

MEMORANDUM

To: Members of the Housing Commission
From: Mary Cele Smith, Housing Planner (msmith@cityhpil.com) and
Lee Smith, Senior Planner (lsmith@cityhpil.com)
Date: December 28, 2011
RE: HOUSING COMMISSION PACKET FOR 1-4-2012 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 December 7, 2011 Regular Meeting
- **Agenda Item V. Scheduled Business**
 - **1. (Action Needed) Items for Omnibus Vote Consideration**
 - Payment of Invoice:
 - Manning Silverman & Co. Invoice #200911531 for initial retainer (1 of 2) for Sunset Woods Audit
 - **2. (Discussion and Consideration) Housing Commission Peers, Walnut Place, Ravinia, and Sunset Woods. Supporting Materials:**
 - December 2011 Management Report with November 2011 Financials for Peers, Ravinia, and Walnut Housing Associations
 - Peers and Walnut Place Capital Improvement Updates
 - Draft 2012 Peers and Walnut Place Capital Plans
 - Accounts Receivable Up-Date
 - Summary Spreadsheet: Highland Park Housing Reserve Balances 11/30/2011
 - Housing Trust Fund Fiscal Year 2011 January 1 –November 30, 2011
(To be Emailed under Separate Cover)
 - **3. (Consideration) Recommendation from Condominium Conversion Ordinance Working Group. Supporting Material:**
 - Memo from Staff, September 28, 2011, with 2 Attachments
 - October 31, 2011 Letter from North Shore – Barrington Association of Realtors
 - **4. (Consideration) Request from Owner of Inclusionary Housing Unit to modify the structure. Supporting Material:**
 - Appeal from Owner

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 November 30, 2011

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, January 4, 2012 at City Hall, 1707 St. Johns Avenue, Highland Park, Illinois**. The Meeting will be held in the **Mayor and City Council's Conference Room**.

City of Highland Park
Housing Commission
Wednesday, January 4, 2012, 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 – December 7, 2011 Regular Meeting**
- V. Scheduled Business**
 1. Items for Omnibus Vote Consideration
 - Payment of Invoice:
 - Manning Silverman & Co. Invoice #200911531 for initial retainer (1 of 2) for Sunset Woods Audit
 2. Housing Commission Peers, Walnut, Ravinia, Sunset Woods
 - Management Report
 - Property Operations Report
 - Consideration of 2012 Capital Plans for Peers and Walnut Place
 - Update on Peers window replacement
 - Update on U.S. Housing and Urban Development (HUD) Mark-to-Market Refinancing for Ravinia Housing
 - Sunset Woods
 - Report on status of obtaining new Sunset Woods mortgage
 3. Consideration of Recommendation from Condominium Conversion Ordinance Working Group
 4. Consideration of Request from Owner of Inclusionary Housing Unit to modify the structure
- VI. Executive Session for Matters relating to Real Estate Acquisition, Litigation, and Personnel Matters**
- VII. Other Business**
- VIII. Adjournment**

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

MEETING DATE: Wednesday December 7, 2011

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

CALL TO ORDER

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

ROLL CALL

Commissioners Present: Glasner, Naftzger, Sharfman, and Wigodner

Commissioners Absent: Adler, Barber, and Meek

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

Rescheduled Regular Meeting of the Housing Commission –November 15, 2011

Commissioner Glasner moved approval of minutes of the rescheduled 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 November 15, 2011. Commissioner Naftzger seconded the motion.

On a roll call vote:

Voting Yea: Glasner, Naftzger, 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 on items not listed on the Agenda.

SCHEDULED BUSINESS

1. Items for Omnibus Vote Consideration

- Payment of Invoice:
- Mason, Wenk & Berman, L.L.C. for invoice #34601 for \$75.00

The Commissioners unanimously consented to take a single vote by yeas and nays on an item under the designation “omnibus vote –ratification of invoices.”

Planner M. Smith introduced a new invoice that arrived in the morning from Mason, Wenk & Berman, L.L.C. for legal services for Sunset Woods.

Chairman Wigodner entertained a motion to approve payment of the invoice to Mason, Wenk & Berman, L.L.C. Commissioner Glasner moved approval of invoice #34601 from Mason, Wenk & Berman, L.L.C. for \$75.00 for legal services for Sunset Woods. Commissioner Naftzger seconded the motion.

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

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

The Management Report was in the packet.

Property Operations Report

Chairman Wigodner reviewed the property operations report. With regard to the Accounts Receivable report, Planner M. Smith said that Ms. Polly Kuehl, Vice President, Evergreen Real Estate Services, would include information about accounts past due for 30, 60, and 90 days in future reports.

Consideration of 2012 Operating Budgets for Peers and Walnut Place

Chairman Wigodner summarized the draft 2012 operating budgets for Peers and Walnut Place. The key change is the addition of a half-time assistant. The cost would be spread across the three properties: Peers, Walnut Place, and Ravinia Housing. The Commissioners concurred that this is a reasonable expense and understandable need, especially given the additional tasks, such as monthly billing statements for the residents.

Chairman Wigodner entertained a motion to approve the 2012 operating budgets for Peers and Walnut Place. Commissioner Naftzger moved approval of the 2012 operating budgets for Peers and Walnut Place. Commissioner Sharfman seconded the motion.

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

Update on Peers window replacement

Chairman Wigodner reported that Evergreen Real Estate Services staff completed the bid specification package, incorporating comments from Commissioner Adler and himself. The

estimate for replacing all the windows at Peers is between \$500,000 and \$550,000. The reason that this estimate is so much higher than the previous figure of \$310,000 in the five-year capital plan is that the capital plan assumption was wrong: it excluded the first floor and fifth floor windows. Construction will start in the spring, possibly in February.

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

Planner M. Smith reported that the closing is scheduled for January 24, 2012 for the HUD Mark-to-Market refinancing of Ravinia Housing.

Sunset Woods:

Consideration of proposals for new Sunset Woods mortgage

The Commissioners discussed the proposals from the First Bank of Highland Park and the Highland Park Bank and considered whether to provide a loan from the Peers Housing Association to the Sunset Woods Association at a modest interest rate, for example, three percent. Chairman Wigodner also pointed out a correction needed in the staff memo with regard to the available Peers funds: the uncommitted Peers funds total \$2,118,386 not \$1,100,479. The Commissioners were divided about the merits of providing a loan from the Peers Housing Association. Two Commissioners questioned the value of committing Peers funds to such a loan that might limit the Commission's ability to fund future projects. The Commissioners, however, concurred that the First Bank of Highland Park offered the most attractive proposal.

After discussion, Chairman Wigodner entertained a motion to accept the proposal from the First Bank of Highland Park for a new mortgage for Sunset Woods and to authorize Chairman Wigodner to execute a letter of commitment and to provide such funds as necessary to commit to the transaction. Commissioner Glasner moved approval of proceeding with the proposal dated August 17, 2011 from the First Bank of Highland Park for a new mortgage for Sunset Woods, authorizing Chairman Wigodner to execute a letter of commitment consistent with the general terms of the rate sheet from the proposal and to provide such funds as necessary to commit to the transaction. Commissioner Naftzger seconded the motion.

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

Update on storm water project

Planner L. Smith reported that the storm water project in Sunset Woods Park to eliminate flooding in the Sunset Woods parking lot was completed.

Report on November 28 Condominium Board Meeting

Planner M. Smith summarized Commissioner Meek's report on the quarterly Condominium Association Board Meeting. Larry Servi and Carol Bradford were re-elected as President and Vice President, respectively. The Association members approved the increase in the condominium assessment of approximately ten dollars per unit for 2012. The question came up about whether to consider amending the condominium declaration to permit some number of

owners to rent their units. The Association authorized Commissioner Meek to call association attorney John Bickley to evaluate the pros and cons before continuing the discussion.

Consideration of Accounting Services proposal from Manning Silverman & Co.

The proposal from Manning Silverman & Co., the current accounting firm for Sunset Woods, offers audit and tax preparation services for the next three years for the following fees (plus any applicable out-of-pocket expenses):

- \$5,250 for the year ending December 31, 2011,
- \$5,450 for the year ending December 31, 2012,
- \$5,650 for the year ending December 31, 2013.

Chairman Wigodner observed that Manning Silverman had the least expensive proposal last year when the Housing Opportunity Development Corporation staff solicited bids for accounting services for Sunset Woods.

Chairman Wigodner entertained a motion to approve the accounting services proposal from Manning Silverman & Company. Commissioner Naftzger moved approval of the accounting services proposal for the Sunset Woods Association from Manning Silverman & Company for fees of \$5,250, \$5,450, and \$5,650 for the years ending December 31, 2011, 2012, and 2013, plus any applicable out-of-pocket expenses. Commissioner Glasner seconded the motion.

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

3. Consideration of Recommendation from Condominium Conversion Ordinance Working Group

The Commissioners decided to defer further discussion and consideration until next month, because Commissioner Meek, one of the Working Group members, was not able to attend this evening, and Commissioner Naftzger, the other member, needed to leave by 8 p.m.

4. Discussion regarding Request to eliminate the payment escalator for Affordable Housing Demolition Tax Deferrals

Commissioner Glasner provided the background on the original request from Marleen and Jerry Lipschultz requesting a waiver, or at a minimum, a deferral of the demolition tax for situations like theirs in which the owners are removing a blighted residence and have no immediate plans for redevelopment. The Commissioners discussed the staff memo summarizing the previous and current request from the Lipschultz's, the current demolition tax code, and the staff policy recommendation. The Commissioners concurred with the staff recommendation to maintain the current payment escalator provision. The City Council will consider the Lipschultz's request at the December 12th Pre-Session Meeting. Chairman Wigodner said that he would attend to represent the Commission's position.

EXECUTIVE SESSION FOR CONSIDERATION OF EXECUTIVE SESSION MINUTES

At 7:40 p.m., Commissioner Glasner 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 considering Executive Session Minutes. Commissioner Naftzger seconded the motion. Planner M. Smith called the roll.

On a roll call vote:

Voting Yea: Glasner, Naftzger, Sharfman, and Wigodner

Voting Nay: None

The Chairman declared that the motion passed.

At 7:55 p.m. Commissioner Glasner made a motion to close the Executive Session and to re-open the regular meeting. Commissioner Sharfman 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: Glasner, Naftzger, Sharfman, and Wigodner

Commissioners Absent: Adler, Barber, and Meek

Chairman Wigodner declared that a quorum was present.

