



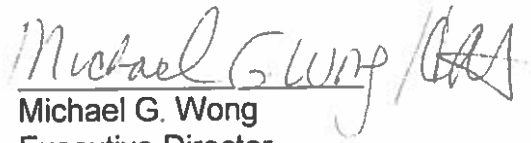
Harrisonburg Redevelopment & Housing Authority

P.O. BOX 1071 + HARRISONBURG, VA 22803

Phone/VTDD 540-434-7386 + Fax 540-432-1113

March 12, 2021

The Regular Meeting of the Harrisonburg Redevelopment and Housing Authority's Board of Commissioners will be held on **Wednesday, March 17, 2021 at 4:00 p.m.**, at the Municipal Building, City Council Chambers located at 409 South Main Street, Harrisonburg, Virginia.


Michael G. Wong
Executive Director

Enclosures

EQUAL HOUSING OPPORTUNITY PROVIDER

HRHA provides reasonable accommodations to persons with disabilities consistent with the Section 504 Final Rule (24 CFR Part 8) and the Fair Housing Amendments Act

AGENDA
Regular Meeting
March 17, 2021

- I. Call to order and determination of quorum
- II. Review and Approval of Minutes
 - February 17, 2021
 - March 2, 2021
- III. Review and Approval Financial Statements
 - February 2021
- IV. Reports
 - A. Executive Director
 1. Public Comment
 2. Lineweaver Apartments Satisfaction Survey
 3. 2020 Commerce Village Audit
 4. Virginia Department of Housing and Community Development Monitoring Review of Harrisonburg Redevelopment and Housing Authority Virginia Homeless Solutions Grant
 5. Approval of Shenandoah Housing and Lineweaver Annex Corporation Board of Directors
 - B. Any New Business/ Old Business
 1. Strategic Initiatives Updates
 - Homeownership and Neighborhood Revitalization
 - Addressing Homelessness and Affordable Housing
 - Improving Organizational Efficiency and Effectiveness
 2. Complaint Process
 - C. Management Reports
 1. Housing Choice Voucher Management Report
 2. J.R. "Polly" Lineweaver/Lineweaver Annex Program Management Report
 3. Franklin Heights Program Management Report
 4. Commerce Village Management Report
 5. Family Self Sufficiency Management Report
 6. Financial Monthly Report & Quarterly Investment Update
 7. Complaints Monthly Report Update

MINUTES

Regular Meeting
February 17, 2021

The Regular Meeting of the Harrisonburg Redevelopment & Housing Authority Board of Commissioners was held on Wednesday February 17 at 4:00 p.m., at the City of Harrisonburg Hall Chambers located at 409 South Main Street, Harrisonburg Virginia.

Those present were:

Costella Forney, Vice Chair
Dany Fleming, Commissioner
Scott Gallagher, Commissioner
Christine Fasching Maphis, Commissioner*
Gil Colman, Commissioner
Luciano Benjamin, Commissioner

Also present were:

Michael G. Wong, Executive Director
Jason Bowman, Attorney

*Participating remotely from her home residence

The Regular Meeting was called to order and quorum declared present by Costella Forney, Vice Chair. Mr. Wong then presented the January minutes for consideration of approval. After a period of discussion, Commissioner Fasching Maphis seconded by Commissioner Benjamin made the motion for approval. The motion was approved with Commissioner Colman abstaining. Mr. Wong then presented the January financials for consideration of approval. After a period of discussion, Commissioner Fleming seconded by Commissioner Gallagher made the motion for approval. The motion was unanimously approved.

Vice Chair Forney then opened the floor for general public comment. No public comment was received. Mr. Wong then presented a resolution approving the Moving to Work(MTW) Amendment to the Annual Contributions contract. He related that although the Board approved the amendment at the January's meeting, Housing and Urban Development(HUD) has requested a resolution in addition to the signed amendment. After a period of discussion, Commissioner Fleming seconded by Commissioner Fasching Maphis made the motion approving the amendment and authorizing Mr. Wong to sign on behalf of the Authority. A roll call was taken and the motion was unanimously approved.

Costello Forney, Vice Chairman	Aye
Scott Gallagher, Commissioner	Aye
Dany Fleming, Commissioner	Aye
Christine Fasching Maphis, Commissioner	Aye
Luciano Benjamin, Commissioner	Aye

Kevin Coffman, Commissioner
Gil Colman, Commissioner

Absent
Aye

Mr. Wong then presented the Authority's 2020 Financial Assessment SubSystem for consideration of approval. He related of the financial assessment is submitted to HUD on an annual basis and is a component within the audit review. He stated that overall the Authority's financial position continues to improve with reduced debt servicing and increased revenue during 2020. He also requested approval for budget overruns to the Local Community Development and the Housing Choice Voucher program. He related of the overruns occurring due to unanticipated funding received due to COVID with expenses not included in the budget. Some of the additional expenses included costs associated in assisting extension of services for thermal shelters and funding to support the Housing Choice Voucher landlord recruitment and retention program. After a period of discussion Commissioner Gallagher seconded by Commissioner Benjamin made the motion approving the financial submission and resolution approving the budget overruns. The motion was unanimously approved.

Mr. Wong then presented bid proposals for refinancing of the Forkovitch properties. He related of the Authority purchasing the property in 2010 through owner financing of 1.3 million and a United Bank loan of 1.2 million for renovation. Due to prepayment penalties, 2021 was the first availability to refinance. Currently the Authority owes combined 1.59 million and the RFP reflects that amount. He stated of sending the proposal to 5 banks with two responses, Bank of the James and Truist (formerly Sun Trust Bank). He stated of the proposal being competitive and recommended the Bank of James proposal of 2.40% for the first 5 years due to the flexibility in prepayment. After a period of discussion, Commissioner Fleming seconded by Commissioner Colman made the motion accepting the Bank of James refinancing proposal of 2.40% for the initial 5-year term. A roll call was taken and the motion was approved.

Costello Forney, Vice Chairman	Aye
Scott Gallagher, Commissioner	Aye
Dany Fleming, Commissioner	Aye
Christine Fasching Maphis, Commissioner	Abstain
Luciano Benjamin, Commissioner	Aye
Kevin Coffman, Commissioner	Absent
Gil Colman, Commissioner	Aye

Mr. Wong then provided a proposal from the Arts Council of the Valley(ACV) to cost share in the installation of a two new heat pumps with bipolar ionization purification system at Court Square Theater. He provided a brief history of the Theater and the recent termination of the lease with ACV due to COVID and loss of City funding. He related of the proposed ACV's plan to apply for funding from the City and look at the possibility of reopening the theater in late summer and early fall. He stated the upgrade and installation of an air filtration system will assist in opening the theater. After a period of discussion, Commissioner Fleming seconded by Commissioner Colman made the motion approving the 50/50 cost share contingent on the ACV obtaining their share of the costs. The motion was unanimously approved.

Mr. Wong then expressed his thanks for the Commissioners willingness to accommodate a special meeting to approve an inducement resolution to issue bonds for Bellword Crossing.

Mr. Wong then provided a brief update on the Authority's strategic initiatives. He related of staff holding regular MTW work group meetings. Meeting focus is on developing and refining the processes and procedures for the proposed MTW activities, creating a plan for stakeholder involvement, and development of an implementation schedule.

Mr. Wong then related of the resignation of Chairman Hall in December and the need to establish new officers for the Board. Vice Chair Forney then made the motion nominating Dany Fleming for Chairperson. The motion was seconded by Commissioner Gallagher and after a period of discussion, the motion was unanimously approved.

Mr. Wong then provided a brief update and overview of the program reports. Commissioner Fasching Maphis seconded by Commissioner Gallagher then made the motion to approve the management reports and to adjourn. The motion was unanimously approved.

Michael G. Wong
Executive Director

Dany Fleming
Chair

MINUTES

Special Meeting
March 2, 2021

A special meeting of the Harrisonburg Redevelopment & Housing Authority Board of Commissioners was held on Tuesday March 2 at 4:00 p.m., at the City of Harrisonburg Hall Chambers located at 409 South Main Street, Harrisonburg Virginia.

Those present were:

Dany Fleming, Chair
Costella Forney, Vice Chair
Scott Gallagher, Commissioner*
Christine Fasching Maphis, Commissioner
Gil Colman, Commissioner
Luciano Benjamin, Commissioner

Also present were:

Michael G. Wong, Executive Director
Melisa Michelsen, Attorney

*Participating remotely from his home residence

The special meeting was called to order and a quorum was declared present by Dany Fleming Chair. Chairman Fleming then open the meeting for public comment. No comment was received.

Mr. Wong then presented an inducement resolution for the issuance of multifamily revenue bonds for an affordable housing project in Chesterfield County Virginia. Mr. Wong related that through Title 36 of the code of Virginia, the Authority has the ability to issue private 4% activity bonds for affordable housing projects. He stated of the Authority being an active issuer since the 1980's. He related that the activity assists in the development and preservation of affordable housing in jurisdictions which do not have a housing authority and an opportunity for the Authority to earn fees to support local community development activities. He stated of the proposed project will develop approximately 102 units on a blighted property located on Jefferson Davis Highway in Chesterfield County. He stated of the applicant has significant affordable housing development experience, has developed projects nationally with this being their first in Virginia.

Chairman Fleming related of talking with the economic development director of Chesterfield County. He stated of the project addressing a blighted piece of property that the locality has been in discussion on for several years. Chairman Fleming then open the meeting for public comment. Hearing none, the public comment period was closed. Commissioner Fasching Maphis seconded by Commissioner Benjamin then made the motion approving the resolution. After a period of discussion, a roll call was taken and the motion was unanimously approved.

Dany Fleming, Chairman	Aye
Costello Forney, Vice Chairman	Aye
Scott Gallagher, Commissioner	Aye
Dany Fleming, Commissioner	Aye
Christine Fasching Maphis, Commissioner	Aye
Luciano Benjamin, Commissioner	Aye
Kevin Coffman, Commissioner	Absent
Gil Colman, Commissioner	Aye

Commissioner Benjamin then requested a discussion on establishing an online complaint form. Melisa Michelsen related that due to this being a special meeting and that the item was not listed on the agenda, she recommended that the discussion be postponed till the next scheduled regular meeting. The commissioners agreed to review the current grievance procedures with the complaint process to be an agenda item for the next board meeting.

Commissioner Fasching Maphis seconded by Commissioner Benjamin then made the motion to approve the management reports and to adjourn. The motion was unanimously approved.

