

MEMORANDUM

To: Members of the Housing Commission
From: Mary Cele Smith, Housing Planner (msmith@cityhpil.com) and
Date: September 29, 2011
RE: **HOUSING COMMISSION PACKET FOR 10-5-2011 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 IV. (Action Needed) Approval of Minutes**
 - Meeting Minutes for September 7, 2011 Meeting
- **Agenda Item V. Scheduled Business**
 - **2. (Action Needed) Items for Omnibus Vote Consideration**
 - Payment of Invoices: There are no bills at present.
 - **3. (Discussion) Housing Commission Peers, Walnut Place, Ravinia, and Sunset Woods. Supporting Materials:**
 - September 2011 Management Report with August 2011 Financials for Peers, Ravinia, and Walnut Housing Associations
 - Peers and Walnut Place Capital Improvement Updates
 - Accounts Receivable Up-Date September 26, 2011
 - Handouts from Peers and Walnut Place Residents' Meetings
 - Summary Spreadsheet: Highland Park Housing Reserve Balances 8/31/2011
 - Housing Trust Fund Fiscal Year 2011 January 1 –December 31 Unaudited though 7/31 will be emailed under separate cover
 - Sunset Woods New Mortgage Proposals. Supporting Materials:
 - First Bank of Highland Park Proposal
 - Highland Park Bank Proposal
- **4. (Ratification) 2012 Housing Commission and Housing Trust Work Plans. Supporting Materials:**
 - 2012 Housing Commission and Housing Trust Fund Work Plans
- **5. (Consideration) Recommendation from Condominium Conversion Ordinance Working Group. Supporting Material:**
 - Memo from Staff September 28, 2011
- **6. (Consideration) 2012 Meeting Resolution. Supporting Material:**
 - 2012 Meeting Resolution

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 August 31, 2011
- Copy of \$10.00 payment to Secretary of State and the 2011 Ravinia Housing Association Annual Report
- Copy of invoice and check to Floral Gardens for thank you to Marissa Hopkins

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, October 5, 2011 at City Hall, 1707 St. Johns Avenue, Highland Park, Illinois.**

City of Highland Park
Housing Commission
Wednesday, October 5, 2011, at 6:30 p.m.
AGENDA

- I. Call to order**
- II. Roll Call**
- III. Business from the Public (Citizens Wishing to Be Heard Regarding Items not Listed on the Agenda)**
- IV. Approval of Minutes – September 7, 2011 Meeting**
- V. Scheduled Business**
 1. Introduction of Councilman Anthony Blumberg, Liaison to the Housing Commission
 2. Items for Omnibus Vote Consideration
 - Payment of Invoices:
 - At present there are no invoices
 3. Housing Commission Peers, Walnut, Ravinia, Sunset Woods
 - Management Report
 - Property Operations Report
 - Update on Peers window replacement
 - Update on U.S. Housing and Urban Development (HUD) Mark-to-Market Refinancing for Ravinia Housing
 - Sunset Woods
 - Consideration of proposals for new Sunset Woods mortgage
 4. Ratification of 2012 Housing Commission and Housing Trust Fund Work Plans
 5. Consideration of Recommendation from Condominium Conversion Ordinance Working Group
 6. Consideration of 2012 Meeting Resolution
- VI. Executive Session for Matters relating to Real Estate Acquisition and Litigation**
- VII. Other Business**
- VIII. Adjournment**

Draft

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

MEETING DATE: Wednesday September 7, 2011

MEETING LOCATION: Mayor's Conference Room, City Hall, 1707 St. Johns Avenue,
Highland Park, IL

CALL TO ORDER

At 6:30 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: Adler, Barber, Glasner, Meek, Sharfman, and Wigodner

Commissioners Absent: Naftzger

Chairman Wigodner declared that a quorum was present.

Council Liaison Absent: Blumberg

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

APPROVAL OF MINUTES

Regular Meeting of the Housing Commission –July 6, 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 July 6, 2011. Commissioner Barber seconded the motion.

On a roll call vote:

Voting Yea: Adler, Barber, Glasner, Meek, Sharfman, and Wigodner

Voting Nay: None

The Chairman declared that the motion passed.

BUSINESS FROM THE PUBLIC (Citizens Wishing to be Heard Regarding Items not Listed on the Agenda)

There was no business from the public.

SCHEDULED BUSINESS

1. Introduction of Councilman Anthony Blumberg, Liaison to the Housing Commission

The introduction was postponed until the October 5th Housing Commission Meeting.

2. Items for Omnibus Vote Consideration

- Ratification of payments:
- Chicago Title Land Trust Company for Executing Peers' Lease Amendments for \$225.00
- Payment of Invoices:
- Memo from staff regarding payment of old invoices from accountant Sharon Klibanow for \$580
- Schwartz Insurance for renewal of Directors and Officers policy for \$1,370.00

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 –ratification of payments."

Chairman Wigodner entertained a motion to ratify the payment and to approve payment for the two invoices listed above. Commissioner Glasner moved approval of ratifying the bill from Chicago Title Land Trust Company and paying the invoices to Sharon Klibanow and Schwartz Insurance. Commissioner Meek seconded the motion.

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

3. Housing Commission Peers, Walnut, Ravinia, Sunset Woods Management Reports

The Management Report was in the packet. Planner M. Smith reported that City staff received two complaints, one from a resident and one from a resident's daughter, about the process for reconciling the accounts receivable. Evergreen staff responded to these people and will hold meetings at Walnut Place and Peers in September to answer questions about the rents collection process and to review the recertification process. Commissioner Adler suggested that Evergreen send monthly invoices to the residents to clarify their current rent and to indicate any immediate amount past due. The Commissioners asked City staff to discuss with Evergreen staff their plans to prevent residents falling into arrears in the future.

Property Operations Report

Treasurer Barber discussed the operations report. Insurance premiums went up seven percent.

Update on Peers window replacement

Chairman Wigodner reported that he would be meeting with Ms. Kuehl, Vice President Evergreen Real Estate Services, and Commissioner Adler to examine the proposed window replacements and to review the contractor's proposal.

Update on U.S. Housing and Urban Development (HUD) Mark-to-Market Proposal for Refinancing Ravinia Housing

Planner M. Smith reported that the closing date with the Red Capital Group for the first mortgage and U.S. Housing and Urban Development for the second mortgage in the HUD Mark-to-Market program has been postponed. Ms. Kuehl thinks it unlikely that the closing would take place before December. HUD extended the current Housing Assistance payments again.

Sunset Woods:

Report on sales/rental status of Sunset Woods Unit 231

Planner M. Smith reported that a tenant signed a lease that began August 1st.

Consideration of proposals for new Sunset Woods mortgage

Planner M. Smith said that staff expects a proposal from Highland Park in the next week or two and asked the Commissioners whether they had any comments on the proposal from the First Bank of Highland Park. The First Bank staff proposed a ten-year-term loan with an interest rate of 4.5% for the first five years and a new rate for the second half of the loan period, based on the Bank's published multifamily rate at that time. The Commissioners asked staff to enquire whether the First Bank would consider putting a ceiling on the multifamily rate that would go into effect for the second five years of the loan.

Report from Commissioner David Meek:

Association Meeting on August 29th

Commissioner Meek reported that the Meeting covered routine business.

Condominium Association interest in reserve study

The Association has decided to conduct a reserve study and will request assistance from Berkson, their management company, with requests for proposals.

August 31st Meeting regarding parking lot flooding

Commissioner Meek reported on the August 31st meeting with Mayor Rotering regarding the parking lot flooding problem. Condominium Board President Larry Servi attended along with Public Works Director Mary Anderson, City Engineer John Welch, and Planners L. Smith and M. Smith. Mayor Rotering discussed the City's proposal for solving the problem. Correcting the problem will entail installing a larger drainage pipe in the Park District's Sunset Woods Park. The estimated project cost is \$125,000, and the City would expect the Sunset Woods Condominium Association to pay for one-third of this. The City could provide a ten-year loan to the Association for this purpose. City staff will request bids for the project next week.

After discussing the proposal, Chairman Wigodner entertained a motion to authorize Commissioner David Meek to cast his vote and to act on behalf of the Housing Commission's 14 units to support the City's proposal to correct the flooding problem.

Commissioner Glasner moved to authorize Commissioner David Meek to cast his vote, and if necessary to vote on behalf of the 14 units the Housing Commission owns, to support the City's plan to correct the flooding problem in the Sunset Woods parking lot. Commissioner Adler seconded the motion.

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

Report on process to obtain FHA approved condominium status

Planner M. Smith reported that the Sunset Woods' owner's son was in the midst of pursuing FHA approved condominium status through the bank to which he submitted a request for a reverse mortgage. If the bank approves his application for FHA approved status, this approval will apply to the entire development for two years. FHA requires re-certification every two years.

4. Consideration of 2012 Housing Commission and Housing Trust Fund Budget Goals

Planners L. Smith and M. Smith summarized the 2012 draft Housing Commission and Housing Trust Fund Budgets. The Commissioners asked staff to find out from Community Partners for Affordable Housing (CPAH) what percent of CPAH's 2012 operating budget that the Commission's contribution of \$115,000 would be. After discussion, the Commissioners concurred with the draft budgets. Planner M. Smith said that the Commissioners would need to approve the final budgets at the October Meeting.

EXECUTIVE SESSION FOR DISCUSSION OF THE LEASE OF PROPERTY THAT THE HOUSING COMMISSION OWNS, PENDING LITIGATION, AND PERSONNEL MATTER

At 8:06 p.m., Commissioner Meek made a motion to close the regular meeting to the public pursuant to Section 2(c) of the Illinois Open Meetings Act (5 ILCS 120/2(c)) and to adjourn to Executive Session for the purpose of discussing the lease of property that the Housing Commission owns, pending litigation, and a personnel matter. Commissioner Barber seconded the motion. Planner M. Smith called the roll.

On a roll call vote:

Voting Yea: Adler, Barber, Glasner, Meek, Sharfman, and Wigodner

Voting Nay: None

The Chairman declared that the motion passed.

At 8:35 p.m. Commissioner Barber made a motion to close the Executive Session and to re-open the regular meeting. Commissioner Meek seconded the motion.

The Chairman declared that the motion passed unanimously.

The Chairman asked Planner M. Smith to call the roll.

ROLL CALL

Commissioners Present: Adler, Barber, Glasner, Meek, Sharfman, and Wigodner

Commissioners Absent: Naftzger

Chairman Wigodner declared that a quorum was present.

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

OTHER BUSINESS

Chairman Wigodner introduced the topic of the City's proposed revised ethics guidelines and regulations. The Commissioners discussed their serious concerns about the problems the revisions would create and concurred that they oppose significant components of the proposed changes. They questioned the need for new ethics regulations.

ADJOURNMENT

Chairman Wigodner entertained a motion to adjourn the meeting. Commissioner Adler moved to adjourn. Commissioner Barber seconded the motion.

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

The Housing Commission adjourned its meeting at 8:50 p.m.

Submitted respectfully:

Mary Cele Smith
Housing Planner



EVERGREEN

Real Estate Services, L.L.C.

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Chicago, IL 60661-1414

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Phone: 312-234-9400
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MEMORANDUM

TO: Highland Park Housing Commission

FROM: Polly Kuehl, Management Agent 

RE: September Management Report/ August Financials

DATE: September 26, 2011

There was another extension given on the subsidy contract for Ravinia through the month of November. Given the fact that HUD is requiring lead-based paint abatement be completed as part of the renovation, the overall scope of work will be changing, as well as the 20 year capital plan. The lead-based paint costs will eliminate other tasks that were in the original scope of work and these tasks will have to be included in Year #1 of the 20 year replacement schedule. The new scope of work will be available for the next Housing Commission meeting.

The budgets are still in process. We are working with a new software system, which is delaying the work. They will be available for the November meeting.

Walnut Place received approval from IHDA for a 2% rent increase in the 2-bedroom units (8 units) from \$1,285 to \$1,309 and a 2% rent increase in the 3-bedroom townhomes (4 units) from \$1,375 to \$1,401. The 1-bedroom units did not qualify for a rent increase and those comprise the largest number of units (56 units) on the property. This increase became effective on September 1, 2011. As with any gross rent change that does not include a change in utility allowance, rent increases are paid by the subsidy. Resident rents remain unchanged as they are based on 30% of their adjusted incomes.

A meeting was held with residents at both Walnut Place and Frank B. Peers to discuss Accounts Receivable and the annual Certification process. The management office will be initiating some changes in the rent collection process in order to give residents better information about rent that is due and/or past due. These changes include:

- Distribution of monthly rent invoices on the 28th or 29th of each month – These invoices will identify any past due amounts owed by the residents, as well as the amount of the next month's rent. It is hoped that this will keep residents informed and improve the accuracy of their rent payment amounts each month.
- Call residents who have not paid rent by the 10th of each month – This personal and more informal call will serve as a "reminder" to residents who may have forgotten to pay rent.
- Send "formal" Reminder notices if rent has not been paid by the 15th

Residents appeared to be pleased with the anticipated changes.

Kitchen renovation work at Frank B. Peers (11 kitchens) and Walnut Place (1 kitchen) will begin in November. Unit selections have been made, measurements completed and the order submitted.

Frank B. Peers

Occupancy: Occupancy continues at 100%.

Physical: Other than routine and standard preventive maintenance work orders, there were no emergency repairs in September.

Social Programs: Residents participated in routine social programs, i.e. bingo, movie nights, luncheons, exercise class, coffees and commodity food distribution. The LIHEAP program (assistance with winter utility bills) came to the property to sign-up residents. There was no LIHEAP this summer due to budget constraints.

Financial: Net Operating Income (NOI) for the month was positive to budget by \$4,220 and YTD NOI was positive to budget by \$59,149. The cash position is good at the property with \$48,902 available in the Operating Account.

Income – Income was positive to budget for the month, due to the rent increase that had not been budgeted and 100% occupancy.

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

- Management Fee (#6320) – Based on cash received as opposed to accrued income. The property received an additional subsidy from IHDA, most of which was for past due amounts.
- Floor Repairs/Carpet (#6596) – This reflects carpet cleaning of the community room and all hallways.

Walnut Place

Occupancy: The one vacancy (#206) is pre-leased for mid-October.

Physical Site: Similar to Peers, only routine and preventive maintenance occurred in September.

Social Programs: Similar to Peers, Walnut Place had bingo, monthly luncheon, chair exercises and food distribution. LIHEAP, also, came to sign-up Walnut Place residents.

