



# City of Pine City

## Agenda

### HRA

Tuesday, April 21, 2026 @ 8:30 AM

Pine City Public Library Community Room

In accordance with Minnesota Statutes §13D.02, one or more board members may participate in the meeting via interactive technology. Board members joining via interactive technology will be seen and heard in the meeting room and votes will be taken by roll call.

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Page

#### 1. CALL TO ORDER

#### 2. PLEDGE OF ALLEGIANCE

#### 3. PUBLIC FORUM

This is an opportunity for citizens to present items to the HRA that are not on the agenda. Each presentation is limited to three (3) minutes and a maximum of fifteen minutes is set aside. If your item needs follow-up from the City, Staff will arrange for that.

#### 4. CONSIDERATION AND APPROVAL OF AGENDA

#### 5. APPROVAL OF MEETING MINUTES

5.1. [March 17, 2026 Meeting Minutes](#) 4 - 6

#### 6. HILLSIDE COURT MANAGEMENT UPDATE

6.1. SMR Management Staff Report

- Kristen reached out to say that there will not be financials from SMR this month, as March 31st was the end of their fiscal year and the accountants are working on finalizing the year.

6.2. [PCHRA Revised Budget - Requested to Add during Meeting by SMR](#) 7 - 14

6.3. [HUD 50075 2022-2026 - Requested to Add during Meeting by SMR](#) 15 - 23

## 7. OLD BUSINESS

- 7.1. Section 18 Disposition versus Rental Assistance Demonstration (RAD) 24 - 25  
- Update and discussion on Lezlie Sauter's assistance with moving forward.

[Section 18 vs RAD Memo 2.2026](#)

- 7.2. Small Cities Development Program Application  
*Due April 15, 2026 - Council approved applying. Application was mailed next day for morning delivery on April 14, 2026*

- 7.3. Tenant Grievance Policy - 26 - 28  
Discussion to ensure residents clearly understand procedures and that the policy aligns with state tenant rights.

[Tenant Grievance Policy and Procedure PC HRA 2.2026](#)

[Tenant Request to Address HRA Board PC HRA 2.2026](#)

## 8. NEW BUSINESS

- 8.1. Lakeside Student Housing - Fred Stelter Loan

## 9. HRA FINANCIAL REPORT

- 9.1. HRA Fund Financial Report 29 - 33  
[March 2026 Check Register](#)  
[March 2026 HRA Financials](#)

- 9.2. HRA Revolving Loan Fund Update 34  
[March 2026 RLF Update](#)

## 10. ADDITIONAL ITEMS, COMMENTS OR QUESTIONS

## 11. ADJOURNMENT



# MINUTES

## HRA

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**8:30 AM - Tuesday, March 17, 2026**

Pine City Public Library Community Room

The HRA met on Tuesday, March 17, 2026 at 8:30 AM in the Pine City Public Library Community Room.

**1. CALL TO ORDER**

Chair Faur called the meeting to order at 8:30 AM.

**2. ROLL CALL**

Members Present: Chad Faur, Anthony Olson, Nancy Mach and Becky Schueller  
Members Absent: Kent Bombard and Tracy Peterson

Others Present: Joleen Pfau and Kristen Mallak (SMR Management) attended virtually.

City Staff Present: City Administrator Marcy Peterson and Melanie Bloomquist

**3. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**4. PUBLIC FORUM**

There was no public present for public forum.

**5. CONSIDERATION AND APPROVAL OF AGENDA**

*Mach made a motion to approve the agenda, Olson seconded the motion, motion carried unanimously.*

**6. APPROVAL OF MEETING MINUTES**

*Schueller made a motion to approve the meeting minutes, Olson seconded the motion, motion carried unanimously.*

**7. HILLSIDE COURT MANAGEMENT UPDATE**

**7.1. SMR MANAGEMENT STAFF REPORT - VERBAL UPDATE**

Jolene Pfau (SMR) provided an update on the financial report. She noted that the operating subsidy continues to decrease each month, and it is uncertain how long this trend will continue. This could result in an annual decrease of approximately \$60,000. The remainder of the financial report was reported as normal. She also noted that

\$42,374 in federal funds must be used or reallocated by May 31.

**7.2. APPROVAL OF FINANCIALS - BANK RECONCILIATION - APPROVAL OF CHECK REGISTER**

*Mach made a motion to approve the financial report, Schueller seconded the motion, motion carried unanimously.*

**8. OLD BUSINESS**

**8.1. SECTION 18 DISPOSITION VERSUS RENTAL ASSISTANCE DEMONSTRATION (RAD)**

The HRA Board discussed the item in detail and noted that the matter is currently in process.

**8.2. SMALL CITIES DEVELOPMENT PROGRAM APPLICATION**

It was stated that the Council will make its decision on the grant application on March 18, no action is required.

**8.3. TENANT GRIEVANCE POLICY - INFORMING RESIDENTS**

City Administrator Peterson reintroduced the item to review the policy and expressed concerns about a disabled adult's ability to understand it. She noted that several residents have also reported difficulty understanding the policy. SMR encouraged City staff to reach out to SMR management for assistance.

**9. NEW BUSINESS**

**9.1. OPERATING BUDGET AND PHA BOARD RESOLUTION**

SMR provided an update.

*Schueller made a motion to approve, Olson seconded the motion, motion carried with the following roll call vote: Olson, Mach, Schueller and Faur all voted in favor.*

**10. HRA FINANCIAL REPORT**

**10.1. HRA FUND FINANCIAL REPORT**

Schueller asked how the Financial Department will complete the transfer from the HRA to the revolving loan fund and whether this occurs as part of the audit process. Peterson stated she will follow up and email the HRA Board with the answer. SMR reported that the Hillside Property audit is expected to be completed by mid-June.

