

**Bloomington RAD II, LP**  
**Management Agent: BHA**

1007 North Summit Street  
Bloomington, IN 47404  
Phone (812)339-3491 | Fax (812)339-7177

**CRESTMONT**  
**MANAGEMENT PLAN**

**I. The relationship between the owner and managing agent**

A. Role and responsibilities of the owner and the owner's relationship to and delegation of authority to the agent

Bloomington Housing Authority (BHA) will manage the property pursuant to the authority detailed in the Management Agreement with the owner. Agent will be responsible to the owner who will decide on major policies and will retain the authority provided to the mortgagor in the Management Agreement and the Regulatory Agreement. The agent will meet the owner to discuss questions of policy and procedures as needed.

B. Relationship of the owner to the property manager

The owner will have no direct supervision of the property manager. The property manager will report directly to the executive director of BHA. Owner's concerns with respect to day-to-day management of the project will be directed to the executive director of BHA, who will discuss the concerns with the property manager. As stated above, the owner will be responsible for policy decisions and the agent will be responsible for the administration of the policies.

C. Personnel policy and staffing arrangements for site personnel and supervisors

The property management staff will consist of a property manager, assistant property manager, maintenance coordinator, maintenance technicians, resident services staff, and administrative support. The property management team will be responsible for day-to-day operations, subject to the supervision of the BHA executive director. The duties of the property management team will include:

1. Interviewing and processing applications;
2. Preparation of leases and obtaining necessary signatures;
3. Consultation with BHA executive director on questions of policy and procedure;
4. Collection of rents, preparation of late notices, and coordination of eviction notices;
5. Preparation of reports to owner and Indiana Housing & Community Development Authority (IHCDA);
6. Supervision and control of repair and maintenance;
7. Handling resident related problems/needs as they occur;
8. Correspondence;
9. Marketing and affirmative marketing;
10. Public relations;
11. Liaison with resident and community groups to promote and help coordinate social service and supportive housing activities;
12. Maintenance of waiting list for non-811 units;
13. Communication with local Coordinated Entry;
14. Maintain avenues for constant tenant feedback both in writing, orally or electronically;
15. Preparation of preventative maintenance schedule; and
16. Knowledge of Section 42 eligibility and processing procedures.

**Bloomington RAD II, LP**  
**Management Agent: BHA**

1007 North Summit Street

Bloomington, IN 47404

Phone (812)339-3491 | Fax (812)339-7177

D. Provisions for staff training and development

All staff will be trained in fair housing, the housing first approach and risk control. The property management team will attend relevant property management trainings as well as Section 42 training to continue to build capacity. Maintenance will attend training as needed.

**II. Procedures for resident eligibility and processing**

A. Ensuring management personnel's familiarity with IHEDA or HUD program requirements for occupancy limits and adherence to compliance and regulatory requirements

To ensure the property management team is familiar with Section 42 and/or HUD program requirements, BHA will retain a tax credit compliance consultant to review Section 42 files until capacity is achieved.

BHA will conduct a thorough review of the Tenant Selection Plan (TSP) with the staff upon hire and at least two times per year after hire. BHA will also review with the staff other compliance requirements such as the Affirmative Fair Housing Marketing Plan, income limits, verifying annual income, and other occupancy eligibility requirements at least two times per year.

B. The system used to determine applicant's eligibility, including the procedures utilized for accepting applications, the number of persons reviewing, processing and approving or rejecting application

In processing and certifying applications, the staff will see that a complete file is kept for each applicant, including all back-up documentation for the following procedures:

1. Verification of income sources:
  - a) Social Security verification;
  - b) Supplemental security income verification;
  - c) Bank verification;
  - d) Employment verification;
  - e) Pension verification;
  - f) Disposition of assets;
  - g) Contributions from friends or family;
  - h) Stock and bond verification.
2. Preparation of IHEDA forms and proper leases.
3. Determination of acceptance or rejection of application:
  - a) Rejection letter and
  - b) Call to notify application of acceptance.
4. Signing of lease by applicant at management office; payment of security deposit; and setting of move-in date.