Financial: Net Operating Income (NOI) for the month was slightly negative to budget by (\$5,084) and YTD NOI was positive to budget by \$14,448. The cash position at the property remains poor with only \$2,623 in the Operating Account.

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

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

- Bad Debt (#6370) – This reflects the continued goal of minimizing A/R when it is confirmed that the past due amount will not be received.
- Gas (#6452) – This reflects a “timing” issue with bulk gas purchasing – YTD is positive to budget
- Floor Repairs/Cleaning (#6596) – This reflects cleaning the common area and hallway carpets.
- Real Estate Taxes (#6710) – This reflects the monthly accrual, as well as an audit adjustment for 2010 to convert the “accrual” into “actual”.
- Property Insurance (#6720) – This reflects the monthly journal entry (accrual) and an audit adjustment to expense a payment on 10/30/08 (increased property value).

Ravinia Housing

Occupancy: There is one vacancy at Ravinia (#2743 St. John’s). The unit is being shown to 2 additional applicant households this week.

Physical Site: Routine maintenance was completed. There were, also, a couple of contractor meetings at the two houses to discuss the work needed to be done to abate lead-based paint so that the renovation scope of work can be revised.

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 negative to budget by (\$7,785) and YTD NOI is negative to budget by (\$8,467). Available cash slightly improved to \$10,801 in the Operating Account.

Income – Income reflects a positive variance as the budget assumed refinancing would occur in June, which would have lowered the rental amount for each unit. As this did not occur, the property continues to receive the older rent.

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

- Management Fee (#6320) – This reflects the higher income than planned with refinancing.
- Audit (#6350) – Timing

- Bad Debt (#6370) - This reflects the write-off of a household that was evicted and the unpaid rent during the eviction process. It is being sent to a collection agency, but we are unlikely to receive any reimbursement.
- Repair Contractors (#6520) – This reflects the up-dated Lead-Based Paint study and estimated cost comparisons between “management” and “abatement” - \$3,600.
- Property Taxes (#6710) – Same as above
- Financial Expenses – Debt Service – These figures are based on the current mortgage and the budget was based on 50% of the fiscal year reflecting the new mortgage.

Summary of Capital Improvements for 2011					Frank B. Peers Up-Dated 9/26/2011	
Item		Month	Cost Est.	Actual	Status	
Kitchen Replacement (11 kitchens)		September	94,000		Units selected; measured; ordered Assume November installation	
Tuckpointing		November	19,000		Holton Bros.	
Windows	Specs	April	140,000		On-Hold until proposal is reviewed	
	Bids	May				
Appliances		As needed	1,500		Refrigerators (2); Stoves (2)	
Carpet Replacement		As needed	7,400	3,700	Turnovers (4) completed @ \$925 ea.	
Decorating		Turnover	4,400	3,360	Completed 4 turnover paint	
		Cycle	7,000		Assumes 10 units	Scheduled 7
A/C Replacement		As needed	2,600		Assumes 4 units	
		TOTAL	275,900	7,060		
Breakdown of Cost:						
	Replacement Res.		41,900			
	Operating		0			
	Owner Funds		234,000			
Reserve Balances:	129,881	Balance as of March 1, 2011				
2011 Remaining Dep.	19,620					
Minimum Balance	102,000	IHDA requirement \$1,500/unit				
Available for 2011	47,501					

Accounts Receivable Up-Date

September 26, 2011

A meeting was held with residents at Walnut Place and Frank B. Peers to discuss Accounts Receivable and a new rent collection process. This will provide better information for residents so that they can follow their rental history and address past due or incorrect amounts immediately.

Frank B. Peers

Resident A/R was \$7,481 at the end of July and \$6,649 at the end of August. All residents on payment plans are current in their payments.

Subsidy A/R was \$48,098 at the end of July and \$44,025 at the end of August. There are a total of 7 residents for whom IHDA owes \$25,616. These past due amounts have been manually added to the subsidy request each month – IHDA indicates that they are “researching” these amounts on their system.

Walnut Place

Resident A/R was \$26,648 at the end of July and \$26,208 at the end of August. A former resident's A/R of \$304 will be written-off in September. There are 3 residents who owe a total of \$20,287 as a result of EIV (unreported income). They are all current on their payment plans. A total of 17 residents owe the remaining \$5,921.

Subsidy A/R was \$32,891 at the end of July and \$35,954 at the end of August. There are 4 residents for whom the property is owed a total of \$18,584 from IHDA. These past due amounts have been submitted to IHDA each month, manually. IHDA indicates that those are in “research”.

Ravinia Housing

Resident A/R was \$40,600 at the end of July and \$34,328 at the end of August. One resident owes \$20,114 as a result of EIV (unreported income) and a second resident owes \$5,376 pending eviction.

Subsidy A/R was \$8,524 at the end of July and \$8,795 at the end of July. On September 26th, subsidy A/R is \$8,429.

handouts from peers and walnut place meetings

WALNUT PLACE

RESIDENT MEETING

September 22, 2011

AGENDA

- I. Welcome and Introductions
- II. Rent Collection Process
- III. Accounts Receivable
- IV. Monthly Billing Statements and Review of Rent Payments for Accuracy
- V. Annual Certification Process
- VI. EIV – Employment Income Verification
- VII. Rent Changes
 - A. Tenant Rent Changes
 - B. Gross Rent Increase
- VIII. Questions

HUD Changes and Annual Recertifications

HP 9.22.11

HUD has instituted many changes in the last 5 years that have affected both Management and you, the resident. HUD instituted new requirements that Management must follow. In, turn, that affected the amount of paperwork that you must deal with at your Move-in and annually at your Recertification. We realize that this recertification process, which was once very easy, is now more time-consuming for all of us. You may have twice as many papers to sign at a recertification as you once did. The process has also doubled the amount of time it takes for the office to process and complete your recertification.

Since you live in a subsidized apartment, you pay 30% of your adjusted annual income toward the total rent for your apartment, and the federal government (HUD) pays the other 70% of the rent for your unit. Adjusted income is determined after income and income from assets are added together to arrive at gross income, and medical deductions or allowances are subtracted from the gross income. This adjusted income is the basis for determining your rent for the next 12 months at each recertification. HUD requires that Management and you go through this process each year on a specific timeline.

Move-in

- Lease is signed with your portion of the rent and HUD's portion of the rent indicated on page 1
- 50059 is the official document that is sent to HUD indicating your income, assets and deductions, your rent and what amount HUD owes the property
- Initial Notice is your reminder that you are required to go through the same process in less than 1 year to re-verify the rent you should be paying

Recertification Timing

- Initial Notice – (you get this with your 50059 at move-in)
 - about 8 months before process must be completed again to verify income, assets and medical
- 1st Reminder Notice
 - 90 days before recertification must be complete
 - You should come to the office to complete the questionnaire and sign all recert papers the same month you receive this notice
 - Bring all necessary income and financial information, and medical payments not covered by insurance and a 12-month drug printout
- 2nd Reminder Notice
 - 60 days before recertification must be signed and on the computer to be sent to HUD
- 3rd Reminder Notice
 - 30 days before recertification must be signed and on the computer to be sent to HUD
- Lease Amendment Letter (Recert is effective in 30 days)
 - Your recert is sent to HUD
 - Your new rent is effective in 30 days and you receive the 30 day notice
- Anniversary of your move-in
 - New rent is effective

Late Recertifications (50059 not completed and signed by Management and the resident more than 30 days prior to the Recert effective date)

- Resident comes to the office 50 days prior to effective date of recert – no 30-day notice of rent increase needed.
- Resident comes in to the office to sign paperwork after Recert effective date (anniversary date) – resident goes to market rent for at least 1 month.

Accounts Receivable

Resident Rent is calculated through the certification process at move-in and, annually, thereafter. Throughout the year, rent can be amended when income and/or medical deductions change more than \$200/month (Interim Certification). Residents should report any changes as soon as possible so that an Interim can be completed and rent changed accordingly. Rent is due on the first of each month.

Accounts Receivable began to build-up at the property due to the following problems:

- Occasional missed payment and resident not receiving notification
- Incorrect amount being paid and check/money order not being returned (usually as a result of the resident not making the change in rent based on the new certification amounts)
- Past due amounts carried over from Metroplex and residents not contacted to confirm amounts owed and instituting a payment plan
- New HUD EIV (verification system) documenting unreported income and retroactive rent increase (payment plan results)

Need to address A/R:

- Letter sent indicating that our records reflected past due rent – and past due amount listed
- Review individual Resident Ledgers with each resident to confirm past due amounts and/or any extenuating circumstances that could alter amount
- Confirm any past due amounts and implement a “modest” and agreed-upon payment plan

Changes to Avoid Future A/R:

- Monthly billing statement (distributed @ 28th of each month) – reflecting any past due amount and next month's rent (see sample)
- Returning any checks or money orders that are not for the correct amount of monthly rent
- Contacting residents in mid-month to remind them of rent due (telephone call on the 10th and Reminder Notice on the 15th)

9/19/2011 6:27 AM

Frank B Peers Senior Housing
400 Central
Highland Park, IL 60035-3517

STATEMENT OF ACCOUNT

Date: 09/15/2011

To:
400 Central Avenue Apt.
Highland Park, IL 60035-

Apt:

Date	Code	Description	Amount	
09/01/2011	C Begin	Period Beginning balance	186.00	Prior balance
09/01/2011	CA RENT	Rent	345.00	Sept. rent not pd.
10/01/2011	CA RENT	Next Billing: Rent	345.00	Oct. rent

Total amount due \$ 876.00

****You have a past balance due on your account.
Please adjust your rent payment for next month
by paying the total amount due listed above to
clear the balance due off your account.****

Highland Park Housing Commission										
Reserve Balances										
Date: 8/31/2011										
Account Name		Frank B. Peers		Walnut Place		Ravinia Housing		Sunset Woods	Housing Trust Fund	TOTAL
Checking (Property)		48,902		2,623		10,801		19,049		
Security Deposit		19,642		22,419		6,990		10,404		
Replacement Reserve		141,651		133,539		47,638		0		
Residual Receipts		14		27,095		480,323		0		
Operating Reserve		0		0		0		19,004		
Association Money Market Checking				104,500		144,571		161,451		
Association Small Business Checking		18,150						12,763		
Association Receivable/(Liability)								-258,832		
1) Due from Hsg. Trst. Fd 277 GB		7,492	Total							
2) Due from Hsg. Trst Fd. Emerg.		689	A/R							
3) Due from Sunset Woods		258,832	267,014							
Association CDs		Maturity				Savings		18,997		
CD #1		1/7/2012	503,379							
CD #2		10/7/2011	503,916							
Association MaxSafe Money Market		1,110,116								
TOTAL		2,612,783		290,176		690,323		-17,164		

First Bank of Highland Park

Marc Zisook

VICE PRESIDENT/COMMERCIAL REAL ESTATE

August 17, 2011

Ms. Mary Cele Smith
Housing Planner
City of Highland Park
Department of Community Development
1150 Half Day Road
Highland Park, IL 60035

RE: Sunset Woods Association, Highland Park, IL

Dear Mary:

Thank you for the opportunity to consider the Sunset Woods condominium financing. As a result of our conversation, First Bank of Highland Park (the "Bank") is pleased to present for your consideration the following financing proposal:

Borrower: Sunset Woods Association or other nominee acceptable to Bank.

Property Description: 12 condominiums located at 891 Central Avenue in Highland Park, Illinois. The units are part of an age restricted building and they are considered, "affordable housing" as there are income limitations for the residents. Residents of the 12 units must be 62 years of age or older and their income cannot exceed 60% of the Chicago area median income. The Lake County Affordable Housing programs provides rental subsidies for the 12 subject units

Loan Amount: \$451,000

Loan to Value: The combined value of the units shall be at least \$1 million (45% LTV).
The combined loan to value including any subordinate debt shall not exceed 75% (CLTV)

Term: 10 years

Interest Rate: 4.5% for the first 5 years (The loan must close by 11/30/11 to guarantee this rate). The interest rate for the second 5 years shall be the Bank's published multifamily rate at that time.

Loan Fees/Costs: No loan fee. The borrower will be responsible for any of the Bank's out of pocket expenses associated with this transactions such as title, legal, appraisal and any other applicable expenses

Amortization: 30 Years

633 Skokie Boulevard, Northbrook, Illinois 60062 MAIN: 847-272-1300 FAX: 847-412-9100
1835 First Street, Highland Park, Illinois 60035 MAIN: 847-432-7800 FAX: 847-433-2150

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



- Guarantors:** None
- Environmental:** A phase I report which was completed when the building was constructed should be sufficient.
- Collateral:** The Bank will require a first mortgage position, a first lien on all fixtures attached to the property and an assignment of leases and rents on the 12 subject units.
- Prepayment Fee:** 3% of any unscheduled principal payments in year 1, 2% in year 2, 1% in years 3 and 4 and none in year 5. The same prepayment fee shall apply to years 6 through 10 (i.e. 3% in year 6, 2% in year 7, 1% in years 8 and 9 and none in year 10). Borrower may pay up to 20% of the unscheduled principal balance in any loan year without penalty.
- Balances:** A depository relationship is to be maintained with the Bank during the term of the loan.
- Tax Escrow:** A real estate tax escrow in form and amount satisfactory to the Bank shall be required to be maintained at the Bank throughout the term of the proposed loan.
- Title Policy:** Borrower shall provide Bank with an ALTA Loan Title Policy in form and substance satisfactory to the Bank and from a title company acceptable to the Bank, in the amount of the loan insuring the mortgage of the Bank on the Property.
- Insurance:** Borrower shall provide Bank with proof of insurance and at all times maintain, adequate insurance coverage on the Property in form, type, and amount satisfactory to the Bank, including, but not limited to, builders risk, casualty, and liability insurance naming the Bank as first mortgagee and loss payee.
- Reporting Requirements:** Borrower shall provide the bank with federal tax returns, rent rolls, and internal financial statements on an annual basis.
- Additional Conditions:** The loan shall demonstrate a 1.0 times debt service coverage ratio as measured annually.
- The First Bank of Highland Park loan shall be in first position and all junior liens shall subordinate to the First Bank of Highland Park loan. It is our understanding that there is no annual debt service associated with the junior debt.

The prospective borrower would be responsible for customary loan documentation and closing fees including but not limited to: appraisal, environmental analysis, legal and title charges.