*Schueller made a motion to approve the financial report, Olson seconded the motion, motion carried unanimously.*

**10.2. HRA REVOLVING LOAN FUND UPDATE**

**11. ADDITIONAL ITEMS, COMMENTS OR QUESTIONS**

Mach inquired about the current occupancy of Timber Pines; however, no one had the information available.

Schueller asked whether Lezlie should be consulted to assist with completing the Section 18. Faur stated he will speak with Lezlie.

**12. ADJOURNMENT**

*Schueller made a motion to adjourn the meeting, Olson seconded the motion, motion carried unanimously.*

Meeting adjourned at 9:26 AM.

**PHA Board Resolution**  
Approving Operating Budget

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

OMB Approval No. 2577-0029  
(exp 04/30/2027)

Public reporting burden for this collection of information is estimated to average 136.2 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden, to the Reports Management Officer, QDAM, Department of Housing & Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410. When providing comments, please refer to OMB Approval No. 2577-0029. 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 information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of proposed and budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA complies with HUD prescribed procedures. PHA boards must approve the operating budget and HUD requires boards to certify their approval through this form. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: H.R.A. of Pine City PHA Code: MN05900112M

PHA Fiscal Year Beginning: 4/1/2026 Board Resolution Number: \_\_\_\_\_

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

	Date
Operating Budget approved by Board resolution on:	_____
Operating Budget submitted to HUD, if applicable, on:	_____
Operating Budget revision approved by Board resolution on:	<u>4.21.2026</u>
Operating Budget revision submitted to HUD, if applicable, on:	_____

I certify on behalf of the above-named PHA that:

1. All regulatory and statutory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(I)

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct.

**Warning:** Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines and civil and administrative penalties. (18 U.S.C. 1001, 1010, 1012; 31, U.S.C. 3729, 3802)

Print Board Chairperson's Name:	Signature	Date

# Operating Budget

Type of Submission <input checked="" type="checkbox"/> Original <input type="checkbox"/> Revision No:		Fiscal year ending 03/31/27	No. of months (check one) <input checked="" type="checkbox"/> 12 months <input type="checkbox"/> other (specify)		Type of HUD assisted projects(s) 01 <input checked="" type="checkbox"/> PHA/IHA-Owned Rental Housing 02 <input type="checkbox"/> IHA Owned Mutual Help Homeowne 03 <input type="checkbox"/> PHA/IHA Leased Rental Housing 04 <input type="checkbox"/> PHA/IHA Owned Turnkey III Homeo 05 <input type="checkbox"/> PHA/IHA Leased Homeownership	
Name of Public Housing Agency/Indian Housing Authority (PHA/IHA) H.R.A. of Pine City						
Address (city, state, zip code) 905 W. Seventh Street Pine City, MN 55063						
ACC Number C-920		PAS/LOCCS Project No. MN05900112M		HUD Field Office Minneapolis, MN		
No. of Dwelling Units 34		No. of Unit Months Available 408		No. of Projects 1		
FDS Line No.	Acct. No.	Description	Actuals Last Fiscal Yr. 3/31/2025 PUM	<input checked="" type="checkbox"/> Estimates <input type="checkbox"/> or Actual  Current Budget 3/31/2025 PUM	PHA Budget Estimates 03/31/27	
					PUM	Amount (to nearest \$10)
<b>Operating Receipts</b>						
70300	3110	Net Tenant Revenue	399.46	404.53	389.39	158,870
70400	3120	Tenant Revenue-Other (Excess Utilities)	1.66	1.23	1.72	700
<b>70500</b>	<b>Total</b>	<b>Rental Income</b>	<b>401.12</b>	<b>405.76</b>	<b>391.10</b>	<b>159,570</b>
70600	3401.1	HUD PHA Operating Grant-CFP Draw to Operations	150.95	-	98.04	22,000 <del>40,000</del>
70600	3401.2	HUD PHA Operating Grant-Operating Subsidy	156.10	114.56	101.20	41,290
<b>70700</b>	<b>Total</b>	<b>Fee Revenue</b>	<b>307.05</b>	<b>114.56</b>	<b>199.24</b>	<b>81,290</b>
70750	3610	Interest on General Fund Investments	0.28	0.12	0.12	50
71500	3690	Other Revenue	11.74	9.80	13.48	5,500
<b>70000</b>	<b>Total</b>	<b>Revenue</b>	<b>720.19</b>	<b>530.24</b>	<b>603.95</b>	<b>228,410 246,410</b>
<b>Operating Expenditures - Administration</b>						
91100	4110	Administrative Salaries	55.13	47.82	48.26	19,690
91200	4171	Auditing Fees	19.36	19.36	19.36	7,900
91300	4130.1	Management Fee	98.95	105.64	106.94	43,630
91400	4190.6	Advertising and Marketing	-	1.23	1.23	500
91500	4182	Employee Benefits-Admin	4.23	3.65	3.70	1,510
91600	4190	Office Expenses	23.27	23.77	23.77	9,700
91700	4130	Legal Expense	-	4.90	4.90	2,000
91800	4150	Travel	-	-	-	-
91810	4190	Allocated Overhead	-	-	-	-
91900	4170	Other (Accounting Fees)	7.29	7.35	7.35	3,000
<b>91000</b>	<b>Total</b>	<b>Operating-Administrative</b>	<b>208.23</b>	<b>213.72</b>	<b>215.51</b>	<b>87,930</b>
<b>Tenant Services</b>						
92100	4210	Salaries	-	-	-	-
92200	4215	Relocation Costs	-	-	-	-
92300	4222	Employee Benefits-Tenant Services	-	-	-	-
92400	4220	Tenant Services-Other	0.04	1.23	1.23	500
	4230	Contract Costs, Training and Other	-	-	-	-
<b>92500</b>	<b>Total</b>	<b>Tenant Services</b>	<b>0.04</b>	<b>1.23</b>	<b>1.23</b>	<b>500</b>
<b>Utilities</b>						
93100	4310	Water	36.72	39.22	39.22	16,000
93200	4320	Electricity	37.09	39.22	41.67	17,000
93300	4330	Gas-Hot Water	17.13	19.61	19.61	8,000
93400	4340	Gas-Heating	-	-	-	-
93500	4350	Labor	-	-	-	-
93600	4360	Sewer	-	-	-	-
<b>93800</b>	<b>Total</b>	<b>Utilities Expense</b>	<b>90.94</b>	<b>98.05</b>	<b>100.49</b>	<b>41,000</b>