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

OTHER BUSINESS

Chicago Tribune on-line article regarding Winnetka's decision to end discussion on the affordable housing plan

Planner M. Smith distributed John P. Huston's article "Affordable housing dead in Winnetka" from the on-line *Trib local*, December 7, 2011. The previous evening the Winnetka Village Council decided against adopting a resolution to support the Plan Commission's recommendations for an affordable housing plan.

ADJOURNMENT

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

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

The Housing Commission adjourned its meeting at 8:00 p.m.

Submitted respectfully:

Mary Cele Smith
Housing Planner

**MANNING SILVERMAN
& CO.**

CERTIFIED PUBLIC ACCOUNTANTS
175 OLDE HALF DAY ROAD, STE 290
LINCOLNSHIRE, IL 60069

(847) 459-8850

SUNSET WOODS ASSOCIATION
C/O LEE SMITH
CITY OF HIGHLAND PARK
1150 HALF DAY ROAD
HIGHLAND PARK, IL 60035

December 15, 2011

PLEASE NOTE: THERE WILL BE A 2% CHARGE ON ALL OVERDUE BALANCES PER MONTH.

Invoice #200911531

Initial Retainer (1 of 2) for Audit of Financial Statements
for Year Ended December 31, 2011

2,625.00

For professional services rendered

\$2,625.00

Balance due

\$2,625.00



MEMORANDUM

TO: Highland Park Housing Commission

FROM: Polly Kuehl, Management Agent

RE: **December Management Report/November Financials**

DATE: December 29, 2011

HUD approved another temporary HAP renewal for Ravinia Housing (for December 2011 and January 2012); but the rents approved were “post refinancing” rents as opposed to the current rents (as HUD has done in the past). This reduces the income in December and January by approximately \$8,000/month. Given the fact that Ravinia is still paying the higher “pre refinancing” mortgage amount, it will negatively impact the cash available to cover routine expenses during those two months. Closing is still planned for the end of January 2012.

The bid package for Frank B. Peers window replacement was sent to several bidders – Commercial Window Installers, Inc., Sterling Renaissance, Inc., Construction Management Corporation of Illinois, Chicago Window Products, Inc. and Allied Construction, Inc. Receipt of Proposals is pending.

Highland Park, recently, passed a new Construction Debris Recycling requirement and we will be reviewing it to determine whether it will impact the work planned at either Ravinia Housing or Frank B. Peers.

Frank B. Peers

Occupancy: There is one vacancy (became available November 1st) - #312. It is a studio unit and has been shown several times and rejected. Additional applicants are in process. It should be noted that the Highland Park preference waiting list is very short. We have moved to the non-Highland Park list.

Physical: Semi-annual inspections were conducted of each apartment. Only routine maintenance was done.

Social Programs: Residents participated in routine social programs, i.e. bingo, movie nights, luncheons, exercise class, coffees and commodity food distribution. The holiday luncheon was held on 12/21/11 (a variety of appetizers) and entertainment included guitar and violin music.

Financial: Net Operating Income (NOI) for the month was positive to budget by \$13,093 and YTD NOI was positive to budget by \$75,817. The cash position is good at the property with \$67,236 available in the Operating Account. This is due to the kitchen work being delayed until early 2012.

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

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

- Bad Debt (#6370) – This reflects the write-off of the turnover unit (advanced billing that could not be collected).
- Payroll Related Line items – December was a 3-payroll month
- Gas (#6452) – This line item reflects an adjustment that was made to off-set overstated accruals done in June and April. This resulted in a “credit” on the financial statements. This positive variance accounts for 85% of the positive variance for the month.

Walnut Place

Occupancy: The resident who had intended to move into Unit #206 decided to move into #408 that had become available later. As a result, Unit #206 is still open and applicants are in process.

Physical Site: In addition to the semi-annual inspections, the property only had routine and preventive maintenance during the month.

Social Programs: Similar to Peers, Walnut Place had bingo, monthly luncheon, chair exercises and food distribution. The residents chose a brunch for their holiday party and the same entertainment was available for this group (guitar and violin music).

Financial: Net Operating Income (NOI) for the month was negative to budget by (\$2,611) and YTD NOI was positive to budget by \$27,409. The cash position at the property remains poor with only \$906 in the Operating Account.

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

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

- Bad Debt (#6370) – Same as above
- Tenant Retention (#6395) – Time of resident social programming invoices
- Payroll Related Line Items – Same as above
- Window Repairs (#6599) – This reflects caulking of a bay window by Holton Brothers

Ravinia Housing

Occupancy: The #2743 St. John's apartment was to have been leased on December 1st, but the family did not show-up for the lease signing. The other families (3) who were considering the unit were contacted and they rejected it due to not wanting to move children during the school year. Another 2 families had rejected the unit because it was so far from their family/friends (south side Chicago). Management contacted the next 3-5 applicants on the waiting list and two of those applicants have completed initial screening.

Physical Site: Quarterly apartment inspections were conducted during December. The property had routine work orders and preventive maintenance tasks completed.

Social Programs: The annual holiday dinner for the Ravinia families was held on 12/12/11 at the Frank B. Peers Building. Music was provided which included instruments for the children so that they could participate.

Financial: **Net Operating Income (NOI) for the month is positive to budget by \$3,767 and YTD NOI is negative to budget by (\$1,121). Available cash is low at \$2,114 pending receipt of the HAP subsidy.**

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. However, this changed, effective December 1, 2011.

Expenses – The expense line items that are negative to budget include:

- Legal (#6340) – This reflects payment of a North Shore Sanitary Sewer invoice that had not been paid by a previous tenant. The property had not been notified about the delinquent payment until the lien was reflected in the title search done for closing. Payment was made and the lien removed.
- Bad Debt (#6370) – Timing of write-offs
- Payroll Related Line Items – See above
- Rubbish Removal (#6525) – This reflects an extra pick-up at both sites
- Utilities – This reflects payment for vacant unit.
- 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.

Accounts Receivable Up-Date

December 29, 2011

Frank B. Peers

Tenant A/R was reduced from \$2,386 at the end of October to \$1,591 at the end of November. The breakdown is as follows:

Current	\$762
30 Days	\$645
60 Days	\$134
Prepaid	\$156
Credit 90 Days +	(\$106)

Subsidy A/R was reduced from \$45,004 at the end of October to \$43,883 at the end of November. The breakdown is as follows:

Current	\$22,115
30 Days	\$7,341
60 Days	\$4,335
90+ Days	\$10,092

Walnut Place

Tenant A/R was reduced from \$24,685 at the end of October to \$20,753 at the end of November. The breakdown is as follows:

Current	\$ 2,413
30 Days	\$ 464
60 Days	\$ 339
90+ Days	\$16,940
Net Prepaid	\$ 597

The 90+ Days A/R is comprised of EIV payments (3 residents) that are being reimbursed monthly.

Subsidy A/R was reduced from \$37,395 at the end of October to \$35,497 at the end of November. The breakdown is as follows:

Current	\$20,645
30 Days	\$ 5,100
60 Days	\$ 3,312
90+ Days	\$ 6,440

Ravinia Housing

Tenant A/R was reduced from \$35,983 at the end of October to \$32,994 at the end of November. The breakdown is as follows:

Current	\$ 2,275
30 Days	\$ 3,068
60 Days	\$ 1,084
90+ Days	\$26,567

The 90+ Days A/R is comprised of EIV payments (2 residents) that are being reimbursed monthly.

Subsidy A/R was reduced slightly from \$10,847 at the end of October to \$9,382 at the end of November. The breakdown is as follows:

Current	\$6,117
30 Days	\$2,929
60 Days	\$ 336

Summary of Capital Improvements for 2011

Frank B. Peers
Up-Dated 12/29/2011

Item	Month	Cost Est.	Actual	Status
Kitchen Replacement (11 kitchens)	September	94,000		Contractor delayed until January 2012
Tuckpointing	November	19,000	13,000	North side - done (bill pending)
Windows Specs Bids	2012	550,000		Bid package completed; RFP in December Cost estimates increased to include 100% of the windows; committee reviewing bids when received; if approved, anticipate a February start date for windows
Appliances	As needed	1,500	1,843	2 refrigerators and 2 stoves replaced
Carpet Replacement	As needed	7,400	18,765	Turnovers (20) completed @\$925 each
Decorating	Turnover Cycle	4,400 7,000	3,360 2,800	Completed 4 turnover paint Assumes 10 units Scheduled 7 4 units done; 3 to start 11/30/11 Remaining units to be done in 2012
A/C Replacement	As needed	2,600	0	Assumes 4 units None Needed in 2011
	TOTAL	685,900	39,768	
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			

Summary of Capital Improvements Scheduled for 2011				Walnut Place
				Up-Dated 12/29/2011
Item	Month	Cost Est.	Actual	Status
Fence Replacement 6 townhomes	Sept.	20,000	19,500	Fences and wood stairs complete Pending submission to IHDA
TH Furnace (1)	As needed	2,400		Operating
TH Rooftop A/C	As needed	2,500	5,500	Replace 2 A/C units
Kitchen Replacement (1 Kitchen)	Sept.	8,500		Contractor delay until January 2012
Carpet (main building)	As needed	4,625	12,253	Turnover of 13 units (@ \$925)
Carpet (TH)	As needed	1,200		Turnover (1 unit) No turnovers
Appliances	As needed	1,500	480	Refrigerators (2); Stoves (2) Repl. 1 sto
Decorating	As needed	12,000	6,475	All 7 units are completed @ \$925/unit
	As needed		6,800	Completed 8 turnover units
TOTAL		52,725	51,008	
Breakdown of Cost:				
	Replacement Res.	20,000		
	Operating	32,725		
Reserve Balances:		121,569		Balance as of 3/1/11
Pending Request		-15,000		Reimbursement for hot water boiler
Deposits for remaining 2011		19,950		
Minimum Balance		102,000		IHDA requirement \$1,500/unit
Available for Use in 2011		24,519		
Deferred Maintenance based on Capital Improvement Plan:				
Roof Repairs (2010 and 2011)				
Tuckpointing (2010 and 2011)				
Kitchen Renovation (7 from 2010 and 10 from 2011)				

MEMORANDUM

To: Housing Commission

From: Mary Cele Smith, Housing Planner

Date: December 27, 2011

RE: Draft 2012 Capital Plans for Peers and Walnut Place

Attached are the draft 2012 Capital Plans for Peers and Walnut Place for consideration at the January 4th, 2012 Housing Commission Meeting. Chairman Wigodner and Commissioner Adler (the members of the Working Group on Buildings and Grounds and Capital Planning) support the Plans. On Thursday December 23rd, Chairman Wigodner and Commissioner Adler reviewed the plans in a conference call with Ms. Polly Kuehl, Vice President of Evergreen Real Estate Services, and City professional staff. The Peers Capital Plan requires approximately \$606,165 from the Peers Housing Association. The Walnut Place Capital Plan assumes no contribution from the owners. As a result, with the exception of the two new kitchens, the budget is limited to necessary replacements.