First Bank of Highland Park

This letter is not a commitment, undertaking or offer by the Bank to provide the financing described herein. It is rather a preliminary and tentative proposal based upon our recent discussions with you and our analysis and review to date of your financial condition, business prospects and operations. The possible issuance hereafter by the Bank of a commitment to provide the financing described above (and on the terms described above or such other terms as you and the Bank shall agree) is subject to: 1) the completion of our review and analysis of your financial condition, business prospects, and operations; 2) our evaluation of the assets to be provided as collateral; 3) the negotiation, execution and delivery of loan documentation acceptable to the Bank and its legal counsel; and 4) the Bank's continued satisfaction with Borrower's, Guarantors and the Property's financial condition, business prospects and operations. This proposal shall be valid through September 15, 2011.

Please sign and return a copy of this letter with a check for \$1,500 as an application fee if you desire the Bank to continue the underwriting of the proposed loan on the terms and conditions set forth in this letter. The application fee shall become nonrefundable in the event the Bank approves a loan commitment substantially consistent with this proposal, and it will be applied to loan costs and/or the loan fee in the event the proposed financing is closed. The fee will be refunded less out of pocket costs if the Bank is not able to provide a loan commitment. As of August 17, 2011 the proposed loan has not been presented to, nor approved by any loan committee at First Bank of Highland Park.

Sincerely,

FIRST BANK OF HIGHLAND PARK



Marc Zisook
Vice President
(847) 849-8962



Patrick Stallone
Executive Vice President/Senior Loan Officer
(847) 849-8960

Agreed to by: _____

Its: _____ Date: _____

HIGHLAND PARK BANK PROPOSAL

Date: September 14, 2011

Financing Proposal Preliminary and For Discussion Purposes Only

Based upon our recent discussions, Lake Forest Bank & Trust Company is pleased to present the following proposal for establishing a new line of credit. The proposed terms and provisions outlined herein have not been fully underwritten or formally approved by our credit committee. Therefore, this is not to be construed as a "commitment" of any kind.

Borrowers:	Sunset Woods Association
Guarantor:	N/A
Loan Amount:	Up to \$447,000
Loan Purpose:	To refinance the existing first mortgage on 12 rental units located at 891 Central Avenue, Highland Park, Illinois
Term:	Up to 7 years
Amortization:	30 years
Interest Rate:	Fixed for 5 years at 6% or Fixed for 7 years through a SWAP, current SWAP indication rate is 5.40%
Payments: maturity	Monthly payments of principal and interest with the balance due at maturity
Loan Fee:	\$500 plus out of pocket expenses including but not limited to appraisal fees, environmental fees, title fees and attorney fees
Prepayment Penalty:	Economic Redeployment if the interest rate is set through a SWAP
Collateral:	First mortgage and assignment of rents and leases on the properties located at 891 Central Avenue, Highland Park, Illinois
Loan to Value:	Loan to Value not to exceed 80% of appraised value
Covenants:	Borrower must maintain a Net Cash Flow (defined as twelve months net income, plus depreciation, plus interest expense, minus partnership distributions and capital expenditures) to annual debt service requirements of not less than 1.00:1.00. This ratio may be

calculated on a year end or trailing twelve month basis. The Lender may, at its option, permit any portion of partnership distributions to be included in net cash flow for certain periods solely for purposes of determining the borrower's compliance with this ratio.

Borrower shall maintain reserves with the bank of no less than \$250,000 held in the Sunset Woods Association and the Peers Housing Association accounts

Other Conditions

precedent to funding:

Completion of appraisal and review of Environmental Reports, satisfactory to the Bank, covering the property(s) being pledged as collateral

Borrower will establish and maintain all operating accounts at the Bank during the term of the Loan.

Annual Tracking Requirements:

- Receipt of Borrower's certified rent roll
- Copies of borrower's Federal Income Tax Returns
- Proof of insurance

Borrower shall sign and/or furnish all documents deemed necessary by the Bank.

This is a proposal for discussion purposes only and does not constitute a commitment to lend by Lake Forest Bank & Trust Company or any of its affiliates. The Bank, at its sole discretion, reserves the right to modify the foregoing terms and conditions in any manner it deems appropriate. In the event that the Bank approves the financing request contemplated herein, the terms and conditions of the approval would be incorporated into a formal commitment letter, which would be produced and delivered to Borrower at a later date.

COMMISSION: Housing Trust Fund
CY2012 COMMISSION WORKPLAN SUBMITTAL



Jurisdiction and Purpose:

The purposes of the Housing Trust Fund are to provide financial resources to address the Affordable Housing needs of individuals and families of Low and Moderate-Income Households who live or work in the City by promoting, preserving, and producing long-term Affordable Housing; provide housing-related services to Low and Moderate-Income Households, and to provide support for not-for-profit organizations that actively address the Affordable Housing Needs of Low and Moderate-Income Households.

CY2012 Objectives	Associated Funding Request
Provide matching funds for Employer-Assisted Housing programs in Highland Park	\$50,000
Support the Community Partners Affordable Housing (CPAH) Scattered Site Program for affordable housing development	\$200,000
Provide operating support to CPAH	\$115,000
Provide Emergency Housing Assistance	\$10,000
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0

Commission Operating Expense Requests	Amount
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0

CY2012 TOTAL REQUEST: \$375,000
CY2011 BUDGET: \$474,000

CY2011 Workplan Objectives	Status
Awarded the Community Partners for Affordable Housing (CPAH, formerly the Highland Park Illinois Community Land Trust) a \$20,000 operating grant for administration and programming	November 2011
Continued to implement a scattered site housing grant with CPAH and provided funding for the acquisition of five houses on Broadview, Ferndale, Richfield, and Sherwood	Program on-going
Provided Emergency Housing Assistance	Program on-going
Provide matching funds for Employer-Assisted Housing programs in Highland Park	Program on-going

CY2011 Additional Accomplishments

I certify that the Commission approved this workplan request by a vote of _____ on the date of _____ for
CY2012:

Commission Chair
Signature: _____



Date: September 19, 2011

COMMISSION: Housing

CY2012 COMMISSION WORKPLAN SUBMITTAL



Jurisdiction and Purpose:

It is necessary in the public interest to provide for the creation of a municipal corporation to be known as "The Highland Park Housing Commission" in order to encourage, promote, and engage in the development of low and moderate-income housing projects, and undertake such land assembly, clearance, rehabilitation, development and redevelopment projects as will tend to relieve the shortage of decent, safe, and sanitary dwellings. The Commission administers the City's Housing Trust Fund to provide financial resources for affordable housing activities and oversees the City's Inclusionary Housing Program and other housing initiatives.

CY2012 Objectives	Associated Funding Request
Re-establish City Employer-Assisted Housing Program	\$10,000
Examine feasibility of obtaining a sustainable certification for the Housing Commission's existing affordable developments	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0

Commission Operating Expense Requests	Amount
Professional Services - Accounting	\$3,600
Professional Development - conferences, outside meetings	\$500
Membership Dues	\$375
Educational materials - books, journals, software, etc.	\$100
Business Expense - food for 12 meetings and other business expenses	\$1,200
Administration of Inclusionary Housing Unit Resale Process - appraisals for Inclusionary Housing Units	\$250
	\$0
	\$0
	\$0
	\$0

CY2012 TOTAL REQUEST: \$16,025
CY2011 BUDGET: \$6,875

CY2011 Workplan Objectives	Status
Developed policies for a Condominium Conversion Ordinance to be considered for implementation	December 2011
Considered requests and awarded grants from the Affordable Housing Trust Fund	Program on-going
Oversaw the implementation of a significant capital improvement program for the three Section 8 developments with the assistance of the Commission's Management Agent, Evergreen Real Estate Services	Program on-going

Continued working with Evergreen Real Estate Services and the Housing Opportunity Development Corporation to assure resident satisfaction and development quality at the Housing Commission's affordable properties, including the ones they own, Peers, Ravinia, and Sunset Woods rentals, and the one they operate, Walnut Place	Program on-going
Facilitated the sale of one affordable senior condominium and the rental of two affordable units at Sunset Woods	

CY2011 Additional Accomplishments

Obtained \$83,200 in a federal energy-efficiency grant for energy-efficiency rehabilitation at Ravinia family housing, including new furnaces and attic and wall insulation.
Refinanced Ravinia family housing in U.S. Housing and Urban Development's Mark-to-Market program.
Refinanced private mortgage for affordable rentals at Sunset Woods.

I certify that the Commission approved this workplan request by a vote of _____ on the date of _____ for CY2012:

Commission Chair
Signature:



Date: September 19, 2011



Memorandum

To: Housing Commission
From: Mary Cele Smith, Housing Planner
Date: September 28, 2011
Re: Recommendation of Working Group for a Condominium Conversion Ordinance

The Condominium Conversion Ordinance Working Group (Commissioners Meek and Naftzger) recommends that the Highland Park Housing Commission considers a condominium conversion ordinance. Professional staff and Commission experience with the Inclusionary Housing program contributed to the development of specific recommendations. The Working Group requests that the Housing Commission also examines whether to incorporate these recommendations into revisions to the Inclusionary Housing Ordinance and Administrative Guidelines.

I. Consideration of Recommendation for a Condominium Conversion Ordinance

Rationale and Background

The primary justification for a condominium conversion ordinance stems from the need to monitor conversions in order to ensure compliance with the Inclusionary Housing Ordinance. The Inclusionary Housing Ordinance applies to developments with five or more housing units, including condominium conversions. According to the 2000 U.S. Census, Highland Park has over 1,000 rental units in buildings with five or more units. In addition, an Ordinance could provide some protection for purchasers of affordable housing. An ancillary benefit would be that many of these protections would benefit all buyers.

Another benefit is for establishing consistent addresses, which is essential for emergency services and helpful for the City's data collection. It is crucial for the City to know when units are converted to ownership so that emergency services are made aware of the change. When a development is converted, the developer may change unit numbers, building numbers, and/or floor numbers, which the Police and Fire Department may not be aware of. In addition, when a building is converted, the individual units receive Parcel Identification Numbers from Lake County, which should be inputted into the City's GIS system.

The Working Group developed two recommendations for consideration: (A) a minimum ordinance that reinforces State law and adds the requirement to notify the City at the same times as tenants and (B) a more comprehensive recommendation that extends some of the State provisions and adds new requirements. Recommendation B offers a menu of elements to consider. Attachment 1 provides a

table that compares the State requirements with the Working Group's minimum recommendation and with the more comprehensive menu of recommendations.

(A) Recommended Minimum Ordinance

The minimum ordinance will help ensure compliance with the City's Inclusionary Housing Ordinance. The minimum recommendation provides a reporting mechanism when a conversion does not require any building permits. This minimum ordinance would reinforce key State provisions and require the owner to notify the City of the intent to convert when they notify their tenants. The notice to the City would include the list of the renters notified. Some of the key provisions of Section 30 of the Illinois Condominium Property Act (ICPA) to include are:

- Notice of intent to convert: a landlord must give their tenants a notice of intent to convert the apartments into condominiums at least 30 days, and not more than one year, prior to recording of the condominium declaration.
- Tenant's right of first refusal: a tenant has a 120 day right of first refusal to purchase the unit, calculated from the date that the tenant received the notice of intent.
- Existing rents remain in place for 120 days following the tenants' receipt of the notice of intent.
- Showings restricted for tenant-occupied units: during the expiring tenancy, the unit only can be shown to prospective purchasers "a reasonable number of times and at appropriate hours."

(B) Recommended Elements for a Comprehensive Condominium Conversion Ordinance

In order to develop a set of best practices for inclusion in a comprehensive condominium conversion ordinance, staff and the Working Group examined ordinances from communities in the Chicago area. These local ordinances included examples from Arlington Heights, Chicago, Clarendon Hills, Elmwood Park, Evanston, Harwood Heights, Niles, Oak Park, Palatine, Park Forest, River Forest, Westmont, and Wheeling. While reviewing these ordinances, it became apparent that none directly addressed the needs of an inclusionary housing program. All of the ordinances examined were written before any of the communities had adopted an inclusionary housing program. These ordinances, however, provided examples of other best practices, such as the requirement for a property report and adequate record-keeping. Almost all either incorporated key State requirements or extended them.

In addition to researching local ordinances, professional staff also contacted many of the communities to learn about their experiences after Ordinance adoption. All the reports were positive; suburban municipal staff reported that developers did come forward in advance of conversions and adhered to local codes.

The elements for a more comprehensive ordinance can be divided into five categories:

1. Provisions to extend Illinois state law,
2. Provision to assist low and moderate-income renters,
3. Protections for affordable purchasers that benefit all,
4. Protections exclusively for affordable purchasers, and
5. Process for City administration.

1. Provisions to extend Illinois state law

The working group proposes the following changes, and professional staff has one unanswered question. The provisions to extend Illinois state law are:

- a) Require notice to convert to tenants at least 180 days prior. The City of Evanston requires that developers provide tenants with a notice of intent 210 days prior to conversion, and Chicago, Park Forest, and Wheeling require 180 days notice to all tenants. Niles and Elmwood Park require 180 days notification for elderly and for tenants with disabilities;
- b) Require notice to City 180 days prior to conversion concurrent with notice to tenants;
- c) Extend tenants' right of first refusal to purchase to 180 days from receipt of the notice of intent to convert as Wheeling requires;
- d) Require two days notice of entry to tenants in last 90 days of expiring tenancy;
- e) Extend State provision that developer must maintain rental price for a 120-day period following the receipt of the notice of intent to convert to 180 days.

With regard to the City's ability to extend the State's requirements, Corporation Counsel assured professional staff that the Illinois Condominium Property Act (ICPA) does not limit or deny home-rule municipalities from deviating from the statute. Furthermore, the courts have ruled that home-rule municipalities can govern condominiums and pass ordinances that impose additional requirements on condominiums besides those listed in the ICPA.

The unanswered question relates to the transfer of control to a board of managers. The ICPA requires that control of the project transfers to the Board of Managers at such time as 75% of the condominiums are sold, or no later than three years from the closing date of the first unit. An early Working Group discussion identified the problems that occur when a condominium development fails, the developer abandons it, and there is no board of managers in place. The owners are left in a very difficult position. Evanston, the only community examined that deviates from the state provision, establishes that control shall be transferred thirty days after sixty percent of the units have been sold. Is this an area that merits further consideration?

2. Provision to assist low and moderate-income renters

The Working Group recommends requiring the developer to provide relocation assistance for low and moderate-income households. Both Chicago and Evanston require relocation assistance. One month's rent is the requirement that Evanston established for developers to provide tenants below eighty percent of Chicago area median income (AMI), and the developer must attach this provision to the intent to convert notice. Chicago requires relocation assistance for households up to 120% of AMI, and the amount is the greater of \$1500 or the highest monthly rent paid up to \$2500. The Working Group recommends the Evanston provision.