Michael G. Wong
Executive Director

Dany Fleming
Chair

LOCAL COMMUNITY DEVELOPMENT (LCD)
Statement of Revenues, Expenses, and Changes in Fund Equity
For the Month of February 2021

	Annual Budget	Monthly Budget	Total This Month	Actual To Date	Budget To Date	Over/(Under) To Date
Receipts:						
3410 HMIS COC Homelessness Grant-18	84,072.00	7,006.00	0 00	0.00	14,012.00	(14,012.00)
3410 VHSP-VA Hsg Solutions Prgm Grant	59,391.00	4,949.25	0 00	0.00	9,898.50	(9,898.50)
3410 COC Planning Grant Funds	21,161.00	1,763.42	0 00	0.00	3,526.83	(3,526.83)
3410 VHSP-COVID-19 ESO Grant	0 00	0.00	(16,844.53)	23,074.00	0 00	23,074.00
3610 Interest Income	0 00	0.00	9.67	19.54	0 00	19.54
3690 Developer's Fees/Other Income	130,000.00	10,833.33	0 00	0.00	21,666.67	(21,666.67)
3690 Admin. Fees	0 00	0.00	0 00	0.00	0 00	0 00
3690 Application Fees	15,000.00	1,250.00	0 00	0.00	2,500.00	(2,500.00)
3690 Lease Income	4,800.00	400.00	0 00	400.00	800.00	(400.00)
3690 Management Fees-CV	10,000.00	833.33	872.63	1,743.79	1,666.67	77.12
3690 BPort Net Receipts	187,590.00	15,632.50	13,952.52	27,905.04	31,265.00	(3,359.96)
3690 Lineweaver Apts. Net Receipts	378,740.00	31,561.67	30,178.12	61,110.05	63,123.33	(2,013.28)
Total Receipts	890,754.00	74,229.50	28,168.41	114,252.42	148,459.00	(34,206.58)
Expenses:						
Administration						
4110 Adm Salaries	136,850.00	11,404.17	10,882.38	21,968.81	22,808.33	(839.52)
4540 Adm Benefits	41,900.00	3,491.67	3,334.77	3,407.98	6,983.33	(3,575.35)
4130 Legal Expense	5,000.00	416.67	(125.00)	1,876.00	833.33	1,042.67
4140 Staff Training	3,000.00	250.00	0 00	0.00	500.00	(500.00)
4150 Travel	5,000.00	416.67	400.00	800.00	833.33	(33.33)
4171 Auditing Fees	4,000.00	333.33	0 00	0.00	666.67	(666.67)
4190 Sundry-Admin Exp.	22,400.00	1,866.67	831.40	2,735.46	3,733.33	(997.87)
4190 VHSP-COVID-19 ESO Grant	0 00	0.00	0 00	23,074.00	0 00	23,074.00
4190 VHSP-VA Hsg Solutions Prgm Grant	59,391.00	4,949.25	4,640.21	8,525.54	9,898.50	(1,372.96)
4190 VHDA COC COVID-19 Grant	0 00	0.00	0 00	0.00	0 00	0 00
4190 COC Planning Grant Funds	21,161.00	1,763.42	0 00	0.00	3,526.83	(3,526.83)
4190 HMIS Match for Grant Funds	10,000.00	833.33	180.04	1,406.49	1,666.67	(260.18)
4190 Community Donations (OpDir/COC, etc)	15,000.00	1,250.00	10,000.00	10,000.00	2,500.00	7,500.00
4190 HMIS Homeless Assistance-19	84,072.00	7,006.00	5,125.85	9,410.53	14,012.00	(4,601.47)
Total Administration	407,774.00	33,981.17	35,269.65	83,204.81	67,962.33	15,242.48
Utilities						
4310 Water-CST	0 00	0 00	37.70	75.40	0 00	75.40
4320 Electric	3,200.00	266.67	63.36	172.04	533.33	(361.29)
4330 Gas	1,800.00	150.00	33.32	67.78	300.00	(232.22)
4390 Sewer-CST	0 00	0 00	54.28	108.56	0 00	108.56
Total Utilities	5,000.00	416.67	188.66	423.78	833.33	(409.55)
Maintenance						
4410 Maintenance Salaries	35,575.00	2,964.58	2,377.99	4,932.99	5,929.17	(996.18)
4540 Maintenance Benefits	9,600.00	800.00	642.50	1,054.38	1,600.00	(545.62)
4420 Materials	4,000.00	333.33	261.59	421.35	666.67	(245.32)
4430 Contract Costs	6,000.00	500.00	213.29	1,612.55	1,000.00	612.55
Total Maintenance	55,175.00	4,597.92	3,495.37	8,021.27	9,195.83	(1,174.56)
General						
4510 Insurance	8,600.00	716.67	554.49	2,118.17	1,433.33	684.84
4570 Collection Loss/Bad Debt Expens	0 00	0 00	0 00	0 00	0 00	0 00
4580 Real Estate Taxes (CST)	6,000.00	500.00	0 00	0 00	1,000.00	(1,000.00)
4000 Bport Expenses	34,600.00	2,883.33	(2,868.44)	6,350.91	5,766.67	584.24
4000 Lineweaver Apartments Expenses	373,590.00	31,132.50	26,285.57	57,213.16	62,265.00	(5,051.84)
Total General	422,790.00	35,232.50	23,971.62	65,682.24	70,465.00	(4,782.76)
TOTAL EXPENSES	890,739.00	74,228.25	62,925.30	157,332.10	148,456.50	8,875.60
TOTAL RECEIPTS TO DATE						114,252.42
TOTAL EXPENSES TO DATE						157,332.10
TOTAL RECEIPTS LESS TOTAL EXPENSES TO DATE-Income/Loss						(43,079.68)


Michael G. Wong, Executive Director

Date

LINEWEAVER ANNEX APARTMENTS
Statement of Revenues, Expenses, and Changes in Fund Equity
Attachment A
For the Month of February 2021

	Annual Budget	Monthly Budget	Total This Month	Actual To Date	Budget To Date	Over/(Under) To Date
Receipts:						
3110 Rental Income	222,264.00	18,522.00	16,483.00	33,428.00	37,044.00	(3,616.00)
3410 HAP Funding	148,176.00	12,348.00	13,517.00	26,482.00	24,696.00	1,786.00
3690 Other Income-Laundry	3,800.00	316.67	144.12	436.05	633.33	(197.28)
3690 Other Income-Late fees,workordr	4,500.00	375.00	34.00	764.00	750.00	14.00
Total Receipts	378,740.00	31,561.67	30,178.12	61,110.05	63,123.33	(2,013.28)
Expenses:						
Administration:						
4110 Adm Salaries	81,300.00	6,775.00	5,661.74	11,323.48	13,550.00	(2,226.52)
4540 Adm Benefits	23,650.00	1,970.83	1,890.63	2,923.99	3,941.67	(1,017.68)
4130 Legal Fees	1,000.00	83.33	(1,348.12)	0.00	166.67	(166.67)
4140 Staff Training	1,000.00	83.33	0.00	0.00	166.67	(166.67)
4150 Travel	1,000.00	83.33	0.00	0.00	166.67	(166.67)
4171 Auditing	1,200.00	100.00	0.00	0.00	200.00	(200.00)
4190 Sundry	15,300.00	1,275.00	394.00	928.73	2,550.00	(1,621.27)
Total Administration	124,450.00	10,370.83	6,598.25	15,176.20	20,741.67	(5,565.47)
Tenant Services:						
4240 Tenant Services-Other	1,000.00	83.33	13.24	13.24	166.67	(153.43)
Total Tenant Serv.	1,000.00	83.33	13.24	13.24	166.67	(153.43)
Utilities:						
4310 Water	8,300.00	691.67	937.17	2,129.34	1,383.33	746.01
4320 Electricity	60,000.00	5,000.00	7,166.56	13,846.05	10,000.00	3,846.05
4390 Sewer	23,970.00	1,997.50	2,148.60	4,706.40	3,995.00	711.40
Total Utilities	92,270.00	7,689.17	10,252.33	20,681.79	15,378.33	5,303.46
Maintenance:						
4410 Maintenance Salaries	54,350.00	4,529.17	4,335.04	8,556.27	9,058.33	(502.06)
4540 Maintenance Benefits	15,850.00	1,320.83	921.98	1,552.60	2,641.67	(1,089.07)
4420 Materials	18,000.00	1,500.00	625.59	1,531.15	3,000.00	(1,468.85)
4430 Contract Costs	50,000.00	4,166.67	2,945.51	8,387.89	8,333.33	54.56
Total Maintenance	138,200.00	11,516.67	8,828.12	20,027.91	23,033.33	(3,005.42)
General Expenses:						
4510 Insurance Expenses	7,670.00	639.17	593.63	1,314.02	1,278.33	35.69
4570 Collection Loss	10,000.00	833.33	0.00	0.00	1,666.67	(1,666.67)
Total General Exp.	17,670.00	1,472.50	593.63	1,314.02	2,945.00	(1,630.98)
TOTAL EXPENSES	373,590.00	31,132.50	26,285.57	57,213.16	62,265.00	(5,051.84)
TOTAL RECEIPTS TO DATE						61,110.05
TOTAL EXPENSES TO DATE						57,213.16
TOTAL RECEIPTS LESS TOTAL EXPENSES TO DATE-Income/Loss						3,896.89

I CERTIFY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT
TO THE BEST OF MY KNOWLEDGE AND BELIEF



Lisa Benasher, Lineweaver Manager



Date

BRIDGEPORT COMPLEX
Statement of Revenues, Expenses, and Changes in Fund Equity
Attachment B
For the Month of February 2021

	Annual Budget	Monthly Budget	Total This Month	Actual To Date	Budget To Date	Over/(Under) To Date
Receipts:						
3690 Rental Income	187,590.00	15,632.50	13,952.52	27,905.04	31,265.00	(3,359.96)
3690 Other Income	0.00	0.00	0.00	0.00	0.00	0.00
Total Receipts	187,590.00	15,632.50	13,952.52	27,905.04	31,265.00	(3,359.96)
Expenses:						
Operations						
4130 Legal Expenses	1,000.00	83.33	0.00	0.00	166.67	(166.67)
4190-Sundry-Phone	600.00	50.00	42.37	84.74	100.00	(15.26)
Total Op. Expenses	1,600.00	133.33	42.37	84.74	266.67	(181.93)
Utilities:						
4310 Water	1,200.00	100.00	0.00	0.00	200.00	(200.00)
4320 Electricity	0.00	0.00	0.00	0.00	0.00	0.00
4330 Gas	0.00	0.00	0.00	0.00	0.00	0.00
4310 Sewer	0.00	0.00	0.00	0.00	0.00	0.00
Total Utilities	1,200.00	100.00	0.00	0.00	200.00	(200.00)
Maintenance:						
4420 Materials	3,000.00	250.00	0.00	0.00	500.00	(500.00)
4430 Contract Costs	12,000.00	1,000.00	(4,382.16)	3,316.11	2,000.00	1,316.11
Total Maintenance	15,000.00	1,250.00	(4,382.16)	3,316.11	2,500.00	816.11
General Expenses:						
4510 Insurance Expenses	0.00	0.00	0.00	0.00	0.00	0.00
4580 Interst Expense	16,800.00	1,400.00	1,471.35	2,950.06	2,800.00	150.06
Total General Exp.	16,800.00	1,400.00	1,471.35	2,950.06	2,800.00	150.06
TOTAL EXPENSES	34,600.00	2,883.33	(2,868.44)	6,350.91	5,766.67	584.24
TOTAL RECEIPTS TO DATE						27,905.04
TOTAL EXPENSES TO DATE						6,350.91
TOTAL RECEIPTS LESS TOTAL EXPENSES TO DATE-Income/Loss						21,554.13

I CERTIFY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT
TO THE BEST OF MY KNOWLEDGE AND BELIEF



Michael G. Wong
Executive Director



Date

Please note: A principal payment to Bank of the James was made in the amount of \$2,136.79 for a total of \$4,266.22 for this fiscal year.

