.04)	(12.00)	(8.96)	(8.98)	(36.00)	(27.02)	(144.00)
<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>11,749.12</b>	<b>20,771.00</b>	<b>9,021.88</b>	<b>22,501.41</b>	<b>34,113.00</b>	<b>11,611.59</b>	<b>95,656.00</b>
<b>PAYROLL &amp; RELATED COSTS</b>							
6310-0000 - Office salaries	4,461.18	5,666.00	1,204.82	12,995.11	16,998.00	4,002.89	68,000.00
6510-0000 - Janitor and cleaning payroll	1,003.19	1,241.00	237.81	3,320.88	3,723.00	402.12	14,900.00
6540-0000 - Repairs payroll	4,223.34	3,833.00	(390.34)	12,703.36	11,499.00	(1,204.36)	46,000.00
6900-0000 - Social Service Coordinator	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6715-0000 - Payroll Taxes	1,445.06	1,681.00	235.94	4,323.61	5,043.00	719.39	20,175.00

## FRANK B. PEERS HOUSING

### Actual vs Budget Accrual Operating Statement

	Month Ending 03/31/11			Year To Date 03/31/11			
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
6722-0000 - Workers compensation	242.33	242.00	(0.33)	726.99	726.00	(0.99)	3,053.00
6723-0000 - Employee health insurance	352.90	345.00	(7.90)	1,091.76	1,035.00	(56.76)	4,140.00
6724-0000 - Union Benefits	1,189.76	1,197.00	7.24	3,569.27	3,591.00	21.73	14,368.00
6726-0001 - Contingency	1,682.50	2,200.00	517.50	1,682.50	2,200.00	517.50	2,200.00
<b>TOTAL PAYROLL &amp; RELATED COSTS</b>	<b>14,600.26</b>	<b>16,405.00</b>	<b>1,804.74</b>	<b>40,413.48</b>	<b>44,815.00</b>	<b>4,401.52</b>	<b>172,836.00</b>
<b>OPERATING EXPENSES</b>							
6515-0000 - Janitors and cleaning supplies	493.25	250.00	(243.25)	696.77	750.00	53.23	3,000.00
6518-0000 - Uniforms	0.00	0.00	0.00	0.00	0.00	0.00	700.00
6519-0000 - Exterminating Contract	105.00	460.00	355.00	315.00	1,380.00	1,065.00	5,520.00
6520-0000 - Miscellaneous Repair Contractors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6525-0000 - Rubbish removal	309.49	400.00	90.51	1,014.71	1,200.00	185.29	4,800.00
6490-0000 - Misc operating expenses	0.00	50.00	50.00	0.00	150.00	150.00	600.00
<b>TOTAL OPERATING EXPENSES</b>	<b>907.74</b>	<b>1,160.00</b>	<b>252.26</b>	<b>2,026.48</b>	<b>3,480.00</b>	<b>1,453.52</b>	<b>14,620.00</b>
<b>UTILITIES</b>							
6450-0000 - Electricity	2,434.13	1,800.00	(634.13)	7,148.79	6,900.00	(248.79)	23,500.00
6451-0000 - Water	721.26	791.00	69.74	2,604.64	2,373.00	(231.64)	9,500.00
6452-0000 - Gas	5,112.64	5,100.00	(12.64)	10,109.41	17,000.00	6,890.59	45,000.00
<b>TOTAL UTILITIES</b>	<b>8,268.03</b>	<b>7,691.00</b>	<b>(577.03)</b>	<b>19,862.84</b>	<b>26,273.00</b>	<b>6,410.16</b>	<b>78,000.00</b>
<b>MAINTENANCE EXPENSES</b>							
6536-0000 - Ground supplies	0.00	0.00	0.00	0.00	1,000.00	1,000.00	8,000.00
6537-0000 - Grounds Contractor (Landscaper)	0.00	0.00	0.00	565.00	0.00	(565.00)	5,200.00
6541-0000 - Repair materials (general supplies)	549.07	750.00	200.93	770.13	2,250.00	1,479.87	9,000.00
6541-0001 - Appliance Parts	0.00	50.00	50.00	0.00	150.00	150.00	600.00
6541-0002 - Plumbing Supplies	0.00	0.00	0.00	132.22	0.00	(132.22)	0.00
6541-0003 - Electrical Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0007 - Safety Equipment	126.30	0.00	(126.30)	126.30	1,000.00	873.70	1,000.00
6545-0000 - Elevator Contractor (Annual Maintenance Contract)	361.00	500.00	139.00	1,083.00	1,500.00	417.00	6,000.00
6546-0000 - Heating/Cooling Contractor	618.75	500.00	(118.75)	2,512.79	1,500.00	(1,012.79)	10,000.00
6548-0000 - Snow removal	4,947.00	2,000.00	(2,947.00)	10,007.48	6,000.00	(4,007.48)	7,000.00
6551-0000 - Elevator Contractor (Special Repairs)	0.00	125.00	125.00	0.00	375.00	375.00	1,500.00
6560-0000 - Decorating (Tenant Pntg-Cycle/Turnover by Contractor)	0.00	1,000.00	1,000.00	2,800.00	3,000.00	200.00	12,000.00
6580-0000 - Equipment repairs	0.00	0.00	0.00	0.00	0.00	0.00	500.00
6581-0000 - Window Washing	0.00	0.00	0.00	0.00	0.00	0.00	1,200.00
6582-0000 - Fire Protection	0.00	150.00	150.00	0.00	450.00	450.00	2,000.00
6589-0000 - Parking Lot Expense	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00
6590-0000 - Miscellaneous Repair	0.00	100.00	100.00	0.00	300.00	300.00	1,200.00
6591-0000 - Electrical Repairs	771.69	300.00	(471.69)	771.69	900.00	128.31	3,600.00
6594-0000 - Carpentry Repairs	0.00	100.00	100.00	155.44	300.00	144.56	1,200.00
6595-0000 - Plumbing Repairs	943.86	790.00	(153.86)	2,940.06	2,370.00	(570.06)	9,500.00
6596-0000 - Floor Repairs/Cleaning	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00
6598-0000 - Roof Repairs	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00
6599-0000 - Window repairs	0.00	300.00	300.00	0.00	900.00	900.00	3,600.00
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>8,317.67</b>	<b>6,665.00</b>	<b>(1,652.67)</b>	<b>21,864.11</b>	<b>21,995.00</b>	<b>130.89</b>	<b>98,600.00</b>
<b>TAXES AND INSURANCE</b>							
6710-0000 - Real estate taxes	7,185.00	7,185.00	0.00	21,555.00	21,555.00	0.00	86,220.00
6720-0000 - Property and liability insurance	1,369.46	1,415.00	45.54	4,108.38	4,245.00	136.62	16,980.00