3. Protections for affordable purchasers that benefit all

These provisions also could be called additional best practices. These recommended requirements are:

- a) Property Report,
- b) Developer warranties for common elements,
- c) Guarantee for project completion,
- d) Fire detection system, and
- e) Record-keeping.

a) Property Report

The purpose of the Property Report is to provide adequate information for a potential buyer to make an informed decision. A developer's Property Report can contain a wide range of documents including project plans, an engineer's report, developer information, and project timeline. The Property Report is the backbone of the majority of the municipal ordinances studied. Ten of thirteen of the ordinances have this requirement in essentially the same form. A few have thresholds for numbers of units that trigger this responsibility. The developer submits the Property Report to the City and distributes it to current tenants and other prospective purchasers.

The intent is to make this as easy for the developer as possible: most of the required information would be information that the developer would need both to finance the project and to market to prospective buyers. The Property Report merely organizes it in a convenient format for the City and prospective buyers. Professional staff's review of the Property Report is to ensure completeness of the information provided, not to assess the quality of the development.

The Working Group recommends requiring a preliminary and final complete Property Report, because all the information requested might not be available at the time the developer submits his notice of intent to convert. See Attachment 2 for the outline of the two phases of the recommended Property Report.

b) Developer Warranties for common elements

The warranties for common elements would include structural elements and mechanical components and systems, such as common HVAC, electrical, and plumbing.

c) Guarantee for project completion

The Working Group and staff discussed how this could prevent the problems of failed developments. While a number of the area ordinances required that developers report on whether there was a surety bond, none of these condo conversion ordinances required them. The Working Group recommends that a security in a form acceptable to the Community Development Director be a requirement for projects that meet an established threshold, which would be determined after further research. Corporation Counsel did not offer a recommended threshold.

d) Fire Detection System

Professional staff met with Fire Chief Pat Tanner and other fire department staff for their recommendation regarding requirements for fire detection and suppression systems. Because fire detection and suppression systems are addressed thoroughly in other sections of the City Code and because the Department already inspects rental properties, Chief Tanner recommended a simple statement requiring an acceptable fire detection system in the condominium development. This also presupposes that there is no other change in use. If, for example, the conversion established retail on the ground floor, then a fire suppression system would be required. The Fire Department would assist with drafting this section.

e) Record-keeping

The purpose is to make the Property Report available upon resale, to assist with the smooth transition from the developer to the condominium association, and to provide the affordable condominium owners with adequate information regarding major building systems and their appliances. Niles requires all Board of Managers and Chicago requires the Board of Managers in buildings with more than six units to keep a copy of the latest property report for seven years following the property report's initial distribution. Professional staff recommends that the developer also be required to provide information to the Board of Managers regarding utility account numbers and payment status, and make, model numbers, and any warranties for major building equipment and for appliances in the affordable condos.

4. Protections exclusively for affordable purchasers

The Working Group developed recommendations in order to ensure the quality of the affordable condominiums for the initial and future purchasers and to ensure reasonable long-term maintenance costs for the low and moderate-income purchasers. Prior to making the recommendations exclusively for affordable buyers, the Working Group sought Corporation Counsel's opinion to ascertain whether it would be permissible to treat the affordable purchasers differently than other buyers. Hart Passman of Holland & Knight confirmed that it would be. Addressing the particular questions of requiring warranties and energy-efficiency audits, he wrote:

Yes, the City can pass a condo conversion ordinance that only requires developers to provide warranties to the owners of inclusionary units. While a developer may be responsible to all purchasers for the implied warranties that it does not disclaim, the City can require developers to provide additional warranties to owners of inclusionary units pursuant to its home-rule authority. Moreover, neither a developer nor a non-inclusionary condo owner would have an equal protection claim against the City for only requiring developers to warranty inclusionary units. Wealth is not a protected class under constitutional analysis; therefore, the City only needs a rational basis, which we believe it has, for requiring developers to warrant inclusionary housing while not passing a similar requirement for non-inclusionary units. Just as with developer warranties, the City can use its home-rule authority to require energy-efficiency audits only for inclusionary units when apartments are converted into condominiums.

The Working Group recommends the following provisions for the affordable condominiums:

- a) Inspections of the affordable condominiums to insure compliance with the Inclusionary Housing Ordinance,
- b) Energy-efficiency audits for the affordable units,
- c) Developer warranties for the affordable condominiums that would cover mechanical elements within their homes, such as HVAC, and appliances,
- d) Escrow account to ensure sufficient funds for the warranties for the affordable condos (note: this escrow account also will include common building elements identified above.). With regard to an amount for escrow accounts, Oak Park established two percent of the sales price; and Evanston, one percent.

5. Process for City Administration

The Planning and Building divisions would administer the ordinance. The Working Group recommends that an ordinance include:

- a) flat fee to cover professional staff time, to be waived if developer provides affordable units in excess of the number required in the Inclusionary Housing Ordinance, and

- b) fines and penalties for non-compliance.

Next Steps

If the Housing Commission concurs with the Working Group's recommendation, then professional staff would prepare a summary presentation for City Council. Staff requests participation from the Commission when the presentation is before City Council, especially because there are a number of new City Council members. Some of the new Council members may not be as familiar with the broader context for the proposed regulations within the affordable housing program.

If the City Council approves the recommendation, then City professional staff would prepare a draft ordinance for Corporation Counsel's review. After Counsel's review, the Housing Commission's Working Group and then the Housing Commission would review the draft ordinance before sending a final recommendation to City Council for consideration.

II. Discussion regarding potential revisions to Inclusionary Housing Ordinance

As noted at the outset of this memo, a number of recommendations stem from the experience with the Inclusionary Housing program. These would offer additional protection to all initial inclusionary home purchasers as well as ensuring a quality affordable home for resale. The Working Group requests that the Housing Commission consider the merits of revising the Inclusionary Housing Ordinance and Administrative Guidelines to include the following items to cover all inclusionary housing units:

- Building division inspections,
- Energy-efficiency audits for all inclusionary housing units,
- Developer warranties for major systems and appliances, and
- Escrow accounts to cover the warranties.

The other significant question that arose was whether to offer a fee-in-lieu provision for condominium conversions. The reasons to consider this are twofold:

1. Developers cannot receive a density bonus, because they typically are not adding units in a building, only converting the existing number of units to new ownership. The rationale for the density bonus is to offset some of the costs that developers incur in providing affordable housing. The developer's constraints of redeveloping an existing building with minimal (less than 50%) demolition are likely to prevent this.
2. Corporation Counsel observed a potential problem for Inclusionary Housing Ordinance compliance in condominium conversions. Hart Passman wrote:

Separately, we noticed, when reviewing the City's inclusionary housing rules, that the inclusionary housing rules do not take into account tenants' rights of first refusal. Under Section 150.2101(A) (4) of the Ordinance, the inclusionary housing regulations apply to developments that include "the conversion of rental property to private ownership of individual housing units." As the Ordinance is presently written, a developer converting apartments must make 20 percent of the units affordable housing, unless the development is a single-family detached development of less than 20 units, in which case the developer can make a payment-in-lieu. This is problematic because if enough tenants exercise their right of first refusal, the developer will not have enough available units to set aside as affordable housing. Moreover, the "payment in lieu" provision is so narrow that a developer converting apartments into

condos is not likely to be eligible to make a payment in lieu, thus allowing a developer to comply with the Code.

To prevent this problem, we suggest that the Ordinance be amended to either: (i) broaden the payment-in-lieu provision to allow developers that are converting apartments into condos to provide a payment-in-lieu even if the development is not a single-family detached development that is less than 20 units; or (ii) change the manner in which a developer's affordable housing requirement is calculated so that the calculation does not take into account the units that are sold to tenants pursuant to the tenants' right of first refusal.

For these two reasons, the Working Group requests that the Housing Commission discuss whether to revise the fee-in-lieu provision of the Inclusionary Housing Ordinance or to develop another solution to allow Ordinance compliance in these situations.

Attachment 1

Condo Conversion Working Group’s Recommendations and State of Illinois Requirements

Below is a chart indicating the requirements that the State of Illinois established under Section 30 of the Illinois Condominium Property Act (ICPA) compared to the two recommendations that the Working Group presents. The minimum recommendation is to reinforce the State law with the addition of the requirement to notify the City at the same time as tenants. The comprehensive recommendation extends some of the State provisions and adds new requirements.

State of Illinois	Minimum Recommendation	Comprehensive Recomm.
Notice of Intent to tenants at least 30 days prior to recording condo declaration	Same	Notice of Intent 180 days prior
120 day right of first refusal for tenants after receipt of notice of intent	Same	180 day right of first refusal for tenants
For tenant-occupied unit, showings at “appropriate hours”	Same	Two days notice of entry to tenants in last 90 days of expiring tenancy
Developer must maintain existing rental price for 120 day period following receipt of notice of intent	Same	180 day period
Penalties for Non-compliance	Same	To be determined
	Require Notice of Intent to City concurrent with Tenant notice at least 30 days	Require Notice of Intent to City concurrent with Tenant notice 180 days prior
		Relocation assistance for low and moderate income households
		Property Report (see Attachment 2)
		Developer warranties for common elements
		Guarantee for project completion
		Fire Detection System
		Record-keeping

State of Illinois	Minimum Recommendation	Comprehensive Recomm.
		Additional Protections for affordable purchasers: <ol style="list-style-type: none"> 1. Inspections of the affordable units 2. Energy-efficiency Audits 3. Developer warranties 4. Escrow account to cover warranties

Attachment 2

Outline for Property Report

One of the main requirements for a comprehensive Condominium Conversion Ordinance is the submission of a Property Report. The developer would submit the Property Report in two phases, a preliminary and then final Report. The idea of the two stages is to allow the developer to collect the information in a reasonable time period. The intent is to make this as easy for the developer as possible: most of the required information would be information that the developer would need both to finance the project and to market to prospective buyers. Staff would review the Property Report to insure completeness of the information provided, not to assess the quality of the development. City staff would prepare a checklist to accompany the Ordinance to assist developers with the process. A number of communities require that the developer collect a receipt signed by the purchaser acknowledging that the purchaser read the Property Report.

1. Preliminary Property Report at 180 days with notice of intent to tenants and City
 1. List of tenants who were notified, including names (Note: this list is for City use only, not for public distribution)
 2. Name of building, address and number of units
 3. Name(s) of the developer, address, and phone number
 4. Timeline of project
 5. Statement of expected sales price
 6. Estimated monthly assessment with information on maintenance and amenity costs that the assessment covers
 7. Estimated real estate taxes based on previous year's tax bill
 8. Maintenance and amenity costs that are not covered by the monthly assessment for which optional charges are or may be levied
 9. List of appliances and property in units post conversion, stating whether new or existing
 10. Time and circumstances upon which the initial Board of Managers shall be established
 11. Brief description of rights and obligations retained by the sellers and the duration of such rights and obligations
 12. Rights and obligations of unit purchasers after closing and prior to the election of the initial Board of Managers
 13. Description of any financing offered by the developer
 14. Disclaimers like those required in the Arlington Heights and Chicago Ordinances (e.g., City law specifically prohibits any representation to the effect that the City has passed upon the merits of or given any approval to make or cause to be made...)
 15. Condominium Conversion Ordinance attached to preliminary property report

2. Final Property Report provided upon execution of the first sales contract and delivered with every executed sales contract thereafter. The proposed information required:
 1. Includes all the information from the Preliminary Property Report
 2. Additional ownership information including all general partners of a partnership and officers and the registered agent of a corporation

3. All persons with a direct material financial interest in the property, including interim and permanent mortgage lenders
4. Principal attorneys, accountants, architect, engineer, and contractor for the property
5. Description of the property and improvements, including:
 - i. Map or plat showing size and dimensions of the condominium project, floor plans of individual units, together with all improvements, including recreational facilities, proposed construction and present and planned location of streets and roads.
 - ii. Description of common elements
 - iii. Description of proposed improvements
 - iv. Share of ownership of each unit in the common elements
 - v. Description, nature, and ownership of all property and facilities on the site, which are not part of the condominium
 - vi. Description of all existing and proposed recreational facilities and other such facilities within the condominium project, including the projected dates of completion
 - vii. List of any common element fees for buyers (pool, gym, etc.)
 - viii. Drawings, architectural plans and other suitable documents setting forth the necessary information for location, maintenance, and repair of all condominium facilities and equipment to the extent that these documents exist.
6. Engineer's Report, including maintenance schedule for building systems
7. Description of existing contracts for management and other services
8. Bylaws / Articles of Incorporation / Rules & Regulations
9. Description of Insurance Coverage
10. Current Operating Budget
11. Projected Budget/Reserves
12. Alternative provisions if an insufficient number of units are sold to cover the proposed operations and maintenance budget
13. Inspection Reports through the last five years
14. Summary of Building violations from the last five years
15. Statement of any pending litigation, which would affect the condominium or the developer's ability to convey clear title
16. A certificate from a licensed insurance firm that a bond is in force in an amount sufficient to guarantee completion of the construction of any individual structure for which a building permit has been issued
17. Number of parking spaces allocated per unit and number of guest spaces
18. Proportion of units intended for rental
19. Any restrictions on renting units regarding use and occupancy
20. Statement of Warranties for affordable units, common elements, and any warranties that apply to market-rate units
21. Copies of the sales documents and literature, including basic purchase contract form
22. Disclaimers like those required in Arlington Heights and Chicago ordinances
23. Condominium Conversion Ordinance attached

A RESOLUTION SETTING THE SCHEDULE OF REGULAR MEETINGS OF THE
HOUSING COMMISSION OF THE CITY OF HIGHLAND PARK

WHEREAS, Act 120 of Chapter 5, Illinois Compiled Statutes, requires the Housing Commission to give public notice of its schedule of regular meetings at the beginning of each calendar or fiscal year;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING COMMISSION OF THE CITY OF HIGHLAND PARK, LAKE COUNTY, ILLINOIS, THAT:

SECTION ONE: The Housing Commission of the City of Highland Park, Lake County, Illinois, adopts hereby the public notice of its regular meetings in the following form:

"PUBLIC NOTICE

The Housing Commission of the City of Highland Park will convene at 6:30 p.m. at City Hall, 1707 St. Johns Avenue, Highland Park, Illinois, to conduct its regular meetings during calendar year 2012 upon the following dates:

January 4
February 1
March 7
April 4
May 2
June 6
July 11
August 1
September 5
October 3
November 7
December 5

SECTION TWO: The Secretary of the Housing Commission of the City of Highland Park is directed hereby to post a copy of the Public Notice contained in this Resolution in the City Hall and to supply copies of this Notice as and in the manner provided by law.