Housing Choice Voucher Program (HCV)
Statement of Revenues, Expenses, and Changes in Fund Equity
For the Month of February 2021

	Annual Budget	Monthly Budget	Total This Month	Actual To Date	Budget To Date	Over/(Under) To Date
Receipts						
3300RC Adm-Fraud/Abuse/Set Off De	7,000.00	583.33	5.00	10.00	1,166.67	(1,156.67)
3300RC HAP-Fraud/Abuse/Set Off De	7,000.00	583.33	5.00	10.00	1,166.67	(1,156.67)
3300 FSS Fort.	2,000.00	166.67	0.00	0.00	333.33	(333.33)
3300 Portability Fee Income	0.00	0.00	0.00	0.00	0.00	0.00
3610 Interest-HAP	0.00	0.00	0.00	0.00	0.00	0.00
3610 Interest-Adm	0.00	0.00	0.00	0.00	0.00	0.00
3410 HCV FSS Grant Funds	35,103.00	2,925.25	2,925.25	2,925.25	5,850.50	(2,925.25)
3410 HCV HAP Payment-Adm Fees	531,060.00	44,255.00	60,937.73	124,014.13	88,510.00	35,504.13
3410 HCV HAP Payment-HAP Fees	5,933,400.00	494,450.00	507,893.00	1,015,786.00	986,900.00	26,886.00
Total Receipts	6,515,563.00	542,963.58	571,765.98	1,142,745.38	1,085,927.17	56,818.21
Expenses						
Administration						
4110 Adm Salaries	312,023.00	26,001.92	27,982.84	55,424.93	52,003.83	3,421.10
4110 FSS Salaries (grant portion)	35,103.00	2,925.25	2,925.25	5,850.50	5,850.50	0.00
4540 Adm/FSS Benefits	103,200.00	8,600.00	9,923.55	15,208.15	17,200.00	(1,991.85)
4130 Legal Fees	5,000.00	416.67	0.00	1,285.50	833.33	452.17
4140 Staff Training	5,000.00	416.67	0.00	0.00	833.33	(833.33)
4150 Travel	5,000.00	416.67	0.00	0.00	833.33	(833.33)
4171 Auditing Fees	6,940.00	578.33	0.00	0.00	1,156.67	(1,156.67)
4190 Sundry/Rent & Utility Adj	60,000.00	5,000.00	3,388.83	11,880.31	10,000.00	1,880.31
4190.2 Portability Fees	5,000.00	416.67	154.00	308.00	833.33	(525.33)
4190.3 Rent/Utility Adjustments	0.00	0.00	18.00	36.00	0.00	36.00
4190.4 LL Incentives-CARES Act	0.00	0.00	2,500.00	4,500.00	0.00	4,500.00
Total Administration	537,266.00	44,772.17	46,892.47	94,493.39	89,544.33	4,949.06
Utilities						
4310 Water	0.00	0.00	0.00	0.00	0.00	0.00
4320 Electric	4,000.00	333.33	515.66	922.83	666.67	256.16
4330 Gas	2,000.00	166.67	418.28	856.70	333.33	523.37
4390 Sewer	0.00	0.00	0.00	0.00	0.00	0.00
Total Utilities	6,000.00	500.00	933.94	1,779.53	1,000.00	779.53
Maintenance						
4420 Maintenance Salaries	0.00	0.00	0.00	0.00	0.00	0.00
4540 Maintenance Benefits	0.00	0.00	0.00	0.00	0.00	0.00
4420 Materials	0.00	0.00	0.00	0.00	0.00	0.00
4430 Contract Costs (Unit Inspections)	0.00	0.00	0.00	0.00	0.00	0.00
Total Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
General						
4510 Insurance	7,700.00	856.33	559.22	1,178.36	1,712.66	(534.30)
4570 Collection Loss	0.00	0.00	0.00	0.00	0.00	0.00
4715 HAP Portability In	0.00	0.00	0.00	0.00	0.00	0.00
Total	7,700.00	856.33	559.22	1,178.36	1,712.66	(534.30)
Total Expenses (excluding HAP)	550,966.00	46,128.50	48,385.63	97,451.28	92,256.99	5,194.29
4715 HAP	5,942,400.00	495,200.00	473,865.00	938,435.00	990,400.00	(51,965.00)
4715 UAP	0.00	0.00	11,682.00	23,389.00	0.00	23,389.00
4718 FSS Escrow	0.00	0.00	5,362.00	10,670.00	0.00	10,670.00
HAP Total	5,942,400.00	495,200.00	490,909.00	972,494.00	990,400.00	(17,906.00)
Total Expenses	6,493,366.00	541,328.50	539,294.63	1,069,945.28	1,082,656.99	(12,711.71)
TOTAL RECEIPTS TO DATE						1,142,745.38
TOTAL EXPENSES TO DATE						1,069,945.28
TOTAL RECEIPTS LESS TOTAL EXPENSES TO DATE-Net Income/Loss						72,800.10
					Adm Funds	29,498.10
					HAP Funds	43,302.00

I CERTIFY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT
TO THE BEST OF MY KNOWLEDGE AND BELIEF


Liz Webb, Housing Choice Voucher Mgr

3/11/21
Date

J. R. "POLLY" LINEWEAVER (JRL)
Statement of Revenues, Expenses, and Changes in Fund Equity
For the Month of February 2021

	Annual Budget	Monthly Budget	Total This Month	Actual To Date	Budget To Date	Over/(Under) To Date
Receipts:						
3110 Dwelling Rent	184,248.00	15,354.00	14,891.25	30,239.76	30,708.00	(468.24)
3410 HAP Funding	276,372.00	23,031.00	20,622.00	41,954.00	46,062.00	(4,108.00)
3410 Service Coord Grant-2020	67,105.00	5,592.08	0.00	0.00	11,184.17	(11,184.17)
3690 Other Income-Laundry	3,800.00	316.67	144.13	436.08	633.33	(197.25)
3690 Other Income-Late fees,w/orders	12,000.00	1,000.00	671.00	847.00	2,000.00	(1,153.00)
Total Receipts	543,525.00	45,293.75	36,328.38	73,476.84	90,587.50	(17,110.66)
Expenses:						
Administration						
4110 Adm Salaries	50,955.00	4,246.25	3,327.34	6,654.68	8,492.50	(1,837.82)
4540 Adm Benefits	17,800.00	1,483.33	1,271.41	1,903.77	2,966.67	(1,062.90)
4130 Legal Fees	0.00	0.00	0.00	1,020.15	0.00	1,020.15
4140 Staff Training	0.00	0.00	0.00	0.00	0.00	0.00
4150 Travel	0.00	0.00	0.00	0.00	0.00	0.00
4171 Auditing Fees	1,200.00	100.00	0.00	0.00	200.00	(200.00)
4190 Sundry	7,500.00	625.00	444.35	1,028.46	1,250.00	(221.54)
Total Administration	77,455.00	6,454.58	5,043.10	10,607.06	12,909.17	(2,302.11)
Tenant Services:						
4220-40 Service Coord Grant-2019	67,105.00	5,592.08	4,195.37	4,237.37	11,184.17	(6,946.80)
4230 Tenant Services-Other	1,000.00	83.33	0.00	0.00	166.67	(166.67)
Total Tenant Serv.	68,105.00	5,675.42	4,195.37	4,237.37	11,350.83	(7,113.46)
Utilities:						
4310 Water	8,000.00	666.67	678.51	1,357.02	1,333.33	23.69
4320 Electric	65,000.00	5,416.67	7,998.91	15,023.66	10,833.33	4,190.33
4390 Sewer	25,000.00	2,083.33	1,755.22	3,510.44	4,166.67	(656.23)
Total Utilities	98,000.00	8,166.67	10,432.64	19,891.12	16,333.33	3,557.79
Maintenance:						
4410 Maintenance Salaries	40,740.00	3,395.00	3,638.35	6,814.77	6,790.00	24.77
4540 Maintenance Benefits	10,020.00	835.00	617.44	1,063.75	1,670.00	(606.25)
4420 Materials	12,000.00	1,000.00	534.48	1,438.46	2,000.00	(561.54)
4430 Contract	41,000.00	3,416.67	2,640.88	12,360.66	6,833.33	5,527.33
Total Maintenance	103,760.00	8,646.67	7,431.15	21,677.64	17,293.33	4,384.31
General:						
4510 Insurance	8,500.00	708.33	791.86	1,645.97	1,416.67	229.30
4570 Collection Loss	0.00	0.00	0.00	0.00	0.00	0.00
4580 United Bank/VCC Interest	36,575.00	3,047.92	2,858.63	6,264.71	6,095.83	168.88
Total General	45,075.00	3,756.25	3,650.49	7,910.68	7,512.50	398.18
TOTAL EXPENSES	392,395.00	32,699.58	30,752.75	64,323.87	65,399.17	(1,075.30)
TOTAL RECEIPTS TO DATE						73,476.84
TOTAL EXPENSES TO DATE						64,323.87
TOTAL RECEIPTS LESS TOTAL EXPENSES TO DATE-Income/Loss						9,152.97

I CERTIFY THE FOREGOING INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF



Lisa Benasher, Lineweaver Manager



Date

Please note: A principal payment to United Bank was made in the amount of \$6,807.65 a total of 13,568.91 for this fiscal year and a principlaly payment to Virginia Community Capital in the amount of \$5,431.39 for a total of \$5,431.39 for this fiscal year.

