



Logan County Commissioners Work Session Agenda October 26, 2021

<u>TIME</u>	<u>TOPIC</u>
9:00 AM	Approval of Minutes from Previous Session Revisions to Work Session Agenda
9:05 AM	Review and Approve Schedule of DHS Bills and Payroll Review of County Bills
9:10 AM	Patty Bartlett
9:30 AM	Greg Etl – DOLA; Dylan Klomhaus – Colorado Energy Office Aaron Tilden and Doug Riat – Millig,Design Build

NEW BUSINESS

County Held Liens on mobile homes eligible for certificates of ownership

Consideration of inducement resolution, certificate of intent and application to DOLA for a Private Activity Bond allocation for the use of a Northeast Plaza Apartments rehabilitation project.

COMMISSIONERS/STAFF ISSUES

Commissioners Proceedings August and September 2021

UNFINISHED BUSINESS

Engine Brake Ordinance

IT Letter

Subdivision Regulations

EXECUTIVE SESSION (AS NECESSARY)

RECESS/ADJOURN



APPLICATION FOR PRIVATE ACTIVITY BOND CAP FROM THE STATEWIDE BALANCE

Statewide Balance Application Review Criteria

Each PAB application will be reviewed for completeness, eligibility, and financial feasibility. Preference will be given to applications that demonstrate the following:

1. The ability to issue the bonds through a certified copy of an inducement resolution. No application will be accepted that does not contain a certified copy of an inducement resolution.
2. The ability to close in the current calendar year (or the following year, for year-end awards). DOH will give preference to projects that are ready to underwrite (i.e. can complete an application to DOLA/DOH for grant/loan funds or to CHFA for tax credits) over pipeline requests.
3. That the issuing authority has no uncommitted PAB. The amount of uncommitted PAB held by the issuing authority will be deducted from the potential Statewide Balance award amount. If the project intends to close in a future year, the potential amount of PABs that the issuing authority will receive in a direct allocation or as an assignment from a local government may also be deducted from the Statewide Balance award amount.
4. Efficient use of PAB allocation, such as LIHTC projects that only require PAB to cover 55% or less of their aggregate basis.
5. Leverage of equity sources such as the 4% Low Income Housing Tax Credits and State Housing Tax Credits.
6. Community support through financial commitment of local PAB allocation, other local financial subsidies or reduced fees.
7. The impact of the PAB-financed project or program on a demographic or economic need. Indicators of need may include: low housing vacancy rates, increasing gap between housing costs and local wages, high unemployment, or economically distressed areas.
8. Consistency with local development plans. Proposed projects should support local development priorities and avoid any adverse impact on neighboring jurisdictions. This criterion does not apply to programs that do not involve real estate development, such homeownership programs.



9. Typical project size between \$3 million and \$20 million. A justification must accompany an application if the proposed project varies from this range.

Application Fee and Administrative Fees

The Statewide Balance application fee is \$750 per proposal. The fee **must** accompany the application, and it is non-refundable. In addition, an issuance fee is due for the portion of the issuance that was allocated from the Statewide Balance. It is due to the Colorado Department of Local Affairs within five working days of the bond closing or the commencement of a Mortgage Credit Certificate program.

An issuance fee also applies to direct allocations of PABs from statewide authorities or local governments. This fee is also due within five days of bond issuance or when a Mortgage Credit Certificate program begins.

For more detail, please see the Fee Notice on the [PAB website](#).

Contact

For assistance in the Private Activity Bond Program application process, contact:

Andrew Paredes, Director of Office of Housing Finance and Sustainability
DOLA_PAB@state.co.us
303-864-7822

Application Submission

Completed applications and supporting materials should be emailed to:

DOLA_PAB@state.co.us



**APPLICATION
PRIVATE ACTIVITY BOND FOR STATEWIDE BALANCE**

1. PROJECT OR PROGRAM NAME:

Northeast Plaza Apartments
1212 Phelps Street
Sterling, CO 80751

2. ISSUING AUTHORITY

Issuing authority officer and title:

Byron H. Pelton, Chairman of the Board of County Commissioners

Issuing authority agency name:

Logan County

Address:

Logan County Courthouse
315 Main Street, Suite 2
Sterling, CO 80751

Telephone:

(970) 522-0888

Email:

bpelton@logancountyco.gov

1. DEVELOPER/OWNER/PRIVATE BENEFICIARY (IF APPLICABLE)

Principal company or entity contact person:

David Fournier
Email: dfournier@fishpondliving.com
Phone: (512) 970-3889

Lisa Vecchietti
Email: lvecchietti@fishpondliving.com
Phone: (512) 627-8062

Company name:

FishPond Development, LLC



Address:

500 N Capital of Texas Hwy
Building 8, Suite 100
Austin, TX 78746

Telephone:

(see above)

Email:

(see above)

4. BOND COUNSEL FIRM

Responsible attorney:

Frederic H. Marienthal

Company name:

Kutack Rock LLP

Address:

1801 California Street, Suite 3000
Denver, CO 80202

Telephone:

(303) 292-7817 ext. 5817

Email:

frederic.marienthal@kutakrock.com

5. UNDERWRITER OR LENDER

Contact person:

Robert Dicks

Company name:

PNC Bank, National Association

Address:

121 SW Morrison Street, Suite 1300
Portland, OR 97204



Telephone:

(503) 453-5332

Email:

robert.dicks@pnc.com

6. TYPE OF BONDS (check one below)

Single Family Mortgage		Multifamily Housing	X	IDB/Manufacturing Activity	
Mortgage Credit Certificate		Waste Treatment/Disposal		Water/Sewer	
Other (specify):					

7. AMOUNT OF STATEWIDE BALANCE ALLOCATION REQUESTED:

\$ 2,680,000

We are proposing a short-term bond structure and will close into a Freddie Mac Tax Exempt Loan (or similar product) resulting in a permanent loan amount currently estimated at \$1,603,192. The pay-down will be made with proceeds from the sale of 4% LIHTCs.

8. PAB AVAILABLE FOR PROJECT (add extra lines as needed):

N/A, local allocation was assigned to CHFA prior to September 15

Amount Committed to Project from Local Government or CHFA

Allocation Year	Source of PAB (i.e. local government name or CHFA)	Amount
N/A		

List all PABs currently held by the Issuing Authority

Allocation year	Amount	Planned use of bonds (use one line per project. If a project has not yet been identified indicate general purpose (multi-family, single family, etc)	Expected closing date
N/A			



List PABs the Issuing Authority expects to receive in the next year

Allocation year	Amount	Planned use of bonds	Expected closing date
2022	≈\$1,200,000	TBD	

Municipality where applicant project will be located:

Sterling, Logan County, CO

Have you requested PAB from this municipality for your project?

N/A

Will they provide PAB? Why or why not?

N/A, the municipality does not receive PAB

County of applicant project:

Logan County

Have you requested PAB from this county for your project?

N/A, local allocation was assigned to CHFA prior to September 15

Will they provide PAB? Why or why not?

N/A, local allocation was assigned to CHFA prior to September 15

List other projects that the Issuing Authority would like to finance with PABs, but does not have an identified source of PABs for.

Amount	Project name, location	Expected closing date
N/A		

9. To the best of my knowledge, this information and the attachments hereto are true and correct.

Issuing authority officer

Date



REQUIRED ATTACHMENTS

X The Statewide Balance application form.

___ **Certified copy of Inducement Resolution** – No applications will be accepted without a certified Inducement resolution, as required by State statute. This requirement will not be waived for any applicants.

___ Bond Counsel opinion as described in C.R.S. 24-32-1709 (g).

___ A certification signed by both an official of the issuing authority responsible for the supervision of the issuance of the bonds and, if applicable, a representative of the person or entity constructing, acquiring, or rehabilitating the project stating that they will proceed with diligence to insure the issuance of the bonds within the carryforward period provided by section 146 (f) of the IRS code.

N/A Copies of bond cap assignments, if any.

N/A Letter from the local government indicating their priority, if more than one request for allocation is submitted.

___ Other information specifically requested to assist in reviewing the project (see application questions relevant to your project on the following pages).

___ Application fee of \$750 (make check payable to "Colorado Department of Local Affairs").

*** NOTE: All required attachments must be submitted by the application deadline. NO incomplete or late applications will be accepted. All required attachments may be submitted by email by the deadline. The Application fee check must be delivered to DOH by the deadline or postmarked by the deadline.**

LOCAL ISSUER APPLICATION REQUIREMENTS

Colorado State Statute requires that, before September 15, any issuer that received its own direct allocation of Private Activity Bonds must have **issued or relinquished** their entire PAB allocation before receiving an award of PABs from the statewide balance. For applications prior to September 15, local governments that are allocating Private Activity Bond cap to the project described in this application must relinquish the local bond cap to DOLA if the project successfully receives an allocation from the Statewide Balance. This must happen before an allocation letter for statewide balance bond cap is issued – the allocation letter will include both the local PAB cap and the statewide balance award amounts.



PROJECT INFORMATION
(To be completed by all applicants)

1. Provide a short description of the proposed project or financing program.

Northeast Plaza is an existing affordable rental housing development located in Sterling, CO. All 47 units receive project-based rental assistance under an existing HAP Contract that will be renewed on an ongoing basis. Due to the proposed allocation of new 4% Low Income Housing Tax Credits (LIHTC), the units will also be rent and income restricted at 60% AMI for a minimum of 30 years.

The proposal includes adding the Sterling Housing Authority as part of the ownership structure allowing for a full real estate tax exemption.

With proceeds from the PAB allocation and LIHTC award, the property will undergo a substantial rehabilitation estimated at \$24,200 per unit in hard costs (excluding acquisition cost), or \$111,500 per unit in total development costs.

2. What is the projected bond issuance date?

June 2022

3. Do you have site control? Has the project received zoning, subdivision and site plan approvals? If not, what is the status of land use approvals, and when do you anticipate receiving final land use approval? (N/A for SFMRB & MCC applicants)

Yes. Site control has been attached as Exhibit I to the application. As an existing rental housing development, zoning, subdivision and site plan approvals are not required.

4. Is the infrastructure in place to service this project? If not, is the infrastructure under construction or planned? What is the estimated time of completion? (N/A for SFMRB & MCC applicants)

As an existing rental housing development, infrastructure is already in place to service the project.

5. Is the project located in a floodplain? If so, please indicate proposed mitigation measures. (N/A for SFMRB & MCC applicants)

The eastern portion of the site is located in Zone AH, area of special flood hazards (SFH) and without base flood elevations determined. The remainder of the site is in Zone C, area of minimal flood hazards. The floodplain map has been attached as Exhibit II.



6. Has the project received a preliminary commitment for credit enhancement? If yes, attach copy of commitment letter and any conditions. If not, when is the preliminary commitment anticipated? Please submit when received.

N/A, private placement

7. What additional tax revenue will accrue to the local government from this project?

- a. Assessed Valuation: \$113,320 as of 2020
- b. Sales/Use Tax: TBD
- c. Property Tax: \$9,608.10 as of 2020, will be 100% exempt post rehab
- d. Other: TBD

8. What will happen to the financial feasibility of the project or program if it were not successful in receiving an allocation of Private Activity Bonds, or if it received a partial allocation?

With a partial or no PAB allocation, the proposed acquisition and rehabilitation will not move forward as the transaction would be infeasible. The property would continue to operate as affordable housing under the HAP Contract and existing LIHTC regulatory agreement (expiring in 2035). However, the needed rehabilitation work will not be completed and the affordability period would not be extended to 2052.



RENTAL HOUSING PROJECTS
(Rental Housing applicants only)

1. How many units of housing will be constructed or rehabilitated by this project?
Forty-seven (47) units of affordable housing will be rehabilitated.
 - 3 one-bedroom units
 - 32 two-bedroom units
 - 8 three-bedroom units
 - 4 four-bedroom units
2. Please indicate the number of units serving persons with lower incomes and the qualifying income levels.
All 47 units will serve persons with incomes at or below 60% AMI. In addition, an existing HAP Contract provides project-based rental subsidy for all of the units allowing for tenants to pay only 30% of their monthly income for rent.
3. Describe the location of the project and its proximity to community amenities and services such as public transportation, employment, social services, etc.
Sterling is the county seat of Logan County. The property is within 1 mile of Sterling Regional Medical Center (25 bed facility), Walmart Supercenter, Campbell Elementary School, Family Food Market, Dollar Tree, and Walgreens Pharmacy; within 2 miles of Sterling High School, Sterling Middle School, Family Dollar, and US-138.
 - 10 minutes from Logan County Sheriff's Office
 - 9 minutes from Greyhound
 - 6 minutes from Sterling Recreation Center
 - As of 2018, 4,046 primary jobs located within a 2-mile radius of the property
4. Describe the site, buildings, common spaces, etc., and attach site plans, elevations, floor plans and photos.
 - 47 units
 - Fourteen (14) buildings on 3.22 acre site
 - On site amenities to include laundry facilities, a basketball court, playground and leasing office
 - Mix of 1 bedroom, 2 bedroom, 3 bedroom and 4 bedroom units
 - Built in 1982, most recently renovated in 2006, proposed renovations in 2022
 - Site plans, elevations, floor plans and photos attached as Exhibit III



5. Describe how your project or program will incorporate visitability, energy efficiency, and/or water efficiency features.
- How many units will be ADA accessible, & how many will be visitable?
Three (3) units (5%) will be Handicapped Accessible and one (1) unit (2%) will be for visually impaired per Federal Guidelines
 - How many units will meet Energy Star criteria, & what other efforts will be made to improve energy efficiency?
All units will meet Energy Star criteria. To achieve this, we plan to add blown in insulation to all exterior walls, replace any water heaters or HVAC systems that are not Energy Star rated with new Energy Star Rated systems, and replace appliances with Energy Star rated. We also plan to engage an Energy Efficiency Consultant. We plan to apply for any rebates that may be available at the time of the renovation to leverage the budget.
 - What water-saving features will be incorporated?
We plan to replace all fixtures with low flow plumbing fixtures in all units (including dual flush toilets) and update landscaping using a native / xeriscape landscaping design.
6. Describe other financing commitments, including the terms (interest rate, length of loan, tax credit sales price, fees, etc.) and level of commitment. Include construction as well as permanent sources.
- Equity from LIHTC
- PNC Real Estate (LOI, attached as Exhibit IV)
 - Purchase rate of \$0.88 per tax credit dollar
- Assumption of existing HUD Loan with Restructure
- The Housing Authority of the City of Sterling
 - 1% interest rate
 - 40-year term and amortization period
 - Payment from cashflow
- Construction Loan
- PNC Real Estate (LOI, attached as Exhibit V)
 - Daily LIBOR plus 275 basis points (2.75%) interest rate
 - 24-month term
- Bridge Loan
- PNC Real Estate (LOI, attached as Exhibit V)
 - Daily LIBOR plus 275 basis points (2.75%) interest rate
 - 24-month term



Permanent Loan

- Agency Financing (Lender TBD)
- Estimated 4.00% interest rate
- 15-year term and 35-year amortization period

Deferred Developer Fee

- 15-yr term
- Payment from cashflow

7. Is an investor identified for the Low Income Housing Tax Credits? If so, include a copy of their offer to purchase the credits.