SECTION THREE: This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED: October 5, 2011

APPROVED: October 5, 2011

ATTEST:

David F. Wigodner, Chairperson

Mary Cele Smith, Housing Commission Staff liaison

FRANK B PEERS

FRANK B. PEERS HOUSING Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
GROSS OPERATING INCOME							
RESIDENTIAL RENTAL INCOME							
5120-0000 - Apartment rent	16,841.00	16,200.00	641.00	155,245.00	129,600.00	25,645.00	194,400.00
5121-0000 - Tenant assistant payments	67,107.00	64,800.00	2,307.00	516,339.00	518,400.00	(2,061.00)	777,800.00
5140-0000 - Commercial base rent	60.00	60.00	0.00	950.85	480.00	470.85	720.00
TOTAL RESIDENTIAL RENTAL INCOME	84,008.00	81,060.00	2,948.00	672,534.85	648,480.00	24,054.85	972,720.00
VACANCIES & ADJUSTMENTS							
5220-0000 - Vacancy loss - apartments	0.00	(500.00)	500.00	(18,994.00)	(4,000.00)	(14,994.00)	(6,000.00)
5221-0000 - Non-Revenue Units	(1,243.00)	(1,200.00)	(43.00)	(9,772.00)	(9,600.00)	(172.00)	(14,400.00)
TOTAL VACANCIES & ADJUSTMENTS	(1,243.00)	(1,700.00)	457.00	(28,766.00)	(13,600.00)	(15,166.00)	(20,400.00)
OTHER INCOME							
5910-0000 - Laundry income	567.25	208.00	359.25	1,654.75	1,664.00	(9.25)	2,500.00
5990-0000 - Misc other income	0.00	50.00	(50.00)	4,899.40	400.00	4,499.40	600.00
5413-0000 - Interest Income - escrow	0.00	166.00	(166.00)	10.39	1,328.00	(1,317.61)	2,000.00
TOTAL OTHER INCOME	567.25	424.00	143.25	6,564.54	3,392.00	3,172.54	5,100.00
GROSS OPERATING INCOME	83,332.25	79,784.00	3,548.25	650,333.39	638,272.00	12,061.39	957,420.00
ADVERTISING & RENTING EXPENSE							
6213-0000 - Employee Recruitment	0.00	0.00	0.00	85.35	200.00	114.65	200.00
6253-0000 - Credit Report Fees	0.00	30.00	30.00	151.00	240.00	89.00	360.00
TOTAL ADVERTISING & RENTING EXPENSE	0.00	30.00	30.00	236.35	440.00	203.65	560.00
ADMINISTRATIVE EXPENSE							
6311-0000 - Office supplies	64.16	270.00	205.84	1,096.87	2,160.00	1,063.13	3,240.00
6316-0000 - Office Equipment	0.00	300.00	300.00	1,322.94	2,400.00	1,077.06	3,600.00
6320-0000 - Management fee	4,385.51	3,833.00	(552.51)	33,199.37	30,664.00	(2,535.37)	46,000.00
6340-0000 - Legal Expense - Project	0.00	200.00	200.00	0.00	1,600.00	1,600.00	2,400.00
6350-0000 - Audit Expense	0.00	0.00	0.00	12,700.00	14,100.00	1,400.00	14,100.00
6360-0000 - Telephone	60.70	750.00	689.30	4,587.06	6,000.00	1,412.94	9,000.00
6365-0000 - Training & Education Expense	0.00	100.00	100.00	319.00	800.00	481.00	1,200.00
6370-0000 - Bad debts	0.00	50.00	50.00	5,875.00	400.00	(5,475.00)	600.00
6371-0000 - Fees Dues & Contributions	0.00	25.00	25.00	0.00	200.00	200.00	300.00
6380-0000 - Consulting/study costs	0.00	0.00	0.00	0.00	1,500.00	1,500.00	1,500.00
6385-0000 - Temporary Help	0.00	0.00	0.00	1,265.66	0.00	(1,265.66)	0.00
6390-0000 - Misc administrative expenses	44.07	100.00	55.93	1,334.26	800.00	(534.26)	1,200.00
6390-0002 - Computer Supplies/Data Processing	148.07	130.00	(18.07)	1,541.45	1,040.00	(501.45)	1,560.00
6395-0000 - Tenant Retention	210.55	625.00	414.45	2,234.55	5,000.00	2,765.45	7,500.00
6431-0000 - Travel & Expense Reimbursement	378.90	300.00	(78.90)	1,089.71	2,400.00	1,310.29	3,600.00
6860-0000 - Security Deposit Interest	(3.18)	(12.00)	(8.82)	(24.71)	(96.00)	(71.29)	(144.00)
TOTAL ADMINISTRATIVE EXPENSE	5,288.78	6,671.00	1,382.22	66,541.16	68,968.00	2,426.84	95,656.00
PAYROLL & RELATED COSTS							
6310-0000 - Office salaries	5,022.53	5,666.00	643.47	38,633.66	45,328.00	6,694.34	68,000.00
6510-0000 - Janitor and cleaning payroll	1,122.46	1,241.00	118.54	9,558.86	9,928.00	369.14	14,900.00
6540-0000 - Repairs payroll	3,684.96	3,833.00	148.04	34,077.98	30,664.00	(3,413.98)	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	775.18	1,681.00	905.82	9,350.28	13,448.00	4,097.72	20,175.00

FRANK B PEERS

FRANK B. PEERS HOUSING Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6722-0000 - Workers compensation	271.52	266.00	(5.52)	1,997.02	1,984.00	(13.02)	3,053.00
6723-0000 - Employee health insurance	1,094.64	345.00	(749.64)	3,049.74	2,760.00	(289.74)	4,140.00
6724-0000 - Union Benefits	1,189.75	1,197.00	7.25	9,518.04	9,576.00	57.96	14,368.00
6726-0001 - Contingency	0.00	0.00	0.00	1,682.50	2,200.00	517.50	2,200.00
TOTAL PAYROLL & RELATED COSTS	13,161.04	14,229.00	1,067.96	107,868.08	115,888.00	8,019.92	172,836.00
OPERATING EXPENSES	441.07	250.00	(191.07)	1,941.92	2,000.00	58.08	3,000.00
6515-0000 - Janitors and cleaning supplies	0.00	0.00	0.00	0.00	700.00	700.00	700.00
6518-0000 - Uniforms	105.00	460.00	355.00	630.00	3,680.00	3,050.00	5,520.00
6519-0000 - Exterminating Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6520-0000 - Miscellaneous Repair Contractors	128.74	400.00	271.26	2,290.90	3,200.00	909.10	4,800.00
6525-0000 - Rubbish removal	0.00	50.00	50.00	0.00	400.00	400.00	600.00
6490-0000 - Misc operating expenses	674.81	1,160.00	485.19	4,862.82	9,980.00	5,117.18	14,620.00
TOTAL OPERATING EXPENSES	674.81	1,160.00	485.19	4,862.82	9,980.00	5,117.18	14,620.00
UTILITIES	1,218.82	1,800.00	581.18	15,634.18	17,200.00	1,565.82	23,500.00
6450-0000 - Electricity	633.02	791.00	157.98	4,952.15	6,328.00	1,375.85	9,500.00
6451-0000 - Water	1,682.99	1,000.00	(682.99)	20,794.94	27,000.00	6,205.06	45,000.00
6452-0000 - Gas	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6453-0000 - Sewer	3,534.83	3,591.00	56.17	41,381.27	50,528.00	9,146.73	78,000.00
TOTAL UTILITIES	3,534.83	3,591.00	56.17	41,381.27	50,528.00	9,146.73	78,000.00
MAINTENANCE EXPENSES	0.00	0.00	0.00	0.00	5,000.00	5,000.00	8,000.00
6536-0000 - Ground supplies	0.00	650.00	650.00	3,489.00	3,250.00	(239.00)	5,200.00
6537-0000 - Grounds Contractor (Landscaper)	68.79	750.00	681.21	2,567.00	6,000.00	3,433.00	9,000.00
6541-0000 - Repair materials (general supplies)	0.00	50.00	50.00	0.00	400.00	400.00	600.00
6541-0001 - Appliance Parts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0002 - Plumbing Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0003 - Electrical Supplies	0.00	0.00	0.00	126.30	1,000.00	873.70	1,000.00
6541-0007 - Safety Equipment	0.00	500.00	500.00	2,527.00	4,000.00	1,473.00	6,000.00
6545-0000 - Elevator Contractor (Annual Maintenance Contract)	0.00	500.00	500.00	4,527.79	6,200.00	1,672.21	10,000.00
6546-0000 - Heating/Cooling Contractor	0.00	0.00	0.00	14,659.23	6,000.00	(8,659.23)	7,000.00
6548-0000 - Snow removal	0.00	125.00	125.00	0.00	1,000.00	1,000.00	1,500.00
6551-0000 - Elevator Contractor (Special Repairs)	0.00	1,000.00	1,000.00	5,810.00	8,000.00	2,190.00	12,000.00
6560-0000 - Decorating (Tenant Pntg-Cycle/Turnover by Contractor)	0.00	0.00	0.00	0.00	0.00	0.00	500.00
6580-0000 - Equipment repairs	0.00	0.00	0.00	0.00	1,200.00	1,200.00	1,200.00
6581-0000 - Window Washing	0.00	150.00	150.00	2,868.81	1,200.00	(1,668.81)	2,000.00
6582-0000 - Fire Protection	0.00	0.00	0.00	0.00	8,000.00	8,000.00	8,000.00
6589-0000 - Parking Lot Expense	0.00	100.00	100.00	355.00	800.00	445.00	1,200.00
6590-0000 - Miscellaneous Repair	0.00	300.00	300.00	771.69	2,400.00	1,628.31	3,600.00
6591-0000 - Electrical Repairs	122.50	100.00	(22.50)	277.94	800.00	522.06	1,200.00
6594-0000 - Carpentry Repairs	0.00	790.00	790.00	3,487.06	6,320.00	2,832.94	9,500.00
6595-0000 - Plumbing Repairs	1,525.00	0.00	(1,525.00)	1,525.00	2,500.00	975.00	2,500.00
6596-0000 - Floor Repairs/Cleaning	0.00	0.00	0.00	853.41	5,000.00	4,146.59	5,000.00
6598-0000 - Roof Repairs	0.00	300.00	300.00	0.00	2,400.00	2,400.00	3,600.00
6599-0000 - Window repairs	0.00	300.00	300.00	43,845.23	71,470.00	27,624.77	98,600.00
TOTAL MAINTENANCE EXPENSES	1,716.29	5,315.00	3,598.71	43,845.23	71,470.00	27,624.77	98,600.00
TAXES AND INSURANCE	12,847.30	7,185.00	(5,662.30)	63,142.30	57,480.00	(5,662.30)	86,220.00
6710-0000 - Real estate taxes	12,847.30	7,185.00	(5,662.30)	63,142.30	57,480.00	(5,662.30)	86,220.00

FRANK B PEERS

FRANK B. PEERS HOUSING
Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6720-0000 - Property and liability insurance	1,609.80	1,415.00	(194.80)	11,117.96	11,320.00	202.04	16,980.00
6721-0000 - Fidelity bond insurance	91.00	0.00	(91.00)	91.00	100.00	9.00	100.00
TOTAL TAXES AND INSURANCE	14,548.10	8,600.00	(5,948.10)	74,351.26	68,900.00	(5,451.26)	103,300.00
TOTAL OPERATING EXPENSES	38,923.85	39,596.00	672.15	339,086.17	386,174.00	47,087.83	563,572.00
NET OPERATING INCOME (LOSS)	44,408.40	40,188.00	4,220.40	311,247.22	252,098.00	59,149.22	393,848.00
FINANCIAL EXPENSES							
6820-0000 - Mortgage interest	21,094.66	21,208.00	113.34	170,033.95	169,664.00	(369.95)	254,496.00
7104-0000 - Replacement Reserve	1,961.64	1,800.00	(161.64)	15,693.12	14,400.00	(1,293.12)	21,600.00
7108-0000 - Mortgage Payable (long term)	9,392.88	9,280.00	(112.88)	73,866.37	74,240.00	373.63	111,360.00
TOTAL FINANCIAL EXPENSES	32,449.18	32,288.00	(161.18)	259,593.44	258,304.00	(1,289.44)	387,456.00
NET OPER INC/(LOSS) BEFORE CAP. EXP.	11,959.22	7,900.00	4,059.22	51,653.78	(6,206.00)	57,859.78	6,392.00
NET INCOME (LOSS)	11,959.22	7,900.00	4,059.22	51,653.78	(6,206.00)	57,859.78	6,392.00
Partnership Income							
8005-0000 - Mortgagor Entity Income	207.69	0.00	207.69	3,021.06	0.00	3,021.06	0.00
8010-0000 - Other Entity Expense	(225.00)	0.00	(225.00)	(2,060.50)	0.00	(2,060.50)	0.00
Total Partnership Activity	(17.31)	0.00	(17.31)	960.56	0.00	960.56	0.00
CAPITAL EXPENDITURES & ESCROWS							
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	(237,000.00)	(237,000.00)	(237,000.00)
6991-0000 - Capital expenditures	0.00	0.00	0.00	602.66	158,979.00	158,376.34	252,537.00
6993-0000 - Appliance Replacement	0.00	125.00	125.00	1,289.64	1,000.00	(289.64)	1,500.00
6994-0000 - Carpet & tile	3,850.00	616.00	(3,234.00)	10,523.90	4,928.00	(5,595.90)	7,400.00
TOTAL CAPITAL EXPENDITURES & ESCROWS	3,850.00	741.00	(3,109.00)	12,416.20	(72,093.00)	(84,509.20)	6,437.00
GAIN/(LOSS) AFTER CAPITAL EXP. & ESCROWS	8,091.91	7,159.00	932.91	40,198.14	65,887.00	(25,688.86)	(45.00)

WALNUT PLACE
Balance Sheet
Month Ending 08/31/11

ASSETS

Current Assets

1110-0000 - Petty Cash	900.00
1121-0000 - Cash - Operating	2,622.81
1130-0000 - Tenant/member accounts receivable	26,208.82
1131-0000 - Accounts receivable - subsidy	35,954.00
1240-0000 - Prepaid property and liability insurance	13,068.30
Total Current Assets	<u>78,753.93</u>

