

---

2640 Fountain View Drive, Houston, Texas 77057 | 713.260.0600 | Mark Thiele, **Interim President & CEO**  
**Houston Housing Authority Board of Commissioners:** LaRence Snowden, *Chair* | Kristy M. Kirkendoll, *Vice Chair*  
Dr. Max Miller, Jr. | Stephanie Ballard | Andrea Hillard Cooksey | Kris Thomas | Guillermo "Will" Hernandez

---

**QUALIFICATION BASED SOLICITATION  
("RFP") 23-45**

The Houston Housing Authority ("HHA"), has issued this "RFP" to solicit sealed responses from qualified firms or individuals interested in serving as a third-party developer ("Developer" or "Developers") to assist "HHA" in the rehabilitation of Pinnacle at Wilcrest affordable housing community in accordance with the requirements and terms and conditions specified herein.

**Interested parties who wish to respond to this solicitation must submit the required documents per Section 7.0 Submittals to the below individual by 2 P.M. Central Standard Time ("CST") September 25, 2023 to:**

**Houston Housing Authority  
Attn: Austin Y. Crotts,  
Subject: RFP 23-45 Pinnacle at Wilcrest Development Partner - DO NOT OPEN  
2640 Fountain View Drive, Houston, Texas 77057**

The face of the sealed envelope(s) must contain the above information, and once they are in the possession of "HHA", their contents will not be publicly opened or revealed until after an award is made.

**Interested parties are highly encouraged, to check HHA's website prior to the submission of their sealed response to ensure they are aware of any Amendment(s) that may affect this solicitation. They should also send an e-mail acknowledgement to [Purchasing@housingforhouston.com](mailto:Purchasing@housingforhouston.com), that they have downloaded this solicitation from HHA's website. Doing so, will allow "HHA" to notify interested parties of any Amendments that may affect this solicitation.**

**Late submissions will be handled in accordance with the provisions in Attachment I Form HUD-5369-B Section 6 entitled: "Late Submissions, Modifications, and Withdrawal of Offers".**

Interested parties, who have questions about this solicitation, or who need additional information should send an email (preferably) to [Purchasing@housingforhouston.com](mailto:Purchasing@housingforhouston.com) with "**RFP 23-45**" in the subject line, by the due dates specified in Section 4.0. As an alternative, interest parties have the option of sending a fax to 713-260-0810.

8-23-2023

Date

*Austin Crotts*

Austin Y. Crotts, M.A.  
Procurement Manager,  
Houston Housing Authority



*A Fair Housing and Equal Employment Opportunity Agency. For assistance: Individuals with disabilities may contact the 504/ADA Administrator at 713-260-0353, TTY 713-260-0547 or [504ADA@housingforhouston.com](mailto:504ADA@housingforhouston.com)*

## TABLE OF CONTENTS

### SUBJECT

### SECTION

### PAGE

#### **I. ORGANIZATION OVERVIEW**

PROFILE OF HHA	1.0	3
----------------	-----	---

#### **II. SPECIAL TERMS AND CONDITIONS**

OVERVIEW	2.0	4
PROCUREMENT SCHEDULE	3.0	4
SCOPE OF SERVICES	4.0	5
SELECTION CRITERIA	5.0	5
SUBMITTALS	6.0	5

#### **III. GENERAL TERMS AND CONDITIONS**

AMENDMENTS	7.0	7
AVAILABILITY OF FUNDS	8.0	7
AVAILABILITY OF RECORDS	9.0	7
BASIS OF PROPOSAL	10.0	7
CANCELLING THE SOLICITATION	11.0	7
CONFIDENTIALITY OF SUBMITTALS	12.0	7
ETHICAL BEHAVIOR	13.0	8
FEDERAL REGULATIONS WITH REGARD TO NONDISCRIMINATION AND EQUAL OPPORTUNITY	14.0	8
FACILITIES	15.0	9
INFORMALITIES	16.0	9
INDEMNIFICATION AND HOLD HARMLESS	17.0	9
INSURANCE	18.0	9
MISTAKES IN BIDS	19.0	9
PATENTS AND ROYALTIES	20.0	10
PAYMENTS	21.0	10
PERMITS	22.0	11
PROJECT MANAGER	23.0	11
QUESTIONS	24.0	11
REMOVAL OF EMPLOYEES	25.0	11
RESERVATION OF RIGHTS	26.0	11
STANDARDS OF CONDUCT	27.0	11
SUBCONTRACTING	28.0	11
TAXES	29.0	12
TRAVEL AND REIMBURSEMENTS	30.0	12
SUPPLEMENTS	31.0	12

# **I. ORGANIZATION OVERVIEW**

## **1.0 PROFILE OF THE HOUSTON HOUSING AUTHORITY**

- 1.1 “HHA” is currently governed by the Housing Authorities Law, codified in the Texas Local Government Code. It is a unit of government and its functions are essential governmental functions. It operates and manages its housing developments to provide decent, safe, sanitary and affordable housing to low-income families, the elderly, and the disabled, and implements various programs designed and funded by the U.S. Department of Housing and Urban Development (HUD). “HHA” is a Public Housing Agency.
- 1.2 The property of “HHA” is used for essential public and governmental purposes, and its property are exempt from all taxes, including sales tax on all its purchases of supplies and services.
- 1.3 “HHA” enters into and executes contracts and other instruments that are necessary and convenient to the exercise of its powers.
- 1.4 “HHA” maintains contractual arrangements with HUD to manage and operate its Low Rent Public Housing program and administers the Section 8 Housing Assistance Payments programs. HHA’s programs are federally funded, and its revenues are received from federal funds, administrative fees, development grants and rental income.
- 1.5 “HHA” provides affordable homes and services to more than 60,000 low-income Houstonians, including over 17,000 families housed through the Housing Choice Voucher Program and another 5,500 living in 25 public housing and tax credit developments around the city. “HHA” also administers the nation's third largest voucher program exclusively serving homeless veterans.

**END OF SECTION I**

## II. SPECIAL TERMS AND CONDITIONS

### 2.0 OVERVIEW

2.1 See Exhibit A Overview attached herein.

### 3.0 PROCUREMENT SCHEDULE

3.1 The anticipated procurement schedule for this solicitation is as follows:

<u>EVENT</u>	<u>DATE</u>
<b>Date Solicitation Advertised</b>	<b>August 25, 2023</b>
<b>Deadline to submit</b> <b>Round 1 Written Questions to</b> <b><a href="mailto:Purchasing@housingforhouston.com">Purchasing@housingforhouston.com</a></b>	<b>4 P.M. CST September 4, 2023</b>
<b>Deadline “HHA” will post Answers to Round 1</b> <b>Written Questions via an Amendment to</b> <b><a href="#">Houston Housing Authority</a></b>	<b>4 P.M. CST Sept 6, 2023</b>
<b>Deadline to submit</b> <b>Round 2 Written Questions to</b> <b><a href="mailto:Purchasing@housingforhouston.com">Purchasing@housingforhouston.com</a></b>	<b>4 P.M. CST September 11, 2023</b>
<b>Deadline “HHA” will post Answers to Round 2</b> <b>Written Questions via an Amendment to</b> <b><a href="#">Houston Housing Authority</a></b>	<b>4 P.M. CST September 13, 2023</b>
<b>Due Date for Sealed Responses</b>	<b>2 P.M. CST September 25, 2023</b>
<b>Estimated Contract Award Date</b>	<b>October 2023</b>

**NOTE: INTERESTED PARTIES ARE RESPONSIBLE FOR MONITORING [HHA'S WEBSITE](#) TO ENSURE THEY STAY ABREAST OF ANY AMENDMENTS THAT MAY AFFECT THIS SOLICITATION.**

- 3.2 Every effort has been made to outline requirements, and provide information that is clear and concise with the intent to obtain responses to this solicitation; however, any questions and inquires must be submitted per the due date in the Procurement Schedule, and they will be answered per the due date in the Procurement Schedule.

#### 4.0 **SCOPE OF SERVICES**

- 4.1 See Exhibit B Developer's Responsibilities attached herein.
- 4.2 See Exhibit C HHA's Responsibilities attached herein.

#### 5.0 **SELECTION CRITERIA**

- 5.1 All responses received by the specified due date will be scored by an Evaluation Committee who will have the responsibility of evaluating and scoring the responses per Exhibit D Evaluation Criteria attached herein.
- 5.2 During the evaluation process, "HHA" reserves the right to call for supplementary information from Offerors, and to meet with them to clarify points of uncertainty or ambiguity. Offerors agree to cooperate fully and promptly in providing such supplementary information.
- 5.3 "HHA" reserves the right to:
- 5.3.1 Conduct negotiations;
  - 5.3.2 Make multiple awards in its best interests;
  - 5.3.3 Reject any and all proposals at its discretion;
  - 5.3.4 Request additional information/clarification from any proposer(s); and,
  - 5.3.5 Select the successful proposer(s) at its sole discretion.
- 5.4 A short list of finalists may be established based upon written responses to this solicitation. Interviews may or may not be conducted with the finalists. These interviews may be used to identify the top-rated Respondent(s) utilizing the same point system as described in Exhibit D Evaluation Criteria attached herein. The finalists may be required to present their qualifications to HHA's Board of Commissioners.
- 5.5 Written submissions containing the requested information will serve as the initial basis for selection of finalists.

#### 6.0 **SUBMITTALS**

- 6.1 See Exhibit E Submission Format and Requirements attached herein. All responses must conform to the requirements specified herein. Non-conforming responses may be considered non-responsive by "HHA".
- 6.1.1 "HHA" is not responsible for any costs that may be incurred in the development and submittal of any responses to this solicitation.

- 6.1.2 All submissions and any information made a part thereof, will become a part of the HHA's official files, without any obligation of "HHA" to return it to the individual Offeror.

This solicitation, and the selected submittal(s) will (by reference), become a part of any formal agreement.

- 6.2 Submittals received after the specified date and time will be considered non-responsive.

## **END OF SECTION II**

### **III. GENERAL TERMS AND CONDITIONS**

#### **7.0 AMENDMENTS**

7.1 Any interpretation(s) affecting this solicitation will be issued in the form of an amendment by “HHA” prior to the specified due date on page 1. “HHA” will not be bound by, or responsible for any other explanations or interpretations of this solicitation other than those given in writing as set forth herein. Oral instructions, interpretations, or representations will not be binding upon “HHA” or representatives of “HHA”. **All amendments shall be binding in the same way as if originally written in this solicitation.**

#### **8.0 AVAILABILITY OF FUNDS**

8.1 In the event that funds become unavailable, “HHA” may cancel the Contract.

#### **9.0 AVAILABILITY OF RECORDS**

9.1 The U. S. Department of Housing and Urban Development, the Inspector General of the United States, “HHA”, and any duly authorized representatives of each shall have access to and the right to examine any and all pertinent books, records, documents, invoices, papers, and the like of the firm(s) office, that relates to any work that is performed as a result of this solicitation.

#### **10.0 BASIS OF PROPOSAL**

10.1 Interested parties are responsible for ensuring they have all documents referenced and incorporated in this solicitation, and are familiar with the contents of those documents. Failure to do so shall be at the sole risk of the offeror and no relief shall be given for errors or omissions by the offeror.

#### **11.0 CANCELLING THE SOLICITATION**

11.1 “HHA” may cancel this solicitation at any time, and when it is in its best interests to do so.

11.1.2 “HHA” reserves the right to cancel this solicitation, or to reject, in whole or in part, any and all submissions received in response to this solicitation, upon its determination that such cancellation or rejection is in the best interest of the “HHA”.

#### **12.0 CONFIDENTIALITY OF SUBMITTALS**

12.1 As stated on page 1, responses to this solicitation will not be opened publicly. All submittals and information shall remain confidential until all negotiations are completed and a Notice of Award is issued. All submittals received by “HHA” shall be included as part of the official file. Therefore, any part of the submittal that is not considered confidential, privileged or proprietary under any applicable Federal, State or local law shall be available for public inspection upon completion of the procurement process.

Any material submitted by the Offeror that is to be considered as confidential must be clearly marked as such; however, the applicable provisions of Federal, State and local laws shall govern the confidentiality of submittals despite anything contrary to this provision stated in the submittal.

### 13.0 **ETHICAL BEHAVIOR**

13.1 Interested Firms shall not:

13.1.1 Offer any gratuities, favors, or anything of monetary value to any official or employee of "HHA" for the purpose of influencing consideration of a submission; and,

13.1.2 Engage in any practice which may restrict or eliminate competition (i.e., collusion), or otherwise restrain trade.

13.1.2.1 The above is not intended to preclude joint ventures or subcontracts.

13.2 Ethical violations will cause a response to this solicitation to be rejected.

### 14.0 **FEDERAL REGULATIONS WITH REGARD TO NONDISCRIMINATION AND EQUAL OPPORTUNITY**

14.1 The requirements of Title VIII of the Civil Rights Act of 1968 and Title VI of the Civil Rights Act of 1964, relating to prohibitions against discrimination in housing and the benefits of federally funded programs because of race, color, religion, sex or national origin must be met by the successful bidder(s) or proposer(s).

14.2 The successful bidder(s) or proposer(s) will:

14.2.1 Adhere to federal regulations prohibiting discrimination on the basis of age under the Age Discrimination Act of 1975, and prohibit discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973 and the Americans With Disabilities Act of 1990.

14.2.2 Meet the requirements of:

14.2.2.1 Section 3 of the Housing and Urban Development Act of 1968, relating to the training and employment of individuals, and contracting for business opportunities in metropolitan areas in which federally funded programs are being operated.

14.2.2.2 Executive Orders (EO's):

- EO 11246 relating to equal employment opportunity in connection with federally funded programs.
- EO's 11625, 12432, and 12138 relating to the use of minority and women's business enterprises in connection with federally funded programs.

## 15.0 **FACILITIES**

15.1 “HHA” reserves the right to inspect the selected firm’s facilities during normal business hours. Proper notice will be given.

## 16.0 **INFORMALITIES**

16.1 “HHA” reserves the right to waive minor informalities, which are matters of form rather than substance. There are insignificant mistakes that can be waived or corrected without prejudice to the other bidders or proposers and have little or no effect on price, quantity, quality, delivery, or contractual conditions. Examples include failure to: return the number of signed bids required by the bid package; sign the bid, provided that the unsigned bid is accompanied by other documents indicating the bidder’s intent to be bound (e.g., a signed cover letter or a bid guarantee); complete one or more certifications; or acknowledge receipt of an amendment or addendum, provided that it is clear from the bid that the bidder received the amendment/addendum and intended to be bound by its terms, or the amendment/addendum had a negligible effect on price, quantity, quality, or delivery.

## 17.0 **INDEMNIFICATION AND HOLD HARMLESS**

17.1 See Exhibit F Indemnification and Hold Harmless attached herein.

## 18.0 **INSURANCE**

18.0 The successful Developer must have the following minimum insurance coverage or include plan to acquire such coverage prior to the execution of a contract:

18.1.1 Professional Liability Insurance

18.1.2 Business Automobile Liability Insurance

18.1.3 Workers' Compensation Insurance and Employer’s Liability Insurance

## 19.0 **MISTAKES IN BIDS**

### 19.1 General

19.1.1 While proposers/bidders will be bound by their submittals (the “firm bid rule”), circumstances may arise where correction or withdrawal of their bid or proposal is proper and may be permitted. Correction or withdrawal of a bid or proposal will be done in a manner that will protect and maintain the integrity and fairness of the competitive solicitation process.

### 19.2 Mistakes Discovered Before Solicitations Are Opened

19.2.1 Interested parties may withdraw or modify their submittals by written or facsimile notice prior to the opening of the solicitations.

### 19.3 Review of Mistakes

- 19.3.1 After the solicitations are opened, “HHA” will review all submittals to ensure there are no obvious mistakes, e.g., the sum of individual bid line items does not equal the total price. If a submittal appears to have a mistake, “HHA” will notify the interested of any apparent mistake(s) in his/her submittal, and request verification of the total price as submitted.

### 19.4 Mistakes After Solicitations Are Opened

- 19.4.1 If this solicitation is soliciting bids, then in general, bidders will not be permitted to change a bid after bid opening. In rare cases, “HHA” may permit the revision of a bid if the bidder is able to present clear and convincing evidence, acceptable to “HHA”, of a mistake and the intended bid price. Allowing changes to bids without appropriate evidence may compromise the integrity of the public bid process and serve to undermine public confidence in HHA’s bidding process. Therefore, “HHA” will request as much evidence as it deems necessary. Examples of evidence may include: original work papers, bids from suppliers and subcontractors used to develop the bid, bonding or insurance evidence supporting a different bid price, etc. Failure or refusal by a bidder to provide adequate evidence shall result in the original bid remaining unchanged. Consultation with HHA’s Legal Dept. will occur before authorization is given change a bid. If justified, a low bidder can be replaced with the next lowest bidder.

## 20.0 **PATENTS AND ROYALTIES**

- 20.1 The successful Developer(s) shall indemnify and save harmless the “HHA” and its employees from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or not patented inventions, process or article manufactured or used in the performance of the contract, including its use by “HHA”. If the firm(s) use(s) any design, device or material covered by letters, patent or copyright, it is mutually agreed and understood that the Developer(s) shall include all royalties or cost arising from the use of such design, device, or materials involved in the work.

## 21.0 **PAYMENTS**

- 21.1 “HHA” will process all invoices after the work has been approved by HHA’s Project Manager. Payment terms are Net 30 days.
- 21.2 Irrespective of any default hereunder, “HHA” may at any time cancel the contract in whole or in part. Should this occur, the successful bidder(s) or proposer(s) shall be entitled to equitable compensation for all work completed and accepted by HHA’s Project Manager prior to such termination or cancellation.

## 22.0 **PERMITS**

- 22.1 The successful Developer(s) shall obtain and pay (independent of “HHA”), all permits, certificates, and licenses required and necessary for the performance of the work specified herein. Furthermore, they shall post all notices required by law, and shall comply with all laws, ordinances, and regulations which may affect their performance.

## 23.0 **PROJECT MANAGER**

23.1 “HHA” will designate a Project Manager who will be the point of contact on all matters relating to any contract issued as a result of this solicitation.

## 24.0 **QUESTIONS**

24.1 Interested parties should follow the instructions on page 1 should they have any questions, or if they need additional information about this solicitation. Oral instructions, interpretations, or representations will not be binding upon “HHA” or its representatives.

24.2 Interested parties are prohibited from querying “HHA” personnel or members of its Board of Commissioners regarding this solicitation except through written questions submitted in the manner, and within the time-frame indicated on page 1 of this solicitation.

## 25.0 **REMOVAL OF EMPLOYEES**

25.1 “HHA” may request the successful Developer(s) to remove immediately from the contract/project any employee found unfit to perform their duties due to one or more of the following reasons, which includes, but is not limited to:

25.1.1 Negligence, being disorderly, using abusive or offensive language, quarreling or fighting, stealing, vandalizing property; and,

25.1.2 Engaging in immoral or inappropriate behavior (e.g., being intoxicated, or under the influence of mind-altering substances), or pursuing criminal activity (e.g., selling, consuming, possessing, or being under the influence of illegal substances).

## 26.0 **RESERVATION OF RIGHTS**

26.1 Depending upon the circumstance(s), “HHA” reserves the right to change, modify, or alter any contract executed as a result of this solicitation.

## 27.0 **STANDARDS OF CONDUCT**

27.1 The employees of the successful Developer(s) shall conduct themselves in a responsible and professional manner, and may be removed from the project if they display behavior that is unacceptable to “HHA”.

## 28.0 **SUBCONTRACTING**

28.1 Any contract issued as a result of this solicitation will not be assigned, transferred, or subcontracted (in whole, or in part) unless it has been previously approved by “HHA” in writing.

## 29.0 **TAXES**

29.1 “HHA” is exempt from State of Texas, and Local Taxes.

## 30.0 **TRAVEL AND REIMBURSEMENTS**

30.1 Any prices/fees mutually agreed upon shall include all necessary out-of-pocket expenses needed to perform the work specified herein. “HHA” will not issue any reimbursements for travel, lodging, meals, or other miscellaneous or ancillary expenses, unless it is defined in the final Contract.

## 31.0 **SUPPLEMENTS**

31.1 The following documents are incorporated by reference into this solicitation:

Attachment A:	Declaration
Attachment B:	Non-Collusive Affidavit
Attachment C:	Conflict of Interest (CIQ) Form
Attachment D:	Requirements for Subcontracting with Small Businesses and Minority Businesses, Women Business Enterprises, and Labor Surplus Area Firms
Attachment E:	Acknowledgement
Attachment F:	M/WBE Participation Form
Attachment G:	Section 3 Requirements and Commitment
Attachment H:	Representations, Certifications, and Other Statements of Bidders Public and Indian Housing Programs (Form HUD 5369-A)
Attachment I:	Instructions to Offerors Non-Construction (Form HUD 5369-B)
Attachment J:	Model Form of Agreement Between Owner and Design Professional (Form HUD-51915-A)
Exhibit A:	Overview
Exhibit B:	Developer’s Responsibilities
Exhibit C:	HHA’s Responsibilities
Exhibit D:	Evaluation Criteria
Exhibit E:	Submission Format and Requirements
Exhibit F:	2022 Audited Financial Statements
Exhibit G:	Bond Application
Exhibit H:	Financial Statement and Trailing 12
Exhibit I:	Market Rent Schedule and Debt

31.2 Interested parties are responsible for ensuring they have all documents referenced and incorporated in this solicitation, and are familiar with the contents of those documents. Failure to do so shall be at the sole risk of the offeror and no relief shall be given for errors or omissions by the offeror.

**END OF SECTION III**

**Attachment A**  
**DECLARATION**

The undersigned declares the following:

- This response is being submitted in good faith, and without collusion or fraud.
- The only person(s) interested in the aforementioned solicitation is listed below, and that this response is being submitted without connection or arrangement with any other person.
- They have complied with the requirements of the aforementioned solicitation, have read all addenda (if any), and is satisfied that they fully understand the intent of the aforementioned solicitation, and the terms and conditions that will govern any award issued by HHA as a result of this solicitation
- They agree to execute an agreement with HHA based on the latter accepting the submittals required by the aforementioned solicitation.

Persons Interested in this Response:

Name

Identity of Interest

1.

2.

3.

\_\_\_\_\_  
**NAME OF CONTRACTOR/OFFEROR/FIRM/INDIVIDUAL/CORPORATION**

\_\_\_\_\_  
**MANUAL OR E-SIGNATURE**

\_\_\_\_\_  
**TITLE**

\_\_\_\_\_  
**E-MAIL ADDRESS**

\_\_\_\_\_  
**PHONE NUMBER / FAX NUMBER**

\_\_\_\_\_  
**ADDRESS, CITY, STATE, ZIP**

\_\_\_\_\_  
**SUBMITTAL DATE**

**Attachment B**

**NON-COLLUSIVE AFFIDAVIT**

STATE OF TEXAS

COUNTY OF HARRIS

\_\_\_\_\_, being first duly sworn, deposes and says that he is

\_\_\_\_\_  
(a partner or officer of the firm of, etc.)

the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any manner, directly or indirectly, sought by agreement or collusion, or communication or conference with any person to fix the bid price or affiant or of any other bidder, or to fix any overhead, profit, or cost element of said bid price, or of that of any other bidder, or to secure any advantage against

THE HOUSTON HOUSING AUTHORITY

of any person interested in the proposed Contract; and that all statements in said proposal or bid are true.

\_\_\_\_\_  
Signature of Bidder, if Bidder is an Individual

\_\_\_\_\_  
Signature of Bidder, if Bidder is a Partnership

\_\_\_\_\_  
Signature of Officer, if Bidder is a Corporation

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021

\_\_\_\_\_  
**Notary Public**

My Commission expires \_\_\_\_\_

**CONFLICT OF INTEREST QUESTIONNAIRE****FORM CIQ****For vendor doing business with local governmental entity****This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.**

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

**OFFICE USE ONLY**

Date Received

**1 Name of vendor who has a business relationship with local governmental entity.**

**2** ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3 Name of local government officer about whom the information is being disclosed.**

\_\_\_\_\_  
Name of Officer

**4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes

☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes

☐ No

**5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

**6** ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**

\_\_\_\_\_  
Signature of vendor doing business with the governmental entity

\_\_\_\_\_  
Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;  
or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.



## **ATTACHMENT D**

### **REQUIREMENTS FOR SUBCONTRACTING WITH SMALL BUSINESSES AND MINORITY BUSINESSES, WOMEN BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS.**

#### **I. INSTRUCTIONS.**

Any Prime Contractor awarded a contract pursuant to this procurement must agree to comply with the subcontracting requirements set forth below. Please note that the capitalized terms used in this document are defined below in § VII.

**(1) Please read this document carefully; (2) sign the acknowledgement; and (3) complete and sign the attached “Bidder’s Proposed M/WBE Participation Form.”**

#### **II. OVERVIEW.**

Any contract resulting from this procurement must comply with: (1) the requirements in the Houston Housing Authority’s Procurement Policy (the “Policy”) and the Code of Federal Regulations (the “Code”) regarding Subcontracting with small and minority owned businesses, women business enterprises, and labor surplus area firms (the “Policy Requirements”); and (2) the Houston Housing Authority’s goal regarding Subcontracting with minority business enterprises and women business enterprises (the “HHA’s Goal”). Any person or firm that receives an award pursuant to this procurement must take affirmative steps to comply with the Policy Requirements and must use their best efforts to meet the HHA’s Goal. The Policy Requirements and the HHA’s Goal are described in detail below.

#### **III. THE POLICY REQUIREMENTS.**

Pursuant to the Policy, at § 15, and the Code, at 2 CFR § 200.321, if a Prime Contractor awarded a contract pursuant to this procurement lets Subcontracts, then the Prime Contractor must take affirmative steps to assure that, when possible, Subcontracts are let to Small Business Enterprises (“SBEs”), Minority Businesses Enterprises (“MBEs”), Women Business Enterprises (“WBEs”), and Labor Area Surplus Firms (“LASFs”). The affirmative steps a Prime Contractor who lets Subcontracts must take are:

- Placing SBEs, MBEs, and WBEs, on solicitation lists;
- Assuring that SBEs, MBEs, and WBEs, are directly solicited for bids or proposals whenever such entities are potential sources to perform Subcontracts;
- Dividing total job requirements, whenever economically feasible, into smaller tasks or quantifies to permit maximum participation by SBEs, MBEs, and WBEs, in a given project;

- Establishing delivery schedules, when the requirement permits, that encourage participation by SBEs, MBEs, and WBEs;
- Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce; and
- Including in Subcontracts, to the greatest extent feasible, a clause that requires Subcontractors to provide opportunities for training and employment for lower income persons who reside in the project area.

The affirmative steps listed above shall remain in effect for the duration of the Prime Contract awarded pursuant to this procurement. The HHA encourages Prime Contractors to implement these steps when acquiring the materials they need to perform their obligations under the Prime Contract.

#### **IV. THE HHA'S GOAL.**

##### **A. Overview of the HHA's Goal and related requirements.**

In addition to taking the affirmative steps outlined above in § III, a Prime Contractor who anticipates using Subcontracts to complete any work associated with this procurement must use its best efforts to satisfy the HHA's Goal regarding the participation of MBEs and WBEs in work under contracts awarded by the HHA. The HHA's Goal, as adopted by its Board of Commissioners, is that when Subcontracts are being let, at least 30% of the Prime Contract's total dollar amount is subcontracted to MBEs or WBEs, with at least 15% of the Prime Contract's total dollar amount being subcontracted to MBEs, and at least 15% being subcontracted to WBEs.

In furtherance of the HHA's Goal, a Prime Contractor awarded a contract under this procurement who intends to let Subcontracts must use its best efforts to Subcontract with MBEs and WBEs. **Specifically, a Prime Contractor letting Subcontracts must use its best efforts (1) to Subcontract at least 15% of the Prime Contract's total dollar amount to MBEs, and (2) to Subcontract at least 15% of the Prime Contract's total dollar amount to WBEs. A Prime Contractor's obligation to use its best efforts to subcontract with MBEs and WBEs in accordance with the HHA's Goal shall remain in effect for the duration of the Prime Contract, shall apply in any instance that the Prime Contractor lets Subcontracts, and shall apply equally to all Prime Contractors letting Subcontracts, regardless of whether the Prime Contractor is itself a MBE or WBE.**

A Prime Contractor must document its use of best efforts to meet the HHA's Goal. Generally, written evidence of a Prime Contractor's attempts to Subcontract with MBEs and WBEs shall suffice to document a Prime Contractor's best efforts. Written evidence may include, but is not necessarily limited to, emails, phone logs, or correspondence showing that a Prime Contractor attempted to Subcontract with MBEs and WBEs by, at a minimum, soliciting bids or quotes. Contractors may access a list of designated MBEs and WBEs at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. In addition, upon request, the HHA may assist contractors in identifying MBEs and WBEs (but, requesting such assistance, standing alone, is not sufficient to show best efforts).

A Prime Contractor's duty to document its best efforts to meet the HHA's Goal shall remain in effect for the duration of the Prime Contract and shall apply to all Prime Contractors awarded a contract pursuant to this procurement. The HHA encourages Prime Contractors to use their best efforts to procure from MBEs and WBEs the materials necessary for the Prime Contractor to perform its obligations under the Prime Contract.

**V. CONTRACTOR'S AGREEMENT TO COMPLETE REQUIRED FORMS AND TO COOPERATE WITH THE HHA REGARDING THE POLICY REQUIREMENTS AND THE HHA GOAL.**

**All respondents to this procurement who anticipate letting subcontracts must complete and return the attached "Bidders Proposed M/WBE Participation Form" (the "Form").** Respondents should include the Form in their response to this procurement; in addition, information documenting the respondent's use of best efforts to subcontract with MBEs and WBEs should accompany the Form. If it does not anticipate letting subcontracts, a respondent must, along with its response, inform the HHA of same, and provide a brief explanation of why no subcontracts will be let. The HHA will consider as non-responsive any response that fails to include a completed Form; the HHA will, however, allow respondents an opportunity to cure a failure to include the Form with a response.

In addition to completing and submitting the Form to the HHA, any entity awarded a contract by the HHA pursuant to this procurement must provide "M/WBE Confirmation of Payment Form(s)," as necessary or as requested by the HHA. Prime Contractor must also to submit proof of payments to SBES, MBEs, WBEs, and LASFs, as requested by the HHA, or as otherwise is required by law.

**VI. CONSEQUENCES FOR FAILING TO TAKE THE AFFIRMATIVE STEPS MANDATED BY THE POLICY REQUIREMENTS OR USING BEST EFFORTS TO MEET THE HHA'S GOALS.**

If a Prime Contractor letting subcontracts does not take the affirmative steps mandated by the Policy Requirements, use its best efforts to meet the HHA's Goal, or cooperate with the HHA with respect to the requirements set forth herein, the HHA reserves the right to refuse to award a contract to the Prime Contractor, to deem the Prime Contractor's response to a solicitation non-responsive, to terminate an existing contract with the Prime Contractor, and to bar the Prime Contractor from being awarded any future contracts by the HHA.

**VII. DEFINITIONS.**

- "Code" means the Code of Federal Regulations.
- "Form" means the "Bidders Proposed M/WBE Participation Form" included with this procurement.
- "HHA" means the Houston Housing Authority, and, for the purposes of the requirements set forth herein, the HHA's affiliates and any property management company procuring work or services for the benefit of a property owned by the HHA or its affiliates.
- "HHA's Goal" shall have the meaning set forth above in § 3.

- “LASFs” refers to labor area surplus firms. Labor area surplus firms are businesses that will expend more than fifty percent of the cost of performing a contract in areas of concentrated unemployment or underemployment, as defined by the Department of Labor and promulgated at 20 CFR Part 654.
- “MBE(s)” refers to minority business enterprises. Minority business enterprises are businesses that are at least fifty-one percent owned by one or more minority group members, or, in the case of a publically owned business, a business where at least fifty-one percent of the business’s voting stock is owned by one or more minority group members and whose management and daily operations are controlled by one or more such individuals. Minority group members include, but are not necessarily limited to: (a) Black Americans; (b) Hispanic Americans; (c) Native Americans; (d) Asian-Pacific Americans; (e) Asian-Indian Americans; and (f) Hasidic Jewish Americans.
- “Policy” means the Houston Housing Authority’s Procurement Policy.
- “Policy Requirements” shall have the meaning set forth in § II above.
- “Prime Contract(s)” means the contract awarded pursuant to this procurement that is between a respondent to the solicitation and the HHA. For all purposes herein, the term is inclusive of all change orders or amendments to the initial contractor entered between the Prime Contractor and the HHA.
- “Prime Contractor(s)” means the person or entity who responds to this procurement and is awarded a contract by the HHA.
- “SBEs” refers to small business enterprises. Small business enterprises are businesses that are independently owned, not dominant in their field of operation, and not an affiliate or subsidiary of a business that is dominant in its field of operation.
- “Subcontract(s)” means the contract between the Prime Contractor and a Subcontractor entered to accomplish all or a part of the Prime Contractor’s obligations under its contract with the HHA that results from this procurement.
- “Subcontractor(s)” means a person or entity who the Prime Contractor contracts with to perform a part or all of the Prime Contractor’s obligations under the Prime Contractor’s contract with the HHA that results from this procurement.
- “WBEs” refers to women business enterprises. Women business enterprises are businesses that are at least fifty-one percent owned by a woman who is a United States citizen, or by women who are United States citizens and who control and operate the business.

## **ATTACHMENT E**

### **VIII. ACKNOWLEDGEMENT.**

The undersigned has read the foregoing “Requirements for Subcontracting with Small Businesses, Minority Businesses, Women Business Enterprises, and Labor Area Surplus Firm,” and understands and accepts the requirements and obligations set forth therein. When Subcontracting any portion of the work associated with this procurement, the undersigned agrees to take the affirmative steps stated in § III above, and agrees to use its best efforts to meet the HHA’s Goal, as stated in § IV above. The undersigned understands and acknowledges that failure to comply the requirements set forth herein may result in the HHA refusing to award a contract to the undersigned or the termination of an existing contract.

---

**Name of Firm**

---

**Complete Address**

---

**Name of Individual Completing this Form**

---

**Title**

---

**Direct Phone Number / Cell Phone Number**

---

**Direct Fax Number**

---

**E-Mail Address**

---

**Date**

---

**Manual or E-Signature**

**ATTACHMENT F**  
**BIDDER'S PROPOSED M/WBE PARTICIPATION FORM**

**Instructions**

- The HHA requires bidders (Prime Contractors) who let Subcontracts to use their best efforts to Subcontract at least 30% of a Prime Contract's total dollar amount to Minority Business Enterprises ("MBEs") or Women Business Enterprises ("WBEs").
- It is the HHA's Goal that Prime Contractors letting Subcontracts award at least 15% of the Prime Contract's total amount to MBEs **and** at least 15% of the Prime Contract's total amount to WBEs.
- The requirement that Prime Contractors letting Subcontracts use their best efforts to Subcontract with MBEs and WBEs applies to all Prime Contractors, regardless of their own status as a MBE or WBE.
- Please complete and sign the form below indicating firm Subcontracting commitments from MBEs and WBEs. Use additional pages, if necessary.
- For detailed information on the HHA's MBE and WBE Subcontracting requirements, please see Attachment D.