Robert Dicks
PNC Bank, National Association
121 SW Morrison Street, Suite 1300
Portland, OR 97204
(503) 453-5332
robert.dicks@pnc.com

The LOI has been attached as Exhibit IV.

8. Describe the target population and the market demand or need for the project or program, and attach a professionally prepared third party market study. Applicants must coordinate the preparation of this market study with CHFA.

The market study has been engaged and site visit scheduled. The report will be provided by 10/28/2021.

The Market Study has been provided as a separate document.

9. Describe the project's timeline, including target dates for:

a. Zoning, Site Plan and/or Subdivision Approval
N/A, existing property

b. Primary Lender Approval
April 2022

c. LIHTC Allocation
March 2022 Application
June 2022 Allocation

d. Close of Acquisition
June 2022



e. Begin Construction/Rehab

July 2022

f. Other:

May 2023 Construction Completion

July 2023 Stabilized Operation

10. Describe the developer's capacity to complete this proposal by identifying similar projects they have completed, and summarize their outcomes.

Since 2018, FishPond Development has completed and is currently under construction with \$50 million in developments. We also own existing project-based Section 8 properties. The Developer has never defaulted on any of its construction loans or failed to meet its equity investors requirements. As we are new to Colorado development, we will be organizing a team of experts to include local representatives of Kutak Rock and Baker Tilly.

FishPond Development and Team Bio has been attached as Exhibit VI.

11. Who will be the property manager? What is their experience with managing this type of property?

GVA Property Management, based in Austin, TX, will be the property manager. GVA currently manages over 14,500 units including Eagle Villas in Eagle, CO. Approximately 1,600 units currently under management have affordability restrictions or a HUD loan.

A resume for GVA Property Management has been attached as Exhibit VII.

12. Please attach a detailed pro forma, using the DOLA – Division of Housing budget [spreadsheet template](#) available on the [DOLA-DOH website](#), including:

- a. operating budget with detail of unit rents, other income & operating expenses
- b. development budget
- c. financing sources budget
- d. ten-year operating pro forma.

Provided in a separate excel workbook as well as attached as Exhibit VIII.

Also attached as Exhibit IX is the current HAP Contract Rent Schedule.



- DOLA Priorities:
 - Close in the current calendar year → NO
 - Issuing authority has no uncommitted PAB → YES
 - Allocation request is 55% or less of aggregate basis → YES
 - Leverage of equity sources such as LIHTCs → YES
 - Community support → YES, see Letter of Support from the Housing Authority attached as Exhibit X
 - Impact on demographic or economic need
 - Low housing vacancy → *need to get from Market Study*
 - Increasing gap between housing costs and local wages → *need to research*
 - High unemployment → Unemployment Rate by County Chart (Exhibit XI) shows Logan is 15th out of 64 counties with an unemployment rate of 4.7% in 2020
 - Economically distressed area → Logan County is part of the North-East-Central Enterprise Zone
 - 5-year population growth rate below 25% of the state average
 - per capita income below 75% of the state average
 - 2019 Enterprise Zone Annual Report attached as Exhibit XII
 - Consistency with local development plans → *need to research*
 - Project size between \$3 million and \$20 million → YES

EXHIBIT I

DRAFT

(720) 849-3202
chris D. Cell



September 22, 2021

500 Capital of Texas Hwy North | Bldg 8, Ste #100 | Austin, Texas 78746

Tyler J. Martin
National Director
Affordable Housing Advisors
Marcus & Millichap

Via email: tyler@mmaha.com

Re: Letter of Intent for Northeast Plaza Apartment Homes – Sterling, CO

Dear Tyler,

We are pleased to provide you with a Letter of Intent to acquire the Northeast Plaza Apartment Homes, a 47-unit affordable housing community located in Sterling, CO (the "Property"). This letter outlines the basic terms and conditions to which the Buyer would agree to enter into a Purchase and Sale Agreement for the Property and shall not be binding on either party until a Purchase and Sale Agreement (the "Contract") is agreed to and executed by both parties (in each party's sole discretion).

FishPond Development has experience developing and acquiring affordable multi-family properties. We currently have ownership in a 120-unit LIHTC community in Eagle, CO and are in good standing with the Colorado Housing and Finance Authority (CHFA).

We plan to speak with Logan County about the 2021 Private Activity Bond (PAB) direct allocation of \$1,214,420 that reverted back to the Statewide Balance on September 15, 2021. The Colorado Department of Local Affairs (DOLA) will accept Round 3 applications for the Statewide Balance on November 1, 2021. Logan County as issuer of the bonds will be the applicant on behalf of the Property for the bond allocation. As part of the application process, the County must provide a bond inducement specific to the Property. All resolutions provided by the County must be approved by their Board of Commissioners. Logan County Board of Commissioners meetings are held the first, third and fifth Tuesdays of each month.

Conversations with DOLA indicate they anticipate a Statewide Balance of \$15 million to \$40 million to be available for Round 3. Prior to submitting a full application, DOLA staff has requested a summary prescreen submission for the Project. The summary prescreen submission will be reviewed to determine the likelihood of a PAB allocation based on DOLA priorities. Once DOLA provides positive feedback, the County will have to be engaged in providing an inducement and executing a Round 3 application to be prepared by Buyer. Upon execution of this LOI, Seller is granting permission for Buyer to submit a summary prescreen to DOLA prior to execution of the Contract.

We also plan to reach out to the Sterling Housing Authority to discuss transfer of the M2M HUD Held Note as well as participation in the proposed ownership structure. Our assumption is that the property will receive a 100% real estate tax exemption.

Upon receipt of a PAB allocation, Buyer will make application for non-competitive 2022 4% Low-Income Housing Tax Credits (LIHTC) by March 1, 2022. Although 4% LIHTC associated with PAB is non-competitive, the CHFA Tax Credit Allocation Committee will review the application for consistency with funding priorities.

BUYER FishPond Development, LLC, a Texas Limited Liability Company, and/or assigns

SELLER NORTHEAST PLAZA PARTNERS, RLLLP

TITLE COMPANY To be mutually decided on between buyer and seller

PROPERTY Northeast Plaza Apartment Homes (*Legal Description to be provided by Seller*)

PROPERTY TYPE 47-unit existing multifamily building

PURCHASE PRICE \$3,158,000* based on the following assumptions

Assumption of HUD Mortgage Restructuring Note	\$1,732,000
Broker Fee	\$80,000
Cash to Seller	\$575,000
CHFA Payoff	\$765,000
*Based on provided information. To be adjusted at closing.	

FINANCING CONTINGENCY Purchase is subject to a PAB reservation and allocation of non-competitive LIHTCs. Buyer intends to apply for a PAB reservation of not less than \$3,000,000 (approximately 50% of total development costs). **The PAB Application due date is November 1, 2021 and application for non-competitive LIHTCs will be made by March 1, 2022.**

Closing is also contingent on agreement with the HUD and the Sterling Housing Authority under the following proposed terms:

Assumption, subordination, and restructuring of the HUD loan balance.

Pay down of the HUD Loan by approximately \$700,000 upon completion of construction.

Interest rate set to 1%, term and amortization to be set at 40 years or maximum allowable.

FEASIBILITY PERIOD Ending April 1, 2022

EARNEST MONEY DEPOSIT Upon execution of the Contract, Buyer shall deposit with Title Company, an earnest money deposit equal to **\$50,000**. Upon expiration of the Feasibility Period, Buyer shall deposit an additional **\$50,000** in earnest money for total earnest money deposit of **\$100,000** (the "Deposit"); however, the Deposit will remain contingent on PAB Reservation and award of non-competitive LIHTCs. **Any Deposit shall apply towards the Purchase Price at Closing.**

If, in the sole discretion of the Buyer, the Property is not suitable for Buyer's intended uses, then Buyer may terminate the Contract by notifying Seller via email prior to the expiration of the Feasibility Period. Seller shall immediately notify Title Company to return Buyer's Earnest Money.

OTHER CONTINGENCIES

Closing shall be subject to the following contingencies:

- (i) HUD approvals including transfer of the HAP Contract
- (ii) Approval of 100% Real Estate Tax Exemption (due to participation of Housing Authority in new ownership structure)
- (iii) CHFA Consent
- (iv) PAB Reservation
- (v) Award of Non-Competitive LIHTCs

CLOSING & POSSESSION

Closing shall occur within 120 days following the award of Private Activity Bonds and Tax Credits subject to Purchaser's extension options.

EXTENSION OPTION

Buyer has two options to extend closing for an additional \$25,000 per extension. All extension options shall apply to Purchase Price

DUE DILIGENCE ITEMS

Seller shall provide the following items to the Buyer on Contract execution.

- (i) Existing title and surveys (including utilities, easements, drainage, tree, topographical, and boundary)
- (ii) Access to all tenant leases
- (iii) Previous 12 months utility bills
- (iv) Three years of financial statements including cash flow, P&L, BS statements, current payroll and benefits schedule, and cap ex
- (v) Copies of all existing 3rd party reports including environmental and engineering reports
- (vi) Copies of all third-party contracts
- (vii) Summary and evidence of all capital improvements to the Property within the last 36 months including invoices for any improvement over \$10,000
- (viii) Notice of Assessed (Appraised) Property Value and Tax Receipt
- (ix) Copy of all service, maintenance, rental contracts, or agreements
- (x) Any, and all information regarding condemnation notice, proceedings and awards
- (xi) Copies of all warranties in effect
- (xii) Three Years of Loss Runs
- (xiii) Certified Rent Roll and a trailing 12-month cash flow statement
- (xiv) Copies of all HAP Contracts and renewals
- (xv) Copies of all Regulatory Agreements
- (xvi) Copies of all notices of noncompliance from HUD or the City

BUYER COSTS

Buyer shall be responsible for Buyer's legal costs

SELLER COSTS

Seller shall be responsible for the cost of Owners Title and Seller's legal

CONTRACT

Upon execution of this Letter by both parties, Seller and Buyer shall negotiate in good faith to execute a mutually agreeable Contract.

SALES COMMISSIONS

Any brokerage commission due to Broker is by separate agreement and payable only by the Seller. There are no other known agents or brokers claiming any other fees on this transaction. Buyer and Seller agree to indemnify each other from any claims by any parties for additional commissions.

This letter is a general outline of terms and shall not be binding on either party until and unless a Contract acceptable to both parties is executed within 10 days after acceptance of this letter.

Please review the terms of this Letter. If such terms are acceptable, please sign below where provided. I appreciate your consideration and look forward to working with you towards a successful closing.

Sincerely,

David M. Fournier

AGREED AND ACCEPTED

Buyer: FishPond Development, LLC, and/or assigns,

By: 
David M. Fournier, Principal

Date: 9/22/2021

AGREED AND ACCEPTED

Seller

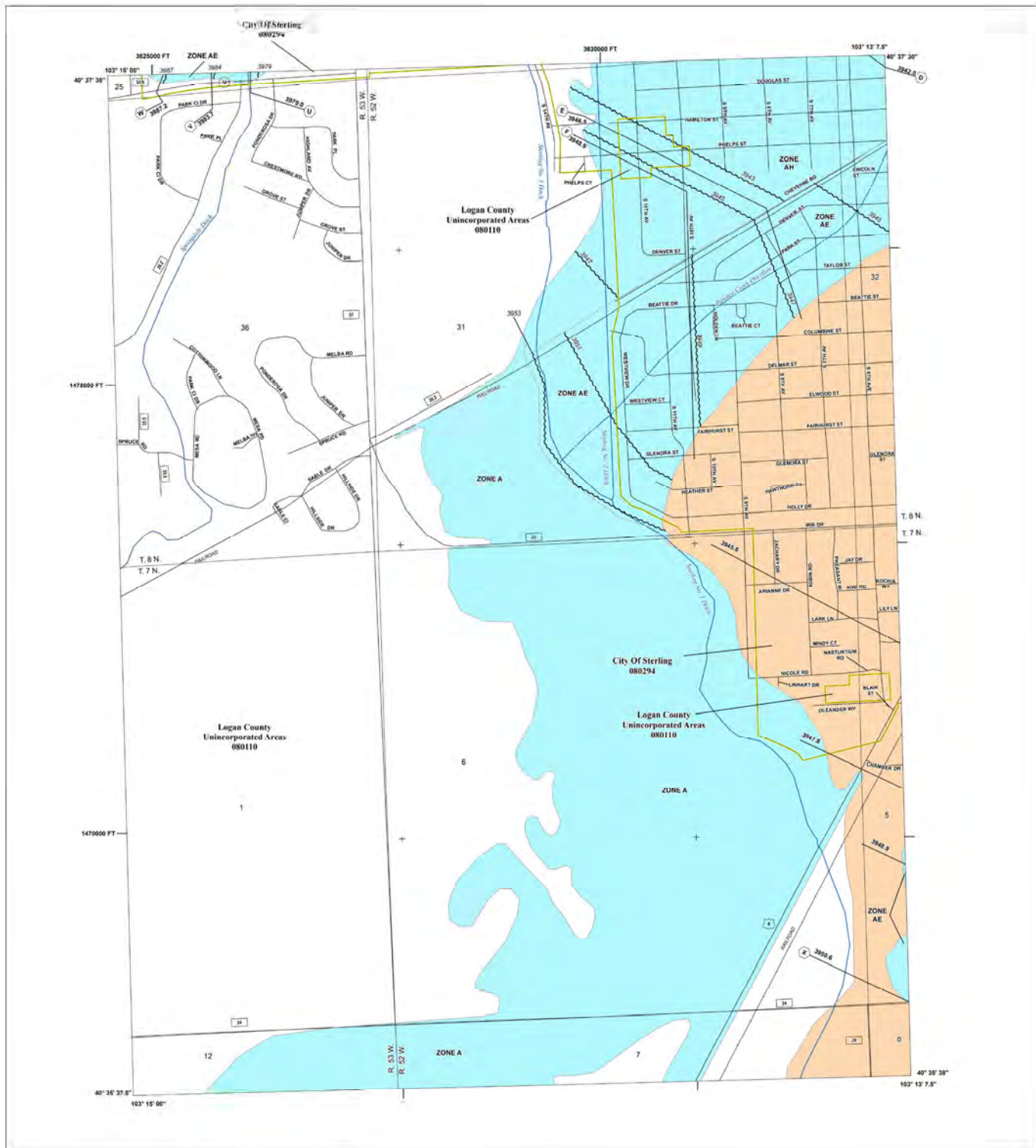
By: 

Date: Oct. 1, 2021

LEGAL DESCRIPTION AND PLAT MAP

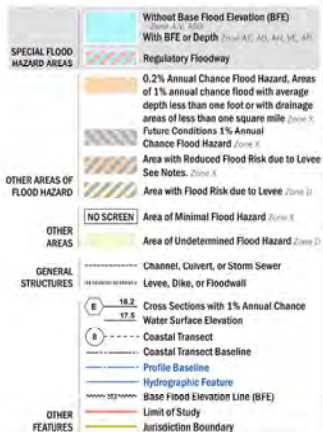
EXHIBIT II

DRAFT



FLOOD HAZARD INFORMATION

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT
THE INFORMATION DEPICTED ON THIS MAP AND SUPPORTING
DOCUMENTATION ARE ALSO AVAILABLE IN DIGITAL FORMAT AT
[HTTPS://MSC.FEMA.GOV](https://msc.fema.gov)



NOTES TO USERS

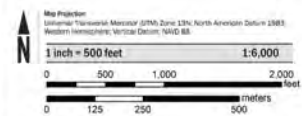
For information and questions about the Flood Insurance Rate Map (FIRM), available products, associated with the FIRM, including future editions, the current map title for each FIRM panel, flow to other products, or the National Flood Insurance Program (NFIP) in general, please call the FEMA Map Information Exchange at 1-877-FEMA-4MAY (1-877-362-6291) or visit the FEMA Flood Map Service Center website at <https://www.fema.gov>. Available products may include geographic basins, Letters of Map Change, a Flood Insurance Study Report, and/or digital versions of this map. Many of these products can be ordered or obtained directly from the author.