Below are **Ms. Kuehl's comments** about the draft plans from an email to the working group and City staff prior to the December conference call:

Frank B. Peers:

- 1) Windows – I tried to use the “worst case scenario” cost - but assume that the bids will come-in lower.
- 2) Kitchens – I continued to include the 11 kitchens – but you may want to consider delaying the kitchens if you think that the windows would utilize too much of the owner funds.
- 3) Kitchens (2011) – We may have to delay the 2011 kitchens until January in order to avoid the holiday season. But I have not included that work in the 2012 budget since it is a “holdover”.
- 4) Parking Lot – We were able to get another year out of the parking lot – but we will need to resurface it in early 2012.
- 5) Tuck pointing – This is an estimate.
- 6) Appliances, Carpet, A/C replacements are based on turnover and need. In the past we have not utilized all the funds budgeted in these categories.

Walnut Place:

- 1) Masonry/Caulking – Although this is an estimate, given the fact that the bay windows at Walnut are not being replaced, we will probably use the caulking funds to repair leaks, etc.
- 2) Kitchen Replacements – I increased the number of kitchen replacements to 2
- 3) Parking Lot Sealant – This could be eliminated should we have an emergency and need to substitute another capital item.
- 4) TH (town home) items, A/C, Appliances – These are all “as needed.”

Ravinia:

The current plan is to close in January and initiate the rehab in February. The capital work remains the same as the rehabilitation scope of work. I am waiting for Signet to send me the revised “model” for the budget.

Summary of Capital Expenditures for 2012					Walnut Place		
					Prepared: 11/2/2011		
Item	Month	Cost Est.	Actual	Status/Notes			
Masonry	June	15,000		Essential, includes caulking windows & tuckpointing around them as needed			
TH (Town Home) Furnaces	As needed	4,800					
TH Hot Water Htrs. (2-3 hrs)	As needed	2,300					
A/C (up to 4 units)	As needed	4,000					
Kitchen Replacement (2 kitchens)	Sept.	17,690					
Carpet/Tile	As needed	7,800		Turnover			
Appliances	As needed	2,400					
Parking Lot Sealant		10,000		Best to do, but not yet critical			
	TOTAL	63,990	0				
Breakdown of Cost:							
	Replacement Res.	50,000		TOTAL BEING USED \$64,000			
	Residual Receipts	14,000					
Reserve Balances:							
		168,615	Balance 12/31/2011				
	Pending Request	-15,000	Reimbursement for hot water boiler				
	Deposits for 2012	24,660					
	Minimum Balance	-102,000	IHDA requirement \$1,500/unit				
	Available for Use in 2012	76,275					

Summary of Capital Improvements for 2012					Frank B. Peers				
					Prepared - 11/2/2011				
Item		Month	Cost Est.	Actual	Status/Notes				
Kitchen Replacement (11 kitchens)		August	97,300		Note: The 2011 kitchens are not included even though they will be done in January				
Tuckpointing		June	15,000		Moved from 2011				
Windows		February	560,000		Estimate				
		March							
Parking Lot Resurface		May	12,000						
Appliances		As needed	1,440		Refrigerators/Stoves				
Carpet Replacement		As needed	7,800		Turnovers				
A/C Replacement		As needed	2,700		Assumes 4 units				
		TOTAL	696,240	0					
Breakdown of Cost:									
	Replacement Res.		70,000						
	Operating		20,075						
	Owner Funds		606,165						
Reserve Balances:	149,498	Balances as of 12/31/2011							
2012 Deposits	24,240								
Minimum Balance	-102,000	IHDA requirement \$1,500/unit							
Available for 2011	71,738								

Accounts Receivable Up-Date

December 29, 2011

Frank B. Peers

Tenant A/R was reduced from \$2,386 at the end of October to \$1,591 at the end of November. The breakdown is as follows:

Current	\$762
30 Days	\$645
60 Days	\$134
Prepaid	\$156
Credit 90 Days +	(\$106)

Subsidy A/R was reduced from \$45,004 at the end of October to \$43,883 at the end of November. The breakdown is as follows:

Current	\$22,115
30 Days	\$7,341
60 Days	\$4,335
90+ Days	\$10,092

Walnut Place

Tenant A/R was reduced from \$24,685 at the end of October to \$20,753 at the end of November. The breakdown is as follows:

Current	\$ 2,413
30 Days	\$ 464
60 Days	\$ 339
90+ Days	\$16,940
Net Prepaid	\$ 597

The 90+ Days A/R is comprised of EIV payments (3 residents) that are being reimbursed monthly.

Subsidy A/R was reduced from \$37,395 at the end of October to \$35,497 at the end of November. The breakdown is as follows:

Current	\$20,645
30 Days	\$ 5,100
60 Days	\$ 3,312
90+ Days	\$ 6,440

Ravinia Housing

Tenant A/R was reduced from \$35,983 at the end of October to \$32,994 at the end of November. The breakdown is as follows:

Current	\$ 2,275
30 Days	\$ 3,068
60 Days	\$ 1,084
90+ Days	\$26,567

The 90+ Days A/R is comprised of EIV payments (2 residents) that are being reimbursed monthly.

Subsidy A/R was reduced slightly from \$10,847 at the end of October to \$9,382 at the end of November. The breakdown is as follows:

Current	\$6,117
30 Days	\$2,929
60 Days	\$ 336

Highland Park Housing Commission										
Reserve Balances										
Date: 11/30/2011										
Account Name		Frank B. Peers		Walnut Place		Ravinia Housing		Sunset Woods	Housing Trust Fund	TOTAL
Checking (Property)		67,236		909		2,114		13,247		
Security Deposit		19,646		22,767		7,590		10,407		
Replacement Reserve		147,536		139,523		49,774		0		
Residual Receipts		14		27,095		480,323		0		
Operating Reserve		0		0		0		19,012		
Association Money				104,363		144,446		161,539		
Market Checking										
Association Small Business Checking		16,537						12,273		
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									
CD #1	1/7/2012	503,734								
CD #2	4/7/2012	504,173								
Association MaxSafe Money Market		1,110,621								
TOTAL		2,636,510		294,657		684,247		-42,354	1,083,464	4,656,524

Housing Trust Fund

Fiscal Year 2011

January 1 - December 31 - Unaudited

Unaudited
Through 11/30

Beginning Balance, Jan 1 (Unaudited)	\$1,523,586
Revenue:	
Demolition Tax	33,335
Demolition Permits	12,000
Interest Revenue	602
Contributions/Donations/Other	0
Proceeds of Ceding Volume Cap	0
	<hr/>
	45,937
	<hr/>
Expenditures:	
Program Costs	(187,663)
	<hr/>
	(187,663)
	<hr/>
Ending Balance	1,381,860
Pending Obligations	
CPAH Scattered Site Program	(206,512)
Employer Assisted Housing	(\$50,000)
HPI CLT Operating Grant	(\$25,000)
Emergency Housing Assistance	(\$7,500)
Housing Planner	(\$5,384)
Third party Expenses	(\$4,000)
Total Pending Obligations	(\$298,396)
Net Balance	\$1,083,464



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 discusses 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.
		<p>Additional Protections for affordable purchasers:</p> <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



October 31, 2011

Housing Commission
City of Highland Park
1707 St. Johns Ave.
Highland Park, Illinois 60035

RE: Working Group Recommendation for a Condominium Conversion Ordinance

Dear Housing Commission Members:

Thank you for the opportunity to weigh-in on the proposed Condominium Conversion Ordinance. I apologize I am unable to join you for Wednesday's meeting, because our Association, the North Shore – Barrington Association of REALTORS® (NSBAR), is the lead sponsor of a fair and affordable housing event in Evanston being held the same evening.

However, I have taken an opportunity to study the Working Group's recommendations. Please understand our Association does not represent the interests of builders or developers – by and large, our members are not engaged in those business practices. Our input comes from the perspective of contributing toward a healthy and vibrant real estate climate that affords property owners and tenants fair and robust property rights.

The Working Group has proposed two recommendations for your consideration. The first being a minimum ordinance that mimics state law but adds a requirement that a developer provide notice to the City in the event building permits are not required. The second proposal significantly expands the condominium conversion process beyond existing state law.

Our Association maintains no opposition to the former, but remains concerned with the latter.

Some public policies are best addressed on the state level, while some public policies are better addressed on the local, municipal level. A condominium conversion ordinance policy is one that is best addressed by the state. Current state statute is the result of discussion among developers, builders, tenant advocacy groups, REALTORS®, municipal officials, and the like. In this case, the expanded proposal has seemingly been written without expert opinion by other stakeholders, save our Association. If the Housing Commission believes the Illinois Condominium Property Act is deficient in some manner, it would seem more beneficial to open this discussion to a wider audience by having changes to the Act proposed in Springfield. It may be helpful to discuss this effort with a Highland Park legislator, the Illinois Municipal League, or a tenant-advocacy organization. I am also happy to connect you with our Illinois Association of REALTORS® Government Affairs staff in Springfield.

As written, the more comprehensive proposal appears to take the position that renters are a disenfranchised group in need of extraordinary protections. As established, though, the Illinois Condominium Protection Act already provides protection for renters in buildings subject to conversion to condominiums. It is also important to note that while rentership comes with fewer safeguards in terms of the right to occupy a dwelling unit, it also affords tenants greater flexibility and less responsibility. As a renter myself, whose lease has expired (and is subsequently on a month-to-month), while I run the risk of my landlord terminating my tenancy on short notice, he runs the financial risk of me doing the same. Both property owners and tenants assume some inherent risk in a landlord-tenant relationship, but such risk brings other benefits including the ability to move with few barriers. I would also ask you to consider that while the more stringent proposal may provide additional protections such as moving

assistance costs and extended notice for showings, these provisions would only apply to condominium conversion situations and not ordinary tenant-landlord agreements. Therefore, you may want to question the rational basis for extending these extraordinary protections to tenants in the event of a condominium conversion, when they are not afforded these protections otherwise. For example, a landlord could choose, for any number of reasons, including pure malice, not to renew a lease and provide no moving assistance, but under the second proposal, in the narrow circumstances of a condominium conversion, these provisions would kick-in.