<b>MBEs</b>	<b>Name of MBE Subcontractor</b>	<b>Certification(s)</b>	<b>Amount of Subcontract</b>	<b>Percent of Contract Total</b>
		<b><i>Total</i></b>		

<b>WBEs</b>	<b>Name of WBE Subcontractor</b>	<b>Certification(s)</b>	<b>Amount of Subcontract</b>	<b>Percent of Contract Total</b>
		<b><i>Total</i></b>		

\_\_\_\_\_  
**Name of Firm**

\_\_\_\_\_  
**Manual or E-Signature and Date**

## ATTACHMENT G

### HOUSTON HOUSING AUTHORITY SECTION 3 BIDDER'S REQUIREMENTS & COMMITMENT

Company Name:	
Name of Contact Person for Section 3 Commitment:	
Title:	Contact Number:
Contact Person E-Mail:	
Solicitation Title:	Solicitation #:

- I. **Background** - Section 3 of the Housing & Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (hereinafter “Section 3”) requires the Houston Housing Authority (“HHA”), to the greatest extent feasible, to provide employment and contracting opportunities to low to very low-income individuals, within the City of Houston. These opportunities are created by contracts funded, directly or indirectly, by “HHA”.
- II. **Benchmarks & Goals** – Success of Section 3 activities will be measured by the achievement of the following benchmarks, annually:
- 1) Data demonstrating at least 20% of the total number of labor hours worked by all workers (employed by an employer) were worked by Section 3 Workers that are defined as Low Income Individuals or Youth Build per <https://www.huduser.gov/portal/datasets/il.html>. , OR
  - 2) Data demonstrating at least 5% of the total number of labor hours worked by all workers (employed by an employer) were worked by Targeted Section 3 Workers (Public Housing residents, Section 8 participants & Youth Build).
- III. **Solicitation Requirements** - Interested parties responding to a HHA solicitation are required to include in their submission, this form (Section 3 Requirements & Commitment), which describes efforts that will be taken to engage Section 3 Participants.”
- IV. **Acceptable Section 3 Activities** – Viable Section 3 opportunities are:
1. Hire Section 3 Workers to fill a minimum of 20% of the labor hours needed to honor contractual duties with HHA. (Note: Section 3 Workers can be existing/new personnel who are deemed as low to very low-income individuals, in accordance to HUD’s guidelines).
  2. Provide paid on-the-job training (apprenticeship) for Section 3 Workers to enhance job skills in core duties/services related to a bidder’s contractual duties with HHA.
  3. Offer subcontracting opportunities preferably to Section 3 Business Concern or other disadvantaged businesses to fulfill contractual duties with the HHA
  4. Bidder self-certify they meet at least one criterion to be a Section 3 Business Concerns; when responding to a HHA solicitation:
    - a) At least 51% is owned and controlled by low- or very-low income person; OR
    - b) Business has at least 75% of its’ labor hours performed (over the most recent 3-month period) by Section 3 Workers; OR
    - c) At least 51% is owned and controlled by a Public Housing/Section 8 Participant.
- V. **Exemption from Section 3 Activities** - Bidders submitting solicitations for any of the following goods and/or services are exempt from fulfilling any Section 3 commitments:
- 1) Contracts for “material only” and do not require the hiring of new or expanded labor (office/janitorial supply contracts, etc).
  - 2) Contracts for Section 8 Project-based Vouchers and Project-based Rental Assistance

- 3) Professional Service contracts requiring advanced degrees or professional licensing (engineers, architects, accountants, consultants, etc.)

**VI. Section 3 Commitment** - Bidders shall identify what efforts will be taken during contractual terms to comply with HHA's Section 3 Requirements to the greatest extent feasible. All bidders are required to select at least one (1) of the following options:

OPTIONS	QUANTIFIABLE COMMITMENT
<input type="checkbox"/> <b><u>OPTION 1 - Exempt</u></b>	Bidder is exempt due any one of the following options: <ul style="list-style-type: none"> <li>○ Contracts for “material only” and do not require the hiring of new or expanded labor (office/janitorial supply contracts, etc).</li> <li>○ Contracts for Section 8 Project-based Vouchers and Project-based Rental Assistance</li> <li>○ Professional Service contracts requiring advanced degrees or professional licensing (engineers, architects, accountants, consultants, etc.)</li> </ul>
<input type="checkbox"/> <b><u>OPTION 2 - Jobs</u></b>	Title: _____ # of Positions: _____ Pay _____ Work Hours _____ Location _____ Skills to be Acquired : _____ Qualifications: _____
<input type="checkbox"/> <b><u>OPTION 3 – Paid Training or Apprenticeship</u></b>	Title: _____ # of Positions: _____ Pay _____ Work Hours _____ Location _____ Skills to be Acquired : _____ Qualifications: _____
<input type="checkbox"/> <b><u>OPTION 4 – Sub-Contracting with Section 3 Business Concerns</u></b>	Company Name _____ Contract Amount \$ _____ % of Contract: _____ Summary of Duties: _____
<input type="checkbox"/> <b><u>OPTION 5 -Existing Section 3 Business Concern</u></b>	Bidder self-certifies they meet at least one of the following criteria to be recognized as a Section 3 Business Concern: <ul style="list-style-type: none"> <li>○ At least 51% is owned and controlled by low- or very-low income person;</li> <li>○ Over 75% of the labor hours performed for the business (over a 3-month period) are performed by Section 3 Workers;</li> <li>○ At least 51% of the business is owned and controlled by current Public Housing resident or Section 8 Assisted participant.</li> </ul>

\_\_\_\_\_  
Name of Firm

\_\_\_\_\_  
Printed Name of Authorized Individual

\_\_\_\_\_  
Date

\_\_\_\_\_  
Manual/E-signature of Authorized Individual

Attachment H  
**U.S. Department of Housing  
and Urban Development**  
Office of Public and Indian Housing

**Representations, Certifications,  
and Other Statements of Bidders**  
**Public and Indian Housing Programs**

# Representations, Certifications, and Other Statements of Bidders

## Public and Indian Housing Programs

### Table of Contents

Clause	Page
1. Certificate of Independent Price Determination	1
2. Contingent Fee Representation and Agreement	1
3. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	1
4. Organizational Conflicts of Interest Certification	2
5. Bidder's Certification of Eligibility	2
6. Minimum Bid Acceptance Period	2
7. Small, Minority, Women-Owned Business Concern Representation	2
8. Indian-Owned Economic Enterprise and Indian Organization Representation	2
9. Certification of Eligibility Under the Davis-Bacon Act	3
10. Certification of Nonsegregated Facilities	3
11. Clean Air and Water Certification	3
12. Previous Participation Certificate	3
13. Bidder's Signature	3

### 1. Certificate of Independent Price Determination

#### (a) The bidder certifies that--

(1) The prices in this bid have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to (i) those prices, (ii) the intention to submit a bid, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid have not been and will not be knowingly disclosed by the bidder, directly or indirectly, to any other bidder or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a competitive proposal solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder to induce any other concern to submit or not to submit a bid for the purpose of restricting competition.

(b) Each signature on the bid is considered to be a certification by the signatory that the signatory--

(1) Is the person in the bidder's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

[insert full name of person(s) in the bidder's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder's organization];

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder deletes or modifies subparagraph (a)2 above, the bidder must furnish with its bid a signed statement setting forth in detail the circumstances of the disclosure.

[ ] [Contracting Officer check if following paragraph is applicable]

(d) Non-collusive affidavit. (applicable to contracts for construction and equipment exceeding \$50,000)

(1) Each bidder shall execute, in the form provided by the PHA/IHA, an affidavit to the effect that he/she has not colluded with any other person, firm or corporation in regard to any bid submitted in response to this solicitation. If the successful bidder did not submit the affidavit with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the affidavit by that date may render the bid nonresponsive. No contract award will be made without a properly executed affidavit.

(2) A fully executed "Non-collusive Affidavit" [ ] is, [ ] is not included with the bid.

### 2. Contingent Fee Representation and Agreement

#### (a) Definitions. As used in this provision:

"Bona fide employee" means a person, employed by a bidder and subject to the bidder's supervision and control as to time, place, and manner of performance, who neither exerts, nor proposes to exert improper influence to solicit or obtain contracts nor holds out as being able to obtain any contract(s) through improper influence.

"Improper influence" means any influence that induces or tends to induce a PHA/IHA employee or officer to give consideration or to act regarding a PHA/IHA contract on any basis other than the merits of the matter.

(b) The bidder represents and certifies as part of its bid that, except for full-time bona fide employees working solely for the bidder, the bidder:

(1) [ ] has, [ ] has not employed or retained any person or company to solicit or obtain this contract; and

(2) [ ] has, [ ] has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(c) If the answer to either (a)(1) or (a)(2) above is affirmative, the bidder shall make an immediate and full written disclosure to the PHA/IHA Contracting Officer.

(d) Any misrepresentation by the bidder shall give the PHA/IHA the right to (1) terminate the contract; (2) at its discretion, deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

### 3. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (applicable to contracts exceeding \$100,000)

(a) The definitions and prohibitions contained in Section 1352 of title 31, United States Code, are hereby incorporated by reference in paragraph (b) of this certification.

(b) The bidder, by signing its bid, hereby certifies to the best of his or her knowledge and belief as of December 23, 1989 that:

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of a contract resulting from this solicitation;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the bidder shall complete and submit, with its bid, OMB standard form LLL, "Disclosure of Lobbying Activities;" and

(3) He or she will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

(d) Indian tribes (except those chartered by States) and Indian organizations as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B) are exempt from the requirements of this provision.

#### 4. Organizational Conflicts of Interest Certification

The bidder certifies that to the best of its knowledge and belief and except as otherwise disclosed, he or she does not have any organizational conflict of interest which is defined as a situation in which the nature of work to be performed under this proposed contract and the bidder's organizational, financial, contractual, or other interests may, without some restriction on future activities:

- (a) Result in an unfair competitive advantage to the bidder; or,
- (b) Impair the bidder's objectivity in performing the contract work.

[ ] In the absence of any actual or apparent conflict, I hereby certify that to the best of my knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement.

#### 5. Bidder's Certification of Eligibility

(a) By the submission of this bid, the bidder certifies that to the best of its knowledge and belief, neither it, nor any person or firm which has an interest in the bidder's firm, nor any of the bidder's subcontractors, is ineligible to:

(1) Be awarded contracts by any agency of the United States Government, HUD, or the State in which this contract is to be performed; or,

(2) Participate in HUD programs pursuant to 24 CFR Part 24.

(b) The certification in paragraph (a) above is a material representation of fact upon which reliance was placed when making award. If it is later determined that the bidder knowingly rendered an erroneous certification, the contract may be terminated for default, and the bidder may be debarred or suspended from participation in HUD programs and other Federal contract programs.

#### 6. Minimum Bid Acceptance Period

(a) "Acceptance period," as used in this provision, means the number of calendar days available to the PHA/IHA for awarding a contract from the date specified in this solicitation for receipt of bids.

(b) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

(c) The PHA/IHA requires a minimum acceptance period of [Contracting Officer insert time period] calendar days.

(d) In the space provided immediately below, bidders may specify a longer acceptance period than the PHA's/IHA's minimum requirement. The bidder allows the following acceptance period: calendar days.

(e) A bid allowing less than the PHA's/IHA's minimum acceptance period will be rejected.

(f) The bidder agrees to execute all that it has undertaken to do, in compliance with its bid, if that bid is accepted in writing within (1) the acceptance period stated in paragraph (c) above or (2) any longer acceptance period stated in paragraph (d) above.

#### 7. Small, Minority, Women-Owned Business Concern Representation

The bidder represents and certifies as part of its bid/ offer that it --

(a) [ ] is, [ ] is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) [ ] is, [ ] is not a women-owned business enterprise. "Women-owned business enterprise," as used in this provision, means a business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

(c) [ ] is, [ ] is not a minority business enterprise. "Minority business enterprise," as used in this provision, means a business which is at least 51 percent owned or controlled by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals. For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- |                        |                              |
|------------------------|------------------------------|
| [ ] Black Americans    | [ ] Asian Pacific Americans  |
| [ ] Hispanic Americans | [ ] Asian Indian Americans   |
| [ ] Native Americans   | [ ] Hasidic Jewish Americans |

#### 8. Indian-Owned Economic Enterprise and Indian Organization Representation (applicable only if this solicitation is for a contract to be performed on a project for an Indian Housing Authority)

The bidder represents and certifies that it:

(a) [ ] is, [ ] is not an Indian-owned economic enterprise. "Economic enterprise," as used in this provision, means any commercial, industrial, or business activity established or organized for the purpose of profit, which is at least 51 percent Indian owned. "Indian," as used in this provision, means any person who is a member of any tribe, band, group, pueblo, or community which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs and any "Native" as defined in the Alaska Native Claims Settlement Act.

(b) [ ] is, [ ] is not an Indian organization. "Indian organization," as used in this provision, means the governing body of any Indian tribe or entity established or recognized by such governing body. Indian "tribe" means any Indian tribe, band, group, pueblo, or

community including Native villages and Native groups (including corporations organized by Kenai, Juneau, Sitka, and Kodiak) as defined in the Alaska Native Claims Settlement Act, which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs.

**9. Certification of Eligibility Under the Davis-Bacon Act** (applicable to construction contracts exceeding \$2,000)

(a) By the submission of this bid, the bidder certifies that neither it nor any person or firm who has an interest in the bidder's firm is a person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(b) No part of the contract resulting from this solicitation shall be subcontracted to any person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(c) The penalty for making false statements is prescribed in the U. S. Criminal Code, 18 U.S.C. 1001.

**10. Certification of Nonsegregated Facilities** (applicable to contracts exceeding \$10,000)

(a) The bidder's attention is called to the clause entitled **Equal Employment Opportunity** of the General Conditions of the Contract for Construction.

(b) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

(c) By the submission of this bid, the bidder certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The bidder agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in the contract.

(d) The bidder further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) prior to entering into subcontracts which exceed \$10,000 and are not exempt from the requirements of the Equal Employment Opportunity clause, it will:

(1) Obtain identical certifications from the proposed subcontractors;

(2) Retain the certifications in its files; and

(3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

**Notice to Prospective Subcontractors of Requirement for Certifications of Nonsegregated Facilities**

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause of the prime contract. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

**Note:** The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

**11. Clean Air and Water Certification** (applicable to contracts exceeding \$100,000)

The bidder certifies that:

(a) Any facility to be used in the performance of this contract [ ] is, [ ] is not listed on the Environmental Protection Agency List of Violating Facilities:

(b) The bidder will immediately notify the PHA/IHA Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the bidder proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and,

(c) The bidder will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

**12. Previous Participation Certificate** (applicable to construction and equipment contracts exceeding \$50,000)

(a) The bidder shall complete and submit with his/her bid the Form HUD-2530, "Previous Participation Certificate." If the successful bidder does not submit the certificate with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the certificate by that date may render the bid nonresponsive. No contract award will be made without a properly executed certificate.

(b) A fully executed "Previous Participation Certificate" [ ] is, [ ] is not included with the bid.

**13. Bidder's Signature**

The bidder hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

\_\_\_\_\_  
(Signature and Date)

\_\_\_\_\_  
(Typed or Printed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Company Address)

# Instructions to Offerors Non-Construction

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing



- 03291 -

## 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

## 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

## 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

## 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

## 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

## 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

## **7. Contract Award**

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

## **8. Service of Protest**

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

## **9. Offer Submission**

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

Attachment J

**U.S. Department of Housing  
and Urban Development**

Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 11/30/2023)

---

**Model Form of Agreement Between  
Owner and Design Professional**

# Model Form of Agreement Between Owner and Design Professional

U. S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157  
(exp. 3/31/2020)

Public reporting burden for this collection of information is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number. These contracts between a HUD grantee (housing agency (HA)) and an architect/engineer (A/E) for design and construction services do not require either party to submit any materials to HUD. The forms provide a contractual agreement for the services to be provided by the A/E and establishes responsibilities of both parties pursuant to the contract. The regulatory authority is 2 CFR 200. These contractual agreements are required by Federal law or regulation pursuant to 2 CFR Part 200. Signing of the contracts is required to obtain or retain benefits. The contracts do not lend themselves to confidentiality.

Table of Contents	Page
Introduction	3
Article A: Services	4
A. 1.0 <b>Design Professional's Basic Services</b>	4
A. 1.1 Areas of Professional's Basic Services	4
A. 1.2 Phases and Descriptions of Basic Services	4
A. 1.2.1 Schematic Design/Preliminary Study Phase	4
A. 1.2.2 Design Development Phase	4
A. 1.2.3 Bidding, Construction and Contract Document Phase	4
A. 1.2.4 Bidding and Award Phase	4
A. 1.2.5 Construction Phase	5
A. 1.2.6 Post Completion/Warranty Phase	5
A. 1.3 Time of Performance	5
A. 2.0 <b>Design Professional's Additional Services</b>	5
A. 2.1 Description of Additional Services	5
A. 2.2 Written Addendum or Contract Amendment	5
Article B: Compensation and Payment	6
B. 1.0 <b>Basic Services</b>	6
B. 1.1 Fixed Fee for Basic Services	6
B. 1.2 Payment Schedule	6
B. 2.0 <b>Reimbursables</b>	6
B. 2.1 Reimbursable Expenses	6
B. 2.1.1 Travel Costs	6
B. 2.1.2 Long-Distance Telephone Costs	6
B. 2.1.3 Delivery Costs	6
B. 2.1.4 Reproduction Costs	6
B. 2.1.5 Additional Reimbursables	6
B. 3.0 <b>Additional Services</b>	6
B. 3.1 Payment for Additional Services	6
B. 4.0 <b>Invoicing and Payments</b>	6
B. 4.1 Invoices	6
B. 4.2 Time of Payment	6
Article C: Responsibilities	6
C. 1.0 <b>Design Professional's Responsibilities</b>	6
C. 1.1 Basic Services	6
C. 1.2 Additional Services	6
C. 1.3 General Responsibilities	6
C. 1.4 Designing within Funding Limitations	7
C. 1.5 Compliance with Laws, Codes, Ordinances and Regulations	7
C. 1.6 Seal	7
C. 1.7 Attendance at Conferences	7
C. 2.0 <b>Owner's Responsibilities</b>	7
C. 2.1 Information	7
C. 2.2 Notice of Defects	7
C. 2.3 Contract Officer	7

C. 2.4 Duties to Furnish	7
C. 2.4.1 Survey and Property Restrictions	7
C. 2.4.2 Existing Conditions	7
C. 2.4.3 Waivers	7
C. 2.4.4 Minimum Wage Rates	7
C. 2.4.5 Tests	7
C. 2.4.6 Contract Terms	7
Article D: Contract Administration	8
D. 1.0 <b>Prohibition of Assignment</b>	8
D. 1.1 Ownership of Documents	8
D. 1.2 Substitutions	8
D. 1.3 Suspension	8
D. 1.4 Subcontracts	8
D. 1.5 Disputes	8
D. 1.6 Terminations	8
D. 1.7 Insurance	8
D. 1.8 Retention of Rights	8
Article E: Additional Requirements	8
E. 1.0 <b>Contract Provisions Required by Federal Law or Owner Contract with the U.S. Department of Housing and Urban Development</b>	8
E. 1.1 Contract Adjustments	8
E. 1.2 Additional Services	9
E. 1.3 Restrictive Drawings and Specifications	9
E. 1.4 Design Certification	9
E. 1.5 Retention and Inspection of Records	9
E. 1.6 Copyrights and Rights in Data	9
E. 1.7 Conflicts of Interest	9
E. 1.8 Disputes	9
E. 1.9 Termination	9
E. 1.10 Interest of Members of Congress	9
E. 1.11 Limitation of Payments to Influence Certain Federal Transactions	10
E. 1.12 Employment, Training and Contracting Opportunities for Low income Persons, Section 3, HUD Act of 1968	10
E. 1.13 Reserved	10
E. 1.14 Clean Air and Water (Applicable to Contracts in excess of \$100,000)	11
E. 1.15 Energy Efficiency	11
E. 1.16 Prevailing Wages	11
E. 1.17 Non-applicability of Fair Housing Requirements in Indian Housing Authority Contracts	11
E. 1.18 Prohibition Against Liens	11
Article F: Other Requirements (If any)	11
Execution of Agreement	11
Addendum (If any)	1

---

## Introduction to Agreement

### **Agreement**

made as of the \_\_\_\_\_ day of \_\_\_\_\_ in the year (yyyy) of \_\_\_\_\_

Between the **Owner** (Name & Address)

and the **Design Professional** (Name, Address and Discipline)

For the following **Project** (Include detailed description of Project, Location, Address, Scope and Program Designation)

The Owner and Design Professional agree as set forth below.

---

## Article A: Services

### A 1.0 Design Professional's Basic Services

A. 1.1 Areas of Professional's Basic Services. Unless revised in a written addendum or amendment to this Agreement, in planning, designing and administering construction or rehabilitation of the Project, the Design Professional shall provide the Owner with professional services in the following areas:

- o Architecture
- o Site Planning
- o Structural Engineering
- o Mechanical Engineering
- o Electrical Engineering
- o Civil Engineering
- o Landscape Architecture
- o Cost Estimating
- o Construction Contract Administration

### A 1.2 Phases and Descriptions of Basic Services.

A. 1.2.1 Schematic Design/Preliminary Study Phase. After receipt of a Notice to Proceed from the Owner, the Design Professional shall prepare and deliver Schematic Design/Preliminary Study Documents. These documents shall consist of a presentation of the complete concept of the Project, including all major elements of the building(s), and site design(s), planned to promote economy both in construction and in administration and to comply with current program and cost limitations. The Design Professional shall revise these documents consistent with the requirements and criteria established by the Owner to secure the Owner's written approval. Additionally, the Design Professional shall make an independent assessment of the accuracy of the information provided by the Owner concerning existing conditions. Documents in this phase shall include:

- o Site plan(s)
- o Schedule of building types, unit distribution and bedroom count
- o Scale plan of all buildings, and typical dwelling units
- o Wall sections and elevations
- o Outline specifications
- o Preliminary construction cost estimates
- o Project specific analysis of codes, ordinances and regulations
- o Three dimensional line drawings

A. 1.2.2 Design Development Phase. After receipt of written approval of Schematic Design/Preliminary Study Documents, the Design Professional shall prepare and submit to the Owner Design Development Documents. The Design Professional shall revise these documents consistent with the requirements and criteria established by the Owner to secure the Owner's written approval. These documents shall include the following:

- o Drawings sufficient to fix and illustrate project scope and character in all essential design elements
- o Outline specifications
- o Cost estimates and analysis
- o Recommendations for phasing of construction
- o Site plan(s)
- o Landscape plan
- o Floor plans
- o Elevations, building and wall sections
- o Updated three dimensional line drawings
- o Engineering drawings

A. 1.2.3 Bidding, Construction and Contract Document Phase. After receipt of the Owner's written approval of Design Development Documents, the Design Professional shall prepare Construction Documents. After consultation with the Owner and Owner's attorney, if requested by the owner, the Design Professional shall also prepare and assemble all bidding and contract documents. The Design Professional shall revise these Bidding, Construction and Contract documents consistent with the requirements and criteria established by the Owner to secure the Owner's written approval. They shall, in a detailed manner, include all work to be performed; all material; workmanship; finishes and equipment required for the architectural, structural, mechanical, electrical, and site work; survey maps furnished by Owner; and direct reproduction of any logs and subsurface soil investigations. These documents shall include:

- o Solicitation for Bids
- o Form of Contract
- o Special Conditions
- o General Conditions
- o Technical Specifications
- o Plans and drawings
- o Updated cost estimates

A. 1.2.4 Bidding and Award Phase. After written approval of Bidding, Construction and Contract Documents from the Owner, the Design Professional shall assist in administering the bidding and award of the Construction Contract. This shall include:

- o Responding to inquiries
- o Drafting and issuing addendum approved by Owner
- o Attending prebid conference(s)
- o Attending public bid openings
- o Reviewing and tabulating bids
- o Recommending list of eligible bids
- o Recommending award
- o Altering drawings and specifications as often as required to award within the Estimated Construction Contract Cost

A. 1.2.5 Construction Phase. After execution of the Construction Contract, the Design Professional shall in a prompt and timely manner administer the Construction Contract and all work re-quired by the Bidding, Construction and Contract Documents. The Design Professional shall endeavor to protect the Owner against defects and deficiencies in the execution and performance of the work. The Design Professional shall:

- o Administer the Construction Contract.
- o Conduct pre-construction conference and attend dispute resolution conferences and other meetings when requested by the Owner.
- o Review and approve contractor's shop drawings and other submittals for conformance to the requirements of the contract documents.
- o At the Owner's written request, and as Additional Service, procure testing from qualified parties.
- o Monitor the quality and progress of the work and furnish a written field report ☐ weekly, ☐ semi monthly, ☐ monthly, or ☐ This service shall be limited to a period amounting to 110% of the construction period as originally established under the construction contract unless construction has been delayed due to the Design professional's failure to properly perform its duties and responsibilities. The Owner may direct additional monitoring but only as Additional Services.
- o Require any sub-consultant to provide the services listed in this section where and as applicable and to visit the Project during the time that construction is occurring on the portion of the work related to its discipline and report in writing to the Design Professional.
- o Review, approve and submit to Owner the Contractor Requests for Payment.
- o Conduct all job meetings and record action in a set of minutes which are to be provided to the Owner.
- o Make modifications to Construction Contract Documents to correct errors, clarify intent or to accommodate change orders.
- o Make recommendations to Owner for solutions to special problems or changes necessitated by conditions encountered in the course of construction.
- o Promptly notify Owner in writing of any defects or deficiencies in the work or of any matter of dispute with the Contractor.
- o Negotiate, prepare cost or price analysis for and counter-sign change orders.
- o Prepare written punch list, certificates of completion and other necessary construction close out documents.
- o Prepare a set of reproducible record prints of Drawings showing significant changes in the work made during construction, including the locations of underground utilities and appurtenances referenced to permanent surface improvements, based on marked-up prints, drawings and other data furnished by the contractor to the Design Professional.

A. 1.2.6 Post Completion/Warranty Phase. After execution of the Certificate of Completion by the Owner, the Design Professional shall:

- o Consult with and make recommendations to Owner during warranties regarding construction, and equipment warranties.
- o Perform an inspection of construction work, material, systems and equipment no earlier than nine months and no later than ten months after completion of the construction contract and make a written report to the Owner. At the Owner's request, and by Amendment to the Additional Services section of this contract, conduct additional warranty inspections as Additional Services.
- o Advise and assist Owner in construction matters for a period up to eighteen months after completion of the project, but such assistance is not to exceed forty hours of service and one nonwarranty trip away from the place of business of the Design Professional.

A. 1.3 Time of Performance. The Design Professional's schedule for preparing, delivering and obtaining Owner's approval for Basic Services shall be as follows:

- o Schematic Design/Preliminary Study Documents within \_\_\_\_\_ calendar days for the date of the receipt of a Notice to Proceed.
- o Design Development Documents within \_\_\_\_\_ calendar days from the date of receipt of written approval by the Owner of Schematic Design/Preliminary Study documents.
- o Bidding, Construction and Contract Documents within \_\_\_\_\_ calendar days from the date of receipt of written approval by the Owner of Design Development Documents.

## A. 2.0 Design Professional's Additional Services

A. 2.1 Description of Additional Services. Additional Services are all those services provided by the Design Professional on the Project for the Owner that are not defined as Basic Services in Article A, Section 1.2 or otherwise required to be performed by the Design Professional under this Agreement. They include major revisions in the scope of work of previously approved drawings, specifications and other documents due to causes beyond the control of the Design Professional and not due to any errors, omissions, or failures on the part of the Design Professional to carry out obligations otherwise set out in this Agreement.

A. 2.2 Written Addendum or Contract Amendment. All additional services not already expressly required by this agreement shall be agreed to through either a written addendum or amendment to this Agreement.

## Article B: Compensation and Payment B.

### 1.0 Basic Services

B. 1.1 Fixed Fee for Basic Services. The Owner will pay the Design Professional for Basic Services performed as defined by A.1.2, a Fixed Fee (stipulated sum) of \$ \_\_\_\_\_ plus Reimbursable Expenses identified in Article B.2.0. Such

payment shall be compensation for all Basic Services required, performed, or accepted under this Contract.

B. 1.2 Payment Schedule. Progress payments for Basic Services for each phase of work shall be made in proportion to services performed as follows:

Phase	Amount
Schematic Design/Preliminary Study Phase	\$ _____
Design Development Phase	\$ _____
Bidding, Construction & Contract Document Phase	\$ _____
Bidding & Award Phase	\$ _____
Construction Phase	\$ _____
Post Completion/ Warranty Phase	\$ _____
Total Basic Services	\$ _____

#### B. 2.0 Reimbursables

B. 2.1 Reimbursable Expenses. The Owner will pay the Design Professional for the Reimbursable Expenses listed below up to a Maximum Amount of \$ \_\_\_\_\_ Reimbursable Expenses are in addition to the Fixed Fee for Basic Services and are for certain actual expenses incurred by the Design Professional in connection with the Project as enumerated below.

B. 2.1.1 Travel Costs. The reasonable expense of travel costs incurred by the Design Professional when requested by Owner to travel to a location that lies outside of a 45 mile radius of either the Project site, Design Professional's office (s), and Owner's office.

B. 2.1.2 Long Distance Telephone Costs. Long distance tele-phone calls and long distance telefax costs.

B. 2.1.3 Delivery Costs. Courier services and overnight delivery costs.

B. 2.1.4 Reproduction Costs. Reproduction and postage costs of required drawings, specifications, Bidding and Contract documents, excluding the cost of reproductions for the Design Professional or Subcontractor's own use.

B. 2.1.5 Additional Reimbursables. The Design Professional and Owner may agree in an addendum or amendment to this Agreement to include certain other expenses not enumerated above as Reimbursable Expenses. These Reimbursables shall not be limited by the Maximum Amount agreed to above. A separate Maximum Amount for these Reimbursables shall be established.

#### B. 3.0 Additional Services

B. 3.1 Payment for Additional Services. The Owner will pay the Design Professional only for Additional Services agreed to in an addendum or amendment to this Agreement executed by the Owner and the Design Professional pursuant to A.2. Payment for all such Additional Services shall be in an amount and upon the terms set out in such amendment or addendum and agreed upon by the parties. Each such amendment or addendum shall provide for a fixed price or, where payment for such Additional Services is to be on an hourly basis or other unit pricing method, for a

maximum amount; each such amendment or addendum shall also provide for a method of payment, including, at a minimum, whether payment will be made in partial payments or in lump sum and whether it will be based upon percentage of completion or services billed for.

#### B. 4.0 Invoicing and Payments

B. 4.1 Invoices. All payments shall require a written invoice from the Design Professional. Invoices shall be made no more frequently than on a monthly basis. Payments for Basic Services shall be in proportion to services completed within each phase of work. When requesting such payment, the invoice shall identify the phase and the portion completed. All invoices shall state the Agreement, name and address to which payment shall be made, the services completed and the dates of completion, and whether the invoice requests payment for Basic Services, Reimbursable or Additional Services. Invoices seeking payment for Reimbursable or Additional Services must provide detailed documentation.

B. 4.2 Time of Payment. Upon the Design Professional's proper submission of invoices for work performed or reimbursable expenses, the Owner shall review and, if the work is in conformance with the terms of the Agreement, make payment within thirty days of the Owner's receipt of the invoice.

### Article C: Responsibilities

#### C. 1.0 Design Professional's Responsibilities

C. 1.1 Basic Services. The Design Professionals shall provide the Basic Service set out in Article A.1.0.

C. 1.2 Additional Services. When required under this Agreement or agreed to as set out in A.2.0, the Design Professional shall provide Additional Services on the Project.

C. 1.3 General Responsibilities. The Design Professional shall be responsible for the professional quality, technical accuracy, and coordination of all designs, drawings, specifications, and other services, furnished by the Design Professional under this Agreement. The Owner's review, approval, acceptance of, or payment for Design Professional services shall not be construed as a waiver of any rights under this Agreement or of any cause of action for damages caused by Design Professional's negligent performance under this Agreement. Furthermore, this Agreement does not restrict or limit any rights or remedies otherwise afforded the Owner or Design Professional by law.

C. 1.4 Designing Within Funding Limitations. The Design Professional shall perform services required under this Contract in such a manner so as to cause an award of a Construction Contract(s) that does not exceed (1) \$ \_\_\_\_\_ or (2) an amount to be provided by the Owner in writing to the Design Professional prior to the commencement of Design Professional services. This fixed limit shall be called the Maximum Construction Contract Cost. The amount may be increased by the Owner, but only with written notice to the Design Professional. If the increase results in a change to the scope of work, an amendment to this Agreement will be required. The Design Professional and the Owner may mutually agree to decrease the Maximum Construction Contract Cost, but only by signing a written amendment to this Agreement. Should bids for the Construction Contract(s) exceed the Maximum Construction Contract Cost, the Owner has the right to require the Design Professional to perform redesigns,

rebids and other services necessary to cause an award of the Construction Contract within the Maximum Construction Contract Cost without additional compensation or reimbursement.

C. 1.5 Compliance with Laws, Codes, Ordinances and Regulations. The Design Professional shall perform services that conform to all applicable Federal, State and local laws, codes, ordinances and regulations except as modified by any waivers which may be obtained with the approval of the Owner. The Design Professional shall certify that Contract Documents will conform to all applicable laws, codes, ordinances and regulations. The Design Professional shall prepare all construction documents required for approval by all governmental agencies having jurisdiction over the project. The Design professional shall make all changes in the Bidding and Construction Documents necessary to obtain governmental approval without additional compensation or reimbursement, except in the following situations. If subsequent to the date the Owner issues a notice to proceed, revisions are made to applicable codes or non-federal regulations, the Design Professional shall be entitled to additional compensation and reimbursements for any additional cost resulting from such changes. The Design Professional, however, is obligated to notify the Owner of all significant code or regulatory changes within sixty (60) days of their change, and such notification shall be required in order for the Design Professional to be entitled to any additional compensation or reimbursement. Both the owner and design professional are responsible for ensuring that the design and construction comply with any applicable accessibility laws, including the Fair Housing Act (see 24 C.F.R. § 100.205), Sect. 504 of the Rehabilitation Act (Sect. 504), and the Americans with Disabilities Act (ADA). Compliance with Sect. 504 requires adherence to the Uniform Federal Accessibility Standards (See <https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas>) and compliance with the ADA requires adherence to the 2010 ADA standards (See [https://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards\\_prt.pdf](https://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards_prt.pdf)).

C. 1.6 Seal. Licensed Design Professionals shall affix their seals and signatures to drawings and specifications produced under this Agreement when required by law.

C. 1.7 Attendance at Conferences. The Design Professional or designated representative shall attend project conferences and meetings involving matters related to basic services covered under this contract. Attendance at community wide meetings shall be considered an additional service.

#### C. 2.0 Owner's Responsibilities

C. 2.1 Information. The Owner shall provide information regarding requirements for the project, including a program that shall set forth the Owner's objectives and schedule. The Owner shall also establish and update the Maximum Construction Cost. This shall include the Owner's giving notice of work to be performed by the Owner or others and not included in the Construction Contract for the Project. The Design Professional, however, shall be responsible to ascertain and know federal requirements and limitations placed on the Project.

C. 2.2 Notice of Defects. If the Owner observes or otherwise becomes aware of any fault or defect in the construction of the project or nonconformance with the Construction Contract, the Owner shall give prompt written notice of those faults, defects or nonconformance to the Design Professional.

C.2.3 Contract Officer. The Owner shall designate a Contract Officer authorized to act on its behalf with respect to the design and construction of the Project. The Contract Officer shall examine documents submitted by the Design Professional and shall promptly render decisions pertaining to those documents so as to avoid unreasonably delaying the progress of the Design Professional's work.

C. 2.4 Duties to Furnish. The Owner shall provide the Design Professional the items listed below.

C. 2.4.1 Survey and Property Restrictions. The Owner shall furnish topographic, property line and utility information as and where required. The Owner may at its election require the Design Professional to furnish any of these items as an Additional Service.

C. 2.4.2 Existing Conditions. The Owner shall provide the Design Professional any available "built drawings of buildings or properties, architect surveys, test reports, and any other written information that it may have in its possession and that it might reasonably assume affects the work.