Communities seeking aid on adjacent FIRM panels must obtain a current copy of the adjacent panel as well as the current FIRM code. These may be obtained directly from the Flood Map Service Center at the number listed above.

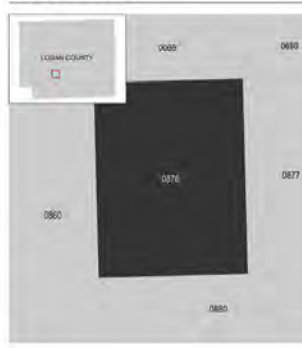
For community and countywide maps, users refer to the Flood Insurance Study Report for this jurisdiction. To determine if flood insurance is available in this community, contact your insurance agent or visit the National Flood Insurance Program at 1-800-638-6829.

Base map information shown on this FIRM was derived from the National Flood Hazard Layer, dated 2016, the United States Geographic Survey, dated 2015, and digital data provided by the Colorado Department of Transportation, dated 2012.

SCALE



PANEL LOCATOR



FEMA
National Flood Insurance Program

NATIONAL FLOOD INSURANCE PROGRAM

FLOOD INSURANCE RATE MAP

LOGAN COUNTY, COLORADO

PANEL 876 OF 1175

COMMUNITY

LOGAN COUNTY

STERLING CITY DE

NUMBER

080110

080294

PANEL

0876

SUFFIX

0

0

0

0

0

0

0

0

0

VERSION NUMBER

2.5.3.6

MAP NUMBER

0801100876

MAP REVISION

May 4, 2021

EXHIBIT III

DRAFT

EXHIBIT IV

DRAFT



TAX CREDIT SOLUTIONS

October 12, 2021

Via email

David Fournier
Principal
Fish Pond Development LLC
500 W. 2nd Street, Suite 1900 #29
Austin TX 78701
dfournier@fishpondliving.com

Re: Northeast Plaza Homes, LP (the Partnership")
Northeast Plaza Homes (the "Property")

Dear Dave,

Thank you for the opportunity to present this letter of intent to make an equity investment in your Partnership, subject to preliminary and final investor approval. This letter of intent, which is being provided on a "Best Efforts" basis, outlines certain terms and conditions that would be the basis of a partnership agreement (the "Partnership Agreement"), to be entered into among the general partner(s) listed below, an equity fund sponsored by PNC Bank, National Association ("PNC"), as the limited partner (the "Limited Partner") and a corporation affiliated with PNC as the special limited partner (the Special Limited Partner"). The foregoing pricing assumptions for this application letter of intent are based on current market conditions, which are subject to change in the event of a change in the federal income tax laws or regulations which would have an effect on the benefits PNC expects to receive from the transaction.

Based on the information you provided to us, we have prepared this letter of intent under the following terms and assumptions:

1. PARTNERSHIP TAX CREDITS

Annual Forecasted Tax Credit:

Federal LIHTC: \$210,575

2. CAPITAL CONTRIBUTIONS TO THE GENERAL PARTNER

- A. The Investment Limited Partner will purchase 99.99% of the forecasted tax credits at a rate of \$0.88 per allocated tax credit dollar credit (the "Investment Limited Partner's Capital Contribution"), assuming the foregoing material assumptions are accurate and subject to the terms set forth in this letter and the Partnership Agreement to be entered into prior to payment of any installment below. The total Capital Contribution will be rounded to the nearest dollar and is expected to be \$1,853,060 payment payable in installments. Each installment is due within five (5) business days of the Investment Limited Partner's receipt and approval of documentation

evidencing the satisfaction of the installment's and all previous installments' conditions as follows:

- 1) \$185,306 or 10% (the "First Installment") paid prior to or simultaneously with the closing of construction financing;
 - 2) \$741,224 or 40% (the "Second Installment") upon construction completion;
 - 3) \$833,877 or 45% (the "Third Installment") upon 100% initial tax credit occupancy, cost certification, permanent loan commencement or conversion, or property stabilization;
 - 4) \$92,653 or 5% (the "Fourth Installment") upon the latest of receipt of IRS Forms 8609.
- a. The Capital Contribution shall be applied by the Partnership first to direct development costs, then to the payment of the development fee (the "Development Fee"). To the extent the Capital Contribution or net cash flow is not sufficient to pay the full Development Fee within ten years of the construction completion date, the General Partner shall be obligated to contribute capital to the Partnership to enable it to pay the remaining balance.

5) DISTRIBUTION OF NET CASH FLOW

- a. Net cash flow, generated by the Property after payment of operating expenses, debt service and replacement reserve deposits, shall be distributed within 45 days of the end of the fiscal year, prior to the first full year of operations, 100% to the General Partner, and beginning in the first full year of operations, as follows:
 - i) To the Investment Limited Partner \$75 per unit as a cumulative annual investor services fee, increasing 3% annually;
 - ii) To the Investment Limited Partner as reimbursement for any debts or liabilities owed to the Investment Limited Partner;
 - iii) To the developer as payment of the Development Fee until payment in full of the Development Fee;
 - iv) To the Investment Limited Partner, to the extent that any Partnership taxable income is allocated to the Investment Limited Partner in any year, cash flow equal to 21% of the taxable income;
 - v) To the General Partner as reimbursement for operating deficit loans made to the Partnership and owed to the General Partner;
 - vi) Finally, any remaining net cash flow shall be distributed 90% to the General Partner and 10% to the Investment Limited Partner.

6) DISTRIBUTION OF NET CASH PROCEEDS UPON SALE OR REFINANCING

- a. The net cash proceeds upon sale or refinancing shall be distributed in the following order:
 - i) To the payment of all debts and liabilities of the Partnership, excluding those owed to Partners, and to the establishment of any required reserves;
 - ii) To the payment of any debts and liabilities owed to the Investment Limited Partner;
 - iii) To the payment of any fees, debts, and liabilities owed to the General Partner and any unpaid partnership management fees for such year;
 - iv) The balance, 90% to the General Partner, and 10% to the Investment Limited Partner.
- b. For a period of one year after the expiration of the initial compliance period, the General Partner may commence marketing the Property or may have the option to purchase the Investment Limited Partner's interest for a purchase price equal the fair market value of the Investment Limited Partner's interest. Fair market value shall be determined in accordance with the Partnership Agreement.

At any time after the year following the initial compliance period, PNC and the General Partner may commence marketing the Property. If PNC receives a bona fide offer to purchase the Property, PNC will forward a copy of the offer to the General Partner. If the General Partner chooses to refuse the offer, the General Partner will purchase the Investment Limited Partner's interest for a purchase price equal to the net proceeds pursuant to Section 5 if the offer had been accepted.

7) DISTRIBUTION OF BENEFITS

Profits, losses and tax credits will be allocated 99.99% to the Investment Limited Partner based on the percentage of limited partner interest to be acquired. In the first year of operations when the net cash flow is allocated 100% to the General Partner, any taxable income will be allocated to the General Partner in the same proportion as the net cash flow distribution.

8) GENERAL PARTNER OBLIGATIONS

a. Construction Completion Obligations

The General Partner and the Developer shall guarantee lien-free construction completion of all improvements substantially in accordance with the approved plans and specifications. The General Partner and the Developer shall fund any development cost overruns through permanent loan(s) commencement/conversion and such overruns will not be reimbursed by the Partnership.

The General Partner shall provide copies of each draw request, change orders and all supporting documentation to the Investment Limited Partner simultaneously with submission to the construction lender. If the general contractor is not an affiliate of the General Partner, the construction contract shall be a fixed price contract and the general contractor shall be bonded in a manner satisfactory to the Investment Limited Partner.

b. Operating Deficit Guaranty and Operating Reserve Account

The General Partner shall guarantee the funding of any operating deficits for operating or fixed costs for 60 months following the later of the break-even operations or permanent mortgage loan commencement or conversion in a maximum amount to subject to the Investment Limited Partner's due diligence review. The partnership may also establish an operating reserve.

c. Replacement Reserve Account

The Partnership shall deposit monthly into a replacement reserve account no less than \$250 per unit occupied at conversion (the "Replacement Reserve Account"). The Replacement Reserve Account shall be used to fund the replacement of major capital improvements, and disbursements shall require annual notification of anticipated expenditures and prior written approval of unanticipated expenditures.

d. Tax Credit Adjustments

- i) If the annual actual tax credits allocated on the Carryover Allocation or Form(s) 8609 is less than the forecasted tax credits stated in Section 1, then the Capital Contribution shall be reduced in an amount equal to the total tax credit shortfall to the Investment Limited Partner multiplied by the price paid for the tax credits.
- ii) If the annual actual tax credits allocated on Form(s) 8609 is greater than the forecasted tax credits stated in Section 1 (the "Additional Credit"), then the Capital Contribution shall be increased in an amount equal to the Additional Tax Credit multiplied by the price paid for the tax credits, and paid pro rata over the remaining Installments. This adjustment combined with all other upward adjustments shall be limited to 10% of the Capital Contribution.
- iii) For each additional \$1.00 of tax credit delivered in the first years beyond the amount projected in this letter, the ILP shall pay an additional equity amount per tax credit dollar to be determined by Investment Limited Partner during due diligence. The additional capital shall be paid pro rata over the remaining Installments.
- iv) If the amount of actual tax credit in any year after construction completion is less than the amount of forecasted tax credit in Section 2 (except for reasons stated in item 6(D)(i) above), the Capital Contribution shall be reduced by an amount equal to the tax credit shortfall amount multiplied by the price paid for the tax credits, plus the amount of any recapture, interest or penalty (a "Reduction Amount").
- v) If any Reduction Amount cannot be paid from the Capital Contribution, the General Partner shall pay the Reduction Amount. Reduction Amounts not paid upon demand shall accrue interest at the prime rate as published in the Wall Street Journal plus 2%.

e. Net Worth and Guarantee Requirements

All obligations of the General Partner shall be guaranteed by person(s) or entities ("Guarantor(s)") acceptable to the Investment Limited Partner and with sufficient net worth and liquidity.

9) CONDITIONS

a. Property

The Property will be new construction with the 40/60 set-aside of a property located in Sterling, Logan County, Colorado.

b. Tax Credit Allocation

The Partnership may elect to defer the use of tax credits for any individual building which is not 100% tax credit qualified by December 31 of the year in which it is placed in service, at the Investment Limited Partner's discretion. It is assumed that IRS form 8609 will be issued subsequent to the anticipated placed-in-service deadline.

c. Tax Credit Occupancy

The Partnership must comply with the 40/60 set-aside test

d. Construction and Permanent Financing

The General Partner shall provide to PNC for its review and approval, copies of the loan commitments and loan documents for all financing sources, which are assumed to be from qualified commercial lenders and qualify for the 4% tax credit applicable percentage.

e. Property Management Agent

- i) The General Partner shall provide or cause the Property management agent to provide management reports to the Investment Limited Partner in a timely manner concerning operations, occupancy and other information essential to the management of the Property.
- ii) Upon the occurrence of certain events, including any material violations, negligence or misconduct or inadequate reporting, the Special Limited Partner will have the option to replace the Property management agent. All Property management agreements will include a termination clause allowing either the General Partner or the Property management agent to terminate the agreement by giving a 30-day advance written notice to the other party.

f. Repurchase Obligations

The Investment Limited Partner shall not be required to advance any unpaid Installments and the General Partner may be required to repurchase the Investment Limited Partner's interest for the invested amount. Conditions for repurchase shall include: construction completion, break-even operations or permanent loan closing(s)/conversion(s) are not achieved or other tax credit compliance conditions are not met in a reasonable time period.

g. Insurance Obligations

The Partnership will provide the following insurance policies: i) an extended ALTA owner's title insurance policy in an amount not less than the permanent mortgage(s), the General Partner's and Investment Limited Partner's capital contributions, with all standard exceptions deleted or approved and with Fairways, non-imputation and other requested endorsements; ii) commercial general liability insurance in the minimum amount of \$5,000,000 naming the Investment Limited Partner as named insured party of which not more than \$2,000,000 is through an umbrella policy; (iii) builder's risk insurance through construction completion, and all risk or fire and extended coverage and, if necessary, earthquake, hurricane and flood insurance, all policies in a minimum amount equal to full replacement value; (iv) workers' compensation as required under state law; (v) business interruption insurance coverage equal to one full year's gross rental income or as acceptable to the Investment Limited Partner; and (vi) any other insurance as may be necessary or customary.

h. Accountant's Obligations

The General Partner shall provide or cause the Partnership's accountant to provide the following annual reports: i) federal and state tax returns for the previous year (including all supporting documentation necessary to verify the calculation of the tax credit) by February 28th and ii) annual audited Partnership financial statements (including all supporting documentation) by March 1st. Any delays beyond the designated due date may result in a \$100 per day penalty to the Partnership. The Partnership Accountant shall review and approve the basis and benefits calculations prior to the payment of the First Installment.

i. General Partner Removal

The Partnership Agreement shall contain provisions for the removal of the General Partner with cause.

