



HOUSING & REDEVELOPMENT AUTHORITY AGENDA

3RD FLOOR CONFERENCE MONDAY, NOVEMBER 10,
ROOM 2025

6:00 PM

1. Call to Order/ Approve Agenda
2. Approval of the Minutes
3. Community Land Trust Presentations
 - A. Laura Bock - from Faribault Foundation
 - B. Jeff Washburn - Minnesota Community Land Trust Coalition
4. Property Reports
 - A. Robinwood Manor and Scattered Sites
5. Program Reports
 - A. Three Rivers Mobile Home Rehabilitation Update.
6. Items for Discussion
 - A. Resolution 2025 - 09 Approve the HRA Tax Levy for Fiscal Year 2026
 - B. Resolution 2025-08 2026 Final Budget
 - C. Resolution 2025-11- Closeout of Phase 2 Funding for FDC
 - D. FDC Assignments and Subordinations options
 - 1 Resolution 2025-12 – Approving Assignments and Subordinations Related to FDC-Owned Properties
 - 2 Resolution 2025-10 - Approving Assignments and Subordinations Related to FDC-Owned Properties
 - E. Appointment of Elderly Housing Corporation (EHC) Board Members
7. Director's Report
8. Adjournment



HOUSING & REDEVELOPMENT AUTHORITY MINUTES

3RD FLOOR
CONFERENCE ROOM

OCTOBER 20, 2025

6:00 PM

Meeting Items

1. Call to Order/Approve Agenda

Chair John Rowan called the regular meeting of the Housing and Redevelopment Authority to order at 6:00 pm. Commissioners Mandy Barnes, Travis Kath, and Loni Ahlers were in attendance. Also in attendance were Executive Director Thomas Furman, Erika Staab of Hope Center and CED Director David Wanberg.

A motion was made by Mandy Barnes and seconded by Loni Ahlers, to approve the agenda and September 9th minutes. The motion passed unanimously.

2. The board listened to Erika Staab from Hope Center

A. Hope Center works to provide emergency shelter and services surrounding victims of sexual and domestic violence. The request was made to support the work of the safe housing for \$10,000, for the Hope Center clients as needed. Staff recommended considering supporting Hope Center as we build our budget with our solidified vision and mission soon. Motion to table request by Mandy Barnes, seconded by Loni Ahlers. Motion passed unanimously.

3. Property Management Reports

A. Robinwood and Scattered Sites:

A brief update on current occupancy shows 1 vacancy in Robinwood. A list of claims to be paid by the HRA for Robinwood was covered. The Shumway property is still under remodel. A list of claims to be paid by the HRA was covered. Motion made to pay the claims made by Loni Ahlers, seconded by Mandy Barnes. The motion passed unanimously.

4. Items for Discussion

- A. The Preliminary HRA General Fund Budget was shared using the full tax levy. The finalized budget will be coming soon once the tax levy is finalized.
- B. Motion made by Loni Ahlers, "approve holding a special meeting of the HRA Board on Saturday, October 25, 2025, from 9:00 a.m. to

12:00 p.m. in the City Hall 3rd Floor Meeting Room for a facilitated Board Retreat with Allyson Brunette,” Second by Travis Kath. The motion passed unanimously.

7. Executive Director Report

Director Furman reported on the Robinwood sale and relationship with Cornerstone, and where we are ready for the change when needed. Commissioners were reminded about their upcoming training with NAHRO, and updated on the impacts of the government shutdown.

8. Adjournment

A motion was made by Travis Kath, seconded by Loni Ahlers. The motion passed unanimously at 7:05 pm.

By: _____
Thomas Furman, Executive Director



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Laura Bock - from Faribault Foundation

BACKGROUND:

REQUESTED ACTION:

Listen and ask questions.

ATTACHMENTS:



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Jeff Washburn - Minnesota Community Land Trust Coalition

BACKGROUND:

REQUESTED ACTION:

Listen, learn, and ask questions.

ATTACHMENTS:

1. MN CLT Slides - 11012025
2. 10 CLT Myths



Minnesota Community
Land Trust Coalition
A permanent solution for affordable housing

Community Land Trusts

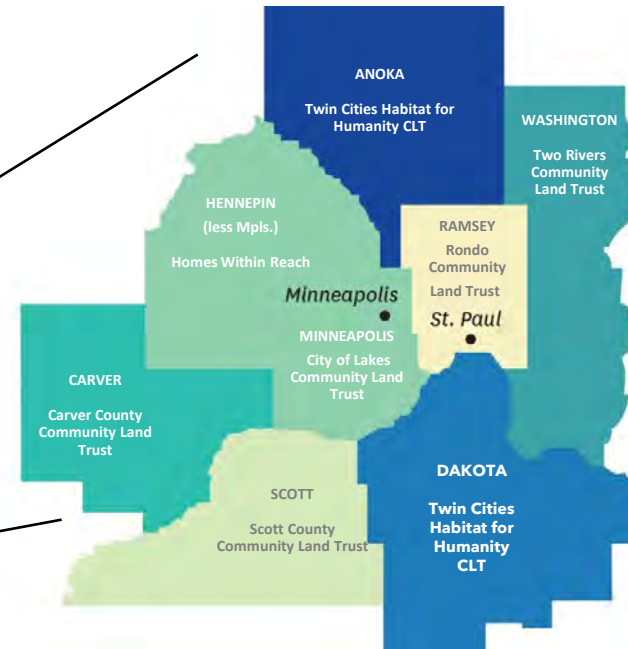
Jeff Washburne, Administrator
MN CLT Coalition
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The Community Land Trust (CLT) Ecosystem

- Over 350 Active CLTs nationally (Grounded Solutions Network)
- MN CLT Coalition
 - Formed in 2005, 501c3 Nonprofit
 - 14 CLTs in MN
 - 7 in Twin Cities Metro and 7 in Greater
 - Serve Households of Color at rates of 2x to 6x the rate of Household of Color homeownership rates for respective CLT service areas
 - 82 of 87 MN counties served by CLTs
 - 1,631 Homes in Trust & 734 resales (as of 12/31/2024)
 - 157 Homes in Trust added and 47 resales in 2024

The map displays the following counties and their corresponding regions:

- North (Light Blue):** Kittson, Roseau, Marshall, Pennington, Red Lake, Polk, Norman, Mahanomen, Clearwater, Beltrami, Lake of the Woods, Koochiching, Itasca, St. Louis, Lake, Cook.
- Central (Medium Blue):** Cass, Hubbard, Wadena, Crow Wing, Aitkin, Carlton, Pine, Todd, Morrison, Mille Lacs, Kanabec, Benton, Sherburne, Isanti, Chisago, Anoka, Hennepin, Carver, Scott, Dakota, Wright, Meeker, Kandiyohi, Swift, Chippewa, Lac qui Parle, Big Stone, Traverse, Wilkin, Otter Tail, Becker, Clay, Grant, Douglas, Stevens, Pope, Stearns, Sibley, McLeod, Renville, Lincoln, Lyon, Redwood, Brown, Watonwan, Blue Earth, Waseca, Steele, Dodge, Olmsted, Winona, Fillmore, Houston, Mower, Freeborn, Faribault, Martin, Jackson, Nobles, Rock, Murray, Pipestone.
- South (Dark Blue):** Hennepin, Scott, Dakota, Rice, Goodhue, Wabasha, Winona, Fillmore, Houston, Mower, Freeborn, Faribault, Martin, Jackson, Nobles, Rock, Murray, Pipestone.
- East (Purple):** St. Louis, Lake, Cook, Carlton, Pine, Isanti, Chisago, Anoka, Hennepin, Carver, Scott, Dakota, Wright, Meeker, Kandiyohi, Swift, Chippewa, Lac qui Parle, Big Stone, Traverse, Wilkin, Otter Tail, Becker, Clay, Grant, Douglas, Stevens, Pope, Stearns, Sibley, McLeod, Renville, Lincoln, Lyon, Redwood, Brown, Watonwan, Blue Earth, Waseca, Steele, Dodge, Olmsted, Winona, Fillmore, Houston, Mower, Freeborn, Faribault, Martin, Jackson, Nobles, Rock, Murray, Pipestone.
- West (Pink):** Clay, Becker, Otter Tail, Grant, Douglas, Stevens, Pope, Stearns, Sibley, McLeod, Renville, Lincoln, Lyon, Redwood, Brown, Watonwan, Blue Earth, Waseca, Steele, Dodge, Olmsted, Winona, Fillmore, Houston, Mower, Freeborn, Faribault, Martin, Jackson, Nobles, Rock, Murray, Pipestone.



- Partnership
- First Homes
- West Central MN Community Action
- Cass-Clay CLT
- NorthStar CLT
- One Roof Community Housing
- Central MN Housing Partnership
- Twin Cities Habitat for Humanity
- Two Rivers CLT
- Rondo CLT
- City of Lakes CLT and Homes Within Reach
- Carver County CLT
- Scott County CLT

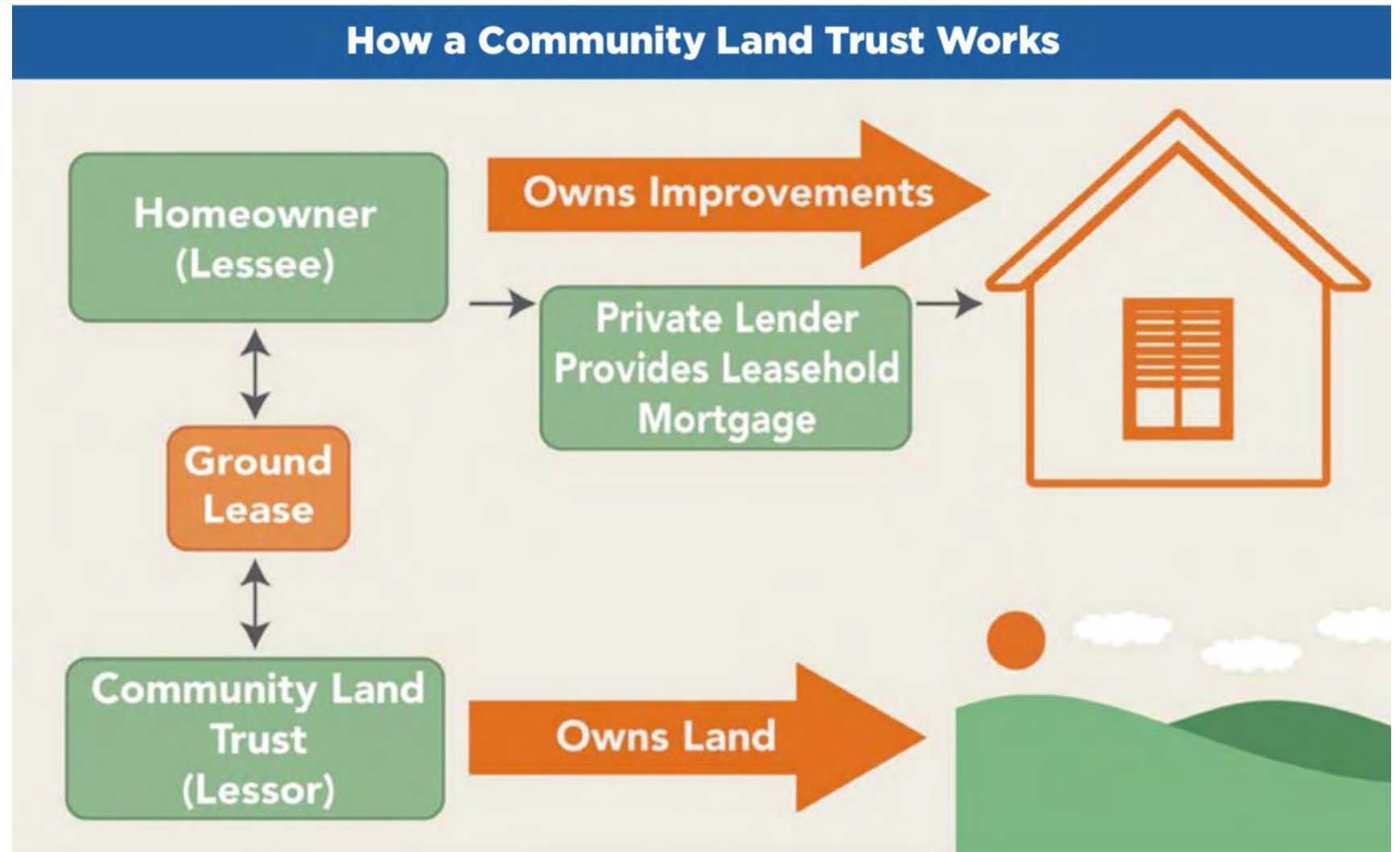
Community Land Trusts

Typically -

- Perpetually Affordable Homeownership
- Structured as and/or eventually a nonprofit organization
- Retains ownership of land
- Homeowner purchases just the improvement
- 99-year ground lease
- Tri-partite board
- Community Membership
- Post-purchase homeowner stewardship