Name of PHA/IHA H.R.A. of Pine City			Fiscal Year Ending 03/31/27			
FDS Line No.	Acct. No.	Description	Actuals Last Fiscal Yr. 3/31/2025 PUM	<input checked="" type="checkbox"/> Estimates <input type="checkbox"/> or Actual Current Budget 3/31/2025 PUM	PHA Budget Estimates 03/31/27	
					PUM	Amount (to nearest \$10)
<b>Ordinary Maintenance and Operation</b>						
94100	4410	Labor	30.20	33.65	35.17	14,350
94200	4420	Materials	19.16	14.71	18.38	7,500
94300	4430	Contract Costs	58.67	69.85	78.43	38,000 <del>32,000</del>
94500	4433	Employee Benefits-Maint.	2.31	2.57	2.70	1,100
94000	<b>Total</b>	<b>Maintenance</b>	110.34	120.78	134.68	54,950
<b>Protective Services</b>						
95100	4460	Labor	-	-	-	-
95200	4462	Contract Costs	-	-	-	-
95300	4480	Other	-	-	-	-
95500	4461	Employee Benefits-Protective Services	-	-	-	-
95000	<b>Total</b>	<b>Protective Services</b>	-	-	-	-
<b>General Expense</b>						
96100	4510	Total Insurance Premiums	32.45	33.33	50.49	20,600
96200	4590	Other General Expense	-	1.23	1.23	500
96210	4550	Compensated Absences	7.25	-	-	-
96300	4520	Payments in Lieu of Taxes	15.23	15.39	14.53	5,930
96200	4525	Special Assessments	-	1.23	1.23	500
96400	4570	Bad Debt-Tenant Rents	0.50	0.25	0.25	100
96000	<b>Total</b>	<b>Other General Expenses</b>	55.43	51.43	67.72	27,630
96900	<b>Total</b>	<b>Operating Expenses</b>	464.98	485.21	519.63	218,010 <del>212,010</del>
97000	<b>Excess</b>	<b>Operating Revenue over Operating Expenses</b>	255.21	45.03	84.31	10,400 <del>34,400</del>
<b>Nonroutine Expenditures</b>						
97100	4610	Extraordinary Maintenance	-	4.90	9.80	4,000
97200	4620	Casualty Losses-Non Capitalized	-	-	-	-
97350	4715	Housing Assistance Payments	-	-	-	-
97350	4715.9	HAP Portability-In	-	-	-	-
90000	<b>Total</b>	<b>Expenses</b>	464.98	490.11	529.44	222,010 <del>216,010</del>
<b>Other financing Sources (Uses)</b>						
10091	4700	Inter Project Excess Cash Transfer In	-	-	-	-
10020	4700	Inter Project Excess Cash Transfer Out	-	-	-	-
10100	<b>Total</b>	<b>Other financing Sources (Uses)</b>	-	-	-	-
<b>Prior Year Adjustments</b>						
11040	6010	Prior Year Adjust. Affecting Operating Reserve	-	-	-	-
<b>Memo Expenditures</b>						
11620	7540	Building/Site Improvements	65.98	14.71	-	-
11630	7520	Furniture & Equipment-Dwelling Purchases	-	-	-	-
11640	7520	Furniture & Equipment-Administrative Purchases	-	-	-	-
10000	<b>Net</b>	<b>Change in Operating Reserve</b>	189.23	25.42	74.51	6,400 <del>30,400</del>

Unrestricted Net Assets		PHA/IHA Estimates
<b>Provision for and Estimated or Actual Unrestricted Net Assets at Fiscal Year End</b>		
Unrestricted Net Assets at End of Previous Fiscal Year-Actual for FYE (date)		3/31/2025 249,752
Change in Unrestricted Net Assets - Current Budget year (check one)		
<input checked="" type="checkbox"/>	Estimated for FYE	3/31/2026 10,380
<input type="checkbox"/>	Actual for FYE	
Unrestricted Net Assets at End of Current Budget year (check one)		
<input checked="" type="checkbox"/>	Estimated for FYE	3/31/2026 260,132
<input type="checkbox"/>	Actual for FYE	
Net Change in Unrestricted Net Assets-Requested Budget year Estimated for FYE		3/31/2027 30,400
Unrestricted Net Assets at End of Requested Budget Year Estimated for FYE		3/31/2027 290,532
Cash Reserve Requirement-30% of line 96900		63,603

# Operating Budget

Schedule of All Positions and Salaries

Name of Housing Authority: H.R.A. of Pine City		905 W. Seventh Street Pine City, MN 55063				Fiscal Year End 03/31/27				
Position Title and Name By Organizational Unit and Function	Present Salary Rate as of (date) 01/31/25	Requested Budget Year			Allocation of Salaries by Program					
		Salary Rate	Estimated Payment		Low Rent Public Housing	Section 8 Programs	Other Programs		Method of Allocation	
			No. Months	Amount						
<b><u>ADMINISTRATIVE POSTIONS</u></b>										
SITE MANAGER	TS	1625.76/Mo	1640.47/Mo	12	19,686	19,690				
TOTAL ADMINISTRATIVE SALARIES/WAGES						19,690	-	-	-	
<b><u>TENANT SERVICES POSITIONS</u></b>										
TOTAL TENANT SERVICES SALARIES/WAGES						-	-	-	-	
<b><u>MAINTENANCE LABOR</u></b>										
MAINTENANCE CUSTODIAN-12 HRS/WK	GG	22.00	23.00	12	14,352	14,350				
TOTAL MAINTENANCE SALARIES/WAGES						14,350	-	-	-	