10) DUE DILIGENCE PERIOD

The General Partner grants the Investment Limited Partner the exclusive right to acquire the Partnership interest commencing on the date of the initial execution of this letter of intent and terminating 60 days after receipt of the documents necessary to complete the due diligence review.

Our agreement to make the investment described in this letter of intent is subject to the accuracy of the information you have provided to us and our mutual agreement on the terms of the closing documents and review of customary due diligence which shall include those items specifically referenced in the PNC commitment for construction and term financing sent under separate cover.

This letter of intent does not expire before December 31, 2021.

This letter of intent is not a commitment and is subject to PNC's underwriting, due diligence review, and market conditions at the time a letter of intent is issued following the tax credit award. During the due diligence period, PNC will conduct a due diligence review and negotiate with the General Partner, in good faith, any open terms of this letter of intent. The due diligence period will commence upon receipt by PNC of all Property and Partnership documents identified in the syndication binder. The due diligence review will include, without limitation, the verification of factual representations made by the General Partner, a review of the Property and Partnership documents, a site visit and an evaluation of the following: the experience and expertise of the General Partner, general contractor, architect and Property management agent; Property area market; an appraisal of the Property; the construction schedule; the total development budget; the residual potential of the Property and capital account analysis; Phase I environmental assessment and all subsequent reports and other relevant factors. PNC may also commission consultants to perform market analysis, construction, insurance and environmental reviews. The General Partner and PNC acknowledge that no legally enforceable relationship shall exist between General Partner and PNC unless and until the Acquisition Review Committee of PNC shall have approved the proposed transaction, and the parties shall have executed the Partnership Agreement and the other transaction and financing documents contemplated herein. . The foregoing pricing assumptions for this application letter of intent are based on current market conditions, which are subject to change in the event of a change in the federal income tax laws or regulations which would have an effect on the benefits PNC expects to receive from the transaction. PNC does not charge syndication fees and acknowledges the amounts and terms of all other anticipated sources of funds for the project.

Should you have any questions, please do not hesitate to call 503-453-5332. We look forward to working with you on this and future transactions.

Sincerely,

PNC BANK, N.A.

**Agreed and Accepted:
Northeast Plaza Homes, LP**

By:  _____

Date: October 12, 2021

By: _____
Member

cc: File

Date: _____

EXHIBIT V

DRAFT



TAX CREDIT SOLUTIONS

October 12, 2021

Via email

David Fournier
Principal
Fish Pond Development LLC
500 W. 2nd Street, Suite 1900 #29
Austin TX 78701
dfournier@fishpondliving.com

Re: Northeast Plaza Homes, LP (the Partnership")
Northeast Plaza Homes(the "Property")

Dear Dave,

I am pleased to provide you with PNC Bank's (the "Lender") proposal to provide a \$1,603,192 Construction Loan and a \$1,700,000 Bridge Loan for Northeast Plaza Homes, a 47 unit affordable housing development to be located in Sterling, Logan County, Colorado, subject to the following terms and conditions.

Borrower	Northeast Plaza Homes, LP a limited partnership (the "Borrower").
Lender	PNC Bank, National Association and its successors and assigns (the "Lender" or "PNC").
Guarantors	Joint and several guarantees of completion and repayment and of obligations under the Interest Rate Lock Agreement shall be provided by the General Partner(s), David Fournier and Fishpond Development or other individuals or entities acceptable to PNC (the "Guarantor(s)"). The Developer shall provide a guarantee of lien free completion.
Project	Northeast Plaza Homes (the "Project"), a 47-unit apartment project to be located in Sterling, Logan County, Colorado. The Project is being constructed under the Low Income Housing Tax Credit Programs. All of the residential rental units in the Project will serve families making 60% or less of the area median income.
Facilities	Bridge Loan: \$1,700,000 Construction Loan: \$1,603,192
Loan Term	The Construction and Bridge Loans will have a term of up to twenty-four (24) months. Subject to approval by PNC, one six-month extension period for the Construction and Bridge Loans.

Interest Rates Interest during the term of the Construction and Bridge Loan shall accrue at Daily LIBOR plus 275 basis points (2.75%). Interest on borrowings is calculated on an actual number of days elapsed over a year consisting of 360 days and is payable monthly in arrears.

Commitment Fees Construction Loan: 1.00% of the Loan Amount
Bridge Loan: 0.50% of the Loan Amount

Collateral The Construction shall be secured by (a) a first priority fee mortgage and first priority perfected security interest on the land associated with the Project and all improvements to be constructed thereon, (b) a first priority assignment of leases, rents and income from the Project, (c) a first priority perfected assignment of the construction contract, subcontracts, architectural agreements, plans and specifications, permits and all other construction-related documents and (d) a first priority perfected security interest in the cash collateral account and all other assets of the Borrower related to the Project.

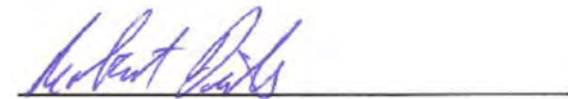
The Bridge Loan shall be secured by a Funding Agreement providing for a date certain repayment of the Bridge Loan and an assignment of capital contributions from the investment limited partner. In addition to the Funding Agreement, the Bridge Loan shall be secured by: a) a second priority perfected assignment of the construction contract, subcontracts, architectural agreements, plans and specifications, permits and all other construction-related documents (b) a second priority perfected security interest in all other assets of the Borrower related to the Project, (c) an assignment of partnership interests in the Borrower, and (d) a mortgage on the Project, if required by PNC.

Additional Funding Sources

Additional sources of funding include but are not limited to: A \$1,603,192 permanent mortgage and \$1,738,558 assumable housing soft loan and deferred developer fee of \$149,081.

Sincerely:

PNC Bank, National Association



Robert Dicks
Vice President

Date: October 12, 2021

EXHIBIT VI

DRAFT



FishPond Development is a multifamily developer and investor of affordable housing founded by David Fournier in 2017. In its first year, FishPond was awarded two 9% Low-Income Housing Tax Credit (LIHTC) allocations from the Texas Department of Housing and Community Affairs: FishPond at Cuero, a 48-unit senior community in Cuero Texas, and FishPond at Portland, a 60-unit senior community in Portland, Texas. Both are completed and fully stabilized.

The Company is currently under construction with a \$18 million, 112-unit bond / LIHTC / Section 8 community in Corpus Christi, Texas. FishPond Corpus Christi received tremendous community support including \$1 million in soft funds from the City. FishPond also received HUD approval to relocate the residents from an existing, functionally obsolete Section 8 community to FishPond Corpus Christi, which was one of the first 8bb transfers in Texas. The company also has a \$7 million, 48-unit Senior LIHTC community under construction in Huntsville, Texas. Both properties are scheduled to be completed in Q1 2022.

FishPond was recently awarded tax credits by TDHCA to demolish an existing hospital in Alice, Texas and develop a new 69-unit multi-story senior housing community. The total development budget for FishPond Alice is \$12 million.

In addition to the \$50 million of new construction at FishPond, David has been an active investor in market rate and affordable properties with his partner GVA Management, having an ownership interest in over 5,300 units.

FishPond Development continues to seek new development opportunities to expand in the southeast and mountain west and is excited about the opportunity to work on Sleeping Ute.



David Fournier, Principal

FishPond Development, LLC was founded by David Fournier who has 20+ years of experience in the affordable multifamily space. After earning a degree in Real Estate Finance from the University of New Orleans, David worked as a commercial real estate appraiser earning the MAI designation, the highest certification in that industry. Soon thereafter, he left appraisal to pursue brokerage, joining the Capital Markets Group at Insignia in Boston where he was a pioneer in brokering affordable tax credit and HUD housing. When Insignia sold to CBRE, David left to join HFF in Atlanta (now JLL) where he started their Affordable Housing Group. In 2007, David joined ARA (Apartment Realty Advisors) to start its National Affordable Housing practice.

In 2015, ARA was purchased by Newmark where David is sunsetting as an Executive Managing Director until the closing of his final transaction this year. During his tenure in brokerage, David was a frequent conference panelist and served on the Board of Directors at the National Housing and Rehabilitation Association.

Lisa Vecchietti, Development

Lisa Vecchietti brings 20+ years of experience in the affordable housing industry. She began her career at the Texas Department of Housing and Community Affairs (TDHCA) in the Real Estate Analysis division where she managed a team that analyzed Low Income Housing Tax Credit (LIHTC), Mortgage Revenue Bond, HOME, and Housing Trust Fund transactions. She also served as the Program Administrator for the Tax Credit Assistance Program (TCAP), originating over \$148 million in gap financing for struggling LIHTC developments.

Lisa's career has exposed her to multiple facets of the affordable housing industry. Most recently, as a vice president with Berkadia, she facilitated the financing of over \$1 billion in Fannie Mae and Freddie Mac mortgages for affordable housing throughout the United States. Lisa has also worked as an affordable housing consultant in Texas providing developers with in-depth analyses of their transactions for favorable review by both the allocating state agency and lenders. In her current role at FishPond Development, she is part of a team that brings existing housing units to present standards and puts new affordable housing units on the ground. Lisa also continues to keep abreast of housing program requirements at the state and federal level.

Lisa has her Bachelor of Business Administration from the McCombs School of Business and a Master of Public Affairs from the LBJ School of Public Affairs at The University of Texas at Austin. She serves on the boards of the Rural Rental Housing Association of Texas and NewLife Alliance.

EXHIBIT VII

DRAFT



PROPERTY MANAGEMENT

Property Management Overview



Passion ✨ Commitment ✨ Attention ✨ Integrity ✨ Respect

ABOUT GVA PROPERTY MANAGEMENT

GVA Real Estate Group is a vertically integrated real estate company committed to creating value in the multi-family real estate sector. GVA specializes in conventional and affordable opportunities, focusing on expanding sub-markets. Through owning and managing a diverse set of assets, GVA accomplishes the challenging feat of simultaneously mitigating risk while tapping into market upside. Currently GVA owns /manages over 14,500 units nationally, **of which approximately 1,600 units have affordability restrictions or a HUD loan.**

At GVA we are detail-oriented and meticulous in our culture. Equipped with a keen sense of evolving trends, we are able to consistently identify opportunities that yield profit and produce long-term value. Our directive is to add value, improve communities, while increasing investor's equity returns safely. Efficiency, innovation, growth and care, these are the core qualities that strengthen the foundation of all that we do at GVA.



PROPERTY MANAGEMENT

OUR INVESTMENT STRATEGY

At GVA, our investment strategy is simple: find opportunities that can yield above market cash flow once stabilized while generating capital appreciation in the short and long term. GVA has the experience to quickly recognize opportunities and long-standing relationships with capital sources to effectively close on properties in a timely manner. GVA is able to utilize our existing property management team to recognize operational inefficiencies and maximize investor returns. The GVA team believes multi-family residents appreciate and will pay for modern style at affordable prices, close proximity to jobs and school, and well-maintained complexes with curb appeal. Once in place, you create long term value while mitigating investor downside risk, while improving communities.

We evaluate investment opportunities and select those possessing the most of the following characteristics:

- Significant discount to replacement cost
- Stable operations through Section 8 Contracts
- Repositioning through capital value-add programs
- Off-market or limited marketed transactions
- Growing and emerging growth sub-markets
- Absent owners missing market trends
- Operational efficiencies with our dedicated property management team



PROPERTY MANAGEMENT

WHY GVA PROPERTY MANAGEMENT?

- GVA Management is an Austin-based, full-service real estate firm specializing in multi-family apartment homes.
- GVA has over 60 years of combined experience, including numerous degrees and certifications amongst the Senior Management team.
- GVA currently owns/manages over 14,500 units and is an investor partner in every deal.
- As the property management company, we have greater control over decision-making and daily operations of the asset.
- GVA is committed to providing exceptional service, a great company culture, timely and accurate financial reporting.
- GVA's fully integrated software system for financial and operational reporting allows for successful and optimal market positioning.
- Not only do we add much needed capital to improve our communities - play grounds, repair roofs, buildings, and parking lots. We eliminate mold, security, and pest issues, and beautify the property with landscaping signage, paint, and interior improvements. We also provide needed social services through community partners like <http://www.ebenezeraustin.org> and <http://www.mountneboastin.com>.



PROPERTY MANAGEMENT

PROPERTY MANAGEMENT DUTIES

GVA Property Management will be directly responsible for the following:

- Inspections
- Vendors and Contracts
- Repairs and Maintenance
- Insurance Certificates
- Property Taxes
- Rent Rolls
- Financial Reporting
- Annual Property Budgets
- Employee Recruitment, Training and Retention
- Customer Service
- Investor Relations
- Collections
- Accounting Payables



ACCOUNTING AND REPORTING

GVA Property Management uses the RESMAN Affordable software and accounting system.