Lastly, Highland Park already maintains very pro-active affordable housing policies. As it stands, the costs of providing affordable housing fall largely and disproportionately to owners and residents of multi-unit properties while the majority of the community, including most residents that live in single-family homes, even multi-million dollar homes, do not have to share the financial burden of providing affordable housing. Ironically, it is developers of multi-unit properties that organically already provide the most affordable housing in Highland Park, with or without an inclusionary zoning ordinance. The further increase the financial burden on multi-unit property owners and residents is both unfair and unwise. It must be remembered that owners of multi-unit properties have a plethora of communities to choose from when deciding where to invest. To continue to burden owners of multi-unit properties, above and beyond the rest of the community, and above and beyond the rest of Chicagoland, will simply encourage good, responsible multi-unit property owners to invest elsewhere. Furthermore, it will likely increase housing costs of multi-unit residents and even price some out of Highland Park.

Again, the North Shore – Barrington Association of REALTORS® encourages the Housing Commission not to recommend the expanded proposal. To do so will:

- Set policy without the benefit of input from a diverse group of impacted parties;
- Provide additional tenant safeguards for no other reason than condominium conversion when such safeguards are absent in most other circumstances; and
- Continue down the path of disproportionately burdening multi-unit property owners and residents to fund Highland Park affordable housing initiatives while the majority of the community is not required to contribute, which will further raise housing costs of Highland Park’s most affordable housing (multi-unit properties) and discourage multi-unit investment in Highland Park.

We remain committed to working with the Housing Commission in developing sound public policy. Please be sure to contact me if you have further questions or concerns – I can be reached at hhandler@iar.org or 847-480-7177.

Sincerely,



Howard Handler
Government Affairs Director

cc: Mary Smith, Staff Liaison

North Shore - Barrington Association of REALTORS®

450 Skokie Blvd, Bldg 1200
Northbrook, IL 60062-7920
847-480-7177 ♦ Fax 847-480-7362

1250 Grove Avenue, Suite 200
Barrington, IL 60010
847-381-7827 ♦ Fax 847-842-2040

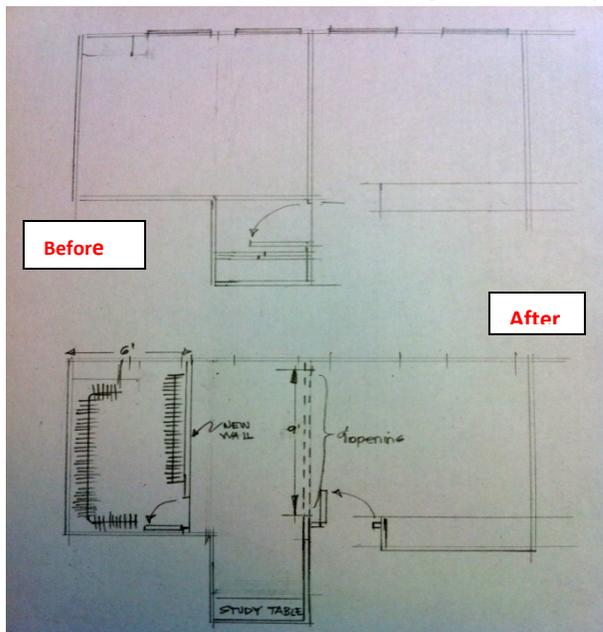


memo

To: Lee Smith, City of Highland Park Planning Department
From: Mary Ann Samaniego
Date: 12/28/2011
Re: 849 Laurel Ave, Highland Park, IL 60035

Note: Hi Lee: As I mentioned to Rob, I am considering combining both of my bedrooms into one. This will require removal of the 9 feet of drywall separating the two rooms. 6 feet of wall will be built in from the west wall and a door put in to create a space for a walk-in-closet. The door entering the room adjacent to the closet will be removed and a wall put in it's place. An electrical outlet will be installed on the room side of the wall between the walk-in-closet and room. Only one fire alarm will be needed for the large room once it is done. So tentative plan is for it to be placed on the north wall, and the other fire alarm placements in that room shall be removed. The flooring will be simed with carpet or a thin hardwood.

Please refer to attached image below for the present and proposed layouts.



FRANK B. PEERS HOUSING**Balance Sheet**

Month Ending 11/30/11

ASSETS

Current Assets

1110-0000 - Petty Cash	300.00
1121-0000 - Cash - Operating	67,236.24
1130-0000 - Tenant/member accounts receivable	1,591.00
1131-0000 - Accounts receivable - subsidy	43,883.00
1240-0000 - Prepaid property and liability insurance	10,154.06
Total Current Assets	123,164.30

Other Assets

1290-0000 - Misc Prepaid Expenses	284.08
1192-0000 - Tenant Sec Dep	19,646.86
1310-0000 - Real estate tax escrow	103,002.70
1311-0000 - Insurance escrow	21,925.37
1330-0000 - Debt Service Escrow	138,749.66
1140-0000 - Accounts Receivable - Other	3,284.36
1320 - Replacement Reserve	147,536.12
1340 - Residual Receipt	13.69
Total Other Assets	434,442.84

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	21,211.61
Total Fixed Assets	1,297,290.32

Financing Costs

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

Partnership Assets

1701-0000 - Cash - Partnership	16,679.05
1702-0000 - Partnership MM	2,118,386.29
1702-1000 - Partnership F/A	221,340.23
1703-0000 - Partnership Receivable	267,013.69
Total Partnership Assets	2,623,419.26

Total Assets**4,629,353.63**

FRANK B. PEERS HOUSING**Balance Sheet**

Month Ending 11/30/11

Liabilities & Equity

Current Liabilities

2110-0000 - Accounts payable	8,943.95
2113-0000 - Flex Benefit Payable	(0.01)
2120-0000 - Accrued wages and p/r taxes payable	2,658.23
2150-0000 - Accrued property taxes	79,035.00
2180-0000 - Misc current liabilities	9,130.05
Total Current Liabilities	<u>99,767.22</u>

Non-Current Liabilities

2190-0000 - Sec. Dep. In Transit	(8,149.00)
2191-0000 - Security deposits-residential	18,101.00
2191-0001 - Pet Deposit	600.00
2210-0000 - Prepaid Rent	156.00
2211-0000 - Prepaid HUD	34,599.00
2320-1000 - Mortgage payable - 2nd note	2,290,000.00
2320-0000 - Mortgage Payable (long term)	2,008,867.15
Total Non-Current Liabilities	<u>4,344,174.15</u>

Owner's Equity

3100-0000 - Limited Partners Equity	2,622,952.86
3209-0000 - Prior Year Retained Earnings	(2,639,246.38)
3210-0000 - Retained earnings	173,436.67
Current YTD Earnings	28,269.11
Total Owner's Equity	<u>185,412.26</u>

Total Liability & Owner Equity**4,629,353.63**

FRANK B. PEERS HOUSING

Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
GROSS OPERATING INCOME							
RESIDENTIAL RENTAL INCOME							
5120-0000 - Apartment rent	18,198.00	16,200.00	1,998.00	208,879.00	178,200.00	30,679.00	194,400.00
5121-0000 - Tenant assistant payments	65,750.00	64,800.00	950.00	714,549.00	712,800.00	1,749.00	777,600.00
5140-0000 - Commercial base rent	60.00	60.00	0.00	1,130.85	660.00	470.85	720.00
TOTAL RESIDENTIAL RENTAL INCOME	84,008.00	81,060.00	2,948.00	924,558.85	891,660.00	32,898.85	972,720.00
VACANCIES & ADJUSTMENTS							
5220-0000 - Vacancy loss - apartments	(1,147.00)	(500.00)	(647.00)	(21,288.00)	(5,500.00)	(15,788.00)	(6,000.00)
5221-0000 - Non-Revenue Units	(1,243.00)	(1,200.00)	(43.00)	(13,501.00)	(13,200.00)	(301.00)	(14,400.00)
TOTAL VACANCIES & ADJUSTMENTS	(2,390.00)	(1,700.00)	(690.00)	(34,789.00)	(18,700.00)	(16,089.00)	(20,400.00)
OTHER INCOME							
5910-0000 - Laundry income	0.00	208.00	(208.00)	2,186.75	2,288.00	(101.25)	2,500.00
5990-0000 - Misc other income	0.00	50.00	(50.00)	4,899.40	550.00	4,349.40	600.00
5413-0000 - Interest income - escrow	0.00	166.00	(166.00)	16.84	1,826.00	(1,809.16)	2,000.00
TOTAL OTHER INCOME	0.00	424.00	(424.00)	7,102.99	4,664.00	2,438.99	5,100.00
GROSS OPERATING INCOME	81,618.00	79,784.00	1,834.00	896,872.84	877,624.00	19,248.84	957,420.00
ADVERTISING & RENTING EXPENSE							
6213-0000 - Employee Recruitment	0.00	0.00	0.00	85.35	200.00	114.65	200.00
6250-0000 - Renting expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6253-0000 - Credit Report Fees	33.00	30.00	(3.00)	184.00	330.00	146.00	360.00
TOTAL ADVERTISING & RENTING EXPENSE	33.00	30.00	(3.00)	269.35	530.00	260.65	560.00
ADMINISTRATIVE EXPENSE							
6311-0000 - Office supplies	173.24	270.00	96.76	2,527.66	2,970.00	442.34	3,240.00
6316-0000 - Office Equipment	0.00	300.00	300.00	2,766.58	3,300.00	533.42	3,600.00
6320-0000 - Management fee	4,207.23	3,833.00	(374.23)	45,642.45	42,163.00	(3,479.45)	46,000.00
6340-0000 - Legal Expense - Project	0.00	200.00	200.00	0.00	2,200.00	2,200.00	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	535.33	750.00	214.67	7,369.53	8,250.00	880.47	9,000.00
6365-0000 - Training & Education Expense	0.00	100.00	100.00	396.00	1,100.00	704.00	1,200.00
6370-0000 - Bad debts	695.00	50.00	(645.00)	10,708.00	550.00	(10,158.00)	600.00
6371-0000 - Fees Dues & Contributions	0.00	25.00	25.00	0.00	275.00	275.00	300.00
6380-0000 - Consulting/study costs	0.00	0.00	0.00	400.00	1,500.00	1,100.00	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	221.43	100.00	(121.43)	1,585.69	1,100.00	(485.69)	1,200.00
6390-0002 - Computer Supplies/Data Processing	154.23	130.00	(24.23)	2,321.82	1,430.00	(891.82)	1,560.00
6395-0000 - Tenant Retention	496.32	625.00	128.68	4,164.78	6,875.00	2,710.22	7,500.00
6431-0000 - Travel & Expense Reimbursement	142.33	300.00	157.67	2,016.14	3,300.00	1,283.86	3,600.00
6860-0000 - Security Deposit Interest	(0.80)	(12.00)	(11.20)	(29.36)	(132.00)	(102.64)	(144.00)
TOTAL ADMINISTRATIVE EXPENSE	6,624.31	6,671.00	46.69	93,834.95	88,981.00	(4,853.95)	95,656.00
PAYROLL & RELATED COSTS							
6310-0000 - Office salaries	7,331.96	5,666.00	(1,665.96)	55,327.00	62,326.00	6,999.00	68,000.00
6510-0000 - Janitor and cleaning payroll	1,648.61	1,241.00	(407.61)	13,632.77	13,651.00	18.23	14,900.00
6540-0000 - Repairs payroll	5,707.01	3,833.00	(1,874.01)	47,062.77	42,163.00	(4,899.77)	46,000.00
6900-0000 - Social Service Coordinator	0.00	0.00	0.00	0.00	0.00	0.00	0.00