Community Land Trusts: The Basics

- Bridge the difference between buyer's mortgage and cost of property
- The typical CLT investment ranges from 20%-50% of the total purchase price of the property
- Affordability Investment - typically tied to title of land via Ground Lease (Deed Restriction if Condo)
- If property sells, owner agrees to income + resale restrictions



CLTs: A Resale Example

Purchase Price:	\$350,000	<i>Assume same as appraised value</i>
Buyer's Mortgage:	<u>\$220,000</u>	<i>63% of total property value</i>
CLT Affordability Investment:	\$130,000	<i>Multiple sources of funding,</i>
<i>10 years later.....</i>		
Property Value:	\$450,000	
Property Value Increase:	\$100,000	<i>Less \$350,000 original appraised value</i>
Homeowner's Share (25%) of Increase:	\$ 25,000	<i>Plus mortgage principal paid + DPA satisfied + eligible capital improvements</i>
Property Value:	\$450,000	
Less Initial CLT Investment:	-\$130,000	
Less CLT's Share (75%) of Increase:	<u>-\$ 75,000</u>	
CLT Future Affordable Price at Resale:	\$245,000	<i>54% of total property value</i>

Typical CLT Homebuyer Requirements

**80% or less of Area Median Income (AMI) at time of buyer closing
– some greater MN CLTs may serve as high as 115% of AMI**

CLT orientation

CLT Application

Homestretch Certificate

Lender Pre-approval

Attorney Review

Other – project/program/funder specific as necessary

Homebuyer
-Initiated
Programs



Single
Family
Homes

Condos
Units



Rental Units

Types of CLT Applications



ADUs

Existing
Homeowner
Intervention
Programs



Townhome
Units



Duplexes

CLTs – Common Questions

- Depreciating Markets
- Foreclosures
- Capital Improvements
- Refinancing and/or Home Equity
- Heir Rights
- Property Taxes
- Discounted Sales or Donations to CLTs
- Funder requirements

Top Common CLT Myths

#1: CLT homeowners don't receive any equity when they sell.

#2: CLT homeownership is second-class homeownership, keeping low-income people poor.

#3: The CLT receives all the sales proceeds at resale.

#4 CLTs take the cost of the land out of the transaction.

#5: CLT homeowners can't use other downpayment assistance programs.

#6: CLT homeowners are not allowed to make changes to their homes or the land.

#7: There is no incentive for CLT homeowners to make improvements to their home.

#8: CLT homes bring down surrounding property values.

#9: CLT homeowners aren't allowed to refinance nor obtain a home equity loan.

#10: CLT homeowners aren't allowed to give or will their homes to their children.

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10 Common Community Land Trust (CLT) MYTHS

#1: CLT homeowners don't receive any equity when they sell.

CLT homeowners typically earn equity from mortgage principal paid down, any forgivable downpayment assistance when terms have been satisfied, and a portion of the appreciation of the property for the period owned. In the event there is a decrease in property values, the CLT absorbs a disproportionate amount of the loss on the property. Despite what many people believe, there is no guarantee that property values will always go up and that households will make money on the sale of a home. Many homes saw 50% losses in value during the foreclosure crisis of '07-'09.

#2: CLT homeownership is second-class homeownership, keeping low-income people poor.

CLTs focus their outreach and priorities on households who are truly priced out of purchasing a home without a significant affordability investment. Most CLTs are providing between 20% - 50% of the purchase of a home in affordability assistance to bridge the difference between what a low-income household can get a mortgage for and the cost of the home. If a household can afford and responsibly qualify for a mortgage to purchase a market-rate home on their own, they should. While it is important to understand the differences between CLT homeownership and market-rate ownership, a more critical comparison needs to be made between renting and CLT homeownership. Increasingly, the monthly cost for low-income households to own a CLT home is less than what they were previously paying in rent AND each month a portion of each mortgage payment becomes the homeowner's equity.

#3: The CLT receives all the sales proceeds at resale.

Within any CLT resale formula, a portion of any increase in value becomes the homeowner's equity and a portion remains with the home and is passed onto benefit the next low-income household's affordable homeownership purpose. The beauty of the community land trust approach to affordable homeownership is its ability to take a one-time affordability investment (typically public sector funding) and be able to assist multiple generations of low-income households achieve affordable, sustainable, supportive homeownership.

#4 CLTs take the cost of the land out of the transaction.

In expensive housing markets with high land values that is sometimes true, but in most cases – especially in undervalued housing markets - not true. In most cases, the CLCLT brings significantly more affordability assistance than the value of the land to assist low-income households achieve homeownership. The focus of the CLT is securing sufficient funding to bridge the difference between the low-income household's mortgage amount and the cost of the home. CLTs are less concerned about the cost of the land than utilizing it as a legal mechanism to ensure long-term affordability and community ownership.

#5: CLT homeowners can't use other downpayment assistance programs.

Most, if not all other, downpayment assistance programs can be layered with the CLT's significant affordability investment. While some downpayment assistance is due at sale, refinance, or some time duration, many downpayment assistance programs are structured as forgivable at some future time, creating an additional opportunity for low-income households to build wealth. It's important that downpayment assistance isn't available unless a household can get into a purchase agreement to purchase a home. Increasingly, low-income

households don't make enough income to secure a mortgage to purchase a home in today's market. The affordability investment from the CLT not only bridges that difference, but also is the reason why a household is able to access the forgivable down payment assistance or grant.

#6: CLT homeowners are not allowed to make changes to their homes or the land.

CLT homes (structure) are titled to CLT homeowner. While the land under the home is typically titled to the CLT, rights to the use of the land are conveyed to the CLT homeowner. In both cases, provided the homeowner adheres to permitted local zoning requirements they can do anything that they want to both land and improvements.

#7: There is no incentive for CLT homeowners to make improvements to their home.

CLTs want to encourage homeowners to maintain and improve their homes. Provided the improvements don't make the homes unaffordable to future buyers, CLTs provide financial consideration for significant capital improvements to the property. Examples of significant capital improvements include adding a bedroom and/or bathroom, finishing a basement, or adding/replacing a garage. In most cases, the homeowner will receive the appraised value of the improvement made to the property when they sell their home.

#8: CLT homes bring down surrounding property values.

A 2020 Rutgers University research study "The Commodity Effects of Decommodification: Community Land Trusts and Neighborhood Property Values" revealed that the addition of one CLT home in a neighborhood had no negative impact on the values of surrounding market-rate homes. As researchers looked deeper, the data demonstrated that subsequent CLT homes added to the same neighborhood in proximity to the first CLT home increased home values of surrounding market-rate homes by 3%-10%.

#9: CLT homeowners aren't allowed to refinance nor obtain a home equity loan.

Homeowners are able to refinance and obtain home equity loans with some caveats. In both cases, the lender will need to obtain a consent to mortgage from the CLT. In most cases, provided the refinance loan is advantageous to the homeowner, the CLT will consent. In the instance of a home equity loan, provided the homeowner has established equity in the property (principal paid down, satisfied downpayment assistance terms, their share of the increase in value) they are able to utilize that equity for their own purposes.

#10: CLT homeowners aren't allowed to give or will their homes to their children.

While these terms vary by CLT, the vast majority of CLTs allow the homeowner to give or will their homes to their spouses, partners, or children, regardless of their incomes at time of transfer. Homeowners are typically able to leave their homes to anyone else, provided the incoming household is able to establish they are below the income limits of the CLT at time of title transfer to the new low-income household.



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Cornerstone Management
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Robinwood Manor and Scattered Sites

BACKGROUND:

Cornerstone Management provides monthly financial reports for both the HRA's **Scattered Site Public Housing program** and **Robinwood Manor**, the 50-unit senior and disabled housing development. The financial reports through **September 2025** are included for review, along with the **current bills through early November 2025** for authorization and payment.

This agenda item combines both programs for efficiency and transparency, allowing the Board to review recent financial activity and approve payment of outstanding obligations.

REQUESTED ACTION:

Authorize payment of the bills and receive and file.

ATTACHMENTS:

1. 2025.09 City of Faribault - Robinwood Manor Executive Summary
2. RobinwoodFinancePacket
3. 10.15.2025 - 11.05.2025 Robinwood Manor Check Comparison Report
4. 11.05.2025 Robinwood Manor AP Aging
5. 2025.09 City of Faribault - Public Housing HRA Executive Summary
6. SatteredSitesFinancialsPacket
7. 10.15.2025 - 11.05.2025 Redacted HRA Check Comparison Report
8. 11.05.2025 HRA AP Aging Report

CORNERSTONE

Creating Healthy Communities

Executive Summary for City of Faribault- Robinwood Manor September 2025

Overview

- Total operating revenue was \$44,416 for September.
- Occupancy for September was 100%.

Financial Summary

	Current Month	Budget	Variance (+/-)	YTD Total	YTD Budget	Variance (+/-)
Total Revenue	44,416	46,750	-2,334	445,432	420,750	24,682
Operating Expenses	-19,549	-20,072	524	-246,675	-190,566	56,108
Other Income	0	0	0	0	0	0
Other Expenses (Debt Service)	-3,450	-3,331	-120	-31,053	-29,975	-1,078
Net Income	21,417	23,347	-1,930	167,704	200,209	-32,504
Total Aged			Operating Acct Bal			
Total Accounts Receivable	5,902		Beginning Cash		1,697,058	
Total Accounts Payable	16,675		Ending Cash		1,688,040	
			Cash Flow		-9,018	

Narrative:

- The Accounts Payable balance of \$16,675, with payments being made in October
- Accounts Receivable balance is \$5,902
- The operating cash account balance ended with \$1,688,040, a decrease of \$9,018
- Net Income was \$21,417 for the month of September

Monthly Status	August 2025	September 2025
Vacant Units	1	0
Move-Outs	1	0
Move-Ins	0	1
Evictions	0	0
Current Occupancy	50	51
Full Occupancy	51	51
Occupancy %	98%	100%

Cornerstone Financial Package

City of Faribault (Robinwood Manor)

MONTHLY FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

CURRENT MONTH AND YEAR-TO-DATE
FOR
September 30, 2025



Professionally Managed By Cornerstone Management Services

Balance Sheet

Robinwood Manor

Month = Sep 2025

Book = Accrual ; Tree = YSI Standard Balance Sheet

ACCOUNT	CURRENT BALANCE
ASSETS	
CASH	
Security Deposit Savings	14,479.93
Operating Cash	1,688,039.82
TOTAL CASH	1,702,519.75
Accounts Receivable	5,902.00
Due From	89,928.50
Due From- Other Governments	24,314.00
Prepaid Expenses	306.00
Prepaid Property/Liability Ins	3,161.76
Land	62,426.00
Accumulated Depr. Building Improvements	-22,060.73
Buildings	1,894,216.81
Building Improvements	74,196.93
Accumulated Depr. Building	-1,685,257.78
Improvements-Other Than Building	226,297.00
Accum. Depreciation- Other	-12,766.40
Machinery, Equipment, & Appliances	84,293.89
Accumulated Depreciation- Machinery and E	-80,182.96
TOTAL ASSETS	2,367,294.77
LIABILITIES AND CAPITAL	
LIABILITIES	
Accounts Payable	16,674.93
Prepaid Rent	1,334.00
Tenant Deposits	11,057.13
Pet Deposit	1,570.00
Interest on Tenant Deposits	1,234.03
Payments in Lieu-Taxes Payable	11,309.22
Due to- Other Governments	472,924.15
Unreserved Fund Balances	1,169,043.05
TOTAL LIABILITIES	1,685,146.51
CAPITAL	
Owner Contributions	-100.00
Retained Earnings	167,704.48
Prior Years Retained Earnings	514,543.78
TOTAL CAPITAL	682,148.26
TOTAL LIABILITIES AND CAPITAL	2,367,294.77