Other Assets

1290-0000 - Misc Prepaid Expenses	480.61
1192-0000 - Tenant Sec Dep	22,419.17
1310-0000 - Real estate tax escrow	157,981.25
1311-0000 - Insurance escrow	(33,770.17)
1330-0000 - Debt Service Escrow	136,095.17
1320 - Replacement Reserve	133,538.82
1340 - Residual Receipt	27,094.46
Total Other Assets	<u>443,839.31</u>

Fixed Assets

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	11,202.91
Total Fixed Assets	<u>897,243.80</u>

Financing Costs

1800-0000 - Organization costs	5,000.00
1900-0001 - Deferred Financing Costs	174,813.03
1999-0000 - Accum Amort - Bond Costs	(42,601.93)
Total Financing Costs	<u>137,211.10</u>

Partnership Assets

1701-0000 - Cash - Partnership	104,499.71
Total Partnership Assets	<u>104,499.71</u>

Total Assets

1,661,547.85

WALNUT PLACE
Balance Sheet
 Month Ending 08/31/11

Liabilities & Equity

Current Liabilities

2110-0000 - Accounts payable	18,678.20
2120-0000 - Accrued wages and p/r taxes payable	2,657.81
2130-0000 - Accrued interest - mortgage	0.43
2150-0000 - Accrued property taxes	69,464.01
2155-0000 - Accrued professional services	14,714.00
2180-0000 - Misc current liabilities	28,684.29
Total Current Liabilities	<u>134,198.74</u>

Non-Current Liabilities

2190-0000 - Sec. Dep. In Transit	(13,161.00)
2191-0000 - Security deposits-residential	18,522.00
2191-0001 - Pet Deposit	950.00
2210-0000 - Prepaid Rent	1,562.00
2211-0000 - Prepaid HUD	12,619.00
2320-1000 - Mortgage payable - 2nd note	2,546,000.00
2320-0000 - Mortgage Payable (long term)	2,105,503.06
Total Non-Current Liabilities	<u>4,671,995.06</u>

Owner's Equity

3100-0000 - Limited Partners Equity	104,177.32
3209-0000 - Prior Year Retained Earnings	(3,366,375.44)
3210-0000 - Retained earnings	102,572.68
Current YTD Earnings	14,979.49
Total Owner's Equity	<u>(3,144,645.95)</u>

Total Liability & Owner Equity

1,661,547.85

WALNUT PLACE

WALNUT PLACE Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
GROSS OPERATING INCOME							
RESIDENTIAL RENTAL INCOME							
5120-0000 - Apartment rent	21,558.00	21,585.00	(27.00)	189,046.00	172,680.00	16,366.00	259,020.00
5121-0000 - Tenant assistant payments	64,782.00	64,755.00	27.00	501,674.00	518,040.00	(16,366.00)	777,060.00
5140-0000 - Commercial base rent	0.00	0.00	0.00	274.03	0.00	274.03	0.00
TOTAL RESIDENTIAL RENTAL INCOME	86,340.00	86,340.00	0.00	690,994.03	690,720.00	274.03	1,036,080.00
VACANCIES & ADJUSTMENTS							
5220-0000 - Vacancy loss - apartments	(3,089.00)	(1,684.00)	(1,405.00)	(38,445.00)	(13,472.00)	(24,973.00)	(20,208.00)
5221-0000 - Non-Revenue Units	(1,260.00)	(1,260.00)	0.00	(10,068.00)	(10,080.00)	12.00	(15,120.00)
TOTAL VACANCIES & ADJUSTMENTS	(4,349.00)	(2,944.00)	(1,405.00)	(48,513.00)	(23,552.00)	(24,961.00)	(35,328.00)
OTHER INCOME							
5910-0000 - Laundry income	738.00	250.00	488.00	2,153.50	2,000.00	153.50	3,000.00
5920-0000 - Nsf check fee	0.00	0.00	0.00	25.00	0.00	25.00	0.00
5922-0000 - Late fees	0.00	0.00	0.00	90.00	0.00	90.00	0.00
5990-0000 - Misc other income	48.00	30.00	18.00	3,055.00	240.00	2,815.00	360.00
5413-0000 - Interest income - escrow	0.00	210.00	(210.00)	11.78	1,680.00	(1,668.22)	2,520.00
TOTAL OTHER INCOME	786.00	490.00	296.00	5,335.28	3,920.00	1,415.28	5,880.00
GROSS OPERATING INCOME	82,777.00	83,886.00	(1,109.00)	647,816.31	671,088.00	(23,271.69)	1,006,632.00
ADVERTISING & RENTING EXPENSE							
6213-0000 - Employee Recruitment	0.00	0.00	0.00	85.35	200.00	114.65	200.00
6253-0000 - Credit Report Fees	0.00	30.00	30.00	237.00	240.00	3.00	360.00
TOTAL ADVERTISING & RENTING EXPENSE	0.00	30.00	30.00	322.35	440.00	117.65	560.00
ADMINISTRATIVE EXPENSE							
6311-0000 - Office supplies	85.19	270.00	184.81	1,785.53	2,160.00	374.47	3,240.00
6316-0000 - Office Equipment	0.00	300.00	300.00	1,322.94	2,400.00	1,077.06	3,600.00
6320-0000 - Management fee	3,943.10	3,833.00	(110.10)	32,531.69	30,664.00	(1,867.69)	48,000.00
6340-0000 - Legal Expense - Project	0.00	200.00	200.00	0.00	1,600.00	1,600.00	2,400.00
6350-0000 - Audit Expense	0.00	0.00	0.00	13,000.00	11,500.00	(1,500.00)	11,500.00
6360-0000 - Telephone	60.70	750.00	689.30	5,618.66	6,000.00	381.34	9,000.00
6365-0000 - Training & Education Expense	0.00	100.00	100.00	319.00	800.00	481.00	1,200.00
6370-0000 - Bad debts	720.00	50.00	(670.00)	14,201.00	400.00	(13,801.00)	600.00
6371-0000 - Fees Dues & Contributions	0.00	40.00	40.00	0.00	320.00	320.00	480.00
6380-0000 - Consulting/study costs	0.00	0.00	0.00	1,350.00	1,500.00	150.00	1,500.00
6385-0000 - Temporary Help	0.00	0.00	0.00	1,265.66	0.00	(1,265.66)	0.00
6390-0000 - Misc administrative expenses	194.08	100.00	(94.08)	1,525.23	800.00	(725.23)	1,200.00
6390-0002 - Computer Supplies/Data Processing	148.07	130.00	(18.07)	1,541.45	1,040.00	(501.45)	1,560.00
6395-0000 - Tenant Retention	367.07	500.00	132.93	2,555.93	4,000.00	1,444.07	6,500.00
6431-0000 - Travel & Expense Reimbursement	378.90	300.00	(78.90)	1,089.71	2,400.00	1,310.29	3,600.00
6860-0000 - Security Deposit Interest	(3.59)	(12.00)	(8.41)	(27.94)	(96.00)	(68.06)	(144.00)
TOTAL ADMINISTRATIVE EXPENSE	5,893.52	6,561.00	667.48	78,078.86	65,488.00	(12,590.86)	92,236.00
PAYROLL & RELATED COSTS							
6310-0000 - Office salaries	5,019.63	5,666.00	646.37	38,609.07	45,328.00	6,718.93	68,000.00
6510-0000 - Janitor and cleaning payroll	1,122.45	1,241.00	118.55	9,558.90	9,928.00	369.10	14,900.00
6540-0000 - Repairs payroll	3,684.98	3,833.00	148.02	34,930.88	30,664.00	(4,266.88)	46,000.00

WALNUT PLACE

WALNUT PLACE Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6900-0000 - Social Service Coordinator	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6715-0000 - Payroll Taxes	774.95	1,681.00	906.05	9,347.91	13,448.00	4,100.09	20,175.00
6722-0000 - Workers compensation	(48.05)	266.00	314.05	1,694.63	1,984.00	289.37	3,053.00
6723-0000 - Employee health insurance	1,097.54	345.00	(752.54)	3,068.59	2,760.00	(308.59)	4,140.00
6724-0000 - Union Benefits	1,189.75	1,197.00	7.25	9,518.04	9,576.00	57.96	14,368.00
6726-0001 - Contingency	0.00	0.00	0.00	1,682.50	2,200.00	517.50	2,200.00
TOTAL PAYROLL & RELATED COSTS	12,841.25	14,229.00	1,387.75	108,410.52	115,888.00	7,477.48	172,836.00
OPERATING EXPENSES							
6515-0000 - Janitors and cleaning supplies	183.16	250.00	66.84	1,738.62	2,000.00	261.38	3,000.00
6518-0000 - Uniforms	0.00	0.00	0.00	0.00	700.00	700.00	700.00
6519-0000 - Exterminating Contract	90.00	460.00	370.00	570.00	3,680.00	3,110.00	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	128.75	400.00	271.25	2,315.55	3,200.00	884.45	4,800.00
6490-0000 - Misc operating expenses	0.00	50.00	50.00	200.00	400.00	200.00	600.00
TOTAL OPERATING EXPENSES	401.91	1,160.00	758.09	4,824.17	9,980.00	5,155.83	14,620.00
UTILITIES							
6450-0000 - Electricity	894.15	2,000.00	1,105.85	8,904.19	10,500.00	1,595.81	16,800.00
6451-0000 - Water	408.30	1,200.00	791.70	3,948.79	5,900.00	1,951.21	7,500.00
6452-0000 - Gas	5,074.31	1,000.00	(4,074.31)	21,078.45	26,250.00	5,171.55	37,750.00
6453-0000 - Sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL UTILITIES	6,376.76	4,200.00	(2,176.76)	33,931.43	42,650.00	8,718.57	62,050.00
MAINTENANCE EXPENSES							
6536-0000 - Ground supplies	0.00	0.00	0.00	0.00	5,000.00	5,000.00	8,000.00
6537-0000 - Grounds Contractor (Landscaper)	0.00	608.00	608.00	2,385.00	3,040.00	655.00	4,864.00
6541-0000 - Repair materials (general supplies)	68.79	600.00	531.21	1,188.31	4,800.00	3,611.69	7,200.00
6541-0001 - Appliance Parts	0.00	50.00	50.00	0.00	400.00	400.00	600.00
6541-0002 - Plumbing Supplies	0.00	0.00	0.00	236.37	0.00	(236.37)	0.00
6541-0003 - Electrical Supplies	0.00	0.00	0.00	855.75	0.00	(855.75)	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)	0.00	500.00	500.00	3,924.00	4,000.00	76.00	6,000.00
6546-0000 - Heating/Cooling Contractor	160.00	400.00	240.00	903.75	5,500.00	4,596.25	9,000.00
6548-0000 - Snow removal	0.00	0.00	0.00	10,832.48	8,000.00	(2,832.48)	9,000.00
6551-0000 - Elevator Contractor (Special Repairs)	0.00	50.00	50.00	1,260.00	400.00	(860.00)	600.00
6560-0000 - Decorating (Tenant Prntg-Cycle/Turnover by Contractor)	0.00	1,000.00	1,000.00	4,095.00	8,000.00	3,905.00	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	900.00	900.00	900.00
6582-0000 - Fire Protection	0.00	350.00	350.00	597.22	2,800.00	2,202.78	4,200.00
6582-0001 - Fire Safety Equipment	0.00	100.00	100.00	55.00	800.00	745.00	1,200.00
6589-0000 - Parking Lot Expense	0.00	0.00	0.00	0.00	8,000.00	8,000.00	8,000.00
6590-0000 - Miscellaneous Repair	0.00	100.00	100.00	0.00	800.00	800.00	1,200.00
6591-0000 - Electrical Repairs	0.00	450.00	450.00	987.08	3,600.00	2,612.92	5,400.00
6594-0000 - Carpentry Repairs	0.00	350.00	350.00	813.84	2,800.00	1,986.16	4,200.00
6595-0000 - Plumbing Repairs	438.37	400.00	(38.37)	6,219.86	3,200.00	(3,019.86)	4,800.00
6596-0000 - Floor Repairs/Cleaning	1,280.00	0.00	(1,280.00)	1,280.00	2,500.00	1,220.00	2,500.00
6598-0000 - Roof Repairs	0.00	0.00	0.00	814.62	5,000.00	4,185.38	5,000.00
6599-0000 - Window repairs	0.00	300.00	300.00	0.00	2,400.00	2,400.00	3,600.00
TOTAL MAINTENANCE EXPENSES	1,947.16	5,258.00	3,310.84	36,448.28	72,940.00	36,491.72	99,764.00

WALNUT PLACE

WALNUT PLACE
Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
TAXES AND INSURANCE							
6710-0000 - Real estate taxes	12,969.15	8,683.00	(4,286.15)	73,750.15	69,464.00	(4,286.15)	104,196.00
6720-0000 - Property and liability insurance	4,803.58	1,234.00	(3,569.58)	13,239.96	9,872.00	(3,367.96)	14,808.00
6721-0000 - Fidelity bond insurance	97.00	0.00	(97.00)	97.00	100.00	3.00	100.00
TOTAL TAXES AND INSURANCE	17,869.73	9,917.00	(7,952.73)	87,087.11	79,436.00	(7,651.11)	119,104.00
TOTAL OPERATING EXPENSES	45,330.33	41,355.00	(3,975.33)	349,102.72	386,822.00	37,719.28	561,170.00
NET OPERATING INCOME (LOSS)	37,446.67	42,531.00	(5,084.33)	298,713.59	284,266.00	14,447.59	445,462.00
FINANCIAL EXPENSES							
6820-0000 - Mortgage interest	22,502.95	22,655.00	152.05	181,483.81	181,240.00	(243.81)	271,860.00
7104-0000 - Replacement Reserve	1,994.91	1,833.00	(161.91)	15,959.28	14,664.00	(1,295.28)	21,996.00
7108-0000 - Mortgage Payable (long term)	10,984.00	10,854.00	(130.00)	86,411.79	86,832.00	420.21	130,248.00
TOTAL FINANCIAL EXPENSES	35,481.86	35,342.00	(139.86)	283,854.88	282,736.00	(1,118.88)	424,104.00
NET OPER INC/(LOSS) BEFORE CAP. EXP.	1,964.81	7,189.00	(5,224.19)	14,858.71	1,530.00	13,328.71	21,358.00
NET INCOME (LOSS)	1,964.81	7,189.00	(5,224.19)	14,858.71	1,530.00	13,328.71	21,358.00
Partnership Income							
8005-0000 - Mortgagor Entity Income	35.77	0.00	35.77	332.39	0.00	332.39	0.00
8010-0000 - Other Entity Expense	0.00	0.00	0.00	(10.00)	0.00	(10.00)	0.00
Total Partnership Activity	35.77	0.00	35.77	322.39	0.00	322.39	0.00
CAPITAL EXPENDITURES & ESCROWS							
7105-0000 - Replacement Reserve Reimbursement	0.00	0.00	0.00	0.00	(24,000.00)	(24,000.00)	(24,000.00)
6991-0000 - Capital expenditures	0.00	2,400.00	2,400.00	2,467.66	28,900.00	26,432.34	37,400.00
6993-0000 - Appliance Replacement	0.00	125.00	125.00	494.00	1,000.00	506.00	1,500.00
6994-0000 - Carpet & tile	3,776.50	485.00	(3,291.50)	8,241.25	3,880.00	(4,361.25)	5,820.00
TOTAL CAPITAL EXPENDITURES & ESCROWS	3,776.50	3,010.00	(766.50)	11,202.91	9,780.00	(1,422.91)	20,720.00
GAIN/(LOSS) AFTER CAPITAL EXP. & ESCROWS	(1,775.92)	4,179.00	(5,954.92)	3,978.19	(8,250.00)	12,228.19	638.00