FRANK B. PEERS HOUSING

Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6715-0000 - Payroll Taxes	1,096.72	1,681.00	584.28	11,926.03	18,491.00	6,564.97	20,175.00
6722-0000 - Workers compensation	271.52	266.00	(5.52)	2,818.85	2,782.00	(36.85)	3,053.00
6723-0000 - Employee health insurance	371.99	345.00	(26.99)	4,428.51	3,795.00	(633.51)	4,140.00
6724-0000 - Union Benefits	1,070.96	1,197.00	126.04	12,968.52	13,167.00	198.48	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	17,498.77	14,229.00	(3,269.77)	149,846.95	158,575.00	8,728.05	172,836.00
OPERATING EXPENSES							
6515-0000 - Janitors and cleaning supplies	343.49	250.00	(93.49)	3,412.77	2,750.00	(662.77)	3,000.00
6518-0000 - Uniforms	0.00	0.00	0.00	0.00	700.00	700.00	700.00
6519-0000 - Exterminating Contract	0.00	460.00	460.00	1,050.00	5,060.00	4,010.00	5,520.00
6520-0000 - Miscellaneous Repair Contractors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6525-0000 - Rubbish removal	309.49	400.00	90.51	3,538.14	4,400.00	861.86	4,800.00
6490-0000 - Misc operating expenses	0.00	50.00	50.00	0.00	550.00	550.00	600.00
TOTAL OPERATING EXPENSES	652.98	1,160.00	507.02	8,000.91	13,460.00	5,459.09	14,620.00
UTILITIES							
6450-0000 - Electricity	1,229.54	1,500.00	270.46	20,652.47	22,000.00	1,347.53	23,500.00
6451-0000 - Water	1,130.71	790.00	(340.71)	8,449.82	8,700.00	250.18	9,500.00
6452-0000 - Gas	(5,545.24)	5,500.00	11,045.24	18,611.54	39,500.00	20,888.46	45,000.00
6453-0000 - Sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL UTILITIES	(3,184.99)	7,790.00	10,974.99	47,713.83	70,200.00	22,486.17	78,000.00
MAINTENANCE EXPENSES							
6536-0000 - Ground supplies	311.00	0.00	(311.00)	311.00	8,000.00	7,689.00	8,000.00
6537-0000 - Grounds Contractor (Landscaper)	600.00	650.00	50.00	8,596.00	5,200.00	(3,396.00)	5,200.00
6541-0000 - Repair materials (general supplies)	226.71	750.00	523.29	4,221.71	8,250.00	4,028.29	9,000.00
6541-0001 - Appliance Parts	0.00	50.00	50.00	0.00	550.00	550.00	600.00
6541-0002 - Plumbing Supplies	462.49	0.00	(462.49)	462.49	0.00	(462.49)	0.00
6541-0003 - Electrical Supplies	106.26	0.00	(106.26)	228.68	0.00	(228.68)	0.00
6541-0007 - Safety Equipment	0.00	0.00	0.00	126.30	1,000.00	873.70	1,000.00
6545-0000 - Elevator Contractor (Annual Maintenance Contract)	570.00	500.00	(70.00)	4,180.00	5,500.00	1,320.00	6,000.00
6546-0000 - Heating/Cooling Contractor	0.00	500.00	500.00	9,117.20	9,500.00	382.80	10,000.00
6548-0000 - Snow removal	0.00	0.00	0.00	14,659.23	6,000.00	(8,659.23)	7,000.00
6551-0000 - Elevator Contractor (Special Repairs)	0.00	125.00	125.00	0.00	1,375.00	1,375.00	1,500.00
6560-0000 - Decorating (Tenant Pntg-Cycle/Turnover by Contractor)	0.00	1,000.00	1,000.00	7,700.00	11,000.00	3,300.00	12,000.00
6580-0000 - Equipment repairs	0.00	0.00	0.00	0.00	500.00	500.00	500.00
6581-0000 - Window Washing	0.00	0.00	0.00	0.00	1,200.00	1,200.00	1,200.00
6582-0000 - Fire Protection	0.00	150.00	150.00	4,347.31	1,650.00	(2,697.31)	2,000.00
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	355.00	1,100.00	745.00	1,200.00
6591-0000 - Electrical Repairs	0.00	300.00	300.00	771.69	3,300.00	2,528.31	3,600.00
6594-0000 - Carpentry Repairs	0.00	100.00	100.00	427.94	1,100.00	672.06	1,200.00
6595-0000 - Plumbing Repairs	0.00	790.00	790.00	4,705.06	8,690.00	3,984.94	9,500.00
6596-0000 - Floor Repairs/Cleaning	0.00	0.00	0.00	1,525.00	2,500.00	975.00	2,500.00
6598-0000 - Roof Repairs	0.00	0.00	0.00	853.41	5,000.00	4,146.59	5,000.00
6599-0000 - Window repairs	0.00	300.00	300.00	0.00	3,300.00	3,300.00	3,600.00
TOTAL MAINTENANCE EXPENSES	2,276.46	5,315.00	3,038.54	62,588.02	92,715.00	30,126.98	98,600.00
TAXES AND INSURANCE							

FRANK B. PEERS HOUSING

Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6710-0000 - Real estate taxes	7,185.00	7,185.00	0.00	84,697.30	79,035.00	(5,662.30)	86,220.00
6720-0000 - Property and liability insurance	1,450.58	1,415.00	(35.58)	15,550.75	15,565.00	14.25	16,980.00
6721-0000 - Fidelity bond insurance	0.00	0.00	0.00	91.00	100.00	9.00	100.00
TOTAL TAXES AND INSURANCE	8,635.58	8,600.00	(35.58)	100,339.05	94,700.00	(5,639.05)	103,300.00
TOTAL OPERATING EXPENSES	32,536.11	43,795.00	11,258.89	462,593.06	519,161.00	56,567.94	563,572.00
NET OPERATING INCOME (LOSS)	49,081.89	35,989.00	13,092.89	434,279.78	358,463.00	75,816.78	393,848.00
FINANCIAL EXPENSES							
6820-0000 - Mortgage interest	20,955.17	21,208.00	252.83	233,039.40	233,288.00	248.60	254,496.00
7104-0000 - Replacement Reserve	1,961.64	1,800.00	(161.64)	21,578.04	19,800.00	(1,778.04)	21,600.00
7108-0000 - Mortgage Payable (long term)	9,532.37	9,280.00	(252.37)	102,323.54	102,080.00	(243.54)	111,360.00
TOTAL FINANCIAL EXPENSES	32,449.18	32,288.00	(161.18)	356,940.98	355,168.00	(1,772.98)	387,456.00
NET OPER INC/(LOSS) BEFORE CAP. EXP.	16,632.71	3,701.00	12,931.71	77,338.80	3,295.00	74,043.80	6,392.00
NET INCOME (LOSS)	16,632.71	3,701.00	12,931.71	77,338.80	3,295.00	74,043.80	6,392.00
Partnership Income							
8005-0000 - Mortgagor Entity Income	142.39	0.00	142.39	4,138.74	0.00	4,138.74	0.00
8010-0000 - Other Entity Expense	0.00	0.00	0.00	(3,673.34)	0.00	(3,673.34)	0.00
Total Partnership Activity	142.39	0.00	142.39	465.40	0.00	465.40	0.00
CAPITAL EXPENDITURES & ESCROWS							
7105-0000 - Replacement Reserve Reimbursement	0.00	0.00	0.00	0.00	(18,000.00)	(18,000.00)	(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	252,537.00	251,934.34	252,537.00
6993-0000 - Appliance Replacement	554.00	125.00	(429.00)	1,843.64	1,375.00	(468.64)	1,500.00
6994-0000 - Carpet & tile	7,625.00	616.00	(7,009.00)	18,765.31	6,776.00	(11,989.31)	7,400.00
TOTAL CAPITAL EXPENDITURES & ESCROWS	8,179.00	741.00	(7,438.00)	21,211.61	5,688.00	(15,523.61)	6,437.00
GAIN/(LOSS) AFTER CAPITAL EXP. & ESCROWS	8,596.10	2,960.00	5,636.10	56,592.59	(2,393.00)	58,985.59	(45.00)

WALNUT PLACE**Balance Sheet**

Month Ending 11/30/11

ASSETS

Current Assets

1110-0000 - Petty Cash	900.00
1121-0000 - Cash - Operating	909.46
1130-0000 - Tenant/member accounts receivable	20,753.43
1131-0000 - Accounts receivable - subsidy	35,497.00
1240-0000 - Prepaid property and liability insurance	9,147.81
Total Current Assets	<u>67,207.70</u>