**Bloomington RAD II, LP**  
**Management Agent: BHA**

1007 North Summit Street  
Bloomington, IN 47404  
Phone (812)339-3491 | Fax (812)339-7177

5. Signing of lease by authorized person;
6. Any additional rent letters to resident.
7. Additional Possible Applicant Screening Criteria:
  - a) Credit check
  - b) Criminal background check
  - c) Employment
  - d) Drug screening check
  - e) Verification of previous housing

The property management team will be responsible for overall compliance. The property manager and the executive director will monitor the manager's efforts to ascertain compliance with the system and the correctness of the calculations.

**III. Rent collection policies and procedures**

A. Procedures for rent collections, including accommodations for onsite collections

Rent is due and payable on the first of the month at the BHA main office located at 1007 N. Summit Street Bloomington, IN 47404 either by mail or personal delivery. A rent drop box will be located at the site management office for payment after hours. Only checks, money orders, debit and credit payments will be accepted. Cash will not be accepted. When payment is received by the staff in the management office, it will be recorded in the computer system and promptly deposited in the development's operating account.

Rent payments should be made out to RAD II, LP.

B. Follow-up procedures for keeping delinquencies at a minimum

If a resident is more than five days delinquent, a 14-day notice to pay will be issued. If the rent still remains unpaid upon expiration of the 14-day notice, the manager will request legal proceedings. A computerized delinquency report will be printed out on the fifth day, fifteenth day and the end of the month. The delinquency list will be aged denoting rents due for the current month, thirty days, sixty days, and ninety (or more) days due.

**IV. Resident/Management relations**

A. Leasing and resident orientation procedures including notifying residents of house, and conducting move-in inspections

The owner and BHA place a high priority in maintaining good management/resident relations. At the time a new resident comes in to sign the lease, the manager will conduct an orientation session for each member of the family to review the lease provisions and the development's rules and regulations and a thorough move-in inspection of the residents unit. At the time of the move-in inspection, the resident and management will sign a move-in inspection form and any items that must be remediated will be noted on the move-in inspection form. Any items for remediation will be addressed within seven business days. Deficiencies that affect health and safety will be

**Bloomington RAD II, LP**  
**Management Agent: BHA**

1007 North Summit Street

Bloomington, IN 47404

Phone (812)339-3491 | Fax (812)339-7177

addressed immediately. The move-in inspection form will be placed in the resident's file for reference.

**B. Marketing and lease up policies**

To ensure the property management team understands the marketing and lease up policies of the development, BHA will conduct a thorough review of both the Tenant Selection Plan (TSP) and the Affirmative Fair Housing Marketing Plan (AFHMP) with the staff at least two times per year. The TSP will provide information regarding preferences, waitlist procedures, screening and eligibility requirements and occupancy standards. The AFHMP will provide information regarding community outreach and marketing media.

**C. Method of handling resident grievances**

Residents will be encouraged to bring concerns to the management agent. BHA will conduct grievances in accordance with applicable rules and regulations in the eviction prevention plan as they apply. BHA will be proactive in combatting eviction with deliberate processes that focus on communicating with tenants before grievance actions occur, offering supportive services and tenant education on a consistent basis.

**D. Procedures for handling resident work order requests, including off-hours emergency notification procedures**

Residents will be advised, both upon lease signing and via direct notification, that all work order requests should be directed to the site office either by phone or in person. It will be the goal of management to address work order requests within seven business days. During hours when the office is not open, an answering service will be used. Non-emergency requests to the answering service will be responded to the next business day. Emergencies such as lack of heat, hot water, flooding, storm damage, etc. will be addressed immediately.

When a resident requests a service call, a member of the property management team will fill out a work order form. The work order will be logged on a work order log. The work orders will be presented to the maintenance staff by the maintenance coordinator. The completed work order form will be placed in the unit file after review by both the manager coordinator and the person responsible for the repair. The work order log will be reviewed on a monthly basis by the property manager.