Accounting Services includes, but is not limited to:

- ❖ Check and wire payment processing
- ❖ Ownership distributions
- ❖ Year end tax statement processing
- ❖ Mortgage tracking and lender reporting

Monthly reporting includes, but is no limited to:

- ❖ Rent Roll
- ❖ Budget variance
- ❖ Deposit Report
- ❖ Collections and delinquency
- ❖ Balance sheet
- ❖ Profit and loss



GVA Portfolio

Properties highlighted in blue denote HUD projects and/or LIHTC projects managed by GVA

	Property Name	City/State	Type	Units
1	302 North	Georgetown, TX	Market Rate	176
2	Eagle Villas	Eagle, CO	LIHTC	120
3	Palm Gardens	Austin, TX	Market Rate	24
4	Val Dor (2 Pack)	Austin, TX	Market Rate	102
5	3- Pack	Austin, TX	Market Rate	127
6	The Legacy (Mueller City View)	Austin, TX	Market Rate	138
7	Northgate Hills Apartments	Austin, TX	Market Rate	416
8	18Thirty (MeadowBrook)	Madison, TN	LIHTC	88
9	The Grove at Trinity Mills (TwentyFive25)	Dallas, TX	Bond	320
10	Stone Ridge (600E)	Arlington, TX	Bond	204
11	Heritage Square (Solaire)	Dallas, TX	Bond	112
12	The Highlands (The Finley)	Dallas, TX	Bond	136
13	Creek Hollow (Dakota)	Ft. Worth, TX	Bond	120
14	The Slate	Ft. Worth, TX	Market Rate	121
15	17th Street	Springfield, TN	LIHTC	96
16	Las Colinas	Austin, TX	Market Rate	179
17	Seventy Two 27 (Penbrook)	Austin, TX	Market Rate	160
18	Balcones Urban Flats (SF Place)	San Antonio, TX	Market Rate	327
19	Huntington Glen	Houston, TX	Market Rate	364
20	502 North (Club Creek)	Austin, TX	Market Rate	160



GVA Portfolio

	Property Name	City/State	Type	Units
21	Blue Grass Meadows (Clarksville)	Clarksville, TN	Market Rate	104
22	Cobblestone (Clarksville)	Clarksville, TN	Market Rate	72
23	Heritage Pointe (Clarksville)	Clarksville, TN	Market Rate	264
24	Whispering Hills & Newton Place (Clarksville) KY	Oak Grove, KY	Market Rate	216
25	Parkway Place (Clarksville)	Clarksville, TN	Market Rate	120
26	Whitehall (Clarksville)	Clarksville, TN	Market Rate	68
27	Cordoba	San Antonio, TX	Market Rate	260
28	Vista at Plum Creek	Kyle, TX	Market Rate	264
29	Aspire Apartments	San Antonio, TX	Market Rate	334
30	Echo (Whispering Hills)	San Antonio, TX	Market Rate	164
31	The Avenue	Houston, TX	Market Rate	250
32	SA11	San Antonio, TX	Market Rate	2115
33	The Onyx (Winding Trails)	Houston, TX	Market Rate	438
34	Bromley	Granbury, TX	Market Rate	88
35	Tuscany Park	San Antonio, TX	Market Rate	392
36	Mosaic (Sandridge)	Pasadena, TX	Market Rate	504
37	Parkview (Indigo)	Corpus Christi, TX	Market Rate	224
38	Victorian Village (Aria)	San Antonio, TX	Market Rate	170
39	Riverview Grande	Chattanooga, TN	Market Rate	269
40	Kenton Place	San Antonio, TX	Market Rate	245



GVA Portfolio

	Property Name	City/State	Type	Units
41	The Ridge (Greenhaven)	Goodlettsville, TN	Market Rate	191
42	Residences on Blanco (Timbermill)	San Antonio, TX	Market Rate	296
43	Residences on Medical (Windridge)	San Antonio, TX	Market Rate	276
44	Summer House	Corpus Christi, TX	Market Rate	135
45	Northshore Village	Chattanooga, TN	Market Rate	226
48	The Lex	Dallas, TX	Market Rate	144
49	Allure (Cabana)	Corpus Christi, TX	Market Rate	207
50	Dolphins Landing (Latitude)	Corpus Christi, TX	Market Rate	219
51	Canyon and Knox Landing	Knoxville, TN	Market Rate	193
52	Chamberlain Portfolio	Clarksville, TN	Market Rate	58
53	Bella Madera	San Antonio, TX	Market Rate	328
54	Vista Del Rey	San Antonio, TX	Market Rate	453
55	Cobalt Springs	Taylors, SC	Market Rate	548
57	Royal Arms (Midtown Ridge)	Chattanooga, TN	Market Rate	193
58	Autumn Chase	Goodlettsville, TN	Market Rate	69
59	Blackberry Creek	Soddy Daisy, TN	Market Rate	70
60	Encore Crossing	Corpus Christi, TX	HUD Loan	356
61	Hidden Park	Spartanburg, SC	Market Rate	100
62	Quail Pointe	Spartanburg, SC	Market Rate	100
63	Sea Gulf	Corpus Christi, TX	Section 8	112
64				
	Total - ALL ASSETS			14,436
	Affordable			1,664



Leadership

ALAN STALCUP

Principal, Founder, President Operations

Alan Stalcup is founder and CEO of GVA real estate group. Alan personally invests between 15% - 30% of the equity in each deal. GVA currently owns over 25 properties in Texas, Tennessee, South Carolina & Colorado. Prior to GVA, Alan was founder and CEO of one of the largest providers of golf marketing systems in North America, which was acquired by the PGA Tour. Alan has also worked at Dell Computer and Accenture. Alan holds an Engineering degree from Washington University in St. Louis.



EXHIBIT VIII

DRAFT

HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: Northeast Plaza
 Date: 10/20/2021
 Applicant: Logan County
 Spreadsheet Version: 9/6/2019

PAGE #1
 Development Costs
 APPLICANTS COMPLETE



COLORADO
 Department of Local Affairs
 Division of Housing

Development Costs by Line Item	Total Cost	Cost/Unit	Cost/Sq Ft
ACQUISITION COSTS			
Land	315,800	6,719	10.95
Existing Structures *	2,842,200	60,472	98.52
SUBTOTAL	3,158,000	67,191	109.46
SITE IMPROVEMENTS			
Off Site Infrastructure *	0	0	0.00
On Site Infrastructure *	0	0	0.00
Demolition*	0	0	0.00
SUBTOTAL	0	0	0.00
CONSTRUCTION			
Building Permit Fees *	13,000	277	0.45
Tap Fees * / Impact Fees *	0	0	0.00
Construction / Rehabilitation *	940,000	20,000	32.58
General Requirements*	28,200	600	0.98
Contractor Overhead & Profit*	37,600	800	1.30
Contractor Construction Contingency*	28,200	600	0.98
Owner Hard Cost Contingency*	19,152	407	0.66
FFE	35,000	745	1.21
Landscaping	40,000	851	1.39
SUBTOTAL	1,141,152	24,280	39.55
PROFESSIONAL FEES			
Architect Fees	20,000	426	0.69
Engineering Fees	7,500	160	0.26
Real Estate Attorney Fees	40,000	851	1.39
Surveys	7,500	160	0.26
Green Planning and Design Fees	7,500	160	0.26
Other (Devo specify)	0	0	0.00
SUBTOTAL	82,500	1,755	2.86
CONSTRUCTION FINANCE			
Construction Insurance	12,000	255	0.42
Construction Performance & Payment Bonds	20,000	426	0.69
Construction Loan Orig. Fee	23,000	489	0.80
Construction Interest	59,457	1,265	2.06
Attorney Fees	25,000	532	0.87
Title and Recording	3,000	64	0.10
Taxes During Construction	0	0	0.00
Insp. Fees & Power/Telecom Fees	3,750	80	0.13
Other (Devo specify)	0	0	0.00
SUBTOTAL	146,207	3,111	5.07
PERMANENT FINANCE AND SYNDICATION			
Loan Fees & Expenses	30,000	638	1.04
Attorney Fees	25,000	532	0.87
Title and Recording	7,500	160	0.26
Bond Underwriting and Issuance	108,500	2,309	3.76
SUBTOTAL	171,000	3,638	5.93
SOFT COSTS			
Appraisals & Market Study	15,000	319	0.52
Environmental Reports	5,000	106	0.17
Geotechnical/Soils Tests	0	0	0.00
Capital Needs Assessment	7,000	149	0.24
Temporary Relocation (2 units @ 6 mos. @\$1,250)	13,300	283	0.46
Permanent Relocation (Devo specify)	0	0	0.00
Tax Credit Fees	5,000	106	0.17
Marketing	2,500	53	0.09
Soft Cost Contingency	10,000	213	0.35
Cost Certification	10,000	213	0.35
Accounting	12,500	266	0.43
SUBTOTAL	80,300	1,709	2.78
DEVELOPER FEE / PROFIT			
Developer's Fee	334,327	7,113	11.59
Consultants	0	0	0.00
Administration Fee	0	0	0.00
SUBTOTAL (ie - maximum developer fee)	334,327	7,113	11.59
RESERVES			
Operating Reserve	128,074	2,725	4.44
Debt Service Reserve	0	0	0.00
Lease-up Reserve	0	0	0.00
Replacement Reserve	0	0	0.00
Other (Devo specify)	0	0	0.00
SUBTOTAL	128,074	2,725	4.44
TOTAL DEVELOPMENT EXPENSES	\$5,241,560	\$111,523	\$181.68

Total Square Feet in Units	28,850
Non Living Square Footage	0
Total Project Square Feet	28,850
Number of Units	47

2.50% % of construction
 3.33% % of construction
 2.56% % of construction
 1.73% % of construction

0.2062 % of Total (less Dev. Fee, Reserves and Acquisition)
 4.0 Months of expenses & debt \$128,089.85
 0.0 Months of debt

Hard Cost Per Unit	\$84,752.17	76.0%	24,280
Land Cost Per Unit	\$6,719.15	6.0%	
Soft Cost Per Unit	\$20,051.24	18.0%	
Hard Cost Per Square Foot	\$138.07		
Soft Cost Per Square Foot	\$32.67		
Land Cost Per Square Foot	\$10.95		

\$0

HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: Northeast Plaza
Date: 10/20/2021
Applicant: Logan County
Spreadsheet Version: 9/6/2019



PAGE #2
Operating Proforma
APPLICANTS COMPLETE

STABILIZED FIRST YEAR INCOME						EXPENSES	
Bd/Bath	% AMI	# of units	Sq. Ft.	Monthly Rent	Total Annual Rent	Administrative Expenses	
1 Bd	60%	3	550	563	20,268	Management Fee	21,310
2 Bd	60%	32	600	727	279,168	Salaries and Benefits	90,000
3 Bd	60%	8	650	842	80,832	Legal & Accounting	4,350
4 Bd	60%	4	700	957	45,936	Advertising	1,121
0	0%	0	0	0		Office Supplies	0
0	0%	0	0	0		Telephone	2,350
0	0%	0	0	0		Audit	12,949
0	0%	0	0	0		Other Misc Admin	4,019
0	0%	0	0	0		Total Administrative	136,099
0	0%	0	0	0		Operating Expenses	
0	0%	0	0	0		Utilities	66,927
0	0%	0	0	0		Trash Removal	7,195
0	0%	0	0	0		Other (please specify)	0
0	0%	0	0	0		Total Operating	74,122
0	0%	0	0	0		Maintenance Expenses	
0	0%	0	0	0		Maintenance Supplies	5,875
0	0%	0	0	0		Maint. Salaries, Repairs, and Contracts	16,351
0	0%	0	0	0		Extermination	4,449
0	0%	0	0	0		Grounds (inc. snow removal)	6,493
0	0%	0	0	0		Other Misc R&M	1,998
0	0%	0	0	0		Total Maintenance	35,166
0	0%	0	0	0		Other Expenses	
0	0%	0	0	0		Real Estate Taxes	
0	0%	0	0	0		Property Insurance	37,600
0	0%	0	0	0		Replacement Reserve	14,100
0	0%	0	0	0		Other Misc Insurance	2,000
0	0%	0	0	0		Total Other	53,700
0	0%	0	0	0		TOTAL ANNUAL EXPENSES	299,087
0	0%	0	0	0		NET OPERATING INCOME	108,709
0	0%	0	0	0		P.U.P.A. Expenses *	6,364
0	0%	0	0	0		* P.U.P.A = Per Unit Per Annum Expenses	
0	0%	0	0	0		Utilities included in rent? Y/N Y	
0	0%	0	0	0		If yes, what utilities included in rent?	
0	0%	0	0	0		Water Sewer	
Total units		47	Total Rent Income		426,204		
Total rental sq ft		28,850					
				Parking Income	0		
				Laundry Income	3,055		
				Vending, Application, Late Fees	0		
No place in CHFA sheet for Vacancy rate entry				Total Income	429,259		
Vac. Rate		5.00%	Less Vacancy		-21,463		
				Effective Gross Income	407,796		
				DEBT SERVICE			
				1st Mortgage	(85,182)		
				2nd Mortgage	0		
				3rd Mortgage	0		
				TOTAL DEBT SERVICE	(85,182)		
BEP		90.16%	Poss D/S @ 1.15 DCR		94,529		
BEP = Break Even Point		Project Debt Coverage Ratio		1.276			

BEP = Break Even Point

Poss D/S @ 1.15 DCR = Possible Debt Service at a 1.15 Debt Coverage Ratio

HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: Northeast Plaza
 Date: 10/20/2021
 Applicant: Logan County
 Spreadsheet Version: 9/6/2019

Page #3
 Permanent Financing Sources
 APPLICANTS COMPLETE



TOTAL DEVELOPMENT COSTS: \$5,241,560

SOURCES OF FUNDS			
HARD DEBT	FIRST MORTGAGE		
	Lender	TBD	
	Type of Loan	Agency	t
	Principal	1,603,192	
	Interest Rate	4.000%	
	Term (years)	35	
	Annual Payment	-85,182	1.28 DCR
	SECOND MORTGAGE		
	Lender		
	Type of Loan		c
	Principal	0	
	Interest Rate	0.000%	
	Term (years)	0	
	Annual Payment	0	1.28 DCR
	THIRD MORTGAGE		
	Lender		
	Type of Loan		
	Principal	0	
	Interest Rate	0.000%	
	Term (years)		
	Annual Payment	0	1.28 DCR
TC EQUITY	TAX CREDIT EQUITY		
	9% LIHTC Proceeds	\$0	\$0.00
	4% LIHTC Proceeds	\$1,853,060	\$0.00
	Federal Hist TC	\$0	\$0.00
GRANTS & SOFT DEBT	GOVERNMENT GRANTS AND SOFT DEBT		
	Source		
	Assumed HUD Loan	Amount	1,738,558
		Amount	
		Amount	
	OTHER GRANTS (NON-GOVERNMENTAL)		
	Source		
		Amount	
		Amount	
		Amount	
OWNER	OWNER EQUITY		
	Source		
	Deferred Dev. Fee	Amount	46,750
		Amount	
		Amount	
TOTAL SOURCES		5,241,560	
GAP (SURPLUS)		0	

Types of Loans: C = Conventional
 T = Tax-Exempt
 F = Federal Financing

Financing Sources:	Total	% of Total
Conventional	0	0%
Tax Exempt	1,603,192	31%
Federal Financing	0	0%
Tax Credits	1,853,060	35%
Government Grants	1,738,558	33%
Other Grants	0	0%
Owner Equity	46,750	1%
GAP	0	0%
TOTAL SOURCES	5,241,560	100%

Quick Calculation of Mortgage Principal	
NOI	\$108,709
Cap Rate	5%
Value at Cap Rate	\$2,174,177
LVR	90%
Maximum Loan Amount	\$1,956,759
Appraised Value	\$3,158,000
LVR	90.00%
Maximum Loan Amount	\$2,842,200

BEP	0.90	Poss D/S @ 1.15 DCR	94,529
DCR	1.276	Cap Rate	0.050

BEP = Break Even Point
 DCR = Debt Coverage Ratio

Poss D/S @ 1.15 DCR = Possible Debt Service at a 1.15 Debt Coverage Ratio
 Cap Rate = Capitalization Rate

HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: Northeast Plaza
 Date: 10/20/2021
 Applicant: Logan County
 Spreadsheet Version: 9/6/2019