# Operating Budget

Schedule of Nonroutine Expenditures

See back of page for Instructions and Public reporting burden statement

Name of Housing Authority H.R.A. of Pine City	Locality 905 W. Seventh Street Pine City, MN 55063	Fiscal Year End 03/31/27
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Work Project Number	Description of Work Project	Housing Project Number	Total Estimated Cost	Percent Complete Current Budget Year End	Requested Budget Year		Description of Equipment Items	Requested Budget		
					Estimated Expenditure in Year	Percent Complete Year End		No. of Items	Item Cost	Estimated Expenditure in Year
	<b><u>EXTRAORDINARY MAINTENANCE</u></b>						<b><u>FURNITURE AND EQUIPMENT</u></b>			
	Asbeston/Radon Testing		4,000		4,000		<b><u>ADMINISTRATIVE</u></b>			
	TOTAL EXTRAORDINARY MAINT.		4,000		4,000		TOTAL ADMINISTRAVE EQUIP	0	0	0
	<b><u>BUILDING/SITE IMROVEMENTS</u></b>						<b><u>FURNITURE AND EQUIPMENT</u></b>			
	TOTAL BUILDING IMPROVEMENTS		0		0		TOTAL DWELLING EQUIP	0	0	0

**Operating Budget**

Schedule of Administrative Expenses  
Other than Salaries

Name of Housing Authority		Locality		Fiscal Year End		
905 W. Seventh Street		905 W. Seventh Street Pine City, MN 55063		03/31/27		
FDS Line #	Acct #	Description	Total	Low Rent Public Housing		HCV
91200	4171	Auditing Fees	7,900	7,900	-	-
91400	4190.6	Advertising & Marketing	500	500	-	-
91600	Office Expenses					
	4140	Staff Training	-	-	-	-
	4185	Telephone, Fax, Electronic Communications	2,200	2,200	-	-
	4190.1	Publications	-	-	-	-
	4190.2	Membership Dues and Fees (list organization and amount)	-	-	-	-
	4190.3	Administrative Services Contracts (list and provide justification)	5,000	5,000	-	-
	4190.4	Forms, Stationary and Office Supplies	500	500	-	-
	4190.5	Other Sundry Expense (provide breakdown)	2,000	2,000	-	-
	4190.7	Collection Agent Fees and Court Costs	-	-	-	-
91600	Total	Office Expenses	9,700	9,700	-	-
91700	4140	Legal Expenses	2,000	2,000	-	-
91800	4150	Travel	-	-	-	-
91900	4170	Other (Accounting Fees)	3,000	3,000	-	-
		TOTAL ADMINISTRIVE EXPENSES OTHER THAN SALARIES	23,100	23,100	-	-

Justification / Breakdown:

Accounting Fees:  
Regular monthly fees  
Supplemental Services-Budgets, Operating Subsidy, REAC-Unaudited and Audited

Admin Service Contracts:  
HDS-Annual Support/MTCS Transmittal  
Payroll provider

Other Sundry Expense:  
Postage  
Computer Repair/Service  
Printing  
Flowers, Condolences, Etc..

**Operating Budget**

Summary of Budget Data And Justifications

Name of Housing Authority H.R.A. of Pine City	Locality 905 W. Seventh Street Pine City, MN 55063	Fiscal Year Ending 03/31/27
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**Operating Receipts**

**Dwelling Rental**

<u>34</u> Units Available	PUM	385.53
	x Change Factor	101%
<u>34</u> Avg Units Occupied as of: 2/28/2026		<u>389.38</u>
	x Occupancy %	100%
<u>13,108</u> Avg Rent Roll		<u>389.38</u>
	x UMA	408
<u>385.53</u> Avg Monthly Dwelling Rent Per Unit	Dwelling Rental	<u><u>158,870</u></u>

**Excess Utilities**

Utility Services Surcharged:       Electricity       Other  
 Comments:      None      Specify \_\_\_\_\_

700

**Interest on General Fund Investments**

Estimated Investment Income      50

**Other Revenue**

Late Fees, Move out charges/Misc.	1,500	Acct 3690
Laundry, Misc. Income	4,000	Acct 3690.1
Total	<u>5,500</u>	

Comments:

**Operating Expenditures**

**Utilities**

Water	16,000
Electricity	17,000
Gas	8,000
Total	<u>41,000</u>

**Ordinary Maintenance & Operation-Materials**

Estimated Materials      7,500

## Operating Budget

### Summary of Budget Data And Justifications

Name of Housing Authority	Locality	Fiscal Year Ending
H.R.A. of Pine City	905 W. Seventh Street Pine City, MN 55063	03/31/27

### Operating Expenditures

#### Ordinary Maintenance & Operation-Contract Costs

Acct	Description	
4430.02	Heating and Cooling	3,000
4430.03	Snow Removal	2,500
4430.05	Landscape & Grounds	4,000
4430.06	Unit Turnaround	8,000
4430.07	Electrical	1,000
4430.08	Plumbing	4,000
4430.09	Exterminating	1,000
4430.10	Janitorial	500
4430.11	Routine	3,000
4430.12	Misc. Contracts	3,000
4431	Garbage	2,000
		<u>32,000</u>

#### Insurance

Property/Liability-Bus Owners	19,000
Workers Comp	1,100
Fidelity Bond	500
	<u>20,600</u>