12 Months Income Statement

Robinwood Manor

Period = Oct 2024-Sep 2025

Book = Accrual ; Tree = MutiFamily New

ACCOUNT	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Total
Ops Income or Loss													
OPERATING INCOME													
Residential Income													
Rent-Residential	\$ 16,132.00	\$ 16,339.00	\$ 16,355.00	\$ 16,355.00	\$ 16,355.00	\$ 16,021.00	\$ 15,673.00	\$ 16,141.00	\$ 15,877.00	\$ 17,597.00	\$ 17,750.00	\$ 14,559.00	\$ 195,154.00
Federal Grants	\$ 28,903.00	\$ 32,066.00	\$ 30,340.00	\$ 30,524.00	\$ 30,524.00	\$ 29,179.00	\$ 30,952.00	\$ 30,292.00	\$ 30,508.00	\$ 30,115.00	\$ 29,517.00	\$ 30,924.00	\$ 363,844.00
Other Income													
Late Fee	\$ -	\$ -	\$ 10.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10.00
Laundry Revenue	\$ -	\$ -	\$ -	\$ 270.50	\$ 441.50	\$ 112.00	\$ -	\$ 200.25	\$ 270.75	\$ 770.00	\$ 283.75	\$ 443.85	\$ 2,792.60
Miscellaneous Income	\$ 968.75	\$ 452.25	\$ 738.50	\$ 271.00	\$ (264.00)	\$ (1,520.41)	\$ (739.27)	\$ (662.00)	\$ 1,541.00	\$ 65.04	\$ (949.90)	\$ (1,585.00)	\$ (1,684.04)
CleanUp (Misc)	\$ -	\$ (11.00)	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ -	\$ (2.00)	\$ -	\$ -	\$ (10.00)
Bank Interest	\$ 49.68	\$ 47.27	\$ 52.82	\$ 51.78	\$ 46.66	\$ 52.02	\$ 51.44	\$ 52.33	\$ 27,150.99	\$ 72.31	\$ 67.77	\$ 74.61	\$ 27,769.68
Total Other Income	\$ 1,018.43	\$ 488.52	\$ 802.32	\$ 593.28	\$ 225.16	\$ (1,356.39)	\$ (686.83)	\$ (409.42)	\$ 28,962.74	\$ 905.35	\$ (598.38)	\$ (1,066.54)	\$ 28,878.24
TOTAL Residential Income	\$ 46,053.43	\$ 48,893.52	\$ 47,497.32	\$ 47,472.28	\$ 47,104.16	\$ 43,843.61	\$ 45,938.17	\$ 46,023.58	\$ 75,347.74	\$ 48,617.35	\$ 46,668.62	\$ 44,416.46	\$ 587,876.24
TOTAL OPERATING INCOME	\$ 46,053.43	\$ 48,893.52	\$ 47,497.32	\$ 47,472.28	\$ 47,104.16	\$ 43,843.61	\$ 45,938.17	\$ 46,023.58	\$ 75,347.74	\$ 48,617.35	\$ 46,668.62	\$ 44,416.46	\$ 587,876.24
OPS EXPENSES													
Operating Expenses													
Payroll expenses													
Administrative Salaries	\$ -	\$ -	\$ 21,898.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,898.91
Pass thru Payroll - Corporate	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 30,000.00
TOTAL Payroll expenses	\$ 2,500.00	\$ 2,500.00	\$ 24,398.91	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 51,898.91
Utilities													
Electricity	\$ 3,233.78	\$ 2,508.48	\$ 2,179.84	\$ 2,504.34	\$ 2,836.08	\$ 2,679.62	\$ 2,415.56	\$ 2,541.71	\$ 3,062.62	\$ 4,557.25	\$ 4,938.70	\$ 3,948.79	\$ 37,406.77
Water and Sewer	\$ 699.08	\$ 1,012.86	\$ 1,051.17	\$ 754.78	\$ 699.30	\$ 596.22	\$ 672.28	\$ 651.55	\$ 658.60	\$ 660.23	\$ 678.49	\$ 679.75	\$ 8,814.31
Gas	\$ 233.41	\$ 633.14	\$ 1,229.07	\$ 1,605.15	\$ 1,704.23	\$ 1,392.84	\$ 1,069.64	\$ 672.14	\$ 298.32	\$ 307.34	\$ 270.16	\$ 275.88	\$ 9,691.32
Trash Disposal	\$ 247.54	\$ 307.90	\$ 536.54	\$ 243.24	\$ 10.98	\$ 508.43	\$ 243.24	\$ 243.24	\$ 243.24	\$ 243.24	\$ 407.86	\$ 545.05	\$ 3,780.50
TOTAL Utilities	\$ 4,413.81	\$ 4,462.38	\$ 4,996.62	\$ 5,107.51	\$ 5,250.59	\$ 5,177.11	\$ 4,400.72	\$ 4,108.64	\$ 4,262.78	\$ 5,768.06	\$ 6,295.21	\$ 5,449.47	\$ 59,692.90
Office Expenses													
Office Supplies & Expenses - Admin	\$ -	\$ -	\$ -	\$ 621.31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 479.99	\$ 1,101.30
Computer	\$ -	\$ -	\$ 306.00	\$ -	\$ -	\$ 306.00	\$ -	\$ -	\$ 520.74	\$ -	\$ -	\$ -	\$ 1,132.74
Housekeeping Supplies	\$ 372.84	\$ 251.39	\$ 95.31	\$ -	\$ 95.31	\$ 95.31	\$ 170.88	\$ 39.48	\$ 95.31	\$ 95.31	\$ 95.31	\$ 95.31	\$ 1,501.76
Dues & Subscriptions	\$ 125.00	\$ -	\$ 250.00	\$ 125.00	\$ 125.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 625.00
TOTAL Office Expenses	\$ 497.84	\$ 251.39	\$ 651.31	\$ 746.31	\$ 220.31	\$ 401.31	\$ 170.88	\$ 39.48	\$ 616.05	\$ 95.31	\$ 95.31	\$ 575.30	\$ 4,360.80
Maintenance expenses													
Supplies - Maintenance	\$ -	\$ 348.65	\$ 400.61	\$ -	\$ 272.37	\$ 47.00	\$ 1,435.68	\$ (289.91)	\$ 2,113.61	\$ 650.99	\$ 174.45	\$ 719.87	\$ 5,873.32

Repairs & Maintenance - Building	\$ 4,700.24	\$ 4,900.00	\$ 4,481.70	\$ 5,397.20	\$ 4,807.49	\$ 4,895.27	\$ 3,528.90	\$ 8,340.00	\$ 4,000.00	\$ 4,412.25	\$ 5,005.00	\$ 4,000.00	\$ 58,468.05
Routine Maintenance - Equipment	\$ 259.35	\$ 222.30	\$ 222.30	\$ 270.00	\$ -	\$ 115.97	\$ 173.95	\$ 217.93	\$ -	\$ -	\$ -	\$ -	\$ 1,481.80
Grounds/Lawn Care	\$ 506.81	\$ -	\$ 273.81	\$ -	\$ -	\$ -	\$ 440.24	\$ 214.75	\$ 3,123.88	\$ 1,240.72	\$ 942.22	\$ 836.88	\$ 7,579.31
Pest Control	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42.50	\$ -	\$ 42.50
Contracted Labor - Maintenance	\$ 70.54	\$ 70.54	\$ 19.77	\$ 70.54	\$ 70.54	\$ (70.54)	\$ -	\$ -	\$ 70.54	\$ 198.75	\$ -	\$ -	\$ 500.68
Elevator Maintenance	\$ 443.07	\$ 226.94	\$ 226.94	\$ 226.94	\$ 226.94	\$ 368.02	\$ 297.48	\$ 1,565.69	\$ 226.94	\$ 226.94	\$ 371.94	\$ 226.94	\$ 4,634.78
Snow Removal	\$ -	\$ -	\$ -	\$ -	\$ 1,700.00	\$ -	\$ -	\$ -	\$ 939.00	\$ -	\$ -	\$ -	\$ 2,639.00
HVAC	\$ -	\$ -	\$ -	\$ 110.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110.00
Fire Prevention & Maintenance	\$ 496.63	\$ 325.00	\$ 1,200.00	\$ -	\$ -	\$ -	\$ 238.44	\$ 70.54	\$ -	\$ -	\$ -	\$ -	\$ 2,330.61
Purchased Services-Maintenance	\$ 170.00	\$ 1,118.14	\$ 1,764.60	\$ 140.10	\$ 1,730.86	\$ 395.10	\$ -	\$ 140.10	\$ -	\$ 225.10	\$ 85.00	\$ 70.05	\$ 5,839.05
Purchased Services-Cleaning	\$ 1,518.15	\$ 1,256.40	\$ 1,212.78	\$ 2,619.27	\$ -	\$ 2,690.55	\$ 1,380.32	\$ 1,401.25	\$ 1,338.46	\$ -	\$ 1,489.79	\$ -	\$ 14,906.97
TOTAL Maintenance expenses	\$ 8,164.79	\$ 8,467.97	\$ 9,802.51	\$ 8,834.05	\$ 8,808.20	\$ 8,441.37	\$ 7,495.01	\$ 11,660.35	\$ 11,812.43	\$ 6,954.75	\$ 8,110.90	\$ 5,853.74	\$ 104,406.07
Miscellaneous expenses													
Administrative Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400.00	\$ 35,172.16	\$ -	\$ -	\$ 37,572.16
Supplies-Admin	\$ -	\$ 146.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146.40
Miscellaneous Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 197.75	\$ 326.37	\$ 153.62	\$ (677.74)	\$ -
Tenant Screening Costs	\$ 24.50	\$ 59.00	\$ -	\$ 49.00	\$ 49.00	\$ 24.50	\$ 49.00	\$ 98.00	\$ 196.00	\$ -	\$ -	\$ -	\$ 549.00
Interest Expense	\$ 10.88	\$ 10.97	\$ 6.28	\$ (3.78)	\$ 10.62	\$ 10.08	\$ 17.47	\$ -	\$ 21.66	\$ (2.85)	\$ (35.41)	\$ (16.44)	\$ 29.48
Bad Debt Expense	\$ -	\$ -	\$ 7,194.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,194.00
TOTAL Miscellaneous expenses	\$ 35.38	\$ 216.37	\$ 7,200.28	\$ 45.22	\$ 59.62	\$ 34.58	\$ 66.47	\$ 98.00	\$ 2,815.41	\$ 35,495.68	\$ 118.21	\$ (694.18)	\$ 45,491.04
Management expense													
Management Fees	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00
TOTAL Management expense	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00
Professional, Permits and tax expenses													
Tax preparation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,200.00	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 1,500.00	\$ 13,700.00
Fees - Legal	\$ -	\$ -	\$ 900.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900.00
Fees - Audit & Accounting	\$ -	\$ -	\$ 6,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,500.00
Legal Fees - Business Entity	\$ -	\$ 12,135.54	\$ -	\$ -	\$ -	\$ -	\$ 23.00	\$ -	\$ 92.00	\$ 23.00	\$ 2,239.60	\$ 153.00	\$ 14,666.14
TOTAL Professional, Permits and tax expenses	\$ -	\$ 12,135.54	\$ 7,400.00	\$ -	\$ -	\$ -	\$ 7,223.00	\$ -	\$ 5,092.00	\$ 23.00	\$ 2,239.60	\$ 1,653.00	\$ 35,766.14
Tax and insurance expenses													
Property Tax	\$ 1,098.08	\$ 1,098.08	\$ (5,471.33)	\$ 1,166.47	\$ 1,166.47	\$ 1,166.47	\$ 1,166.47	\$ 1,166.47	\$ 1,166.47	\$ 291.62	\$ 291.62	\$ 291.62	\$ 4,598.51
Insurance	\$ 1,104.00	\$ 1,104.00	\$ 1,104.00	\$ 920.00	\$ 920.00	\$ 920.00	\$ 920.00	\$ 920.00	\$ 920.00	\$ 920.00	\$ 920.00	\$ 920.00	\$ 11,592.00
TOTAL Tax and insurance expenses	\$ 2,202.08	\$ 2,202.08	\$ (4,367.33)	\$ 2,086.47	\$ 2,086.47	\$ 2,086.47	\$ 2,086.47	\$ 2,086.47	\$ 2,086.47	\$ 1,211.62	\$ 1,211.62	\$ 1,211.62	\$ 16,190.51
TOTAL Operating Expenses	\$ 20,813.90	\$ 33,235.73	\$ 53,082.30	\$ 22,319.56	\$ 21,925.19	\$ 21,640.84	\$ 26,942.55	\$ 23,492.94	\$ 32,185.14	\$ 55,048.42	\$ 23,570.85	\$ 19,548.95	\$ 353,806.37
TOTAL OPS EXPENSES	\$ 20,813.90	\$ 33,235.73	\$ 53,082.30	\$ 22,319.56	\$ 21,925.19	\$ 21,640.84	\$ 26,942.55	\$ 23,492.94	\$ 32,185.14	\$ 55,048.42	\$ 23,570.85	\$ 19,548.95	\$ 353,806.37
NET Ops Income (Loss)	\$ 25,239.53	\$ 15,657.79	\$ (5,584.98)	\$ 25,152.72	\$ 25,178.97	\$ 22,202.77	\$ 18,995.62	\$ 22,530.64	\$ 43,162.60	\$ (6,431.07)	\$ 23,097.77	\$ 24,867.51	\$ 234,069.87
Depreciation and amortization expense													
Depreciation Expense	\$ 3,330.55	\$ 3,330.55	\$ 4,033.49	\$ 3,330.55	\$ 3,330.55	\$ 3,689.91	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 41,747.64
TOTAL Depreciation and amortization expense	\$ 3,330.55	\$ 3,330.55	\$ 4,033.49	\$ 3,330.55	\$ 3,330.55	\$ 3,689.91	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 3,450.34	\$ 41,747.64
NET INCOME (LOSS)	\$ 21,908.98	\$ 12,327.24	\$ (9,618.47)	\$ 21,822.17	\$ 21,848.42	\$ 18,512.86	\$ 15,545.28	\$ 19,080.30	\$ 39,712.26	\$ (9,881.41)	\$ 19,647.43	\$ 21,417.17	\$ 192,322.23