Page #4
 Permanent Sources & Uses Budget
 APPLICANTS COMPLETE



Project Activities	Total Costs (from DevCosts Tab)	State Funds Requested	Other Funds	Source	Status (Pending or Committed)
Acquisition Costs	\$3,158,000		\$1,738,558	Assumption of HUD Loan	Committed
			\$1,419,442	Agency Perm Loan	Pending
Site Improvements	\$0				
Construction	\$1,141,152		\$183,750	Agency Perm Loan	Pending
			\$957,402	LIHTC Equity	LOI
Professional Fees	\$82,500		\$82,500	LIHTC Equity	LOI
Construction Finance	\$146,207		\$146,207	LIHTC Equity	LOI
Permanent Finance and Syndication	\$171,000		\$171,000	LIHTC Equity	LOI
Soft Costs	\$80,300		\$80,300	LIHTC Equity	LOI
Developer Fee / Profit	\$334,327		\$287,577	LIHTC Equity	LOI
			\$46,750	Deferred Developer Fee	Committed
Reserves	\$128,074		\$128,074	LIHTC Equity	LOI
Total Project Costs	\$5,241,560	\$0	\$5,241,560		
	\$5,241,560				

HOUSING DEVELOPMENT ANALYSIS SPREADSHEET

Project Name: Northeast Plaza
Date: 10/20/2021
Applicant: Logan County
Spreadsheet Version: 9/6/2019

Page #5
15-Year Operating Proforma
APPLICANTS COMPLETE
(RENTAL PROJECTS ONLY)



		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Rent Income - increasing by	2.00%	\$426,204	\$434,728	\$443,423	\$452,291	\$461,337	\$470,564	\$479,975	\$489,574	\$499,366	\$509,353
Less Vacancy	5.0%	(\$21,463)	(\$21,736)	(\$22,171)	(\$22,615)	(\$23,067)	(\$23,528)	(\$23,999)	(\$24,479)	(\$24,968)	(\$25,468)
Other Income - increasing by	2.00%	\$3,055	\$3,116	\$3,178	\$3,242	\$3,307	\$3,373	\$3,440	\$3,509	\$3,579	\$3,651
Eff. Gross Income		\$407,796	\$416,108	\$424,430	\$432,919	\$441,577	\$450,408	\$459,417	\$468,605	\$477,977	\$487,537
Total Annual Expenses - inc. by	3.00%	(\$299,087)	(\$308,060)	(\$317,302)	(\$326,821)	(\$336,625)	(\$346,724)	(\$357,126)	(\$367,840)	(\$378,875)	(\$390,241)
NET OPERATING INCOME		\$108,709	\$108,048	\$107,128	\$106,098	\$104,952	\$103,684	\$102,291	\$100,765	\$99,102	\$97,296
Total Debt Service		(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)
Bridge Loan Debt Service		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash flow Available		\$23,526	\$22,866	\$21,946	\$20,916	\$19,769	\$18,502	\$17,108	\$15,583	\$13,920	\$12,113
Debt Coverage Ratio		1.28	1.27	1.26	1.25	1.23	1.22	1.20	1.18	1.16	1.14
Projected Payments from Cashflow											
Deferred Developer Fees		\$17,645	\$17,149	\$11,956	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other		\$0	\$0	\$4,504	\$15,687	\$14,827	\$13,877	\$12,831	\$11,687	\$10,440	\$9,085
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Management Fees		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Available Cash after Payments		\$5,882	\$5,716	\$5,486	\$5,229	\$4,942	\$4,626	\$4,277	\$3,896	\$3,480	\$3,028
		25%	25%	25%	25%	25%	25%	25%	25%	25%	25%

		YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Rent Income - increasing by	2.00%	\$519,540	\$529,931	\$540,530	\$551,340	\$562,367
Less Vacancy	5%	(\$25,977)	(\$26,497)	(\$27,026)	(\$27,567)	(\$28,118)
Other Income - increasing by	2.00%	\$3,724	\$3,799	\$3,874	\$3,952	\$4,031
Eff. Gross Income		\$497,287	\$507,233	\$517,378	\$527,725	\$538,280
Total Annual Expenses - inc. by	3.00%	(\$401,948)	(\$414,007)	(\$426,427)	(\$439,220)	(\$452,396)
NET OPERATING INCOME		\$95,339	\$93,226	\$90,951	\$88,506	\$85,884
Total Debt Service		(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)	(\$85,182)
Bridge Loan Debt Service		\$0	\$0	\$0	\$0	\$0
Cash flow Available		\$10,157	\$8,044	\$5,769	\$3,323	\$701
Debt Coverage Ratio		1.12	1.09	1.07	1.04	1.01
Projected Payments from Cashflow						
Deferred Developer Fees		\$0	\$0	\$0	\$0	\$0
Other		\$0	\$0	\$0	\$0	\$0
Other		\$7,618	\$6,033	\$4,326	\$2,492	\$526
Other		\$0	\$0	\$0	\$0	\$0
Asset Management Fees		\$0	\$0	\$0	\$0	\$0
Available Cash after Payments		\$2,539	\$2,011	\$1,442	\$831	\$175
		25%	25%	25%	25%	25%

Deferred Developer Fee Totals		
Yrs 1-10	Yrs 11-15	Total
\$46,750	\$0	\$46,750

#1 Cash Flow Loan			
Yrs 1-10	Yrs 11-15	Total	
\$0	\$0	\$0	0.00%

#2 DOH Cash Flow Loan			
Yrs 1-10	Yrs 11-15	Total	
\$92,937	\$20,995	\$113,933	100.00%

EXHIBIT IX

DRAFT

Rent Schedule Low Rent Housing

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

OMB Approval No. 2502-0012
(exp. 11/30/2020)

See page 3 for instructions, Public Burden Statement and Privacy Act requirements.

Project Name	FHA Project Number	Date Rent Is Will Be Effective (mm/dd/yyyy)
Northeast Plaza CO99H001089	NA	06/01/2021

Part A – Apartment Rents

Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents		Col. 5 Utility Allowances (Effective Date (mm/dd/yyyy) 06 / 01 / 2021)	Col. 8 Gross Rent (Col. 3 + Col. 5)	Market Rents (Sec. 236 Projects Only)	
		Col. 3 Rent Per Unit	Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)			Col. 7 Rent Per Unit	Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
1Bedroom	3	563	1,689	25	588		0
2Bedroom	32	727	23,264	41	768		0
3Bedroom	8	842	6,736	67	909		0
4Bedroom	4	957	3,828	51	1,008		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
Total Units	47	Monthly Contract Rent Potential (Add Col. 4)* \$36,517				Monthly Market Rent Potential (Add Col. 8)* \$0	
		Yearly Contract Rent Potential (Col. 4 Sum x 12)* \$426,204				Yearly Market Rent Potential (Col. 8 Sum x 12)* \$0	

* These amounts may not exceed the Maximum Allowable Monthly Rent Potential approved on the last Rent Computation Worksheet or requested on the Worksheet you are now submitting. Market Rent Potential applies only to Section 236 Projects.

[illegible]

Part G - Information on Mortgagor Entity

Name of Entity

Type of Entity

☐ Individual ☐ General Partnership ☐ Joint Tenancy/Tenants in Common ☐ Other (specify)
☐ Corporation ☒ Limited Partnership ☐ Trust

List all Principals Comprising Mortgagor Entity; provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:
• corporation, list: (1) all officers; (2) all directors; and (3) each stockholder having a 10% or more interest.
• partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
• trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

Name and Title

Menola Land, Northeast Plaza, LLC

GP

Name and Title

Henry K. Burgwyn

Manager of GP

Name and Title

Chris Downs

Manager of GP

Name and Title

WNC Institutional Tax Credit Fund XXI, LP

LP

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Part H - Owner Certification

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3720, 3802)

Name and Title

Chris Downs, Manager of GP

Authorized Official's Signature



1/19/2021

Date (mm/dd/yyyy)

Part I - HUD/Lender Approval

Addendum Number

Branch Chief/Lender Official Signature

HAP Contract Number

Date (mm/dd/yyyy)

Exhibit Number

Director, Housing Management Division Signature

Loan Servicer Signature

Date (mm/dd/yyyy)

Date (mm/dd/yyyy)

Previous editions are obsolete

Page 2 of 3

form HUD-9245B (11/06)
ref Handbook 4350.1

EXHIBIT A

**IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS**

Section 8 Contract Number: CO99H001089

FHA Project Number: N/A

Effective Date of the Rent Increase: 6/1/2021

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
3	1	563	25	508
32	2	727	41	768
8	3	842	67	909
4	4	957	51	1008

Do not submit a Gross Rent Change through TRACS until the HUD-92458 Rent Schedule has been returned to you duly executed from your HUD/PBCA office.

- Note:**
- (1) This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in accordance with the Renewal Contract.
 - (2) These rents are applicable with the Amend Rents Automatic OCAF for this effective Date.

Attachments Included: HUD Form 92458 (Rent Schedule – Required)
Utility Analysis Certification (Required)
Utility Allowance Worksheet (Optional)

Public reporting burden for this collection of information is estimated to average 20 minutes 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. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is authorized under Section 207 of the National Housing Act. The information is necessary for the Department to ensure that project owners are not overcharging their tenants and to ensure that the rent levels approved by the Department are not exceeded. The Department uses this information to enforce rent regulations which otherwise would be difficult because there would be no clear record of the rents and charges that the Department had approved. In addition, the Department needs to periodically collect information regarding project principals, so unauthorized participation by previously excluded or otherwise undesirable owners can be detected. This information is required to obtain benefits. HUD may disclose certain information to Federal, State, and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law.

Instructions

All project owners must submit the form HUD-92458 when requesting an adjustment to project rents. HUD establishes and approves rental charges and utility allowances on the Form. The owner is responsible for notifying tenants of the approved rents.

General. For projects with fully-insured or HUD-held mortgages, the owner/agent submits this Form to the HUD Field Office. For projects with co-insured mortgages, the owner/agent submits this Form to the lender.

Part A. If the monthly rent potential you are proposing is less than or equal to the Maximum Allowable Monthly Rent Potential approved by HUD/lender on your original Rent Formula or on your most recent Rent Computation Worksheet, complete all of Part A according to the instructions below. If the monthly rent potential you are requesting exceeds the Maximum Allowable Monthly Rent Potential approved by HUD/lender on your original Rent Formula or on your most recent Rent Computation Worksheet, complete only Columns 1 and 2 according to the instructions below. Show your proposed rents and monthly rent potential in the cover letter transmitting your rent increase request.

Column 1. Show each type of unit for which rents will vary. Show the number of bedrooms and bathrooms and other features that cause rents to vary (e.g., 2 BDM, 1 B, DA, KETTE, vs 2 BDM, 2B, DR, K). Use the following symbols:

BDM - Bedroom	LR - Living Room
B - Bath	DR - Dining Room
K - Kitchen	DA - Dining Alcove
KETTE - Kitchenette	

Column 2. Show the number of units for each unit type. Include non-revenue producing units.

Column 3. For unsubsidized projects, show the rent you intend to charge for each unit type. For subsidized projects, show the contract rent (as defined in HUD Handbook 4350.3) for each unit type.

Column 4. For each line, multiply the contract rent in Column 3 by the number of units in Column 2. Add monthly contract rent potentials for each unit size to compute the total monthly contract rent potential. Multiply the monthly total by 12 to compute the annual contract rent potential.

Columns 5 and 6. Complete the Columns only if the project has a subsidy contract with HUD and some utilities are not included in the rent. In Column 5, show the utility allowance for each unit type. Compute the gross rent for each unit type by adding the contract rent in Column 3 and the utility allowance in Column 5. Show this amount in Column 6.

Columns 7 and 8. Complete these Columns only if the project is receiving Section 236 Interest Reduction Payments. In Column 7, show the market rent for each unit type. In Column 8, for each line multiply the market rent in Column 7 by the number of units in Column 2. Add the monthly market rent potentials for each unit size to compute the total monthly market rent potential. Multiply the monthly total by 12 to compute the annual market rent potential.

Parts B, C, D and E. Complete these Parts according to the instructions on the Rent Schedule.

Part F. Do not complete this Part. The HUD Field Office/lender will complete this Part.

Parts G and H. Complete these Parts according to the instructions on the Rent Schedule.

Part I. Do not complete this Part. The HUD Field Office/lender will complete this part.

**denver**

1981 Blake Street
Denver, CO 80202
303.297.chfa (2432)
800.877.chfa (2432)

PO Box 60
Denver, CO 80201
800.659.2656 tdd
www.chfainfo.com

western slope

348 Main Street
Grand Junction, CO 81501
970.241.3341
800.877.8430

January 15, 2021

Management Agent Contact
Hudson Companies
1200 28th Street, Suite 100
Boulder, CO 80303
VIA ELECTRONIC MAIL

Subject: Automatic OCAF Rent Increase
NORTHEAST PLAZA
CO99H001089/N/A
Rent Comparability Study Expires: N/A

Dear Management Agent Contact:

NORTHEAST PLAZA is in a multi-year Housing Assistance Payments Contract and, as such, is eligible for an automatic OCAF rent increase to become effective 6/1/2021. However, if the complete rent increase submission is not received by the due date referenced below, the effective date will be delayed as detailed. The rent increase factor is 1.020. The debt service amount used in the calculation of new rents is \$69,370.80. Please confirm that the debt service amount indicated is correct. If not, please contact me with the correct amount and a new Auto-OCAF Letter will be generated and sent to you.

Should you elect this rent increase, the new rents for NORTHEAST PLAZA will be as indicated on the attached Exhibit A.

Indicate below which rent increase option you are requesting be applied in the upcoming contract funding year. Complete the Project Information section that follows, and return this Notice and any attachments to your HUD/PBCA within 10 days of receipt of this package (check one).

☒ I elect to receive the attached automatic OCAF rent increase.

☐ I elect to receive the attached automatic OCAF rent increase, and am submitting a Base Line Utility Analysis, a Certification providing the utility usage average amount that will adjust the utility allowance, and the supporting utility usage documentation from the utility provider; or if applicable, in the second and third

Attachment

Attach Rents Auto OCAF Part A

form HUD-9626)

year after a base line utility analysis has been submitted a Factor Based Utility Analysis may be requested utilizing the pertaining year's HUD published Utility Allowance Factor to adjust the utility allowance.

☐ I request a zero budget-based rent adjustment in lieu of the OCAF adjustment and understand that this will result in renewed funding at current rents. I further understand that the OCAF adjustment for this year may not be recouped retroactively in the future. If applicable, I am submitting a Utility Analysis and recommendation for a change to the Utility Allowances in the form mentioned above in election two. My signature on this letter certifies that I have reviewed the project's income and expenses and they are at levels that will enable me to continue to provide decent, safe and sanitary housing (Not available for Option B).