C. 2.4.3 Waivers. The Owner shall provide the Design Professional information it may have obtained on any waivers of local codes, ordinances, or regulations or standards affecting the design of the Project.

C. 2.4.4 Minimum Wage Rates. The Owner shall furnish the Design Professional the schedule of minimum wage rates approved by the U.S. Secretary of Labor for inclusion in the solicitation and Contract Documents.

C. 2.4.5 Tests. When expressly agreed to in writing by both the Owner and the Design Professional, the Owner shall furnish the Design Professional all necessary structural, mechanical, chemical or other laboratory tests, inspections and reports required for the Project.

C. 2.4.6 Contract Terms. The Owner or its legal counsel may provide the Design Professional text to be incorporated into Bidding and Construction Contract Documents.

#### Article D: Contract Administration

D. 1.0 Prohibition of Assignment. The Design Professional shall not assign, subcontract, or transfer any services, obligations, or interest in this Agreement without the prior written consent of the Owner. Such consent shall not unreasonably be withheld when such assignment is for financing the Design Professional's performance.

D. 1.1 Ownership of Documents. All drawings, specifications, studies and other materials prepared under this contract shall be the property of the Owner and at the termination or completion of the Design Professional's services shall be promptly delivered to the Owner. The Design Professional shall have no claim for further employment or additional compensation as a result of exercise by the Owner of its full rights of ownership. It is understood, however, that the Design Professional does not represent such data to be suitable for re-use on any other project or for any other purpose. If the Owner re-uses the subject data without the Design Professional's written verification, such re-use will be at the sole risk of the Owner without liability to the Design Professional.

D. 1.2 Substitutions.

A. The Design Professional shall identify in writing principals and professional level employees and shall not substitute or replace principals or professional level employees without the prior approval of the Owner which shall not unreasonably be withheld.

B. The Design Professional’s personnel identified below are considered to be essential to the work effort. Prior to diverting or substituting any of the specified individuals, the Design Professional shall notify the Owner reasonably in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on the contract. No diversion or substitution of such key personnel shall be made by the Design professional without the prior written consent of the Owner.

D. 1.3 Suspension. The Owner may give written notice to the Design Professional to suspend work on the project or any part thereof. The Owner shall not be obligated to consider a claim for additional compensation if the Design Professional is given written notice to resume work within 120 calendar days. If notice to resume work is not given within 120 calendar days, the Design Professional shall be entitled to an equitable adjustment in compensation.

D. 1.4 Subcontracts. The Design Professional will cause all applicable provisions of this Agreement to be inserted in all its subcontracts.

D. 1.5 Disputes. In the event of a dispute arising under this Agreement, the Design Professional shall notify the Owner promptly in writing and submit its claim in a timely manner. The Owner shall respond to the claim in writing in a timely manner. The Design Professional shall proceed with its work hereunder in compliance with the instructions of the Owner, but such compliance shall not be a waiver of the Design Professional’s rights to make such a claim. Any dispute not resolved by this procedure may be determined by a court of competent jurisdiction or by consent of the Owner and Design Professional by other dispute resolution methods.

D. 1.6 Termination. The Owner may terminate this Agreement for the Owner’s convenience or for failure of the Design Professional to fulfill contract obligations. The Owner shall terminate by delivering to the Design Professional a Notice of Termination specifying the reason therefore and the effective date of termination. Upon receipt of such notice, the Design Professional shall immediately discontinue all services affected and deliver to the Owner all information, reports, papers, and other materials accumulated or generated in performing this contract whether completed or in process. If the termination is for convenience of the Owner, the Owner shall be liable only for payment for accepted services rendered before the effective date of termination.

D. 1.7 Insurance. The Design professional shall carry Commercial or Comprehensive General Liability Insurance, Professional Liability Insurance (for a period extending two years past the date of completion of construction), and other insurance as are re-quired by law, all in minimum amounts as set forth below. The Design Professional shall furnish the Owner certificates of insurance and they shall state that a thirty day notice of prior cancellation or change will be provided to the Owner. Additionally, the Owner shall be an additional insured on all Commercial or Comprehensive General liability policies.

Insurance	Limits or Amount

D. 1.8 Retention of Rights. Neither the Owner’s review, approval or acceptance of, nor payment for, the services required under this contract shall be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the performance of this contract, and the Design Professional shall be and remain liable to the Owner in accordance with the applicable law for all damages to the Owner caused by the Design professional’s negligent performance of any of the services furnished under this contract.

Article E: Additional Requirements

E. 1.0 Contract Provisions Required by Federal Law or Owner Contract with the U.S. Department of Housing and Urban Development (HUD).

E. 1.1 Contract Adjustments. Notwithstanding any other term or condition of this Agreement, any settlement or equitable adjustment due to termination, suspension or delays by the Owner shall be negotiated based on the cost principles stated at 48 CFR Subpart 31.2 and conform to the Contract pricing provisions of 2 CFR 200.

E. 1.2 Additional Services. The Owner shall perform a cost or price analysis as required by 2 CFR 200 prior to the issuance of a contract modification/amendment for Additional Services. Such Additional Services shall be within the general scope of services covered by this Agreement. The Design Professional shall provide supporting cost information in sufficient detail to permit the Owner to perform the required cost or price analysis.

E. 1.3 Restrictive Drawings and Specifications. In accordance with 2 CFR 200 and contract agreements between the Owner and HUD, the Design Professional shall not require the use of materials, products, or services that unduly restrict competition.

E. 1.4 Design Certification. Where the Owner is required by federal regulations to provide HUD a Design Professional certification regarding the design of the Projects (24 CFR 905), the Design Professional shall provide such a certification to the Owner.

E. 1.5 Retention and Inspection of Records. Pursuant to 2 CFR 200, access shall be given by the Design Professional to the Owner, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, to any books, documents, papers, and records of the Design Professional which are directly pertinent to that specific Contract for the purpose of making an audit, examination, excerpts, and transcriptions. All required records shall be retained for three years after the Owner or Design Professional and other subgrantees make final payments and all other pending matters are closed.

E. 1.6 Copyrights and Rights in Data. HUD has no regulations pertaining to copyrights or rights in data as provided in 2 CFR 200. HUD requirements, Article 45 of the General Conditions to the Contract for Construction (form HUD-5370) requires that contractors pay all royalties and license fees. All drawings and specifications prepared by the Design Professional pursuant to this contract will identify any applicable patents to enable the general contractor to fulfil the requirements of the construction contract.

E. 1.7 Conflicts of Interest. Based in part on federal regulations (2 CFR 200 and Contract agreement between the Owner and HUD, no employee, officer, or agent of the Owner (HUD grantee) shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

Such a conflict would arise when:

- (i) The employee, officer or agent,
- (ii) Any member of his or her immediate family,
- (iii) His or her partner, or
- (iv) An organization that employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from Contractors, or parties to sub-agreements. Grantees and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents or by Contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

Neither the Owner nor any of its contractors or their subcontractors shall enter into any Contract, subcontract, or agreement, in connection with any Project or any property included or planned to be included in any Project, in which any member, officer, or employee of the Owner, or any member of the governing body of the locality in which the Project is situated, or any member of the governing body of the locality in which the Owner was activated, or in any other public official of such locality or localities who exercises any responsibilities or functions with respect to the Project during his/her tenure or for one year thereafter has any interest, direct or indirect. If any such present or former member, officer, or employee of the Owner, or any such governing body member or such other public official of such locality or localities involuntarily acquires or had acquired prior to the beginning of

his/her tenure any such interest, and if such interest is immediately disclosed to the Owner and such disclosure is entered upon the minutes of the Owner, the Owner, with the prior approval of the Government, may waive the prohibition contained in this subsection: Provided, That any such present member, officer, or employee of the Owner shall not participate in any action by the Owner relating to such contract, subcontract, or arrangement.

No member, officer, or employee of the Owner, no member of the governing body of the locality in which the project is situated, no member of the governing body of the locality in which the Owner was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof.

E. 1.8 Disputes. In part because of HUD regulations (2 CFR 200, this Design Professional Agreement, unless it is a small purchase contract, has administrative, contractual, or legal remedies for instances where the Design Professional violates or breaches Agreement terms, and provide for such sanctions and penalties as may be appropriate.

E. 1.9 Termination. In part because of HUD regulations (2 CFR 200), this Design Professional Agreement, unless it is for an amount of \$10,000 or less, has requirements regarding termination by the Owner when for cause or convenience. These include the manner by which the termination will be effected and basis for settlement.

E. 1.10 Interest of Members of Congress. Because of Contract agreement between the Owner and HUD, no member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this Contract or to any benefit to arise from it.

E. 1.11 Limitation of Payments to Influence Certain Federal Transaction. The Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions Act, Section 1352 of Title 31 U.S.C., provides in part that no appropriated funds may be expended by recipient of a federal contract, grant, loan, or cooperative agreement to pay any person, including the Design Professional, for influencing or attempting to influence an officer or employee of Congress in connection with any of the following covered Federal actions: the awarding of any federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

E. 1.12 Employment, Training, and Contracting Opportunities for Low-Income Persons, Section 3 of the Housing and Urban Development Act of 1968.

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. Reserved.

H. Reserved.

E. 1.13 Reserved.

E. 1.14 Clean Air and Water. (Applicable to contracts in excess of \$150,000). Because of 2 CFR 200) and Federal law, the Design Professional shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. § 1857h-4 transferred to 42 USC § 7607, section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15), on all contracts, subcontracts, and subgrants of amounts in excess of \$150,000.

E. 1.15 Energy Efficiency. Pursuant to Federal regulations (2 CFR 200) and Federal law, except when working on an Indian housing authority Project on an Indian reservation, the Design Professional shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163 codified at 42 U.S.C.A. § 6321 et. seq.).

E. 1.16 Prevailing Wages. In accordance with Section 12 of the U.S. Housing Act of 1937 (42 U.S.C. 1437j) the Design Professional shall pay not less than the wages prevailing in the locality, as determined by or adopted (subsequent to a determination under applicable State or local law) by the Secretary of HUD, to all architects, technical engineers, draftsmen, and technicians.

E. 1.17 Non-applicability of Fair Housing Requirements in Indian Housing Authority Contracts. Pursuant to 24 § CFR Part 1, title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), which prohibits discrimination on the basis of race, color or national origin in federally assisted programs, and the Fair Housing Act (42 U.S.C. 3601-3620), which prohibits discrimination based on race, color, religion, sex, national origin, disability, or familial status in the sale or rental of housing do not apply to Indian Housing Authorities established by exercise of a Tribe's powers of self-government. Pursuant to 24 CFR § 1000.12, other civil rights statutes do apply to Indian Housing Authorities such as, Section 504, the Indian Civil Rights Act, and the Age Discrimination Act. (29 USC 794; 25 USC 1301.1303; and 42 USC 6101-6107 respectively).

E. 1.18 Prohibition Against Liens. The Design professional is Prohibited from placing a lien on the Owner's property. This prohibition shall be placed in all design professional subcontracts.

#### **Article F: Other Owner Requirements (if any)**

(Continue on additional pages as necessary)

This Agreement is entered into as of the day and year first written above.

Owner	Design Professional
<hr/>	<hr/>
(Housing Authority)	(Firm)
<hr/>	<hr/>
(Signature)	(Signature)
<hr/>	<hr/>
(Print Name)	(Print Name)
<hr/>	<hr/>
(Print Title)	(Print Title)

Addendum (If any)  
(Additional Services and other modifications)

This is an Addendum to a Standard Form of Agreement between Owner and Design Professional signed and dated the \_\_\_\_\_ day of \_\_\_\_\_ in the year (yyyy) of \_\_\_\_\_ between the Owner \_\_\_\_\_ and Design Professional \_\_\_\_\_ on Project \_\_\_\_\_. The parties to that Agreement agree to modify the Agreement by the above delineated Additional Services and modifications.

This Addendum is dated this \_\_\_\_\_ day of \_\_\_\_\_ in the year (yyyy) of \_\_\_\_\_

Owner	Design Professional
_____	_____
(Housing Authority)	(Firm)
_____	_____
(Signature)	(Signature)
_____	_____
(Print Name)	(Print Name)
_____	_____
(Print Title)	(Print Title)

## **EXHIBIT A**

### **Overview**

#### **1. Introduction**

- 1.1 The Houston Housing Authority (“HHA”) is soliciting responses from qualified firms or individuals interested in serving as a partner and developer (“Developer” or “Developers”) to assist HHA in acquiring, rehabilitation, and operating the Pinnacle on Wilcrest (the “Project”), an affordable housing community that serves the elderly, using 4% low-income housing tax credits (“LIHTC”) and tax-exempt bonds.

#### **2. Pinnacle on Wilcrest**

- 2.1 The Project is an existing 213,356 square foot multifamily residential development on 10.75 acres. The property is located in southwest Houston at approximately 9520 Wilcrest, Houston, Texas 77099 and is owned by HHA. There are 250 units in three four-story housing buildings that were constructed in 2006.
- 2.2 The Project was originally financed with 4% LIHTC and tax-exempt bonds. The initial 15-year compliance period ended in 2022. The original tax credit investor has exited the property.
- 2.3 The Scope of Work (“SOW”) for the Project includes items required and selected under the 2023 QAP, among existing qualifying Texas Department of Housing and Community Affairs (“TDHCA”) amenities. Possible items included in the SOW are the rehabilitation of the existing building envelopes, apartment unit interiors, and site upgrades. A property condition assessment it needed, but it is anticipated that there will not be extensive rehabilitation required.

#### **3. Ownership and Operation**

- 3.1 Currently, the Project is wholly owned by HHA. HHA desires to re-syndicate its equity interest in the Project by selling the Project.
- 3.2 HHA will enter into a limited partnership or limited liability company with a Developer which will purchase the Project (the “Buyer”). HHA will remain in the ownership and operation of the Project by serving as the general partner or managing member of the Buyer to allow the Project to continue to serve as affordable housing for the elderly and to maintain the ad valorem tax exemption. The Developer will be the primary owner and will manage or oversee management of the Project.
- 3.3 APV Redevelopment Corporation (“APV”), a non-profit HHA instrumentality, will be the general contractor and the selected construction contractor will be a

subcontractor to APV to secure exemption from sales tax on materials.

- 3.4 HHA will require some amount of financial interest from the operation of the Project for their continued participation in the ownership and operation of the Project. The remainder of the proceeds from the operation of the Project will go to the Developer.
- 3.5 HHA submitted an application for bond cap on the Project in the 2022 bond lottery through its affiliate Lakeside Place PFC. It is currently 10<sup>th</sup> in line in bond sub-category 5 after the January reservations are issued. We anticipate the Project will receive a bond reservation sometime in the second quarter of 2023.

#### **4. Award**

- 4.1 Award of this solicitation by HHA is contingent on the Developer's qualifications and experience directly working on LIHTC multifamily residential housing, and the amount of proceeds payable to HHA at closing, as Seller of the Project, and for HHA's continued participation in the ownership and operation of the Project, as general partner or managing member of the Buyer.

## **EXHIBIT B**

### **Developer's Responsibilities**

1. The selected developer will have the following roles, duties, and responsibilities:
  - 1.1 Must have a current TDHCA Experience Certificate. The Certificate must be maintained current throughout the term of the contract.
  - 1.2 Select a General Contractor.
  - 1.3 Select a tax credit investor and lender.
  - 1.4 Follow all regulations set forth in the TDHCA QAP.
  - 1.5 Create and regularly update detailed development and operating budgets not less than on a monthly basis.
  - 1.6 Provide written monthly reports to HHA on the progress of the development efforts.
  - 1.7 Utilize any third-party reports and evaluations currently available. Implement any and all remediation actions identified in these.
  - 1.8 Perform all normal and customary development work for a LIHTC project such as selecting team members as necessary; scheduling and project management; completing site and/or infrastructure assessments; managing design, entitlements, and construction; managing project funding; construction oversight; securing COH support, and approvals, and managing all regulatory filings.
  - 1.9 Provide post-award reports to TDHCA.
  - 1.10 Provide all guarantees required by lenders and investors through the project development obligation period, typically defined as project stabilization and, if applicable, conversion to permanent financing.
  - 1.11 Proactively scheduling, preparing and attending meetings with residents, local government, and community organizations to move the project successfully forward to completion.
  - 1.12 Provide predevelopment funding with all costs reimbursed at closing.
  - 1.13 Provide genuine training and employment opportunities to Section 3 individuals.
  - 1.14 Ensure significant participation by M/WBE and Section 3 firms throughout the development.
  - 1.15 Be eligible and able to pass a previous participation review with TDHCA.

## **EXHIBIT C**

### **HHA's Responsibilities**

1. HHA will have the following roles and responsibilities:
  - 1.1 Serve as the general (managing) partner of the ownership entities to be formed for the projects.
  - 1.2 Provide project approvals including approving the budget, pro-forma, team, bids and contracts, design, funding program and any regulatory filings.
2. HHA Consulting Team
  - 2.1 HHA has assembled a team of outside consultants to complete other requirements of the project including:
    - 2.1.1 Partnership Counsel
    - 2.1.2 Bond Counsel

HHA does not anticipate any changes to existing contracts and selected developer is expected to collaborate with the established team.

**EXHIBIT D**

**Evaluation Criteria**

<b>Item</b>	<b>Criteria</b>	<b>Maximum Points</b>
<b>1</b>	The amount of proceeds payable to HHA at closing as seller of the Property.	<b>40</b>
<b>2</b>	Evidence of the Respondent's ability to perform the work as indicated by profiles of the principles and staff and team members and explanation of their professional, technical competence and relevant experience with projects of similar size and scope.	<b>10</b>
<b>3</b>	Personnel qualifications of key personnel, location of staff, and resumes, including the firm's capacity as it relates to size and available resources to complete the development.	<b>10</b>
<b>4</b>	Firm's proposed project approach and demonstrated ability to meet established deadlines.	<b>10</b>
<b>5</b>	Evidence of demonstrated knowledge and familiarity of applicable governmental regulations and codes as required by the U.S. Department of Housing and Urban Development, State of Texas, TDHCA, City of Houston, and any other agencies having authority.	<b>5</b>
<b>6</b>	Financial terms to HHA for its continued role in the transaction.	<b>10</b>
<b>7</b>	References	<b>10</b>
<b>8</b>	M/WBE and Section 3 Participation	<b>5</b>
<b>Total Maximum Points</b>		<b>100</b>

## **EXHIBIT E**

### **Submission Format and Requirements**

#### **1. General**

Prospective Developers must, or within its team, demonstrate:

- 1.1 Experience in developing and maintaining construction schedules.
  - 1.2 Innovative problem solving.
  - 1.3 Understanding in the development of communities with a significant contribution to their neighborhoods.
  - 1.4 Experience developing, constructing, and operating affordable housing, particularly under TDHCA's programs.
  - 1.5 Experience developing housing for families, the elderly, and the disabled.
  - 1.6 Adherence to any and all ADA, HUD and TDHCA rules.
  - 1.7 Knowledge in site preparation and infrastructure development.
  - 1.8 Expertise in regulatory compliance issues, in particular TDHCA.
  - 1.9 Involvement and application of Section 3 and M/WBE.
2. All documents listed herein must be submitted on a USB flash drive as one (1) complete adobe file with the requested information in a sealed envelope.
- 2.1 The contents and accuracy of the information stored on the USB flash drive should be checked must be checked before it is submitted to HHA.
3. **ONE (1) ORIGINAL (CLEARLY MARKED IN A THREE-RING BINDER), AND (1) COPY (CLEARLY MARKED IN A THREE-RING BINDER) OF THE REQUESTED INFORMATION MUST BE DELIVERED WITH THE USB FLASH DRIVE IN A SEALED ENVELOPE BY THE SPECIFIED DUE DATE TO THE LOCATION ON PAGE 1 OF THIS SOLICITATION. EACH SECTION OF THE RESPONSE MUST BE SEPARATED BY A NUMERICALLY SEQUENTIAL "TAB" (I.E., TAB 1, TAB 2, TAB 3, ETC.) AND CONTAIN THE FOLLOWING:**
- 3.1 **Letter of Interest**
    - 3.1.1 This should be submitted on letterhead, and it should acknowledge the receipt and review of this solicitation and any Amendment(s) issued by HHA.

**3.2 Table of Contents listing the subject matter of each “Tab”.**

**3.3 Tab 1 (Proposed Development Methods and Proforma)**

- 3.3.1 Provide financial projections for a resyndication of the Project that shows the amount of proceeds from the sale going to HHA at closing.

**3.4 Tab 2 (Organizational Structure and Staffing)**

- 3.4.1 Provide a detailed description of your organizational structure and staffing of the Respondent. List the members of the team that will be assigned to this project; indicate their areas of expertise and specific contribution to the team. Familiarity with state or local rules, practices or conditions are to be included.

**3.5 Tab 3 (Profile of Principals and Key Staff)**

- 3.5.1 Provide profiles of the principals and key staff to be involved in the development effort. This information should specify their roles, development experience, time commitments, and whether the staff will be locally based.
- 3.5.2 Identify the individual who will serve as the Project Manager and who will direct and coordinate the Project to completion.

**3.6 Tab 4 (Development of Fee Structure)**

- 3.6.1 Provide a calculation of the Developer Fee and the proposed sharing ratio with HHA
- 3.6.2 Include the contact information of the general contractor, who is subject to the approval of HHA.
- 3.6.3 Provide experience with General Contractors, as required in this solicitation.
- 3.6.4 Indicate sharing percentages of cash flow and sale proceeds in the new partnership for the resyndication.

**3.7 Tab 5 (Litigation)**

- 3.7.1 Indicate whether the Respondent or any Respondent team member has ever sued or been sued by a public agency, and if so, describe the circumstances and outcome.

**3.8 Tab 6 (Eligibility to Bid Contract)**

- 3.8.1 Any Respondent who has been disbarred from bidding on projects by any federal, state, or local government agency, must fully disclose to HHA the details of such disbarment.

- 3.8.2 Further, any person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal on a contract to provide any goods or services to a public entity, may not submit a proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit proposals on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity.

**3.9 Tab 7 (Previous Housing Development Experience)**

- 3.9.1 Provide a copy of TDHCA Experience Certificate, and information on residential rental development projects in which the Respondent has participated. Focus on the five (5) most recently completed developments, particularly Texas affordable partnerships with public housing authorities for which the Respondent was procured. Information should list the project name, location, project size (units), project completion date or current status, funding sources and amounts, ownership type, public programs utilized, income levels served (very low, moderate, market rate, or mixed), type of development (high, mid or low-rise, walk-ups, townhouses, etc.), extent of community and/or resident participation, and total development cost. Include the name of a contact at each housing authority or other owner/development partner that you have prior experience with and their phone number and email address.

**3.10 Tab 8 (Financing Experience)**

- 3.10.1 Describe approach to managing the financial risk associated with affordable housing developments.
- 3.10.2 Describe what resources you may commit, what other private and public funds might be necessary, and from what sources and when these funds will likely be available.

**3.11 Tab 9 (Capacity)**

- 3.11.1 Certify that the Respondent and all team members are available to start immediately. Describe any existing time commitments of the proposed team members or their proposed staff which would impair the Respondent ability to proceed expeditiously. The respondent should identify specific individuals to be assigned to this project(s).

**3.12 Tab 10 (Financial Statement)**

- 3.12.1 Provide your current financial statements prepared by a Certified Public Accountant.

**3.13 Tab 11 (References)**

3.13.1 Provide the name, mailing address, and telephone number for three (3) of the following:

- Community partners
- Tax credit investor references
- Housing authority references  
(If the Respondent has housing authority experience)

Note: HHA reserves the right to check other references as well.

**3.14 Tab 12 (Utilization Minority, and Women Business Enterprises [“M/WBE”])**

3.14.1 Describe the approach and process to promote M/WBE’s, and Section 3 business participation in the development effort. Respondent must show proof of a good faith effort to obtain 35% minority participation in the development effort. The Respondent must comply with the requirements set forth in Attachments D thru F incorporated herein, and must be addressed and included with the sealed response.

**3.15 Tab 13 (Understanding of the Requirements)**

3.15.1 Demonstrate that you possess an understanding of requirements (local, state, and federal) requirements and procedures that will enable the effort to be efficiently completed.

**3.16 Tab 14 (Attachment A Declaration)**

**3.17 Tab 15 (Attachment B Non-Collusive Affidavit)**

**3.18 Tab 16 (Attachment C Conflict of Interest Questionnaire)**

**3.19 Tab 17 (Attachment E Acknowledgement)**

**3.20 Tab 18 (Attachment F M/WBE Participation Form)**

**3.21 Tab 19 (Attachment G HHA Section 3 Requirements & Commitment)**

**3.22 Tab 20 (Attachment H Representations, Certifications, and Other Statements of Bidders Public and Indian Housing Programs HUD Form 5369A)**

Exhibit F RFP 23-45

# **VSPFC-Wilcrest Apartments, L.P.**

**Financial Statements with Report of Independent Auditors  
December 31, 2022 and 2021**

## Report of Independent Auditors

To the Partners of  
VSPFC-Wilcrest Apartments, L.P.:

### **Opinion**

We have audited the accompanying financial statements of VSPFC-Wilcrest Apartments, L.P., a Texas limited partnership, which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of operations, changes in partners' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VSPFC-Wilcrest Apartments, L.P. as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of VSPFC-Wilcrest Apartments, L.P. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about VSPFC-Wilcrest Apartments, L.P.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of VSPFC-Wilcrest Apartments, L.P.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about VSPFC-Wilcrest Apartments, L.P.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

#### **Change in Accounting Principle**

As discussed in Note 2 to the financial statements, VSPFC-Wilcrest Apartments, L.P. adopted accounting standards changes related to accounting for and disclosing leasing arrangements. Our opinion is not modified with respect to this matter.

*Novogradac & Company LLP*

Austin, Texas  
May 8, 2023

VSPFC-WILCREST APARTMENTS, L.P.  
BALANCE SHEETS  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 469,098	\$ 348,853
Restricted cash	717,651	816,371
Account receivable	24,855	22,665
Prepaid expenses	33,669	16,037
Right-of-use asset	991,226	1,008,693
Fixed assets, net of accumulated depreciation	<u>5,605,133</u>	<u>6,085,726</u>
Total assets	<u>\$ 7,841,632</u>	<u>\$ 8,298,345</u>
LIABILITIES AND PARTNERS' DEFICIT		
Liabilities		
Accounts payable	\$ 34,940	\$ 1,936
Security deposits payable	96,902	94,592
Prepaid rent	16,038	41,405
Accrued interest	872,628	806,650
Accrued expenses	44,840	49,921
Development fee payable	-	2,400,000
Guarantor loan payable	750,000	750,000
Note payable - Embrey Partners, Ltd.	219,983	219,983
Note payable - Limited Partner	613,478	613,478
Bonds payable, net of unamortized debt issuance costs	<u>10,600,864</u>	<u>10,738,976</u>
Total liabilities	13,249,673	15,716,941
Partners' deficit	<u>(5,408,041)</u>	<u>(7,418,596)</u>
Total liabilities and partners' deficit	<u>\$ 7,841,632</u>	<u>\$ 8,298,345</u>

see accompanying notes

VSPFC-WILCREST APARTMENTS, L.P.  
STATEMENTS OF OPERATIONS  
For the years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUE		
Rental revenue	\$ 2,491,860	\$ 2,373,161
Other revenue	<u>65,617</u>	<u>82,221</u>
Total revenue	2,557,477	2,455,382
OPERATING EXPENSES		
General and administrative	183,651	121,351
Payroll	354,895	333,655
Utilities	260,365	198,765
Taxes and insurance	259,066	206,816
Property management fees	120,904	109,169
Repairs and maintenance	408,545	476,754
Marketing and advertising	13,055	10,469
Legal and other professional fees	31,785	16,540
Amortization of right-of-use asset	<u>17,467</u>	<u>17,467</u>
Total operating expenses	<u>1,649,733</u>	<u>1,490,986</u>
Operating income	907,744	964,396
OTHER INCOME AND (EXPENSES)		
Interest income	1,205	857
Forgiveness of debt	-	52,310
Interest expense	(806,765)	(810,114)
Depreciation and amortization	(480,593)	(572,544)
Other partnership expenses	<u>(11,036)</u>	<u>(14,029)</u>
Net other income and (expenses)	<u>(1,297,189)</u>	<u>(1,343,520)</u>
Net loss	<u>\$ (389,445)</u>	<u>\$ (379,124)</u>

see accompanying notes

VSPFC-WILCREST APARTMENTS, L.P.  
STATEMENTS OF CHANGES IN PARTNERS' DEFICIT  
For the years ended December 31, 2022 and 2021

	<u>General Partner</u>	<u>Former Limited Partners</u>	<u>New Limited Partner</u>	<u>Total Partners' Deficit</u>
BALANCE, JANUARY 1, 2021	\$ (614)	\$ (7,038,858)	\$ -	\$ (7,039,472)
Net loss	<u>(19)</u>	<u>(379,105)</u>	<u>-</u>	<u>(379,124)</u>
BALANCE, DECEMBER 31, 2021	(633)	(7,417,963)	-	(7,418,596)
Deemed capital contribution	2,400,000	-	-	2,400,000
Net loss	(19)	(292,069)	(97,357)	(389,445)
Transfer of capital	<u>-</u>	<u>7,710,032</u>	<u>(7,710,032)</u>	<u>-</u>
BALANCE, DECEMBER 31, 2022	<u><u>\$ 2,399,348</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (7,807,389)</u></u>	<u><u>\$ (5,408,041)</u></u>

see accompanying notes

VSPFC-WILCREST APARTMENTS, L.P.  
STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (389,445)	\$ (379,124)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Forgiveness of debt	-	(52,310)
Interest expense - debt issuance costs	21,431	21,963
Depreciation and amortization	480,593	572,544
Amortization of right-of-use asset	17,467	17,467
Changes in:		
Accounts receivable	(2,190)	(16,781)
Prepaid expenses	(17,632)	735
Accounts payable	33,004	(7,930)
Security deposits payable	2,310	1,151
Prepaid rent	(25,367)	31,844
Accrued interest	65,978	50,862
Accrued expenses	(5,081)	(61,662)
Net cash provided by operating activities	<u>181,068</u>	<u>178,759</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bonds payable	<u>(159,543)</u>	<u>(149,454)</u>
Net change in cash, cash equivalents and restricted cash	21,525	29,305
Cash, cash equivalents and restricted cash at beginning of year	<u>1,165,224</u>	<u>1,135,919</u>
Cash, cash equivalents and restricted cash at end of year	<u>\$ 1,186,749</u>	<u>\$ 1,165,224</u>
Cash and cash equivalents	\$ 469,098	\$ 348,853
Restricted cash	<u>717,651</u>	<u>816,371</u>
Total cash, cash equivalents and restricted cash	<u>\$ 1,186,749</u>	<u>\$ 1,165,224</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	<u>\$ 719,356</u>	<u>\$ 737,289</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Decrease in accrued expenses due to forgiveness of debt	<u>\$ -</u>	<u>\$ 52,310</u>
Decrease in development fee payable from deemed capital contribution	<u>\$ 2,400,000</u>	<u>\$ -</u>

see accompanying notes

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

1. General

VSPFC-Wilcrest Apartments, L.P. (the “Partnership”), a Texas limited partnership, was formed in November 2004 to construct, develop and operate a 250-unit apartment project known as Pinnacle on Wilcrest Apartments (the “Project”) in Houston, Texas. The Project is rented to low-income tenants and is operated in a manner necessary to qualify for federal low-income housing tax credits as provided for in Section 42 of the Internal Revenue Code (“Section 42”).

The general partner is VSPFC-Wilcrest GP, LLC (the “General Partner”). The former limited partners (the “Former Limited Partners”) are AMTAX Holdings 646, LLC (the “Former Investor Limited Partner”) and PROTECH 2004-D, LLC (the “Former Special Limited Partner”). Effective September 27, 2022 (the “Date of Assignment”), the Former Limited Partners assigned their interests in the Partnership to APV Partners Corporation (the “Limited Partner”). The Partnership will operate until December 31, 2054, or until its earlier dissolution or termination.

Profits, losses, and tax credits are allocated in accordance with the First Amended and Restated Limited Partnership Agreement, dated December 21, 2004 (the “Partnership Agreement”) and amendments thereon. Profits and losses from operations and low-income housing tax credits are allocated 99.995% to the Limited Partner and 0.005% to the General Partner.

Pursuant to the Partnership Agreement, the Former Investor Limited Partner provided capital contributions to the Partnership totaling \$5,384,326, subject to adjustments based on the amount of low-income housing tax credits allocated to the Project in addition to other occurrences which are fully explained in the Partnership Agreement. As of December 31, 2022 and 2021, the Former Investor Limited Partner had provided all required capital contributions.

2. Summary of significant accounting policies and nature of operations

Basis of accounting

The Partnership prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with maturities of three months or less at the date of acquisition.

Restricted cash is not considered cash and cash equivalents, and includes cash held with financial institutions for administration of the proceeds from the bond issuance, and to pay for repairs or improvements to the buildings which extend their useful lives.

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

2. Summary of significant accounting policies and nature of operations (continued)

Concentration of credit risk

The Partnership maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Partnership has not experienced any losses in such accounts. The Partnership believes it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts receivable

Management considers receivables to be fully collectible. If amounts become uncollectible, they are charged to operations in the period in which that determination is made. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Right-of-use asset

The Partnership determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of and to obtain substantially all of the economic benefits from the use of an asset for a period of time in exchange for consideration. Operating lease right-of use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Partnership will exercise that option. The ground lease agreement does not contain any material residual value guarantees or material restrictive covenants. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Partnership accounts for the ground lease as an operating lease and records expense based on the average minimum yearly base lease accrual calculated over the term of the lease (see Note 4). The cumulative difference between the annual expense and the actual base lease amount will be recorded as "Right-of-use asset" in the accompanying balance sheets.

Fixed assets and depreciation

Fixed assets are recorded at cost. Residential rental buildings are depreciated over their estimated useful life of 27.5 years using the straight-line method. Commercial space is depreciated over its estimated useful life of 39 years using the straight-line method. Site improvements are depreciated over 15 years using the straight-line method. Personal property is depreciated over 7 years using the straight-line method. Depreciation expense for 2022 and 2021 was \$480,593 and \$571,711, respectively.

Fixed assets were comprised of the following as of December 31:

	2022	2021
Buildings	\$ 13,102,410	\$ 13,102,410
Commercial space	161,535	161,535
Site improvements	3,157,573	3,157,573
Personal property	1,596,613	1,596,613
Less accumulated depreciation	(12,412,998)	(11,932,405)
Fixed assets, net	<u>\$ 5,605,133</u>	<u>\$ 6,085,726</u>

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

2. Summary of significant accounting policies and nature of operations (continued)

Deferred charges and amortization

Tax credit fees of \$30,000 are amortized on a straight-line basis over the 15-year tax credit compliance period. Amortization expense for 2022 and 2021 was \$0 and \$833, respectively. As of December 31, 2022 and 2021, accumulated amortization \$30,000 for both years.

Impairment of long-lived assets

The Partnership reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flows expected to be generated and any estimated proceeds from the eventual disposition. If a long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from an appraisal, discounted cash flow analysis, or other valuation technique. There were no impairment losses recognized during 2022 or 2021.