Other Assets

1290-0000 - Misc Prepaid Expenses	302.05
1192-0000 - Tenant Sec Dep	22,766.53
1310-0000 - Real estate tax escrow	133,555.32
1311-0000 - Insurance escrow	25,526.11
1330-0000 - Debt Service Escrow	136,095.17
1320 - Replacement Reserve	139,523.55
1340 - Residual Receipt	27,094.46
Total Other Assets	<u>484,863.19</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	28,544.32
Total Fixed Assets	<u>914,585.21</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	104,363.00
Total Partnership Assets	<u>104,363.00</u>

Total Assets**1,708,230.20**

WALNUT PLACE
Balance Sheet
 Month Ending 11/30/11

Liabilities & Equity

Current Liabilities

2110-0000 - Accounts payable	15,956.85
2120-0000 - Accrued wages and p/r taxes payable	2,657.81
2150-0000 - Accrued property taxes	95,513.01
2155-0000 - Accrued professional services	14,714.00
2180-0000 - Misc current liabilities	18,087.31
Total Current Liabilities	<u>146,928.98</u>

Non-Current Liabilities

2190-0000 - Sec. Dep. In Transit	(13,161.00)
2191-0000 - Security deposits-residential	18,526.00
2191-0001 - Pet Deposit	950.00
2210-0000 - Prepaid Rent	598.00
2211-0000 - Prepaid HUD	13,374.00
2320-1000 - Mortgage payable - 2nd note	2,546,000.00
2320-0000 - Mortgage Payable (long term)	2,072,232.59
Total Non-Current Liabilities	<u>4,638,519.59</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	168,090.48
Current YTD Earnings	16,889.27
Total Owner's Equity	<u>(3,077,218.37)</u>

Total Liability & Owner Equity

1,708,230.20

WALNUT PLACE

Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
GROSS OPERATING INCOME							
RESIDENTIAL RENTAL INCOME							
5120-0000 - Apartment rent	21,680.00	21,585.00	95.00	251,618.00	237,435.00	14,183.00	259,020.00
5121-0000 - Tenant assistant payments	64,956.00	64,755.00	201.00	699,010.00	712,305.00	(13,295.00)	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	86,636.00	86,340.00	296.00	950,902.03	949,740.00	1,162.03	1,036,080.00
VACANCIES & ADJUSTMENTS							
5220-0000 - Vacancy loss - apartments	(2,520.00)	(1,684.00)	(836.00)	(43,947.00)	(18,524.00)	(25,423.00)	(20,208.00)
5221-0000 - Non-Revenue Units	(1,260.00)	(1,260.00)	0.00	(13,848.00)	(13,860.00)	12.00	(15,120.00)
5123-0000 - Rent Concession	0.00	0.00	0.00	(50.00)	0.00	(50.00)	0.00
TOTAL VACANCIES & ADJUSTMENTS	(3,780.00)	(2,944.00)	(836.00)	(57,845.00)	(32,384.00)	(25,461.00)	(35,328.00)
OTHER INCOME							
5910-0000 - Laundry income	0.00	250.00	(250.00)	2,866.75	2,750.00	116.75	3,000.00
5920-0000 - Nsf check fee	25.00	0.00	25.00	50.00	0.00	50.00	0.00
5922-0000 - Late fees	19.00	0.00	19.00	120.00	0.00	120.00	0.00
5990-0000 - Misc other income	0.00	30.00	(30.00)	3,055.00	330.00	2,725.00	360.00
5413-0000 - Interest income - escrow	0.00	210.00	(210.00)	19.02	2,310.00	(2,290.98)	2,520.00
TOTAL OTHER INCOME	44.00	490.00	(446.00)	6,110.77	5,390.00	720.77	5,880.00
GROSS OPERATING INCOME	82,900.00	83,886.00	(986.00)	899,167.80	922,746.00	(23,578.20)	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	33.00	30.00	(3.00)	295.00	330.00	35.00	360.00
TOTAL ADVERTISING & RENTING EXPENSE	33.00	30.00	(3.00)	380.35	530.00	149.65	560.00
ADMINISTRATIVE EXPENSE							
6311-0000 - Office supplies	174.77	270.00	95.23	3,216.33	2,970.00	(246.33)	3,240.00
6316-0000 - Office Equipment	0.00	300.00	300.00	2,766.58	3,300.00	533.42	3,600.00
6320-0000 - Management fee	4,350.38	3,833.00	(517.38)	45,188.28	42,163.00	(3,025.28)	46,000.00
6340-0000 - Legal Expense - Project	0.00	200.00	200.00	0.00	2,200.00	2,200.00	2,400.00
6350-0000 - Audit Expense	0.00	0.00	0.00	11,500.00	11,500.00	0.00	11,500.00
6360-0000 - Telephone	1,048.49	750.00	(298.49)	9,580.64	8,250.00	(1,330.64)	9,000.00
6365-0000 - Training & Education Expense	0.00	100.00	100.00	396.00	1,100.00	704.00	1,200.00
6370-0000 - Bad debts	1,838.00	50.00	(1,788.00)	18,214.84	550.00	(17,664.84)	600.00
6371-0000 - Fees Dues & Contributions	0.00	40.00	40.00	0.00	440.00	440.00	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	221.43	100.00	(121.43)	1,776.23	1,100.00	(676.23)	1,200.00
6390-0002 - Computer Supplies/Data Processing	154.41	130.00	(24.41)	2,322.00	1,430.00	(892.00)	1,560.00
6395-0000 - Tenant Retention	850.51	500.00	(350.51)	4,473.82	5,500.00	1,026.18	6,500.00
6431-0000 - Travel & Expense Reimbursement	142.33	300.00	157.67	2,016.14	3,300.00	1,283.86	3,600.00
6860-0000 - Security Deposit Interest	(0.93)	(12.00)	(11.07)	(33.30)	(132.00)	(98.70)	(144.00)
TOTAL ADMINISTRATIVE EXPENSE	8,779.39	6,561.00	(2,218.39)	104,033.22	85,171.00	(18,862.22)	92,236.00
PAYROLL & RELATED COSTS							
6310-0000 - Office salaries	7,327.60	5,666.00	(1,661.60)	55,292.23	62,326.00	7,033.77	68,000.00
6510-0000 - Janitor and cleaning payroll	1,648.60	1,241.00	(407.60)	13,452.41	13,651.00	198.59	14,900.00

WALNUT PLACE

Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6540-0000 - Repairs payroll	5,707.01	3,833.00	(1,874.01)	47,915.68	42,163.00	(5,752.68)	46,000.00
6900-0000 - Social Service Coordinator	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6715-0000 - Payroll Taxes	1,096.36	1,681.00	584.64	11,922.86	18,491.00	6,568.14	20,175.00
6722-0000 - Workers compensation	288.70	266.00	(22.70)	2,904.50	2,782.00	(122.50)	3,053.00
6723-0000 - Employee health insurance	376.34	345.00	(31.34)	4,457.51	3,795.00	(662.51)	4,140.00
6724-0000 - Union Benefits	1,070.96	1,197.00	126.04	12,968.52	13,167.00	198.48	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	17,515.57	14,229.00	(3,286.57)	150,596.21	158,575.00	7,978.79	172,836.00
OPERATING EXPENSES							
6515-0000 - Janitors and cleaning supplies	343.48	250.00	(93.48)	3,361.72	2,750.00	(611.72)	3,000.00
6518-0000 - Uniforms	0.00	0.00	0.00	0.00	700.00	700.00	700.00
6519-0000 - Exterminating Contract	0.00	460.00	460.00	870.00	5,060.00	4,190.00	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	354.13	400.00	45.87	3,297.94	4,400.00	1,102.06	4,800.00
6490-0000 - Misc operating expenses	0.00	50.00	50.00	200.00	550.00	350.00	600.00
TOTAL OPERATING EXPENSES	697.61	1,160.00	462.39	7,729.66	13,460.00	5,730.34	14,620.00
UTILITIES							
6450-0000 - Electricity	988.79	1,500.00	511.21	12,895.90	15,300.00	2,404.10	16,800.00
6451-0000 - Water	975.41	400.00	(575.41)	5,877.60	7,100.00	1,222.40	7,500.00
6452-0000 - Gas	1,816.90	3,000.00	1,183.10	13,527.17	33,250.00	19,722.83	37,750.00
6453-0000 - Sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL UTILITIES	3,781.10	4,900.00	1,118.90	32,300.67	55,650.00	23,349.33	62,050.00
MAINTENANCE EXPENSES							
6536-0000 - Ground supplies	0.00	0.00	0.00	0.00	8,000.00	8,000.00	8,000.00
6537-0000 - Grounds Contractor (Landscaper)	820.00	608.00	(212.00)	5,155.00	4,864.00	(291.00)	4,864.00
6541-0000 - Repair materials (general supplies)	323.00	600.00	277.00	2,191.53	6,600.00	4,408.47	7,200.00
6541-0001 - Appliance Parts	0.00	50.00	50.00	0.00	550.00	550.00	600.00
6541-0002 - Plumbing Supplies	244.22	0.00	(244.22)	878.19	0.00	(878.19)	0.00
6541-0003 - Electrical Supplies	36.42	0.00	(36.42)	1,214.57	0.00	(1,214.57)	0.00
6541-0004 - Heating/Cooling Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0007 - Safety Equipment	0.00	0.00	0.00	0.00	1,000.00	1,000.00	1,000.00
6541-0009 - Window Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6541-0010 - Carpentry/Hardware	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6545-0000 - Elevator Contractor (Annual Maintenance Contract)	570.00	500.00	(70.00)	5,574.00	5,500.00	(74.00)	6,000.00
6546-0000 - Heating/Cooling Contractor	0.00	400.00	400.00	3,866.05	8,600.00	4,733.95	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	550.00	(710.00)	600.00
6560-0000 - Decorating (Tenant Pntg-Cycle/Turnover by Contractor)	0.00	1,000.00	1,000.00	6,720.00	11,000.00	4,280.00	12,000.00
6580-0000 - Equipment repairs	0.00	0.00	0.00	526.47	500.00	(26.47)	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	1,495.72	3,850.00	2,354.28	4,200.00
6582-0001 - Fire Safety Equipment	0.00	100.00	100.00	55.00	1,100.00	1,045.00	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	1,100.00	1,100.00	1,200.00
6591-0000 - Electrical Repairs	0.00	450.00	450.00	1,944.21	4,950.00	3,005.79	5,400.00
6594-0000 - Carpentry Repairs	0.00	350.00	350.00	955.76	3,850.00	2,894.24	4,200.00
6595-0000 - Plumbing Repairs	0.00	400.00	400.00	7,261.18	4,400.00	(2,861.18)	4,800.00