#### Employee Benefit Contributions

	Total	Admin	Maint	Section 8
Fica	2,610	1,510	1,100	-
Retirement	-	-	-	-
Health Insurance	-	-	-	-
		<u>1,510</u>	<u>1,100</u>	<u>-</u>
Compensated Absences Estimate	-	<u>-</u>	<u>-</u>	<u>-</u>

#### Collection Losses

Estimated Adjustment to Allowance for Doubtful Accts	<u>100</u>
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#### Tenant Services/ Other General

Tenant Services	500	Acct 4220
Tenant Contracts-Cable TV	-	Acct 4230
	<u>500</u>	Total
Other General Expenses (special asses	<u>500</u>	Acct 4590

Capital Fund Program - Five-Year Action Plan

Status: Submitted

Approval Date:

Approved By:

Part I: Summary						
PHA Name : HRA of PINE CITY, MINNESOTA		Locality (City/County & State)				
PHA Number: MN059		<input type="checkbox"/> Original 5-Year Plan		<input checked="" type="checkbox"/> Revised 5-Year Plan (Revision No: )		
A.	Development Number and Name	Work Statement for Year 1 2022	Work Statement for Year 2 2023	Work Statement for Year 3 2024	Work Statement for Year 4 2025	Work Statement for Year 5 2026
	HILLSIDE COURT (MN059000001)	\$54,416.00	\$54,562.00	\$54,000.00	\$54,000.00	\$54,000.00

Capital Fund Program - Five-Year Action Plan

<b>Part II: Supporting Pages - Physical Needs Work Statements (s)</b>				
<b>Work Statement for Year</b>				
1	2022			
<b>Identifier</b>	<b>Development Number/Name</b>	<b>General Description of Major Work Categories</b>	<b>Quantity</b>	<b>Estimated Cost</b>
	HILLSIDE COURT (MN059000001)			\$54,416.00
ID0000045	Flooring updates(Dwelling Unit-Interior (1480)-Flooring (non routine))	Unit flooring replacement as needed Mitigation of asbestos may be necessary		\$9,180.00
ID0000046	Unit appliances(Dwelling Unit-Interior (1480)-Appliances)	Update and replace appliances as needed		\$1,000.00
ID0000047	Tenant damages and emergency repairs(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Tenant damages to include sheetrock, painting, appliance replacement, and emergency repairs. The contract may include mitigation for lead base paint and asbestos abatement if needed or required		\$2,000.00
ID0000048	Foundation(Non-Dwelling Exterior (1480)-Foundation)	2021 postponed work Board indicated that the foundation needed to be addressed to prevent future damages Will be responsive to soil requirements		\$5,700.00
ID0000049	Cable Replacement(Dwelling Unit-Interior (1480)-Electrical)	Replace low voltage cable wiring throughout building for 34 units.		\$27,000.00





Capital Fund Program - Five-Year Action Plan

<b>Part II: Supporting Pages - Physical Needs Work Statements (s)</b>				
<b>Work Statement for Year</b>				
	3	2024		
<b>Identifier</b>	<b>Development Number/Name</b>	<b>General Description of Major Work Categories</b>	<b>Quantity</b>	<b>Estimated Cost</b>
	HILLSIDE COURT (MN059000001)			\$54,000.00
ID0000043	Operations(Operations (1406))	Operations to be used for increasing property insurance costs, utility costs and general maintenance.		\$22,000.00
ID0000044	Flooring updates(Dwelling Unit-Interior (1480)-Flooring (non routine))	Unit flooring replacement as needed Mitigation of asbestos may be necessary		\$9,000.00
ID0000050	Concrete sidewalks(Non-Dwelling Site Work (1480)-Asphalt - Concrete - Paving)	Repair or replace concrete sidewalks around building and/or court yard Will be responsive to soil requirements		\$8,000.00
ID0000051	Tenant damages and emergency repairs(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Tenant damages to include sheetrock, painting, appliance replacement, and emergency repairs. The contract may include mitigation for lead base paint and asbestos abatement if needed or required		\$5,000.00
ID0000052	Plumbing upgrades(Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers,Non-Dwelling Interior (1480)-Plumbing)	Update water storage tank, plumbing upgrades Mitigation of asbestos may be necessary		\$10,000.00



Capital Fund Program - Five-Year Action Plan

<b>Part II: Supporting Pages - Physical Needs Work Statements (s)</b>				
<b>Work Statement for Year</b>				
	4	2025		
<b>Identifier</b>	<b>Development Number/Name</b>	<b>General Description of Major Work Categories</b>	<b>Quantity</b>	<b>Estimated Cost</b>
	HILLSIDE COURT (MN059000001)			\$54,000.00
ID0004	Unit appliances(Dwelling Unit-Interior (1480)-Appliances)	Update and replace appliances as needed		\$2,210.00
ID0009	Flooring updates(Dwelling Unit-Interior (1480)-Flooring (non routine))	Unit flooring replacement as needed Mitigation of asbestos may be necessary		\$7,650.00
ID0011	Common area carpets(Non-Dwelling Interior (1480)-Common Area Flooring)	Replace common area carpets. Last replaced in 1995 Mitigation of asbestos may be necessary		\$15,340.00
ID0026	Tenant damages and emergency repairs(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Tenant damages to include sheetrock, painting, appliance replacement, and emergency repairs. The contract may include mitigation for lead base paint and asbestos abatement if needed or required		\$7,000.00
ID0028	Unit bathroom exhaust fans(Dwelling Unit-Interior (1480)-Electrical)	Update, replace, connect vents to roof venting Mitigation of possible asbestos and lead, may be necessary		\$7,000.00