Income taxes

Income taxes on Partnership income are levied on the partners at the partner level. Accordingly, all profits and losses of the Partnership are recognized by each partner on its respective tax return.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Partnership to report information regarding its exposure to various tax positions taken by the Partnership. The Partnership has determined whether any tax positions have met the recognition threshold and has measured the Partnership's exposure to those tax positions. Management believes that the Partnership has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Partnership are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

Revenue recognition for tenant leases and tenant charges

The Partnership is the lessor of the Project and accounts for tenant leases as operating leases. The Partnership determines if a contract is a lease or contains a lease at inception. At the commencement of an operating lease, no income is recognized; subsequently, lease payments received are recognized on a straight-line basis. Rental revenue attributable to tenant leases is recorded when due from residents, generally upon the first day of each month. Leases are for periods of up to one year, with rental payments due monthly. Other revenue includes fees for late payments, cleaning, damages, laundry facilities and other tenant charges and is recorded when earned. Advance receipts of revenue are deferred and classified as liabilities until earned.

Economic concentrations

The Partnership operates one property located in Houston, Texas. Future operations could be affected by changes in economic or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing.

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

2. Summary of significant accounting policies and nature of operations (continued)

Subsequent events

Subsequent events have been evaluated through May 8, 2023, which is the date the financial statements were available to be issued, and there are no subsequent events requiring disclosure.

Vulnerability – impact of COVID-19

The severity of the impact of COVID-19 on the Partnership's operations will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Partnership's tenants, all of which are uncertain and cannot be predicted. The Partnership's future results could be adversely impacted by delays in rent collections and loan payment. Management is unable to predict with absolutely certainty the impact of COVID-19 on its financial condition, results of operations or cash flows.

Change in accounting principle

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") 842, Leases ("FASB ASC 842") to increase transparency and comparability among organizations by requiring the recognition of lease assets and lease liabilities on the balance sheet by lessees and the disclosure of key information about leasing arrangements. FASB ASC 842 was adopted January 1, 2022, and any adjustment necessary, if any, was recognized through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended December 31, 2021, are made under prior lease guidance in FASB ASC 840. With respect to tenant leases, FASB ASC 842 did not have a material impact on the financial statements. The Partnership elected the available practical expedients to account for its existing ground lease as an operating lease under the new guidance, without reassessing (a) whether the contract contains a lease under the new standard, (b) whether classification of a lease would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

3. Restricted cash

Replacement reserve

Pursuant to the Partnership Agreement, the Partnership deposits funds into an interest-bearing replacement reserve account for the purpose of paying for repairs to the buildings. As of December 31, 2022 and 2021, the balance in the replacement reserve account was \$617,105 and \$715,744, respectively.

Funds held in trust

Pursuant to a trust indenture between the Partnership, Victory Street Public Facility Corporation (the "Issuer") and Wells Fargo Bank, National Association (the "Trustee"), the Trustee established certain fund accounts to administer the proceeds from the bond issuance.

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

3. Restricted cash (continued)

Funds held in trust (continued)

As of December 31, 2022 and 2021, the account balances were as follows:

	<u>2022</u>	<u>2021</u>
Expense fund	\$ 8,424	\$ 556
Surplus fund	16,798	13,892
Bond fund	<u>75,324</u>	<u>86,179</u>
Total funds held in trust	<u>\$ 100,546</u>	<u>\$ 100,627</u>

4. Related party transactions

Right-of-use asset

In December 2004, the Partnership entered into a 75-year ground lease agreement (the “Ground Lease”) with the Housing Authority of the City of Houston, a related party of the General Partner. The Partnership is bound by the responsibilities and obligations in the Ground Lease. Under the Ground Lease, the annual rent amount is \$131,000. In December 2004, the Partnership made a \$1,310,000 pre-payment for the first 10 years of rent. Under the Ground Lease, upon expiration of the initial pre-paid 10-year period, annual rent is deferred and not payable for the entire term of the lease, provided that the Partnership does not default on its obligations under the Ground Lease. The Ground Lease is amortized over the lease term of 75 years. As of December 31, 2022 and 2021, the prepaid ground lease balance was \$991,226 and \$1,008,693, respectively, and the ground lease expense was \$17,467 in each year.

Asset management fees

Pursuant to the Partnership Agreement, the Partnership pays an annual fee of \$7,500 to the Former Special Limited Partner, adjusted annually by the change in the Consumer Price Index, for the annual review of the operations of the Partnership and the Project. On the Date of Assignment, the Former Special Limited Partner assigned their rights to the asset management fee to the Limited Partner. The asset management fee is cumulative and is payable from net cash flows, as defined in the Partnership Agreement. During 2022 and 2021, asset management fees of \$11,036 and \$10,367, respectively, were incurred and are included in “Other partnership expenses” on the accompanying statements of operations. As of December 31, 2022 and 2021, asset management fees of \$21,403 and \$10,367, respectively, remained outstanding and are included in “Accrued expenses” on the accompanying balance sheets.

Note payable – Limited Partner

During 2009, advances were provided by the Former Investor Limited Partner to repay bonds payable. On the Date of Assignment, the Former Investor Limited Partner assigned their rights to the advances to the Limited Partner. The advances do not bear interest and will be repaid from cash flow of the Partnership. As of December 31, 2022 and 2021, advances of \$613,478 remained outstanding for both years.

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

4. Related party transactions (continued)

Development fee payable

APV Redevelopment Corporation (the “Secondary Developer”), a related party of the General Partner, and Embrey Partners, Ltd. (the “Primary Developer”) earned a total fee of \$2,400,000 (the “Development Fee Payable”) for services rendered in connection with the construction and development of the Project. The Development Fee Payable did not bear interest and was payable from designated proceeds, and the remaining balance (the “Deferred Development Fee”) was payable on the earlier of the fifteenth anniversary of the completion date or the date of liquidation of the Partnership, as defined in the Partnership Agreement. Effective December 31, 2021, the Primary Developer assigned their portion of the Deferred Development Fee to the Secondary Developer. As of December 31, 2021, development fee payable of \$2,400,000 remained outstanding. During 2022, the General Partner provided a deemed capital contribution to pay off the Deferred Development Fee in full, and as of December 31, 2022, no amounts remained outstanding.

5. Note payable – Embrey Partners, Ltd.

Operating deficit obligation

The Partnership Agreement provides for an operating deficit guaranty, whereby Embrey Partners, Ltd. has the right but not the obligation to provide sufficient funds to satisfy any operating deficits over a defined period commencing on the certificate of occupancy date to permit the Partnership to meet all reasonable costs of operations. Any funding accrues interest at an annual interest rate equal to prime rate plus 2% and is to be repaid by the Partnership as cash flow permits. As of December 31, 2022 and 2021, operating deficit obligation advances of \$219,983 were outstanding for both years. As of December 31, 2022 and 2021, accrued interest of \$212,530 and \$197,567, respectively, was outstanding and is included in “Accrued interest” on the accompanying balance sheets.

6. Guarantor loan payable

During 2009, the Partnership entered into an agreement with The Pinnacle on Wilcrest, Ltd. and obtained a loan of \$750,000 (the “Loan Payable”). The Loan Payable bears interest at the prime rate plus 2%, which is determined at the end of the preceding calendar month and is payable to the extent that funds are available from cash flow prior to the end of the compliance period. As of December 31, 2022 and 2021, Guarantor loan payable of \$750,000 was outstanding for both years. As of December 31, 2022 and 2021, accrued interest of \$597,695 and \$546,680, respectively, was outstanding and included in “Accrued interest” on the accompanying balance sheets.

7. Bonds payable

During 2006, the Partnership entered into a financing agreement with the Issuer and the Trustee to use proceeds from the issuance of tax-exempt bonds for the construction and development of the Project and payment of bond redemption. The bonds, in the amount of \$14,250,000, are collateralized by the Project, were issued on December 1, 2004, and mature on August 1, 2038.

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

7. Bonds payable (continued)

The bonds payable bear interest at 6.55% with monthly payments of principal and interest of \$73,241. As of December 31, 2022 and 2021, principal of \$10,895,248 and \$11,054,791, respectively, and accrued interest of \$62,403 was outstanding for both years and is included in “Accrued interest” on the accompanying balance sheets.

Bonds payable consist of the following as of December 31,

	<u>2022</u>	<u>2021</u>
Principal balance	\$ 10,895,248	\$ 11,054,791
Less: unamortized debt issuance costs	<u>(294,384)</u>	<u>(315,815)</u>
Bonds payable, net of unamortized debt issuance costs	<u>\$ 10,600,864</u>	<u>\$ 10,738,976</u>

Debt issuance costs of \$435,809 are being amortized to interest expense over the term of the bonds. At the beginning of 2016, the Partnership changed the estimated useful life of the debt issuance costs from a total of 22.6 years to 34 years. This change is accounted for prospectively as a change in estimate. During 2022 and 2021, amortization expense for debt issuance costs was \$21,431 and \$21,963, respectively. For 2022 and 2021, the effective interest rate was 6.74% in each year.

Future minimum principal payments over the next five years and thereafter are as follows:

Year ending December 31,	
2023	\$ 170,312
2024	181,809
2025	194,081
2026	207,182
2027	221,168
Thereafter	<u>9,920,696</u>
Total	<u>\$ 10,895,248</u>

8. Property management fees

Pursuant to a property management agreement, Embrey Management Services, Ltd. receives a monthly property management fee equal to the greater of \$3,000 or 5% of total income collected from the property. Of the 5%, 4% is paid on a current basis and the remaining 1% is paid only if cash flow is available after payment of all other expenses of the property. During 2022 and 2021, property management fees of \$120,904 and \$109,169, respectively, were incurred.

9. Low-income housing tax credits

The Partnership generated an aggregate of \$6,074,140 of federal low-income housing tax credits (“Tax Credits”). Generally, such credits become available for use by its partners pro-rata over a ten-year period, which began in 2006. The year in which the credit period begins is determined on a building-by-building basis within the Partnership. In order to qualify for these credits, the Project must comply with various federal and state requirements.

VSPFC-WILCREST APARTMENTS, L.P.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022 and 2021

9. Low-income housing tax credits (continued)

These requirements include, but are not limited to, renting to low-income tenants at rental rates which do not exceed specified percentages of area median gross income for the first 15 years of operation. The Partnership has also agreed to maintain and operate the Project as low-income housing for an additional 15 years beyond the initial 15-year compliance period. Because the Tax Credits are subject to compliance with certain requirements, there can be no assurance that the aggregate amount of Tax Credits will be realized and failure to meet all such requirements or to correct noncompliance within a specified time period may result in generating a lesser amount of Tax Credits than expected in future years, and/or recapture of Tax Credits previously allocated. A reduction of future credits or recapture would require credit deficit payments to the Limited Partner under the terms of the Partnership Agreement.

As of December 31, 2022 and 2021, the cumulative amount of Tax Credits allocated to the Partnership was \$6,074,140 for both years.

The Partnership does not anticipate generating additional Tax Credits in the future.

*Do not staple*

<b>FOR OFFICE USE</b>				Date & Time Received
Application # _____	Lottery # _____	Docket # _____		
Sub-Ceiling # _____	Priority # _____	Amount Requested _____		
Reservation _____	35-Day Filing _____	Closing Deadline _____		
Date _____	Deadline _____	Region _____		
QCT _____	Non-QCT _____	Proj. AMFI _____		
Metro _____	Non-Metro _____			

Project Name: Pinnacle at Wilcrest

## TEXAS BOND REVIEW BOARD

### 2023 APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS

Please e-mail an electronic copy of application with attachments to [brbpab@brb.texas.gov](mailto:brbpab@brb.texas.gov)

**A signed original application with one set of attachments will be accepted at:**

**For questions, contact TBRB at:**

Texas Bond Review Board  
300 W. 15th St. #409  
Austin, TX 78701-1649

Program Administrator  
(512) 463-1741  
[brbpab@brb.texas.gov](mailto:brbpab@brb.texas.gov)

**A FAX WILL NOT BE ACCEPTED FOR FILING!**

<b>1. ISSUER INFORMATION:</b>	
<b>Issuer Name &amp; Mailing Address</b>	<b>Contact Name, Phone, Fax, &amp; E-mail</b>
Lakeside Place PFC 2640 Fountain View Drive, Suite 400 Houston, Texas 77057	David A. Northern, Sr. Phone: 713-260-0501 Fax: 713-260-0805 Email: <a href="mailto:dnorthern@housingforhouston.com">dnorthern@housingforhouston.com</a>
<b>Date of Incorporation:</b>	August 17, 2017

<b>2. GOVERNMENT UNIT(S) INFORMATION:</b>	
<b>Government Unit Name &amp; Mailing Address</b>	<b>Contact Name, Phone, Fax, &amp; E-mail</b>
Housing Authority of the City of Houston 2640 Fountain View Drive, Suite 400 Houston, Texas 77057	David A. Northern, Sr. Phone: 713-260-0501 Fax: 713-260-0805 Email: <a href="mailto:dnorthern@housingforhouston.com">dnorthern@housingforhouston.com</a>

<b>3. BORROWER/USER INFORMATION:</b>	
<b>Borrower Name &amp; Mailing Address</b>	<b>Contact Name, Phone, Fax, &amp; E-mail</b>
Pinnacle at Wilcrest Redevelopment, LP c/o APV Redevelopment Corporation 2640 Fountain View Drive, Suite 400 Houston, Texas 77057	David A. Northern, Sr. Phone: 713-260-0501 Fax: 713-260-0805 Email: <a href="mailto:dnorthern@housingforhouston.com">dnorthern@housingforhouston.com</a>
<b>Corporate Structure</b>	<b>Date of Incorporation or Formation of Partnership</b>
Limited partnership	To be formed

**4. BOND COUNSEL INFORMATION:**

Name of Firm & Mailing Address	Contact Name, Phone, Fax, & E-mail
Coats Rose, P.C. Terrace 2 2700 Via Fortuna, Suite 350 Austin, Texas 78746	William D. Walter, Jr. Phone: 512-684-3842 Fax: 713-890-3954 Email: <a href="mailto:wwalter@coatsrose.com">wwalter@coatsrose.com</a>
	Contact's Assistant Name, Phone, & E-mail
	Rachel Jackson Phone: 512-541-3609 Email: <a href="mailto:rjackson@coatsrose.com">rjackson@coatsrose.com</a>

**5. FINANCIAL ADVISOR INFORMATION:**

Name of Firm & Mailing Address	Contact Name, Phone, Fax, & E-mail
N/A	

**6. UNDERWRITER INFORMATION:**

Name of Firm & Mailing Address	Contact Name, Phone, Fax, & E-mail
To be determined	

**7. PROJECT INFORMATION:**

Describe the Proposed Project.  
Acquisition and rehabilitation of a qualified residential rental project to be known as the Pinnacle at Wilcrest.

**8. PROJECT LOCATION:**

Street Address (must include Zip Code and County); will not process without Zip Code and County)	Legal Description (for Multi-Family Projects)
Approximately 9520 Wilcrest Houston, Texas 77099 Harris County	See attached exhibit to the enclosed deed.
If project is for single family mortgage loans, all zip codes in the lending area must be disclosed below.	
N/A	

**9. REQUESTED AMOUNT:**

Indicate amount of Reservation requested.

\$30,000,000

**10. RESERVATION AND BOND INFORMATION:**

☒ **A. Qualified Bond**

To the extent that private activity bond allocation is required under federal law, state the subparagraph of §141(e)(1) of the Code that applies:

If §141(e)(1)(A) of the Code applies, state the paragraph of §142(a) of the Code that applies:

☒ a. Exempt Facility Bond

- ☐ 1. Airports
- ☐ 2. Docks & Wharves
- ☐ 3. Mass Commuting Facilities
- ☐ 4. Facilities for the Furnishing of Water
- ☐ 5. Sewage Facilities
- ☐ 6. Solid Waste Disposal Facilities
- ☒ 7. Qualified Residential Rental Projects (**Complete Residential Rental Attachment**)
- ☐ 8. Facilities for Local Furnishing of Electric Energy/Gas
- ☐ 9. Local District Heating/Cooling Facilities
- ☐ 10. Qualified Hazardous Waste Facilities
- ☐ 11. High-speed Intercity Rail Facilities
- ☐ 12. environmental enhancements of hydroelectric generating facilities
- ☐ 13. qualified public educational facilities
- ☐ 14. qualified green building and sustainable design projects, or
- ☐ 15. qualified highway or surface freight transfer facilities

☐ b. Qualified Mortgage Bond (**Complete Qualified Mortgage Bond Attachment**)

☐ c. Qualified Veteran's Mortgage Bond

☐ d. Qualified Small Issue Bond

number of jobs to be created: \_\_\_\_\_ number of jobs to be retained: \_\_\_\_\_

☐ e. Qualified Student Loan Bond

☐ f. Qualified Redevelopment Bond

☐ g. Qualified 501(c)3 Bond

☐ **B. Not a Qualified Bond**

If the bond is not a qualified bond, state whether §141(b)(5) of the Code applies, or in the case of a transition rule project, state the paragraph of the Tax Act that applies: \_\_\_\_\_

**C. Is this a "state voted issue"? (if "yes", move to Item 11)**

☐ Yes

☒ No

**D. Previous Reservation** - Has a reservation been granted for the same project during this calendar year? If "yes", specify the date of reservation: \_\_\_\_\_

☐ Yes

☒ No

**E. Carryforward and/or Unexpended Proceeds** - (1) Are the bonds being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or (2) for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer or (3) for which there is an ongoing MCC program?

E1: ☐ Yes

E2: ☐ Yes

E3: ☐ Yes

☒ No

☒ No

☒ No

11. PROPOSED CLOSING DATE:

(Must be on or before December 23, 2023 unless carryforward extension is granted) TGC Sec. 1372.042 (c)  
Within 180 days of the reservation date.

## 12. DISTRIBUTION INSTRUCTIONS FOR CERTIFICATES OF RESERVATION/ALLOCATION:

Please indicate who should receive the Certificates

Issuer ☐ Bond Counsel ☒

Name of Firm: Coats Rose, P.C.

Contact Name & Phone #: William D. Walter, Jr.  
512-684-3842

Street Address

Terrace 2, 2700 Via Fortuna, Suite 350  
Austin, Texas 78746

Please indicate the preferred Method of Delivery (Note: Certificates will not be sent by regular mail.)

Electronic ☒ (Certificates will be sent via email)

Messenger ☐ (Please include self-addressed envelope)

Fed Ex ☐

Other Carrier (Specify Below) ☐

Account #

### 13. EMAIL DISTRIBUTION:

List others you wish to receive email notification when the project receives a reservation or is next in-line. If you are pursuing tax credits, please include TDHCA tax credit staff in your distribution list. If your project requires the vote of the Bond Review Board, please include: [brbbfo@brb.texas.gov](mailto:brbbfo@brb.texas.gov).

Name

Email address

David A. Northern, Sr.

[dnorthern@housingforhouston.com](mailto:dnorthern@housingforhouston.com)

Jay Mason

[jmason@housingforhouston.com](mailto:jmason@housingforhouston.com)

Barry Palmer

[bpalmer@coatsrose.com](mailto:bpalmer@coatsrose.com)

William D. Walter, Jr.

[wwalter@coatsrose.com](mailto:wwalter@coatsrose.com)

Rachel Jackson

[rjackson@coatsrose.com](mailto:rjackson@coatsrose.com)

#### 14 APPLICATION ATTACHMENTS

Mark all that apply and attach applicable items

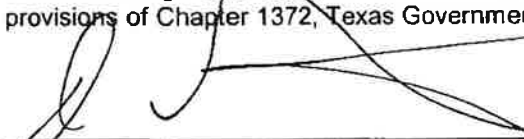
TBRB

- |  |                          |
|--|--------------------------|
| <input checked="" type="checkbox"/> A. Certification Regarding Fees & Check Copy, on the form prescribed by the Board  | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> B. Inducement Resolution or Preliminary Action   | <input type="checkbox"/> |
| <input type="checkbox"/> C. Binding Contract or, if SLB, other document (Unexpended Proceeds)  | <input type="checkbox"/> |
| <input type="checkbox"/> D. Statement by Trustee, and if necessary, statement by Mortgage Servicer of Issuer (Amount of Unexpended Proceeds, exclude recycled) | <input type="checkbox"/> |
| <input type="checkbox"/> E. Legal Counsel Opinion (RE: Item C. above)  | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> F. Legal Counsel Opinion (State's Ceiling)   | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> G. Issuer's <b>Certified</b> Articles of Incorporation and Bylaws (or update letter if on file)                            | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> H. Issuer's Certificate of Continued Existence   | <input type="checkbox"/> |
| <input type="checkbox"/> I. Borrower's & User's Certificate of Account Status (including partners or parents)  | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> J. Executed Earnest Money Contract ( <b>Multi-Family Issues Only</b> )   | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> K. Residential Rental Attachment ( <b>Multi-Family Issues Only</b> )   | <input type="checkbox"/> |
| <input type="checkbox"/> L. Government Unit Resolutions required by §1372.026 ( <b>MRB &amp; MCC Issues Only</b> )   | <input type="checkbox"/> |
| <input type="checkbox"/> M. Utilization Percentage Worksheet ( <b>MRB &amp; MCC Issues Only</b> , exclude recycled)  | <input type="checkbox"/> |
| <input type="checkbox"/> N. Information Required by §1372.0281 ( <b>Student Loan Issues Only</b> )   | <input type="checkbox"/> |
| <input type="checkbox"/> O. Other (Specify Below)  | <input type="checkbox"/> |

#### 15. AUTHORIZED REPRESENTATIVE:

Lakeside Place PFC	(the "Issuer") hereby names
William D. Walter, Jr.	
as authorized representative (Individual) to act on behalf of the Issuer on specific correspondence as requested	
by the Board regarding §190.1(c)(6) of the rules.	

The undersigned, being the duly authorized officer or member of the Issuer, hereby certifies that the information contained in this Application for Reservation and related attachments is understood to be true and correct to the best knowledge and belief of the undersigned. The undersigned certifies that he/she is familiar with the provisions of Chapter 1372, Texas Government Code, and the Texas Bond Review Board's related rules.

  
 \_\_\_\_\_  
 Signature of Authorized Officer/Member of Issuer

October 1, 2022

\_\_\_\_\_  
 Date

David A. Northern, Sr., Secretary

\_\_\_\_\_  
 Typed Name and Title

**Attachment A.      Certification Regarding Fees & Check Copy**

Reservation Docket # \_\_\_\_\_

Date & Time Received \_\_\_\_\_

**TEXAS BOND REVIEW BOARD**  
**2023 CERTIFICATION REGARDING FEES**

THIS FORM & **A COPY OF THE CHECK** MUST BE SENT TO THE FOLLOWING ADDRESS:

**TEXAS BOND REVIEW BOARD**  
**300 W. 15<sup>TH</sup> ST, SUITE 409**  
**AUSTIN, TX 78701-1649**

The undersigned certifies that as of the 13th day of October, 2022 a check, representing the  
Application \_\_\_\_\_ fee, in the amount of \$ 5,000.00, was sent by overnight mail  
(APPLICATION, 1/3 CLOSING, 2/3 CLOSING, CARRYFORWARD DESIGNATION)  
to the COMPTROLLER OF PUBLIC ACCOUNTS, ITEM PROCESSING - LOCKBOX SECTION.

**A copy of the check must be attached to this certification.**



\_\_\_\_\_  
Signature of Bond Counsel

William D. Walter, Jr.

\_\_\_\_\_  
Typed Name of Bond Counsel

Lakeside Place PFC

\_\_\_\_\_  
Name of Issuer

October 13, 2022

\_\_\_\_\_  
Date

Pinnacle at Wilcrest Redevelopment, LP

\_\_\_\_\_  
Name of User

Pinnacle at Wilcrest

\_\_\_\_\_  
Project

**THE FEE MUST BE RECEIVED NO EARLIER THAN 5 BUSINESS DAYS AND NO  
LATER THAN 24 HOURS AFTER RECEIPT OF THE CORRESPONDING FILING  
PURSUANT TO TAC 190.8(e).**

**This certification must be filed with documents each time a fee is required to be submitted.**

## Texas Bond Review Board

Invoice Date

Invoice Number

Description

10/06/2022

Invoice Amount

10/3/2022

PINNACLE @ WILCREST BOND INDUCEMENT

\$5,000.00

114179

\$5,000.00

2640 FOUNTAIN VIEW DR. • HOUSTON, TEXAS 77057 • (713) 260-0571  
GENERAL FUND ACCOUNTBANK OF AMERICA, N.A.  
DALLAS, TEXAS

114179

DATE

10/06/2022

CONTROL NO.

0000114179

AMOUNT

\$5,000.00

VOID AFTER 60 DAYS

PAY

Five Thousand and 00/100

TO  
THE  
ORDER  
OFTexas Bond Review Board  
300 W. 15th Street  
Suite 409  
Austin, TX 78701-1649

A handwritten signature in blue ink, appearing to read 'Ara Nords'.

⑈ 1 1 4 1 7 9 ⑈ ⑆ 1 1 1 0 0 0 0 2 5 ⑆ ⑈ 1 3 9 0 0 0 5 4 7 0 ⑈

## Texas Bond Review Board

Invoice Date

Invoice Number

Description

10/06/2022

Invoice Amount

10/3/2022

PINNACLE @ WILCREST BOND INDUCEMENT

\$5,000.00

114179

\$5,000.00

**Attachment B. Inducement Resolution or Preliminary Action**

# LAKESIDE PLACE PFC

2640 Fountain View Drive ♦ Houston, Texas 77057

## RESOLUTION NO. LPPFC 22-46

At the meeting of the Board of Directors ("Board") of the Lakeside Place PFC on **Monday, September 19, 2022**, at the Houston Housing Authority Central Office, 2640 Fountain View Drive, Houston, Texas 77057. The following resolution was moved by **Stephanie Ballard** and seconded by **Kris Thomas**:

**Resolution:** Declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Pinnacle at Wilcrest); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board, and containing other provisions relating to the subject.

A true and accurate copy of the vote is listed below, and a true and correct copy of the Resolution that was approved is attached hereto.

Name	Aye	No	Abstain	Name	Aye	No	Abstain
L. Snowden, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	G. Hernandez*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
K. Kirkendoll, Vice Chair*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A. Cooksey*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
K. Thomas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	S. Ballard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
M. Miller	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

**\*Absent:** K. Kirkendoll, A. Cooksey, and G. Hernandez

(SEAL)

DocuSigned by:

David A. Northern, Sr.

9E0B1D9C1AF04AA

David A. Northern, Sr., Secretary  
Lakeside Place PFC

Resolution No. LPPFC 22-46

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**REQUEST FOR BOARD AGENDA ITEM**

1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for Pinnacle at Wilcrest located at or about 9520 Wilcrest, Houston, Texas 77099.
2. **Date of Board Meeting:** September 19, 2022
3. **Proposed Board Resolution:**

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Pinnacle at Wilcrest); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

4. **Department Head Approval**    Signature \_\_\_\_\_ Date: \_\_\_\_\_

5. **Statement regarding availability of funds by VP of Fiscal Operations**

Funds Budgeted and Available    ☒ Yes    ☐ No    Source    Third Party

6. **Approval of President & CEO**

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
DocuSigned by:  
David A. Northern, Sr.  
9E0B1D8C1AF04AA

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR PINNACLE AT WILCREST LOCATED AT OR ABOUT 9520 WILCREST, HOUSTON, TEXAS 77099.  
**DATE:** SEPTEMBER 6, 2022

---

This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

**BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Pinnacle at Wilcrest Redevelopment, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and rehabilitation of an affordable multifamily housing project consisting of approximately 250 units located at approximately 9520 Wilcrest, Houston, Texas 77099, and commonly known as Pinnacle at Wilcrest (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project.

The User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to renovate, rehabilitate, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

Resolution No. LPPFC 22-46

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Pinnacle at Wilcrest); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board, and containing other provisions relating to the subject.

Resolution No. LPPFC 22-46

Lakeside Place PFC

RESOLUTION NO. 22-46

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (PINNACLE AT WILCREST); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Pinnacle at Wilcrest Redevelopment, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and substantial rehabilitation of an affordable multifamily housing project consisting of approximately 250 units located at approximately 9520 Wilcrest, Houston, Texas 77099, and commonly known as Pinnacle at Wilcrest (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the

Resolution No. LPPFC 22-46

"TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

Resolution No. LPPFC 22-46

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Resolution No. LPPFC 22-46

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

**Attachment F.      Legal Counsel Opinion (State's Ceiling)**

# COATS | ROSE

A PROFESSIONAL CORPORATION

October 1, 2022

Texas Bond Review Board  
300 West 15<sup>th</sup> Street, Suite 409  
Austin, Texas 78701

Re: 2023 Application for Allocation of Private Activity Bonds –  
Lakeside Place PFC Multifamily Housing Revenue Bonds  
(Pinnacle at Wilcrest)

Ladies and Gentlemen:

As bond counsel for Lakeside Place PFC (the “Issuer”), this opinion is rendered in accordance with Section 190.3(b)(11) of the Texas Bond Review Board Rules for Allocation of the State’s Limit on Certain Private Activity Bonds implementing provisions of Chapter 1372, Texas Government Code, as amended.

In conjunction with said Section 190.3(b)(11) and in connection with the Issuer’s proposed qualified residential rental project bonds (the “Bonds”), it is our opinion that the Bonds are required to be included under the state ceiling in order to be issued as obligations the interest on which is excludable from gross income under the provisions of the Internal Revenue Code of 1986, as amended. It is further our opinion that the Issuer is authorized under the laws of the State of Texas, including specifically the Texas Public Facility Corporations Act, Local Government Code, Chapter 303, Vernon’s Texas Code, as amended, to issue bonds or other obligations for projects of the same type and nature as the project which is the subject of the captioned application.

Very truly yours,

COATS ROSE, P.C.

*Coats Rose, P.C.*

TERRACE 2, 2700 VIA FORTUNA, SUITE 350, AUSTIN, TEXAS 78746  
PHONE: (512) 469-7987 FAX: (512) 469-9408

[coatsrose.com](http://coatsrose.com)

HOUSTON | AUSTIN | DALLAS | SAN ANTONIO | NEW ORLEANS | CINCINNATI

**Attachment G.      Issuer's Certified Articles of Incorporation and Bylaws  
(or update letter if on file)**



## Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Lakeside Place PFC  
Filing Number: 802795471

Certificate of Formation

August 17, 2017

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on November 10, 2021.



A handwritten signature of John B. Scott, consisting of a stylized 'J' and 'S'.

John B. Scott  
Secretary of State

**CERTIFICATE OF FORMATION  
OF**

**LAKESIDE PLACE PFC**

A PUBLIC FACILITY CORPORATION AND  
INSTRUMENTALITY OF THE  
HOUSTON HOUSING AUTHORITY

**FILED**  
In the Office of the  
Secretary of State of Texas

**AUG 17 2017**

**Corporations Section**

Pursuant to the Texas Business Organizations Code, Lakeside Place PFC (the "Corporation"), a non-profit corporation incorporated under the laws of the State of Texas, and public nonprofit corporation under the Public Facility Corporation Act, as amended, Chapter 303, Texas Local Government Code (the "Act") with the approval of the Board of Commissioners of the Houston Housing Authority (the "Authority"), as evidenced by the resolution attached hereto as Exhibit "A" and made a part of this Certificate of Formation for all purposes, does hereby adopt the following Certificate of Formation for the Corporation:

**ARTICLE ONE  
NAME**

The name of the Corporation is the "Lakeside Place PFC".

**ARTICLE TWO  
AUTHORIZATION**

The Corporation is a nonprofit public corporation.

**ARTICLE THREE  
DURATION**

Subject to the provisions of Article Thirteen hereof, the period of duration of the Corporation is perpetual.

**ARTICLE FOUR  
PURPOSE AND LIMITATIONS**

(a) The Corporation is organized exclusively for the purpose of assisting the Authority in financing, refinancing or providing public facilities. The Corporation shall have and possess the broadest possible powers to finance obligations issued or incurred in accordance with existing law, to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing and placement in service of public facilities of the Authority under the terms of the Act. The corporation is authorized to issue "bonds" as defined and permitted by the Act on behalf of the Authority; provided, however, no bonds, notes, interim certificates, or other evidence of indebtedness may be issued by the Corporation unless such bonds are first approved by resolution of the Authority. The Corporation is a public corporation, a constituted authority,

and a public instrumentality within the meaning of the Act, the United States Treasury Department, the rulings of the Internal Revenue Service prescribed and promulgated pursuant to section 103 and 141 of the Internal Revenue Code of 1986, as amended, and the Corporation is authorized to act on behalf of the Authority as provided in this Certificate of Formation.

(b) In the fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in paragraph (a) of this Article, together with all of the other powers granted to corporations that are incorporated under the Act, and to the extent not in conflict with the Act, the Corporation shall additionally have and may exercise all of the rights, powers, privileges, authorities, and functions given by the general laws of the State to nonprofit corporations under the Texas Non-Profit Corporation Act, as amended, Texas Revised Civil Statutes Annotated Article 1396-101, et seq., or any other applicable laws of the State.

(c) The Corporation shall have the purposes and powers permitted by the Act, but the Corporation does not have, and shall not exercise the powers of sovereignty of the Authority, including the power to tax, eminent domain, or police power. However, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practice and Remedies Code), the Corporation is a governmental unit and its actions are governmental functions.

(d) No bonds or other obligations, contracts, or agreements of the Corporation are or shall ever be deemed to be or constitute the contracts, agreements, bonds, other debt instruments, or other obligations or the lending of credit, or a grant of the public money or things of value, of, belonging to, or by the State, the Authority, or any other political corporation, subdivision or agency of the State, or a pledge of the faith and credit of any of them. Any and all of such contracts, agreements, bonds or other debt instruments, and other obligations, contracts and agreements shall be payable solely and exclusively from the revenues and funds received by the Corporation from the sources authorized by the Act and from such other sources as may be otherwise lawfully available and belonging to the Corporation from time to time.

(e) The Authority, in its sole discretion, may alter the Corporation's structure, name, organization, programs, or activities; consistent with the Act and subject to limitations provided by law relating to the impairment of contracts entered into by the Corporation.

## ARTICLE FIVE FINANCING

(a) Before the consummation of the sale and delivery of any bonds, the Corporation shall obtain approval by the Authority, evidenced by the adoption of a written resolution.

(b) In the exercise of the powers of the Corporation, the Corporation may enter into loan, lease, trust, or other agreements as authorized by the Act that are necessary and appropriate to the fulfillment of the public purpose of the Corporation, all of which agreements (and the specific uses, and the method of withdrawals and expenditure of the proceeds of the bonds) must be included as a part of the approval process of the Authority required by paragraph (a) above.

## ARTICLE SIX MEMBERS

The Corporation has no members and is a non-stock corporation.

## ARTICLE SEVEN AMENDMENTS

This Certificate of Formation may be amended at any time as provided in the Act, to make any changes and add any provisions that might have been included in the Certificate of Formation in the first instance. Any amendment may be accomplished in either of the following manners:

(a) The members of the board of directors of the Corporation shall file with the Authority a written application requesting approval of the amendments to the Certificate of Formation, specifying in such application the amendments proposed to be made. The Authority shall consider such application and, if it shall, by appropriate resolution, duly find and determine that it is advisable that the proposed amendments be made, it shall approve the form of the proposed amendments. The board of directors of the Corporation may then amend the Certificate of Formation by adopting such amendment at a meeting of the board of directors. The Corporation's president or vice president and the secretary of the Authority shall execute the amendment on behalf of the Corporation. The amendment and a certified copy of the resolution of the Authority shall be delivered to the Secretary of State as required by the Act; or

(b) The Authority may, at its sole discretion, and at any time, amend this Certificate of Formation and alter or change the structure, name, organization, programs or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of the Act) by resolution as otherwise provided in the Act.

## ARTICLE EIGHT ADDRESS

The street address of the initial registered office of the Corporation is 2640 Fountain View Drive, Suite 400, Houston, Texas 77057, and the name of its initial registered agent at that address is Tory Gunsolley.