Budget Comparison

Robinwood Manor

Month = Sep 2025

Book = Accrual ; Tree = MutiFamily New

ACCOUNT	Sept 2025	Sept 2025	Sept 2025	2025	2025	2025
Ops Income or Loss	Actual	Budget	Variance	Actual	Budget	Variance
OPERATING INCOME						
Residential Income						
Rent-Residential	\$ 14,559.00	\$ 16,500.00	\$ (1,941.00)	\$ 146,328.00	\$ 148,500.00	\$ (2,172.00)
Federal Grants	\$ 30,924.00	\$ 29,750.00	\$ 1,174.00	\$ 272,535.00	\$ 267,750.00	\$ 4,785.00
Other Income						
Laundry Revenue	\$ 443.85	\$ 450.00	\$ (6.15)	\$ 2,792.60	\$ 4,050.00	\$ (1,257.40)
Miscellaneous Income	\$ (1,585.00)	\$ -	\$ (1,585.00)	\$ (3,843.54)	\$ -	\$ (3,843.54)
Bank Interest	\$ 74.61	\$ 50.00	\$ 24.61	\$ 27,619.91	\$ 450.00	\$ 27,169.91
Total Other Income	\$ (1,066.54)	\$ 500.00	\$ (1,566.54)	\$ 26,568.97	\$ 4,500.00	\$ 22,068.97
TOTAL Residential Income	\$ 44,416.46	\$ 46,750.00	\$ (2,333.54)	\$ 445,431.97	\$ 420,750.00	\$ 24,681.97
TOTAL OPERATING INCOME	\$ 44,416.46	\$ 46,750.00	\$ (2,333.54)	\$ 445,431.97	\$ 420,750.00	\$ 24,681.97
OPS EXPENSES						
Operating Expenses						
Payroll expenses						
Pass thru Payroll - Corporate	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 22,500.00	\$ 22,500.00	\$ -
TOTAL Payroll expenses	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 22,500.00	\$ 22,500.00	\$ -
Utilities						
Electricity	\$ 3,948.79	\$ 3,000.00	\$ (948.79)	\$ 29,484.67	\$ 26,250.00	\$ (3,234.67)
Water and Sewer	\$ 679.75	\$ 650.00	\$ (29.75)	\$ 6,051.20	\$ 6,350.00	\$ 298.80
Gas	\$ 275.88	\$ 500.00	\$ 224.12	\$ 7,595.70	\$ 5,550.00	\$ (2,045.70)
Trash Disposal	\$ 545.05	\$ 300.00	\$ (245.05)	\$ 2,688.52	\$ 2,700.00	\$ 11.48

TOTAL Utilities	\$ 5,449.47	\$ 4,450.00	\$ (999.47)	\$ 45,820.09	\$ 40,850.00	\$ (4,970.09)
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Office Expenses

Office Supplies & Expenses - Admin	\$ 479.99	\$ 50.00	\$ (429.99)	\$ 1,101.30	\$ 450.00	\$ (651.30)
Computer	\$ -	\$ 306.00	\$ 306.00	\$ 826.74	\$ 918.00	\$ 91.26
Housekeeping Supplies	\$ 95.31	\$ -	\$ (95.31)	\$ 782.22	\$ -	\$ (782.22)
Dues & Subscriptions	\$ -	\$ -	\$ -	\$ 250.00	\$ -	\$ (250.00)
Activities Event	\$ -	\$ 1,000.00	\$ 1,000.00	\$ -	\$ 9,000.00	\$ 9,000.00

TOTAL Office Expenses	\$ 575.30	\$ 1,356.00	\$ 780.70	\$ 2,960.26	\$ 10,368.00	\$ 7,407.74
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Maintenance expenses

Supplies - Maintenance	\$ 719.87	\$ 500.00	\$ (219.87)	\$ 5,124.06	\$ 4,500.00	\$ (624.06)
Repairs & Maintenance - Building	\$ 4,000.00	\$ 4,200.00	\$ 200.00	\$ 44,386.11	\$ 37,800.00	\$ (6,586.11)
Routine Maintenance - Equipment	\$ -	\$ -	\$ -	\$ 777.85	\$ -	\$ (777.85)
Grounds/Lawn Care	\$ 836.88	\$ 1,000.00	\$ 163.12	\$ 6,798.69	\$ 6,000.00	\$ (798.69)
Pest Control	\$ -	\$ 50.00	\$ 50.00	\$ 42.50	\$ 450.00	\$ 407.50
Contracted Labor - Maintenance	\$ -	\$ -	\$ -	\$ 339.83	\$ -	\$ (339.83)
Elevator Maintenance	\$ 226.94	\$ 220.00	\$ (6.94)	\$ 3,737.83	\$ 1,980.00	\$ (1,757.83)
Snow Removal	\$ -	\$ -	\$ -	\$ 2,639.00	\$ 3,750.00	\$ 1,111.00
HVAC	\$ -	\$ -	\$ -	\$ 110.00	\$ -	\$ (110.00)
Fire Prevention & Maintenance	\$ -	\$ 100.00	\$ 100.00	\$ 308.98	\$ 900.00	\$ 591.02
Purchased Services-Maintenance	\$ 70.05	\$ 500.00	\$ 429.95	\$ 2,786.31	\$ 4,500.00	\$ 1,713.69
Purchased Services-Cleaning	\$ -	\$ -	\$ -	\$ 10,919.64	\$ -	\$ (10,919.64)

TOTAL Maintenance expenses	\$ 5,853.74	\$ 6,570.00	\$ 716.26	\$ 77,970.80	\$ 59,880.00	\$ (18,090.80)
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Miscellaneous expenses

Administrative Expense	\$ -	\$ -	\$ -	\$ 37,572.16	\$ -	\$ (37,572.16)
Miscellaneous Expenses	\$ (677.74)	\$ -	\$ 677.74	\$ -	\$ -	\$ -
Tenant Screening Costs	\$ -	\$ -	\$ -	\$ 465.50	\$ -	\$ (465.50)
Interest Expense	\$ (16.44)	\$ 10.00	\$ 26.44	\$ 1.35	\$ 90.00	\$ 88.65

TOTAL Miscellaneous expenses	\$ (694.18)	\$ 10.00	\$ 704.18	\$ 38,039.01	\$ 90.00	\$ (37,949.01)
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Management expense

Management Fees	\$ 3,000.00	\$ 3,000.00	\$ -	\$ 27,000.00	\$ 27,000.00	\$ -
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TOTAL Management expense	\$ 3,000.00	\$ 3,000.00	\$ -	\$ 27,000.00	\$ 27,000.00	\$ -
Professional, Permits and tax expenses						
Licenses & Permits - Admin	\$ -	\$ 100.00	\$ 100.00	\$ -	\$ 900.00	\$ 900.00
Tax preparation	\$ 1,500.00	\$ -	\$ (1,500.00)	\$ 13,700.00	\$ 2,100.00	\$ (11,600.00)
Fees - Legal	\$ -	\$ -	\$ -	\$ -	\$ 2,100.00	\$ 2,100.00
Fees - Audit & Accounting	\$ -	\$ -	\$ -	\$ -	\$ 6,000.00	\$ 6,000.00
Legal Fees - Business Entity	\$ 153.00	\$ -	\$ (153.00)	\$ 2,530.60	\$ -	\$ (2,530.60)
TOTAL Professional, Permits and tax expenses	\$ 1,653.00	\$ 100.00	\$ (1,553.00)	\$ 16,230.60	\$ 11,100.00	\$ (5,130.60)
Tax and insurance expenses						
Property Tax	\$ 291.62	\$ 1,166.47	\$ 874.85	\$ 7,873.68	\$ 10,498.23	\$ 2,624.55
Insurance	\$ 920.00	\$ 920.00	\$ -	\$ 8,280.00	\$ 8,280.00	\$ -
TOTAL Tax and insurance expenses	\$ 1,211.62	\$ 2,086.47	\$ 874.85	\$ 16,153.68	\$ 18,778.23	\$ 2,624.55
TOTAL Operating Expenses	\$ 19,548.95	\$ 20,072.47	\$ 523.52	\$ 246,674.44	\$ 190,566.23	\$ (56,108.21)
TOTAL OPS EXPENSES	\$ 19,548.95	\$ 20,072.47	\$ 523.52	\$ 246,674.44	\$ 190,566.23	\$ (56,108.21)
NET Ops Income (Loss)	\$ 24,867.51	\$ 26,677.53	\$ (1,810.02)	\$ 198,757.53	\$ 230,183.77	\$ (31,426.24)
Depreciation and amortization expense						
Depreciation Expense	\$ 3,450.34	\$ 3,330.55	\$ (119.79)	\$ 31,053.05	\$ 29,974.95	\$ (1,078.10)
TOTAL Depreciation and amortization expense	\$ 3,450.34	\$ 3,330.55	\$ (119.79)	\$ 31,053.05	\$ 29,974.95	\$ (1,078.10)
NET INCOME (LOSS)	\$ 21,417.17	\$ 23,346.98	\$ (1,929.81)	\$ 167,704.48	\$ 200,208.82	\$ (32,504.34)