**V. Maintenance and repairs**

**A. Procedures for inventory control and servicing of equipment and appliances**

The property management team will maintain logs for appliances and equipment. The logs will include a description of the item, the date purchased and the serial number. For appliances, the log will also include the unit in which the appliance is installed and the date it was installed.

**B. Plans for conducting periodic unit inspections and maintenance of units for move-out and re-rental**

**Bloomington RAD II, LP**  
**Management Agent: BHA**

1007 North Summit Street

Bloomington, IN 47404

Phone (812)339-3491 | Fax (812)339-7177

All units in the development will be inspected at least annually for the Decent, Safe and Sanitary Inspection (DSSI). A copy of the inspection form will be placed in the resident's file. In addition to the DSSI, units will be inspected by the staff for both housekeeping and maintenance whenever exterminating or work orders are performed. During periodic inspections, the staff will make notes of any items for remediation such as leaking faucets, toilets or other wear-and-tear items. Any items beyond wear-and-tear will be discussed with the resident and the cost for repairs for such items will be billed back to the resident.

A pest control schedule will be developed by management and communicated to residents.

For any resident who has scheduled a move-out, the property management team will perform a move-out inspection with the resident present. At the time of the inspection, the staff will note what routine maintenance needs to be performed as well as any damage beyond normal wear-and-tear that will be billed back to the resident and deducted from the security deposit. A move-out inspection form will be signed by the resident and management denoting all items of remediation and noting items that will be charged against the security deposit. The apartment will then be repaired, cleaned, painted and made ready for the next occupant.

C. Procedures for routine and cycle maintenance and repair program

A preventative maintenance plan will be developed for the project. The preventative maintenance program will include all major building systems, including the roof, the façade, windows, HVAC equipment, the plumbing system and the electrical system. Facades will be inspected on an annual basis and any repairs including painting and aesthetic upgrades will be performed as needed. The interior of the units will be cleaned and painted upon move-out. For long term residents, there will be consideration for normal wear and tear.

Use for storage and maintenance facilities shall be at the location of the site office 1007 N. Summit Street, Bloomington, IN 47404.

**VI. Financial and accounting procedures and reporting system**

A. Accounting system for maintaining adequate records and handling necessary forms, vouchers and reports

BHA has developed an accounting system that enhances the process of making sound business decisions. The system monitors critical information such as accounts receivable, payroll, accounts payable, budgets, monthly and year-to-date operating performance, and lease expirations. The system accommodates reports as required by the IHCDA. Month end reports monitoring month-to-date and year-to-date operations, as well as delinquencies, will be reviewed with the property management team, executive director and the owner.

B. Internal controls for cash receipts, disbursements and petty cash

All receipts will be collected by the site office in the form of checks, money orders, and debit or credit payments. No cash will be accepted. Deposits will be made by the central office on a daily basis. The property management team will provide to the central office a copy of the deposit slip

**Bloomington RAD II, LP**  
**Management Agent: BHA**

1007 North Summit Street

Bloomington, IN 47404

Phone (812)339-3491 | Fax (812)339-7177

and a daily cash receipt report denoting how the receipts from residents are attributed to each resident's account. At the end of the month, the property management team's records will be tied out to the BHA's central office records to ensure all cash has been accounted for and applied appropriately.

All payments to vendors, including utilities, will be made from BHA's central office. Vendor invoices will be sent to the site management office and approved by the property manager. Vendor bills will be submitted to the property manager, who will review the invoices and present them to the central office for payment. Utility bills will be sent directly to the BHA's central office for payment.

One petty cash account will be established for Crestmont. The BHA central office staff will track and replenish the petty cash account as needed. The petty cash log must tie out each time replenishment is requested.

C. Accounts payable and receivable procedures, including division of duties and responsibilities between site and corporate personnel

Please see Section VIB above.

D. Familiarity with weekly, monthly, quarterly and annual report requirements

BHA's accounting system provides monthly reports that will monitor monthly and year-to-date variances on both income and expenses, as well as delinquencies, move-ins and move-outs, and lease expirations. These reports will be reviewed with the property management team by the executive director monthly.