## ARTICLE NINE BOARD OF DIRECTORS

(a) The affairs of the Corporation shall be managed by a board of directors, which shall be composed of the Commissioners of the Authority, and the initial board of directors shall consist of seven (7) directors. The board of directors shall automatically change each time the Commissioners of the Authority change. Any director shall cease to be a director at the time he

or she ceases to be a Commissioner of the Authority. A majority of the entire membership of the board of directors, including any vacancies, is a quorum.

(b) The names and street addresses of the persons who are to serve as the initial directors are as follows:

NAMES	ADDRESSES
LaRence Snowden	2640 Fountain View Drive, Suite 400, Houston, TX 77057
Phillis Wilson	2640 Fountain View Drive, Suite 400, Houston, TX 77057
David Ruiz	2640 Fountain View Drive, Suite 400, Houston, TX 77057
Kristy M. Kirkendoll	2640 Fountain View Drive, Suite 400, Houston, TX 77057
Nicola Fuentes Toubia	2640 Fountain View Drive, Suite 400, Houston, TX 77057
Shondra E. Wygal	2640 Fountain View Drive, Suite 400, Houston, TX 77057
Tim Horan	2640 Fountain View Drive, Suite 400, Houston, TX 77057

Each director shall serve an initial six year term, as subject to the terms of the Act.

(c) The directors shall serve without compensation, but they shall be reimbursed for their actual expenses incurred in the performance of their duties as directors.

(d) The board of directors shall elect a president, vice president, secretary, treasurer and any other officers that the Corporation considers necessary, to serve as executive officers of the Corporation, as more specifically provided in the Corporation's bylaws. The Authority's President and CEO shall serve as the Secretary of the Corporation to provide administrative support services for the Corporation.

(e) Meetings of the board of directors are subject to the Texas Open Meetings Act, Texas Government Code, Chapter 551, and the Corporation is subject to the Texas Public Information Act, Texas Government Code, Chapter 552.

#### ARTICLE TEN BYLAWS

The initial bylaws of the Corporation shall be adopted by the Corporation's board of directors and shall, together with this Certificate of Formation, govern the initial affairs of the Corporation until and unless amended in accordance with the provisions of the Act and this Certificate of Formation. The bylaws and each amendment and repeal of the bylaws must be approved by the Authority by resolution.

ARTICLE ELEVEN  
INCORPORATOR

The name and street address of each incorporator is:

<u>Name</u>	<u>Address</u>
Tory Gunsolley	2640 Fountain View Drive Houston, Texas 77057

ARTICLE TWELVE  
AUTHORITY APPROVAL

(a) The Authority has specifically authorized the Corporation by resolution to act on its behalf to further the public purposes stated in this Certificate of Formation, and the Authority has by resolution, dated August 16, 2017, approved this Certificate of Formation. A copy of this resolution is on file among the permanent public records of the Authority and the Corporation.

(b) The Authority is the Corporation's "Sponsor" (as defined by the Act) and has caused this Corporation to be created. The address of the Authority is 2640 Fountain View Drive, Suite 400, Houston, Texas 77057.

ARTICLE THIRTEEN  
TERMINATION

The Authority, by written resolution, may authorize and direct the termination of the Corporation. However, the Corporation shall not be terminated, and its business shall not be terminated, by act of the Authority or otherwise, so long as the Corporation shall be obligated to pay any bonds.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of August 16 2017.

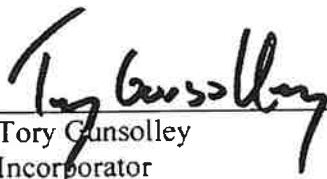
  
\_\_\_\_\_  
Tory Gunsolley  
Incorporator

EXHIBIT A

## CERTIFICATE AS TO RESOLUTIONS

I certify that I am the duly qualified and acting secretary of the Houston Housing Authority, a Texas municipal public housing authority ("HHA"), and as follows:

1. Attached hereto as Exhibit A is a true, correct and complete copy of a resolution adopted by the Board of Commissioners of HHA on August 16, 2017 pertaining to the formation and sponsorship by HHA of Lakeside Place PFC, a Texas public facility corporation.

IN WITNESS WHEREOF, I have hereunto set my hand as of August 16, 2017.

By:   
Tory Gunsolley, Secretary

Attachments:

Exhibit A – Resolution

**RESOLUTION NO. 2908**

**RESOLUTION AUTHORIZING THE PRESIDENT AND CEO OF THE HOUSTON HOUSING AUTHORITY TO CREATE LAKESIDE PLACE PFC, A PUBLIC FACILITY CORPORATION, AND ANY OTHER ACTIONS NECESSARY OR CONVENIENT TO CARRY OUT THIS RESOLUTION.**

**WHEREAS**, the Houston Housing Authority, a body politic formed under the laws of Texas ("HHA"), has as part of its mission to provide quality affordable housing; and

**WHEREAS**, HHA, pursuant to the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code (the "Act") is authorized to create a public facility corporation for the purposes set forth in the Act, including the issuance of bonds and the ownership of real property; and

**WHEREAS**, HHA has identified a potential parcel of property to purchase and desires to sponsor and form a public facility corporation to, among other purposes, own such property; and

**WHEREAS**, HHA has determined that it is in the public interest and to the benefit of HHA's residents and the citizens of the State of Texas that the Corporation (defined below) be created to finance, refinance, or provide the costs of public facilities of HHA; and

**WHEREAS**, HHA desires to sponsor and create the Lakeside Place PFC, a public facility corporation (the "Corporation"); and

**WHEREAS**, HHA has prepared (a) for filing with the Secretary of State of the State of Texas the Certificate of Formation for the Corporation, and (b) the Bylaws for the Corporation;

**NOW THEREFORE IT BE RESOLVED:**

That the Board of Commissioners of HHA hereby authorizes its President and CEO to cause to be created a public facility corporation using the name "Lakeside Place PFC" or using a similar name if so required by the Secretary of State of the State of Texas;

**FURTHER RESOLVED**, that the Certificate of Formation of the Corporation, attached hereto as Exhibit "A", has been prepared for filing with the Secretary of State of the State of Texas and shall be filed with the Secretary of the State of Texas in substantially the form attached;

**FURTHER RESOLVED**, that the form of Bylaws attached hereto as Exhibit "B", in substantially the form attached, be, and it hereby is, approved to be adopted as the Bylaws of the Corporation; and

**FURTHER RESOLVED**, that the President and CEO is hereby authorized and directed to take such further action in the consummation of the transactions herein contemplated and to do any and all other acts and things necessary or proper in furtherance thereof, as the President and CEO shall

deem to be necessary or desirable, and all acts heretofore taken by the President and CEO to such end are hereby expressly ratified and confirmed as the acts and deeds of HHA.

These Resolutions shall be in full force and effect from and upon their adoption.

**PASSED** this 16 day of August, 2017.

Phillip Wilson  
Vice Chair

ATTEST:

Angie Gosselley  
Secretary

# **BYLAWS OF LAKESIDE PLACE PFC**

## **ARTICLE I PURPOSE AND POWERS**

Section 1.1 Purpose. Lakeside Place PFC (the "Corporation") is incorporated for the purposes set forth in Article Four of its Certificate of Formation, the same to be accomplished on behalf of the Houston Housing Authority (the "Authority") as its duly constituted authority and instrumentality in accordance with the Public Facility Corporation Act, as amended, Chapter 303, Texas Government code (the "Act"), and other applicable laws.

Section 1.2 Powers. In the fulfillment of its corporate purpose, the Corporation shall be governed by the Act, and shall have all the powers set forth and conferred in its Certificate of Formation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

Section 1.3 Nonprofit Corporation. The Corporation shall be a public, nonprofit corporation and no part of its set earnings remaining after payment of its bonds and expenses shall inure to the benefit of any person other than the Authority.

## **ARTICLE II BOARD OF DIRECTORS**

### Section 2.1 Powers, Number and Term of Office.

(a) The property and affairs of the Corporation shall be managed and controlled by a board of directors (the "Board") subject to the restrictions imposed by law, the Act, the Certificate of Formation, and these Bylaws, the Board shall exercise all of the powers of the Corporation.

(b) The Board shall consist of the members of the Board of Commissioners of the Authority. The number of directors may be changed by amendment to these Bylaws, but such number must be at least three (3).

(c) The directors constituting the initial Board shall be those directors named in the Certificate of Formation. Successor directors shall have the qualifications and shall be appointed to the terms set forth in the Certificate of Formation.

(d) Any director may be removed from office by the Authority under the same terms, conditions and procedures as Commissioners of the Authority.

Section 2.2 Additional Powers. In addition to the powers and authorities by these Bylaws expressly conferred upon them, the Board may exercise all such powers of the Corporation and do all lawful acts and things as are not by statute, other law, or by these Bylaws prohibited. Without prejudice to such general powers and other powers conferred by statute, other law, and by these Bylaws, it is hereby expressly declared that the Board shall have the powers set forth in Section 303.041 of the Act, as amended.

Section 2.3 Meetings of Directors.

(a) The directors may hold their meetings at such place or places as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Section 5.1(a) of these Bylaws. The Corporation shall also conduct at least one annual regular meeting of the Corporation. In addition, regular meetings of the Board shall be held without the necessity of notice to directors at such times and places as shall be designated from time to time by the Board. Special meetings of the Board shall be held whenever called by the president, by the secretary, by a majority of the directors, or by the Authority.

(b) Subject to Section 2.4 hereof, the secretary shall give notice to each director of each special meeting in person or by mail, telephone or telegraph, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting. At any meeting at which every director shall be present, even though without any notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

(c) Subject to Section 2.4 hereof, whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by depositing the same in the United States mail in a sealed postpaid envelope addressed to the person entitled thereto at his or her mailing address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except attendance of a director at a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice to directors or waiver of notice of such meeting, unless required by the Board. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 2.4 Open Meetings Act. All meetings and deliberations of the Board shall be called, convened, held, and conducted, and notice shall be given to the public, in accordance with the Texas Open Meetings Act, as amended, Chapter 551, Texas Government Code.

Section 2.5 Quorum. A majority of the entire membership of the Board shall constitute a quorum to conduct official business of the Corporation. The act of a majority of the Board present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless law requires the act of a greater number.

Section 2.6 Conduct of Business.

(a) At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board.

(b) At all meetings of the Board, the president shall preside. In the absence of the president, the vice president shall preside. In the absence of both the president and vice president, a member of the Board selected by the members present shall preside.

(c) The secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting. The president, treasurer, secretary and any assistant secretary may, at the option of the Board, be employees of the Authority and each member of the Board with the exception of the president, vice president or secretary, may be appointed as assistant secretaries.

Section 2.7 Committees of the Board. The Board may designate two (2) or more directors to constitute an official committee of the Board to exercise such authority, as approved by resolution of the Board. It is provided, however, that only the Board may exercise all final, official actions of the Corporation. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation and any such meetings must be conducted in accordance with the provisions of the Texas Open Meetings Act, as amended, Chapter 551, Texas Government Code, if applicable.

Section 2.8 Compensation of Directors. Directors shall not receive any salary of compensation for their services as directors. However, they shall be reimbursed for their actual expenses incurred in the performance of their official duties as directors.

### ARTICLE III OFFICERS

Section 3.1 Titles and Terms of Office.

(a) The officers of the Corporation shall be a president, a vice president, a secretary and a treasurer and such other officers as the Board may from time to time elect to fill a vacancy. One person may hold more than one office, except that the president shall not hold the office of secretary. Officers shall serve for two-year terms or until his or her successor is elected or appointed. Notwithstanding the foregoing, all officers of the Corporation, except the secretary and treasurer, shall be members of the Board. Upon the expiration of the terms, each officer shall have the right to be re-appointed or re-elected.

(b) All officers shall be subject to removal from office at any time by a vote of a majority of the Board.

(c) A vacancy in the office of any director shall be filled by a vote of a majority of the Board.

Section 3.2 Powers and Duties of the President. The president shall be the chief operating executive officer of the Corporation, and subject to the authority of the Board, the president shall be in general charge of the properties and affairs of the Corporation, and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, leases, notes and other instruments in the name of the Corporation. The President shall preside over the meetings of the Corporation.

Section 3.3 Vice President. The vice president shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the president during that officer's absence or inability to act, in their respective order. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 3.4 Treasurer. The treasurer shall be the chief fiscal officer of the Corporation, and shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these Bylaws. When necessary or proper, the treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, notes, and other obligations in or drawn upon such bank, banks or depositories as shall be designated by the Board consistent with these Bylaws. The treasurer shall see to the entry in the books of the Corporation full and accurate accounts of all money received and paid out on account of the Corporation. The treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his/her duties in such form, and amount as the Board may require. All check writing authority will follow all applicable Authority policies concerning authorizations, signatures and disbursements.

Section 3.5 Secretary. The secretary shall keep the minutes of all meetings of the Board and books provided for that purpose, shall give and serve all notices, may sign in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have

charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

Section 3.6 Compensation. Officers who are members of the Board shall not receive any salary or compensation for their services, except that they shall be reimbursed for the actual expenses incurred in the performance of their official duties as officers.

#### ARTICLE IV FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

##### Section 4.1 Books, Records, and Audits.

(a) The Corporation shall keep and properly maintain in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs.

(b) At the direction of the Authority, the accountants, staff and personnel of the Authority may maintain the books, records, accounts, and financial statements of the Corporation for the Corporation.

(c) The Corporation, or the Authority if the option of subsection (b) is selected, shall cause its books, records, accounts, and financial statements to be studied at least once each fiscal year by an outside, independent auditing and accounting firm selected by the Authority and approved by the Board. Such an audit shall be at the expense of the Corporation and shall be delivered to the Authority within 150 days of the end of the fiscal year of the Corporation.

(d) All books and records of the Corporation may be inspected by any director or his or her agent or attorney for any purpose at any reasonable time and at all times the Authority shall have access to the books, records, and financial statements of the Corporation.

##### Section 4.2 Deposit and Investment of Corporation Funds.

(a) All proceeds from loans or from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation in accordance with the provisions of the Act shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their execution or issuance.

(b) Subject to the requirements of contracts, loan agreements, indentures or other agreements securing Obligations, all other money of the Corporation, if any, shall be

deposited, secured, and/or invested in the manner provided for the deposit, security and/or investment of the public funds of the Authority. The Board shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the Corporation upon the signature of its treasurer and such other persons as the Board designates. The Chief Financial Officer of the Authority or designee of the Chief Financial Officer shall perform the accounts, reconciliation, and investment of such funds and accounts.

Section 4.3 Expenditure of Corporate Money. The proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, revenues generated by and payable to the Corporation pursuant to the Act or any other source of revenues that are payable to the Corporation and the proceeds derived from the sale of Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, except expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of money derived from sources other than the proceeds of Obligations may be used for the purpose of financing or otherwise providing for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing and placement in service of public facilities of the Authority under the terms of the Act.

Section 4.4 Issuance of Obligations. No Obligations, including refunding obligations, shall be authorized or sold and delivered by the Corporation unless the Authority approves such Obligations by action taken prior to the date of initial delivery of the Obligations to the initial purchasers thereof.

## ARTICLE V MISCELLANEOUS PROVISIONS

### Section 5.1 Principal Office.

(a) The principal office and the registered office of the Corporation shall be the registered office of the Corporation located at 2640 Fountain View Drive, Suite 400, Houston, Texas 77057 as specified in the Certificate of Formation.

(b) The Corporation shall have and shall continually designate a registered agent at its office, as required by the Act.

Section 5.2 Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the Authority.

Section 5.3 Seal. No seal of the Corporation shall be required.

Section 5.4 Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no

time is specified, at the time of its receipt by the president or secretary. The acceptance of resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5.5 Approval or Advice and Consent of the Authority. To the extent that these Bylaws refer to any approval by the Authority or refer to advice and consent by the Authority, a certified copy of a resolution, order or motion duly adopted by the Authority shall evidence such advice and consent.

Section 5.6 Services of Authority Staff and Officers. To the extent possible, the Corporation shall utilize the services and the staff employees of the Authority. All requests for staff time or inquiries of staff will be requested through the secretary. The Corporation shall pay reasonable compensation to the Authority for such services, and the performance of such services shall not materially interfere with the other duties of such personnel of the Authority.

Section 5.7 Indemnification of Directors, Officers and Employees.

(a) The Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

(b) As provided in Section 303.037 of the Act, the Corporation shall indemnify each and every member of the Board, its officers and its employees and each member of the Board and each employee of the Authority, to the fullest extent permitted by law, against any and all liability or expense, including attorneys' fees, incurred by any of such persons by reason of any actions or omissions that may arise out of the sanctions and activities of the Corporation; provided, however, that the Corporation may not provide indemnity in any manner if the director, officer, employee, or agent is guilty of negligence or misconduct in relation to the matter. The legal counsel for the Corporation is authorized to provide a defense for members of the Board, officers, and employees of the Corporation.

## ARTICLE VI EFFECTIVE DATE, AMENDMENTS; MISCELLANEOUS

Section 6.1 Effective Date. These Bylaws shall become effective upon the occurrence of the following events:

(1) the approval of these Bylaws by the Authority, which approval may be granted prior to the creation of the Corporation; and

(2) the adoption of the Bylaws by the Board.

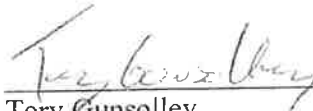
Section 6.2 Amendments to Certificate of Formation and Bylaws. The Certificate of Formation of the Corporation and these Bylaws may be amended only in the manner provided in the Certificate of Formation and the Act.

Section 6.3 Interpretation of Bylaws. These Bylaws shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstances, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

Section 6.4 Termination. Upon the termination of the Corporation after payment of all obligations of the Corporation, all remaining assets of the Corporation shall be transferred to the Authority.

#### CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of the Lakeside Place PFC and that these Bylaws constitute the Corporation's Bylaws. These Bylaws were duly adopted at a meeting of the Board of Directors held on August 22, 2017.



Tory Gunsolley

Secretary of the Lakeside Place PFC

**Attachment H.      Issuer's Certificate of Continued Existence**



## Office of the Secretary of State

### Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Certificate of Formation for Lakeside Place PFC (file number 802795471), a Domestic Nonprofit Corporation, was filed in this office on August 17, 2017.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on October 10, 2022.



A handwritten signature in black ink, appearing to read "John B. Scott".

John B. Scott  
Secretary of State

**Attachment J. Executed Earnest Money Contract (Multi-Family Issues Only)**

WD  
24  
X

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Y144373  
12/21/04 100672758 \$26.00

SPECIAL WARRANTY DEED

STATE OF TEXAS §  
COUNTY OF HARRIS §

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, WEINGARTEN REALTY INVESTORS, a Texas real estate investment trust ("Grantor"), for and in consideration of the sum of Ten Dollars (\$10.00) in hand paid to Grantor by THE HOUSING AUTHORITY OF THE CITY OF HOUSTON, a Texas municipal housing authority ("Grantee"), whose mailing address is 2640 Fountainview, Suite 400, Houston, Texas 77057, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, SOLD and CONVEYED and by these presents does GRANT, SELL and CONVEY unto Grantee the tract or parcel of land situated in Harris County, Texas, described in Exhibit "A" attached hereto, incorporated herein and made a part hereof for all purposes (the "Land"), together with all of Grantor's right, title and interest in and to (but without warranties, whether express or implied) all rights, privileges, easements, and interests appurtenant thereto, adjacent streets, alleys, rights-of-ways, and any adjacent strips and gores of real estate (the "Appurtenances"), together with all improvements located on the Land (the "Improvements") (the Land, Improvements and Appurtenances being herein collectively referred to as the "Property").

TO HAVE AND TO HOLD the Property together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors and assigns, forever, subject to the matters herein stated; and Grantor does hereby bind itself and its successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Grantor but not otherwise; provided that this conveyance and the warranty of Grantor herein contained are subject to (a) the matters herein stated and (b) the matters described on Exhibit "B" attached hereto (the "Permitted Encumbrances"), to the full extent same are valid and pertain to the Property. This conveyance is further subject to the restrictions set forth on Exhibit "C" attached hereto and made a part hereof, which restrictions shall be covenants running with the land and shall be binding against all subsequent owners thereof, said restrictions being for the benefit of all the land currently owned by Grantor, its successors and assigns, that is adjacent to the Property.

GRANTEE ACKNOWLEDGES THAT GRANTEE HAS INDEPENDENTLY AND PERSONALLY INSPECTED THE PROPERTY AND THAT GRANTEE HAS ACQUIRED TITLE TO THE PROPERTY BASED UPON ITS ABILITY TO MAKE SUCH EXAMINATION AND INSPECTION. THE PROPERTY IS SOLD AND CONVEYED AND ACCEPTED BY GRANTEE IN ITS PRESENT CONDITION, "AS IS", "WHERE IS", AND "WITH ALL FAULTS", AND WITHOUT ANY WARRANTY

154-2-3-5-5

03-11-2004-15:55

WHATSOEVER, EXPRESS OR IMPLIED EXCEPT FOR GRANTOR'S REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN SECTION 8 OF THAT CERTAIN PURCHASE AND SALE AGREEMENT DATED OCTOBER 2, 2003, BETWEEN GRANTOR, AS SELLER, AND GRANTEE'S PREDECESSOR IN INTEREST, AS PURCHASER (THE "AGREEMENT") AND EXCEPT AS TO THE WARRANTY OF TITLE AS EXPRESSLY SET FORTH IN THIS DEED. EXCEPT AS IS OTHERWISE EXPRESSLY SET FORTH IN THE AGREEMENT, GRANTOR HAS MADE NO WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, ITS PHYSICAL CONDITION, INCOME TO BE DERIVED THEREFROM OR EXPENSES TO BE INCURRED WITH RESPECT THERETO, OR WITH RESPECT TO THE COMPLIANCE OF THE PROPERTY WITH APPLICABLE LAWS, RULES, ORDINANCES OR REGULATIONS (INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO HAZARDOUS SUBSTANCES, HEALTH AND/OR THE ENVIRONMENT). BY ACCEPTANCE OF THIS DEED GRANTEE EXPRESSLY WAIVES THE RIGHT TO ASSERT ANY CLAIMS WITH RESPECT TO ANY MATTERS REFERRED TO IN THE PRECEDING SENTENCE AND RELEASES GRANTOR FROM ANY LIABILITY WITH RESPECT THERETO. THERE ARE NO ORAL AGREEMENTS, WARRANTIES OR REPRESENTATIONS COLLATERAL TO OR AFFECTING THE PROPERTY.

All ad valorem taxes and assessments for the Property for the current year 2004 have been paid.

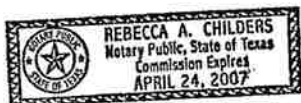
EXECUTED on the date of the acknowledgment herein below, to be effective however as of the 21<sup>st</sup> day of December, 2004.

WEINGARTEN REALTY INVESTORS,  
a Texas real estate investment trust

By: [Signature]  
Name: Stanford Alexander  
Title: Chairman

STATE OF TEXAS §  
COUNTY OF HARRIS §

This instrument was acknowledged on the 20<sup>th</sup> day of December, 2004, by Stanford Alexander Chairman of WEINGARTEN REALTY INVESTORS, a Texas real estate investment trust, on behalf of said trust.



[Signature]  
Notary Public in and for the State of Texas

EXHIBIT "A"

LAND

Being a tract of land containing 10.752 acres (468,366 square feet), located within the H.T.&B. R.R. Company Survey Number 9, Abstract 407, in Harris County, Texas; Said 10.752 acres being out of Unrestricted Reserve "A", Partial Replat of Westmoreland Manor, a subdivision recorded in Volume 293, Page 33, of the Harris County Map Records (H.C.M.R.), out of a call 14.5991 acre tract recorded in the name of Weingarten Realty, Inc. in H.C.C.F. Number G753451 and out of a call 5.627 acre tract of land recorded in the name of Weingarten Realty in H.C.C.F. Number H408947; Said 10.752 acres being more particularly described by metes and bounds as follows (Bearings are based on Texas State Plane Coordinate System, South Central Zone 4204 (NAD83)):

BEGINNING (grid coordinate X: 3057043.79, Y: 13809813.56) at a 1/2 inch iron rod found on the south right-of-way line of Boone Loop Road (sixty feet wide) at the northwest corner of Reserve "D" of said Partial Replat of Westmoreland Farms and the northeast corner of a said 5.627 acre tract, from which a 5/8 inch iron rod found for the most northerly northeast corner of said Reserve "D" bears North 87 degrees 44 minutes 29 seconds East, a distance of 186.51 feet;

Thence, along the east line of said 5.627 acre tract and the west line of said Reserve "D", South 02 degrees 10 minutes 11 seconds East, at 294.80 feet pass a 5/8 inch iron rod found for the southwest corner of said Reserve "D" and the northwest corner of said Reserve "A", and continuing an overall distance of 483.52 feet to a 5/8 inch iron rod set for an angle point;

Thence, through and across said Reserve "A", North 87 degrees 49 minutes 49 seconds East, a distance of 215.76 feet to a 5/8 inch iron rod set on the east line of said Reserve "A" on the west right-of-way line of Wilcrest Drive (one-hundred feet wide);

Thence, along the easterly line of said Reserve "A" and said west right-of-way line, the following two (2) courses:

1. 28.50 feet along the arc of a non-tangent curve to the left, having a central angle of 00 degrees 47 minutes 48 seconds, a radius of 2,050.00 feet and a chord that bears South 10 degrees 21 minutes 39 seconds East, a distance of 28.50 feet to 5/8 inch iron rod set for a point of tangency;
2. South 10 degrees 45 minutes 33 seconds East, a distance of 52.38 feet to a point;

Thence, through and across said Reserve "A", South 87 degrees 49 minutes 49 seconds West, a distance of 227.65 feet to a 5/8 inch iron rod set on the east line of said 5.627 acre tract and the west line of said Reserve "A";

Thence, along the east line of said 5.627 acre tract and the west line of said Reserve "A", South 02 degrees 10 minutes 11 seconds East, a distance of 284.70 feet to a 5/8 inch capped iron rod found for the most southerly southeast corner of the herein described tract;

597-53-2152

Thence, through and across said 5.627 acre tract and said 14.5991 acre tract, North 87 degrees 47 minutes 33 seconds West, a distance of 522.64 feet to a 5/8 inch iron rod set for the southwest corner of the herein described tract on the east line of a call 6.7746 acre tract of land recorded in the name of Sam Enterprises, Inc. in H.C.C.F. Number T639570;

Thence, along the east line of said 6.7746 acre tract, North 02 degrees 11 minutes 24 seconds East, a distance of 427.79 feet to 5/8 inch iron rod found at the northeast corner of said 6.7746 acre tract of land;

Thence, along the north line of said 6.7746 acre tract, North 87 degrees 45 minutes 22 seconds West, a distance of 101.89 feet to 1/2 inch iron pipe found at the southeast corner of a call 3.0 acre tract recorded in the name of Emerald Bowl, Inc. in H.C.C.F. Number K211072;

Thence, along the east line of said 3.0 acre tract, North 02 degrees 25 minutes 13 seconds West, a distance of 372.81 feet to a 5/8 inch iron rod set for the northwest corner of the herein described tract at the northeast corner of said 3.0 acre tract on the south right-of-way line of said Boone Loop Road;

Thence, along said south right-of-way line, North 87 degrees 43 minutes 16 seconds East, a distance of 591.82 feet to the POINT OF BEGINNING and containing 10.752 acres (468,366 square feet) of land.

## EXHIBIT "B"

### PERMITTED ENCUMBRANCES

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):  
Volume 293, Page 33, Map Records, Harris County, Texas; Clerk's File No. K177736, Harris County, Texas.
2. Shortages in area.
3. 10' Building Setback line along Boone Loop Road and 25' Building Setback line along Wilcrest Drive as shown on plat recorded in Volume 293, Page 33, Harris County Map Records, Harris County, Texas, and in City of Houston Ordinance #1999-262.
4. 10' Water Line Easement along Wilcrest Drive as shown on plat recorded in Volume 293, Page 33, Harris County Map Records, Harris County, Texas.
5. 10' Utility Easement along Boone Loop Road and Wilcrest Drive together with a 5' unobstructed aerial easement as shown on plat recorded in Volume 293, Page 33, Harris County Map Records, Harris County, Texas.
6. A 1/16th non-participating royalty oil, gas and mineral interest recorded in Volume 3058, Page 116, Deed Records, Harris County, Texas.
7. Terms and provisions of a 25' non-exclusive perpetual easement granted to Dayton-Hudson Corporation along the northern portion of the most west property line filed under Harris County Clerk's File No. J878708.
8. 10' Building Setback line along Boone Loop Road and 25' Building Setback line along Wilcrest Drive as shown on plat recorded in Volume 293, Page 33, Harris County Map Records, Harris County, Texas, and in City of Houston Ordinance #1999-262.
9. 10' Water Line Easement along Wilcrest Drive as shown on plat recorded in Volume 293, Page 33, Harris County Map Records, Harris County, Texas.
10. 10' Utility Easement along Boone Loop Road and Wilcrest Drive together with a 5' unobstructed aerial easement as shown on plat recorded in Volume 293, Page 33, Harris County Map Records, Harris County, Texas.
11. A 1/16<sup>th</sup> non-participating royalty oil, gas and mineral interest recorded in Volume 3058, Page 116, Deed Records, Harris County, Texas.
12. Terms and provisions of a 25' non-exclusive perpetual easement granted to Dayton-Hudson Corporation along the northern portion of the most west property line filed under Harris County Clerk's File No. J878708.

592-53-2153

## EXHIBIT C

### Restrictive Covenants

The following restrictions shall run with the Property and be binding against all subsequent owners thereof and shall be for the benefit of the property owned by Grantor adjacent to the Property:

1. The construction of the multi-family residential apartment buildings on the Property shall be in accordance with plans and specifications approved in writing by Grantor.
2. The Property shall be used solely for multi-family residential homes. Without limitation of the foregoing, the Property shall expressly not be used for any of the following purposes (except to the extent such uses are incidental to use as a multi-family residential apartment complex for senior citizens):
  - a. Any business or use which is deemed as "public nuisance";
  - b. Any assembling, manufacturing, distilling, refining, smelting, agricultural or mining operation or any industrial use;
  - c. Any mobile home park, trailer court, labor camp, junk yard or stock yard; provided, however, this prohibition shall not be applicable to the temporary use of construction trailers during periods of construction, reconstruction or maintenance;
  - d. Any dumping, disposing, incineration or reduction of garbage; provided, however, this prohibition shall not be applicable to garbage compactors located near the rear of any Building;
  - e. Any fire sale, bankruptcy sale or auction house;
  - f. Any detentional, correctional facility or so-called "half-way house";
  - g. Any dry cleaning plant;
  - h. Any bar, tavern or cocktail lounge; provided, however, the foregoing shall not prohibit the operation of a restaurant where the sale of alcoholic beverages for on-premises consumption comprises less than 50% of gross sales of such restaurant;
  - i. Any book store or video store engaged in the selling of lewd, obscene, pornographic or sexually explicit material, or which deny admittance to persons under the age of eighteen (18);
  - j. Any adult entertainment facility or establishment engaged in selling or exhibiting pornographic materials or selling illegal drug-related paraphernalia or which exhibits either live or by other means to any degree, nude or topless dancers or wait staff;

597-53-2154

592-53-2155

- k. Any flea market, amusement or video arcade (which shall be defined as any store containing more than five (5) electronic games), dance hall, tattoo parlor, or massage parlor;
  - l. Any training or educational facility including, but not limited to: beauty schools, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees;
  - m. Any gambling facility or operation, including, but not limited to, off-track or sport betting parlor; table games such as blackjack or poker or similar games; slot machines, video poker/blackjack/keno machines or similar devices; or bingo hall;
  - n. Any banquet hall, meeting hall or auditorium;
  - o. Any frozen food locker not in conjunction with a retail facility; or
  - p. Any plasma center or abortion clinic.
3. There shall be no more than two (2) monument signs at the Property, the height of which shall not exceed six (6) feet, said signs not to be built in accordance with plans and specifications approved in writing by Grantor and otherwise in compliance with all applicable statutes, laws, rules, regulations and ordinances (collectively, "Laws").
4. Surface parking at the Property shall be in compliance with all Laws.

COPY UNOFFICIAL

Return to:

AMERIPOINT TITLE  
1001 MCKINNEY, 18th FLOOR  
HOUSTON, TEXAS 77002  
ATTN: KERRY MCKAY

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW  
THE STATE OF TEXAS  
COUNTY OF HARRIS  
I hereby certify that this instrument was FILED in the number Sequence on the date and at the time stamped herein by me, and was duly RECORDED, in the Official Public Records of Real Property of Harris County Texas on

DEC 21 2004



*Dorothy L. Kayman*  
COUNTY CLERK  
HARRIS COUNTY TEXAS

- 2 -

Houston\_1\764831\3  
35895-3917 12/17/2004

FILED  
06 DEC 21 PM 4:28  
COUNTY CLERK  
HARRIS COUNTY TEXAS

**Attachment K. Residential Rental Attachment (Multi-Family Issues Only)**

# TEXAS BOND REVIEW BOARD

## 2023 RESIDENTIAL RENTAL ATTACHMENT

(MUST be completed for all residential rental applications)

**1. PRIORITY ELECTION:**

Check only one:

**Evidence of Low-Income Housing Tax Credit application filing with TDHCA REQUIRED**

- A. ☐ Priority 1 - **MUST** receive 4% LIHTC - Set aside **50%** of units - Cap rents at 30% of **50%** AMFI  
Set aside **50%** of units - Cap rents at 30% of **60%** AMFI
- B. ☐ Priority 1 - **MUST** receive 4% LIHTC - Set aside **15%** of units - Cap rents at 30% of **30%** AMFI  
Set aside **85%** of units - Cap rents at 30% of **60%** AMFI
- C. ☐ Priority 1 - **MUST** receive 4% LIHTC - Set aside **100%** of units - Cap rents at 30% of **60%** AMFI  
For projects located in a census tract with median family income that is **greater than** the AMFI of the county, MSA, or PMSA that the QCT is located in
- ☐ Priority 2/1D\*\* - **MUST** receive 4% LIHTC - Set aside **80%** of units - Cap rents at 30% of **60%** AMFI  
For projects located in a county, MSA, or PMSA with AMFI **at or below** the statewide MFI
- ☒ Priority 2/Non-1D **MUST** receive 4% LIHTC - Set aside **80%** of units - Cap rents at 30% of **60%** AMFI
- ☐ Priority 3/1D\*\* - Evidence of Low-income housing tax credit application filing with TDHCA required if reserved on or after June 1 of the program year  
For projects located in a county, MSA, or PMSA with AMFI **at or below** the statewide MFI
- ☐ Priority 3/Non-1D Evidence of Low-income housing tax credit application filing with TDHCA not required

**\*\*Priority 1D boost starts on June 1, 2023. Priority boosts only granted to Lottery Applications.****NOTE: Amendments to the election will not be accepted under any circumstances****2. LOCATION INFORMATION**

All applicable information must be completed for application to be considered.

6	Region Number
X	QCT Location (If located in a QCT, this box must be completed, or application will not be considered)(4536.02)
	Non-QCT
X	Metro
	Non-Metro
X	Project Location's AMFI (Area Median Family Income as dictated by HUD) of county, MSA or PMSA (\$90,100)
	Census Tract AMFI (as dictated by most recent census estimate) <b>Complete only if electing Priority 1C above</b>

**3. PROJECT INFORMATION:**

Project Name

Pinnacle at Wilcrest

**Estimated Number of Units BY Proposed Income AND Rent Restrictions (Must meet the minimum requirements for the Priority selected above)**

250 units - all at 60% AMI

Incomes at the stated AMI and rents at 30% of the stated AMFI

Type of Project

☐ New Construction☐ Senior Housing☒ Rehabilitation☐ Intergenerational
**Street Address of Project Location (please add attachments for additional sites; including earnest money contracts)**

 Approximately 9520 Wilcrest  
 Houston, Texas 77099  
 Harris County

Legal Description of Project Location

See attached exhibit to the enclosed deed.