RAVINIA HOUSING
Balance Sheet
 Month Ending 08/31/11

ASSETS

Current Assets

1110-0000 - Petty Cash	150.00
1121-0000 - Cash - Operating	10,801.43
1130-0000 - Tenant/member accounts receivable	34,328.92
1131-0000 - Accounts receivable - subsidy	8,795.00
1240-0000 - Prepaid property and liability insurance	4,475.00
1250-0000 - Prepaid Mortgage Insurance	2,004.31
Total Current Assets	<u>60,554.66</u>

Other Assets

1290-0000 - Misc Prepaid Expenses	118.97
1192-0000 - Tenant Sec Dep	6,990.49
1310-0000 - Real estate tax escrow	29,908.55
1311-0000 - Insurance escrow	30,939.34
1312-0000 - Mortgage Insurance Escrow	4,308.96
1140-0000 - Accounts Receivable - Other	635.36
1320 - Replacement Reserve	47,637.52
1340 - Residual Receipt	480,322.56
Total Other Assets	<u>600,861.75</u>

Fixed Assets

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	25,263.83
Total Fixed Assets	<u>564,739.86</u>

Financing Costs

1800-0000 - Organization costs	41,848.00
1999-0000 - Accum Amort - Bond Costs	(28,071.34)
Total Financing Costs	<u>13,776.66</u>

Partnership Assets

1701-0000 - Cash - Partnership	144,571.03
Total Partnership Assets	<u>144,571.03</u>

Total Assets

1,384,503.96

RAVINIA HOUSING
Balance Sheet
Month Ending 08/31/11

Liabilities & Equity

Current Liabilities

2110-0000 - Accounts payable	13,569.59
2120-0000 - Accrued wages and p/r taxes payable	542.05
2130-0000 - Accrued interest - mortgage	4,079.29
2150-0000 - Accrued property taxes	21,999.19
2180-0000 - Misc current liabilities	1,245.57
Total Current Liabilities	<u>41,435.69</u>

Non-Current Liabilities

2190-0000 - Sec. Dep. In Transit	(4,377.74)
2191-0000 - Security deposits-residential	6,655.00
2210-0000 - Prepaid Rent	3,303.00
2211-0000 - Prepaid HUD	17,924.00
2320-0000 - Mortgage Payable (long term)	729,530.51
Total Non-Current Liabilities	<u>753,034.77</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	44,105.65
Current YTD Earnings	(2,684.01)
Total Owner's Equity	<u>590,033.50</u>

Total Liability & Owner Equity

1,384,503.96

RAVINIA HOUSING

RAVINIA HOUSING
Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
GROSS OPERATING INCOME							
RESIDENTIAL RENTAL INCOME							
5120-0000 - Apartment rent	4,193.00	5,404.00	(1,211.00)	44,508.00	45,224.00	(716.00)	66,840.00
5121-0000 - Tenant assistant payments	24,486.00	16,472.00	8,014.00	184,924.00	170,602.00	14,322.00	236,490.00
TOTAL RESIDENTIAL RENTAL INCOME	28,679.00	21,876.00	6,803.00	229,432.00	215,826.00	13,606.00	303,330.00
VACANCIES & ADJUSTMENTS							
5220-0000 - Vacancy loss - apartments	(1,812.00)	(1,213.00)	(399.00)	(12,896.00)	(9,704.00)	(3,192.00)	(14,554.00)
5123-0000 - Rent Concession	0.00	0.00	0.00	(36.00)	0.00	(36.00)	0.00
TOTAL VACANCIES & ADJUSTMENTS	(1,812.00)	(1,213.00)	(399.00)	(12,932.00)	(9,704.00)	(3,228.00)	(14,554.00)
OTHER INCOME							
5945-0000 - Damages	0.00	0.00	0.00	60.00	0.00	60.00	0.00
5990-0000 - Misc other income	1,527.87	8.00	1,519.87	1,527.87	64.00	1,463.87	100.00
TOTAL OTHER INCOME	1,527.87	8.00	1,519.87	1,587.87	64.00	1,523.87	100.00
GROSS OPERATING INCOME	28,594.87	20,671.00	7,923.87	218,087.87	206,186.00	11,901.87	288,876.00
ADVERTISING & RENTING EXPENSE							
6213-0000 - Employee Recruitment	0.00	0.00	0.00	22.43	0.00	(22.43)	0.00
6250-0000 - Renting expenses	0.00	8.00	8.00	0.00	64.00	64.00	100.00
TOTAL ADVERTISING & RENTING EXPENSE	0.00	8.00	8.00	22.43	64.00	41.57	100.00
ADMINISTRATIVE EXPENSE							
6311-0000 - Office supplies	(5.09)	607.00	612.09	3,208.17	4,856.00	1,647.83	7,285.00
6316-0000 - Office Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6320-0000 - Management fee	1,097.37	844.00	(253.37)	8,555.71	6,752.00	(1,803.71)	10,132.00
6340-0000 - Legal Expense - Project	0.00	250.00	250.00	5,210.00	2,000.00	(3,210.00)	3,000.00
6350-0000 - Audit Expense	4,900.00	0.00	(4,900.00)	10,000.00	11,300.00	1,300.00	11,300.00
6360-0000 - Telephone	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6365-0000 - Training & Education Expense	0.00	42.00	42.00	87.00	336.00	249.00	500.00
6370-0000 - Bad debts	7,775.00	0.00	(7,775.00)	9,449.00	0.00	(9,449.00)	0.00
6385-0000 - Temporary Help	0.00	0.00	0.00	2,257.68	0.00	(2,257.68)	0.00
6390-0000 - Misc administrative expenses	235.30	83.00	(152.30)	980.26	664.00	(316.26)	1,000.00
6390-0002 - Computer Supplies/Data Processing	66.31	0.00	(66.31)	690.28	0.00	(690.28)	0.00
6395-0000 - Tenant Retention	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6431-0000 - Travel & Expense Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6860-0000 - Security Deposit Interest	(1.13)	0.00	1.13	(9.10)	0.00	9.10	0.00
TOTAL ADMINISTRATIVE EXPENSE	14,067.76	1,826.00	(12,241.76)	40,429.00	25,908.00	(14,521.00)	33,217.00
PAYROLL & RELATED COSTS							
6310-0000 - Office salaries	1,175.52	1,518.00	342.48	9,268.71	12,144.00	2,875.29	18,211.00
6510-0000 - Janitor and cleaning payroll	1,311.12	1,542.00	230.88	12,111.08	12,336.00	224.92	18,500.00
6715-0000 - Payroll Taxes	196.53	242.00	45.47	2,350.75	1,936.00	(414.75)	2,900.00
6722-0000 - Workers compensation	(13.64)	67.00	80.64	449.30	536.00	86.70	800.00
6723-0000 - Employee health insurance	319.55	483.00	163.45	1,016.89	3,864.00	2,847.11	5,800.00
6724-0000 - Union Benefits	324.48	0.00	(324.48)	2,595.83	0.00	(2,595.83)	0.00
TOTAL PAYROLL & RELATED COSTS	3,313.56	3,852.00	538.44	27,792.56	30,816.00	3,023.44	46,211.00

RAVINIA HOUSING

RAVINIA HOUSING
Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
OPERATING EXPENSES							
6515-0000 - Janitors and cleaning supplies	614.92	583.00	(31.92)	2,575.50	4,664.00	2,088.50	7,000.00
6517-0000 - Outside Cleaning Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6520-0000 - Miscellaneous Repair Contractors	3,600.00	1,417.00	(2,183.00)	16,692.67	11,336.00	(5,356.67)	17,000.00
6525-0000 - Rubbish removal	0.00	212.00	212.00	2,794.74	1,696.00	(1,098.74)	2,540.00
TOTAL OPERATING EXPENSES	4,214.92	2,212.00	(2,002.92)	22,062.91	17,696.00	(4,366.91)	26,540.00
UTILITIES							
6450-0000 - Electricity	34.10	83.00	48.90	1,602.32	664.00	(938.32)	1,000.00
6451-0000 - Water	6.20	25.00	18.80	170.87	200.00	29.13	300.00
6452-0000 - Gas	0.00	8.00	8.00	0.00	64.00	64.00	92.00
6453-0000 - Sewer	0.00	25.00	25.00	0.00	200.00	200.00	300.00
TOTAL UTILITIES	40.30	141.00	100.70	1,773.19	1,128.00	(645.19)	1,692.00
MAINTENANCE EXPENSES							
6537-0000 - Grounds Contractor (Landscaper)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0000 - Repair materials (general supplies)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0002 - Plumbing Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0003 - Electrical Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0009 - Window Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6546-0000 - Heating/Cooling Contractor	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6548-0000 - Snow removal	0.00	0.00	0.00	21,759.77	20,000.00	(1,759.77)	20,000.00
6560-0000 - Decorating (Tenant Pntg-Cycle/Turnover by Contractor)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6591-0000 - Electrical Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6595-0000 - Plumbing Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6599-0000 - Window repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL MAINTENANCE EXPENSES	0.00	0.00	0.00	21,759.77	20,000.00	(1,759.77)	20,000.00
TAXES AND INSURANCE							
6710-0000 - Real estate taxes	4,803.09	2,750.00	(2,053.09)	24,053.09	22,000.00	(2,053.09)	33,000.00
6720-0000 - Property and liability insurance	447.50	417.00	(30.50)	3,395.74	3,336.00	(59.74)	5,000.00
6721-0000 - Fidelity bond insurance	28.00	0.00	(28.00)	28.00	0.00	(28.00)	0.00
TOTAL TAXES AND INSURANCE	5,278.59	3,167.00	(2,111.59)	27,476.83	25,336.00	(2,140.83)	38,000.00
TOTAL OPERATING EXPENSES	26,915.13	11,206.00	(15,709.13)	141,316.69	120,948.00	(20,368.69)	165,760.00
NET OPERATING INCOME (LOSS)	1,679.74	9,465.00	(7,785.26)	76,771.18	85,238.00	(8,466.82)	123,116.00
FINANCIAL EXPENSES							
6820-0000 - Mortgage interest	4,079.29	1,702.00	(2,377.29)	33,114.52	28,342.60	(4,771.92)	35,150.60
6850-0000 - Mortgage Service Fee	334.06	152.00	(182.06)	2,694.84	2,330.72	(364.12)	2,938.72
7104-0000 - Replacement Reserve	712.00	1,023.00	311.00	5,696.00	8,184.00	2,488.00	12,272.00
7106-0000 - Residual Receipt Reserve	0.00	0.00	0.00	35,763.00	0.00	(35,763.00)	0.00
7108-0000 - Mortgage Payable (long term)	3,101.21	490.00	(2,611.21)	24,332.14	19,126.97	(5,205.17)	21,086.97
TOTAL FINANCIAL EXPENSES	8,226.56	3,367.00	(4,859.56)	101,600.50	57,984.29	(43,616.21)	71,448.29
NET OPER INC/(LOSS) BEFORE CAP. EXP.	(6,546.82)	6,098.00	(12,644.82)	(24,829.32)	27,253.71	(52,083.03)	51,667.71
NET INCOME (LOSS)	(6,546.82)	6,098.00	(12,644.82)	(24,829.32)	27,253.71	(52,083.03)	51,667.71

Partnership Income

RAVINIA HOUSING

RAVINIA HOUSING
Actual vs Budget Accrual Operating Statement

	Month Ending 08/31/11			Year To Date 08/31/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
8005-0000 - Mortgagor Entity Income	49.60	0.00	49.60	459.82	0.00	459.82	0.00
Total Partnership Activity	49.60	0.00	49.60	459.82	0.00	459.82	0.00
CAPITAL EXPENDITURES & ESCROWS							
6991-0000 - Capital expenditures	960.00	0.00	(960.00)	23,305.36	0.00	(23,305.36)	0.00
6993-0000 - Appliance Replacement	0.00	0.00	0.00	890.00	0.00	(890.00)	0.00
6994-0000 - Carpet & tile	1,068.47	0.00	(1,068.47)	1,068.47	0.00	(1,068.47)	0.00
TOTAL CAPITAL EXPENDITURES & ESCROWS	2,028.47	0.00	(2,028.47)	25,263.83	0.00	(25,263.83)	0.00
GAIN/(LOSS) AFTER CAPITAL EXP. & ESCROWS	(8,525.69)	6,098.00	(14,623.69)	(49,633.33)	27,253.71	(76,887.04)	51,667.71

Sunset Woods Housing
Income Statement
Compared with Budget
For the Eight Months Ending August 31, 2011

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
Revenues						
Rents	\$ 9,170.00	\$ 9,388.00	(218.00)	\$ 72,811.00	\$ 75,103.00	(2,292.00)
Late & NSF Fees	0.00	0.00	0.00	50.00	0.00	50.00
Misc. Income	0.00	1,000.00	(1,000.00)	0.00	7,000.00	(7,000.00)
Interest Income Assn	55.27	0.00	55.27	543.47	0.00	543.47
Interest Income	0.00	0.00	0.00	14.26	0.00	14.26
Rent Concessions	0.00	0.00	0.00	289.00	0.00	289.00
Sale of Unit 321	0.00	0.00	0.00	135,000.00	0.00	135,000.00
Total Revenues	9,225.27	10,388.00	(1,162.73)	208,707.73	82,103.00	126,604.73
Cost of Sales						
Cost of Unit 321	0.00	0.00	0.00	4,245.00	0.00	4,245.00
Total Cost of Sales	0.00	0.00	0.00	4,245.00	0.00	4,245.00
Gross Profit	9,225.27	10,388.00	(1,162.73)	204,462.73	82,103.00	122,359.73
Expenses						
Office Supplies	0.00	0.00	0.00	72.17	50.00	22.17
Management Fee	633.16	670.00	(36.84)	4,722.87	5,358.00	(635.13)
Legal and Accounting Assn	0.00	0.00	0.00	5,630.00	0.00	5,630.00
Credit Ck Fees	0.00	0.00	0.00	364.64	0.00	364.64
Carpet Cleaning	0.00	42.00	(42.00)	0.00	332.00	(332.00)
Heating & Air	0.00	42.00	(42.00)	0.00	332.00	(332.00)
Electrical & Plumbing Maint	0.00	42.00	(42.00)	0.00	332.00	(332.00)
Painting & Decorating	0.00	83.00	(83.00)	0.00	668.00	(668.00)
Appliance Repairs	200.00	42.00	158.00	450.00	332.00	118.00
Supplies Assn	0.00	0.00	0.00	5.24	0.00	5.24
Supplies	0.00	42.00	(42.00)	328.98	332.00	(3.02)
Locks	0.00	0.00	0.00	43.68	0.00	43.68
Maintenance Assn	0.00	0.00	0.00	133.54	0.00	133.54
Maintenance	0.00	42.00	(42.00)	90.00	332.00	(242.00)
Security	0.00	8.00	(8.00)	0.00	68.00	(68.00)
Electricity Assn	59.93	0.00	59.93	214.04	0.00	214.04
Condo Assessment Rental Units	2,919.46	3,000.00	(80.54)	23,642.05	24,000.00	(357.95)
Cable TV	522.90	500.00	22.90	4,220.55	4,000.00	220.55
Real Estate tax expense Assn	0.00	0.00	0.00	11,843.29	0.00	11,843.29
Real Estate tax expense	496.94	2,500.00	(2,003.06)	5,897.95	20,000.00	(14,102.05)
Loan Interest	2,173.95	3,038.00	(864.05)	17,161.78	24,303.00	(7,141.22)
Filing Fees Assn	0.00	0.00	0.00	25.00	0.00	25.00
Bank Service Charges	12.00	0.00	12.00	12.00	0.00	12.00
Bldg Insurance	0.00	250.00	(250.00)	0.00	2,000.00	(2,000.00)
Bad Debt Expense	0.00	0.00	0.00	1,090.00	0.00	1,090.00
Total Expenses	7,018.34	10,301.00	(3,282.66)	75,947.78	82,439.00	(6,491.22)
Net Income	\$ 2,206.93	\$ 87.00	2,119.93	\$ 128,514.95	(\$ 336.00)	128,850.95

Sunset Woods Housing
Balance Sheet
August 31, 2011

ASSETS

Current Assets		
General Checking	\$	19,049.28
Assn Money Mkt HP Bank & Trust		161,451.21
Assn Checking HP Bank & Trust		12,762.56
Sec.Dep. Savings		10,404.47
Savings Account		18,997.28
Accounts Receivable		<u>1,647.25</u>
Total Current Assets		224,312.05
Property and Equipment		
Building		1,552,988.40
Building Unit 231		135,000.32
Building Unit 319		134,999.62
Building Unit 321		135,000.00
Accum Dep Building		<u>(320,306.00)</u>
Total Property and Equipment		1,637,682.34
Other Assets		
Total Other Assets		<u>0.00</u>
Total Assets	\$	1,861,994.39

LIABILITIES AND CAPITAL

Current Liabilities		
Due to Peers Housing Assn	\$	258,832.40
Accrued RE Tax		32,400.00
Accrued RE Taxes Assn		10,330.50
Security Deposits		<u>9,361.00</u>
Total Current Liabilities		310,923.90
Long-Term Liabilities		
Notes Payable, Harris		444,390.45
Notes Payable, Lake Co		66,670.48
Notes Payable, IHDA		<u>131,656.45</u>
Total Long-Term Liabilities		<u>642,717.38</u>
Total Liabilities		953,641.28
Capital		
Equity-Retained Earnings		779,838.16
Net Income		<u>128,514.95</u>
Total Capital		<u>908,353.11</u>
Total Liabilities & Capital	\$	<u><u>1,861,994.39</u></u>

Sunset Woods Housing
Account Register
For the Period From Aug 1, 2011 to Aug 31, 2011
1101M13 - General Checking

Date	Trans No	Type	Trans Desc	Deposit Amt	Withdrawal Amt	Balance
			Beginning Balance			17,711.63
8/1/11	1409	Withdrawal	Sunset Woods Condominium Assoc		3,452.36	14,259.27
8/1/11	1410	Withdrawal	U & E Service		200.00	14,059.27
8/1/11	8/1/11	Deposit	tenant	506.00		14,565.27
		Deposit	tenant	307.00		14,872.27
		Deposit	tenant	509.00		15,381.27
		Deposit	tenant	579.00		15,960.27
		Deposit	tenant	669.00		16,629.27
		Deposit	tenant	428.00		17,057.27
		Deposit	tenant	492.00		17,549.27
		Deposit	tenant	617.00		18,166.27
8/4/11	1411	Withdrawal	Lake County Collector		496.94	17,669.33
8/5/11	8/8/11	Deposit	tenant	670.00		18,339.33
		Deposit	tenant	438.00		18,777.33
		Deposit	tenant	249.00		19,026.33
		Deposit	tenant	835.00		19,861.33
		Deposit	tenant	139.00		20,000.33
		Deposit	tenant	795.00		20,795.33
		Deposit	tenant	374.00		21,169.33
		Deposit	tenant	357.00		21,526.33
		Deposit	tenant	287.00		21,813.33
		Deposit	tenant	559.00		22,372.33
		Deposit	tenant	360.00		22,732.33
		Deposit	tenant	246.50		22,978.83
8/12/11	nsf414	Other	tenant		246.50	22,732.33
8/12/11	nsf414	Other	tenant		12.00	22,720.33
8/15/11	loan1108	Other	Harris Bank/auto pymt		3,037.89	19,682.44
8/24/11	1412	Withdrawal	Housing Opportunity Dev. Corp.		633.16	19,049.28
			Total	9,416.50	8,078.85	

Sunset Woods - August 31, 2011

Ending balance checking	\$ 19,049
Ending balance operating reserve	<u>\$ 19,004</u>
TOTAL	\$ 38,053

RAVINIA HOUSING ASSOCIATION

1150 HALF DAY ROAD
HIGHLAND PARK, IL 60035

No. 1004

Date *Sept. 21, 2011*

70-2533/719
8200011291



Secretary of State
Ten and 00/100

\$ 10.00

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

David [Signature]

Memo

N. 5218 - 811-3

⑈00100⑈ ⑆071925334⑆ ⑈8200011291⑈

FILING FEE IS \$10.
IF LATE, ADD PENALTY OF \$3.

General Not For Profit Corporation Act

ANNUAL REPORT
(Form NFPCAF - Rev. 09/30/2009)

** THIS REPORT CAN BE FILED ON-LINE @ www.cyberdriveillinois.com WITH AN EXPEDITED FEE. **
(USE BLACK INK)

10-08-02
COOK COUNTY

RAVINIA HOUSING ASSOCIATION
% BRUCE PHILLIP MASON
1033 SKOKIE BOULEVARD STE 250
NORTHBROOK IL 60062

- Item 1. Verify that the corporate name is correct.
- Item 2. Verify that the name of the registered agent and the address of the registered office are correct. You cannot change the registered agent and/or registered office on the annual report form printed below. In order to change the registered agent and/or registered office, it will be necessary to file with the Secretary of State form NFP 105.10/105.20. Mail the NFP 105.10/105.20, Annual Report and \$5 filing fee TOGETHER in the SAME envelope. This form can be downloaded from our internet web site at www.cyberdriveillinois.com. Click on "Departments", then "Business Services" then "Publications and Forms".
- Items 3(a), 3(b). Verify printed information is correct.
- Item 4. Must set forth the names and addresses of all officers and directors of the corporation as of the date of signing. **ILLINOIS CORPORATIONS MUST HAVE AT LEAST THREE (3) DIRECTORS!** If there are additional officers and/or more than three directors, you must attach a list to this report setting forth all other name(s), title(s) and address(es). Please write the file number on all attachments.

- Item 5. Please complete this item.
- Item 6. Please mark the appropriate box where indicated in response to the following questions:
- (a) Is this corporation a **CONDOMINIUM** Association as established under the Condominium Property Act?
- (b) Is this corporation a **COOPERATIVE HOUSING CORPORATION** defined in Section 216 of the Internal Revenue Code of 1954?
- (c) Is this corporation a **HOMEOWNER'S ASSOCIATION** which administers a Common Interest Community as defined in Subsection (c) of Section 9-102 of the Code of Civil Procedure?
- Item 7. Please complete this item.
- Item 8. **THIS REPORT MUST BE SIGNED BY A DULY AUTHORIZED OFFICER OF THE CORPORATION!** Please type or print the name and title of the officer signing this report as well as the date of signing.

DETACH AT PERFORATION - DO NOT SUBMIT A PHOTOCOPY

Page #: 001238

1) Corporate Name RAVINIA HOUSING ASSOCIATION		File Number N 5218-811-3
4) President Name/Address SEE ATTACHED		3a) Date of Inc./Qual. 10-10-1980
Secretary Name/Address SEE ATTACHED		3b) State of Inc. ILLINOIS
Treasurer Name/Address SEE ATTACHED		Annual Report General Not For Profit Corporation Act
Director Name/Address SEE ATTACHED		
Director Name/Address		
Director Name/Address		
5) Brief Description of the corporation's activities:		Year of. 2011
7) Principal Address of the Corporation (Street, City, State, Zip Code) 1150 HALF DAY ROAD, HIGHLAND PARK, IL 60035		
2) Registered Agent % BRUCE PHILLIP MASON 10-08-02 1033 SKOKIE BOULEVARD STE 250 NORTHBROOK IL 60062 COOK COUNTY		6a) Is this Corporation a CONDOMINIUM ASSOCIATION? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
		6b) Is this Corporation a COOPERATIVE HOUSING CORP.? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
		6c) Is this Corporation a HOMEOWNER'S ASSOCIATION? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Under the penalty of perjury and as an authorized officer, I declare that this annual report, pursuant to the provisions of the General Not For Profit Corporation Act, has been examined by me and is, to the best of my knowledge and belief, true, correct and complete.		8) Signature  President Title 9/21/2011 Date

Floral Gardens
 2109 Greenbay Road
 Highland Park, IL 60035
 (847) 432-3420

No. 59249
 Order Taken By *JD Clark*
 Order Date

SOLD TO **Sunset Woods Assoc.** New Acct.

Billing Address **1150 Half Day Rd.**
 State/Zip Code **IL 60035**

City **HP**

Day Phone **847-926-1852** Night Phone

Person Talked To **Mary Smith**

WIRE IN OUT Other Code Number

Florist **PAID CK** City/State

M/C Visa D/C Amex Discover Card No.

Exp. Date

Authorization

Prod. Total	\$ 42.00
Del.	\$ 8.00
Wire Charge	\$
Serv.	\$
Sub Total	\$
Tax	\$ EXEMPT
TOTAL AMT	\$ 50.00

Message **Attached**

Sales Analysis Code

Teleflora

Floral Gardens • (847) 432-3420

DELIVER TO (FULL NAME) **Marissa Hopkins**

Delivery Address (incl. Apt. No.) **612 Old Elm Rd**

City, State, Zip **HP IL 60034**

Special Instructions **cell 773-612-8822**

No. 59249

Thank You for your order!
 Your Satisfaction is our major concern!
 If there is a problem . . . call us immediately.

SUNSET WOODS ASSOCIATION

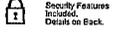
1150 HALF DAY ROAD
 HIGHLAND PARK, IL 60035

1121

DATE 9/28/11 70-2533-719

PAY TO THE ORDER OF Floral Gardens \$ 50.00

Fifty and 00/100

DOLLARS 

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

Marissa Hopkins

FOR Marissa Thank you

⑈001121⑈ ⑆071925334⑆ ⑈8200011283⑈

FRANK B. PEERS HOUSING
Balance Sheet
Month Ending 08/31/11

ASSETS

Current Assets

1110-0000 - Petty Cash	300.00
1121-0000 - Cash - Operating	48,902.47
1130-0000 - Tenant/member accounts receivable	6,649.00
1131-0000 - Accounts receivable - subsidy	44,025.00
1240-0000 - Prepaid property and liability insurance	14,505.80
Total Current Assets	<u>114,382.27</u>

Other Assets

1290-0000 - Misc Prepaid Expenses	135.98
1192-0000 - Tenant Sec Dep	19,642.21
1310-0000 - Real estate tax escrow	78,007.78
1311-0000 - Insurance escrow	16,747.37
1330-0000 - Debt Service Escrow	138,749.66
1140-0000 - Accounts Receivable - Other	3,284.36
1320 - Replacement Reserve	141,651.20
1340 - Residual Receipt	13.69
Total Other Assets	<u>398,232.25</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	12,416.20
Total Fixed Assets	<u>1,288,494.91</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	18,149.50
1702-0000 - Partnership MM	2,117,411.00
1702-1000 - Partnership F/A	221,340.23
1703-0000 - Partnership Receivable	267,013.69
Total Partnership Assets	<u>2,623,914.42</u>

Total Assets

4,576,060.76

FRANK B. PEERS HOUSING**Balance Sheet**

Month Ending 08/31/11

Liabilities & Equity**Current Liabilities**

2110-0000 - Accounts payable	6,869.80
2113-0000 - Flex Benefit Payable	(0.01)
2120-0000 - Accrued wages and p/r taxes payable	2,658.23
2150-0000 - Accrued property taxes	57,480.00
2180-0000 - Misc current liabilities	12,258.79
Total Current Liabilities	79,266.81

Non-Current Liabilities

2190-0000 - Sec. Dep. In Transit	(8,149.00)
2191-0000 - Security deposits-residential	18,345.00
2191-0001 - Pet Deposit	600.00
2210-0000 - Prepaid Rent	467.32
2211-0000 - Prepaid HUD	32,326.00
2320-1000 - Mortgage payable - 2nd note	2,290,000.00
2320-0000 - Mortgage Payable (long term)	2,037,324.32
Total Non-Current Liabilities	4,370,913.64

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	118,877.40
Current YTD Earnings	23,296.43
Total Owner's Equity	125,880.31

Total Liability & Owner Equity**4,576,060.76**