**FRANK B. PEERS HOUSING**  
**Actual vs Budget Accrual Operating Statement**

	Month Ending 03/31/11			Year To Date 03/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6721-0000 - Fidelity bond insurance	0.00	0.00	0.00	0.00	0.00	0.00	100.00
<b>TOTAL TAXES AND INSURANCE</b>	<b>8,554.46</b>	<b>8,600.00</b>	<b>45.54</b>	<b>25,663.38</b>	<b>25,800.00</b>	<b>136.62</b>	<b>103,300.00</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>52,399.26</b>	<b>61,322.00</b>	<b>8,922.74</b>	<b>132,408.68</b>	<b>156,766.00</b>	<b>24,357.32</b>	<b>563,572.00</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>22,950.14</b>	<b>18,462.00</b>	<b>4,488.14</b>	<b>95,418.92</b>	<b>82,586.00</b>	<b>12,832.92</b>	<b>393,848.00</b>
<b>FINANCIAL EXPENSES</b>							
6820-0000 - Mortgage interest	21,322.63	21,208.00	(114.63)	64,102.46	63,624.00	(478.46)	254,496.00
7104-0000 - Replacement Reserve	1,961.64	1,800.00	(161.64)	5,884.92	5,400.00	(484.92)	21,600.00
7108-0000 - Mortgage Payable (long term)	9,164.91	9,280.00	115.09	27,360.16	27,840.00	479.84	111,360.00
<b>TOTAL FINANCIAL EXPENSES</b>	<b>32,449.18</b>	<b>32,288.00</b>	<b>(161.18)</b>	<b>97,347.54</b>	<b>96,864.00</b>	<b>(483.54)</b>	<b>387,456.00</b>
<b>NET OPER INC/(LOSS) BEFORE CAP. EXP.</b>	<b>(9,499.04)</b>	<b>(13,826.00)</b>	<b>4,326.96</b>	<b>(1,928.62)</b>	<b>(14,278.00)</b>	<b>12,349.38</b>	<b>6,392.00</b>
<b>NET INCOME (LOSS)</b>	<b>(9,499.04)</b>	<b>(13,826.00)</b>	<b>4,326.96</b>	<b>(1,928.62)</b>	<b>(14,278.00)</b>	<b>12,349.38</b>	<b>6,392.00</b>
<b>Partnership Income</b>							
8005-0000 - Mortgagor Entity Income	707.58	0.00	707.58	1,183.80	0.00	1,183.80	0.00
8010-0000 - Other Entity Expense	0.00	0.00	0.00	(10.00)	0.00	(10.00)	0.00
<b>Total Partnership Activity</b>	<b>707.58</b>	<b>0.00</b>	<b>707.58</b>	<b>1,173.80</b>	<b>0.00</b>	<b>1,173.80</b>	<b>0.00</b>
<b>CAPITAL EXPENDITURES &amp; ESCROWS</b>							
7105-0000 - Replacement Reserve Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	(18,000.00)
7107-0000 - Residual Receipt Reserve Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	(237,000.00)
6991-0000 - Capital expenditures	0.00	0.00	0.00	0.00	0.00	0.00	252,537.00
6993-0000 - Appliance Replacement	0.00	125.00	125.00	0.00	375.00	375.00	1,500.00
6994-0000 - Carpet & tile	5,004.90	618.00	(4,388.90)	5,004.90	1,848.00	(3,156.90)	7,400.00
<b>TOTAL CAPITAL EXPENDITURES &amp; ESCROWS</b>	<b>5,004.90</b>	<b>741.00</b>	<b>(4,263.90)</b>	<b>5,004.90</b>	<b>2,223.00</b>	<b>(2,781.90)</b>	<b>6,437.00</b>
<b>GAIN/(LOSS) AFTER CAPITAL EXP. &amp; ESCROWS</b>	<b>(13,796.36)</b>	<b>(14,567.00)</b>	<b>770.64</b>	<b>(5,759.72)</b>	<b>(16,501.00)</b>	<b>10,741.28</b>	<b>(45.00)</b>

**WALNUT PLACE**  
**Balance Sheet**  
 Month Ending 03/31/11

**ASSETS**

<b>Current Assets</b>	
1110-0000 - Petty Cash	900.00
1121-0000 - Cash - Operating	6,413.27
1130-0000 - Tenant/member accounts receivable	39,600.82
1131-0000 - Accounts receivable - subsidy	63,728.00
1240-0000 - Prepaid property and liability insurance	3,572.49
<b>Total Current Assets</b>	<u>114,214.58</u>
<b>Other Assets</b>	
1290-0000 - Misc Prepaid Expenses	733.99
1192-0000 - Tenant Sec Dep	20,507.82
1310-0000 - Real estate tax escrow	161,889.66
1311-0000 - Insurance escrow	30,295.18
1330-0000 - Debt Service Escrow	136,194.77
1140-0000 - Accounts Receivable - Other	3,458.28
1320 - Replacement Reserve	123,565.00
1340 - Residual Receipt	26,995.84
<b>Total Other Assets</b>	<u>503,640.54</u>
<b>Fixed Assets</b>	
1410-0000 - Land	220,000.00
1420-0000 - Building	2,918,659.85
1430-0000 - Land Improvements	396,727.57
1450-0000 - Furniture for project/tenant use	534,098.62
1497-0000 - Site improvements	69,354.14
4120-0000 - Accum depr - buildings	(3,252,799.29)
1498-0000 - Current F/A	5,276.75
<b>Total Fixed Assets</b>	<u>891,317.64</u>
<b>Financing Costs</b>	
1800-0000 - Organization costs	5,000.00
1900-0001 - Deferred Financing Costs	174,813.03
1999-0000 - Accum Amort - Bond Costs	(42,601.93)
<b>Total Financing Costs</b>	<u>137,211.10</u>
<b>Partnership Assets</b>	
1701-0000 - Cash - Partnership	104,261.53
<b>Total Partnership Assets</b>	<u>104,261.53</u>
<b>Total Assets</b>	<u><u>1,750,645.39</u></u>