Current Owner of Project Site and Phone #

Houston Housing Authority - 713-260-0501

Option on Land (Earnest Money Contract)

Date expires (provide page &amp; section expiration is given):

N/A

Can extend until (provide page &amp; section extension is given):

N/A

**NOTE: Lottery Applications MUST have contract until at least December 1, 2022 with provision for extension until March 1, 2023 subject only to the seller's receipt of additional earnest money. Applications received during program year must have an active contract at time of reservation.**

Do not staple

**4. DEVELOPER INFORMATION:**

Developer Name & Mailing Address	Contact Name, Phone, Fax, & E-mail
APV Redevelopment Corporation 2640 Fountain View Drive, Suite 400 Houston, Texas 77057	David A. Northern, Sr. Phone: 713-260-0501 Fax: 713-260-0805 Email: dnorthern@housingforhouston.com

**5. BORROWER/USER INFORMATION:**

Entity Name & Mailing Address	Contact Name, Phone, Fax, & E-mail
Pinnacle at Wilcrest Redevelopment, LP c/o APV Redevelopment Corporation 2640 Fountain View Drive, Suite 400 Houston, Texas 77057	David A. Northern, Sr. Phone: 713-260-0501 Fax: 713-260-0805 Email: dnorthern@housingforhouston.com

Does the Borrower currently have exemption from ad valorem taxation?	No
If not, does the Borrower plan to seek abatement from ad valorem taxation?	Yes
Does the Borrower plan to attempt a partnership with an organization that is currently exempt from ad valorem taxation?	Yes

If the borrower/user is a partnership, list each person or entity in the partnership below.

**NOTE: A Franchise Tax Account Status from the Comptroller of Public Accounts of Texas MUST be provided for EACH partner listed below. If a partner is identified as a to-be-formed entity, a Franchise Tax Account Status MUST be provided for the parent entity of the to-be-formed partner.**

If a Limited Liability Corporation (LLC), list all members below:

Name	Contact Person & Phone
General Partner – APV Pinnacle at Wilcrest Redevelopment GP, LLC (to be formed)	David A. Northern, Sr. 713-260-0501

If the borrower/user is identified as a to-be-formed entity, list at least one related entity or an entity that will be a component of the borrower below.

**OR, if the borrower/user has been formed, list a related entity to the borrower that may be listed as the Purchaser/Buyer on the Earnest Money Contract or Owner of the Property that will assign the Property to the borrower/user:**

Name	Contact Person & Phone
APV Redevelopment Corporation	David A. Northern, Sr. 713-260-0501

**Franchise Tax Account Status**

As of : 10/12/2022 13:15:30

**This page is valid for most business transactions but is not sufficient for filings with the Secretary of State**

<b>APV REDEVELOPMENT CORPORATION</b>	
<b>Texas Taxpayer Number</b>	17605426349
<b>Mailing Address</b>	2640 FOUNTAIN VIEW DR FL 4 HOUSTON, TX 77057-7630
<b>? Right to Transact Business in Texas</b>	ACTIVE
<b>State of Formation</b>	TX
<b>Effective SOS Registration Date</b>	07/16/1997
<b>Texas SOS File Number</b>	0145300901
<b>Registered Agent Name</b>	TORY GUNSOLLEY
<b>Registered Office Street Address</b>	2640 FOUNTAINVIEW 4TH FLOOR HOUSTON, TX 77057

8/10/2023 12:58 PM

Pinnacle on Wilcrest (206)

**Income Statement**

Period = Jul 2023

Book = Accrual ; Tree = ysl\_is

		Period to Date	%	Year to Date	%
<b>4000.0006</b>	<b>GROSS POTENTIAL RENT</b>				
4001.0000	Market Rent	206,457.99	0.00	1,426,709.68	0.00
4001.0001	Gain (Loss) to Rent	-31,538.00	0.00	-183,815.00	0.00
4001.0002	Tenant-Based Subsidy	44,146.01	0.00	283,282.32	0.00
<b>4001.9998</b>	<b>Total Gross Potential Rent</b>	<b>219,066.00</b>	<b>0.00</b>	<b>1,526,177.00</b>	<b>0.00</b>
4009.0000	Rental Concessions	0.00	0.00	-2,235.00	0.00
4012.0000	Vacancy Loss	3,346.86	0.00	-19,091.93	0.00
<b>4014.9998</b>	<b>Total Apartment Income</b>	<b>222,412.86</b>	<b>0.00</b>	<b>1,504,850.07</b>	<b>0.00</b>
<b>4014.9999</b>	<b>Other Rental Income</b>				
4015.0000	Carport Income	705.00	0.00	4,630.99	0.00
4025.0000	Garage Income	2,190.00	0.00	12,429.96	0.00
4030.0000	Storage Income	719.25	0.00	4,368.89	0.00
4035.0000	Washer/Dryer Rental	944.36	0.00	5,690.86	0.00
<b>4099.9998</b>	<b>Total Other Rental Income</b>	<b>4,558.61</b>	<b>0.00</b>	<b>27,120.70</b>	<b>0.00</b>
<b>4099.9999</b>	<b>Total Rental Income</b>	<b>226,971.47</b>	<b>0.00</b>	<b>1,531,970.77</b>	<b>0.00</b>
<b>4100.0001</b>	<b>Other Income</b>				
4105.0000	Application Fee	24.00	0.00	575.50	0.00
4112.0000	Cancellation Fee	0.00	0.00	930.15	0.00
4115.0000	Damages	97.86	0.00	4,218.20	0.00
4128.0000	Gate Access Card	0.00	0.00	200.00	0.00
4130.0000	Insufficient Notice	0.00	0.00	1,152.96	0.00
4135.0000	Late Charges	1,144.80	0.00	6,832.03	0.00
4136.0000	Laundry Income	457.50	0.00	3,763.25	0.00
4140.0000	Miscellaneous Income	0.00	0.00	750.15	0.00
4151.0000	Non-Refundable Pet Fee	0.00	0.00	530.00	0.00
4155.0000	NSF Charges	70.00	0.00	245.00	0.00
<b>4199.9998</b>	<b>Total Other Income</b>	<b>1,794.16</b>	<b>0.00</b>	<b>19,197.24</b>	<b>0.00</b>
<b>4199.9999</b>	<b>TOTAL RESIDENTIAL INCOME</b>	<b>228,765.63</b>	<b>0.00</b>	<b>1,551,168.01</b>	<b>0.00</b>
<b>7000.0000</b>	<b>RESIDENTIAL EXPENSES</b>				
<b>7000.0001</b>	<b>Salary and Related</b>				
<b>7000.0002</b>	<b>Salary Expense</b>				
7008.0000	Manager Salary	5,150.00	0.00	38,550.00	0.00
7012.0000	Assistant Manager Salary	3,094.44	0.00	23,274.36	0.00
7013.0000	Leasing Staff Salary	0.00	0.00	49.00	0.00
7014.0000	Office Staff Overtime	28.92	0.00	1,768.59	0.00
7015.0000	Commissions/Bonuses-Management Staff	375.00	0.00	1,375.00	0.00
7016.0000	Commissions/Bonuses-Leasing Staff	1,980.00	0.00	7,380.00	0.00

Pinnacle on Wilcrest (206)

**Income Statement**

Period = Jul 2023

Book = Accrual ; Tree = ysi\_is

		Period to Date	%	Year to Date	%
7018.0000	Maintenance Foreman Salary	4,965.00	0.00	36,289.54	0.00
7020.0000	Maintenance Labor	3,214.37	0.00	23,736.85	0.00
7028.0000	Yardman	2,656.00	0.00	19,400.00	0.00
7036.0000	Housekeeper	2,603.33	0.00	18,700.99	0.00
7038.0000	Maintenance Overtime	597.89	0.00	3,547.42	0.00
7039.0000	Commissions/Bonuses-Maintenance	4,080.00	0.00	13,275.00	0.00
<b>7099.9999</b>	<b>Total Salary Expense</b>	<b>28,744.95</b>	<b>0.00</b>	<b>187,346.75</b>	<b>0.00</b>
<b>7100.0001</b>	<b>Payroll Related</b>				
7101.0000	Payroll Taxes	1,687.87	0.00	14,931.74	0.00
7104.0000	Health Insurance	1,060.57	0.00	13,786.29	0.00
7105.0000	Workers Compensation	217.50	0.00	1,569.24	0.00
7106.0000	Employee 401K Program	98.45	0.00	1,210.98	0.00
7108.0000	Employee Relations	997.68	0.00	5,214.25	0.00
7109.0000	Uniforms	0.00	0.00	693.99	0.00
7112.0000	Employee Training/Seminars	124.84	0.00	1,216.67	0.00
7116.0000	Temporary Help-Office Staff	3,017.60	0.00	28,329.15	0.00
7120.0000	Payroll Administration Fee	350.00	0.00	2,450.00	0.00
<b>7129.9998</b>	<b>Total Payroll Related</b>	<b>7,554.51</b>	<b>0.00</b>	<b>69,402.31</b>	<b>0.00</b>
<b>7129.9999</b>	<b>Total Residential Salary and Related</b>	<b>36,299.46</b>	<b>0.00</b>	<b>256,749.06</b>	<b>0.00</b>
<b>7239.0001</b>	<b>Contract Services</b>				
7240.0000	Grounds Contract	1,702.75	0.00	20,233.44	0.00
7243.0002	Other Landscaping	707.91	0.00	1,799.32	0.00
7245.0000	Pest Control	1,438.46	0.00	6,139.84	0.00
7246.0000	Cable Expense	381.97	0.00	2,877.08	0.00
7251.0000	Sprinkler Maintenance	0.00	0.00	1,384.03	0.00
7252.0000	Lift Master	75.95	0.00	519.65	0.00
7253.0000	Electronic Security	40.22	0.00	281.54	0.00
7254.0000	Trash Removal	5,522.39	0.00	23,813.30	0.00
7256.0000	Fire Protection	54.04	0.00	378.28	0.00
7257.0000	Elevators	6,970.40	0.00	23,373.08	0.00
7258.0000	Courtesy Services	3,016.14	0.00	18,837.96	0.00
7259.0000	Keytrac	0.00	0.00	537.05	0.00
<b>7299.9999</b>	<b>Total Contract Services</b>	<b>19,910.23</b>	<b>0.00</b>	<b>100,174.57</b>	<b>0.00</b>
<b>7300.0001</b>	<b>Utilities</b>				
7308.0000	Electricity	8,427.70	0.00	38,444.59	0.00
7309.0000	Electricity-Vacancy	138.55	0.00	1,751.92	0.00
7312.0000	Gas	38.98	0.00	600.75	0.00
7313.0000	Gas-Vacancy	0.00	0.00	506.89	0.00
7316.0000	Water	3,259.44	0.00	31,030.12	0.00
7317.0000	Water-Irrigation	4,044.28	0.00	26,916.49	0.00

Pinnacle on Wilcrest (206)

**Income Statement**

Period = Jul 2023

Book = Accrual ; Tree = ysi\_is

		Period to Date	%	Year to Date	%
7319.0000	Utility Billing Costs	4,760.81	0.00	24,941.43	0.00
7320.0000	Sewer	4,233.62	0.00	36,598.54	0.00
7321.0000	Drainage	825.10	0.00	6,090.65	0.00
<b>7329.9999</b>	<b>Total Utilities</b>	<b>25,728.48</b>	<b>0.00</b>	<b>166,881.38</b>	<b>0.00</b>
<b>7340.0001</b>	<b>Redecorating</b>				
7342.0000	Contract Carpet Cleaning	45.00	0.00	1,550.00	0.00
7343.0000	Contract Carpet Repairs	255.00	0.00	455.00	0.00
7343.0001	Countertop Repairs	64.95	0.00	2,815.58	0.00
7344.0000	General Cleaning Supplies	304.50	0.00	3,189.81	0.00
7344.0001	Tub & Tile Resurfacing	140.73	0.00	2,391.25	0.00
7346.0000	Paint & Supplies	58.30	0.00	347.36	0.00
7347.0000	Contract Painting	384.29	0.00	10,430.35	0.00
<b>7349.9999</b>	<b>Total Redecorating</b>	<b>1,252.77</b>	<b>0.00</b>	<b>21,179.35</b>	<b>0.00</b>
<b>7400.0001</b>	<b>Maintenance</b>				
7404.0000	Plumbing Maintenance & Supplies	545.60	0.00	5,002.26	0.00
7405.0000	Plumbing Contract Repairs	214.34	0.00	214.34	0.00
7408.0000	Electric Maintenance & Supplies	706.67	0.00	6,222.43	0.00
7409.0000	Electric Contract Repairs	375.00	0.00	375.00	0.00
7412.0000	HVAC Maintenance & Supplies	2,291.55	0.00	6,979.25	0.00
7416.0000	Appliance Maintenance & Supplies	821.87	0.00	4,343.05	0.00
7435.0000	Maintenance Supplies	314.50	0.00	4,689.72	0.00
7439.0000	Pool Supplies	259.79	0.00	1,893.23	0.00
7440.0000	Garage/Gate Remotes	240.20	0.00	876.05	0.00
7442.0000	Maintenance Uniforms	0.00	0.00	618.50	0.00
7443.0000	Maintenance Mileage Reimbursement	24.89	0.00	226.42	0.00
<b>7449.9999</b>	<b>Total Maintenance</b>	<b>5,794.41</b>	<b>0.00</b>	<b>31,440.25</b>	<b>0.00</b>
<b>7450.0001</b>	<b>Non-Routine Maintenance</b>				
7452.0000	Window Coverings	287.60	0.00	2,644.41	0.00
7453.0000	Roof	0.00	0.00	1,675.00	0.00
7457.0000	Exterior Repair & Improvements	1,283.48	0.00	9,735.86	0.00
7458.0000	Interior Repairs & Improvements	1,250.29	0.00	8,683.62	0.00
7460.0000	Gate Repairs	433.00	0.00	1,634.58	0.00
7461.0000	Fire Protection Repairs/Inspections	0.00	0.00	5,625.28	0.00
7462.0000	Paving	0.00	0.00	2,165.00	0.00
7464.0001	Golf Carts/Vehicle	13.30	0.00	985.50	0.00
<b>7469.9999</b>	<b>Total Non-Routine Maintenance</b>	<b>3,267.67</b>	<b>0.00</b>	<b>33,149.25</b>	<b>0.00</b>
<b>7500.0001</b>	<b>Marketing</b>				
7516.0000	Dues/Memberships/Subscriptions	0.00	0.00	36.05	0.00
7521.0000	Billboards & Signs	0.00	0.00	630.75	0.00
7530.0000	Parties	310.26	0.00	3,563.14	0.00

Pinnacle on Wilcrest (206)

**Income Statement**

Period = Jul 2023

Book = Accrual ; Tree = ysi\_is

		Period to Date	%	Year to Date	%
7532.0000	Promotions/Public Relations	312.51	0.00	1,730.57	0.00
7556.0000	Market Studies/Shopping Reports	86.60	0.00	606.20	0.00
7558.0000	Specialty Items	0.00	0.00	25.00	0.00
7560.0000	Resident Retention	396.04	0.00	2,232.62	0.00
7562.0000	Business Center Expense	0.00	0.00	-53.76	0.00
7563.0000	Activity Center	176.18	0.00	1,233.26	0.00
<b>7599.9999</b>	<b>Total Marketing</b>	<b>1,281.59</b>	<b>0.00</b>	<b>10,003.83</b>	<b>0.00</b>
<b>7700.0001</b>	<b>Administrative/Office Operations</b>				
7704.0000	Telephone	1,521.80	0.00	11,141.99	0.00
7704.0001	Pool Phones - OH	149.84	0.00	445.83	0.00
7705.0000	Cell Phone	100.00	0.00	700.00	0.00
7706.0000	Internet Service	172.03	0.00	845.88	0.00
7707.0000	Answering Machine/Service	147.38	0.00	1,031.66	0.00
7708.0000	Office Supplies	297.19	0.00	1,743.47	0.00
7712.0000	Postage	-22.23	0.00	119.61	0.00
7726.0000	Equipment Rental & Repairs	297.69	0.00	2,176.02	0.00
7732.0000	Express Mail	89.54	0.00	335.02	0.00
7735.0000	Computer Supplies	58.17	0.00	1,084.94	0.00
7736.0000	Computer Maintenance	10,165.39	0.00	13,553.20	0.00
7740.0000	Bank Fees/Charges	0.00	0.00	1,245.35	0.00
7744.0000	Legal Fees	-129.00	0.00	2,350.34	0.00
7746.0000	Credit Bureau Expense	72.00	0.00	461.50	0.00
7747.0000	Apt. Association Dues	0.00	0.00	1,410.27	0.00
7751.0000	Permits & Fees	0.00	0.00	2,202.39	0.00
7752.0000	Compliance Services	0.00	0.00	10,250.00	0.00
7753.0000	Support Services	0.00	0.00	13,926.00	0.00
7782.0000	Mileage Reimbursement	97.07	0.00	556.19	0.00
<b>7799.9999</b>	<b>Total Residential Administrative/Office Operations</b>	<b>13,016.87</b>	<b>0.00</b>	<b>65,579.66</b>	<b>0.00</b>
<b>7800.0001</b>	<b>Management Fees</b>				
7801.0000	Management Fees	9,368.04	0.00	64,095.30	0.00
<b>7801.9999</b>	<b>Total Management Fees</b>	<b>9,368.04</b>	<b>0.00</b>	<b>64,095.30</b>	<b>0.00</b>
<b>7810.0001</b>	<b>Insurance &amp; Taxes</b>				
7811.0000	Insurance-Liability	2,147.01	0.00	15,029.07	0.00
7812.0000	Insurance-Property	22,182.36	0.00	155,276.52	0.00
7813.0000	Franchise Taxes	0.00	0.00	4,097.72	0.00
<b>7820.9999</b>	<b>Total Insurance &amp; Taxes</b>	<b>24,329.37</b>	<b>0.00</b>	<b>174,403.31</b>	<b>0.00</b>
<b>7824.0001</b>	<b>Bad Debt Expense</b>				
7825.0000	Bad Debt Expense	0.00	0.00	20,213.79	0.00
<b>7825.9999</b>	<b>Total Bad Debt Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>20,213.79</b>	<b>0.00</b>

Pinnacle on Wilcrest (206)

**Income Statement**

Period = Jul 2023

Book = Accrual ; Tree = ysi\_is

		Period to Date	%	Year to Date	%
<b>7830.9999</b>	<b>TOTAL RESIDENTIAL EXPENSES</b>	<b>140,248.89</b>	<b>0.00</b>	<b>943,869.75</b>	<b>0.00</b>
<b>7831.9999</b>	<b>TOTAL OPERATING INC/LOSS BEFORE DEBT SERVICE</b>	<b>88,516.74</b>	<b>0.00</b>	<b>607,298.26</b>	<b>0.00</b>
<b>7849.0001</b>	<b>Debt Service</b>				
7850.0000	Mortgage Notes Interest	59,012.67	0.00	414,696.23	0.00
<b>7880.9999</b>	<b>Total Residential Debt Service</b>	<b>59,012.67</b>	<b>0.00</b>	<b>414,696.23</b>	<b>0.00</b>
<b>7894.9999</b>	<b>TOTAL DEBT SERVICE</b>	<b>59,012.67</b>	<b>0.00</b>	<b>414,696.23</b>	<b>0.00</b>
<b>7900.0001</b>	<b>Capital Expenditures</b>				
7901.0000	Appliances	1,772.81	0.00	9,249.46	0.00
7902.0000	Carpet Replacement	3,228.55	0.00	31,023.87	0.00
7903.0000	Exterior Repairs	0.00	0.00	1,834.84	0.00
7905.0000	Equipment	0.00	0.00	3,744.45	0.00
7906.0000	Landscaping Additions	0.00	0.00	16,092.99	0.00
7910.0001	Office Equipment	0.00	0.00	900.77	0.00
7916.0000	HVAC Replacements	1,297.92	0.00	8,618.63	0.00
7917.0000	Electrical/Lighting	0.00	0.00	2,752.47	0.00
7918.0000	Plumbing	2,240.00	0.00	30,340.00	0.00
7920.0000	Countertops	0.00	0.00	1,005.98	0.00
<b>7949.9999</b>	<b>Total Capital Expenditures</b>	<b>8,539.28</b>	<b>0.00</b>	<b>105,563.46</b>	<b>0.00</b>
<b>7950.0000</b>	<b>TOTAL NET OPERATING INCOME/LOSS</b>	<b>20,964.79</b>	<b>0.00</b>	<b>87,038.57</b>	<b>0.00</b>
<b>9000.0000</b>	<b>PARTNERSHIP ACTIVITY</b>				
<b>9000.0001</b>	<b>Partnership Income</b>				
9001.0000	Interest Income	341.22	0.00	4,265.45	0.00
<b>9099.9999</b>	<b>Total Partnership Income</b>	<b>341.22</b>	<b>0.00</b>	<b>4,265.45</b>	<b>0.00</b>
<b>9100.0001</b>	<b>Partnership Expenses</b>				
9101.0000	Accounting/Professional Servcs	3,000.00	0.00	13,000.00	0.00
9105.0000	Amortization Expense	1,756.03	0.00	12,338.80	0.00
9115.0000	Contingent 1% Fee Distribution	2,342.01	0.00	9,002.51	0.00
9120.0000	Depreciation Expense	40,049.43	0.00	280,346.01	0.00
9128.0000	Ground Lease Expense	1,455.56	0.00	10,188.92	0.00
9130.0000	Interest Expense	7,874.53	0.00	61,500.05	0.00
<b>9199.9998</b>	<b>Total Partnership Expenses</b>	<b>56,477.56</b>	<b>0.00</b>	<b>386,376.29</b>	<b>0.00</b>
<b>9199.9999</b>	<b>TOTAL PARTNERSHIP ACTIVITY</b>	<b>56,136.34</b>	<b>0.00</b>	<b>382,110.84</b>	<b>0.00</b>
<b>9999.9998</b>	<b>TOTAL NET INCOME/(LOSS)</b>	<b>-35,171.55</b>	<b>0.00</b>	<b>-295,072.27</b>	<b>0.00</b>

Pinnacle on Wilcrest (206)

## Period = Jan 2023-Jul 2023

Period = Jan 2023-Jul 2023

Book = Accrual ; Tree = ems 12 with rep

Page 1 of 6

Pinnacle on Wilcrest (206)

**12 Month Actual to Budget**

Period = Jan 2023-Jul 2023

Book = Accrual , Tree = ems 12 mth rep

		Total															
		Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Actual+	Original	Variance	%Variance
		Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Budget	Budget		
7016.0000	Commissions/Bonuses-Leasing Staff	2,520.00	180.00	90.00	2,355.00	75.00	180.00	1,980.00	150.00	150.00	3,100.00	280.00	280.00	11,340.00	13,060.00	1,720.00	13.17
7018.0000	Maintenance Foreman Salary	4,429.54	4,800.00	4,800.00	4,987.50	4,807.50	7,500.00	4,965.00	4,364.00	4,364.00	4,364.00	4,364.00	6,546.00	60,291.54	56,732.00	-3,559.54	-6.27
7020.0000	Maintenance Labor	3,212.81	3,131.20	3,131.20	3,131.20	3,131.20	4,784.87	3,214.37	3,131.00	3,131.00	3,131.00	3,131.00	4,697.00	40,957.85	40,704.00	-253.85	-0.62
7028.0000	Yardman	2,540.00	2,560.00	2,652.00	2,604.00	2,504.00	3,884.00	2,656.00	2,720.00	2,720.00	2,720.00	2,720.00	4,080.00	34,360.00	35,360.00	1,000.00	2.83
7036.0000	Housekeeper	2,501.66	2,472.00	2,472.00	2,468.14	2,472.00	3,711.86	2,603.33	2,472.00	2,472.00	2,472.00	2,472.00	3,708.00	32,296.99	32,136.00	-160.99	-0.50
7038.0000	Maintenance Overtime	876.11	635.85	761.65	231.23	59.68	385.01	597.89	903.00	500.00	500.00	500.00	500.00	6,450.42	7,161.00	710.58	9.92
7039.0000	Commissions/Bonuses-Maintenance	4,440.00	150.00	75.00	4,230.00	150.00	150.00	4,080.00	150.00	300.00	3,300.00	300.00	300.00	17,625.00	15,900.00	-1,725.00	-10.85
<b>7099.9999</b>	<b>Total Salary Expense</b>	<b>29,534.18</b>	<b>22,874.48</b>	<b>22,753.76</b>	<b>28,489.78</b>	<b>22,001.66</b>	<b>32,947.94</b>	<b>28,744.95</b>	<b>24,864.00</b>	<b>24,611.00</b>	<b>30,561.00</b>	<b>24,741.00</b>	<b>36,356.00</b>	<b>328,479.75</b>	<b>343,283.00</b>	<b>14,803.25</b>	<b>4.31</b>
<b>7100.0001</b>	<b>Payroll Related</b>																
7101.0000	Payroll Taxes	2,051.49	3,056.89	1,981.01	1,684.57	2,052.26	2,417.65	1,687.87	1,941.00	1,921.00	2,376.00	1,931.00	2,820.00	25,920.74	26,722.00	801.26	3.00
7104.0000	Health Insurance	1,059.45	2,121.14	2,121.14	2,121.14	2,121.14	3,181.71	1,060.57	2,975.00	2,975.00	2,975.00	2,975.00	2,975.00	28,661.29	35,700.00	7,038.71	19.72
7105.0000	Workers Compensation	213.47	211.63	216.04	204.77	196.40	309.43	217.50	217.00	213.00	261.00	213.00	314.00	2,787.24	2,971.00	183.76	6.19
7106.0000	Employee 401K Program	163.61	177.16	176.16	170.64	165.57	259.39	98.45	186.00	185.00	229.00	186.00	273.00	2,269.98	2,577.00	307.02	11.91
7108.0000	Employee Relations	1,295.33	439.23	504.85	848.49	692.43	436.24	997.68	350.00	450.00	350.00	350.00	1,050.00	8,564.25	8,300.00	-264.25	-3.18
7109.0000	Uniforms	0.00	0.00	632.20	61.79	0.00	0.00	0.00	0.00	650.00	0.00	0.00	0.00	1,343.99	1,330.00	-13.99	-1.05
7112.0000	Employee Training/Seminars	231.38	110.00	105.00	240.00	5.00	400.45	124.84	210.00	110.00	110.00	110.00	110.00	1,866.67	2,400.00	533.33	22.22
7116.0000	Temporary Help-Office Staff	3,401.20	4,231.15	5,390.00	5,390.00	4,312.00	2,587.20	3,017.60	0.00	0.00	0.00	0.00	0.00	28,329.15	0.00	-28,329.15	N/A
7120.0000	Payroll Administration Fee	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	4,200.00	4,200.00	0.00	0.00
<b>7129.9998</b>	<b>Total Payroll Related</b>	<b>8,765.93</b>	<b>10,697.20</b>	<b>11,476.40</b>	<b>11,071.40</b>	<b>9,894.80</b>	<b>9,942.07</b>	<b>7,554.51</b>	<b>6,229.00</b>	<b>6,854.00</b>	<b>6,651.00</b>	<b>6,115.00</b>	<b>8,692.00</b>	<b>103,943.31</b>	<b>84,200.00</b>	<b>-19,743.31</b>	<b>-23.45</b>
<b>7129.9999</b>	<b>Total Salary and Related</b>	<b>38,300.11</b>	<b>33,571.68</b>	<b>34,230.16</b>	<b>39,561.18</b>	<b>31,896.46</b>	<b>42,890.01</b>	<b>36,299.46</b>	<b>31,093.00</b>	<b>31,465.00</b>	<b>37,212.00</b>	<b>30,856.00</b>	<b>45,048.00</b>	<b>432,423.06</b>	<b>427,483.00</b>	<b>-4,940.06</b>	<b>-1.16</b>
<b>7239.0001</b>	<b>Contract Services</b>																
7240.0000	Grounds Contract	2,730.00	2,730.00	3,259.64	2,730.00	3,113.50	3,967.55	1,702.75	2,730.00	3,114.00	2,730.00	3,114.00	1,815.00	33,736.44	35,149.00	1,412.56	4.02
7243.0002	Other Landscaping	0.00	0.00	0.00	1,091.41	0.00	0.00	707.91	0.00	0.00	750.00	0.00	0.00	2,549.32	3,000.00	450.68	15.02
7245.0000	Pest Control	410.08	320.00	1,967.06	415.55	496.74	1,091.95	1,438.46	300.00	1,050.00	300.00	300.00	1,050.00	9,139.84	6,600.00	-2,539.84	-38.48
7246.0000	Cable Expense	0.00	377.96	405.44	815.27	514.47	381.97	381.97	500.00	500.00	500.00	500.00	500.00	5,377.08	6,000.00	622.92	10.38
7251.0000	Sprinkler Maintenance	0.00	0.00	384.03	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,384.03	1,000.00	-384.03	-38.40
7252.0000	Lift Master	73.95	73.95	73.95	73.95	73.95	73.95	75.95	29.00	29.00	29.00	29.00	29.00	664.65	348.00	-316.65	-90.99
7253.0000	Electronic Security	40.22	40.22	40.22	40.22	40.22	40.22	40.22	0.00	0.00	0.00	0.00	0.00	281.54	0.00	-281.54	N/A
7254.0000	Trash Removal	2,944.04	2,959.07	3,104.80	3,103.69	2,948.86	3,230.45	5,522.39	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	39,813.30	38,400.00	-1,413.30	-3.68
7256.0000	Fire Protection	54.04	54.04	54.04	54.04	54.04	54.04	54.04	55.00	55.00	55.00	55.00	55.00	653.28	660.00	6.72	1.02
7257.0000	Elevators	6,766.53	207.13	207.13	1,999.13	132.38	7,090.38	6,970.40	300.00	300.00	6,300.00	300.00	300.00	30,873.08	27,600.00	-3,273.08	-11.86
7258.0000	Courtesy Services	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	3,016.14	2,650.00	2,650.00	2,650.00	2,650.00	2,650.00	32,087.96	31,800.00	-287.96	-0.91
7259.0000	Keytrac	0.00	0.00	540.00	-2.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	537.05	540.00	2.95	0.55
<b>7299.9999</b>	<b>Total Contract Services</b>	<b>15,655.83</b>	<b>9,399.34</b>	<b>12,673.28</b>	<b>12,957.28</b>	<b>11,011.13</b>	<b>18,567.48</b>	<b>19,910.23</b>	<b>9,764.00</b>	<b>10,898.00</b>	<b>16,514.00</b>	<b>10,148.00</b>	<b>9,599.00</b>	<b>157,097.57</b>	<b>151,097.00</b>	<b>-6,000.57</b>	<b>-3.97</b>
<b>7300.0001</b>	<b>Utilities</b>																
7308.0000	Electricity	5,667.43	5,635.74	5,363.04	5,342.56	4,707.03	3,301.09	8,427.70	7,000.00	6,500.00	6,000.00	5,000.00	4,500.00	67,444.59	64,000.00	-3,444.59	-5.38
7309.0000	Electricity-Vacancy	244.33	332.06	153.92	659.49	106.18	117.39	138.55	250.00	250.00	250.00	150.00	150.00	2,801.92	2,700.00	-101.92	-3.77
7312.0000	Gas	171.78	159.21	50.30	52.21	34.64	93.63	38.98	100.00	75.00	75.00	50.00	50.00	950.75	900.00	-50.75	-5.64
7313.0000	Gas-Vacancy	105.01	18.53	197.70	30.48	0.00	155.17	0.00	0.00	50.00	0.00	50.00	0.00	606.89	570.00	-36.89	-6.47
7316.0000	Water	8,626.42	2,439.81	5,778.19	3,053.76	3,690.09	4,182.41	3,259.44	6,000.00	4,000.00	3,800.00	3,800.00	3,800.00	52,430.12	53,300.00	869.88	1.63

Pinnacle on Wilcrest (206)  
**12 Month Actual to Budget**  
 Period = Jan 2023-Jul 2023  
 Book = Accrual ; Tree = ems 12 mth rep