Capital Fund Program - Five-Year Action Plan

<b>Part II: Supporting Pages - Physical Needs Work Statements (s)</b>				
<b>Work Statement for Year</b>				
4	2025			
<b>Identifier</b>	<b>Development Number/Name</b>	<b>General Description of Major Work Categories</b>	<b>Quantity</b>	<b>Estimated Cost</b>
ID0030	Window replacement(Dwelling Unit-Exterior (1480)-Windows)	Window replacement will be needed in one bedroom units. Mitigation of asbestos and lead base paint may be necessary		\$4,800.00
ID0031	Unit modernization(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Update unit to modernization Update appliances, cabinets, sinks, doors, trim, flooring, bathroom, closet doors, paneling, bathroom sinks, stools, painting Mitigation may be necessary for asbestos and lead abatement.		\$10,000.00
	Subtotal of Estimated Cost			\$54,000.00

<b>Part II: Supporting Pages - Physical Needs Work Statements (s)</b>					
<b>Work Statement for Year</b>		<b>5</b>	<b>2026</b>		
<b>Identifier</b>	<b>Development Number/Name</b>	<b>General Description of Major Work Categories</b>		<b>Quantity</b>	<b>Estimated Cost</b>
	HILLSIDE COURT (MN059000001)				\$54,000.00
ID000042	Operations(Operations (1406))	Operations to be used for increasing property insurance costs, utility costs and general maintenance.			\$23,360.00
ID0018	Parking lot repairs(Non-Dwelling Site Work (1480)-Asphalt - Concrete - Paving)	Repairs in parking lot and seal coating Will be responsive to soil requirements			\$3,000.00
ID0027	Attic insulation(Dwelling Unit-Exterior (1480)-Other)	Chutes, venting, insulation Mitigation of asbestos may be necessary			\$12,640.00
ID0032	Concrete sidewalks(Non-Dwelling Site Work (1480)-Asphalt - Concrete - Paving)	Repair or replace concrete sidewalks around building and/or court yard Will be responsive to soil requirements			\$15,000.00
	Subtotal of Estimated Cost				\$54,000.00



## Housing Redevelopment Authority

### MEMORANDUM

**Date:** February 12, 2026

**To:** Housing Redevelopment Authority (HRA) of Pine City

**From:** Lezlie Sauter, Economic Development Coordinator

**RE:** RAD Conversion versus Section 18 Disposition

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Since September, we have been actively researching the Rental Assistance Demonstration (RAD) Conversion to comply with requests from the City Council to dispose of the Hillside Court Apartments to another entity (see [Pine City City Council Special Meeting Minutes – September 26, 2025](#)). Upon finding an experienced professional in RAD conversions, we were introduced to the Section 18 Disposition, as an alternative. Jill Keppers, Executive Director of Duluth HRA will be present to answer questions, as she has experience in both forms of conversion.

#### **Section 18 Disposition (Section 18 of the U.S. Housing Act of 1937)**

Allows a Public Housing Authority (PHA) dispose of (sell/transfer) or remove a property from public housing inventory. HUD provides Tenant Protection Vouchers (TPVs) to continue resident rent assistance under Section 8 after disposition. This is typically used when public housing is obsolete, inefficient to maintain, or better positioned for ownership/operation by another entity. The property is no longer public housing; assistance continues through voucher subsidies (often project-based) rather than direct public housing subsidies.

- Often used when rehabilitation is too costly under the public housing funding structure. With TPVs, a converted property can support higher rent subsidies that may attract private capital or new ownership structures.
- TPVs may offer higher payment standards (often at or above Fair Market Rent), which can improve cash flow compared to traditional public housing.
- Residents receive basic protection by receipt of TPVs to continue rent assistance.
- Affordability is tied to voucher usage and any project-based contract; ongoing affordability after initial contracts may not be guaranteed in the same way RAD requires. Historically Section 18 offers less explicit long-term affordability assurance compared to RAD's statutory guarantees.

Through Section 18, Hillside Court would be removed from public housing and shift to a Section 8 voucher platform. Ownership would be transferred, reducing public housing management burdens, and would allow the HRA to pursue a new ownership/developer partnership. The benefit would be the potential for higher subsidy levels through the TPV, and the flexibility in future ownership or use. The negative side is there is no statutory affordability in the future for tenants.

### **RAD (Rental Assistance Demonstration) Conversion**

Allows PHAs to convert public housing subsidy to long-term Section 8 funding (either Project-Based Vouchers (PBV) or Project-Based Rental Assistance (PBRA)) while preserving affordability. RAD is designed to preserve and improve affordable housing by enabling access to private financing for rehabilitation or redevelopment. The property becomes Section 8-assisted affordable housing with long-term contract security.

- RAD provides a stable long-term Section 8 contract, which allows PHAs or partners to leverage private debt/equity and tax credits for rehabilitation or redevelopment.
- Enables comprehensive repair or modernization that might otherwise be unaffordable under public housing funding rules.
- RAD provides robust resident protections, including relocation rights during rehab, right to return, no rescreening, and long-term contract renewal rights.
- Under RAD, after the initial 20-year Section 8 contract, HUD must offer renewal and the owner must accept, providing stronger long-term affordability assurance than traditional Section 18.

Through a RAD Conversion, Hillside Court's affordable units would be preserved and the project would retain access capital for rehabilitation (same resources currently have access to). The benefit is that RAD provides stronger affordability protection. The negative side is that RAD is complicated and commits the property to a long-term Section 8 contract.



## **Housing Redevelopment Authority**

### **Tenant Grievance Policy and Procedure**

The following grievance policy and procedure was adopted by the Housing Redevelopment Authority (HRA) of Pine City to meet the United States Department of Housing and Urban Development (HUD) Requirements.