WALNUT PLACE

Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
6596-0000 - Floor Repairs/Cleaning	0.00	0.00	0.00	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	890.00	300.00	(590.00)	1,497.00	3,300.00	1,803.00	3,600.00
TOTAL MAINTENANCE EXPENSES	2,883.64	5,258.00	2,374.36	53,521.78	94,114.00	40,592.22	99,764.00
TAXES AND INSURANCE							
6710-0000 - Real estate taxes	8,683.00	8,683.00	0.00	99,799.15	95,513.00	(4,286.15)	104,196.00
6720-0000 - Property and liability insurance	1,306.83	1,234.00	(72.83)	17,241.50	13,574.00	(3,667.50)	14,808.00
6721-0000 - Fidelity bond insurance	0.00	0.00	0.00	97.00	100.00	3.00	100.00
TOTAL TAXES AND INSURANCE	9,989.83	9,917.00	(72.83)	117,137.65	109,187.00	(7,950.65)	119,104.00
TOTAL OPERATING EXPENSES	43,680.14	42,055.00	(1,625.14)	465,699.54	516,687.00	50,987.46	561,170.00
NET OPERATING INCOME (LOSS)	39,219.86	41,831.00	(2,611.14)	433,468.26	406,059.00	27,409.26	445,462.00
FINANCIAL EXPENSES							
6820-0000 - Mortgage interest	22,343.46	22,655.00	311.54	248,674.19	249,205.00	530.81	271,860.00
7104-0000 - Replacement Reserve	1,994.91	1,833.00	(161.91)	21,944.01	20,163.00	(1,781.01)	21,996.00
7108-0000 - Mortgage Payable (long term)	11,143.49	10,854.00	(289.49)	119,682.26	119,394.00	(288.26)	130,248.00
TOTAL FINANCIAL EXPENSES	35,481.86	35,342.00	(139.86)	390,300.46	388,762.00	(1,538.46)	424,104.00
NET OPER INC/(LOSS) BEFORE CAP. EXP.	3,738.00	6,489.00	(2,751.00)	43,167.80	17,297.00	25,870.80	21,358.00
NET INCOME (LOSS)	3,738.00	6,489.00	(2,751.00)	43,167.80	17,297.00	25,870.80	21,358.00
Partnership Income							
8005-0000 - Mortgagor Entity Income	12.87	0.00	12.87	389.01	0.00	389.01	0.00
8010-0000 - Other Entity Expense	0.00	0.00	0.00	(203.33)	0.00	(203.33)	0.00
Total Partnership Activity	12.87	0.00	12.87	185.68	0.00	185.68	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	0.00	0.00	14,708.09	37,400.00	22,691.91	37,400.00
6993-0000 - Appliance Replacement	0.00	125.00	125.00	1,582.48	1,375.00	(207.48)	1,500.00
6994-0000 - Carpet & tile	3,200.00	485.00	(2,715.00)	12,253.75	5,335.00	(6,918.75)	5,820.00
TOTAL CAPITAL EXPENDITURES & ESCROWS	3,200.00	610.00	(2,590.00)	28,544.32	20,110.00	(8,434.32)	20,720.00
GAIN/(LOSS) AFTER CAPITAL EXP. & ESCROWS	550.87	5,879.00	(5,328.13)	14,809.16	(2,813.00)	17,622.16	638.00

RAVINIA HOUSING**Balance Sheet**

Month Ending 11/30/11

ASSETS

Current Assets

1110-0000 - Petty Cash	150.00
1121-0000 - Cash - Operating	2,114.02
1130-0000 - Tenant/member accounts receivable	32,993.60
1131-0000 - Accounts receivable - subsidy	9,382.00
1240-0000 - Prepaid property and liability insurance	3,132.50
1250-0000 - Prepaid Mortgage Insurance	1,002.13
Total Current Assets	<u>48,774.25</u>

Other Assets

1290-0000 - Misc Prepaid Expenses	159.86
1192-0000 - Tenant Sec Dep	7,590.23
1310-0000 - Real estate tax escrow	21,145.08
1311-0000 - Insurance escrow	49,754.19
1312-0000 - Mortgage Insurance Escrow	5,311.14
1140-0000 - Accounts Receivable - Other	635.36
1320 - Replacement Reserve	49,773.52
1340 - Residual Receipt	480,322.56
Total Other Assets	<u>614,691.94</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	35,513.33
Total Fixed Assets	<u>574,989.36</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	144,446.05
Total Partnership Assets	<u>144,446.05</u>

Total Assets**1,396,678.26**

RAVINIA HOUSING**Balance Sheet**

Month Ending 11/30/11

Liabilities & Equity

Current Liabilities

2110-0000 - Accounts payable	5,561.52
2120-0000 - Accrued wages and p/r taxes payable	542.05
2130-0000 - Accrued interest - mortgage	4,026.68
2150-0000 - Accrued property taxes	30,250.00
2180-0000 - Misc current liabilities	1,047.54
Total Current Liabilities	<u>41,427.79</u>

Non-Current Liabilities

2190-0000 - Sec. Dep. In Transit	(4,377.74)
2191-0000 - Security deposits-residential	6,837.06
2210-0000 - Prepaid Rent	3,279.00
2211-0000 - Prepaid HUD	16,875.00
2320-0000 - Mortgage Payable (long term)	720,122.45
Total Non-Current Liabilities	<u>742,735.77</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	55,013.79
Current YTD Earnings	8,889.05
Total Owner's Equity	<u>612,514.70</u>

Total Liability & Owner Equity**1,396,678.26**

RAVINIA HOUSING

Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
GROSS OPERATING INCOME							
RESIDENTIAL RENTAL INCOME							
5120-0000 - Apartment rent	6,661.00	5,404.00	1,257.00	64,521.00	61,436.00	3,085.00	66,840.00
5121-0000 - Tenant assistant payments	22,018.00	16,472.00	5,546.00	250,948.00	220,018.00	30,930.00	236,490.00
TOTAL RESIDENTIAL RENTAL INCOME	28,679.00	21,876.00	6,803.00	315,469.00	281,454.00	34,015.00	303,330.00
VACANCIES & ADJUSTMENTS							
5220-0000 - Vacancy loss - apartments	(2,212.00)	(1,213.00)	(999.00)	(20,161.00)	(13,343.00)	(6,818.00)	(14,554.00)
5123-0000 - Rent Concession	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL VACANCIES & ADJUSTMENTS	(2,212.00)	(1,213.00)	(999.00)	(20,161.00)	(13,343.00)	(6,818.00)	(14,554.00)
OTHER INCOME							
5922-0000 - Late fees	16.68	0.00	16.68	16.68	0.00	16.68	0.00
5945-0000 - Damages	0.00	0.00	0.00	60.00	0.00	60.00	0.00
5990-0000 - Misc other income	0.00	8.00	(8.00)	1,527.87	88.00	1,439.87	100.00
TOTAL OTHER INCOME	16.68	8.00	8.68	1,604.55	88.00	1,516.55	100.00
GROSS OPERATING INCOME	26,483.68	20,671.00	5,812.68	296,912.55	268,199.00	28,713.55	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	9.00	8.00	(1.00)	9.00	88.00	79.00	100.00
6253-0000 - Credit Report Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ADVERTISING & RENTING EXPENSE	9.00	8.00	(1.00)	31.43	88.00	56.57	100.00
ADMINISTRATIVE EXPENSE							
6311-0000 - Office supplies	276.61	607.00	330.39	5,132.69	6,677.00	1,544.31	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	1,047.54	844.00	(203.54)	11,514.46	9,284.00	(2,230.46)	10,132.00
6340-0000 - Legal Expense - Project	975.03	250.00	(725.03)	6,585.03	2,750.00	(3,835.03)	3,000.00
6350-0000 - Audit Expense	0.00	0.00	0.00	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	108.00	462.00	354.00	500.00
6370-0000 - Bad debts	602.00	0.00	(602.00)	10,087.00	0.00	(10,087.00)	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	192.53	83.00	(109.53)	1,386.64	913.00	(473.64)	1,000.00
6390-0002 - Computer Supplies/Data Processing	69.06	0.00	(69.06)	981.96	0.00	(981.96)	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	(0.31)	0.00	0.31	(10.78)	0.00	10.78	0.00
TOTAL ADMINISTRATIVE EXPENSE	3,162.46	1,826.00	(1,336.46)	48,042.68	31,386.00	(16,656.68)	33,217.00
PAYROLL & RELATED COSTS							
6310-0000 - Office salaries	1,740.78	1,518.00	(222.78)	13,250.95	16,698.00	3,447.05	18,211.00
6510-0000 - Janitor and cleaning payroll	2,006.10	1,542.00	(464.10)	16,714.28	16,962.00	247.72	18,500.00
6715-0000 - Payroll Taxes	279.30	242.00	(37.30)	3,009.56	2,662.00	(347.56)	2,900.00
6722-0000 - Workers compensation	71.46	67.00	(4.46)	663.68	737.00	73.32	800.00
6723-0000 - Employee health insurance	123.95	483.00	359.05	1,457.19	5,313.00	3,855.81	5,800.00
6724-0000 - Union Benefits	292.07	0.00	(292.07)	3,536.84	0.00	(3,536.84)	0.00
TOTAL PAYROLL & RELATED COSTS	4,513.66	3,852.00	(661.66)	38,632.50	42,372.00	3,739.50	46,211.00