		Total													
		Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Actual+	Original
		Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Budget	Budget
														Variance	%Variance
7317.0000	Water-Irrigation	2,102.61	2,842.29	3,339.79	5,498.61	5,538.63	3,550.28	4,044.28	2,500.00	3,000.00	2,500.00	2,000.00	500.00	37,416.49	22,900.00
7319.0000	Utility Billing Costs	3,899.69	2,494.56	2,720.82	2,720.82	2,969.15	5,375.58	4,760.81	3,600.00	3,500.00	3,500.00	3,000.00	3,000.00	41,541.43	41,200.00
7320.0000	Sewer	7,074.87	3,194.41	6,498.96	5,264.08	4,839.56	5,493.04	4,233.62	6,500.00	6,000.00	5,500.00	5,500.00	5,500.00	65,598.54	74,800.00
7321.0000	Drainage	825.10	825.00	1,140.15	825.10	825.10	825.10	825.10	825.00	825.00	825.00	825.00	825.00	10,115.65	9,900.00
7329.9999	<b>Total Utilities</b>	<b>28,717.24</b>	<b>17,941.61</b>	<b>25,242.87</b>	<b>23,447.11</b>	<b>22,710.28</b>	<b>23,093.69</b>	<b>25,728.48</b>	<b>26,775.00</b>	<b>24,200.00</b>	<b>22,450.00</b>	<b>20,375.00</b>	<b>18,325.00</b>	<b>279,006.38</b>	<b>269,470.00</b>
7340.0001	<b>Redecorating</b>														
7342.0000	Contract Carpet Cleaning	145.00	125.00	330.00	230.00	675.00	0.00	45.00	400.00	300.00	300.00	300.00	300.00	3,150.00	4,000.00
7343.0000	Contract Carpet Repairs	0.00	0.00	30.00	0.00	170.00	0.00	255.00	150.00	125.00	125.00	125.00	125.00	1,105.00	1,575.00
7343.0001	Countertop Repairs	0.00	1,193.84	268.46	755.27	273.41	259.65	64.95	200.00	200.00	150.00	150.00	150.00	3,665.58	2,100.00
7344.0000	General Cleaning Supplies	446.17	515.09	546.53	409.38	492.91	475.23	304.50	500.00	500.00	200.00	200.00	200.00	4,789.81	4,600.00
7344.0001	Tub & Tile Resurfacing	113.66	570.64	359.39	592.44	305.73	308.66	140.73	136.00	272.00	136.00	204.00	340.00	3,479.25	2,652.00
7346.0000	Paint & Supplies	0.00	69.54	52.87	64.17	86.33	16.15	58.30	80.00	160.00	80.00	120.00	200.00	987.36	1,580.00
7347.0000	Contract Painting	1,309.93	3,127.46	1,396.99	1,879.32	933.50	1,398.86	384.29	620.00	1,240.00	620.00	930.00	1,550.00	15,390.35	12,090.00
7349.9999	<b>Total Redecorating</b>	<b>2,014.76</b>	<b>5,601.57</b>	<b>2,984.24</b>	<b>3,930.58</b>	<b>2,936.88</b>	<b>2,458.55</b>	<b>1,252.77</b>	<b>2,086.00</b>	<b>2,797.00</b>	<b>1,611.00</b>	<b>2,029.00</b>	<b>2,865.00</b>	<b>32,567.35</b>	<b>28,597.00</b>
7400.0001	<b>Maintenance</b>														
7404.0000	Plumbing Maintenance & Supplies	571.65	697.12	692.77	1,054.13	616.98	824.01	545.60	950.00	350.00	350.00	350.00	350.00	7,352.26	7,600.00
7405.0000	Plumbing Contract Repairs	0.00	0.00	0.00	0.00	0.00	0.00	214.34	0.00	0.00	300.00	0.00	0.00	514.34	1,200.00
7408.0000	Electric Maintenance & Supplies	1,244.12	1,053.07	580.41	377.59	690.80	1,569.77	706.67	1,000.00	800.00	600.00	600.00	600.00	9,822.43	9,500.00
7409.0000	Electric Contract Repairs	0.00	0.00	0.00	0.00	0.00	0.00	375.00	0.00	0.00	600.00	0.00	0.00	975.00	2,100.00
7412.0000	HVAC Maintenance & Supplies	872.06	171.18	1,236.77	150.79	1,155.20	1,101.70	2,291.55	2,000.00	800.00	700.00	700.00	700.00	11,879.25	13,000.00
7416.0000	Appliance Maintenance & Supplies	287.33	284.31	550.63	919.33	364.26	1,115.32	821.87	700.00	850.00	500.00	500.00	500.00	7,393.05	8,050.00
7435.0000	Maintenance Supplies	1,276.83	792.12	467.86	922.82	354.59	561.00	314.50	700.00	600.00	600.00	600.00	600.00	7,789.72	7,500.00
7439.0000	Pool Supplies	89.51	0.00	0.00	1,117.09	103.18	323.66	259.79	0.00	260.00	0.00	260.00	0.00	2,413.23	2,420.00
7440.0000	Garage/Gate Remotes	219.45	0.00	219.45	0.00	196.95	0.00	240.20	0.00	191.00	0.00	191.00	0.00	1,258.05	1,146.00
7442.0000	Maintenance Uniforms	0.00	0.00	598.50	20.00	0.00	0.00	0.00	0.00	600.00	0.00	0.00	0.00	1,218.50	1,460.00
7443.0000	Maintenance Mileage Reimbursement	39.42	46.16	36.85	22.52	27.63	28.95	24.89	45.00	0.00	45.00	25.00	0.00	341.42	340.00
7449.9999	<b>Total Maintenance</b>	<b>4,600.37</b>	<b>3,043.96</b>	<b>4,383.24</b>	<b>4,584.27</b>	<b>3,509.59</b>	<b>5,524.41</b>	<b>5,794.41</b>	<b>5,395.00</b>	<b>4,451.00</b>	<b>3,695.00</b>	<b>3,226.00</b>	<b>2,750.00</b>	<b>50,957.25</b>	<b>54,316.00</b>
7450.0001	<b>Non-Routine Maintenance</b>														
7452.0000	Window Coverings	325.19	745.18	345.29	283.97	203.20	453.98	287.60	240.00	240.00	240.00	240.00	240.00	3,844.41	3,580.00
7453.0000	Roof	0.00	0.00	1,675.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,675.00	0.00
7457.0000	Exterior Repair & Improvements	978.81	391.40	1,365.93	1,354.92	3,442.19	919.13	1,283.48	800.00	1,000.00	800.00	800.00	800.00	13,935.86	10,800.00
7458.0000	Interior Repair & Improvements	1,683.50	2,069.40	772.87	1,421.48	716.63	769.45	1,250.29	800.00	800.00	800.00	800.00	800.00	12,683.62	9,600.00
7460.0000	Gate Repairs	671.15	0.00	0.00	0.00	0.00	530.43	433.00	0.00	0.00	500.00	0.00	0.00	2,134.58	2,350.00
7461.0000	Fire Protection Repairs/Inspections	0.00	5,370.28	0.00	0.00	255.00	0.00	0.00	0.00	0.00	0.00	5,500.00	4,000.00	15,125.28	10,200.00
7462.0000	Paving	0.00	0.00	0.00	2,000.00	165.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,165.00	2,000.00
7464.0001	Golf Carts/Vehicle	308.12	0.00	0.00	0.00	158.00	506.08	13.30	0.00	0.00	0.00	0.00	0.00	985.50	1,400.00
7469.9999	<b>Total Non-Routine Maintenance</b>	<b>3,966.77</b>	<b>8,576.26</b>	<b>4,159.09</b>	<b>5,060.37</b>	<b>4,940.02</b>	<b>3,179.07</b>	<b>3,267.67</b>	<b>1,840.00</b>	<b>2,040.00</b>	<b>2,340.00</b>	<b>7,340.00</b>	<b>5,840.00</b>	<b>52,549.25</b>	<b>39,930.00</b>
7500.0001	<b>Marketing</b>														

Pinnacle on Wilcrest (206)

**12 Month Actual to Budget**

Period = Jan 2023-Jul 2023

Book = Accrual, Tree = ems 12 mth rep

														Total			
														Actual	Original	Variance	%Variance
														Budget	Budget		
														Jan 2023	Feb 2023	Mar 2023	Apr 2023
														May 2023	Jun 2023	Jul 2023	Aug 2023
														Sep 2023	Oct 2023	Nov 2023	Dec 2023
7516.0000	Dues/Memberships/Subscriptions	110.00	0.00	0.00	0.00	-73.95	0.00	0.00	0.00	0.00	294.00	0.00	0.00	330.05	524.00	193.95	37.01
7521.0000	Billboards & Signs	0.00	294.93	335.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	630.75	0.00	-630.75	N/A
7530.0000	Parties	285.42	520.81	441.81	233.86	796.80	966.18	310.26	250.00	250.00	550.00	1,000.00	1,750.00	7,363.14	7,300.00	-63.14	-0.86
7532.0000	Promotions/Public Relations	336.16	197.41	75.24	263.70	375.01	170.54	312.51	250.00	250.00	250.00	250.00	250.00	2,980.57	3,000.00	19.43	0.65
7556.0000	Market Studies/Shopping Reports	86.60	86.60	86.60	86.60	86.60	86.60	86.60	132.00	132.00	0.00	132.00	132.00	1,134.70	1,056.00	-78.20	-7.41
7558.0000	Specialty Items	25.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.00	0.00	-25.00	N/A
7560.0000	Resident Retention	292.86	403.84	290.55	252.45	254.09	342.79	396.04	400.00	250.00	250.00	250.00	250.00	3,632.62	3,450.00	-182.62	-5.29
7562.0000	Business Center Expense	0.00	0.00	0.00	-53.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-53.76	0.00	53.76	N/A
7563.0000	Activity Center	176.18	0.00	352.36	176.18	176.18	176.18	176.18	0.00	0.00	0.00	0.00	0.00	1,233.26	0.00	-1,233.26	N/A
7566.0000	Other Recreational Amenities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75.00	75.00	100.00
7599.9999	Total Marketing	1,312.22	1,511.59	1,582.38	959.03	1,614.73	1,742.29	1,281.59	1,032.00	882.00	1,344.00	1,432.00	2,382.00	17,275.83	15,405.00	-1,870.83	-12.14
7700.0001	Administrative/Office Operations																
7704.0000	Telephone	3,953.25	930.37	2,162.54	422.19	1,077.53	1,074.31	1,521.80	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	23,641.99	30,000.00	6,358.01	21.19
7704.0001	Pool Phones - OH	0.00	0.00	0.00	149.85	0.00	146.14	149.84	0.00	0.00	146.00	0.00	0.00	591.83	584.00	-7.83	-1.34
7705.0000	Cell Phone	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00	1,200.00	0.00	0.00
7706.0000	Internet Service	350.00	-222.40	386.87	-386.87	152.18	394.07	172.03	368.00	368.00	368.00	368.00	368.00	2,685.88	4,416.00	1,730.12	39.18
7707.0000	Answering Machine/Service	147.38	147.38	147.38	147.38	147.38	147.38	147.38	142.00	142.00	142.00	142.00	142.00	1,741.66	1,704.00	-37.66	-2.21
7708.0000	Office Supplies	268.84	186.40	177.16	236.43	357.47	219.98	297.19	250.00	250.00	250.00	200.00	200.00	2,893.47	2,750.00	-143.47	-5.22
7712.0000	Postage	0.00	0.00	68.00	0.00	0.00	73.84	-22.23	0.00	50.00	0.00	0.00	50.00	219.61	260.00	40.39	15.53
7726.0000	Equipment Rental & Repairs	297.69	297.69	389.88	297.69	297.69	297.69	297.69	474.00	474.00	474.00	474.00	474.00	4,546.02	5,688.00	1,141.98	20.08
7732.0000	Express Mail	58.65	0.00	0.00	108.48	47.10	31.25	89.54	50.00	50.00	100.00	50.00	50.00	635.02	750.00	114.98	15.33
7735.0000	Computer Supplies	92.89	114.22	185.48	395.08	239.10	0.00	58.17	150.00	100.00	100.00	100.00	100.00	1,634.94	1,350.00	-284.94	-21.11
7736.0000	Computer Maintenance	887.88	231.66	909.27	614.91	356.85	387.24	1,165.39	167.00	320.00	320.00	167.00	779.00	15,306.20	13,014.00	-2,292.20	-17.61
7740.0000	Bank Fees/Charges	8.00	0.00	8.00	0.00	1,229.35	0.00	0.00	0.00	0.00	20.00	0.00	20.00	1,285.35	1,250.00	-35.35	-2.83
7744.0000	Legal Fees	747.30	387.00	0.00	-375.75	945.61	775.18	-129.00	333.00	222.00	222.00	672.00	222.00	4,021.34	4,947.00	925.66	18.71
7746.0000	Credit Bureau Expense	137.50	0.00	84.00	84.00	48.00	36.00	72.00	50.00	40.00	30.00	80.00	80.00	741.50	750.00	8.50	1.13
7747.0000	Apt. Association Dues	962.50	0.00	0.00	0.00	0.00	447.77	0.00	0.00	0.00	0.00	0.00	0.00	1,410.27	937.00	-473.27	-50.51
7751.0000	Permits & Fees	1,437.98	200.51	0.00	469.92	93.96	0.02	0.00	0.00	0.00	308.00	155.00	155.00	2,812.39	3,910.00	1,097.61	28.07
7752.0000	Compliance Services	0.00	0.00	0.00	6,250.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00	10,250.00	10,250.00	0.00	0.00
7753.0000	Support Services	2,321.00	2,321.00	2,321.00	2,321.00	2,321.00	2,321.00	0.00	2,253.00	2,253.00	2,253.00	2,253.00	2,253.00	25,191.00	27,036.00	1,845.00	6.82
7782.0000	Mileage Reimbursement	45.72	114.35	35.42	141.03	74.78	47.82	97.07	0.00	0.00	0.00	0.00	0.00	556.19	0.00	-556.19	N/A
7799.9999	Total Administrative/Office Operations	11,816.58	4,808.18	6,975.00	10,975.34	7,488.00	10,499.69	13,016.67	6,837.00	6,869.00	7,325.00	7,261.00	7,463.00	101,364.66	110,796.00	9,431.34	8.51
7800.0001	Management Fees																
7801.0000	Management Fees	10,515.99	8,735.07	8,904.43	8,827.38	8,664.89	9,079.50	9,368.04	8,500.00	8,500.00	8,500.00	8,500.00	8,500.00	106,595.30	102,000.00	-4,595.30	-4.51
7801.9999	Total Management Fees	10,515.99	8,735.07	8,904.43	8,827.38	8,664.89	9,079.50	9,368.04	8,500.00	8,500.00	8,500.00	8,500.00	8,500.00	106,595.30	102,000.00	-4,595.30	-4.51
7810.0001	Insurance & Taxes																
7811.0000	Insurance-Utility	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.00	2,297.00	2,297.00	2,297.00	2,297.00	26,364.07	26,364.00	-0.07	0.00
7812.0000	Insurance-Property	22,182.36	22,182.36	22,182.36	22,182.36	22,182.36	22,182.36	22,182.36	21,737.00	23,910.00	23,910.00	23,910.00	23,910.00	272,653.52	269,536.00	-3,117.52	-1.16
7813.0000	Franchise Taxes	716.01	723.60	725.80	702.29	723.62	506.40	0.00	698.00	700.00	701.00	702.00	704.00	7,602.72	8,353.00	750.28	8.98

Pinnacle on Wilcrest (206)

## 12 Month Actual to Budget

Period = Jan 2023-Jul 2023

Book = Accrual Tree = ems 12 mth rep

		Total												Actual+	Original	Variance	% Variance
		Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget				
		Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Budget	Budget		
7820.9999	Total Insurance & Taxes	25,048.38	25,052.97	25,055.17	25,031.66	25,052.99	24,835.77	24,329.37	24,582.00	24,907.00	24,908.00	24,909.00	24,911.00	304,620.31	304,253.00	-2,367.31	-0.78
7824.0001	Bad Debt Expense																
7825.0000	Bad Debt Expense	635.68	4,496.50	6,092.86	182.87	6,273.68	2,532.20	0.00	1,000.00	0.00	1,750.00	3,000.00	0.00	25,963.79	21,250.00	-4,713.79	-22.18
7825.9999	Total Bad Debt Expense	635.68	4,496.50	6,092.86	182.87	6,273.68	2,532.20	0.00	1,000.00	0.00	1,750.00	3,000.00	0.00	25,963.79	21,250.00	-4,713.79	-22.18
7830.9999	TOTAL RESIDENTIAL EXPENSES	142,580.93	122,738.73	132,282.72	135,517.07	126,098.75	144,402.66	140,248.89	118,904.00	119,009.00	129,649.00	121,276.00	129,713.00	1,562,420.75	1,524,597.00	-37,823.75	-2.48
7831.9999	Total Operating Inc/Loss before Debt Service	74,479.91	95,128.60	84,991.21	88,150.89	95,368.62	78,662.29	88,516.74	101,667.00	103,820.00	92,490.00	101,593.00	93,833.00	1,100,701.26	1,139,572.00	-38,870.74	-3.41
7849.0001	Debt Service																
7850.0000	Mortgage Notes Interest	59,469.89	59,394.72	59,319.14	59,243.15	59,166.74	59,089.92	59,012.67	58,943.00	58,868.00	58,793.00	58,718.00	58,643.00	708,661.23	708,666.00	4.77	0.00
7899.9999	Total Debt Service	59,469.89	59,394.72	59,319.14	59,243.15	59,166.74	59,089.92	59,012.67	58,943.00	58,868.00	58,793.00	58,718.00	58,643.00	708,661.23	708,666.00	4.77	0.00
7900.0001	Capital Expenditures																
7901.0000	Appliances	596.04	391.97	983.47	759.46	4,377.42	368.29	1,772.81	600.00	800.00	400.00	600.00	1,000.00	12,649.46	8,000.00	-4,649.46	-58.12
7901.0001	Equipment / Appliances	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,500.00	3,500.00	100.00
7902.0000	Carpet Replacement	7,164.05	5,736.83	4,354.20	8,612.65	280.92	1,646.67	3,228.55	3,500.00	2,500.00	2,500.00	2,500.00	2,500.00	44,523.87	33,000.00	-11,523.87	-34.92
7903.0000	Exterior Repairs	0.00	0.00	2,072.99	6,251.44	-1,289.59	-5,200.00	0.00	0.00	0.00	0.00	0.00	0.00	1,834.84	62,800.00	60,965.16	97.08
7904.0000	Other Interior	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,000.00	7,000.00	100.00
7905.0000	Equipment	669.11	231.66	-900.77	1,517.65	941.85	1,284.95	0.00	0.00	1,200.00	0.00	0.00	1,200.00	6,144.45	6,300.00	155.55	2.47
7906.0000	Landscaping Additions	0.00	0.00	729.96	15,055.38	307.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,092.99	19,300.00	3,207.01	16.62
7907.0000	Paving Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,700.00	1,700.00	100.00
7908.0000	Pool Repair	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	1,500.00	100.00
7910.0001	Office Equipment	0.00	0.00	900.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	900.77	1,500.00	599.23	39.95
7916.0000	HVAC Replacements	0.00	0.00	2,943.67	0.00	367.75	4,009.29	1,297.92	3,000.00	0.00	0.00	0.00	0.00	11,618.63	8,500.00	-3,118.63	-36.69
7917.0000	Electrical/Lighting	333.95	0.00	0.00	2,234.20	184.32	0.00	0.00	0.00	0.00	2,500.00	0.00	0.00	5,252.47	153,500.00	148,247.53	96.58
7918.0000	Plumbing	0.00	0.00	0.00	0.00	0.00	28,100.00	2,240.00	0.00	0.00	0.00	0.00	0.00	30,340.00	0.00	-30,340.00	N/A
7919.0000	Cabinets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,600.00	3,600.00	100.00
7920.0000	Countertops	0.00	1,005.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,005.98	0.00	-1,005.98	N/A
7949.9999	Total Capital Expenditures	8,763.15	7,366.44	11,084.29	34,430.78	5,170.32	30,209.20	8,539.28	7,100.00	4,500.00	5,400.00	3,100.00	4,700.00	130,363.46	310,200.00	179,836.54	57.97
7950.0000	TOTAL NET OPERATING INCOME/LOSS	6,246.87	28,367.44	16,587.78	-5,523.04	31,031.54	-10,636.83	20,964.79	35,624.00	40,452.00	28,297.00	39,775.00	30,490.00	261,676.57	120,706.00	140,970.57	116.79
9000.0000	PARTNERSHIP ACTIVITY																
9000.0001	Partnership Income																
9001.0000	Interest Income	710.83	773.57	523.35	712.04	789.94	414.50	341.22	0.00	0.00	0.00	0.00	0.00	4,265.45	0.00	4,265.45	N/A
9099.9999	Total Partnership Income	710.83	773.57	523.35	712.04	789.94	414.50	341.22	0.00	0.00	0.00	0.00	0.00	4,265.45	0.00	4,265.45	N/A
9100.0001	Partnership Expenses																
9101.0000	Accounting/Professional Svcs	0.00	0.00	0.00	0.00	5,000.00	5,000.00	3,000.00	0.00	10,000.00	0.00	0.00	0.00	23,000.00	20,000.00	-3,000.00	-15.00
9105.0000	Amortization Expense	1,769.28	1,767.10	1,764.91	1,762.71	1,760.50	1,758.27	1,756.03	1,766.00	1,766.00	1,766.00	1,766.00	1,766.00	21,168.80	21,192.00	23.20	0.11
9115.0000	Contingent 1% Fee Distribution	0.00	2,183.77	0.00	2,206.85	0.00	2,269.88	2,342.01	2,084.00	2,084.00	2,084.00	2,084.00	2,084.00	19,422.51	25,008.00	5,585.49	22.33

Pinnacle on Wilcrest (206)

**12 Month Actual to Budget**

Period = Jan 2023-Jul 2023

Book = Accrual, Tree = ems 12 mth rep

		Total												Actual+	Original	Variance	%Variance
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget				
		Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Budget	Budget		
9120.0000	Depreciation Expense	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	47,643.00	47,643.00	47,643.00	47,643.00	47,643.00	518,561.01	571,716.00	53,154.99	9.30
9128.0000	Ground Lease Expense	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,456.00	1,456.00	1,456.00	1,456.00	1,456.00	17,468.92	17,472.00	3.08	0.02
9130.0000	Interest Expense	7,796.72	7,068.92	7,822.66	7,573.84	7,848.60	15,514.78	7,874.53	5,255.00	5,086.00	5,255.00	5,086.00	5,255.00	87,437.05	61,876.00	-25,561.05	-41.31
9150.0000	Legal Expenses-Partnership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,973.00	2,973.00	100.00
9199.9998	Total Partnership Expenses	51,070.99	52,524.78	51,092.56	53,048.39	56,114.09	66,047.92	56,477.56	58,204.00	68,035.00	58,204.00	58,035.00	58,204.00	687,058.29	720,237.00	33,178.71	4.61
9199.9999	TOTAL PARTNERSHIP ACTIVITY	50,360.16	51,751.21	50,569.21	52,336.25	55,324.15	65,633.42	56,136.34	58,204.00	68,035.00	58,204.00	58,035.00	58,204.00	682,792.84	720,237.00	37,444.16	5.20
9999.9998	TOTAL NET INCOME/(LOSS)	-44,113.29	-23,383.77	-33,981.43	-57,859.39	-24,292.59	-76,270.25	-35,171.55	-22,580.00	-27,583.00	-29,907.00	-18,260.00	-27,714.00	-421,116.27	-599,531.00	178,414.73	-29.78
ADJUSTMENTS																	
1072.0000	Escrow-Immediate Repr & Maintenance (Replacement)	-5,227.34	-5,208.33	-5,208.33	-5,208.33	-5,292.86	-5,208.33	-5,208.33	-5,208.33	-5,208.33	-5,208.33	-5,208.33	-5,208.33	-62,603.50	-62,499.96	-103.54	0.17
1141.0000	A/R-Residents, Residential	-5,058.57	4,698.43	8,534.26	-2,173.00	1,809.97	1,278.30	5,763.96	0.00	0.00	0.00	0.00	0.00	14,853.35	0.00	14,853.35	N/A
1150.0000	A/R-Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-180.90	0.00	-180.90	N/A
1220.0000	Prepaid Expenses-Residential	2,944.04	0.00	0.00	-22,876.19	22,876.19	-2,765.22	2,765.22	0.00	0.00	0.00	0.00	0.00	2,944.04	0.00	2,944.04	N/A
1225.0000	Prepaid Insurance-Residential	24,329.37	24,329.37	24,329.37	24,329.37	24,329.37	24,329.37	-378,454.77	0.00	0.00	0.00	0.00	0.00	-232,478.55	0.00	-232,478.55	N/A
1302.0000	Land (Leased)	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	17,466.72	17,466.72	0.00	0.00
1501.0001	Accum Depreciation-Building	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	480,593.16	480,593.16	0.00	0.00
2001.0000	Accounts Payable	-18,623.58	79,918.41	-62,267.87	12,255.24	-36,787.68	336.69	8,336.23	0.00	0.00	0.00	0.00	0.00	-16,838.52	0.00	-16,838.52	N/A
2002.0000	Security Deposit Refunds Payable	0.00	0.00	-5,578.00	0.00	0.00	5,578.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A
2005.0000	A/P-Other	0.00	0.00	1,642.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,642.76	0.00	1,642.76	N/A
2050.0015	A/P-Embrey Management Services	0.00	0.00	0.00	0.00	0.00	11,349.38	-11,349.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A
2101.0000	Prepaid Rent-Residential	3,076.21	-3,098.80	-2,074.72	6,059.02	-826.65	-6,928.19	-2,140.08	0.00	0.00	0.00	0.00	0.00	-5,933.21	0.00	-5,933.21	N/A
2201.0000	Security Deposits-Residents	750.00	400.00	-146.00	800.00	-458.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	2,654.00	0.00	2,654.00	N/A
2202.0000	Additional Deposit	-480.00	0.00	-103.50	24.07	-808.69	-519.69	168.31	0.00	0.00	0.00	0.00	0.00	-1,719.50	0.00	-1,719.50	N/A
2203.0000	Pet Deposit	0.00	50.00	0.00	0.00	0.00	-150.00	0.00	0.00	0.00	0.00	0.00	0.00	-100.00	0.00	-100.00	N/A
2301.0000	Accrued Interest-Residential	1,774.93	1,603.17	1,774.93	1,717.68	1,774.93	1,717.68	1,774.93	0.00	0.00	0.00	0.00	0.00	12,138.25	0.00	12,138.25	N/A
2301.0001	Accrued Interest-Retail	6,021.79	5,465.75	6,047.73	5,856.16	6,073.67	5,856.16	6,099.60	0.00	0.00	0.00	0.00	0.00	41,420.86	0.00	41,420.86	N/A
2304.0000	Accrued Franchise Tax-Residential	716.01	723.60	725.80	702.29	-7,519.82	506.40	0.00	0.00	0.00	0.00	0.00	0.00	-4,145.72	0.00	-4,145.72	N/A
2321.0000	Accrued Payroll Admin Fee	350.00	0.00	-350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A
2380.0000	Accrued Expenses Other-Residential	21,591.10	-11,629.13	-5,359.89	55,113.48	-64,533.89	-5,840.19	29,714.71	0.00	0.00	0.00	0.00	0.00	19,056.19	0.00	19,056.19	N/A
2501.0000	Construction Loan Payable	-13,771.64	-13,846.81	-13,922.39	-13,998.38	-14,074.79	-14,151.61	-14,228.86	-14,151.61	-14,151.61	-14,151.61	-14,151.61	-14,151.61	-168,752.53	-168,675.28	-77.25	0.05
2504.0000	Note Payable-Insurance	-24,587.03	0.00	-50,403.41	-24,587.03	-23,357.68	-16,846.09	368,105.35	-34,678.79	-34,678.79	-34,678.79	-34,678.79	-34,678.79	55,130.16	-208,072.74	263,202.90	-126.50
2552.0000	Accum Amortization-Issuance Cost	1,769.28	1,767.10	1,764.91	1,762.71	1,760.50	1,758.27	1,756.03	0.00	0.00	0.00	0.00	0.00	12,338.80	0.00	12,338.80	N/A
TOTAL ADJUSTMENTS		37,679.56	126,677.75	-59,089.32	81,282.08	-53,522.44	43,119.02	54,607.91	-12,533.74	-12,533.74	-12,533.74	-12,533.74	-12,533.74	167,485.86	58,811.90	108,673.96	184.78
CASH FLOW		-7,033.73	103,293.98	-93,070.75	23,422.69	-77,815.03	-33,151.23	19,436.36	-35,113.74	-40,116.74	-42,440.74	-30,793.74	-40,247.74	-253,630.41	-540,719.10	287,088.69	-53.09

Pinnacle on Wilcrest (206)  
**Statement (12 months)**

Period = Aug 2022-Jul 2023

Book = Accrual ; Tree = ysl\_s

	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Total
<b>4000.0006 GROSS POTENTIAL RENT</b>													
4001.0000 Market Rent	209,974.00	201,473.00	188,782.10	200,805.67	203,182.68	207,527.13	204,461.25	200,025.50	199,676.80	199,929.01	208,632.00	206,457.99	2,430,927.13
4001.0001 Gain (Loss) to Rent	-37,137.00	-30,239.00	-29,918.00	-28,244.00	-26,884.00	-27,112.00	-25,650.00	-23,858.00	-22,808.00	-22,323.00	-30,526.00	-31,538.00	-336,237.00
4001.0002 Tenant-Based Subsidy	38,657.00	40,286.00	52,976.90	40,953.33	38,576.32	34,231.87	37,297.75	41,733.50	42,082.20	41,829.99	41,961.00	44,146.01	494,731.87
<b>4001.9998 Total Gross Potential Rent</b>	<b>211,494.00</b>	<b>211,520.00</b>	<b>211,841.00</b>	<b>213,515.00</b>	<b>214,875.00</b>	<b>214,647.00</b>	<b>216,109.00</b>	<b>217,901.00</b>	<b>218,951.00</b>	<b>219,436.00</b>	<b>220,067.00</b>	<b>219,066.00</b>	<b>2,589,422.00</b>
4009.0000 Rental Concessions	-250.00	-250.00	0.00	0.00	-1,000.00	-650.00	-450.00	-235.00	0.00	-300.00	-600.00	0.00	-3,735.00
4012.0000 Vacancy Loss	-5,798.64	-1,712.64	13,554.91	-10,275.76	-5,424.81	-3,761.38	-5,602.49	-3,380.20	-1,840.51	-4,167.53	-3,686.68	3,346.86	-28,748.87
<b>4014.9998 Total Apartment Income</b>	<b>205,445.36</b>	<b>209,557.36</b>	<b>225,395.91</b>	<b>203,239.24</b>	<b>208,450.19</b>	<b>210,235.62</b>	<b>210,056.51</b>	<b>214,285.80</b>	<b>217,110.49</b>	<b>214,968.47</b>	<b>215,780.32</b>	<b>222,412.86</b>	<b>2,556,938.13</b>
<b>4014.9999 Other Rental Income</b>													
4015.0000 Carport Income	550.00	550.00	550.00	505.00	770.00	645.00	645.00	660.99	665.00	665.00	645.00	705.00	7,555.99
4025.0000 Garage Income	1,575.00	1,575.00	1,575.00	1,575.00	1,575.00	1,575.00	1,675.00	1,500.00	1,700.00	1,568.73	2,221.23	2,190.00	20,304.96
4030.0000 Storage Income	590.00	590.00	590.00	590.00	212.26	570.00	569.64	660.00	610.00	625.00	615.00	719.25	6,941.15
4035.0000 Washer/Dryer Rental	830.00	830.00	600.50	1,385.00	761.45	885.00	840.00	740.00	745.00	790.00	746.50	944.36	10,097.81
<b>4099.9998 Total Other Rental Income</b>	<b>3,545.00</b>	<b>3,545.00</b>	<b>3,315.50</b>	<b>4,055.00</b>	<b>3,318.71</b>	<b>3,675.00</b>	<b>3,729.64</b>	<b>3,560.99</b>	<b>3,720.00</b>	<b>3,648.73</b>	<b>4,227.73</b>	<b>4,558.61</b>	<b>44,899.91</b>
<b>4099.9999 Total Rental Income</b>	<b>208,990.36</b>	<b>213,102.36</b>	<b>228,711.41</b>	<b>207,294.24</b>	<b>211,768.90</b>	<b>213,910.62</b>	<b>213,786.15</b>	<b>217,846.79</b>	<b>220,830.49</b>	<b>218,617.20</b>	<b>220,008.05</b>	<b>226,971.47</b>	<b>2,601,838.04</b>
<b>4100.0001 Other Income</b>													
4105.0000 Application Fee	82.00	111.50	35.00	64.50	111.50	112.00	82.00	99.50	129.00	17.50	111.50	24.00	980.00
4112.0000 Cancellation Fee	0.00	0.00	0.00	0.00	0.00	143.35	-70.00	0.00	0.00	0.00	856.80	0.00	930.15
4115.0000 Damages	857.95	255.00	-1,022.37	100.00	278.00	326.42	787.42	1,295.51	70.99	1,405.00	235.00	97.86	4,686.78
4128.0000 Gate Access Card	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.00	0.00	150.00	0.00	0.00	200.00
4130.0000 Insufficient Notice	0.00	0.00	0.00	0.00	0.00	0.00	713.56	0.00	0.00	0.00	439.40	0.00	1,152.96
4135.0000 Late Charges	1,383.20	1,126.60	-868.14	-864.60	-94.80	1,734.20	1,953.20	-573.87	1,586.90	-60.90	1,047.70	1,144.80	7,514.29
4136.0000 Laundry Income	443.50	422.00	462.50	500.00	425.00	834.25	510.00	421.00	646.00	493.00	401.50	457.50	6,016.25
4140.0000 Miscellaneous Income	134.00	1.40	0.00	0.00	0.00	0.00	0.00	0.00	369.58	380.57	0.00	0.00	885.55
4151.0000 Non-Refundable Pet Fee	150.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	430.00	0.00	0.00	680.00
4155.0000 NSF Charges	35.00	140.00	140.00	70.00	105.00	0.00	105.00	35.00	35.00	35.00	-35.00	70.00	735.00
<b>4199.9998 Total Other Income</b>	<b>3,085.65</b>	<b>2,056.50</b>	<b>-1,253.01</b>	<b>-130.10</b>	<b>824.70</b>	<b>3,150.22</b>	<b>4,081.18</b>	<b>1,427.14</b>	<b>2,837.47</b>	<b>2,850.17</b>	<b>3,056.90</b>	<b>1,794.16</b>	<b>23,780.98</b>
<b>4199.9999 TOTAL RESIDENTIAL INCOME</b>	<b>212,076.01</b>	<b>215,158.86</b>	<b>227,458.40</b>	<b>207,164.14</b>	<b>212,593.60</b>	<b>217,060.84</b>	<b>217,867.33</b>	<b>219,273.93</b>	<b>223,667.96</b>	<b>221,467.37</b>	<b>223,064.95</b>	<b>228,765.63</b>	<b>2,625,619.02</b>
<b>7000.0000 RESIDENTIAL EXPENSES</b>													
<b>7000.0001 Salary and Related</b>													
<b>7000.0002 Salary Expense</b>													

Pinnacle on Wilcrest (206)

**Statement (12 months)**

Period = Aug 2022-Jul 2023

Book = Accrual ; Tree = ysls

		Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Total
7008.0000	Manager Salary	5,000.00	7,500.00	5,000.00	5,000.00	5,000.00	5,075.00	5,150.00	5,150.00	5,150.00	5,150.00	7,725.00	5,150.00	66,050.00
7012.0000	Assistant Manager Salary	2,995.20	4,492.80	2,971.80	2,995.20	3,032.64	3,189.42	3,084.80	3,084.80	3,084.80	3,108.90	4,627.20	3,094.44	39,762.00
7013.0000	Leasing Staff Salary	2,166.50	3,367.00	2,212.00	1,956.50	1,389.50	49.00	0.00	0.00	0.00	0.00	0.00	0.00	11,140.50
7014.0000	Office Staff Overtime	63.18	49.08	7.02	26.31	329.94	575.64	585.63	412.11	122.91	43.38	0.00	28.92	2,244.12
7015.0000	Commissions/Bonuses-Management Staff	125.00	290.00	290.00	375.00	125.00	125.00	125.00	125.00	125.00	500.00	0.00	375.00	2,580.00
7016.0000	Commissions/Bonuses-Leasing Staff	90.00	90.00	3,150.00	135.00	290.00	2,520.00	180.00	90.00	2,355.00	75.00	180.00	1,980.00	11,135.00
7018.0000	Maintenance Foreman Salary	4,322.88	6,428.05	4,236.82	4,236.82	4,263.29	4,429.54	4,800.00	4,800.00	4,987.50	4,807.50	7,500.00	4,965.00	59,777.40
7020.0000	Maintenance Labor	3,040.00	4,617.00	3,078.00	3,059.00	3,059.00	3,212.81	3,131.20	3,131.20	3,131.20	3,131.20	4,784.87	3,214.37	40,589.85
7028.0000	Yardman	0.00	0.00	0.00	1,684.00	2,556.00	2,540.00	2,560.00	2,652.00	2,604.00	2,504.00	3,884.00	2,656.00	23,640.00
7036.0000	Housekeeper	2,400.00	3,607.50	2,385.00	2,400.00	2,396.25	2,501.66	2,472.00	2,472.00	2,468.14	2,472.00	3,711.86	2,603.33	31,889.74
7038.0000	Maintenance Overtime	1,120.84	587.25	528.73	548.37	235.66	876.11	635.85	761.65	231.23	59.68	385.01	597.89	6,568.27
7039.0000	Commissions/Bonuses-Maintenance	150.00	300.00	3,270.00	300.00	225.00	4,440.00	150.00	75.00	4,230.00	150.00	150.00	4,080.00	17,520.00
<b>7099.9999</b>	<b>Total Salary Expense</b>	<b>21,473.60</b>	<b>31,328.68</b>	<b>27,129.37</b>	<b>22,716.20</b>	<b>22,902.28</b>	<b>29,534.18</b>	<b>22,874.48</b>	<b>22,753.76</b>	<b>28,489.78</b>	<b>22,001.66</b>	<b>32,947.94</b>	<b>28,744.95</b>	<b>312,896.88</b>
<b>7100.0001</b>	<b>Payroll Related</b>													
7101.0000	Payroll Taxes	2,006.35	2,275.81	1,994.84	1,706.89	1,746.82	2,051.49	3,056.89	1,981.01	1,684.57	2,052.26	2,417.65	1,687.87	24,662.45
7104.0000	Health Insurance	1,056.77	3,355.35	2,114.56	2,330.94	2,547.32	1,059.45	2,121.14	2,121.14	2,121.14	2,121.14	3,181.71	1,060.57	25,191.23
7105.0000	Workers Compensation	177.37	239.24	161.77	187.10	192.40	213.47	211.63	216.04	204.77	196.40	309.43	217.50	2,527.12
7106.0000	Employee 401K Program	158.92	230.89	155.74	157.23	149.39	163.61	177.16	176.16	170.64	165.57	259.39	98.45	2,063.15
7108.0000	Employee Relations	601.60	507.40	376.34	502.15	902.17	1,295.33	439.23	504.85	848.49	692.43	436.24	997.68	8,103.91
7109.0000	Uniforms	0.00	676.21	0.00	10.63	-161.85	0.00	0.00	632.20	61.79	0.00	0.00	0.00	1,218.98
7112.0000	Employee Training/Seminars	107.50	0.00	215.00	107.50	107.50	231.38	110.00	105.00	240.00	5.00	400.45	124.84	1,754.17
7113.0000	Employee Screening	68.25	31.45	0.00	78.14	113.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	291.01
7116.0000	Temporary Help-Office Staff	0.00	0.00	0.00	0.00	1,991.60	3,401.20	4,231.15	5,390.00	5,390.00	4,312.00	2,587.20	3,017.60	30,320.75
7118.0000	Maintenance-Temporary	4,512.00	3,639.28	3,301.43	163.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,615.89
7120.0000	Payroll Administration Fee	0.00	0.00	0.00	0.00	0.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	2,450.00
<b>7129.9998</b>	<b>Total Payroll Related</b>	<b>8,688.76</b>	<b>10,955.63</b>	<b>8,319.68</b>	<b>5,243.76</b>	<b>7,588.52</b>	<b>8,765.93</b>	<b>10,697.20</b>	<b>11,476.40</b>	<b>11,071.40</b>	<b>9,894.80</b>	<b>9,942.07</b>	<b>7,554.51</b>	<b>110,198.66</b>
<b>7129.9999</b>	<b>Total Residential Salary and Related</b>	<b>30,162.36</b>	<b>42,284.31</b>	<b>35,449.05</b>	<b>27,959.96</b>	<b>30,490.80</b>	<b>38,300.11</b>	<b>33,571.68</b>	<b>34,230.16</b>	<b>39,561.18</b>	<b>31,896.46</b>	<b>42,890.01</b>	<b>36,299.46</b>	<b>423,095.54</b>
<b>7239.0001</b>	<b>Contract Services</b>													
7240.0000	Grounds Contract	3,113.50	2,730.00	3,821.41	3,259.64	3,113.50	2,730.00	2,730.00	3,259.64	2,730.00	3,113.50	3,967.55	1,702.75	36,271.49
7243.0002	Other Landscaping	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,091.41	0.00	0.00	707.91	1,799.32
7245.0000	Pest Control	315.44	315.44	315.44	638.02	315.44	410.08	320.00	1,967.06	415.55	496.74	1,091.95	1,438.46	8,039.62
7246.0000	Cable Expense	0.00	0.00	0.00	0.00	0.00	0.00	377.96	405.44	815.27	514.47	381.97	381.97	2,877.08
7251.0000	Sprinkler Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	384.03	0.00	1,000.00	0.00	0.00	1,384.03
7252.0000	Lift Master	0.00	0.00	0.00	0.00	0.00	73.95	73.95	73.95	73.95	73.95	73.95	73.95	519.65
7253.0000	Electronic Security	29.95	54.04	40.22	40.22	40.22	40.22	40.22	40.22	40.22	40.22	40.22	40.22	486.19

Pinnacle on Wilcrest (206)

**Statement (12 months)**

Period = Aug 2022-Jul 2023

Book = Accrual ; Tree = ysl\_ls

		Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Total
7254.0000	Trash Removal	3,241.01	3,187.19	3,143.04	2,728.00	2,999.42	2,944.04	2,959.07	3,104.80	3,103.69	2,948.86	3,230.45	5,522.39	39,111.96
7256.0000	Fire Protection	54.07	40.22	54.04	54.04	54.04	54.04	54.04	54.04	54.04	54.04	54.04	54.04	634.69
7257.0000	Elevators	217.37	207.13	7,232.27	207.13	207.13	6,766.53	207.13	207.13	1,999.13	132.38	7,090.38	6,970.40	31,444.11
7258.0000	Courtesy Services	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	2,636.97	3,016.14	32,022.81
7259.0000	Keytrac	0.00	0.00	0.00	0.00	0.00	0.00	0.00	540.00	-2.95	0.00	0.00	0.00	537.05
<b>7299.9999</b>	<b>Total Contract Services</b>	<b>9,608.31</b>	<b>9,170.99</b>	<b>17,243.39</b>	<b>9,564.02</b>	<b>9,366.72</b>	<b>15,655.83</b>	<b>9,399.34</b>	<b>12,673.28</b>	<b>12,957.28</b>	<b>11,011.13</b>	<b>18,567.48</b>	<b>19,910.23</b>	<b>155,128.00</b>
<b>7300.0001</b>	<b>Utilities</b>													
7308.0000	Electricity	3,500.00	12,329.92	6,516.67	6,500.00	5,433.80	5,667.43	5,635.74	5,363.04	5,342.56	4,707.03	3,301.09	8,427.70	72,724.98
7309.0000	Electricity-Vacancy	285.32	269.54	247.30	210.42	252.82	244.33	332.06	153.92	659.49	106.18	117.39	138.55	3,017.32
7312.0000	Gas	37.82	39.19	39.20	42.17	137.90	171.78	159.21	50.30	52.21	34.64	93.63	38.98	897.03
7313.0000	Gas-Vacancy	96.25	53.47	21.20	21.20	197.40	105.01	18.53	197.70	30.48	0.00	155.17	0.00	896.41
7316.0000	Water	5,016.78	3,863.10	3,455.55	4,151.52	13,565.48	8,626.42	2,439.81	5,778.19	3,053.76	3,690.09	4,182.41	3,259.44	61,082.55
7317.0000	Water-Irrigation	3,637.17	3,736.53	3,339.34	3,085.17	1,981.17	2,102.61	2,842.39	3,339.79	5,498.61	5,538.63	3,550.28	4,044.28	42,095.87
7319.0000	Utility Billing Costs	0.00	0.00	0.00	0.00	0.00	3,899.69	2,494.56	2,720.82	2,720.82	2,969.15	5,375.58	4,760.81	24,941.43
7320.0000	Sewer	6,691.92	5,126.06	4,572.68	5,517.54	5,313.30	7,074.87	3,194.41	6,498.96	5,264.08	4,839.56	5,493.04	4,233.62	63,820.06
7321.0000	Drainage	825.10	825.10	825.10	825.10	825.10	825.10	825.00	1,140.15	825.10	825.10	825.10	825.10	10,216.15
<b>7329.9999</b>	<b>Total Utilities</b>	<b>20,090.36</b>	<b>26,242.93</b>	<b>19,017.04</b>	<b>20,353.12</b>	<b>27,706.97</b>	<b>28,717.24</b>	<b>17,941.61</b>	<b>25,242.87</b>	<b>23,447.11</b>	<b>22,710.38</b>	<b>23,893.69</b>	<b>25,728.48</b>	<b>280,291.80</b>
<b>7340.0001</b>	<b>Redecorating</b>													
7342.0000	Contract Carpet Cleaning	778.76	261.24	415.00	235.00	35.00	145.00	125.00	330.00	230.00	675.00	0.00	45.00	3,275.00
7343.0000	Contract Carpet Repairs	145.00	0.00	0.00	45.00	0.00	0.00	0.00	30.00	0.00	170.00	0.00	255.00	645.00
7343.0001	Countertop Repairs	238.15	205.67	0.00	283.61	0.00	0.00	1,193.84	268.46	755.27	273.41	259.65	64.95	3,543.01
7344.0000	General Cleaning Supplies	929.25	423.70	483.19	343.42	550.78	446.17	515.09	546.53	409.38	492.91	475.23	304.50	5,920.15
7344.0001	Tub & Tile Resurfacing	59.54	281.46	788.07	0.00	362.64	113.66	570.64	359.39	592.44	305.73	308.66	140.73	3,882.96
7346.0000	Paint & Supplies	355.16	0.00	52.32	40.80	225.00	0.00	69.54	52.87	64.17	86.33	16.15	58.30	1,020.64
7347.0000	Contract Painting	0.00	417.03	1,432.07	1,259.35	1,882.42	1,309.93	3,127.46	1,396.99	1,879.32	933.50	1,398.86	384.29	15,421.22
<b>7349.9999</b>	<b>Total Redecorating</b>	<b>2,505.86</b>	<b>1,589.10</b>	<b>3,170.65</b>	<b>2,207.18</b>	<b>3,055.84</b>	<b>2,014.76</b>	<b>5,601.57</b>	<b>2,984.24</b>	<b>3,930.58</b>	<b>2,936.88</b>	<b>2,458.55</b>	<b>1,252.77</b>	<b>33,707.98</b>
<b>7400.0001</b>	<b>Maintenance</b>													
7404.0000	Plumbing Maintenance & Supplies	404.40	372.95	780.41	409.83	58.63	571.65	697.12	692.77	1,054.13	616.98	824.01	545.60	7,928.48
7405.0000	Plumbing Contract Repairs	0.00	0.00	0.00	1,276.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	214.34	1,490.34
7408.0000	Electric Maintenance & Supplies	365.15	809.98	276.69	702.26	823.79	1,244.12	1,053.07	580.41	377.59	690.80	1,569.77	706.67	9,200.30
7409.0000	Electric Contract Repairs	340.00	397.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	375.00	1,112.35
7412.0000	HVAC Maintenance & Supplies	2,581.12	323.02	428.31	259.60	399.53	872.06	171.18	1,236.77	150.79	1,155.20	1,101.70	2,291.55	10,970.83
7416.0000	Appliance Maintenance & Supplies	360.64	522.23	12.86	446.13	316.46	287.33	284.31	550.63	919.33	364.26	1,115.32	821.87	6,001.37
7435.0000	Maintenance Supplies	388.91	271.10	836.07	972.47	497.66	1,276.83	792.12	467.86	922.82	354.59	561.00	314.50	7,655.93
7439.0000	Pool Supplies	707.48	300.71	71.05	259.78	0.00	89.51	0.00	0.00	1,117.09	103.18	323.66	259.79	3,232.25

Pinnacle on Wilcrest (206)

**Statement (12 months)**

Period = Aug 2022-Jul 2023

Book = Accrual ; Tree = ysl\_js

		Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Total
7440.0000	Garage/Gate Remotes	0.00	191.45	0.00	303.25	0.00	219.45	0.00	219.45	0.00	196.95	0.00	240.20	1,370.75
7442.0000	Maintenance Uniforms	0.00	767.14	0.00	-0.01	56.18	0.00	0.00	598.50	20.00	0.00	0.00	0.00	1,441.81
7443.0000	Maintenance Mileage Reimbursement	0.00	0.00	56.07	45.72	0.00	39.42	46.16	36.85	22.52	27.63	28.95	24.89	328.21
<b>7449.9999</b>	<b>Total Maintenance</b>	<b>5,147.70</b>	<b>3,955.93</b>	<b>2,461.46</b>	<b>4,675.03</b>	<b>2,152.25</b>	<b>4,600.37</b>	<b>3,043.96</b>	<b>4,383.24</b>	<b>4,584.27</b>	<b>3,509.59</b>	<b>5,524.41</b>	<b>5,794.41</b>	<b>49,832.62</b>
<b>7450.0001</b>	<b>Non-Routine Maintenance</b>													
7452.0000	Window Coverings	122.65	196.54	219.45	21.65	516.51	325.19	745.18	345.29	283.97	203.20	453.98	287.60	3,721.21
7453.0000	Roof	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,675.00	0.00	0.00	0.00	0.00	1,675.00
7457.0000	Exterior Repair & Improvements	2,771.18	1,657.66	644.57	1,342.58	11,320.05	978.81	391.40	1,365.93	1,354.92	3,442.19	919.13	1,283.48	27,471.90
7458.0000	Interior Repairs & Improvements	741.90	211.90	745.38	594.59	893.93	1,683.50	2,069.40	772.87	1,421.48	716.63	769.45	1,250.29	11,871.32
7460.0000	Gate Repairs	313.93	0.00	0.00	171.15	1,009.38	671.15	0.00	0.00	0.00	0.00	530.43	433.00	3,129.04
7461.0000	Fire Protection Repairs/Inspections	255.00	0.00	6,156.17	-469.17	1,149.62	0.00	5,370.28	0.00	0.00	255.00	0.00	0.00	12,716.90
7462.0000	Paving	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	165.00	0.00	0.00	2,165.00
7464.0001	Golf Carts/Vehicle	0.00	240.48	0.00	6.47	0.00	308.12	0.00	0.00	0.00	158.00	506.08	13.30	1,232.45
7469.0000	Property Loss	0.00	0.00	-15,489.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-15,489.28
7469.0003	COVID-19 Expenses	361.04	86.79	37.54	0.00	103.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	589.01
<b>7469.9999</b>	<b>Total Non-Routine Maintenance</b>	<b>4,565.70</b>	<b>2,393.37</b>	<b>-7,686.17</b>	<b>1,667.27</b>	<b>14,993.13</b>	<b>3,966.77</b>	<b>8,576.26</b>	<b>4,159.09</b>	<b>5,060.37</b>	<b>4,940.02</b>	<b>3,179.07</b>	<b>3,267.67</b>	<b>49,082.55</b>
<b>7500.0001</b>	<b>Marketing</b>													
7516.0000	Dues/Memberships/Subscriptions	9.99	0.00	0.00	9.99	0.00	110.00	0.00	0.00	0.00	-73.95	0.00	0.00	56.03
7520.0000	Collateral Material	0.00	0.00	83.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	83.86
7521.0000	Billboards & Signs	0.00	0.00	0.00	154.23	245.57	0.00	294.93	335.82	0.00	0.00	0.00	0.00	1,030.55
7530.0000	Parties	0.00	0.00	433.41	705.77	1,636.89	285.42	528.81	441.81	233.86	796.80	966.18	310.26	6,339.21
7532.0000	Promotions/Public Relations	334.39	106.99	258.15	325.57	456.98	336.16	197.41	75.24	263.70	375.01	170.54	312.51	3,212.65
7532.0001	Prospect Refreshments	0.00	75.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75.41
7556.0000	Market Studies/Shopping Reports	86.60	86.60	86.60	86.60	86.60	86.60	86.60	86.60	86.60	86.60	86.60	86.60	1,039.20
7558.0000	Specialty Items	0.00	0.00	64.93	0.00	328.98	25.00	0.00	0.00	0.00	0.00	0.00	0.00	418.91
7560.0000	Resident Retention	174.00	244.59	226.02	311.15	447.47	292.86	403.84	290.55	252.45	254.09	342.79	396.04	3,635.85
7562.0000	Business Center Expense	53.76	53.76	73.84	91.39	53.76	0.00	0.00	0.00	-53.76	0.00	0.00	0.00	272.75
7563.0000	Activity Center	176.18	176.18	176.18	176.18	176.18	176.18	0.00	352.36	176.18	176.18	176.18	176.18	2,114.16
<b>7599.9999</b>	<b>Total Marketing</b>	<b>834.92</b>	<b>743.53</b>	<b>1,402.99</b>	<b>1,860.88</b>	<b>3,432.43</b>	<b>1,312.22</b>	<b>1,511.59</b>	<b>1,582.38</b>	<b>959.03</b>	<b>1,614.73</b>	<b>1,742.29</b>	<b>1,281.59</b>	<b>18,278.58</b>
<b>7700.0001</b>	<b>Administrative/Office Operations</b>													
7704.0000	Telephone	5,863.82	2,666.38	-2,381.89	2,345.20	2,521.09	3,953.25	930.37	2,162.54	422.19	1,077.53	1,074.31	1,521.80	22,156.59
7704.0001	Pool Phones - OH	0.00	0.00	149.02	0.00	146.14	0.00	0.00	0.00	149.85	0.00	146.14	149.84	740.99
7705.0000	Cell Phone	0.00	0.00	0.00	0.00	0.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	700.00
7706.0000	Internet Service	367.91	367.91	367.91	367.91	377.96	350.00	-222.40	386.87	-386.87	152.18	394.07	172.03	2,695.48
7707.0000	Answering Machine/Service	141.65	141.65	141.65	141.65	147.38	147.38	147.38	147.38	147.38	147.38	147.38	147.38	1,745.64

Pinnacle on Wilcrest (206)

**Statement (12 months)**

Period = Aug 2022-Jul 2023

Book = Accrual ; Tree = ysl\_is

		Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Total
7708.0000	Office Supplies	265.81	125.57	155.23	193.13	238.88	268.84	186.40	177.16	236.43	357.47	219.98	297.19	2,722.09
7712.0000	Postage	0.00	147.58	0.00	0.00	56.00	0.00	0.00	68.00	0.00	0.00	73.84	-22.23	323.19
7721.0000	Dues & Subscriptions	0.00	0.00	0.00	45.00	163.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	208.89
7726.0000	Equipment Rental & Repairs	297.69	297.69	297.69	297.69	297.69	297.69	297.69	389.88	297.69	297.69	297.69	297.69	3,664.47
7732.0000	Express Mail	246.60	65.84	180.97	9.56	39.67	58.65	0.00	0.00	108.48	47.10	31.25	89.54	877.66
7735.0000	Computer Supplies	0.00	111.87	163.93	357.23	357.23	92.89	114.22	185.48	395.08	239.10	0.00	58.17	2,075.20
7736.0000	Computer Maintenance	498.58	188.06	1,124.32	423.97	945.29	887.88	231.66	909.27	614.91	356.85	387.24	10,165.39	16,733.42
7740.0000	Bank Fees/Charges	18.22	16.23	1,353.67	8.00	-0.03	8.00	0.00	8.00	0.00	1,229.35	0.00	0.00	2,641.44
7744.0000	Legal Fees	629.12	260.00	795.18	0.00	3,138.02	747.30	387.00	0.00	-375.75	945.61	775.18	-129.00	7,172.66
7746.0000	Credit Bureau Expense	30.00	48.00	60.00	60.00	60.00	137.50	0.00	84.00	84.00	48.00	36.00	72.00	719.50
7747.0000	Apt. Association Dues	0.00	0.00	0.00	0.00	0.00	962.50	0.00	0.00	0.00	0.00	447.77	0.00	1,410.27
7751.0000	Permits & Fees	0.00	0.00	549.30	156.90	152.58	1,437.98	200.51	0.00	469.92	93.96	0.02	0.00	3,061.17
7752.0000	Compliance Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,250.00	0.00	4,000.00	0.00	10,250.00
7753.0000	Support Services	2,253.00	2,253.00	2,253.00	2,253.00	2,253.00	2,321.00	2,321.00	2,321.00	2,321.00	2,321.00	2,321.00	0.00	25,191.00
7782.0000	Mileage Reimbursement	85.41	71.96	69.03	92.35	55.66	45.72	114.35	35.42	141.03	74.78	47.82	97.07	930.60
7799.9999	<b>Total Residential Administrative/Office Operations</b>	<b>10,697.81</b>	<b>6,761.74</b>	<b>5,279.01</b>	<b>6,751.59</b>	<b>10,950.45</b>	<b>11,816.58</b>	<b>4,808.18</b>	<b>6,975.00</b>	<b>10,975.34</b>	<b>7,488.00</b>	<b>10,499.69</b>	<b>13,016.87</b>	<b>106,020.26</b>
7800.0001	<b>Management Fees</b>													
7801.0000	Management Fees	8,337.12	8,183.08	9,170.16	8,697.49	8,601.08	10,515.99	8,735.07	8,904.43	8,827.38	8,664.89	9,079.50	9,368.04	107,084.23
7801.9999	<b>Total Management Fees</b>	<b>8,337.12</b>	<b>8,183.08</b>	<b>9,170.16</b>	<b>8,697.49</b>	<b>8,601.08</b>	<b>10,515.99</b>	<b>8,735.07</b>	<b>8,904.43</b>	<b>8,827.38</b>	<b>8,664.89</b>	<b>9,079.50</b>	<b>9,368.04</b>	<b>107,084.23</b>
7810.0001	<b>Insurance &amp; Taxes</b>													
7811.0000	Insurance-Liability	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	2,147.01	25,764.12
7812.0000	Insurance-Property	21,778.28	21,778.28	21,778.28	23,394.61	22,182.36	22,182.36	22,182.36	22,182.36	22,182.36	22,182.36	22,182.36	22,182.36	266,188.33
7813.0000	Franchise Taxes	701.97	635.74	752.89	762.15	703.69	716.01	723.60	725.80	702.29	723.62	506.40	0.00	7,654.16
7820.9999	<b>Total Insurance &amp; Taxes</b>	<b>24,627.26</b>	<b>24,561.03</b>	<b>24,678.18</b>	<b>26,303.77</b>	<b>25,033.06</b>	<b>25,045.38</b>	<b>25,052.97</b>	<b>25,055.17</b>	<b>25,031.66</b>	<b>25,052.99</b>	<b>24,835.77</b>	<b>24,329.37</b>	<b>299,606.61</b>
7824.0001	<b>Bad Debt Expense</b>													
7825.0000	Bad Debt Expense	977.37	0.00	11,780.06	1,782.00	9,642.05	635.68	4,496.50	6,092.86	182.87	6,273.68	2,532.20	0.00	44,395.27
7825.9999	<b>Total Bad Debt Expense</b>	<b>977.37</b>	<b>0.00</b>	<b>11,780.06</b>	<b>1,782.00</b>	<b>9,642.05</b>	<b>635.68</b>	<b>4,496.50</b>	<b>6,092.86</b>	<b>182.87</b>	<b>6,273.68</b>	<b>2,532.20</b>	<b>0.00</b>	<b>44,395.27</b>
7830.9999	<b>TOTAL RESIDENTIAL EXPENSES</b>	<b>117,554.77</b>	<b>125,886.01</b>	<b>121,965.82</b>	<b>111,822.31</b>	<b>145,424.78</b>	<b>142,580.93</b>	<b>122,738.73</b>	<b>132,282.72</b>	<b>135,517.07</b>	<b>126,098.75</b>	<b>144,402.66</b>	<b>140,248.89</b>	<b>1,566,523.44</b>
7831.9999	<b>TOTAL OPERATING INC/LOSS BEFORE DEBT SERVICE</b>	<b>94,521.24</b>	<b>89,272.85</b>	<b>105,492.58</b>	<b>95,341.83</b>	<b>67,168.82</b>	<b>74,479.91</b>	<b>95,128.60</b>	<b>86,991.21</b>	<b>88,150.89</b>	<b>95,368.62</b>	<b>78,662.29</b>	<b>88,516.74</b>	<b>1,059,095.58</b>
7849.0001	<b>Debt Service</b>													
7850.0000	Mortgage Notes Interest	59,839.67	59,766.52	59,692.97	59,619.01	59,544.66	59,469.89	59,394.72	59,319.14	59,243.15	59,166.74	59,089.92	59,012.67	713,159.06
7880.9999	<b>Total Residential Debt Service</b>	<b>59,839.67</b>	<b>59,766.52</b>	<b>59,692.97</b>	<b>59,619.01</b>	<b>59,544.66</b>	<b>59,469.89</b>	<b>59,394.72</b>	<b>59,319.14</b>	<b>59,243.15</b>	<b>59,166.74</b>	<b>59,089.92</b>	<b>59,012.67</b>	<b>713,159.06</b>

Pinnacle on Wilcrest (206)  
**Statement (12 months)**  
 Period = Aug 2022-Jul 2023  
 Book = Accrual ; Tree = ysl\_is

	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Total
<b>7894.9999 TOTAL DEBT SERVICE</b>	<b>59,839.67</b>	<b>59,766.52</b>	<b>59,692.97</b>	<b>59,619.01</b>	<b>59,544.66</b>	<b>59,469.89</b>	<b>59,394.72</b>	<b>59,319.14</b>	<b>59,243.15</b>	<b>59,166.74</b>	<b>59,089.92</b>	<b>59,012.67</b>	<b>713,159.06</b>
<b>7900.0001 Capital Expenditures</b>													
7901.0000 Appliances	0.00	1,432.14	1,270.33	1,311.15	2,101.91	596.04	391.97	983.47	759.46	4,377.42	368.29	1,772.81	15,364.99
7902.0000 Carpet Replacement	426.23	289.40	5,794.79	12,391.97	1,997.29	7,164.05	5,736.83	4,354.20	8,612.65	280.92	1,646.67	3,228.55	51,923.55
7903.0000 Exterior Repairs	0.00	0.00	0.00	6,489.59	6,489.59	0.00	0.00	2,072.99	6,251.44	-1,289.59	-5,200.00	0.00	14,814.02
7904.0000 Other Interior	0.00	0.00	727.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	727.70
7905.0000 Equipment	0.00	658.35	0.00	770.26	0.00	669.11	231.66	-900.77	1,517.65	941.85	1,284.95	0.00	5,173.06
7906.0000 Landscaping Additions	0.00	0.00	0.00	0.00	20,937.92	0.00	0.00	729.96	15,055.38	307.65	0.00	0.00	37,030.91
7910.0001 Office Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	900.77	0.00	0.00	0.00	0.00	900.77
7916.0000 HVAC Replacements	1,035.60	2,783.93	0.00	0.00	0.00	0.00	0.00	2,943.67	0.00	367.75	4,009.29	1,297.92	12,438.16
7917.0000 Electrical/Lighting	3,064.26	423.21	0.00	501.23	0.00	333.95	0.00	0.00	2,234.20	184.32	0.00	0.00	6,741.17
7918.0000 Plumbing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28,100.00	2,240.00	30,340.00
7920.0000 Countertops	0.00	0.00	0.00	0.00	0.00	0.00	1,005.98	0.00	0.00	0.00	0.00	0.00	1,005.98
<b>7949.9999 Total Capital Expenditures</b>	<b>4,526.09</b>	<b>5,587.03</b>	<b>7,792.82</b>	<b>21,464.20</b>	<b>31,526.71</b>	<b>8,763.15</b>	<b>7,366.44</b>	<b>11,084.29</b>	<b>34,430.78</b>	<b>5,170.32</b>	<b>30,209.20</b>	<b>8,539.28</b>	<b>176,460.31</b>
<b>7950.0000 TOTAL NET OPERATING INCOME/LOSS</b>	<b>30,155.48</b>	<b>23,919.30</b>	<b>38,006.79</b>	<b>14,258.62</b>	<b>-23,902.55</b>	<b>6,246.87</b>	<b>28,367.44</b>	<b>16,587.78</b>	<b>-5,523.04</b>	<b>31,031.56</b>	<b>-10,636.83</b>	<b>20,964.79</b>	<b>169,476.21</b>
<b>9000.0000 PARTNERSHIP ACTIVITY</b>													
<b>9000.0001 Partnership Income</b>													
9001.0000 Interest Income	1,587.44	146.75	1,191.23	797.24	458.42	710.83	773.57	523.35	712.04	789.94	414.50	341.22	8,446.53
<b>9099.9999 Total Partnership Income</b>	<b>1,587.44</b>	<b>146.75</b>	<b>1,191.23</b>	<b>797.24</b>	<b>458.42</b>	<b>710.83</b>	<b>773.57</b>	<b>523.35</b>	<b>712.04</b>	<b>789.94</b>	<b>414.50</b>	<b>341.22</b>	<b>8,446.53</b>
<b>9100.0001 Partnership Expenses</b>													
9101.0000 Accounting/Professional Servcs	0.00	0.00	1,250.00	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00	5,000.00	3,000.00	14,250.00
9105.0000 Amortization Expense	1,779.99	1,777.87	1,777.87	1,777.87	1,771.44	1,769.28	1,767.10	1,764.91	1,762.71	1,760.50	1,758.27	1,756.03	21,223.84
9110.0000 Asset Management Fee	0.00	0.00	0.00	0.00	11,036.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,036.00
9115.0000 Contingent 1% Fee Distribution	2,084.28	0.00	2,292.54	2,174.37	0.00	0.00	2,183.77	0.00	2,206.85	0.00	2,269.88	2,342.01	15,553.70
9120.0000 Depreciation Expense	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	40,049.43	480,593.16
9128.0000 Ground Lease Expense	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	1,455.56	17,466.72
9130.0000 Interest Expense	6,178.66	5,979.35	6,796.53	7,175.22	7,414.40	7,796.72	7,068.92	7,822.66	7,573.84	7,848.60	15,514.78	7,874.53	95,044.21
<b>9199.9998 Total Partnership Expenses</b>	<b>51,547.92</b>	<b>49,262.21</b>	<b>53,621.93</b>	<b>52,632.45</b>	<b>61,726.83</b>	<b>51,070.99</b>	<b>52,524.78</b>	<b>51,092.56</b>	<b>53,048.39</b>	<b>56,114.09</b>	<b>66,047.92</b>	<b>56,477.56</b>	<b>655,167.63</b>
<b>9199.9999 TOTAL PARTNERSHIP ACTIVITY</b>	<b>49,960.48</b>	<b>49,115.46</b>	<b>52,430.70</b>	<b>51,835.21</b>	<b>61,268.41</b>	<b>50,360.16</b>	<b>51,751.21</b>	<b>50,569.21</b>	<b>52,336.35</b>	<b>55,324.15</b>	<b>65,633.42</b>	<b>56,136.34</b>	<b>646,721.10</b>
<b>9999.9998 TOTAL NET INCOME/(LOSS)</b>	<b>-19,805.00</b>	<b>-25,196.16</b>	<b>-14,423.91</b>	<b>-37,576.59</b>	<b>-85,170.96</b>	<b>-44,113.29</b>	<b>-23,383.77</b>	<b>-33,981.43</b>	<b>-57,859.39</b>	<b>-24,292.59</b>	<b>-76,270.25</b>	<b>-35,171.55</b>	<b>-477,244.89</b>

# Market Rent Schedule

Pinnacle on Wilcrest (206)

As Of = 08/01/2023

Unit Type	Units	Unit Type Rent	Unit Type Sq Ft	Total Unit Type Rent	Total Unit Rent	Average Unit Rent	Occupied Units	Average Resident Rent
1 BD 1 BTH (206a1150)	13	813.00	700.00	10,569.00	10,569.00	813.00	13	731.30
1 BD 1 BTH (206a1160)	10	988.00	700.00	9,880.00	9,880.00	988.00	10	882.70
1 BD 1 BTH (206a1250)	12	813.00	700.00	9,756.00	9,756.00	813.00	12	732.41
1 BD 1 BTH (206a1260)	12	988.00	700.00	11,856.00	11,856.00	988.00	12	887.50
1 BD 1 BTH (206a1350)	13	813.00	700.00	10,569.00	10,569.00	813.00	13	744.53
1 BD 1 BTH (206a1360)	13	988.00	700.00	12,844.00	12,844.00	988.00	13	870.23
1 BD 1 BTH (206a1450)	11	813.00	700.00	8,943.00	8,943.00	813.00	11	732.45
1 BD 1 BTH (206a1460)	15	988.00	700.00	14,820.00	14,820.00	988.00	15	851.40
1 BD 1 BTH (206a1h50)	4	813.00	700.00	3,252.00	3,252.00	813.00	3	700.33
1 BD 1 BTH (206a1h60)	3	988.00	700.00	2,964.00	2,964.00	988.00	3	851.00
2 BD 1 BTH (206b1150)	8	969.00	875.00	7,752.00	7,752.00	969.00	8	858.12
2 BD 1 BTH (206b1160)	5	1,179.00	875.00	5,895.00	5,895.00	1,179.00	5	1,011.20
2 BD 1 BTH (206b1250)	9	969.00	875.00	8,721.00	8,721.00	969.00	9	844.33
2 BD 1 BTH (206b1260)	9	1,179.00	875.00	10,611.00	10,611.00	1,179.00	9	1,022.77
2 BD 1 BTH (206b1350)	10	969.00	875.00	9,690.00	9,690.00	969.00	10	858.00
2 BD 1 BTH (206b1360)	11	1,179.00	875.00	12,969.00	12,969.00	1,179.00	11	1,043.45
2 BD 1 BTH (206b1450)	10	969.00	875.00	9,690.00	9,690.00	969.00	10	857.10
2 BD 1 BTH (206b1460)	11	1,179.00	875.00	12,969.00	12,980.00	1,180.00	11	1,073.27
2 BD 1 BTH (206b1h50)	5	969.00	875.00	4,845.00	4,864.00	972.80	5	852.00
2 BD 1 BTH (206b1h60)	6	1,179.00	875.00	7,074.00	7,074.00	1,179.00	6	1,031.66
2 BD 2 BTH (206b2150)	9	979.00	925.00	8,811.00	8,721.00	969.00	9	872.11
2 BD 2 BTH (206b2160)	6	1,189.00	925.00	7,134.00	7,124.00	1,187.33	6	1,039.66
2 BD 2 BTH (206b2250)	7	979.00	925.00	6,853.00	6,853.00	979.00	7	877.85
2 BD 2 BTH (206b2260)	8	1,189.00	925.00	9,512.00	9,512.00	1,189.00	8	1,015.50
2 BD 2 BTH (206b2350)	8	979.00	925.00	7,832.00	7,832.00	979.00	8	893.00
2 BD 2 BTH (206b2360)	7	1,198.00	925.00	8,386.00	8,323.00	1,189.00	6	1,079.33
2 BD 2 BTH (206b2450)	6	979.00	925.00	5,874.00	5,874.00	979.00	6	870.83
2 BD 2 BTH (206b2460)	9	1,189.00	925.00	10,701.00	10,701.00	1,189.00	9	1,049.44
<b>Grand Total</b>	<b>250</b>	<b>1,003.08</b>	<b>812.00</b>	<b>250,772.00</b>	<b>250,639.00</b>	<b>1,002.55</b>	<b>248</b>	<b>889.12</b>

Pinnacle on Wilcrest  
9520 Wilcrest Dr  
Houston, TX 77099  
Ph: 281.933.6200  
Fax: 281.933.6204

Management Company  
Manager  
Year Built  
Number of Units  
Survey Date

Embrey Management Services  
Michelle McKnight  
2006  
250  
07/24/23

Occupied % 99.6%  
Leased % 100.0%

Previous Occupied 98.8%  
Previous Leased 100.0%

# of Units	Size	Type	Square Footage	Market Rent	Market /Sq. Ft.	Effective Rent	Effective /Sq. Ft.	Total Rent	Total Sq. Ft.
53	1x1	50%	700	\$813	\$1.16	\$813	\$1.16	\$43,089	37,100
53	1x1	60%	700	\$988	\$1.41	\$988	\$1.41	\$52,364	37,100
42	2x1	50%	875	\$969	\$1.11	\$969	\$1.11	\$40,698	36,750
42	2x1	60%	875	\$1,179	\$1.35	\$1,179	\$1.35	\$49,518	36,750
30	2x2	50%	925	\$979	\$1.06	\$979	\$1.06	\$29,370	27,750
30	2x2	60%	925	\$1,189	\$1.29	\$1,189	\$1.29	\$35,670	27,750
250			813	\$1,003	\$1.23	\$1,003	\$1.23	\$250,709	203,200

Other Charges:

Garages Detached	\$75
Garages Attached	N/A
Views	N/A
Washer/Dryers	\$40
Storage	\$20
Carports	\$25

Fees and Deposits:

Security Deposit	\$200/\$250
Pet Deposit (Refundable)	\$300
Pet Fee (Non Refundable)	N/A
Application Fee	\$24
Redec or Admin Fee	N/A
Other	N/A

Locator Fees 0%

Lease Terms 12 Month

Specials and Concessions

None

Amenities - Apartment

9' Ceiling  
Crown Molding  
Built-in microwaves  
Ceiling Fans  
Wired for alarm  
Wood floors in entry dining and kitchens  
Full Size W/D Connections  
Walk-in Showers

Amenities - Property

1 pool  
Club House  
Fitness center  
Gated access  
Business center  
Activity center  
Laundry Facility  
Gazebo  
Picnic Area  
BBQ grills  
On site Storage  
Courtesy Patrol  
Reserved covered Parking  
Elevators  
Walking Trails  
Bocceball Court  
Resident Gardening Area

Senior Tax Credit