**WALNUT PLACE**  
**Balance Sheet**  
 Month Ending 03/31/11

**Liabilities & Equity**

<b>Current Liabilities</b>	
2110-0000 - Accounts payable	35,793.84
2120-0000 - Accrued wages and p/r taxes payable	2,657.81
2150-0000 - Accrued property taxes	132,170.87
2155-0000 - Accrued professional services	14,714.00
2180-0000 - Misc current liabilities	25,936.23
<b>Total Current Liabilities</b>	<u>211,272.75</u>
<b>Non-Current Liabilities</b>	
2191-0000 - Security deposits-residential	18,129.00
2191-0001 - Pet Deposit	300.00
2210-0000 - Prepaid Rent	6,323.76
2211-0000 - Prepaid HUD	29,505.00
2320-1000 - Mortgage payable - 2nd note	2,546,000.00
2320-0000 - Mortgage Payable (long term)	2,159,899.06
<b>Total Non-Current Liabilities</b>	<u>4,760,156.82</u>
<b>Owner's Equity</b>	
3100-0000 - Limited Partners Equity	104,177.32
3209-0000 - Prior Year Retained Earnings	(3,366,375.44)
3210-0000 - Retained earnings	26,714.49
Current YTD Earnings	14,699.45
<b>Total Owner's Equity</b>	<u>(3,220,784.18)</u>
<b>Total Liability &amp; Owner Equity</b>	<u>1,750,645.39</u>

## WALNUT PLACE

### Actual vs Budget Accrual Operating Statement

	Month Ending 03/31/11			Year To Date 03/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>GROSS OPERATING INCOME</b>							
<b>RESIDENTIAL RENTAL INCOME</b>							
5120-0000 - Apartment rent	25,678.00	21,585.00	4,093.00	75,700.00	64,755.00	10,945.00	259,020.00
5121-0000 - Tenant assistant payments	60,662.00	64,755.00	(4,093.00)	183,320.00	194,265.00	(10,945.00)	777,060.00
<b>TOTAL RESIDENTIAL RENTAL INCOME</b>	<b>86,340.00</b>	<b>86,340.00</b>	<b>0.00</b>	<b>259,020.00</b>	<b>259,020.00</b>	<b>0.00</b>	<b>1,036,080.00</b>
<b>VACANCIES &amp; ADJUSTMENTS</b>							
5220-0000 - Vacancy loss - apartments	(6,288.00)	(1,684.00)	(4,604.00)	(18,656.00)	(5,052.00)	(13,604.00)	(20,208.00)
5221-0000 - Non-Revenue Units	(1,272.00)	(1,260.00)	(12.00)	(3,768.00)	(3,780.00)	12.00	(15,120.00)
<b>TOTAL VACANCIES &amp; ADJUSTMENTS</b>	<b>(7,560.00)</b>	<b>(2,944.00)</b>	<b>(4,616.00)</b>	<b>(22,424.00)</b>	<b>(8,832.00)</b>	<b>(13,592.00)</b>	<b>(35,328.00)</b>
<b>OTHER INCOME</b>							
5910-0000 - Laundry income	0.00	250.00	(250.00)	691.50	750.00	(58.50)	3,000.00
5990-0000 - Misc other income	2,996.00	30.00	2,966.00	3,007.00	90.00	2,917.00	360.00
5413-0000 - Interest income - escrow	2.71	210.00	(207.29)	2.71	630.00	(627.29)	2,520.00
<b>TOTAL OTHER INCOME</b>	<b>2,998.71</b>	<b>490.00</b>	<b>2,508.71</b>	<b>3,701.21</b>	<b>1,470.00</b>	<b>2,231.21</b>	<b>5,880.00</b>
<b>GROSS OPERATING INCOME</b>	<b>81,778.71</b>	<b>83,886.00</b>	<b>(2,107.29)</b>	<b>240,297.21</b>	<b>251,658.00</b>	<b>(11,360.79)</b>	<b>1,006,632.00</b>
<b>ADVERTISING &amp; RENTING EXPENSE</b>							
6213-0000 - Employee Recruitment	1.98	0.00	(1.98)	34.98	200.00	165.02	200.00
6253-0000 - Credit Report Fees	64.00	30.00	(34.00)	103.00	90.00	(13.00)	360.00
<b>TOTAL ADVERTISING &amp; RENTING EXPENSE</b>	<b>65.98</b>	<b>30.00</b>	<b>(35.98)</b>	<b>137.98</b>	<b>290.00</b>	<b>152.02</b>	<b>560.00</b>
<b>ADMINISTRATIVE EXPENSE</b>							
6311-0000 - Office supplies	362.02	270.00	(92.02)	742.09	810.00	67.91	3,240.00
6316-0000 - Office Equipment	162.85	300.00	137.15	661.47	900.00	238.53	3,600.00
6320-0000 - Management fee	4,026.50	3,833.00	(193.50)	11,892.73	11,499.00	(393.73)	46,000.00
6340-0000 - Legal Expense - Project	0.00	200.00	200.00	0.00	600.00	600.00	2,400.00
6350-0000 - Audit Expense	5,000.00	11,500.00	6,500.00	5,000.00	11,500.00	6,500.00	11,500.00
6360-0000 - Telephone	1,301.88	750.00	(551.88)	3,082.65	2,250.00	(832.65)	9,000.00
6365-0000 - Training & Education Expense	0.00	100.00	100.00	0.00	300.00	300.00	1,200.00
6370-0000 - Bad debts	0.00	50.00	50.00	0.00	150.00	150.00	600.00
6371-0000 - Fees Dues & Contributions	0.00	40.00	40.00	0.00	120.00	120.00	480.00
6380-0000 - Consulting/study costs	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00
6385-0000 - Temporary Help	409.86	0.00	(409.86)	409.86	0.00	(409.86)	0.00
6390-0000 - Misc administrative expenses	29.44	100.00	70.56	146.42	300.00	153.58	1,200.00
6390-0002 - Computer Supplies/Data Processing	126.63	130.00	3.37	379.89	390.00	10.11	1,560.00
6395-0000 - Tenant Retention	239.25	500.00	260.75	1,321.28	1,500.00	178.72	6,500.00
6431-0000 - Travel & Expense Reimbursement	164.17	300.00	135.83	548.01	900.00	351.99	3,600.00
6860-0000 - Security Deposit Interest	(3.48)	(12.00)	(8.52)	(10.07)	(36.00)	(25.93)	(144.00)
<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>11,819.12</b>	<b>18,061.00</b>	<b>6,241.88</b>	<b>24,174.33</b>	<b>31,183.00</b>	<b>7,008.67</b>	<b>92,236.00</b>
<b>PAYROLL &amp; RELATED COSTS</b>							
6310-0000 - Office salaries	4,458.28	5,666.00	1,207.72	12,986.43	16,998.00	4,011.57	68,000.00
6510-0000 - Janitor and cleaning payroll	1,003.20	1,241.00	237.80	3,320.89	3,723.00	402.11	14,900.00
6540-0000 - Repairs payroll	5,076.13	3,833.00	(1,243.13)	13,556.24	11,499.00	(2,057.24)	46,000.00
6900-0000 - Social Service Coordinator	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6715-0000 - Payroll Taxes	1,444.74	1,681.00	236.26	4,322.41	5,043.00	720.59	20,175.00
6722-0000 - Workers compensation	242.33	242.00	(0.33)	726.99	726.00	(0.99)	3,053.00