Routing 291880330
Bank Rec Posted Report

Balance Per Bank Statement as of 9/30/2025	1,675,085.43
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Outstanding Deposits

Deposit Date	Deposit Number	Amount
9/9/2025	300	7,179.00
9/9/2025	301	1,010.00
9/10/2025	302	6,322.00
9/15/2025	303	2,064.00
9/18/2025	304	467.00
Plus: Outstanding Deposits		17,042.00

Outstanding Checks

Check Date	Check Numb	Payee	Amount
6/2/2025	ACH	Culligan of Faribault (ACH)	115.97
6/10/2025	442	LaRoche's	4,175.00
8/13/2025	470		240.49
Less: Outstanding Checks			4,531.46

Other Items

Date	Notes	Amount
9/30/2025	JE 24080	443.85
Plus / Minus: Other Items		443.85
Reconciled Bank Balance		1,688,039.82

Balance per GL as of 9/30/2025	1,688,039.82
Reconciled Balance Per G/L	1,688,039.82

Difference	0.00
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Cleared Items:

Cleared Checks

Date	Tran #	Notes	Amount	Date Cleared
9/2/2025	478	Cornerstone Management Serv	5,500.00	9/30/2025
9/3/2025	479	City of Faribault	35,172.16	9/30/2025
9/5/2025	ACH	City of Faribault	678.49	9/30/2025
9/9/2025	ACH	Xcel Energy	730.82	9/30/2025
9/10/2025	480	Advanced Facilities	4,000.00	9/30/2025
9/10/2025	481	Cintas Corp	75.57	9/30/2025

9/10/2025	482	Kennedy & Graven, Chartered	1,684.00	9/30/2025
9/10/2025	483		223.90	9/30/2025
9/16/2025	ACH	Xcel Energy	4,478.04	9/30/2025
9/22/2025	ACH	FLOM Disposal Service (ACH)	243.24	9/30/2025
9/22/2025	ACH	FLOM Disposal Service (ACH)	43.90	9/30/2025
9/23/2025	ACH	Culligan of Faribault (ACH)	174.45	9/30/2025
9/30/2025	ACH	MEI Total Elevator Solutions	226.94	9/30/2025
Total Cleared Checks			53,231.51	

Cleared Deposits

Date	Tran #	Notes	Amount	Date Cleared
9/4/2025	312	9.4.25 Deposit Part I	28,205.00	9/30/2025
Total Cleared Deposits			28,205.00	

Cleared Other Items

Date	Tran #	Notes	Amount	Date Cleared
9/4/2025	JE 24180	Reconcile State of MN Payment	-1,402.00	9/30/2025
9/4/2025	JE 24214		-633.00	9/30/2025
9/4/2025	JE 24225		-8.00	9/30/2025
9/4/2025	JE 24226		-848.00	9/30/2025
9/30/2025	JE 24079		73.98	9/30/2025
9/30/2025	JE 24220	Reconcile State of MN Payment	1,374.00	9/30/2025
9/30/2025	JE 24221	This Journal Entry should have	625.00	9/30/2025
9/30/2025	JE 24222	To record Julie Hiniker's HAP pi	-659.00	9/30/2025
Total Cleared Other Items			-1,477.02	

Payables Aging Report

Period: -10/2025

As of : 10/15/2025

Payee Name	Invoice	Property	Invoice Date	Due Date	Invoice #	Current Owed	0-30 Owed	31-60 Owed	61-90 Owed	Over 90 Owed	Notes
	Notes										
MEI Total Elevator Solutions	Robinwood	10/30/2025		238.29	ACH						
Cornerstone Management Services LLC	Robinwood	11/3/2025		5,500.00	504						
		Total		32,129.28							

Check Run Comparison

10/15/2025 Check Authorization Total	\$15,962.04
Checks Authorized From Aging Report	\$15,962.04
Checks Authorized not from Aging	\$10,667.24
Cornerstone Management Fees	\$5,500.00
Total	\$32,129.28

Payables Aging Report

Period: -11/2025

As of: 11/05/2025

Payee Name	Invoice Notes	Property	Invoice Date	Due Date	Account	Invoice #	Current Owed	0-30 Owed	31-60 Owed	61-90 Owed	Over 90 Owed	Notes
Advanced Facilities												
		Robinwood Manor	10/31/2025	10/31/2025	6219 Purchased Service:	INV13520	4,000.00	4,000.00	0.00	0.00	0.00	
Advanced Facilities							4,000.00	4,000.00	0.00	0.00	0.00	
All Pro Cleaners, LLC.												
		Robinwood Manor	11/3/2025	11/3/2025	6235 Purchased Service:	22180	286.93	286.93	0.00	0.00	0.00	
All Pro Cleaners, LLC.							286.93	286.93	0.00	0.00	0.00	
Cintas Corp												
		Robinwood Manor	10/16/2025	10/16/2025	7246 Housekeeping Sup	4246793164	34.94	34.94	0.00	0.00	0.00	
		Robinwood Manor	10/30/2025	10/30/2025	7246 Housekeeping Sup	4248277698	90.77	90.77	0.00	0.00	0.00	
Cintas Corp							125.71	125.71	0.00	0.00	0.00	
City of Faribault												
		Robinwood Manor	10/10/2025	10/10/2025	6430 Water and Sewer	014197-000 10/10/2025	664.32	664.32	0.00	0.00	0.00	
City of Faribault							664.32	664.32	0.00	0.00	0.00	
FLOM Disposal Service (ACH)												
		Robinwood Manor	10/28/2025	10/28/2025	6450 Trash Disposal	409110024416 10/28/2025	243.24	243.24	0.00	0.00	0.00	
FLOM Disposal Service (ACH)							243.24	243.24	0.00	0.00	0.00	
HDS, LLC DBA Kanzo Software												
		Robinwood Manor	10/27/2025	10/15/2025	1330 Prepaid Expenses	2025-17535	554.00	554.00	0.00	0.00	0.00	10/01/2025 - 12/31/2025
HDS, LLC DBA Kanzo Software							554.00	554.00	0.00	0.00	0.00	
MEI Total Elevator Solutions												
		Robinwood Manor	8/1/2025	8/1/2025	6257 Elevator Maintena	1141274	226.94	0.00	0.00	0.00	226.94	
		Robinwood Manor	11/1/2025	11/1/2025	6257 Elevator Maintena	1155825	238.29	238.29	0.00	0.00	0.00	
MEI Total Elevator Solutions							465.23	238.29	0.00	0.00	226.94	
Property Pros of Faribault, LLC												
		Robinwood Manor	11/3/2025	11/3/2025	6225 Grounds/Lawn Care	8195	660.36	660.36	0.00	0.00	0.00	
Property Pros of Faribault, LLC							660.36	660.36	0.00	0.00	0.00	
Rental Research Services												
		Robinwood Manor	10/31/2025	10/31/2025	6890 Tenant Screening (	E08610 10/31/2025	24.50	24.50	0.00	0.00	0.00	
Rental Research Services							24.50	24.50	0.00	0.00	0.00	
ServiceMaster by Ayotte												
		Robinwood Manor	11/1/2025	11/1/2025	6235 Purchased Service:	912635	1,380.32	1,380.32	0.00	0.00	0.00	
ServiceMaster by Ayotte							1,380.32	1,380.32	0.00	0.00	0.00	
ShofCorp LLC.												
		Robinwood Manor	11/3/2025	11/3/2025	6219 Purchased Service:	175997	140.10	140.10	0.00	0.00	0.00	
ShofCorp LLC.							140.10	140.10	0.00	0.00	0.00	
Xcel Energy												
		Robinwood Manor	10/10/2025	10/10/2025	6410 Electricity	51-5716167-2 10/10/2025	374.50	374.50	0.00	0.00	0.00	Common Area
		Robinwood Manor	10/10/2025	10/10/2025	6420 Gas	51-5716167-2 10/10/2025	262.11	262.11	0.00	0.00	0.00	Common Area
		Robinwood Manor	10/20/2025	10/20/2025	6410 Electricity	51-5716166-1 10/20/2025	3,254.56	3,254.56	0.00	0.00	0.00	Vacant Units
Xcel Energy							3,891.17	3,891.17	0.00	0.00	0.00	
Grand Total							12,435.88	12,208.94	0.00	0.00	226.94	

CORNERSTONE

Creating Healthy Communities

Executive Summary for City of Faribault Public Housing HRA September 2025

Overview

- The total operating revenue was \$58,256.
- Occupancy for September was 98%.

Financial Summary

	Current Month	Budget	Variance (+/-)	YTD Total	YTD Budget	Variance (+/-)
Total Revenue	58,256	58,905	-649	603,450	530,145	73,305
Operating Expenses	-24,113	-22,195	-1,918	223,927	200,067	-23,861
Other Income	0	0	0	0	0	0
Other Expenses (Debt Service)	0	0	0	0	0	0
Net Income	34,143	36,710	-2,567	379,522	330,078	49,444
Total Aged			Operating Acct Bal			
Total Accounts Receivable	6,701		Beginning Cash			891,232
Total Accounts Payable	24,814		Ending Cash			883,517
			Cash Flow			7,715

Narrative:

- The Accounts Receivable balance is \$6,701 at the end of September.
- The Accounts Payable balance of \$24,814 is mainly made up of current invoices with payments made in October.
- The operating account balance for the month of September ended at \$883,517, a decrease of \$7,715.

Monthly Status	August 2025	September 2025
Vacant Units	1	1
Move-Outs	0	0
Move-Ins	0	0
Evictions	0	0
Current Occupancy	48	48
Full Occupancy	49	49
Occupancy %	98%	98%

Cornerstone Financial Package

City of Faribault (Public Housing HRA)

MONTHLY FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

CURRENT MONTH AND YEAR-TO-DATE
FOR
September 30, 2025



Professionally Managed By Cornerstone Management Services

Balance Sheet

Public Housing HRA

Month = Sep 2025

Book = Accrual ; Tree = YSI Standard Balance Sheet

ACCOUNT	CURRENT BALANCE
ASSETS	
CASH	
Security Deposit Savings	955,726.01
Operating Cash	883,517.40
TOTAL CASH	1,839,243.41
Accounts Receivable	6,700.76
Due From- Other Governments	679.00
Prepaid Expenses	294.00
Prepaid Property/Liability Ins	7,372.71
Building Improvements	50,384.58
Machinery, Equipment, & Appliances	7,784.70
TOTAL ASSETS	1,912,459.16
LIABILITIES AND CAPITAL	
LIABILITIES	
Accounts Payable	24,813.88
Prepaid Rent	3,666.03
Other Accrued Liabilities	2,000.00
Accrued Expenses	4,353.00
Tenant Deposits	14,123.00
Pet Deposit	1,571.90
Interest on Tenant Deposits	330.00
Payments in Lieu-Taxes Payable	2,741.54
Due to- Other Governments	140,030.00
Due to Affiliate	89,928.50
Due to other funds	250,000.00
Unreserved Fund Balances	98,719.77
TOTAL LIABILITIES	632,277.62
CAPITAL	
Retained Earnings	379,522.45
Prior Years Retained Earnings	900,659.09
TOTAL CAPITAL	1,280,181.54
TOTAL LIABILITIES AND CAPITAL	1,912,459.16