#### **1. Informal settlement of a complaint:**

- a) The complainant should schedule an informal meeting with Management Office and/or the Executive Director, and the complaint(s) should be presented verbally and in writing.
- b) A written summary will be prepared by Management and/or Executive Director within 14 days after the scheduled meeting, with a copy given to the complainant and a copy placed in the complainant's file. The summary should specify the following:
  - Names of the participants, date(s) of the meeting(s) and the proposed disposition of the complaint.
  - The procedure by which a hearing may be obtained before the HRA Board of Commissioners, if the complainant has not been satisfied.

#### **2. Hearing before the HRA Board of Directors:**

- a) Request for a Hearing. The complainant should submit a written request to the Management Office for an appeal hearing before the HRA Board of Commissioners within 14 days after receipt of the written summary described in paragraph 1. above. To be placed on the agenda for the monthly HRA Board of Commissioners meeting, the request must be received by the 1st Tuesday of the month. The written request must specify:
  - the reason for the complaint; and,
  - the action or relief sought.
- b) Selection of the Hearing Officer. The complainant's appeal will be presented before the Chairperson of the HRA Board of Commissioners who is impartial, disinterested person, selected and appointed by the HRA Board of Commissioners' members. The other members of the HRA Board of Commissioners will assist the Chairperson in reaching a majority decision on the disposition/resolution of the issue presented in the appeal.



### Housing Redevelopment Authority

- c) Failure to Request a Hearing. If the complainant fails to request an appeal hearing before the HRA Board of Commissioners within the detailed timeframe, the disposition of the grievance under consideration shall be final. However, fail to request a hearing shall not constitute a waiver of the complainant's right, thereafter, to contest the disposition through an appropriate judicial proceeding.
- d) Procedures Governing the Hearing. The hearing will be held before the HRA Board of Commissioners, Executive Director and Management will provide the complainant with:
  - the right to private hearing;
  - the right to confidentiality of records; and,
  - the right to be represented by counsel.

### 3. Decision of the HRA Board of Directors.

- a) The Chairperson of the HRA Board of Commissioners or this person's designee will prepare a written decision, within 14 days after the hearing. A copy of the decision will be sent to the complainant, Executive Director and Management. A copy will also be placed in the complainant's file.
- b) A decision which denies the relief requested by the complainant does not constitute a waiver and does not affect the complainant's right to further appeal through judicial proceedings.

*Adopted this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by the Housing and Redevelopment Authority of Pine City, Minnesota.*

\_\_\_\_\_

*Chair*

*Attest:* \_\_\_\_\_

*Secretary*



**Housing Redevelopment Authority**

**Tenant Request to Appear Before the HRA Board Form**

**1. Resident Information**

Name: \_\_\_\_\_

Address / Unit Number: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

**2. Verification of Completed Steps** *(Must be completed before submitting this request)*

Informal meeting held with Management and/or Executive Director

Date the meeting was requested: \_\_\_\_\_

Name of person meeting request was submitted to: \_\_\_\_\_

Date meeting occurred: \_\_\_\_\_

Copy of written summary from Management/Executive Director

**3. Reason for Request to Appear Before the HRA Board** *(Please describe the unresolved concern and the outcome you are seeking, attach additional pages if needed):*

\_\_\_\_\_

**4. Attach Supporting Documentation** *(copies of all communication, notices, emails, letters, and responses related to this concern)*

**Resident Certification:** I certify that I have completed all required review steps and am requesting that my concern be placed on the agenda for the next available HRA Board meeting.

**Resident Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Management Use Only**

Date Received: \_\_\_\_\_

Date Forwarded to HRA Chair: \_\_\_\_\_

Received By: \_\_\_\_\_

Scheduled Meeting Date: \_\_\_\_\_

Request Complete:  Yes  No

INVOICE DISTRIBUTION REPORT FOR CITY OF PINE CITY

EXP CHECK RUN DATES 03/01/2026 - 03/31/2026

POSTED  
PAID

GL Number	Invoice Date	Vendor Name	Invoice Description	Invoice Number	Check Date	Amount	Check Number
<b>Check: 254631</b>							
213-46510-50340	02/19/2026	NORTHSTAR MEDIA INC - 1853	SCDP APPLI/ORD 2025-14	993346	03/06/2026	56.36	254631
						<b>Total Check 254631:</b>	56.36
<b>Check: 254689</b>							
213-46510-50300	02/23/2026	PINE COUNTY TREAS.	SAUTER HOURS 12/15/25-12/29/25	02232026	03/20/2026	422.46	254689
213-46510-50300	02/23/2026	PINE COUNTY TREAS.	SAUTER HOURS 1/6/26-1/29/26	02232026-1	03/20/2026	736.60	254689
						<b>Total Check 254689:</b>	1,159.06
<b>Check: 7349</b>							
213-46510-50133	02/13/2026	DEARBORN LIFE INS CO	MARCH 2026 LIFE INSURANCE PREMIUMS	03312026	03/06/2026	0.41	7349
						<b>Total Check 7349:</b>	0.41
<b>Check: 7350</b>							
213-46510-50132	03/01/2026	DELTA DENTAL OF MN	MARCH 2026 DENTAL INSURANCE	RIS0006887692	03/06/2026	4.84	7350
						<b>Total Check 7350:</b>	4.84
<b>Check: 7365</b>							
213-46510-50134	02/10/2026	THE LINCOLN NATIONAL LIFE	MARCH 2026 DISABILITY	4939418906	03/06/2026	1.10	7365
						<b>Total Check 7365:</b>	1.10
<b>Check: 7403</b>							
213-46510-50131	03/10/2026	MN PEIP	APRIL 2026 HEALTH INS	1613923	03/27/2026	19.01	7403
						<b>Total Check 7403:</b>	19.01