## WALNUT PLACE Actual vs Budget Accrual Operating Statement

	Month Ending 03/31/11			Year To Date 03/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6723-0000 - Employee health insurance	355.81	345.00	(10.81)	1,094.66	1,035.00	(59.66)	4,140.00
6724-0000 - Union Benefits	1,189.76	1,197.00	7.24	3,569.27	3,591.00	21.73	14,368.00
6726-0001 - Contingency	1,682.50	2,200.00	517.50	1,682.50	2,200.00	517.50	2,200.00
<b>TOTAL PAYROLL &amp; RELATED COSTS</b>	<b>15,452.75</b>	<b>16,405.00</b>	<b>952.25</b>	<b>41,259.39</b>	<b>44,815.00</b>	<b>3,555.61</b>	<b>172,836.00</b>
<b>OPERATING EXPENSES</b>							
6515-0000 - Janitors and cleaning supplies	575.87	250.00	(325.87)	853.86	750.00	(103.86)	3,000.00
6518-0000 - Uniforms	0.00	0.00	0.00	0.00	0.00	0.00	700.00
6519-0000 - Exterminating Contract	90.00	460.00	370.00	300.00	1,380.00	1,080.00	5,520.00
6520-0000 - Miscellaneous Repair Contractors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6525-0000 - Rubbish removal	309.49	400.00	90.51	1,034.71	1,200.00	165.29	4,800.00
6490-0000 - Misc operating expenses	0.00	50.00	50.00	0.00	150.00	150.00	600.00
<b>TOTAL OPERATING EXPENSES</b>	<b>975.36</b>	<b>1,160.00</b>	<b>184.64</b>	<b>2,188.57</b>	<b>3,480.00</b>	<b>1,291.43</b>	<b>14,620.00</b>
<b>UTILITIES</b>							
6450-0000 - Electricity	375.23	1,100.00	724.77	3,172.50	3,200.00	27.50	16,800.00
6451-0000 - Water	650.04	400.00	(250.04)	2,020.24	2,200.00	179.76	7,500.00
6452-0000 - Gas	1,196.99	5,000.00	3,803.01	9,357.62	15,000.00	5,642.38	37,750.00
<b>TOTAL UTILITIES</b>	<b>2,222.26</b>	<b>6,500.00</b>	<b>4,277.74</b>	<b>14,550.36</b>	<b>20,400.00</b>	<b>5,849.64</b>	<b>62,050.00</b>
<b>MAINTENANCE EXPENSES</b>							
6536-0000 - Ground supplies	0.00	0.00	0.00	0.00	1,000.00	1,000.00	8,000.00
6537-0000 - Grounds Contractor (Landscaper)	0.00	0.00	0.00	0.00	0.00	0.00	4,864.00
6541-0000 - Repair materials (general supplies)	81.35	600.00	518.65	635.36	1,800.00	1,164.64	7,200.00
6541-0001 - Appliance Parts	0.00	50.00	50.00	0.00	150.00	150.00	600.00
6541-0002 - Plumbing Supplies	42.73	0.00	(42.73)	174.95	0.00	(174.95)	0.00
6541-0003 - Electrical Supplies	97.21	0.00	(97.21)	97.21	0.00	(97.21)	0.00
6541-0007 - Safety Equipment	0.00	0.00	0.00	0.00	1,000.00	1,000.00	1,000.00
6545-0000 - Elevator Contractor (Annual Maintenance Contract)	360.00	500.00	140.00	1,100.00	1,500.00	400.00	6,000.00
6546-0000 - Heating/Cooling Contractor	0.00	400.00	400.00	0.00	1,200.00	1,200.00	9,000.00
6548-0000 - Snow removal	1,490.00	2,000.00	510.00	8,495.48	8,000.00	(495.48)	9,000.00
6551-0000 - Elevator Contractor (Special Repairs)	0.00	50.00	50.00	1,260.00	150.00	(1,110.00)	600.00
6560-0000 - Decorating (Tenant Pntg-Cycle/Turnover by Contractor)	0.00	1,000.00	1,000.00	0.00	3,000.00	3,000.00	12,000.00
6580-0000 - Equipment repairs	0.00	0.00	0.00	0.00	0.00	0.00	500.00
6581-0000 - Window Washing	0.00	0.00	0.00	0.00	0.00	0.00	900.00
6582-0000 - Fire Protection	252.87	350.00	97.13	252.87	1,050.00	797.13	4,200.00
6582-0001 - Fire Safety Equipment	0.00	100.00	100.00	55.00	300.00	245.00	1,200.00
6589-0000 - Parking Lot Expense	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00
6590-0000 - Miscellaneous Repair	0.00	100.00	100.00	0.00	300.00	300.00	1,200.00
6591-0000 - Electrical Repairs	75.00	450.00	375.00	75.00	1,350.00	1,275.00	5,400.00
6594-0000 - Carpentry Repairs	0.00	350.00	350.00	813.84	1,050.00	236.16	4,200.00
6595-0000 - Plumbing Repairs	689.00	400.00	(289.00)	4,812.49	1,200.00	(3,612.49)	4,800.00
6596-0000 - Floor Repairs/Cleaning	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00
6598-0000 - Roof Repairs	814.62	0.00	(814.62)	814.62	0.00	(814.62)	5,000.00
6599-0000 - Window repairs	0.00	300.00	300.00	0.00	900.00	900.00	3,600.00
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>3,902.78</b>	<b>6,650.00</b>	<b>2,747.22</b>	<b>18,586.82</b>	<b>23,950.00</b>	<b>5,363.18</b>	<b>99,764.00</b>
<b>TAXES AND INSURANCE</b>							
6710-0000 - Real estate taxes	8,683.00	8,683.00	0.00	26,049.00	26,049.00	0.00	104,196.00
6720-0000 - Property and liability insurance	1,190.83	1,234.00	43.17	3,572.49	3,702.00	129.51	14,808.00