☐ Other: _____

Attached is an electronic pdf of the Form HUD-92458 Rent Schedule Low Rent Housing for completion as follows:

- ***Please complete Column 7 and 8 of Part A (only applies to properties under the 236 Program) and/or Parts B through H of the HUD-92458 Rent Schedule (applies to all).***
- ***Any items listed as charges to tenants must have prior HUD approval. Please provide proof of such approval when you return the signed copy.***
- ***Please have the owner sign the rent schedule and email the electronic pdf copy to my attention within 10 day of the receipt of this package. We will not be allowed to process unless only the OWNER, or Owner authorized with written permission provided, has signed.***

Please understand that if you choose to increase the rents, in order for the increased rents to become effective on the anniversary date of the contract, your complete submission (as stated in the choices above) must be submitted no later than **1/31/2021**. If the package is not received timely, the increase to the rents will be delayed one month for every month that the submission is late.

I (We) hereby certify that the debt service amount of \$69,370.80 and the non-section 8 rent potential amount of \$0.00 is true, accurate and complete to the best of my (our) knowledge and belief.

Project Name: Northeast Plaza Apartments

Owner Name: Northeast Plaza Partners, RLLLP

Owner Signature:  Date: 1.18.2021

Chris Downs, Mgr., of the G.P.

Should you have any questions, please let me know.

Thank you,
Fazli Hashimi
Contract Administrator

OMB Control #2502-0587
Exp. (04/30/2017)

"Public reporting burden for this collection of information is estimated to average .50 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for purposes of determining rent adjustments and will be used for estimating new rents. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. No confidentiality is assured."

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

New Property Participant - OWNER 2530 WORKSHEET

Property Name: _____

Contract Number: _____

New Participant Name & Title: _____

Instructions: Complete this sheet for each new participant identified on the HUD-92458, Rent Schedule. Check the appropriate box(es) that represent the new participant's role in the organization. You must select at least one box.

- ☐ (1). Member of the corporation board that is also an officer of the entity;
- ☐ (2). Member of the corporation board this is also part of the executive management team;
- ☐ (3). Participant exercises financial or operational control, specified capacity, or a controlling participant authorized to exercise day-to-day control);
- ☐ (4). Executive Director/CEO of a corporation or Housing Authority;
- ☐ (5). I am unsure of the new participant role in my organization;
- ☐ (6). None of the above roles apply to the new participant*

HUD reserves the right to request 2530 approval for individuals/entities serving as a Specified Capacity determined by HUD to exercise financial or operation control.

RESOURCES:

For APPS specific questions, contact the Multifamily Help Desk at (888) 297-8689, Option 5

HUD APPS website: https://www.hud.gov/program_offices/housing/mfh/apps/appsmfhhm

APPS Industry User Guide: https://www.hud.gov/program_offices/housing/mfh/apps/appsindustryug

2530 Guidance: HUD Notice H 2016-15 <https://www.hud.gov/sites/documents/16-15HSGN.PDF>

Form HUD-2530 (PDF): <https://www.hud.gov/sites/dfiles/OCHCO/documents/2530.pdf>

Form HUD-2530 (Word): <https://www.hud.gov/sites/documents/25020.dot>

EXHIBIT X

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EXHIBIT XI

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Unemployment rate by county in Colorado

	Location	Data Type	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Colorado	Rate	8.6	8.0	6.8	5.0	3.9	3.3	2.8	3.2	2.8	7.3
1	Baca	Rate	3.9	4.0	3.7	2.8	2.1	1.7	1.6	1.8	1.7	2.3
2	Kiowa	Rate	3.9	4.1	3.9	3.4	2.6	2.0	1.8	1.8	1.6	2.3
3	Cheyenne	Rate	3.1	3.9	3.5	2.9	2.7	2.2	1.7	1.8	1.6	2.4
4	Phillips	Rate	4.4	4.9	4.1	3.3	2.4	2.0	1.7	1.9	1.6	2.7
5	Kit Carson	Rate	4.8	4.7	4.2	3.1	2.4	2.1	1.8	2.0	1.7	2.8
6	Yuma	Rate	3.8	4.0	3.7	3.3	2.7	2.1	1.6	1.9	1.6	2.8
7	Washington	Rate	4.8	4.7	4.5	3.2	2.5	2.1	1.9	2.4	2.0	3.1
8	Sedgwick	Rate	5.3	4.9	4.3	4.6	3.4	2.3	2.2	2.5	2.0	3.4
9	Hinsdale	Rate	3.7	3.8	3.4	3.8	3.0	2.5	2.2	2.7	3.7	4.2
10	Jackson	Rate	3.9	3.8	3.6	3.5	3.7	2.7	1.8	2.6	2.3	4.3
11	Bent	Rate	7.6	8.5	7.7	5.3	3.9	3.0	2.7	3.1	2.9	4.4
12	Prowers	Rate	5.8	6.5	5.7	4.8	4.1	3.2	2.6	3.2	2.6	4.4
13	Lincoln	Rate	4.9	5.3	4.8	4.1	3.4	2.5	2.1	2.4	2.3	4.5
14	Elbert	Rate	7.3	7.2	5.8	4.3	3.1	2.6	2.4	2.7	2.2	4.7
15	Logan	Rate	6.6	6.6	5.6	3.8	3.1	2.9	2.3	2.7	2.4	4.7
16	Custer	Rate	6.5	6.9	6.9	4.7	3.5	3.1	3.0	3.6	3.0	5.0
17	Crowley	Rate	9.4	10.2	9.1	6.1	4.5	3.5	3.1	4.2	4.3	5.4
18	Morgan	Rate	6.3	6.6	6.3	4.6	3.8	3.4	2.4	2.8	2.6	5.4
19	Rio Blanco	Rate	5.5	6.0	5.4	5.8	5.3	5.0	3.9	4.1	3.7	5.4
20	Conejos	Rate	9.5	9.9	10.1	7.8	5.6	4.9	4.2	4.1	3.6	5.6
21	Park	Rate	7.8	7.5	6.5	4.6	3.4	2.8	2.4	2.7	2.5	5.7
22	Douglas	Rate	6.4	6.4	5.4	4.0	3.1	2.7	2.4	2.7	2.4	5.8
23	Mineral	Rate	5.0	4.8	5.4	5.2	3.7	2.2	2.0	2.5	2.3	5.8
24	Moffat	Rate	8.5	7.7	6.2	5.7	4.5	4.0	3.3	3.6	3.4	6.0
25	Boulder	Rate	6.2	6.1	5.2	4.1	3.2	2.7	2.4	2.7	2.4	6.2
26	Otero	Rate	9.1	9.5	8.8	7.6	5.8	4.7	4.1	4.9	4.1	6.2
27	Chaffee	Rate	7.2	7.1	6.2	4.4	3.4	2.6	2.3	2.6	2.4	6.3
28	Larimer	Rate	6.8	6.4	5.4	4.3	3.3	2.8	2.4	2.7	2.4	6.3
29	Alamosa	Rate	8.1	9.1	8.2	7.1	5.2	4.0	3.4	3.9	3.6	6.4
30	Broomfield	Rate	7.3	7.1	6.1	4.3	3.3	2.9	2.6	2.8	2.4	6.6
31	Delta	Rate	9.1	8.5	7.5	6.9	5.7	4.9	3.9	3.9	3.3	6.6
32	Gunnison	Rate	6.4	6.6	5.9	4.1	2.9	2.3	2.0	2.4	2.1	6.6
33	Montrose	Rate	10.9	10.5	9.3	6.8	5.1	4.1	3.3	3.6	3.1	6.6
34	San Juan	Rate	10.3	8.5	7.1	5.3	4.1	3.5	2.2	2.9	3.0	6.7
35	Garfield	Rate	8.8	8.0	6.8	5.2	4.1	3.5	2.9	3.1	2.7	6.8
36	La Plata	Rate	6.8	6.6	5.5	4.2	3.5	2.9	2.5	2.9	2.5	6.8
37	Dolores	Rate	11.4	9.5	7.6	4.0	3.1	3.9	3.0	3.8	3.0	6.9
38	Saguache	Rate	10.0	10.4	10.4	8.6	6.1	4.9	4.4	4.6	4.0	7.0
39	Weld	Rate	9.3	8.7	7.1	4.5	3.8	3.4	2.7	2.9	2.5	7.0
40	Jefferson	Rate	7.9	7.6	6.3	4.6	3.5	2.9	2.6	2.9	2.5	7.1
41	Montezuma	Rate	8.5	8.5	7.6	6.1	5.6	5.0	4.0	4.6	4.2	7.1
42	Rio Grande	Rate	9.3	9.4	8.7	9.0	6.3	4.9	4.3	4.8	4.1	7.1
43	Costilla	Rate	12.6	12.7	12.2	9.1	6.5	4.8	3.5	4.3	3.9	7.2
44	El Paso	Rate	9.2	9.3	8.0	6.0	4.6	3.7	3.3	3.8	3.3	7.3
45	Las Animas	Rate	9.8	10.7	9.9	7.6	5.6	5.0	4.0	4.5	3.9	7.4
46	Mesa	Rate	9.6	9.2	8.1	6.2	5.5	5.3	4.0	3.9	3.4	7.5
47	Teller	Rate	8.7	8.1	7.7	5.9	4.4	3.7	3.2	3.6	3.1	7.5
48	Archuleta	Rate	9.2	9.4	7.9	6.0	4.0	3.3	3.0	3.3	3.2	7.6
49	Fremont	Rate	10.0	10.1	9.0	8.1	6.2	5.2	4.3	5.0	4.6	7.7
50	Arapahoe	Rate	8.2	7.8	6.5	4.9	3.7	3.1	2.8	3.1	2.7	7.9
51	Routt	Rate	8.2	7.3	5.8	4.2	3.2	2.6	2.4	2.6	2.2	7.9
52	Adams	Rate	9.7	9.2	7.5	5.7	4.3	3.6	3.1	3.3	2.9	8.0
53	Ouray	Rate	7.7	7.1	5.5	5.5	4.3	3.7	2.9	3.4	2.9	8.1
54	Denver	Rate	9.1	8.5	7.0	4.9	3.7	3.1	2.8	3.1	2.7	8.2
55	Lake	Rate	11.6	10.0	8.4	4.8	3.8	2.8	2.2	2.6	2.3	8.2
56	Pueblo	Rate	10.2	10.7	9.6	7.3	5.7	4.8	4.3	4.7	4.1	8.2
57	Grand	Rate	8.2	7.6	5.9	4.1	3.2	2.7	2.2	2.6	2.1	8.4
58	Clear Creek	Rate	7.3	7.4	6.3	4.7	3.7	3.2	2.6	2.9	2.5	8.5
59	Huerfano	Rate	11.3	12.2	11.3	10.1	7.7	6.3	5.7	6.4	5.7	9.4
60	Eagle	Rate	8.6	8.1	6.6	4.2	3.1	2.7	2.3	2.6	2.2	9.5
61	Summit	Rate	7.5	7.2	5.8	3.4	2.5	2.1	1.9	2.1	1.8	9.8
62	Pitkin	Rate	7.8	7.4	6.5	4.9	3.8	3.4	3.1	3.7	3.1	10.5
63	San Miguel	Rate	7.5	7.5	6.3	4.7	3.7	3.2	2.9	3.3	2.8	10.9
64	Gilpin	Rate	6.5	6.5	5.7	4.4	3.1	2.4	2.0	2.4	2.3	11.3

EXHIBIT XII

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2019 NECALG ENTERPRISE ZONE ANNUAL REPORT

Overview

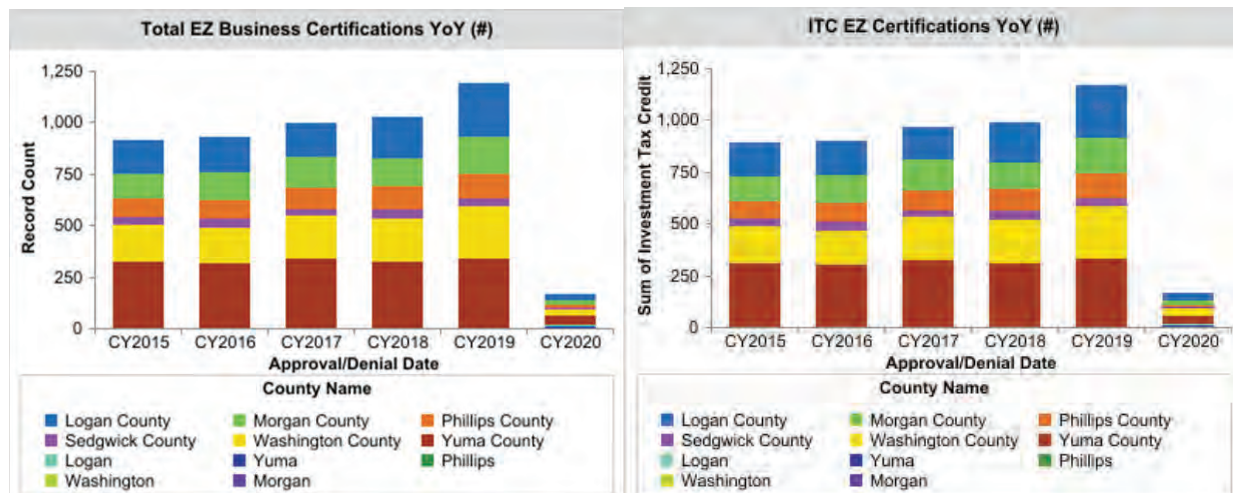
The Northeastern Colorado Association of Local Governments, NECALG, has served as a sub-Zone of the North-East-Central Enterprise Zone nearly since the inception of the Legislation. The Organization is a Public Non-Profit that provides programs and services to the Northeastern Counties of Logan, Morgan, Phillips, Sedgwick, Washington, and Yuma. It is governed by a County Commissioner and a municipal representative from each of those Counties. Dues paid from member Counties and a fee collected from contributions collected from donations to the various EZ Contribution Projects help meet the required matching funds to State allocations of administration grants.

This Region located in the Northeastern corner of Colorado is a 9,300 square mile geographic area. The Region has 22 incorporated municipalities and 21 school districts of varying sizes. Opportunities in higher education can be found at a junior college and a community college that serve constituents throughout the region. Morgan Community College (MCC), with a campus in Fort Morgan, and Northeastern Junior College (NJC), located in Sterling. The Region has a state correctional facility located in Logan County, as well as a smaller facility in Washington County. Airports are also an important feature of the region. Denver International Airport is located just an hour drive from the western edge of the region while there are eight municipal airports that service small aircraft to commercial jets. The highway infrastructure is a major asset for the region. Interstate 76 runs east to west through the region, and there is access of I-25, I-70 and I-80 within 70 miles of the region. There are also several major state highways running through the region including Highways 34, 385, 14, 61, 71 and 6, the Heartland Express (which is part of the Ports-to-Plains highway system). The Region also has significant railroad access including main lines with Burlington Northern Santa Fe, Union Pacific and Amtrak (Fort Morgan also maintains an active station). The availability of rail transportation is better than many regions in the state. Local public transportation is provided by the County Express and Prairie Express bus systems. County Express is a regional, six county service providing rides on a demand-response basis. The Prairie Express is a fixed route system in the City of Sterling that provides access to all major employers, medical facilities, retail centers and educational institutions. Prairie Express offers route deviations for places off the regular route for a small additional charge.