12 Months Income Statement

Public Housing HRA

Period = Oct 2024-Sep 2025

Book = Accrual ; Tree = MutiFamily New

ACCOUNT	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Total
Ops Income or Loss													
OPERATING INCOME													
Residential Income													
Rent-Residential	\$ 26,537.00	\$ 24,711.00	\$ 24,404.00	\$ 21,643.00	\$ 22,144.00	\$ 22,033.00	\$ 23,916.00	\$ 23,343.00	\$ 22,384.00	\$ 24,425.00	\$ 23,274.00	\$ 23,452.00	\$ 282,266.00
Tenant Based Subsidy	\$ 30,704.00	\$ 31,318.00	\$ 40,483.00	\$ 42,764.00	\$ 41,887.00	\$ 42,163.00	\$ 42,907.00	\$ 41,870.00	\$ 42,829.00	\$ 43,888.00	\$ 41,908.00	\$ 42,680.00	\$ 485,401.00
Other Income													
Late Fee	\$ 50.00	\$ -	\$ 25.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75.00
Miscellaneous Income	\$ -	\$ -	\$ -	\$ 1,714.16	\$ (1,075.00)	\$ (3,652.00)	\$ 1,526.00	\$ (1,058.00)	\$ (2,775.00)	\$ (7,946.55)	\$ 2,903.05	\$ (7,686.14)	\$ (18,049.48)
CleanUp (Misc)	\$ (35.90)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (35.90)
Pet Fee	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ (270.00)	\$ 60.00
Bank Interest	\$ 39.62	\$ 37.54	\$ 43.25	\$ 48.18	\$ 45.17	\$ 51.65	\$ 51.89	\$ 54.85	\$ 31,542.08	\$ 74.23	\$ 71.49	\$ 79.88	\$ 32,139.83
Total Other Income	\$ 83.72	\$ 67.54	\$ 98.25	\$ 1,792.34	\$ (999.83)	\$ (3,570.35)	\$ 1,607.89	\$ (973.15)	\$ 28,797.08	\$ (7,842.32)	\$ 3,004.54	\$ (7,876.26)	\$ 14,189.45
TOTAL Residential Income	\$ 57,324.72	\$ 56,096.54	\$ 64,985.25	\$ 66,199.34	\$ 63,031.17	\$ 60,625.65	\$ 68,430.89	\$ 64,239.85	\$ 94,010.08	\$ 60,470.68	\$ 68,186.54	\$ 58,255.74	\$ 781,856.45
TOTAL OPERATING INCOME	\$ 57,324.72	\$ 56,096.54	\$ 64,985.25	\$ 66,199.34	\$ 63,031.17	\$ 60,625.65	\$ 68,430.89	\$ 64,239.85	\$ 94,010.08	\$ 60,470.68	\$ 68,186.54	\$ 58,255.74	\$ 781,856.45
OPS EXPENSES													
Operating Expenses													
Payroll expenses													
Administrative Salaries	\$ -	\$ -	\$ 12,241.13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,241.13
Admin Payroll Fee	\$ -	\$ -	\$ (3,902.85)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,902.85)
Pass thru Payroll - Corporate	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 30,000.00
TOTAL Payroll expenses	\$ 2,500.00	\$ 2,500.00	\$ 10,838.28	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 38,338.28
Utilities													
Electricity	\$ 217.82	\$ 430.38	\$ 193.52	\$ 228.30	\$ 295.37	\$ 182.32	\$ 112.38	\$ 471.91	\$ 172.28	\$ 264.42	\$ 177.72	\$ 255.11	\$ 3,001.53
Water and Sewer	\$ 523.20	\$ 225.74	\$ 262.97	\$ 285.83	\$ 251.51	\$ 265.18	\$ 277.33	\$ 270.91	\$ 243.66	\$ 79.01	\$ 102.75	\$ 102.07	\$ 2,890.16
Gas	\$ 37.02	\$ 36.99	\$ 198.52	\$ 314.81	\$ 404.39	\$ 356.72	\$ 211.14	\$ 297.60	\$ 38.91	\$ 76.17	\$ 40.82	\$ 97.91	\$ 2,111.00
Trash Disposal	\$ 366.52	\$ 183.26	\$ 180.09	\$ 180.09	\$ 158.55	\$ 201.63	\$ 322.76	\$ 115.25	\$ 398.59	\$ 158.55	\$ 201.63	\$ 180.09	\$ 2,647.01
TOTAL Utilities	\$ 1,144.56	\$ 876.37	\$ 835.10	\$ 1,009.03	\$ 1,109.82	\$ 1,005.85	\$ 923.61	\$ 1,155.67	\$ 853.44	\$ 578.15	\$ 522.92	\$ 635.18	\$ 10,649.70
Office Expenses													
Office Supplies & Expenses - Admin	\$ -	\$ 107.51	\$ -	\$ -	\$ 84.83	\$ -	\$ -	\$ -	\$ -	\$ 15.88	\$ -	\$ -	\$ 208.22
Postage	\$ -	\$ -	\$ -	\$ -	\$ 365.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 365.00
Computer	\$ -	\$ -	\$ 294.00	\$ -	\$ -	\$ 294.00	\$ -	\$ -	\$ 294.00	\$ -	\$ -	\$ -	\$ 882.00
Dues & Subscriptions	\$ 361.67	\$ 361.67	\$ 361.67	\$ 361.66	\$ 361.66	\$ 361.67	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,170.00
TOTAL Office Expenses	\$ 361.67	\$ 469.18	\$ 655.67	\$ 361.66	\$ 811.49	\$ 655.67	\$ -	\$ -	\$ 294.00	\$ 15.88	\$ -	\$ -	\$ 3,625.22
Maintenance expenses													
Supplies - Maintenance	\$ 1,302.13	\$ 1,466.27	\$ 346.59	\$ -	\$ -	\$ 162.00	\$ 2,158.96	\$ 1,755.58	\$ 1,110.14	\$ 3,124.51	\$ 377.08	\$ 1,037.40	\$ 12,840.66
Repairs & Maintenance - Building	\$ 4,232.75	\$ 4,439.00	\$ 4,000.00	\$ 4,162.30	\$ 7,783.97	\$ 6,786.07	\$ 3,363.00	\$ 5,268.24	\$ 4,427.00	\$ 4,149.45	\$ 4,000.00	\$ 4,000.00	\$ 56,611.78
Extraordinary Maintenance	\$ -	\$ -	\$ -	\$ 6,138.61	\$ -	\$ -	\$ -	\$ 1,712.17	\$ 132.00	\$ -	\$ -	\$ -	\$ 7,982.78
Grounds/Lawn Care	\$ 2,167.00	\$ -	\$ 1,334.00	\$ -	\$ -	\$ -	\$ 2,029.00	\$ 1,404.00	\$ 9,474.00	\$ 4,664.00	\$ 5,294.03	\$ 6,029.38	\$ 32,395.41

Pest Control	\$ 178.00	\$ 1,534.50	\$ 89.00	\$ -	\$ 89.00	\$ -	\$ -	\$ 2,110.00	\$ 212.50	\$ 495.00	\$ (42.50)	\$ 54.50	\$ 4,720.00
Snow Removal	\$ -	\$ -	\$ -	\$ -	\$ 3,365.00	\$ -	\$ -	\$ -	\$ 2,952.00	\$ -	\$ -	\$ -	\$ 6,317.00
Fire Prevention & Maintenance	\$ -	\$ 536.10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 536.10
Purchased Services-Maintenance	\$ 1,677.21	\$ -	\$ 755.18	\$ 667.00	\$ 473.44	\$ -	\$ 164.25	\$ -	\$ -	\$ 765.38	\$ -	\$ -	\$ 4,502.46
Purchased Services-Cleaning	\$ 279.21	\$ 139.60	\$ 383.90	\$ -	\$ -	\$ 723.44	\$ 1,592.13	\$ 473.44	\$ 473.44	\$ -	\$ 473.44	\$ 1,853.76	\$ 6,392.36
TOTAL Maintenance expenses	\$ 9,836.30	\$ 8,115.47	\$ 6,908.67	\$ 10,967.91	\$ 11,711.41	\$ 7,671.51	\$ 9,307.34	\$ 12,723.43	\$ 18,781.08	\$ 13,198.34	\$ 10,102.05	\$ 12,975.04	\$ 132,298.55
Miscellaneous expenses													
Administrative Expense	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 13,451.79	\$ 2,741.66	\$ (393.33)	\$ 21,800.12
Supplies-Admin	\$ -	\$ 146.40	\$ -	\$ -	\$ 75.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221.40
Bank Fees	\$ 15.00	\$ -	\$ -	\$ 100.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115.00
Interest Expense	\$ 10.16	\$ 11.30	\$ 10.33	\$ -	\$ 16.77	\$ 13.63	\$ 24.54	\$ 0.51	\$ 24.99	\$ 13.29	\$ 12.87	\$ 20.37	\$ 158.76
Bad Debt Expense	\$ -	\$ -	\$ 29,638.92	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,638.92
TOTAL Miscellaneous expenses	\$ 25.16	\$ 157.70	\$ 29,649.25	\$ 1,100.00	\$ 1,091.77	\$ 1,013.63	\$ 1,024.54	\$ 1,000.51	\$ 1,024.99	\$ 13,465.08	\$ 2,754.53	\$ (372.96)	\$ 51,934.20
Management expense													
Management Fees	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00
TOTAL Management expense	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00
Professional, Permits and tax expenses													
Licenses & Permits - Admin	\$ -	\$ -	\$ -	\$ 110.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,393.33	\$ (1,393.33)	\$ 1,741.67	\$ 1,851.67
Legal Fees - Business Entity	\$ -	\$ 1,986.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (49.60)	\$ 1,937.00
TOTAL Professional, Permits and tax expenses	\$ -	\$ 1,986.60	\$ -	\$ 110.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,393.33	\$ (1,393.33)	\$ 1,692.07	\$ 3,788.67
Tax and insurance expenses													
Property Tax	\$ -	\$ -	\$ -	\$ 1,226.09	\$ 1,226.09	\$ 1,226.09	\$ 1,226.09	\$ 1,226.09	\$ 1,226.09	\$ 1,226.09	\$ 1,226.09	\$ 1,226.09	\$ 11,034.81
Insurance	\$ 6,074.50	\$ 6,074.50	\$ 6,074.50	\$ 2,457.56	\$ 2,457.56	\$ 2,457.56	\$ 2,457.56	\$ 2,457.56	\$ 2,457.56	\$ 2,457.56	\$ 2,457.56	\$ 2,457.56	\$ 40,341.54
TOTAL Tax and insurance expenses	\$ 6,074.50	\$ 6,074.50	\$ 6,074.50	\$ 3,683.65	\$ 3,683.65	\$ 3,683.65	\$ 3,683.65	\$ 3,683.65	\$ 3,683.65	\$ 3,683.65	\$ 3,683.65	\$ 3,683.65	\$ 51,376.35
TOTAL Operating Expenses	\$ 22,942.19	\$ 23,179.82	\$ 57,961.47	\$ 22,732.25	\$ 23,908.14	\$ 19,530.31	\$ 20,439.14	\$ 24,063.26	\$ 30,137.16	\$ 37,834.43	\$ 21,169.82	\$ 24,112.98	\$ 328,010.97
TOTAL OPS EXPENSES	\$ 22,942.19	\$ 23,179.82	\$ 57,961.47	\$ 22,732.25	\$ 23,908.14	\$ 19,530.31	\$ 20,439.14	\$ 24,063.26	\$ 30,137.16	\$ 37,834.43	\$ 21,169.82	\$ 24,112.98	\$ 328,010.97
NET Ops Income (Loss)	\$ 34,382.53	\$ 32,916.72	\$ 7,023.78	\$ 43,467.09	\$ 39,123.03	\$ 41,095.34	\$ 47,991.75	\$ 40,176.59	\$ 63,872.92	\$ 22,636.25	\$ 47,016.72	\$ 34,142.76	\$ 453,845.48
NET INCOME (LOSS)	\$ 34,382.53	\$ 32,916.72	\$ 7,023.78	\$ 43,467.09	\$ 39,123.03	\$ 41,095.34	\$ 47,991.75	\$ 40,176.59	\$ 63,872.92	\$ 22,636.25	\$ 47,016.72	\$ 34,142.76	\$ 453,845.48