FRANKLIN HEIGHTS, LLC
Statement of Revenues, Expenses, and Changes in Fund Equity
For the Month of February 2021

	Annual Budget	Monthly Budget	Total This Month	Actual To Date	Budget To Date	Over/(Under) To Date
Receipts:						
3110 Dwelling Rent	374,025.00	31,168.75	40,707.00	56,256.00	62,337.50	(6,081.50)
3410 HAP Funding	1,122,066.00	93,505.50	84,684.00	191,707.00	187,011.00	4,696.00
3610 Interest Income	900.00	75.00	35.34	76.86	150.00	(73.14)
3690 Other Income-Late fees, etc.	20,000.00	1,666.67	1,525.00	6,453.00	3,333.33	3,119.67
3410 Other Receipts-CDBG Funds	164,000.00	13,666.67	70,000.00	70,000.00	27,333.33	42,666.67
Total Receipts	1,680,991.00	140,082.58	196,951.34	324,492.86	280,165.17	44,327.69
Expenses:						
Administration						
4110 Adm Salaries	227,580.00	18,965.00	12,310.43	25,130.71	37,930.00	(12,799.29)
4540 Adm Benefits	69,475.00	5,789.58	4,796.04	7,646.56	11,579.17	(3,932.61)
4130 Legal Fees	1,000.00	83.33	0.00	0.00	166.67	(166.67)
4140 Staff Training	1,000.00	83.33	0.00	0.00	166.67	(166.67)
4150 Travel	1,500.00	125.00	0.00	0.00	250.00	(250.00)
4171 Auditing Fees	1,800.00	150.00	0.00	0.00	300.00	(300.00)
4190 Sundry	35,000.00	2,916.67	579.65	1,722.23	5,833.33	(4,111.10)
4190 CDBG Down Payment Assistance Program	24,000.00	2,000.00	4,000.00	4,000.00	4,000.00	0.00
Total Administration	361,355.00	30,112.92	21,686.12	38,499.50	60,225.83	(21,726.33)
Tenant Services						
4240 Tenant Services-Recreation	1,000.00	83.33	0.00	0.00	166.67	(166.67)
Total Tenant Services	1,000.00	83.33	0.00	0.00	166.67	(166.67)
Utilities						
4310 Water	0.00	0.00	(610.93)	(629.75)	0.00	(629.75)
4320 Electric	10,000.00	833.33	700.00	1,536.73	1,666.67	(129.94)
4330 Gas	2,000.00	166.67	0.00	0.00	333.33	(333.33)
4390 Sewer	0.00	0.00	346.00	346.00	0.00	346.00
Total Utilities	12,000.00	1,000.00	435.07	1,252.98	2,000.00	(747.02)
Maintenance						
4410 Maintenance Salaries	113,386.00	9,448.83	8,557.03	17,085.69	18,897.67	(1,811.98)
4540 Maintenance Benefits	37,410.00	3,117.50	1,660.46	2,433.56	6,235.00	(3,801.44)
4420 Materials	40,000.00	3,333.33	3,331.30	5,482.24	6,666.67	(1,184.43)
4430 Contract	75,000.00	6,250.00	1,780.52	19,585.65	12,500.00	7,085.65
Total Maintenance	265,796.00	22,149.67	15,329.31	44,587.14	44,299.33	287.81
General						
4510 Insurance	25,000.00	2,083.33	1,840.39	3,877.97	4,166.67	(288.70)
4570 Collection Loss	15,000.00	1,250.00	0.00	0.00	2,500.00	(2,500.00)
4590 Real Estate Taxes	25,000.00	2,083.33	0.00	0.00	4,166.67	(4,166.67)
4580 Interest Expense-HHR	84,600.00	7,050.00	0.00	42,300.00	14,100.00	28,200.00
4580 Interest Expense-FH	111,625.00	9,302.08	0.00	55,812.50	18,604.17	37,208.33
4580 Interest Expense-FORK(UB)	25,544.00	2,128.67	2,009.08	4,050.76	4,257.33	(206.57)
4580 Interest Expense-FORK(Seller Fin)	38,991.00	3,249.25	3,348.63	6,718.96	6,498.50	220.46
Total General	325,760.00	27,146.67	7,198.10	112,760.19	54,293.33	58,466.86
TOTAL EXPENSES	965,911.00	80,492.58	44,648.60	197,099.81	160,985.17	36,114.64
TOTAL RECEIPTS TO DATE						324,492.86
TOTAL EXPENSES TO DATE						197,099.81
TOTAL RECEIPTS LESS TOTAL EXPENSES TO DATE-Net Income/Loss						127,393.05

I CERTIFY THE FOREGOING INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Nehemias Velez, FH Manager

3/12/21
Date

Please note P/I payments below:	Debt Pymts Due	Debt Pymts YTD	Debt Pymts Outstanding	
HHR 2006/14 Go Bond Payment	219,600	42,300	177,300	135000
FH 2009/11 Go Bond Payment	446,625	55,813	390,813	335000
United Bank-Forkovitch Units	84,512	13,586	70,926	58968
Seller Financed-Forkovitch Family	102,953	17,158	85,795	63962
Total	853,690	128,857	724,834	

COMMERCE VILLAGE LLC (CVO)
Statement of Revenues, Expenses, and Changes in Fund Equity
For the Month of February 2021

	Annual Budget	Monthly Budget	Total This Month	Actual To Date	Budget To Date	Over/(Under) To Date
Receipts:						
3110 Rental Income	102,224.00	8,518.67	7,949.00	16,232.00	17,037.33	(805.33)
3410 HAP Funding	102,224.00	8,518.67	8,641.00	16,920.00	17,037.33	(117.33)
3610 Interest (Replacement&Operatir	400.00	33.33	4.21	8.92	66.67	(57.75)
3690 Other Income-Laundry&Donatio	2,000.00	166.67	47.25	174.38	333.33	(158.95)
3690 Other Inc-Late fees,workorders	3,000.00	250.00	(10.00)	20.00	500.00	(480.00)
Total Receipts	209,848.00	17,487.33	16,631.46	33,355.30	34,974.67	(1,619.37)
Expenses:						
Administration:						
4110 Adm Salaries	21,600.00	1,800.00	1,512.06	3,024.10	3,600.00	(575.90)
4540 Adm Benefits	7,500.00	625.00	510.68	782.27	1,250.00	(467.73)
4130 Legal Fees	0.00	0.00	0.00	0.00	0.00	0.00
4140 Staff Training	500.00	41.67	0.00	0.00	83.33	(83.33)
4150 Travel	0.00	0.00	0.00	0.00	0.00	0.00
4171 Auditing	0.00	0.00	0.00	0.00	0.00	0.00
4190 Sundry	4,600.00	383.33	421.84	904.57	766.67	137.90
4190 Sundry-Management fees	10,000.00	833.33	872.63	1,743.79	1,666.67	77.12
4190 Sundry-HCC fees	6,400.00	533.33	6,566.97	6,566.97	1,066.67	5,500.30
Total Administration	50,600.00	4,216.67	9,884.18	13,021.70	8,433.33	4,588.37
Tenant Services:						
4240-Case Mgt/Peer Counseling	20,000.00	1,666.67	0.00	0.00	3,333.33	(3,333.33)
4240 Tenant Services-Client	1,500.00	125.00	555.00	555.00	250.00	305.00
Total Tenant Serv	21,500.00	1,791.67	555.00	555.00	3,583.33	(3,028.33)
Utilities:						
4310 Water	4,300.00	358.33	355.41	710.82	716.67	(5.85)
4320 Electricity	20,000.00	1,666.67	1,612.12	3,143.91	3,333.33	(189.42)
4330 Gas	2,100.00	175.00	163.37	345.32	350.00	(4.68)
4390 Sewer	11,650.00	970.83	849.30	1,698.60	1,941.67	(243.07)
Total Utilities	38,050.00	3,170.83	2,980.20	5,898.65	6,341.67	(443.02)
Maintenance:						
4410 Maintenance Salaries	15,450.00	1,287.50	1,112.78	2,669.48	2,575.00	94.48
4540 Maintenance Benefits	3,550.00	295.83	204.87	361.33	591.67	(230.34)
4420 Materials	2,500.00	208.33	98.18	320.41	416.67	(96.26)
4430 Contract Costs	15,000.00	1,250.00	977.60	4,050.00	2,500.00	1,550.00
Total Maintenance	36,500.00	3,041.67	2,393.43	7,401.22	6,083.33	1,317.89
General Expenses:						
4510 Insurance Expenses	2,800.00	233.33	238.78	483.74	466.67	17.07
4570 Collection Loss	500.00	41.67	0.00	0.00	83.33	(83.33)
4580 Interest Expense	16,380.00	1,365.00	1,365.00	2,730.00	2,730.00	0.00
4590 Real Estate Taxes	24.00	2.00	1.01	2.02	4.00	(1.98)
1162 Replacement Reserve Acct	9,000.00	750.00	750.00	1,500.00	1,500.00	0.00
Total General Exp	28,704.00	2,392.00	2,354.79	4,715.76	4,784.00	(68.24)
TOTAL EXPENSES	175,354.00	14,612.83	18,167.60	31,592.33	29,225.67	2,366.66
TOTAL RECEIPTS TO DATE						33,355.30
TOTAL EXPENSES TO DATE						31,592.33
TOTAL RECEIPTS LESS TOTAL EXPENSES TO DATE-Income/Loss						1,762.97

I CERTIFY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT
TO THE BEST OF MY KNOWLEDGE AND BELIEF


Sandra Lowther, Commerce Village Manager

3-11-2021
Date

AUDITED FINANCIAL STATEMENTS

OF

COMMERCE VILLAGE, L.L.C.

DECEMBER 31, 2020

AUDITED FINANCIAL STATEMENTS

OF

COMMERCE VILLAGE, L.L.C.

DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Members
of Commerce Village, L.L.C.

Opinion

We have audited the accompanying financial statements of Commerce Village, L.L.C. (the Company), which comprise the balance sheet as of December 31, 2020, and the related statements of income, members' capital, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 15 to 20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Responsibilities of Management for the Financial Statements

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

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

**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



Dooley & Vicars
Certified Public Accountants

Richmond, Virginia
March 3, 2021

**COMMERCE VILLAGE, L.L.C.
BALANCE SHEET
AS OF DECEMBER 31, 2020**

ASSETS

Current Assets

Cash	\$ 160,992
Accounts Receivable - Tenant, Net Allowance of \$124	1,823
Prepaid Insurance	987
Total Current Assets	<u>163,802</u>

Deposits and Funded Reserves

Tenant Security Deposits	15,346
Escrow Deposits	1,268
Reserve for Replacements	44,786
Operating Reserve	130,727
Total Deposits and Funded Reserves	<u>192,127</u>

Fixed Assets

Land	300,000
Land Improvements	425,796
Buildings	3,159,823
Furnishings	95,857
Accumulated Depreciation	(601,392)
Total Fixed Assets	<u>3,380,084</u>

TOTAL ASSETS	<u>\$ 3,736,013</u>
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**COMMERCE VILLAGE, L.L.C.
BALANCE SHEET
AS OF DECEMBER 31, 2020
(CONTINUED)**

LIABILITIES AND MEMBERS' CAPITAL

Current Liabilities

Accounts Payable	\$ 3,228
Accounts Payable - Due to Affiliate	70,558
Accrued Expenses	2,564
Prepaid Rent	1,087
Total Current Liabilities	<u>77,437</u>

Other Liabilities

Tenant Security Deposit Liability	15,346
Total Other Liabilities	<u>15,346</u>

Long-Term Liabilities

Developer Fee Payable	10,000
VH Mortgage Payable	1,092,000
Notes Payable	358,000
Long-Term Interest Payable	57,102
Less: Deferred Loan Cost, Net Accumulated Amortization of \$8,612	(12,679)
Total Long-Term Liabilities	<u>1,504,423</u>

Total Liabilities	<u>1,597,206</u>
-------------------	------------------

Members' Capital

Commerce Village Management, L.L.C.	(44)
VAHM, L.L.C.	(5)
Housing Equity Fund of Virginia XVIII, L.L.C.	2,138,856
Total Members' Capital	<u>2,138,807</u>

TOTAL LIABILITIES AND MEMBERS' CAPITAL	<u>\$ 3,736,013</u>
--	---------------------

COMMERCE VILLAGE, L.L.C.
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

Revenues

Rental Income	\$ 201,579
Interest Income	307
Other Income	4,192
	<u>206,078</u>

Expenses

Administrative	46,978
Management Fee	10,603
Utilities	19,735
Operating and Maintenance	33,699
Real Estate Taxes	12
Property and Liability Insurance	2,677
Miscellaneous Taxes and Insurance	10,977
Interest and Financial	28,304
Depreciation	126,553
	<u>279,538</u>
 NET INCOME (LOSS)	 <u>\$ (73,460)</u>

**COMMERCE VILLAGE, L.L.C.
STATEMENT OF MEMBERS' CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Commerce Village Management, L.L.C.	VAHM, L.L.C.	Housing Equity Fund of Virginia XVIII, L.L.C.	TOTAL
Percentage of Ownership	0.009%	0.001%	99.990%	100.000%
Balance at Beginning of Year	\$ (37)	\$ (4)	\$ 2,212,308	\$ 2,212,267
Income (Loss)	<u>(7)</u>	<u>(1)</u>	<u>(73,452)</u>	<u>(73,460)</u>
BALANCE AT END OF YEAR	<u><u>\$ (44)</u></u>	<u><u>\$ (5)</u></u>	<u><u>\$ 2,138,856</u></u>	<u><u>\$ 2,138,807</u></u>

The accompanying notes are an integral part of these financial statements.

COMMERCE VILLAGE, L.L.C.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

Cash Flows from Operating Activities

Rental Receipts	\$ 200,917
Interest Receipts	307
Other Receipts	4,192
Total Income	<u>205,416</u>
Administrative Expenses	17,398
Management Fees	10,603
Utilities	19,735
Salaries and Wages	42,040
Operating and Maintenance	24,293
Real Estate Taxes	12
Property and Liability Insurance	2,725
Misc. Taxes, Licenses, and Permits	10,977
Tenant Security Deposits	(146)
Interest on Mortgages and Notes	16,380
Total Expenses	<u>144,017</u>
Net Cash Provided By (Used In) Operating Activities	<u>61,399</u>
Net Increase/(Decrease) in Cash	61,399
Cash - Beginning of Year	<u>291,720</u>
CASH - END OF YEAR	<u><u>\$ 353,119</u></u>

The accompanying notes are an integral part of these financial statements.

COMMERCE VILLAGE, L.L.C.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(CONTINUED)

Reconciliation of Cash and Cash Equivalents

Cash	\$ 160,992
Tenant Security Deposits	15,346
Escrow Deposits	1,268
Replacement Reserves	44,786
Operating Reserves	<u>130,727</u>
Total Cash and Cash Equivalents	<u>\$ 353,119</u>

Reconciliation of Cash Provided By (Used In) Operating Activities

Net Profit<Loss>	\$ (73,460)
------------------	-------------

Add <Deduct> Adjustment to Reconcile Net <Loss> Income to Net Cash Provided By (Used In) Operating Activities

Depreciation	126,553
(Increase)/Decrease in Accounts Receivable - Tenants	(939)
(Increase)/Decrease in Prepaid Expenses	(48)
Increase/(Decrease) in Accounts Payable	(1,927)
Increase/(Decrease) in Accrued Expenses	(1,127)
Increase/(Decrease) in Prepaid and Deferred Revenues	277
Increase/(Decrease) in Security Deposit Liability	146
Non-Cash Interest Expense	<u>11,924</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 61,399</u>

Supplemental Disclosure of Cash Flow Information

Non-Cash Items Disclosure

Loan Cost Amortization	\$ 1,644
Increase in Long-Term Interest Payable	<u>10,280</u>
Total Non-Cash Interest Expense	<u>\$ 11,924</u>

COMMERCE VILLAGE, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 1: Nature of Business and Significant Accounting Policies

Nature of Business - Commerce Village, L.L.C. is a Virginia limited liability company formed in 2013 to construct and operate rental apartment units, for low-income individuals and families, in Harrisonburg, Virginia. Predevelopment on the building commenced during 2014. As of December 31, 2020, the Company has three members -- Commerce Village, L.L.C., owns a .009% managing member interest; the Housing Equity Fund of Virginia XVIII, L.L.C. owns a 99.990% investor member interest; and the VAHM, L.L.C. owns a .001% special member interest. Profits, losses, tax credits, and cash disbursements are allocated among the members based on their respective ownership interests.

A summary of the Company's significant accounting policies follows:

Cash and Cash Equivalents - For purposes of reporting, the Company includes all cash accounts and all highly liquid debt instruments purchased with a maturity of three months or less as cash and cash equivalents.

Real Estate Costs - Costs that clearly relate to the acquisition, development, and construction of the apartments are capitalized. Interest costs were capitalized while development and construction were in progress.

Depreciation - The buildings are depreciated using the straight-line method over their estimated useful life of 40 years. Land improvements are depreciated using the straight-line method over their estimated useful life of 15 years. Depreciation of equipment, furniture, and fixtures is computed using the straight-line method over the estimated useful life, generally 5 years.

Income Taxes - No provision or liability for income taxes has been recorded because the members are taxed on their proportionate shares of the Company's income. Income for tax purposes will differ from book income due to timing differences in depreciation and amortization expenses. The Company has no material uncertain tax positions requiring disclosure. Fiscal years ending on or after December 31, 2017, remain subject to examination by federal and state tax authorities.

Deferred Charges - Financing costs are amortized over the term of the mortgage loan using the effective yield method.

Tenant Security Deposits - The Company collects security deposits from each tenant to provide for costs incurred or unpaid rent when a tenant vacates the apartment. The cash collected is kept separate from operating funds and interest is paid on the security deposits in accordance with the lease agreement.

COMMERCE VILLAGE, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(CONTINUED)

Note 1: Nature of Business and Significant Accounting Policies (Cont.)

Subsequent Events - Management has evaluated subsequent events through March 3, 2021, the date on which the financial statements were available to be issued.

Advertising Costs - Advertising costs are charged to operations when incurred.

Accounts Receivable and Bad Debts - Tenant receivables are charged to bad debt when they are determined to be uncollectible based on a periodic review of the accounts by management. U.S. generally accepted accounting principles require that the allowance method be used to recognize bad debts. Management's allowance is for delinquent accounts over 90 days old.

Impairment of Long-Term Assets - The Company reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property. There were no impairment losses recognized in 2020.

Use of Estimates in the Preparation of Financial Statements - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Rental Income - Rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Company and tenants of the property are operating leases.

Note 2: Mortgage Escrow Deposits

The Company has a reserve for taxes and insurance, held by Virginia Housing (VH). Activity for the reserve account is as follows:

December 31, 2019	\$	1,202
Deposits		2,114
Payments		(2,048)
December 31, 2020	<u>\$</u>	<u>1,268</u>

COMMERCE VILLAGE, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(CONTINUED)

Note 3: Reserve Funds - Reserve for Replacement

Under the mortgage agreement, the Company is required to set aside amounts for the replacement of property and other project expenditures approved by VH. Activity for the reserve account is as follows:

December 31, 2019	\$	35,589
Monthly Deposits		9,000
Interest Earned During the Year		197
December 31, 2020	\$	<u>44,786</u>

Note 4: Operating Reserve

In accordance with provisions of the operating agreement, the Company has funded an operating deficit reserve. The reserve shall be used to fund an operating deficit and other cash requirements of the Company throughout the term of the partnership. Withdrawals from the reserve shall require the prior approval of the investor members. Activity for the reserve account is as follows:

December 31, 2019	\$	130,617
Monthly Deposits		-
Interest Earned During the Year		110
December 31, 2020	\$	<u>130,727</u>

Note 5: Fixed Assets

The Commerce Village Apartments consist of 30 rental units located in Harrisonburg, Virginia. The fixed assets of the Company, as of December 31, 2020, are as follows:

	Balance 12/31/2019	Additions	Retirements	Balance 12/31/2020
Land	\$ 300,000	\$ -	\$ -	\$ 300,000
Land Improvements	425,796	-	-	425,796
Building	3,159,823	-	-	3,159,823
Furnishings	95,857	-	-	95,857
TOTAL	<u>\$ 3,981,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,981,476</u>

COMMERCE VILLAGE, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(CONTINUED)

Note 5: Fixed Assets (Cont.)

Changes in Accumulated Depreciation:

	Balance 12/31/2019	Current Provision	Deductions	Balance	Net Book Value 12/31/2020
Land	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Land Improvements	113,544	28,386	-	141,930	283,866
Building	291,226	78,996	-	370,222	2,789,601
Furnishings	70,069	19,171	-	89,240	6,617
TOTAL	\$ 474,839	\$ 126,553	\$ -	\$ 601,392	\$ 3,380,084

Note 6: Notes and Mortgages Payable

At December 31, 2020, notes payable consist of the following:

HRHA- Note Payable #1	\$ 300,000
HRHA- Note Payable #2	58,000
DHCD - Housing Trust Fund	750,000
DHCD-HOME	342,000
Less: Deferred Loan costs, Net Amortization	(12,679)
	<u>\$ 1,437,321</u>

As of December 31, 2020, the Company has an outstanding note payable to the Harrisonburg Redevelopment and Housing Authority in the amount of \$300,000. The note bears interest at 2.74% per annum, compounding annually, and is payable from available net cash flow. Interest accrued on the note, as of December 31, 2020, was \$52,824. The outstanding principle and any accrued interest shall be due and payable in full on December 9, 2044.

HRHA is also owed a note payable in the amount of \$58,000 for the permanent financing of the project. The note is secured by a deed of trust in the project and accrues interest at 1.50% per annum. At December 31, 2020, the balance of accrued interest is \$4,278. The note is administered by Virginia Housing (VH) and the Department of Housing and Community Development (DHCD) through the Permanent Supportive Housing grant program.

The DHCD Housing Trust Fund loan is secured by a deed of trust and has a stated interest rate of 1.50%. Interest only payments of \$938 are due monthly and the mortgage is due and payable in full on March 1, 2036.

The DHCD HOME loan is secured by a deed of trust and has a stated interest rate of 1.50%. Interest only payments of \$428 are due monthly and the mortgage is due and payable in full on March 1, 2036.

COMMERCE VILLAGE, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(CONTINUED)

Note 7: Interest Cost

The total interest cost incurred during the year ended December 31, 2020, was \$28,304. Of this amount, \$1,644 is attributable to loan cost amortization.

Note 8: Related Party Transactions

As of December 31, 2020, the Company owed HRHA, an affiliate of the managing member, \$70,558 for funds advanced during construction of the project. HRHA is the management agent of the project and was paid a management fee of \$10,603 during 2020. At December 31, 2020, HRHA is also owed \$2,564 for accrued payroll liabilities.

The Company also has notes payable to the Harrisonburg Redevelopment and Housing Authority in the amount of \$300,000 and \$58,000 as discussed in Note 6. At December 31, 2020, accrued interest payable on the notes totaled \$52,824.

HRHA is also owed a development fee with an original amount of \$424,000. The balance at December 31, 2020, is \$10,000. The fee accrues 0.0% interest and is payable from available cash flow as defined in the operating agreement.

Housing Capital Corporation, an affiliate of the investor member, was paid \$6,376 for accounting fees during 2020.

Note 9: Risk and Uncertainties

Financial instruments which potentially subject the Company to concentration of credit risks consist principally of temporary cash investments and restricted deposits and funded reserves held by the mortgagee. The Company places its temporary cash investments with high-credit quality financial institutions and, by policy, limits the amount of temporary cash investments held at any one financial institution. Deposit accounts, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash and cash equivalents. Restricted deposits and funded reserves of \$46,054 are administered by the mortgagee.

COMMERCE VILLAGE, L.L.C.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(CONTINUED)

Note 10: Current Vulnerability Due to Certain Concentrations

The Company's sole asset is the Commerce Village apartments. The Company's operations are concentrated in the multifamily real estate market. In addition, the Company operates in a heavily regulated environment. The operations of the Company are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Note 11: Contingencies and Commitments

The Company's low-income housing credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of previously taken tax credits plus interest. In addition, such potential noncompliance may require an adjustment to the contributed capital by the Investor Members. Prior to the financial statement date, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. The coronavirus outbreak is disrupting supply chains and affecting operations across a range of industries. The extent of the impact of the outbreak on the Company's operational and financial performance will depend on certain developments including the duration and spread of the outbreak, impact on investors, and governmental, regulatory and private sector responses. The financial statements do not reflect any adjustments as a result of the subsequent increase in economic uncertainty.

SUPPLEMENTAL INFORMATION



Version 10/30/2020

VIRGINIA HOUSING
BALANCE SHEET

Development Name: COMMERCE VILLAGE, L.L.C.

VHDA/DHCD #: 30-069544 and 70-0169543

As of: DECEMBER 31, 2020

ASSETS

CURRENT ASSETS

Cash on Hand	\$	-	
Cash in Bank	\$	160,992.00	
Cash - Investments	\$	-	
Cash - Mortgagor Entity	\$	-	
Accounts Receivable - Tenant	\$	1,823.00	
Accounts Receivable - Net HAP	\$	-	
Accounts Receivable - Other	\$	-	
Prepaid Expenses			
Property Insurance	\$	987.00	
Mortgage Insurance	\$	-	
Taxes	\$	-	
Miscellaneous (Attach detail)	\$	-	
			\$ 163,802.00

DEPOSITS HELD IN TRUST - FUNDED

Tenant Security Deposits	\$	15,346.00	
Other Deposits	\$	-	
			\$ 15,346.00

RESTRICTED DEPOSITS & FUNDED RESERVES

Mortgage Escrow Deposits (Attach detail)	\$	1,268.00	
Replacement Reserve	\$	44,786.00	
Miscellaneous Reserve	\$	-	
Operating/Residual Receipts Reserve	\$	130,727.00	
Development-Held Reserve	\$	-	
			\$ 176,781.00

FIXED ASSETS

Net Book Value			
Land	\$	300,000.00	
Land Improvements	\$	283,866.00	
Buildings	\$	2,789,601.00	
Equipment	\$	-	
Furniture and Fixtures	\$	6,617.00	
Other	\$	-	
			\$ 3,380,084.00

OTHER ASSETS

(Attach detail)	\$	-	\$ -
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TOTAL ASSETS			\$ 3,736,013.00
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LIABILITY & OWNER EQUITY

LIABILITIES

CURRENT LIABILITIES

Accounts Payable - 30 Days	\$	3,228.00	
Accounts Payable - Over 30 Days	\$	-	
Accrued Mortgage Interest Payable - Virginia Housing	\$	-	
Accrued Mortgage Interest Payable - Other	\$	-	
Accrued Interest Payable - Other	\$	-	
Accrued Expenses Not Escrowed	\$	2,564.00	
Net HAP Payable	\$	-	
Notes Payable - Short Term	\$	-	
Rent Deferred Credits	\$	1,087.00	
Virginia Housing Mortgage Payable	\$	-	
Non-Virginia Housing Mortgage Payable	\$	-	
Miscellaneous Current Liabilities (Attach detail)	\$	70,558.00	\$ 77,437.00

DEPOSIT & PREPAYMENT LIABILITIES

Tenant Security Deposits	\$	15,346.00	
Other Deposits	\$	-	
Interest Deferred Credit	\$	-	\$ 15,346.00

LONG TERM LIABILITIES

Virginia Housing Mortgage Payable	\$	1,079,321.00	
Non-Virginia Housing Mortgage Payable	\$	-	
Notes Payable (Attach detail)	\$	415,102.00	\$ 1,494,423.00

OTHER LIABILITIES

(Attach detail)	\$	10,000.00	\$ 10,000.00
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TOTAL LIABILITIES

\$ 1,597,206.00

OWNER EQUITY

TOTAL OWNER EQUITY/PARTNERS CAPITAL (DEFICIT) \$ 2,138,807.00

TOTAL LIABILITIES & OWNER EQUITY \$ 3,736,013.00



Version 10/30/2020

**VIRGINIA HOUSING
STATEMENT OF PROFIT AND LOSS**

Month/Period

Beginning:

JANUARY 1, 2020

Ending:

DECEMBER 31, 2020

Development Name: COMMERCE VILLAGE, L.L.C.VHDA/DHCD #: 30-069544 and 70-0169543

Part I	Description of Account	Acct. No.	Amount	
Rental Income 5100	Apartments	5120	\$ 98,387.00	
	Tenant Assistance Payments	5121	\$ 103,192.00	
	Furniture and Equipment	5130	\$ -	
	Stores and Commercial	5140	\$ -	
	Garage and Parking Spaces	5170	\$ -	
	Flexible Subsidy Income	5180	\$ -	
	Miscellaneous Income (attach detail)	5190	\$ -	
	Total Rental Income Potential at 100% Occupancy			
Vacancies 5200	Apartments	5220	\$ -	
	Furniture and Equipment	5230	\$ -	
	Stores and Commercial	5240	\$ -	
	Garage and Parking Spaces	5270	\$ -	
	Concessions	5280	\$ -	
	Miscellaneous (attach detail)	5290	\$ -	
	Total Vacancies		\$ -	
Net Rental Income - Rental Income Less Vacancies				\$ 201,579.00
Elderly and Congregate Services Income -- 5300				
Total Service Income (attach detail)				\$ -
Financial Income 5400	Interest Income--Development Operations	5410	\$ -	
	Income from Investments--Residual Receipts	5430	\$ -	
	Income from Investments--Reserve for Replacement	5440	\$ 307.00	
	Income from Investments--Miscellaneous	5490	\$ -	
	Total Financial Income			
Other Income 5900	Laundry and Vending	5910	\$ -	
	NSF and Late Charges	5920	\$ 2,600.00	
	Damages and Cleaning Fees	5930	\$ -	
	Forfeited Tenant Security Deposits	5940	\$ -	
	Other Income (attach detail)	5990	\$ 1,592.00	
	Total Other Income			
Total Income				\$ 206,078.00
Administrative Expenses 6200/6300	Advertising	6210	\$ -	
	Other Administrative Expenses	6250	\$ 7,342.00	
	Office Salaries	6310	\$ 19,825.00	
	Office Supplies	6311	\$ -	
	Office or Model Apartment Rent	6312	\$ -	
	Management Fee	6320	\$ 10,603.00	
	Manager's or Superintendent's Salaries	6330	\$ 12,328.00	
	Manager's or Superintendent's Rent Free Unit	6331	\$ -	
	Legal Expenses (Development)	6340	\$ -	
	Auditing Expenses (Development)	6350	\$ -	
	Bookkeeping Fees/Accounting Services	6351	\$ 6,376.00	
	Telephone and Answering Service	6360	\$ -	
	Bad Debts	6370	\$ 1,107.00	
	Miscellaneous Administrative Expenses (attach detail)	6390	\$ -	
Total Administrative Expenses				\$ 57,581.00
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ -	
	Electricity (Light and Miscellaneous Power)	6450	\$ 14,852.00	
	Water	6451	\$ 3,950.00	
	Gas	6452	\$ 933.00	
	Sewer	6453	\$ -	
Total Utilities Expense				\$ 19,735.00

Operating and Maintenance Expenses 6500	Janitor and Cleaning Payroll	6510	\$ -	
	Janitor and Cleaning Supplies	6515	\$ 1,307.00	
	Janitor and Cleaning Contract	6517	\$ 600.00	
	Exterminating Payroll/Contract	6519	\$ 1,138.00	
	Exterminating Supplies	6520	\$ -	
	Garbage and Trash Removal	6525	\$ 12,858.00	
	Security Payroll/Contract	6530	\$ -	
	Grounds Payroll	6535	\$ -	
	Grounds Supplies	6536	\$ -	
	Grounds Contract	6537	\$ -	
	Repairs Payroll	6540	\$ 9,887.00	
	Repairs Materials	6541	\$ 1,865.00	
	Repairs Contract	6542	\$ 1,855.00	
	Elevator Maintenance/Contract	6545	\$ -	
	Heating/Cooling Repairs and Maintenance	6546	\$ 2,439.00	
	Swimming Pool Maintenance/Contract	6547	\$ -	
	Snow Removal	6548	\$ 1,750.00	
	Decorating Payroll/Contract	6560	\$ -	
	Decorating Supplies	6561	\$ -	
	Vehicle and Maintenance Equipment Operation and	6570	\$ -	
Miscellaneous Operating and Maintenance Expenses	6590	\$ -		
Total Operating and Maintenance Expenses				\$33,699.00
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 12.00	
	Payroll Taxes (Development's Share)	6711	\$ -	
	Miscellaneous Taxes, Licenses and Permits	6719	\$ -	
	Property and Liability Insurance (Hazard)	6720	\$ 2,677.00	
	Fidelity Bond Insurance	6721	\$ -	
	Workmen's Compensation	6722	\$ -	
	Health Insurance and Other Employee Benefits	6723	\$ 10,977.00	
	Other Insurance (attach detail)	6729	\$ -	
Total Taxes and Insurance				\$ 13,666.00
Financial Expenses 6800	Interest on Bonds Payable	6810	\$ -	
	Interest on Mortgages Payable - Virginia Housing	6820	\$ 18,024.00	
	Interest on Mortgages Payable - Other	6825	\$ -	
	Interest on Notes Payable (Short -Term)	6830	\$ -	
	Interest on Notes Payable (Long -Term)	6840	\$ 10,280.00	
	Mortgage Insurance Premium/Service Charges	6850	\$ -	
	Miscellaneous Financial Expenses	6890	\$ -	
Total Financial Expenses				\$ 28,304.00
Services Expenses 6900	Total Services Expenses (attach detail)	6900		\$ -
Depreciation 6600	Total Cost of Operations Before Depreciation			\$ 152,985.00
	Profit (Loss) Before Depreciation			\$ 53,093.00
	Depreciation (Total)--6600	6600	\$ 126,553.00	\$ 126,553.00
	Operating Profit or (Loss)			\$ (73,460.00)
Corporate or Mortgagor Entity Expenses 7100	Officer Salaries	7110		
	Legal Expenses (Entity)	7120		
	Taxes (Federal - State - Entity)	7130-32		
	Other Expenses (Entity)	7190		
	Total Corporate Expenses			
	Net Profit or (Loss)			\$ (73,460.00)

Miscellaneous or Other Income and Expense Sub-account Groups. If Miscellaneous or Other Income and/or Expense Sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6729, 6890 and 7190) exceed the Account Groupings by 10% or more, attach detail describing or explaining the Miscellaneous Income or Expense.

Part II			
1a.	Total principal payments required under the Virginia Housing mortgage(s), even if payments under a Workout Agreement are less or more than those required under the mortgage(s).	\$	-
1b.	Total principal payments required under non-Virginia Housing mortgage(s), even if payments under a Workout Agreement are less or more than those required under the mortgage(s).	\$	-
2.	Replacement, Miscellaneous and Operating Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	\$	9,000.00
3.	Replacement, Miscellaneous or Operating Reserve releases included as expense items on this Statement of Profit and Loss.	\$	-
4.	Development Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Statement of Profit and Loss.	\$	-



VIRGINIA HOUSING

Development Name: COMMERCE VILLAGE, L.L.C.

VHDA/DHCD Number(s): 30-069544 and 70-0169543

Accounts Payable Other than Trade Creditors

Due Mortgagor/Grantee

Payable Within 30 Days *	<u>\$0.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$0.00</u>

* Of this amount, \$_____ is past due.

Due Management Agent

Payable Within 30 Days *	<u>\$73,122.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$73,122.00</u>

* Of this amount, \$_____ is past due.

Due Others

Payable Within 30 Days *	<u>\$0.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$0.00</u>

* Of this amount, \$_____ is past due.

Accounts Payable Trade Creditors

Payable Within 30 Days *	<u>\$3,228.00</u> *
Payable in More Than 30 Days	<u>\$0.00</u>
Balance	<u>\$3,228.00</u>

* Of this amount, \$_____ is past due.



VIRGINIA HOUSING

COMPUTATION OF SURPLUS CASH / RESIDUAL RECEIPTS AND DISTRIBUTIONS

Development Name: COMMERCE VILLAGE, L.L.C.

VHDA/DHCD Number(s): 30-069544 and 70-0169543

Cash

Operating Account - Cash in Bank	\$160,992.00
Operating Account - Investments	\$0.00
Operating Account - Cash On Hand	\$0.00
Security Deposit Account	\$15,346.00
Net HAP Receivable	\$0.00
Other (<i>Attach detail</i>)	\$0.00

TOTAL CASH

\$176,338.00

Current Obligations

Mortgage Interest Payable First of Next Month	\$0.00
Accounts Payable (Due Within 30 Days)	\$3,228.00
Accrued Expenses Not Escrowed	\$2,564.00
Tenant Security Deposits	\$15,346.00
Net HAP Payable	\$0.00
Prepaid Rent	\$1,087.00
Other (<i>Attach detail</i>)	\$70,558.00

TOTAL CURRENT OBLIGATIONS

\$92,783.00

Surplus Cash

\$83,555.00

Distribution / Residual Receipts (Limited Distribution Developments Only)

Beginning Balance: Accrued Distributions From Prior Year(s) Unpaid	\$0.00
Distribution Earned During Audit Year	\$0.00
Distribution Paid During Audit Year Against Audit Year	\$0.00
Distribution Paid During Audit Year Against Prior Year(s)	\$0.00
Ending Balance: Distributions Unpaid From Audit Year and Prior Year(s) at Audit Year End	\$0.00

Allowable Distribution to be Paid From Audit Year	\$83,555.00
Allowable Distribution to be Paid From Prior Year(s)	\$0.00

Total Allowable Distributions to be Paid as of Audit Year End \$83,555.00

Residual Receipts to be Deposited into Operating Reserve Account \$0.00



Glenn F. Youngkin
Governor

R. Brian Bell
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

Eric C. Johnson
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

3/11/2021

Michael Wong
Executive Director
Harrisonburg Redevelopment & Housing Authority
P.O. Box 1071
Harrisonburg, VA 22803

Dear Michael Wong:

The Virginia Department of Housing and Community Development (DHCD) conducted a virtual programmatic monitoring of the Virginia Homelessness Solutions Program (VHSP) activities administered by Harrisonburg Redevelopment & Housing Authority. The monitoring occurred on February 9, 2021, and consisted of a review of organizational policies, service provision, and financial procedures.

This monitoring review identified zero findings or concerns. This monitoring is now closed. Thank you for your cooperation with the virtual monitoring. DHCD appreciates the continued collaboration with Harrisonburg Redevelopment & Housing Authority to assist households in obtaining housing stability within the Commonwealth of Virginia. If you have questions or concerns, contact me at aaron.shoemaker@dhcd.virginia.gov, 804-762-3602.

Sincerely,

Aaron Shoemaker
Program Administrator

Cc: Kim Haines, Community Development & Grant Coordinator
Isaiah Mejah, Western CoC Coordinator

Partners for Better Communities



www.dhcd.virginia.gov

**AGREEMENT OF ALL DIRECTORS IN LIEU
OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS OF
LINEWEAVER ANNEX CORPORATION
EFFECTIVE FEBRUARY 18, 2021**

The undersigned, being all of the directors of the corporation, agree that the following corporate actions are taken:

1. The following officers are unanimously elected to serve for the ensuing year and until their successors are elected and qualify:

President:	Dany Fleming
Vice President:	Michael G. Wong
Secretary/Treasurer:	Melisa G. Michelsen

2. The President of the corporation is authorized and directed to submit to the Harrisonburg Redevelopment and Housing Authority the report which is attached to these minutes which sets forth the activities of the corporation during the previous year and contains a statement indicating how the corporation is furthering its purposes as set forth in the Articles of Incorporation.

All with like effect and validity as though the foregoing actions were duly taken at the annual meeting of the directors held after due and proper notice.

DATE: _____
Michael G. Wong

DATE: _____
Dany Fleming

DATE: _____
Costella Forney

DATE: _____
Christine Fasching Maphis

DATE: _____
Kevin Coffman

DATE: _____

Luciano Benjamin

DATE: _____

Gil Colman

**LINEWEAVER ANNEX CORPORATION
OFFICERS & DIRECTORS
February 18, 2021**

<u>OFFICERS & DIRECTORS</u>	<u>ADDRESS</u>	<u>EXPIRATION OF TERM AND PHONE NUMBER</u>
Dany Fleming President & Director	474 Myers Avenue Harrisonburg, VA 22802 fleming.dany@gmail.com	2/18/2023 540-383-4984(c)
Michael G. Wong Vice President & Director	709 Ott Street Harrisonburg, VA 22801 wongway@harrisonburgrha.com	2/18/2023 434-7386 (W)
Melisa G. Michelsen Secretary/Treasurer	410 Neff Avenue Harrisonburg, VA 22801 mgm@littensipe.com	2/18/2023 437-3052 (W)
Costella Forney Director	159 Suter Street Harrisonburg, VA 22802 costellaforney@gmail.com	2/18/2023 540-560-7995
Christine Fasching Maphis Director	441 Ott Street Harrisonburg VA 22801 ryboch@verizon.net	2/18/2023 540-810-1640
Kevin Coffman Director	140 Brookside Place Harrisonburg VA 22801 coffmakd@yahoo.com	2/18/2023 540-746-5592
Luciano Benjamin Director	217 South Liberty Street #318 Harrisonburg VA 22801 lucianobenjamin2020@gmail.com	2/18/2023 540-268-0592
Gil Colman Director	815 Elmwood Drive Harrisonburg VA. 22802 gil@colemanengineering.com	2/18/2023 540-246-3712

**AGREEMENT OF ALL DIRECTORS IN LIEU
OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS OF
SHENANDOAH HOUSING CORPORATION
EFFECTIVE FEBRUARY 18, 2021**

The undersigned, being all of the directors of the corporation, agree that the following corporate actions are taken:

1. The following persons are elected as directors of the corporation; and the corporation, as sole member of Lineweaver Annex Corporation, elects the following persons as directors of Lineweaver Annex Corporation to serve for two years or until such time as their successors are elected and qualify: Michael G. Wong, Dany Fleming, Costella Forney, Christine Fasching Maphis, Kevin Coffman, Luciano Benjamin, and Gil Colman.

2. The following officers are unanimously elected to serve for the ensuing year and until their successors are elected and qualify:

President:	Dany Fleming
Vice President:	Michael G. Wong
Secretary/Treasurer:	Melisa G. Michelsen

3. The President of the corporation is authorized and directed to submit to the Harrisonburg Redevelopment and Housing Authority the report, which is attached to these minutes, which sets forth the activities of the corporation during the previous year and contains a statement indicating how the corporation is furthering its purposes as set forth in the Articles of Incorporation.

All with like effect and validity as though the foregoing actions were duly taken at the regular annual meeting of the directors held after due and proper notice.

DATE: _____

Michael G. Wong

DATE: _____

Dany Fleming

DATE: _____

Costella Forney

DATE: _____

Christine Fasching Maphis

DATE: _____

Kevin Coffman

DATE: _____

Luciano Benjamin

DATE: _____

Gil Colman

The foregoing directors were approved by the Harrisonburg Redevelopment and Housing Authority.

DATE: _____, 2021

Secretary, Harrisonburg Redevelopment
and Housing Authority

**SHENANDOAH HOUSING CORPORATION
OFFICERS & DIRECTORS
February 18, 2021**

<u>OFFICERS & DIRECTORS</u>	<u>ADDRESS</u>	<u>EXPIRATION OF TERM AND PHONE NUMBER</u>
Dany Fleming President & Director	474 Myers Avenue Harrisonburg, VA 22802 fleming.dany@gmail.com	2/18/2023 540-383-4984(c)
Michael G. Wong Vice President & Director	709 Ott Street Harrisonburg, VA 22801 wongway@harrisonburgrha.com	2/18/2023 434-7386 (W)
Melisa G. Michelsen Secretary/Treasurer	410 Neff Avenue Harrisonburg, VA 22801 mgm@littensipe.com	2/18/2023 437-3052 (W)
Costella Forney Director	159 Suter Street Harrisonburg, VA 22802 costellaforney@gmail.com	2/18/2023 540-560-7995
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Gil Colman Director	815 Elmwood Drive Harrisonburg VA. 22802 gil@colemanengineering.com	2/18/2023 540-246-3712

**FRANKLIN HEIGHTS PROGRAM MANAGEMENT REPORT
FOR THE MONTH OF FEBRUARY 2021**

1.) Marketing:

	<u>1 BDR</u>	<u>2 BDR</u>	<u>3 BDR</u>	<u>4 BDR</u>	<u>5 BDR</u>	<u>Total</u>
# of Units Vacant	<u>1</u>	<u>4</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>7</u>
# of Tenants who moved in	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>
# of Tenants who moved out	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
# of Tenants evicted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
# of Tenants who transferred	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
# of Legal Notices	<u>4</u>	<u>8</u>	<u>10</u>	<u>0</u>	<u>1</u>	<u>23</u>
# of Unlawful Detainers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Tenants who are over-housed	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Tenants who are under-housed	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Units with handicap access	<u>2</u>	<u>0</u>	<u>2</u>	<u>4</u>	<u>1</u>	<u>16</u>
Tenants who need handicap access	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
Tenants who have handicap access	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>

2.) Occupancy:

TOTAL NUMBER OF UNITS LEASED: 122

3.) Tenant Accounts Receivable:

Security and Pet Deposits Held:	<u>\$118,699.00</u>
Rent Billed	<u>\$145,175.02</u>
Rent Collected	<u>\$129,943.23</u>

4.) Applications:

	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5BR</u>
Currently on the Waiting List there are a total of <u>1,314</u> applicants.	<u>437</u>	<u>488</u>	<u>251</u>	<u>111</u>	<u>027</u>

5.) Inspections:


Number Completed	Excellent	Acceptable	Needs work	Issues
0	0	0	0	0

6.) **Management:**

Comments on any problems experienced during the month:

Franklin Heights, LLC (FH) had two move-ins for two BRs, and one move-out for three BRs for the month of February 2021. FH started taking applications effective November 01, 2018, but the waiting list was purged effective August 2020.

I CERTIFY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF



Nehemias Velez, FH Property Manager

3/12/21
Date

**COMMERCE VILLAGE PROGRAM MANAGEMENT REPORT
FOR THE MONTH OF FEBRUARY 2021**

1.) Marketing:

	<u>1 BDR VASH</u>	<u>1 BDR HCV</u>
# of Units Vacant	<u>1</u>	<u>0</u>
# of Tenants who moved in	<u>1</u>	<u>0</u>
# of Tenants who moved out	<u>0</u>	<u>0</u>
# of Tenants evicted	<u>0</u>	<u>0</u>
# of Tenants who transferred	<u>0</u>	<u>0</u>
# of Legal Notices	<u>0</u>	<u>0</u>
# of Unlawful Detainers	<u>0</u>	<u>0</u>

2) TOTAL NUMBER OF UNITS LEASED: 29

3.) Tenant Accounts Receivable:

Outstanding Balance	<u>\$1,882.00</u>
Number of Delinquent Accounts by Age:	30:0 60: <u>0</u> 90+: <u>0</u>
Security and Pet Deposits Held:	<u>\$15,423.00</u>
Rent Billed	<u>\$16,590.00</u>
Rent Collected	<u>\$16,097.00</u>

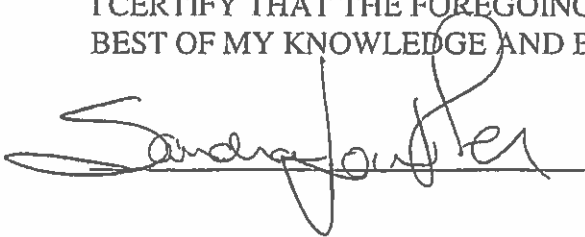
4.) Applications:

Currently on the Waiting List 516

5.) Management:

Comments on any problems experienced during the month:

I CERTIFY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF



3-1-21

FAMILY SELF- SUFFICIENCY PROGRAM REPORT
Monthly Report –February 2021

HCV PARTICIPANTS

Employment	Education/Training	Escrow
In Program: 29	Enrolled in ESL: 0	Positive Escrow Balances: 23
Employed: 13	Enrolled in Continuing Ed: 2	Earning Monthly Escrow: 9
Unemployed/Furlough : 15	Started this month: 0	Interim Escrow Withdrawals: 0
Medical Leave/Disability: 1		Increase in Earning Escrow: 1
Maternity Leave: N/A		Decrease in Earning Escrow: 1
		Newly Earning Escrow: 1

FRANKLIN HEIGHTS PARTICIPANTS

Employment	Education/Training	Escrow
In Program: 37	Enrolled in ESL: 1	Positive Escrow Balances: 18
Employed: 17	Enrolled in Continuing Ed.:3	Earning Monthly Escrow: 9
Unemployed/Furlough: 19	Started this month: 0	Newly Earning Escrow: 0
Medical Leave/ Disability: 0		Interim Escrow Withdrawals: 0
New job this month: 0		Increase in Earning Escrow: 2
Maternity Leave: 1		Decrease in Earning Escrow: 4

HARRISON HEIGHTS

Employment	Education/Training	Escrow
In Program: 17	Enrolled in ESL: 1	Positive Escrow Balances: 12
Employed: 9	GED: 0	Earning Monthly Escrow: 4
Unemployed/Furlough:8	Enrolled in Continuing Ed:3	Newly Earning Escrow: 0
Medical Leave/Disability: 0	Started this month: 1	Escrow Increases: 1
Maternity Leave: 1		Interim Escrow Withdrawals: 1

Program Highlights

1 workforce referral, 1 participant started Health Coding with BRCC, 1 participant finished CCMA with BRCC, FSS staff redesigned FSS handbook, 1 car through Way to Go 22, 2 Way To Go referrals, 1 enrolled participant.

Participants earned escrow this month-Total: \$5,362

Date: 1/29/2021 FSS Coordinator: Zoe Parakuo

FSS Coordinator: Everett Brubaker

**Harrisonburg Redevelopment & Housing Authority Report
Financial Report as February 28, 2021**

LOCAL COMMUNITY DEVELOPMENT

Cash:	First Bank & Trust-Operating Funds		\$375,785.96
		Total	\$375,785.96
	AR Due from:		
	JR Polly Lineweaver Apartments	\$83,861.12	
	Housing Choice Voucher Program	\$88,259.99	
	Commerce Village, LLC	\$31,309.75	
	Franklin Heights, LLC-Operating Expenses	\$55,910.76	
	Franklin Heights, LLC-Debt Servicing	\$98,112.50	
		\$357,454.12	

HOUSING CHOICE VOUCHER PROGRAM

Cash:	SunTrust-Checking Account		\$834,696.23
	United Bank-FSS Escrow for participants		\$119,258.82
		Total	\$953,955.05

J.R. POLLY LINEWEAVER APARTMENTS

Cash:	United Bank-Checking Account		\$7,671.70
		Total	\$7,671.70

ALL PROGRAMS-FH, LW, JRL

Cash:	United Bank-Security Deposit Account		\$181,586.84
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COMPONENT UNITS

Franklin Heights, LLC

Cash:	United Bank-Checking Account		\$136,134.48
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Commerce Village, LLC

Cash:	First Bank & Trust		\$193,129.22
	BB&T-Operating Reseve Account		\$130,729.17

<u>Grand Total</u>	<u>\$1,978,992.42</u>
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**Harrisonburg Redevelopment & Housing Authority Report
YTD Financial Report as of February 28, 2021**

		Cash Balance as of 1/31	Cash Balance as of 2/28
LOCAL COMMUNITY DEVELOPMENT			
Cash:	First Bank & Trust	\$454,455.31	\$375,785.96
HOUSING CHOICE VOUCHER PROGRAM			
Cash:	SunTrust-Checking	\$779,964.88	\$834,696.23
	United Bank-FSS Escrow	\$125,387.61	\$119,258.82
J.R. POLLY LINEWEAVER APARTMENTS			
Cash:	United Bank-Checking	\$2,349.54	\$7,671.70
ALL PROGRAMS-FH, LW, JRL, CVO			
Cash:	United Bank-Security Dep.	\$149,153.59	\$181,586.84
COMPONENT UNITS			
Franklin Heights, LLC			
Cash:	United Bank-Checking	\$5,353.25	\$136,134.48
Commerce Village LLC			
Cash:	First Bank & Trust	\$177,038.22	\$193,129.22
	BB&T (Operating Reserve)	\$130,728.17	\$130,729.17
	Total	\$1,824,430.57	\$1,978,992.42

**Harrisonburg Redevelopment & Housing Authority Report
Financial Report as March 31, 2021**

Franklin Heights, LLC

Income	\$	127,541.52
Expenses	\$	(152,451.21)
Less: Principal Payments	\$	(9,960.04)
Total	\$	(34,869.73)

J.R. POLLY LINEWEAVER APARTMENTS

Income	\$	73,476.84
Expenses	\$	(60,086.50)
Total	\$	13,390.34
Add: Service Coordinator Grant Funds	\$	-
Less: Service Coordinator Grant Expenses	\$	(4,237.37)
	\$	(4,237.37)
Profit (Loss)/Gain	\$	9,152.97
Less: Principal Payments	\$	(19,000.30)
Total	\$	(9,847.33)