RAVINIA HOUSING Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
OPERATING EXPENSES							
6515-0000 - Janitors and cleaning supplies	53.85	583.00	529.15	3,467.89	6,413.00	2,945.11	7,000.00
6517-0000 - Outside Cleaning Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6519-0000 - Exterminating Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6520-0000 - Miscellaneous Repair Contractors	1,402.80	1,417.00	14.20	27,069.02	15,587.00	(11,482.02)	17,000.00
6525-0000 - Rubbish removal	525.34	212.00	(313.34)	5,311.70	2,332.00	(2,979.70)	2,540.00
TOTAL OPERATING EXPENSES	1,981.99	2,212.00	230.01	35,848.61	24,332.00	(11,516.61)	26,540.00
UTILITIES							
6450-0000 - Electricity	190.28	83.00	(107.28)	2,167.41	913.00	(1,254.41)	1,000.00
6451-0000 - Water	136.57	25.00	(111.57)	709.47	275.00	(434.47)	300.00
6452-0000 - Gas	60.23	8.00	(52.23)	115.89	88.00	(27.89)	92.00
6453-0000 - Sewer	0.00	25.00	25.00	0.00	275.00	275.00	300.00
TOTAL UTILITIES	387.08	141.00	(246.08)	2,992.77	1,551.00	(1,441.77)	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
6580-0000 - Equipment repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6590-0000 - Miscellaneous Repair	0.00	0.00	0.00	2.00	0.00	(2.00)	0.00
6591-0000 - Electrical Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6594-0000 - Carpentry 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	21,761.77	20,000.00	(1,761.77)	20,000.00
TAXES AND INSURANCE							
6710-0000 - Real estate taxes	2,750.00	2,750.00	0.00	32,303.90	30,250.00	(2,053.90)	33,000.00
6720-0000 - Property and liability insurance	447.50	417.00	(30.50)	4,758.50	4,587.00	(171.50)	5,000.00
6721-0000 - Fidelity bond insurance	0.00	0.00	0.00	28.00	0.00	(28.00)	0.00
TOTAL TAXES AND INSURANCE	3,197.50	3,167.00	(30.50)	37,090.40	34,837.00	(2,253.40)	38,000.00
TOTAL OPERATING EXPENSES	13,251.69	11,206.00	(2,045.69)	184,400.16	154,566.00	(29,834.16)	165,760.00
NET OPERATING INCOME (LOSS)	13,231.99	9,465.00	3,766.99	112,512.39	113,633.00	(1,120.61)	123,116.00
FINANCIAL EXPENSES							
6820-0000 - Mortgage interest	4,026.68	1,702.00	(2,324.68)	45,247.37	33,448.60	(11,798.77)	35,150.60
6850-0000 - Mortgage Service Fee	334.06	152.00	(182.06)	3,697.02	2,786.72	(910.30)	2,938.72
7104-0000 - Replacement Reserve	712.00	1,023.00	311.00	7,832.00	11,253.00	3,421.00	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)	3,153.52	490.00	(2,663.52)	33,740.20	20,596.97	(13,143.23)	21,086.97
TOTAL FINANCIAL EXPENSES	8,226.26	3,367.00	(4,859.26)	126,279.59	68,085.29	(58,194.30)	71,448.29

RAVINIA HOUSING Actual vs Budget Accrual Operating Statement

	Month Ending 11/30/11			Year To Date 11/30/11			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
NET OPER INC/(LOSS) BEFORE CAP. EXP.	5,005.73	6,098.00	(1,092.27)	(13,767.20)	45,547.71	(59,314.91)	51,667.71
NET INCOME (LOSS)	5,005.73	6,098.00	(1,092.27)	(13,767.20)	45,547.71	(59,314.91)	51,667.71
Partnership Income							
8005-0000 - Mortgagor Entity Income	17.80	0.00	17.80	538.17	0.00	538.17	0.00
8010-0000 - Other Entity Expense	0.00	0.00	0.00	(203.33)	0.00	(203.33)	0.00
Total Partnership Activity	<u>17.80</u>	<u>0.00</u>	<u>17.80</u>	<u>334.84</u>	<u>0.00</u>	<u>334.84</u>	<u>0.00</u>
CAPITAL EXPENDITURES & ESCROWS							
6991-0000 - Capital expenditures	0.00	0.00	0.00	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	6,694.00	0.00	(6,694.00)	11,317.97	0.00	(11,317.97)	0.00
TOTAL CAPITAL EXPENDITURES & ESCROWS	<u>6,694.00</u>	<u>0.00</u>	<u>(6,694.00)</u>	<u>35,513.33</u>	<u>0.00</u>	<u>(35,513.33)</u>	<u>0.00</u>
GAIN/(LOSS) AFTER CAPITAL EXP. & ESCROWS	<u>(1,670.47)</u>	<u>6,098.00</u>	<u>(7,768.47)</u>	<u>(48,945.69)</u>	<u>45,547.71</u>	<u>(94,493.40)</u>	<u>51,667.71</u>

Sunset Woods Housing
Income Statement
Compared with Budget
For the Eleven Months Ending November 30, 2011

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
Revenues						
Rents	\$ 7,466.00	\$ 9,388.00	(1,922.00)	\$ 97,947.00	\$ 103,267.00	(5,320.00)
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	10,000.00	(10,000.00)
Interest Income Assn	19.91	0.00	19.91	631.94	0.00	631.94
Interest Income	2.76	0.00	2.76	29.76	0.00	29.76
Rent Concessions	(2,154.00)	0.00	(2,154.00)	(1,865.00)	0.00	(1,865.00)
Sale of Unit 321	0.00	0.00	0.00	135,000.00	0.00	135,000.00
Total Revenues	5,334.67	10,388.00	(5,053.33)	231,793.70	113,267.00	118,526.70
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	5,334.67	10,388.00	(5,053.33)	227,548.70	113,267.00	114,281.70
Expenses						
Office Supplies Assn	0.00	0.00	0.00	50.00	0.00	50.00
Office Supplies	22.00	0.00	22.00	94.17	50.00	44.17
Management Fee	552.50	670.00	(117.50)	6,483.49	7,368.00	(884.51)
Legal and Accounting Assn	440.00	0.00	440.00	6,070.00	0.00	6,070.00
Credit Ck Fees	38.48	0.00	38.48	403.12	0.00	403.12
Carpet Cleaning	120.96	42.00	78.96	120.96	458.00	(337.04)
Heating & Air	0.00	42.00	(42.00)	0.00	458.00	(458.00)
Electrical & Plumbing Maint	0.00	42.00	(42.00)	0.00	458.00	(458.00)
Painting & Decorating	0.00	83.00	(83.00)	0.00	917.00	(917.00)
Appliance Repairs	0.00	42.00	(42.00)	450.00	458.00	(8.00)
Supplies Assn	0.00	0.00	0.00	5.24	0.00	5.24
Supplies	184.64	42.00	142.64	652.43	458.00	194.43

	Current Month	Current Month	Current Month	Year to Date	Year to Date	Year to Date
	Actual	Budget	Variance	Actual	Budget	Variance
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	458.00	(368.00)
Security	0.00	8.00	(8.00)	0.00	92.00	(92.00)
Electricity Assn	0.00	0.00	0.00	214.04	0.00	214.04
Condo Assessment Rental Units	2,346.72	3,000.00	(653.28)	30,682.21	33,000.00	(2,317.79)
Cable TV	448.20	500.00	(51.80)	5,565.15	5,500.00	65.15
Real Estate tax expense Assn	0.00	0.00	0.00	11,843.29	0.00	11,843.29
Real Estate tax expense	0.00	2,500.00	(2,500.00)	11,781.55	27,500.00	(15,718.45)
Loan Interest	2,160.90	3,038.00	(877.10)	23,588.06	33,417.00	(9,828.94)
Filing Fees Assn	0.00	0.00	0.00	25.00	0.00	25.00
Bank Service Charges	0.00	0.00	0.00	12.00	0.00	12.00
Bldg Insurance	2,553.00	250.00	2,303.00	2,553.00	2,750.00	(197.00)
Bad Debt Expense	0.00	0.00	0.00	1,952.25	0.00	1,952.25
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Total Expenses	8,867.40	10,301.00	(1,433.60)	102,813.18	113,342.00	(10,528.82)
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Net Income	(\$ 3,532.73)	\$ 87.00	(3,619.73)	\$ 124,735.52	(\$ 75.00)	124,810.52
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Accrued RE Tax	32,400.00	
Accrued RE Taxes Assn	10,330.50	
Security Deposits	<u>7,976.00</u>	
Total Current Liabilities		309,538.90
Long-Term Liabilities		
Notes Payable, Harris	441,703.06	
Notes Payable, Lake Co	66,670.48	
Notes Payable, IHDA	<u>131,656.45</u>	
Total Long-Term Liabilities		<u>640,029.99</u>
Total Liabilities		949,568.89
Capital		
Equity-Retained Earnings	779,838.16	
Net Income	<u>124,735.52</u>	
Total Capital		<u>904,573.68</u>
Total Liabilities & Capital		<u>\$ 1,854,142.57</u>

Sunset Woods Housing
Account Register
 For the Period From Nov 1, 2011 to Nov 30, 2011
 1101M13 - General Checking

Filter Criteria includes: Report order is by Date.

Date	Trans No	Type	Trans Desc	Deposit Amt	Withdrawal Amt	Balance
			Beginning Balance			17,223.13
11/1/11	11/1/11	Deposit	tenant	252.00		17,475.13
		Deposit	tenant	368.00		17,843.13
		Deposit	tenant	281.00		18,124.13
		Deposit	tenant	567.00		18,691.13
		Deposit	tenant	669.00		19,360.13
		Deposit	tenant	226.00		19,586.13
		Deposit	tenant	290.00		19,876.13
		Deposit	tenant	421.00		20,297.13
11/2/11	1422	Withdrawal	Sunset Woods Condominium Assoc		2,784.92	17,512.21
11/2/11	1423	Withdrawal	Housing Opportunity Dev. Corp.		83.51	17,428.70
11/2/11	1424	Withdrawal			2,154.00	15,274.70
11/6/11	11/8/11	Deposit	tenant	486.00		15,760.70
		Deposit	tenant	795.00		16,555.70
		Deposit	tenant	139.00		16,694.70
		Deposit	tenant	249.00		16,943.70
		Deposit	tenant	287.00		17,230.70
		Deposit	tenant	438.00		17,668.70
		Deposit	tenant	383.00		18,051.70
		Deposit	tenant	374.00		18,425.70
		Deposit	tenant	412.00		18,837.70
		Deposit	tenant	835.00		19,672.70
11/15/11	1425	Withdrawal	Housing Opportunity Dev. Corp.		552.50	19,120.20
11/15/11	1426	Withdrawal	Duraclean Services		120.96	18,999.24
11/15/11	1427	Withdrawal	The Sherwin-Williams Co.		123.13	18,876.11
11/15/11	1428	Withdrawal	Kroll Factual Data		38.48	18,837.63
11/15/11	1429	Withdrawal	Schwartz Insurance		2,553.00	16,284.63
11/15/11	loan1111	Other	Harris Bank/auto pymt		3,037.89	13,246.74
			Total	7,472.00	11,448.39	

Sunset Woods - November 30, 2011

Ending balance checking	\$	13,247
Ending balance operating reserve	\$	<u>19,012</u>
TOTAL	\$	32,259