INVOICE DISTRIBUTION REPORT FOR CITY OF PINE CITY

EXP CHECK RUN DATES 03/01/2026 - 03/31/2026

POSTED  
PAID

GL Number	Invoice Date	Vendor Name	Invoice Description	Invoice Number	Check Date	Amount	Check Number
--- TOTALS BY FUND ---							
		213	HOUSING & REDEVELOPMENT AUTH			1,240.78	

**PINE CITY HRA  
BALANCE SHEET  
FUNDS 213, 214,215  
AS OF MARCH 31, 2026**

	<b>GENERAL HRA FUND 213</b>	<b>REVOLVING LOAN HRA FUND 214</b>	<b>PROGRAM HRA FUND 215</b>
CASH	144,452	88,148	33,116
ACCOUNTS RECEIVABLE	-		-
LOAN RECEIVABLE	-		-
LOAN TO TIMBER PINES		50,000	
LOAN TO LAKESIDE CENTER		50,000	
<b>TOTAL ASSETS</b>	<b>144,452</b>	<b>188,148</b>	<b>33,116</b>
FUND BALANCE	144,452	188,148	33,116
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>144,452</b>	<b>188,148</b>	<b>33,116</b>

\* PER LEZLIE, PROGRAM HRA FUND 215 HAVE BEEN ALLOCATED TO THE HILLSIDE COURT APTS FOUNDATION PROJECT

**STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE  
HOUSING REDEVELOPMENT AUTHORITY (213 General & 215 Program)**

	PRE-AUDIT 2025	BUDGET 2026	YTD 2026
BEGINNING FUND BALANCE	165,852	179,152	179,152
REVENUES			
General Property Taxes	55,000	42,312	-
Charges for services			-
Investment earnings income	2,761		-
MN Housing partnership grant			-
Federal HLB payment			-
Total Revenues	<u>57,761</u>	<u>42,312</u>	<u>-</u>
EXPENDITURES			
Wages - Full Time - Admin	2,515	2,697	554
Pera Contributions	183	195	42
FICA Contributions	187	199	41
Health Insurance	190	228	101
Dental Insurance	50	58	15
Life Insurance	4	5	1
Disability Insurance	12	15	3
HSA City Contribution	32	32	31
MN PD Leave		11	3
*Professional services - general	<b>7,810</b>	8,627	737
Professional services - Audit	1,859	1,755	-
Professional services - Engineering	-	-	-
Professional services - Legal Fees	-	-	-
Professional services - Dues/Subscriber	-	-	-
Computer/Internet/GIS Support	-	1,199	-
Training/Conferences	-		-
Advertising and Promotion	-		56
Total Expenditures	<u>12,842</u>	<u>15,021</u>	<u>1,583</u>
REVENUES OVER (UNDER) EXPENDITURES	44,919	27,291	(1,583)
OTHER FINANCING SOURCES (USES)			
Transfers In			-
Transfers out	(31,619)	(27,291)	-
Total Financing Sources	<u>(31,619)</u>	<u>(27,291)</u>	<u>-</u>
LIABILITIES			
*Accounts Payable	<b>1,302</b>		
** Wages payable	<b>138</b>		
Total Liabilities	<u>1,441</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>14,741</u>	<u>-</u>	<u>(1,583)</u>
ENDING FUND BALANCE	<u><u>179,152</u></u>	<u><u>179,152</u></u>	<u><u>177,567</u></u>

\* highlighted area is for an invoice for Lezlie's hours in December not billed to us until March \$422.46  
 \*\* Removed Due to other funds, Wages Payable increased by this amount

**STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE  
HOUSING REDEVELOPMENT AUTHORITY (214 Revolving Loan)**

	PRE-AUDIT 2025	BUDGET 2026	YTD 2026
BEGINNING FUND BALANCE	153,024	188,148	188,148
REVENUES			
General Property Taxes			-
Loan Interest Income	2,640		-
Charges for services			-
Investment earnings income	865		-
MN Housing partnership grant			-
Federal HLB payment			-
Total Revenues	3,505	-	-
EXPENDITURES			
Professional services - general			-
Professional services - Audit			-
Training/Conferences			-
Professional services - Fawn Meadows			-
Total Expenditures	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	3,505	-	-
OTHER FINANCING SOURCES (USES)			
Transfers In from HRA fund 213	31,619	27,291	-
Transfers out			-
Total Financing Sources	31,619	27,291	-
NET CHANGE IN FUND BALANCE	35,124	27,291	-
<b>ENDING FUND BALANCE</b>	<b>188,148</b>	<b>215,439</b>	<b>188,148</b>

**Pine City HRA  
RLF Status Report  
April 2026**

**Pine City Senior Living/Timber Pines**

Original Loan Date: August. 24, 2023

Original Loan Amount: \$50,000

Rate of Interest: 1.99%

Term of Loan: 36 Months

Date of Last Payment: 10/15/2025

Amount of Last Payment: \$640.10

Amount Still Owed: \$50,640.10

Note: Annual Interest Only Payments for Three Years

- \$640.10 due Oct. 1, 2024, Paid October 15, 2024
- \$640.10 due Oct. 1, 2025, Paid October 15, 2025
- \$640.10 due Oct. 1, 2026

**\*\*\*Balloon Due Sept. 30, 2026, Amount \$50,000.00**

**Lakeside Center**

Original Loan Date: Nov. 20, 2023

Original Loan Amount: \$50,000

Rate of Interest: 4%

Term of Loan: 36 Months

Date of Last Payment: 12/08/2025

Amount of Last Payment: \$2,000.04

Amount Still Owed: \$52,000.04

Note: Annual Interest Only Payments for Three Years

- \$2,000.04 due December 1, 2024, Paid December 17, 2024
- \$2,000.04 due December 1, 2025, Paid December 8, 2025
- \$2,000.04 due December 1, 2026

**\*\*\*Balloon Due Dec. 30, 2026, Amount \$50,000.00**