There are 10 health care facilities throughout the area, ranging in size and scope with the largest facilities located in Sterling, Fort Morgan, Brush, and Yuma. Support of medical facilities is a high priority and frequently a benefactor of various EZ Contribution Projects through supporting Foundations.

Past year Observations and Data

Within the Region, as noted in chart below, Investment Tax Credit and overall Business Certifications processed continues to grow in the Northeast Region. NECALG, as the EZ Administrator, reaches out to the various tax preparation business and those that previously submitted an EZ Certification annually to issue updated information generated through the Department of Revenue and/or OEDIT keeping not only the information fresh, but also as a reminder of the various tax benefits available via the Enterprise Zone legislation. Below in Chart format, the increase over time of both number of Certifications process and the totality of Investment Tax Credit.



In a snapshot of time, for the calendar year of 2019 the value of qualified capital and the eventual investment tax credit taken by County is as follows:

<i>County</i>	<i>Qualified Capital Investment</i>	<i>Investment Tax Credit</i>
<i>Logan</i>	\$21,741,060.97	\$652,243.00
<i>Morgan</i>	\$57,781,181.75	\$1,733,441.00
<i>Phillips</i>	\$13,700,973.94	\$411,029.00
<i>Sedgwick</i>	\$3,969,779.13	\$119,095.00
<i>Washington</i>	\$18,766,657.31	\$563,003.00
<i>Yuma</i>	\$35,330,780.37	\$1,059,924.00

Utilizing the Contribution Project component, local citizens work with Regional non-profits and foundations to help improve conditions on a local level. For the period of 2018 and 2019 those projects that have had a lengthy period of operation, some in the 20-year range were closed in favor of new projects with definitive application and a completion lifespan of five years or less. This process produced an overall lower level of donations through the local EZ Administrator.

In another snapshot of time, for the calendar year 2019 the contribution generated by County are as follows:

Northeast Enterprise Zone	Total Contributions
Logan County	\$16,200.00
Morgan County	\$138,002.00
Phillips County	\$21,150.00
Sedgwick County	\$24,890.00
Washington County	0.00
Yuma County	\$28,490.00
Total of ALL Counties	\$228,732.00

Past year Efforts to Improve Conditions

The NE Enterprise Zone is fortunate in that five of the six counties in the Region have county economic development offices, and in one case, Morgan County also has two city (Fort Morgan and Brush) economic development personnel. Partnering with these individuals to provide information to perspective businesses wishing to locate within the EZ (the entire NE six county area falls within the EZ borders) or support existing business wanting to expand keeps information flow to the local professionals. Additionally, the recently created Opportunity Zones have several cross-over boundaries within regional counties creating an extra boost in business development.

Information regarding Enterprise Zone opportunities particularly upon notice(s) of change is relayed to regional businesses including accounting firms; CPAs; tax preparation services and county economic development professional is conveyed primarily through direct email communications. NECALG as noted above is governed by a Board comprised of elected officials of the six-member counties and municipalities. Information is shared on a regular basis to these officials as course of regular business This is of financial importance as well as information sharing importance as funds necessary to match State provided administration grants that are not generated through administrative fees charged against Contribution Projects donations are sought from the general funds of members counties of the Region. Information is provided upon request for those interested in EZ incentives, with referrals to State web-site resources (www.advancetecolorado.com/ez) being the most effective information source. Local staff respond to specific questions stopping short of giving advice. Having two staff members that work with the EZ, responses to questions and processing documents is timely and often issues are identified and fixed prior to final document submission. When necessary, questions regarding software or specific/unique data entry referrals are passed on to State staff.

As noted, all Contribution Projects that have operated for a period longer than five years were cycled through and either closed or new projects created. NECALG worked with several groups in developing local projects that have a great impact upon the local well-being of the community serve to maintain or

increase economic conditions in the area. Sometimes that may seem to be a small project in comparison to some, but none the less have significant impact to a small rural area.

In 2019 EZ Administrator worked with the Melissa Memorial Foundation to enhance services offered at the Melissa Memorial Hospital in rural Holyoke Colorado.

It was identified that with not having a local ambulance service capable of meeting local demand, the facility was losing upwards of \$930,396. in just ten months in 2018. Further, due to changing regulations, the Facility was no longer able to provide Chemotherapy leading to a financial loss to the community of over \$2,565,800. Not able to provide these services also put a strain on patients that are now required to travel to other community facilities to receive the needed treatments.

Creation of a Contribution Project to procure an ambulance and create a space to mix and administer medications is of great significance to this community. In total, the budget is estimated at \$345,000, but worth so much more to this rural city of the NE plains.

Objectives Report:

Five of the six northeastern Colorado Counties that makeup this designated sub-Enterprise Zone have at least one central economic development office, and two municipalities also employ E.D. staff. In creation of the overall goals and objectives of NECALG Enterprise Zone, it is desirable to fit within and support the framework of those partner economic development offices. Keeping this Region of many economic development efforts under specific goals and objectives creates a palate of not overly specific but four overarching objectives for the Region. They are:

1. Encourage Job Creation and support education and training of current and new workforce. Support initiatives to help rural workforce attraction and retention.
2. Support the non-profit sectors with community engagement in the development of new or existing programs and special projects that aid in mitigating local economic challenges such as, but not limited to, homelessness, healthcare, and housing.
3. Support and encourage communities and non-profits in development of community facilities and infrastructure that aid in mitigating local economic challenges.
4. Encourage sustainability and development of existing services and new services for zoned residents *with focus upon current and new entries to the workforce.*

In keeping with a more generalized approach, we can work within Morgan Community College and Northeastern Junior College's desire to expand and update while Holyoke can improve their health care system and Yuma County can improve and expand use of fairground facilities. Growth or even sustainability in rural Colorado has many directions and indeed different meaning for each community.

In 2019 local objective concentrations were:

1. Contact 2 businesses in each county to explain tax credits that their customers may be eligible for if they are indeed pre-certified prior to purchase. While NE EZ pre-certifies and certifies many businesses, there certainly are those missed that perhaps do not use local accountants that may not recognize or realize investment credits.
2. Visit each county commission office in the Region to further enhance knowledge of the EZ, the importance of the legislation and review information and data specific to that county.
3. Work with Contribution Projects that have an end date of 2019 to either bring the project to a close or develop new goal for a new project.

Overall, we still strive to locate those business that do not at least Pre-Certify for eligible EZ credits. The Administrator does indeed Pre-Certify a huge number of businesses annually, as our outreach efforts and follow-through by tax professionals work to assure proper usage of the Program. While it is most certain that there are businesses in the Region that may not have contacted the information for which they need to help support and grow their business. We will continue to seek these outliers.

As noted above, County Commissions are part of NECALG's governing board. It has been offered to visit locally to discuss with officials the benefits and workings of EZ, which to date has not been accessed. Information is presented as needed at monthly Board meetings.

Work with Regional Contribution Projects closed the last of long-term projects concluded several and worked to create new projects with others. Several new Projects were created and new applications are being developed.

Objectives for Coming Year

The overall Goals/Objectives for 2020 remain the same as we continue to work with local resources to improve economic conditions in the Region.

1. We will work with local business to identify EZ opportunities not currently served.
2. Continue to work with elected and economic development professionals to market the EZ.
3. Continue working with area Non-Profits to grow projects that support the goals of our Region and support local economic stability and growth.

RESOLUTION NO. 21-40

A RESOLUTION DECLARING THE INTENT OF LOGAN COUNTY, COLORADO TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS FOR THE NORTHEAST PLAZA APARTMENT HOMES PROJECT

BOARD OF COUNTY COMMISSIONERS COUNTY OF LOGAN, STATE OF COLORADO

WHEREAS, Logan County, Colorado (the “County”), is a legally and regularly created, established, organized and existing body politic and corporate of the State of Colorado (the “State”); and

WHEREAS, the County is authorized by the County and Municipality Development Revenue Bond Act, constituting Article 3, Title 29, Colorado Revised Statutes, as amended (the “Act”) and the Colorado Supplemental Public Securities Act, constituting Article 57, Title 11, Section 201 et seq., Colorado Revised Statutes, as amended (the “Supplemental Public Securities Act”), to finance and refinance one or more projects (which includes any land, building or other improvement and real and personal properties) to the end that residential facilities for low- and middle-income persons or families may be provided which promote the public health, welfare, safety, convenience and prosperity; and

WHEREAS, the County is further authorized by the Act and the Supplemental Public Securities Act to issue revenue bonds for the purpose of defraying the cost of financing any project, including the payment of principal and interest on such revenue bonds for not exceeding three years, the funding of any reserve funds which the County may deem advisable to establish in connection with the retirement of such revenue bonds or the maintenance of the project and all incidental expenses incurred in issuing such revenue bonds, and to secure payment of such revenue bonds as provided in the Act; and

WHEREAS, representatives of FishPond Living at Sterling, LP, including any subsidiaries, affiliates, successors or assigns (but only if such subsidiaries, affiliates, successors or assigns are acceptable to the County) (the “Developer”), have met with officials of the County and have advised the County of the Developer’s interest in the financing of the acquisition, rehabilitation, construction, improvement and equipping of an affordable multifamily housing facility, consisting of approximately 47 units containing complete residential facilities, and have proposed that the County issue its multifamily housing revenue bonds, in one or more series, to finance the Northeast Plaza Apartment Homes Project (or such other name as the Developer may elect for this property, the “Project”), which Project is located at 1212 Phelps Street, Sterling, Colorado, within the boundaries of the County, to be owned and operated by the Developer; and

WHEREAS, the Project constitutes a project under the Act, and the County wishes to declare its intention to authorize an issue of its multifamily housing revenue bonds, in one or more series (the “Bonds”), for the purpose of paying the cost of financing the Project, upon such terms and conditions as are contained herein; and

WHEREAS, the County has considered the Developer's Project proposal and, upon the expectation that the Project will provide more adequate residential rental housing for low- and middle-income persons and families within the County, the County wishes to declare its present intention to authorize the Bonds for the aforesaid purposes, all upon such terms and conditions as may be agreed upon by the County, Kutak Rock LLP ("Bond Counsel") and the Developer;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LOGAN COUNTY, COLORADO, THAT:

Section 1. In order to benefit the residents of the County, the County hereby declares its intent to authorize the issuance, in one or more series, of the Bonds in an aggregate principal amount not to exceed \$3,500,000, which amount is estimated to be sufficient: (a) to finance a portion of the Project; and (b) to pay certain costs incurred in connection with the issuance of the Bonds.

Section 2. The Bonds shall be special, limited obligations of the County payable solely from the payments to be made by the Developer to the County under a Loan Agreement to be entered into by and between the County and the Developer.

Section 3. The Board of County Commissioners of the County (the "Board") hereby finds, determines, recites and declares that the Bonds shall not constitute any multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the County, the State or any political subdivision of the State within the meaning of any provision or limitation of the State Constitution or statutes, and the Bonds shall not constitute or give rise to a pecuniary liability of the County or a charge against the County's general credit or taxing powers, or ever be deemed to be an obligation or agreement of any commissioner, officer, director, agent or employee of the County in such person's individual capacity, and none of such persons shall be subject to any personal liability by reason of the issuance of the Bonds.

Section 4. The Board hereby finds, determines, recites and declares that the issuance of the Bonds to finance the Project will promote the public purposes set forth in the Act, including, without limitation, assisting persons or families of low- and middle-income in obtaining decent, safe and sanitary housing.

Section 5. The Board hereby finds, determines, recites and declares the County's intent that this Resolution constitute an official indication of the present intention of the County to issue the Bonds as herein provided, subject to: (a) the Developer either obtaining a binding final commitment of credit enhancement for the Bonds from a credit enhancement entity which is acceptable to the County and its Bond Counsel or obtaining a commitment for the purchase of the Bonds on a private placement basis by qualified institutional buyers or accredited investors which are acceptable to the County and its Bond Counsel, (b) the delivery of an approving opinion of Bond Counsel to the County, (c) the delivery of a market study, appraisal, survey, title insurance, environmental audit and plans and specifications which are all acceptable to the County, (d) the Developer obtaining sufficient debt and equity financing acceptable to the County, and (e) the adoption of a final bond resolution by the Board.

Section 6. The County hereby agrees to apply for private activity bond volume cap allocation from the Colorado Department of Local Affairs for the Project.

Section 7. All actions not inconsistent with the provisions of this Resolution heretofore taken by the Board or any officer or employee of the County in furtherance of the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 8. All prior acts, orders, resolutions, ordinances or parts thereof of the County in conflict with this Resolution are hereby repealed, except that this repealer shall not be construed to revive an act, order, resolution, ordinance, or part thereof, heretofore repealed.

Section 9. If any section, paragraph, clause or provision of this Resolution shall be adjudged to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining sections, paragraphs, clauses or provisions of this Resolution.

Section 10. All bylaws, orders, resolutions, ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency, and if so repealed, no other bylaw, order, resolution, ordinance, or part thereof, shall be revived. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance, or part thereof.

INTRODUCED AND ADOPTED at a regular meeting of the Board of County Commissioners of the County on October __, 2021.

LOGAN COUNTY, COLORADO

By _____
Chair, Board of County Commissioners

[SEAL]

ATTEST:

By _____
County Clerk

**CERTIFICATE REQUIRED BY SECTION 24-32-1709(2)(c)
OF THE COLORADO REVISED STATUTES, AS AMENDED**

As an official of Logan County, Colorado (the “County”) responsible for the supervision of the issuance of its private activity bonds (the “Bonds”) and a manager of Fish Pond Development, LLC, on behalf of FishPond Living at Sterling, LP (the “Borrower”), WE DO HEREBY CERTIFY that the County and the Borrower will proceed with diligence to insure the issuance of such Bonds within the time period from the date of the Department of Local Affairs 2021 private activity bond volume cap allocation award letter to December 31, 2024.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of October, 2021.

LOGAN COUNTY, COLORADO

By _____
Name:
Title:

**FISH POND DEVELOPMENT, LLC, on behalf
of FISHPOND LIVING AT STERLING, LP**

By: _____
Name:
Title: