

APPENDIX 11.19

BORROWER'S ANNUAL REPORTING RESULTS

This SUMMARY REPORT is provided in response to PDC's review of the Annual Reporting submission from the Borrower. It is rated in accordance with the provisions as outlined in the Borrower's Asset Management Guidelines, Section 10.4. **PLEASE RESPOND TO ACTION ITEMS -- LAST PAGE**

F/Y Cycle: 6/30/05

Date: 10/15/2005

PROJECT ID: SAMPLE YEAR END REPORT

PROJECT NAME: ABD

BORROWER: XYZ **PM** PM MGMT USA **Contact** XXX

Project Description: Project is a 4-bedroom, 2-story, single-family home located at _____. Project is currently managed by PM MGMT USA.

Regulatory Requirements: PDC has one restrictive agreement on this project: **PDC Affordability Agreement (non-HOME) dated 1/27/97** restricts the unit (25 yrs from project completion (7/17/1997)) to HHI that does not exceed 40% MFI, with Rent levels set at 40% MFI. If tenant income exceeds 40% MFI, they must pay no less than 30% of adjusted monthly income for rent & utilities. Agreement further provides for a minimum of 1.10 DCR, with cash flow share (50/50) distributed for DCR at or above 1.15.

SUMMARY: BORROWER'S ANNUAL REPORTING RESULTS

SCORING: A score will be given to each of the areas noted below, and Scoring designations have the following meanings (per the Borrowers Asset Management Guidelines):

- Score: = **GOOD** - No significant findings that would place funding source or project's ongoing sustainability at risk; any findings noted can be corrected within Borrower capacity.
- Score: = **FAIR** - Findings noted and if left uncorrected would put funding source or project's ongoing sustainability at risk.
- Score: = **POOR** - Project funding source and ongoing sustainability are deemed at risk.

Based on the information submitted to us for review, this Project receives the following ratings:

Section A (ETS):	<u>POOR</u>	RESULTS	0	Possible: 27	0 - 10 = Poor; 11 - 20 = Fair; 21 - 27 = Good
Section B (EOS):	<u>POOR</u>		0	Possible: 25	0 - 14 = Poor; 15 - 21 = Fair; 22 - 25 = Good
Section C (AFHMP):	<u>POOR</u>		0	Possible: 7	0 - 3 = Poor; 4 - 6 = Fair; 7 = Good
Section D (Mgmt):	<u>POOR</u>		0	Possible: 27	0 - 18 = Poor; 19 - 24 = Fair; 25 - 27 = Good
Section E (Inspect):	<u>POOR</u>		0	Possible: 15	0 - 5 = Poor; 6 - 11 = Fair; 12 - 15 = Good
PROJECT RATING:	<u>POOR</u>		0	Possible: 101	0 - 59 = Poor; 60 - 85 = Fair; 86 - 101 = Good

If Project receives an overall "**POOR**" rating, the project will be considered to be in non-compliance. The Borrower will be required to submit a Corrective Action Plan (**CAP**), to be agreed to by PDC, which includes a timeline and proposed actions to achieve full compliance and to retain/achieve project financial stability.

ACTION ITEMS - PLEASE MAKE (A): ETS ACTION:
THE CORRECTIONS NOTED AND
SUBMIT PROOF OF ACTIONS
TAKEN WITHIN 30 DAYS OF THIS
REPORT DATE:

(B): EOS ACTION:

(C): AFHMP:

(D): Mgmt ACTION:

(E): Inspection Action:

If you have questions, please contact PDC-Asset Management: Louise K. Lauman (503.823.0468) or Sheryl L. Stratton (503.823.3259).

Report Prepared by: _____

Date: _____

DETAIL - BORROWER'S ANNUAL REPORTING RESULTS

		Possible Points	Actual Points
A =	Electronic Tenant Survey (ETS): (timely, complete, accurate)		
	Timely ETS Submittal? _____	2	
	ETS Complete & Accurate? _____	2	
	Funding Sources: <input type="checkbox"/> HOME <input type="checkbox"/> CDBG <input type="checkbox"/> LIHTC <input type="checkbox"/> BOND <input type="checkbox"/> PDC <input type="checkbox"/> Other _____		
	Rental Rate Compliance? _____	3	
	Income/Unit Compliance? _____	3	
	Utility Allowances Applied Correctly? _____	2	
	Subsidy Types/Amounts Provided? _____	2	
	Overall Compliance w/Agreements? _____	4	
	Tenant Recertifications Completed: _____ # Missing: _____	3	
	# of Vacant Units as of FYE: _____		
	# Section 8 Tenants: _____ Project-Based _____ Tenant Vouchers _____		
	# Tenants with 30% or greater rent burden: _____ units or _____ % of the project		
	Average Tenant Tenure: _____ months		
	Submit Vacancy/Turnover Report?: _____	1	Entry Req'd
	Vacancy within underwriting or market parameters? _____	2	
	Turnover expenses reasonable? _____	2	
	Submit Borrower Certification?: _____	1	
	Comments:		
	Section A TOTALS:	27	0
B =	Electronic Operating Statement (EOS): (timely, complete, accurate)		
	Project Financials (unaudited) submitted? _____ On Time? _____	2	
	Audited Financial submitted? _____ Due Date: _____ Date Received? _____	2	
	Project EOS submitted? _____ On Time? _____	2	
	EOS Complete & Accurate? _____	2	
	Reserve Account(s) Funded? _____ Amount: _____ Bank Stmts Rec'd? _____	4	
	Next Year's Budget Submitted? _____	2	
	Cash Flow Payment Due to PDC? _____ Amount: _____	2	
	Project performing compared with original Pro Forma and Loan Documents? _____	6	
	Results of Financial Review:		
	1) Did the Project perform within the 5% deviation - original Proforma?		
	2) Did the Project achieve the prescribed DCR?	3	
	3) Did the Borrower make the appropriate Reserve Payment?		
	4) Is there a Cash Flow requirement for the Project?		
	5) Did the Project qualify for Cash Flow Share?		

Comments:

Section B TOTALS:

25 0

C = Affirmative Marketing:

Annual Affirmative Marketing Certification received: _____
 Certification dated and signed? _____
 Advertising directed to appropriate target market? _____

2 Entry Req'd
2
3

Comments:

Section C TOTALS:

7 0

D = Management Performance: (timely, complete, accurate)

ALL Reports submitted timely and complete to allow evaluation? _____
 Tenant Screening Criteria: _____
 Leasing Documentation: _____
 HOME Addendum (if applicable) _____
 Complaint Procedures? _____
 Affirmative Fair Housing Marketing plans followed? _____
 Routine & Preventive Maintenance Procedures? _____
 Tenant Files: (if reviewed this reporting cycle) Inspected this cycle? _____
 Organized and easy to locate required documents (sections, tabs)? _____
 Documentation complete & according to funding source requirements? _____
 Borrower and/or Property Management performs annual site inspections and overall oversight of project? _____
 Borrower and/or Property Management are knowledgeable of funding source obligations? _____
 Borrower and/or Property Management keep PDC informed of any project changes and/or difficulties that may affect the project's stability? _____
 Have they contacted PDC Asset Management during the year? _____

3
2
2
2
1
2
3
2
2
2
2
3
3
3
3
Entry Req'd

Comments:

Section D TOTALS:

27 0

E =

Project Site Inspections:

Inspection Cycle: _____ Last Inspection Date: _____
 Type of Inspection: None this Report Cycle
 Results: _____
 Are there any "Life-Safety" concerns? _____
 Does project meet HQS/DSS requirements? _____
 Repairs/Maintenance Needed? _____
 Were capital improvements commenced and/or completed in this reporting cycle? _____
 Next Scheduled Inspection Date: _____

Comments:

4 Entry Req'd
 3
 3
 3
 2 Entry Req'd

Section E TOTALS:

15 **0**