**WALNUT PLACE**  
**Actual vs Budget Accrual Operating Statement**

	Month Ending 03/31/11			Year To Date 03/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6721-0000 - Fidelity bond insurance	0.00	0.00	0.00	0.00	0.00	0.00	100.00
<b>TOTAL TAXES AND INSURANCE</b>	<u>9,873.83</u>	<u>9,917.00</u>	<u>43.17</u>	<u>29,621.49</u>	<u>29,751.00</u>	<u>129.51</u>	<u>119,104.00</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>44,312.08</u>	<u>58,723.00</u>	<u>14,410.92</u>	<u>130,518.94</u>	<u>153,869.00</u>	<u>23,350.06</u>	<u>561,170.00</u>
<b>NET OPERATING INCOME (LOSS)</b>	<u>37,466.63</u>	<u>25,163.00</u>	<u>12,303.63</u>	<u>109,778.27</u>	<u>97,789.00</u>	<u>11,989.27</u>	<u>445,462.00</u>
<b>FINANCIAL EXPENSES</b>							
6820-0000 - Mortgage interest	22,763.70	22,655.00	(108.70)	68,445.06	67,965.00	(480.06)	271,860.00
7104-0000 - Replacement Reserve	1,994.91	1,833.00	(161.91)	5,984.73	5,499.00	(485.73)	21,996.00
7108-0000 - Mortgage Payable (long term)	10,723.25	10,854.00	130.75	32,015.79	32,562.00	546.21	130,248.00
<b>TOTAL FINANCIAL EXPENSES</b>	<u>35,481.86</u>	<u>35,342.00</u>	<u>(139.86)</u>	<u>106,445.58</u>	<u>106,026.00</u>	<u>(419.58)</u>	<u>424,104.00</u>
<b>NET OPER INC/(LOSS) BEFORE CAP. EXP.</b>	<u>1,984.77</u>	<u>(10,179.00)</u>	<u>12,163.77</u>	<u>3,332.69</u>	<u>(8,237.00)</u>	<u>11,569.69</u>	<u>21,358.00</u>
<b>NET INCOME (LOSS)</b>	<u>1,984.77</u>	<u>(10,179.00)</u>	<u>12,163.77</u>	<u>3,332.69</u>	<u>(8,237.00)</u>	<u>11,569.69</u>	<u>21,358.00</u>
<b>Partnership Income</b>							
8005-0000 - Mortgagor Entity Income	44.28	0.00	44.28	128.49	0.00	128.49	0.00
<b>Total Partnership Activity</b>	<u>44.28</u>	<u>0.00</u>	<u>44.28</u>	<u>128.49</u>	<u>0.00</u>	<u>128.49</u>	<u>0.00</u>
<b>CAPITAL EXPENDITURES &amp; ESCROWS</b>							
7105-0000 - Replacement Reserve Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	(24,000.00)
6991-0000 - Capital expenditures	1,865.00	0.00	(1,865.00)	1,865.00	0.00	(1,865.00)	37,400.00
6993-0000 - Appliance Replacement	0.00	125.00	125.00	0.00	375.00	375.00	1,500.00
6994-0000 - Carpet & tile	3,411.75	485.00	(2,926.75)	3,411.75	1,455.00	(1,956.75)	5,820.00
<b>TOTAL CAPITAL EXPENDITURES &amp; ESCROWS</b>	<u>5,276.75</u>	<u>610.00</u>	<u>(4,666.75)</u>	<u>5,276.75</u>	<u>1,830.00</u>	<u>(3,446.75)</u>	<u>20,720.00</u>
<b>GAIN/(LOSS) AFTER CAPITAL EXP. &amp; ESCROWS</b>	<u>(3,247.70)</u>	<u>(10,789.00)</u>	<u>7,541.30</u>	<u>(1,815.57)</u>	<u>(10,067.00)</u>	<u>8,251.43</u>	<u>638.00</u>

**RAVINIA HOUSING**  
**Balance Sheet**  
 Month Ending 03/31/11

**ASSETS**

<b>Current Assets</b>	
1110-0000 - Petty Cash	150.00
1121-0000 - Cash - Operating	24,292.81
1130-0000 - Tenant/member accounts receivable	39,126.92
1131-0000 - Accounts receivable - subsidy	37,393.00
1240-0000 - Prepaid property and liability insurance	1,250.37
1250-0000 - Prepaid Mortgage Insurance	3,663.43
<b>Total Current Assets</b>	<u>105,876.53</u>
<b>Other Assets</b>	
1290-0000 - Misc Prepaid Expenses	193.24
1192-0000 - Tenant Sec Dep	6,984.77
1310-0000 - Real estate tax escrow	31,768.66
1311-0000 - Insurance escrow	51,075.27
1312-0000 - Mortgage Insurance Escrow	1,066.07
1140-0000 - Accounts Receivable - Other	760.36
1320 - Replacement Reserve	44,077.52
1340 - Residual Receipt	444,559.56
<b>Total Other Assets</b>	<u>580,485.45</u>
<b>Fixed Assets</b>	
1420-0000 - Building	1,076,518.20
1430-0000 - Land Improvements	214,491.66
1450-0000 - Furniture for project/tenant use	125,536.05
1497-0000 - Site improvements	85,122.00
4120-0000 - Accum depr - buildings	(962,191.88)
1498-0000 - Current F/A	2,600.00
<b>Total Fixed Assets</b>	<u>542,076.03</u>
<b>Financing Costs</b>	
1800-0000 - Organization costs	41,848.00
1999-0000 - Accum Amort - Bond Costs	(28,071.34)
<b>Total Financing Costs</b>	<u>13,776.66</u>
<b>Partnership Assets</b>	
1701-0000 - Cash - Partnership	144,288.95
<b>Total Partnership Assets</b>	<u>144,288.95</u>
<b>Total Assets</b>	<u><u>1,386,503.62</u></u>

**RAVINIA HOUSING**  
**Balance Sheet**  
Month Ending 03/31/11

**Liabilities & Equity**

## Current Liabilities

2110-0000 - Accounts payable	(700.00)
2120-0000 - Accrued wages and p/r taxes payable	542.05
2130-0000 - Accrued interest - mortgage	4,164.61
2150-0000 - Accrued property taxes	43,500.00
2180-0000 - Misc current liabilities	979.67
<b>Total Current Liabilities</b>	<u>48,486.33</u>

## Non-Current Liabilities

2191-0000 - Security deposits-residential	6,655.00
2210-0000 - Prepaid Rent	4,902.42
2211-0000 - Prepaid HUD	24,932.26
2320-0000 - Mortgage Payable (long term)	744,865.05
<b>Total Non-Current Liabilities</b>	<u>781,354.73</u>

## Owner's Equity

3100-0000 - Limited Partners Equity	144,111.21
3209-0000 - Prior Year Retained Earnings	404,500.65
3210-0000 - Retained earnings	10,148.02
Current YTD Earnings	(2,097.32)
<b>Total Owner's Equity</b>	<u>656,662.56</u>

**Total Liability & Owner Equity**1,386,503.62

**RAVINIA HOUSING**  
**Actual vs Budget Accrual Operating Statement**

	Month Ending 03/31/11			Year To Date 03/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>GROSS OPERATING INCOME</b>							
<b>RESIDENTIAL RENTAL INCOME</b>							
5120-0000 - Apartment rent	5,330.00	0.00	5,330.00	16,710.00	0.00	16,710.00	0.00
5121-0000 - Tenant assistant payments	23,349.00	0.00	23,349.00	69,327.00	0.00	69,327.00	0.00
<b>TOTAL RESIDENTIAL RENTAL INCOME</b>	<b>28,679.00</b>	<b>0.00</b>	<b>28,679.00</b>	<b>86,037.00</b>	<b>0.00</b>	<b>86,037.00</b>	<b>0.00</b>
<b>VACANCIES &amp; ADJUSTMENTS</b>							
5220-0000 - Vacancy loss - apartments	(1,612.00)	0.00	(1,612.00)	(4,836.00)	0.00	(4,836.00)	0.00
<b>TOTAL VACANCIES &amp; ADJUSTMENTS</b>	<b>(1,612.00)</b>	<b>0.00</b>	<b>(1,612.00)</b>	<b>(4,836.00)</b>	<b>0.00</b>	<b>(4,836.00)</b>	<b>0.00</b>
<b>GROSS OPERATING INCOME</b>	<b>27,067.00</b>	<b>0.00</b>	<b>27,067.00</b>	<b>81,201.00</b>	<b>0.00</b>	<b>81,201.00</b>	<b>0.00</b>
<b>ADVERTISING &amp; RENTING EXPENSE</b>							
6213-0000 - Employee Recruitment	0.54	0.00	(0.54)	9.54	0.00	(9.54)	0.00
<b>TOTAL ADVERTISING &amp; RENTING EXPENSE</b>	<b>0.54</b>	<b>0.00</b>	<b>(0.54)</b>	<b>9.54</b>	<b>0.00</b>	<b>(9.54)</b>	<b>0.00</b>
<b>ADMINISTRATIVE EXPENSE</b>							
6311-0000 - Office supplies	98.75	0.00	(98.75)	433.94	0.00	(433.94)	0.00
6316-0000 - Office Equipment	44.41	0.00	(44.41)	180.39	0.00	(180.39)	0.00
6320-0000 - Management fee	924.04	0.00	(924.04)	2,771.11	0.00	(2,771.11)	0.00
6340-0000 - Legal Expense - Project	0.00	0.00	0.00	1,050.00	0.00	(1,050.00)	0.00
6350-0000 - Audit Expense	4,000.00	0.00	(4,000.00)	4,000.00	0.00	(4,000.00)	0.00
6360-0000 - Telephone	324.04	0.00	(324.04)	702.50	0.00	(702.50)	0.00
6385-0000 - Temporary Help	728.28	0.00	(728.28)	2,024.28	0.00	(2,024.28)	0.00
6390-0000 - Misc administrative expenses	8.03	0.00	(8.03)	120.82	0.00	(120.82)	0.00
6390-0002 - Computer Supplies/Data Processing	56.71	0.00	(56.71)	170.13	0.00	(170.13)	0.00
6395-0000 - Tenant Retention	6.24	0.00	(6.24)	6.24	0.00	(6.24)	0.00
6431-0000 - Travel & Expense Reimbursement	44.78	0.00	(44.78)	149.48	0.00	(149.48)	0.00
6860-0000 - Security Deposit Interest	(1.19)	0.00	1.19	(3.44)	0.00	3.44	0.00
<b>TOTAL ADMINISTRATIVE EXPENSE</b>	<b>6,234.09</b>	<b>0.00</b>	<b>(6,234.09)</b>	<b>11,605.45</b>	<b>0.00</b>	<b>(11,605.45)</b>	<b>0.00</b>
<b>PAYROLL &amp; RELATED COSTS</b>							
6310-0000 - Office salaries	1,246.99	0.00	(1,246.99)	3,233.45	0.00	(3,233.45)	0.00
6510-0000 - Janitor and cleaning payroll	1,635.42	0.00	(1,635.42)	4,580.31	0.00	(4,580.31)	0.00
6715-0000 - Payroll Taxes	358.73	0.00	(358.73)	1,091.27	0.00	(1,091.27)	0.00
6722-0000 - Workers compensation	66.08	0.00	(66.08)	198.24	0.00	(198.24)	0.00
6723-0000 - Employee health insurance	116.89	0.00	(116.89)	379.22	0.00	(379.22)	0.00
6724-0000 - Union Benefits	324.48	0.00	(324.48)	973.43	0.00	(973.43)	0.00
<b>TOTAL PAYROLL &amp; RELATED COSTS</b>	<b>3,748.59</b>	<b>0.00</b>	<b>(3,748.59)</b>	<b>10,455.92</b>	<b>0.00</b>	<b>(10,455.92)</b>	<b>0.00</b>
<b>OPERATING EXPENSES</b>							
6515-0000 - Janitors and cleaning supplies	33.57	0.00	(33.57)	33.57	0.00	(33.57)	0.00
6520-0000 - Miscellaneous Repair Contractors	0.00	0.00	0.00	1,148.75	0.00	(1,148.75)	0.00
6525-0000 - Rubbish removal	438.75	0.00	(438.75)	960.20	0.00	(960.20)	0.00
<b>TOTAL OPERATING EXPENSES</b>	<b>472.32</b>	<b>0.00</b>	<b>(472.32)</b>	<b>2,142.52</b>	<b>0.00</b>	<b>(2,142.52)</b>	<b>0.00</b>
<b>UTILITIES</b>							
6450-0000 - Electricity	(179.40)	0.00	179.40	378.45	0.00	(378.45)	0.00
6451-0000 - Water	6.68	0.00	(6.68)	44.14	0.00	(44.14)	0.00

## RAVINIA HOUSING Actual vs Budget Accrual Operating Statement

	Month Ending 03/31/11			Year To Date 03/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
TOTAL UTILITIES	(170.72)	0.00	170.72	422.59	0.00	(422.59)	0.00
MAINTENANCE EXPENSES							
6541-0000 - Repair materials (general supplies)	191.68	0.00	(191.68)	238.97	0.00	(238.97)	0.00
6541-0002 - Plumbing Supplies	0.00	0.00	0.00	36.07	0.00	(36.07)	0.00
6541-0003 - Electrical Supplies	0.00	0.00	0.00	91.62	0.00	(91.62)	0.00
6541-0009 - Window Supplies	0.00	0.00	0.00	43.89	0.00	(43.89)	0.00
6546-0000 - Heating/Cooling Contractor	456.00	0.00	(456.00)	456.00	0.00	(456.00)	0.00
6548-0000 - Snow removal	9,281.00	0.00	(9,281.00)	19,563.77	0.00	(19,563.77)	0.00
6560-0000 - Decorating (Tenant Pntg-Cycle/Turnover by Contractor)	585.00	0.00	(585.00)	585.00	0.00	(585.00)	0.00
6599-0000 - Window repairs	0.00	0.00	0.00	2,345.00	0.00	(2,345.00)	0.00
TOTAL MAINTENANCE EXPENSES	10,513.68	0.00	(10,513.68)	23,360.32	0.00	(23,360.32)	0.00
TAXES AND INSURANCE							
6710-0000 - Real estate taxes	3,500.00	0.00	(3,500.00)	10,500.00	0.00	(10,500.00)	0.00
6720-0000 - Property and liability insurance	416.79	0.00	(416.79)	1,250.37	0.00	(1,250.37)	0.00
TOTAL TAXES AND INSURANCE	3,916.79	0.00	(3,916.79)	11,750.37	0.00	(11,750.37)	0.00
TOTAL OPERATING EXPENSES	24,715.29	0.00	(24,715.29)	59,746.71	0.00	(59,746.71)	0.00
NET OPERATING INCOME (LOSS)	2,351.71	0.00	2,351.71	21,454.29	0.00	21,454.29	0.00
FINANCIAL EXPENSES							
6820-0000 - Mortgage interest	4,165.04	0.00	(4,165.04)	12,545.61	0.00	(12,545.61)	0.00
6850-0000 - Mortgage Service Fee	345.24	0.00	(345.24)	1,035.72	0.00	(1,035.72)	0.00
7104-0000 - Replacement Reserve	712.00	0.00	(712.00)	2,136.00	0.00	(2,136.00)	0.00
7108-0000 - Mortgage Payable (long term)	3,015.94	0.00	(3,015.94)	8,997.60	0.00	(8,997.60)	0.00
TOTAL FINANCIAL EXPENSES	8,238.22	0.00	(8,238.22)	24,714.93	0.00	(24,714.93)	0.00
NET OPER INC/(LOSS) BEFORE CAP. EXP.	(5,886.51)	0.00	(5,886.51)	(3,260.64)	0.00	(3,260.64)	0.00
NET INCOME (LOSS)	(5,886.51)	0.00	(5,886.51)	(3,260.64)	0.00	(3,260.64)	0.00
Partnership Income							
8005-0000 - Mortgagor Entity Income	61.25	0.00	61.25	177.74	0.00	177.74	0.00
Total Partnership Activity	61.25	0.00	61.25	177.74	0.00	177.74	0.00
CAPITAL EXPENDITURES & ESCROWS							
6991-0000 - Capital expenditures	0.00	0.00	0.00	2,600.00	0.00	(2,600.00)	0.00
TOTAL CAPITAL EXPENDITURES & ESCROWS	0.00	0.00	0.00	2,600.00	0.00	(2,600.00)	0.00
GAIN/(LOSS) AFTER CAPITAL EXP. & ESCROWS	(5,825.26)	0.00	(5,825.26)	(5,682.90)	0.00	(5,682.90)	0.00

2007 HPICLT/CPAH Scattered Site Grant				
Grant Amount		\$ 777,867.00	\$ 777,867.00	
Month/Year of Grant Allocation	Property Address	Draw Down	Balance	Notes
Sep-08	1251 Arbor	\$ (115,000.00)	\$ 662,867.00	new unit in inventory
Jan-08	1141 Central	\$ (145,000.00)	\$ 517,867.00	new unit in inventory
Apr-09	277 Green Bay Road	\$ (183,663.73)	\$ 334,203.27	Purchase of assignment by current owners
May-09	525 Barberry	\$ (75,000.00)	\$ 259,203.27	new unit in inventory
May-09	1377 Arbor	\$ (25,000.00)	\$ 234,203.27	Additional subsidy applied to unit
Jul-09	277 Green Bay Rd	\$ 113,413.73	\$ 347,617.00	Assignment of State Donation Tax Credit
Nov-09	839 Burton	\$ (85,000.00)	\$ 262,617.00	new unit in inventory
Feb-10	1245 Eastwood	\$ (65,000.00)	\$ 197,617.00	new unit in inventory
Mar-10	1733 Rosemary	\$ (16,105.00)	\$ 181,512.00	new unit in inventory
Aug-10	598 Barberry Road	\$ (20,000.00)	\$ 161,512.00	new unit in inventory
May-11	1378 Ferndale	\$ (35,000.00)	\$ 126,512.00	new unit in inventory
May-11	765 Broadview	\$ (35,000.00)	\$ 91,512.00	new unit in inventory
May-11	1789 Richfield	\$ (25,000.00)	\$ 66,512.00	rehab of existing unit in inventory
Total Grant Allocations		\$ (711,355.00)		
9 new units to Inventory		\$ 591,105.00		
Per new unit cost		\$ 65,678.33		



An Exelon Company

Account Number 1941072154

Name SUNSET WOODS
Service Location 891 CENTRAL AVE APT 231 HIGHLAND PARK
Phone Number 847-926-1852

Issue Date March 30, 2011

Table with 2 columns: Description and Amount. Rows include Previous Balance (\$14.63), Total Payments (\$0.00), and Amount Due on April 21, 2011 (\$28.18).

www.comed.com

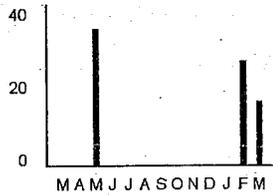
Customer Service / Power Outage

English
1-800-EDISON1 (1-800-334-7661)

Español
1-800-95-LUCES (1-800-955-8237)

Hearing/Speech Impaired
1-800-572-5789 (TTY)

Your Usage Profile
13-Month Usage (Total kWh)



Electric Usage

Table with 2 columns: Month and kWh. Shows usage from May-10 (34 kWh) to Mar-11 (16 kWh).

Average Daily

Table with 3 columns: Month Billed, kWh, and Temp. Compares Last Year (0.0 kWh, 41 Temp), Last Month (0.9 kWh, 27 Temp), and Current Month (0.5 kWh, 37 Temp).

Service from 2/28/2011 to 3/30/2011 - 30 Days

Residential - Single

Electricity Supply Services

\$14.2

Table with 4 columns: Description, kWh, Multiplier, and Amount. Includes Electricity Supply Charge (16 kWh, 1.22), Transmission Services Charge (16 kWh, 0.12), and Purchased Electricity Adjustment (0.08).

Delivery Services - ComEd

\$11.07

Table with 4 columns: Description, kWh, Multiplier, and Amount. Includes Customer Charge (8.41), Standard Metering Charge (2.27), and Distribution Facilities Charge (16 kWh, 0.39).

Taxes and Other

\$0.84

Table with 4 columns: Description, kWh, Multiplier, and Amount. Includes Smart Meter Program (0.21), Energy Efficiency Programs (16 kWh, 0.02), Franchise Cost (\$10.40, 4.52600%), State Tax (0.05), and Municipal Tax (0.09).

Total Current Charges

\$13.33

(continued on next page)

Return only this portion with your check made payable to ComEd. Please write your account number on your check.

Check form for SUNSET WOODS ASSOCIATION # 231, amount \$13.33, dated 4/21/11. Includes ComEd logo, bank information for Highland Park Bank, and MICR line at the bottom.



An Exelon Company

Account Number 5266096034

Name SUNSET WOODS
Service Location 891 CENTRAL AVE APT 319 HIGHLAND PARK
Phone Number 847-926-1852

Issue Date March 30, 2011

Table with 2 columns: Description, Amount. Rows include Previous Balance (\$11.51), Total Payments (\$0.00), Amount Due on April 21, 2011 (\$28.00).

www.comed.com

Customer Service / Power Outage

English 1-800-EDISON1 (1-800-334-7661)

Español 1-800-95-LUCES (1-800-955-8237)

Hearing/Speech Impaired 1-800-572-5789 (TTY)

Your Usage Profile 13-Month Usage (Total kWh)

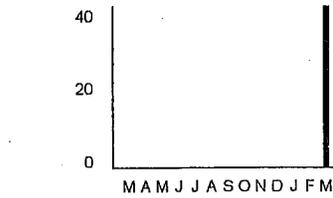


Table with 2 columns: Month, kWh. Row for Mar-11 shows 40 kWh.

Table with 3 columns: Month Billed, kWh, Temp. Rows for Last Year, Last Month, Current Month.

Meter Information table with columns: Read Date, Meter Number, Load Type, Reading Type, Previous, Meter Reading Present, Difference, Multiplier X, Usage.

Service from 2/28/2011 to 3/30/2011 - 30 Days

Residential - Single

Electricity Supply Services \$3.53

Table with 4 columns: Description, kWh, Multiplier, Rate. Rows include Electricity Supply Charge, Transmission Services Charge, Purchased Electricity Adjustment.

Delivery Services - ComEd \$11.65

Table with 4 columns: Description, kWh, Multiplier, Rate. Rows include Customer Charge, Standard Metering Charge, Distribution Facilities Charge.

Taxes and Other \$1.14

Table with 4 columns: Description, kWh, Multiplier, Rate. Rows include Smart Meter Program, Environmental Cost Recovery Adj, Energy Efficiency Programs, Franchise Cost, State Tax, Municipal Tax.

Total Current Charges \$16.32

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SUNSET WOODS ASSOCIATION #319
1150 HALF DAY ROAD
HIGHLAND PARK, IL 60035

1106

DATE 4/21/11 70-2533-719

PAY TO THE ORDER OF

ComEd

\$16.32

Sixteen + 32/100

DOLLARS

HIGHLAND PARK BANK & Trust Company
A Branch of Lake Forest Bank & Trust Co.
1949 St. Johns Avenue
Highland Park, IL 60035

Handwritten signature

FOR A/c # 5266096034

Barcode: 001106 071925334 90 20001128311