Budget Comparison

Public Housing HRA

Month = Sep 2025

Book = Accrual ; Tree = MultiFamily New

ACCOUNT	Sept 2025	Sept 2025	Sept 2025	2025	2025	2025
Ops Income or Loss	Actual	Budget	Variance	Actual	Budget	Variance
OPERATING INCOME						
Residential Income						
Rent-Residential	\$ 23,452.00	\$ 24,750.00	\$ (1,298.00)	\$ 206,614.00	\$ 222,750.00	\$ (16,136.00)
Tenant Based Subsidy	\$ 42,680.00	\$ 34,120.00	\$ 8,560.00	\$ 382,896.00	\$ 307,080.00	\$ 75,816.00
Other Income						
Miscellaneous Income	\$ (7,686.14)	\$ -	\$ (7,686.14)	\$ (18,049.48)	\$ -	\$ (18,049.48)
Pet Fee	\$ (270.00)	\$ -	\$ (270.00)	\$ (30.00)	\$ -	\$ (30.00)
Bank Interest	\$ 79.88	\$ 35.00	\$ 44.88	\$ 32,019.42	\$ 315.00	\$ 31,704.42
Total Other Income	\$ (7,876.26)	\$ 35.00	\$ (7,911.26)	\$ 13,939.94	\$ 315.00	\$ 13,624.94
TOTAL Residential Income	\$ 58,255.74	\$ 58,905.00	\$ (649.26)	\$ 603,449.94	\$ 530,145.00	\$ 73,304.94
TOTAL OPERATING INCOME	\$ 58,255.74	\$ 58,905.00	\$ (649.26)	\$ 603,449.94	\$ 530,145.00	\$ 73,304.94
OPS EXPENSES						
Operating Expenses						
Payroll expenses						
Pass thru Payroll - Corporate	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 22,500.00	\$ 22,500.00	\$ -
TOTAL Payroll expenses	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 22,500.00	\$ 22,500.00	\$ -
Utilities						
Electricity	\$ 255.11	\$ 240.00	\$ (15.11)	\$ 2,159.81	\$ 1,890.00	\$ (269.81)
Water and Sewer	\$ 102.07	\$ 200.00	\$ 97.93	\$ 1,878.25	\$ 2,170.00	\$ 291.75
Gas	\$ 97.91	\$ 75.00	\$ (22.91)	\$ 1,838.47	\$ 650.00	\$ (1,188.47)
Trash Disposal	\$ 180.09	\$ 185.00	\$ 4.91	\$ 1,917.14	\$ 1,665.00	\$ (252.14)
TOTAL Utilities	\$ 635.18	\$ 700.00	\$ 64.82	\$ 7,793.67	\$ 6,375.00	\$ (1,418.67)
Office Expenses						
Office Supplies & Expenses - Admin	\$ -	\$ -	\$ -	\$ 100.71	\$ -	\$ (100.71)
Postage	\$ -	\$ -	\$ -	\$ 365.00	\$ -	\$ (365.00)
Computer	\$ -	\$ 294.00	\$ 294.00	\$ 588.00	\$ 882.00	\$ 294.00
Dues & Subscriptions	\$ -	\$ 15.00	\$ 15.00	\$ 1,084.99	\$ 135.00	\$ (949.99)
TOTAL Office Expenses	\$ -	\$ 309.00	\$ 309.00	\$ 2,138.70	\$ 1,017.00	\$ (1,121.70)
Maintenance expenses						
Supplies - Maintenance	\$ 1,037.40	\$ 350.00	\$ (687.40)	\$ 9,725.67	\$ 3,150.00	\$ (6,575.67)
Repairs & Maintenance - Building	\$ 4,000.00	\$ 4,200.00	\$ 200.00	\$ 43,940.03	\$ 37,800.00	\$ (6,140.03)
Extraordinary Maintenance	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 7,982.78	\$ 36,000.00	\$ 28,017.22
Grounds/Lawn Care	\$ 6,029.38	\$ 1,500.00	\$ (4,529.38)	\$ 28,894.41	\$ 9,000.00	\$ (19,894.41)
Pest Control	\$ 54.50	\$ 450.00	\$ 395.50	\$ 2,918.50	\$ 4,050.00	\$ 1,131.50
Snow Removal	\$ -	\$ -	\$ -	\$ 6,317.00	\$ 5,000.00	\$ (1,317.00)
Fire Prevention & Maintenance	\$ -	\$ 100.00	\$ 100.00	\$ -	\$ 900.00	\$ 900.00
Purchased Services-Maintenance	\$ -	\$ 300.00	\$ 300.00	\$ 2,070.07	\$ 2,700.00	\$ 629.93
Purchased Services-Cleaning	\$ 1,853.76	\$ -	\$ (1,853.76)	\$ 5,589.65	\$ -	\$ (5,589.65)
TOTAL Maintenance expenses	\$ 12,975.04	\$ 10,900.00	\$ (2,075.04)	\$ 107,438.11	\$ 98,600.00	\$ (8,838.11)
Miscellaneous expenses						
Administrative Expense	\$ (393.33)	\$ 1,000.00	\$ 1,393.33	\$ 21,800.12	\$ 9,000.00	\$ (12,800.12)
Supplies-Admin	\$ -	\$ -	\$ -	\$ 75.00	\$ -	\$ (75.00)
Bank Fees	\$ -	\$ -	\$ -	\$ 100.00	\$ -	\$ (100.00)
Interest Expense	\$ 20.37	\$ 10.00	\$ (10.37)	\$ 126.97	\$ 90.00	\$ (36.97)

TOTAL Miscellaneous expenses	\$ (372.96)	\$ 1,010.00	\$ 1,382.96	\$ 22,102.09	\$ 9,090.00	\$ (13,012.09)
Management expense						
Management Fees	\$ 3,000.00	\$ 3,000.00	\$ -	\$ 27,000.00	\$ 27,000.00	\$ -
TOTAL Management expense	\$ 3,000.00	\$ 3,000.00	\$ -	\$ 27,000.00	\$ 27,000.00	\$ -
Professional, Permits and tax expenses						
Licenses & Permits - Admin	\$ 1,741.67	\$ 350.00	\$ (1,391.67)	\$ 1,851.67	\$ 3,150.00	\$ 1,298.33
Fees - Legal	\$ -	\$ -	\$ -	\$ -	\$ 1,500.00	\$ 1,500.00
Legal Fees - Business Entity	\$ (49.60)	\$ -	\$ 49.60	\$ (49.60)	\$ -	\$ 49.60
TOTAL Professional, Permits and tax expenses	\$ 1,692.07	\$ 350.00	\$ (1,342.07)	\$ 1,802.07	\$ 4,650.00	\$ 2,847.93
Tax and insurance expenses						
Property Tax	\$ 1,226.09	\$ 1,226.09	\$ -	\$ 11,034.81	\$ 11,034.81	\$ -
Insurance	\$ 2,457.56	\$ 2,200.00	\$ (257.56)	\$ 22,118.04	\$ 19,800.00	\$ (2,318.04)
TOTAL Tax and insurance expenses	\$ 3,683.65	\$ 3,426.09	\$ (257.56)	\$ 33,152.85	\$ 30,834.81	\$ (2,318.04)
TOTAL Operating Expenses	\$ 24,112.98	\$ 22,195.09	\$ (1,917.89)	\$ 223,927.49	\$ 200,066.81	\$ (23,860.68)
TOTAL OPS EXPENSES	\$ 24,112.98	\$ 22,195.09	\$ (1,917.89)	\$ 223,927.49	\$ 200,066.81	\$ (23,860.68)
NET Ops Income (Loss)	\$ 34,142.76	\$ 36,709.91	\$ (2,567.15)	\$ 379,522.45	\$ 330,078.19	\$ 49,444.26
NET INCOME (LOSS)	\$ 34,142.76	\$ 36,709.91	\$ (2,567.15)	\$ 379,522.45	\$ 330,078.19	\$ 49,444.26

**Security Deposit Savings
Bank Reconcile History Report**

Balance Per Bank Statement as of 9/30/2025	955,726.01
Reconciled Bank Balance	955,726.01

Balance per GL as of 9/30/2025	955,726.01
Reconciled Balance Per G/L	955,726.01

Difference	0.00
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Cleared Items:

Cleared Other Items

Date	Tran #	Notes	Amount	Date Cleared
9/30/2025	JE 24074		41.71	9/30/2025
9/30/2025	JE 24075		39,080.74	9/30/2025
Total Cleared Other Items			39,122.45	

Payables Aging Report

Period: -10/2025

As of: 10/15/2025

Payee Name	Invoice Notes	Property	Invoice Date	Due Date	Invoice #	Current Owed	0-30 Owed	31-60 Owed	61-90 Owed	Over 90 Owed	Notes
Advanced Facilities		Public Housing HRA	9/30/2025	10/31/2025	INV13297	4,000.00	4,000.00	0.00	0.00	0.00	
Brian Erickson Construction		Public Housing HRA	9/25/2025	9/25/2025	103	7,169.10	7,169.10	0.00	0.00	0.00	
City of Faribault		Public Housing HRA	9/10/2025	9/10/2025	005090-026 09/10/2025	102.07	0.00	102.07	0.00	0.00	
Environmental Pest Management		Public Housing HRA	9/5/2025	9/5/2025	77719	54.50	0.00	54.50	0.00	0.00	
Faribault Ace Hardware & Ace Sports		Public Housing HRA	*	10/13/2025	511339/1	313.14	313.14	0.00	0.00	0.00	
Faribault Interiors Inc		Public Housing HRA	8/19/2025	8/19/2025	50802	1,200.00	0.00	1,200.00	0.00	0.00	
Faribo Air Conditioning & Heating, Inc.		Public Housing HRA	*	9/15/2025	23104	12,559.00	0.00	12,559.00	0.00	0.00	
Faribo Plumbing & Heating		Public Housing HRA	*	8/26/2025	65782	2,036.80	0.00	2,036.80	0.00	0.00	
FLOM Disposal Service (ACH)		Public Housing HRA	9/25/2025	9/25/2025	409110024428	180.09	180.09	0.00	0.00	0.00	
HD Supply Facilities Maintenance, Ltd.		Public Housing HRA	*	9/30/2025	9241548721	401.98	99.48	302.50	0.00	0.00	
		Public Housing HRA	10/2/2025	10/2/2025	10/02/2025	444.00	444.00	0.00	0.00	0.00	
Property Pros of Faribault, LLC		Public Housing HRA	*	10/1/2025	8144	11,286.03	5,992.00	5,294.03	0.00	0.00	
Quality Appliance		Public Housing HRA	*	7/9/2025	07085003	780.47	0.00	74.00	0.00	706.47	
RSBS Mgmt, Inc. Creative Curb Appeal		Public Housing HRA	9/16/2025	9/16/2025	185279	1,676.38	1,676.38	0.00	0.00	0.00	
ServiceMaster by Ayotte		Public Housing HRA	9/1/2025	9/1/2025	912465	1,853.76	0.00	1,853.76	0.00	0.00	
Sherwin Williams Co		Public Housing HRA	*	10/8/2025	0005-1	560.99	560.99	0.00	0.00	0.00	
Tom's Lock & Key		Public Housing HRA	*	10/1/2025	0015299	778.74	231.30	123.44	0.00	424.00	
Xcel Energy		Public Housing HRA	*	10/3/2025	51-7040805-4 10/03/2025	339.88	339.88	0.00	0.00	0.00	
Yardi Systems, Inc.		Public Housing HRA	9/15/2025	9/15/2025	4998448	294.00	0.00	294.00	0.00	0.00	
Grand Total						46,030.93	21,006.36	23,894.10	0.00	1,130.47	

Summary Check Register

Period = 10/2025-11/2025

Date = 10/15/2025 - 11/05/2025

Person	Property	Date	Amount	Payment#
Rice County Property Tax & Elections Office	Public Housing HRA	10/15/2025	6,773.27	425
FLOM Disposal Service (ACH)	Public Housing HRA	10/21/2025	21.54	ACH
FLOM Disposal Service (ACH)	Public Housing HRA	10/21/2025	15.00	ACH
FLOM Disposal Service (ACH)	Public Housing HRA	10/21/2025	158.55	ACH
Advanced Facilities	Public Housing HRA	10/22/2025	4,000.00	426
A Tru-Ax Tree Care	Public Housing HRA	10/22/2025	9,050.00	427
Brian Erickson Construction	Public Housing HRA	10/22/2025	7,169.10	428
Environmental Pest Management	Public Housing HRA	10/22/2025	54.50	429
Faribault Ace Hardware & Ace Sports	Public Housing HRA	10/22/2025	313.14	430
Faribault Interiors Inc	Public Housing HRA	10/22/2025	1,200.00	431
Faribo Air Conditioning & Heating, Inc.	Public Housing HRA	10/22/2025	12,559.00	432
Faribo Plumbing & Heating	Public Housing HRA	10/22/2025	2,036.80	433
HD Supply Facilities Maintenance, Ltd.	Public Housing HRA	10/22/2025	401.98	434
Kadra Hassan	Public Housing HRA	10/22/2025	444.00	435
Property Pros of Faribault, LLC	Public Housing HRA	10/22/2025	11,286.03	436
Quality Appliance	Public Housing HRA	10/22/2025	780.47	437
RSBS Mgmt, Inc. Creative Curb Appeal	Public Housing HRA	10/22/2025	1,676.38	438
ServiceMaster by Ayotte	Public Housing HRA	10/22/2025	473.44	439
Sherwin Williams Co	Public Housing HRA	10/22/2025	560.99	440
Tom's Lock & Key	Public Housing HRA	10/22/2025	778.74	441
Yardi Systems, Inc.	Public Housing HRA	10/22/2025	294.00	442
Xcel Energy	Public Housing HRA	10/27/2025	88.48	1
Xcel Energy	Public Housing HRA	10/27/2025	38.66	1
Xcel Energy	Public Housing HRA	10/27/2025	36.09	1
Xcel Energy	Public Housing HRA	10/27/2025	40.84	1
Cornerstone Management Services LLC	Public Housing HRA	11/3/2025	5,500.00	443

Payables Aging Report

Period: -10/2025

As of : 10/15/2025

Payee Name	Invoice	Property	Invoice Date	Due Date	Invoice #	Current Owed	0-30 Owed	31-60 Owed	61-90 Owed	Over 90 Owed	Notes
Notes											
Total						65,751.00					

Check Run Comparison

10/15/2025 Check Authorization Total	\$45,408.89
Checks Authorized From Aging Report	\$44,028.57
Check Authorized not from Aging	\$16,222.43
Cornerstone Management Fees	\$5,500.00
Total	\$65,751.00

Payables Aging Report

Period: -11/2025

As of: 11/05/2025

Payee Name	Invoice Notes	Property	Invoice Date	Due Date	Account	Invoice #	Current Owed	0-30 Owed	31-60 Owed	61-90 Owed	Over 90 Owed	Notes
Advanced Facilities												
Advanced Facilities		Public Housing HRA	10/31/2025	10/31/2025	6219 Purchased Service:	INV13519	4,000.00	4,000.00	0.00	0.00	0.00	
Advanced Facilities							4,000.00	4,000.00	0.00	0.00	0.00	
City of Faribault												
		Public Housing HRA	10/10/2025	10/10/2025	6430 Water and Sewer	005090-000 10/10/2025	14.21	14.21	0.00	0.00	0.00	
		Public Housing HRA	10/10/2025	10/10/2025	6430 Water and Sewer	005090-001 10/10/2025	14.21	14.21	0.00	0.00	0.00	
		Public Housing HRA	10/10/2025	10/10/2025	6430 Water and Sewer	005090-004 10/10/2025	15.02	15.02	0.00	0.00	0.00	
		Public Housing HRA	10/10/2025	10/10/2025	6430 Water and Sewer	005090-006 10/10/2025	15.02	15.02	0.00	0.00	0.00	
		Public Housing HRA	10/10/2025	10/10/2025	6430 Water and Sewer	005090-007 10/10/2025	14.21	14.21	0.00	0.00	0.00	
		Public Housing HRA	10/10/2025	10/10/2025	6430 Water and Sewer	005090-016 10/10/2025	15.02	15.02	0.00	0.00	0.00	
		Public Housing HRA	10/10/2025	10/10/2025	6430 Water and Sewer	005090-026 10/10/2025	14.21	14.21	0.00	0.00	0.00	
City of Faribault							101.90	101.90	0.00	0.00	0.00	
Environmental Pest Management												
		Public Housing HRA	10/10/2025	10/10/2025	6227 Pest Control	78972	1,225.00	1,225.00	0.00	0.00	0.00	
		Public Housing HRA	10/24/2025	10/24/2025	6227 Pest Control	79204	472.50	472.50	0.00	0.00	0.00	
Environmental Pest Management							1,697.50	1,697.50	0.00	0.00	0.00	
Faribault Ace Hardware & Ace Sports												
		Public Housing HRA	10/14/2025	10/14/2025	6216 Supplies - Mainte	511374/1	14.38	14.38	0.00	0.00	0.00	
		Public Housing HRA	10/14/2025	10/14/2025	6216 Supplies - Mainte	511370/1	14.38	14.38	0.00	0.00	0.00	
Faribault Ace Hardware & Ace Sports							28.76	28.76	0.00	0.00	0.00	
Faribo Plumbing & Heating												
		Public Housing HRA	10/21/2025	10/21/2025	6216 Supplies - Mainte	66065	192.00	192.00	0.00	0.00	0.00	
Faribo Plumbing & Heating							192.00	192.00	0.00	0.00	0.00	
FLOM Disposal Service (ACH)												
		Public Housing HRA	10/28/2025	10/28/2025	6450 Trash Disposal	409110024430 10/28/2025	21.54	21.54	0.00	0.00	0.00	
		Public Housing HRA	10/28/2025	10/28/2025	6450 Trash Disposal	409110024428 10/28/2025	185.99	185.99	0.00	0.00	0.00	
FLOM Disposal Service (ACH)							207.53	207.53	0.00	0.00	0.00	
HDS, LLC DBA Kanso Software												
		Public Housing HRA	10/27/2025	10/15/2025	1330 Prepaid Expenses	2025-17535	554.00	554.00	0.00	0.00	0.00	10/01/2025 - 12/31/2025
HDS, LLC DBA Kanso Software							554.00	554.00	0.00	0.00	0.00	
Property Pros of Faribault, LLC												
		Public Housing HRA	11/3/2025	11/3/2025	6225 Grounds/Lawn Cai	8194	470.00	470.00	0.00	0.00	0.00	
		Public Housing HRA	11/3/2025	11/3/2025	6225 Grounds/Lawn Cai	8196	2,721.00	2,721.00	0.00	0.00	0.00	
		Public Housing HRA	11/3/2025	11/3/2025	6225 Grounds/Lawn Cai	8197	444.00	444.00	0.00	0.00	0.00	
Property Pros of Faribault, LLC							3,635.00	3,635.00	0.00	0.00	0.00	
ServiceMaster by Ayotte												
		Public Housing HRA	11/1/2025	11/1/2025	6235 Purchased Service:	912636	473.44	473.44	0.00	0.00	0.00	
ServiceMaster by Ayotte							473.44	473.44	0.00	0.00	0.00	
Xcel Energy												
		Public Housing HRA	10/6/2025	10/6/2025	6410 Electricity	51-4282073-7 10/06/2025	35.70	0.00	35.70	0.00	0.00	Outdoor Lighting
		Public Housing HRA	10/9/2025	10/9/2025	6410 Electricity	51-7027671-4 10/09/2025	142.22	142.22	0.00	0.00	0.00	Common Area
		Public Housing HRA	10/9/2025	10/9/2025	6420 Gas	51-7027671-4 10/09/2025	73.48	73.48	0.00	0.00	0.00	Common Area
Xcel Energy							251.40	215.70	35.70	0.00	0.00	
Grand Total							11,141.53	11,105.83	35.70	0.00	0.00	



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Three Rivers Mobile Home Rehabilitation Update.

BACKGROUND:

Jansen will be presenting slides on how this last quarter went and more.

REQUESTED ACTION:

Receive and file

ATTACHMENTS:

1. Mobile Home Rehabilitation Program Slides Faribault



Mobile Home Rehabilitation Program Faribault Quarterly Report (Jul-Aug-Sept) 2025

Value Program Provides

- ❑ Home Inspections: \$400
- ❑ Pre-Audits: \$150
- ❑ Healthy Homes Assessment & Safety Supplies: Up to \$500
- ❑ Energy Assistance Applications: \$30

Total Value Per Household

\$1,080

Projects & Connections

Projects

- Completed: 2

Referrals

- Weatherization: 1

Energy Kits

- Total 44
 - July 29
 - August 14
 - September 1

Projects Pending

- Handyman: 11
- Contractors: 6
- Total: 17

Connections

- 15 Families Referrals
 - 22 Adults
 - 20 Children

Assisted

- 3 Families
 - 4 Adults
 - 2 children



"Community Action: Helping People. Changing Lives"

Questions? Contact: jgonzalez@threeriverscap.org

Financial Impact

□ Market cost

- \$24,000

□ Cost of Completed work

- \$15,000
 - TRCA \$7,500
 - Participants \$7,500

□ Savings for Participants

- \$11,244
 - \$9,000 Project
 - \$2,244 EEK



"Community Action: Helping People. Changing Lives"

Questions? Contact: Jgonzalez@threeriverscap.org

Running Totals

Cost & Savings

- ❑ Market Cost: \$37,750
- ❑ Completed Cost: \$23,000
- ❑ Participant Savings:

\$16,994

Completed Jobs

5

Energy Kits

44

Connections

- ❑ Total Referrals: 25
- ❑ Adults: 39
- ❑ Children: 28

Volunteers

- Total: n/a
- Hours: n/a



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Resolution 2025 - 09 Approve the HRA Tax Levy for Fiscal Year 2026

BACKGROUND:

Under State Statutes, the City must certify its property tax levy amounts to the County Auditor and accordingly, the Housing and Redevelopment Authority is asked to submit its final levy request to be included with the levy.

The maximum amount the Faribault HRA can levy based on the approved formula is \$439,867.91. The levy is the HRA's primary source of flexible revenue that can be used to fund programs to fulfill the HRA mission.

The HRA is asked to approve the 2026 Final Levy Request, and forward the resolution to the City Finance Director to be included with the City's budget documents.

REQUESTED ACTION:

Approve Resolution 2025-09 Adopting FY2026 Final Property Tax Levy

ATTACHMENTS:

1. Resolution 2025-09, Adopting the FY 2026 Final Property Tax Levy

**HOUSING AND REDEVELOPMENT AUTHORITY OF
FARIBAULT, MINNESOTA**

Resolution #2025-09

APPROVE THE HRA TAX LEVY FOR FISCAL YEAR 2026

WHEREAS, Minnesota Statute 469.033, Subdivision 6 provides that a City may, at the request of its Housing and Redevelopment Authority (HRA), levy a tax each year on all taxable property within the taxing district for the benefit of the HRA; and

WHEREAS, Minnesota Statute 469.033, Subdivision 6 limits the levy to a maximum of 0.0185 percent of the estimated taxable market value in the district; and

WHEREAS, the 2025 actual taxable market value in the district is \$2,377,664,400; and

WHEREAS, the maximum the City Council can levy for HRA purposes in 2026 is \$439,867.91 ($\$2,377,664,400 \times 0.000185 = \$439,867.91$); and

WHEREAS, the HRA's work program and budget depend on whether the HRA receives the maximum levy amount allowed by the statute.

NOW, THEREFORE, BE IT RESOLVED, by the Housing and Redevelopment Authority of Faribault, Minnesota (the "HRA"), that it establishes and recommends the City Council approve a 2026 tax levy of \$439,867.91 for HRA purposes.

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ADOPTED: November 10, 2025

ATTEST:



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Resolution 2025-08 2026 Final Budget

BACKGROUND:

Each year, the Housing & Redevelopment Authority (HRA) adopts an operating budget for the **General HRA Fund**, which is supported primarily by the **annual HRA Tax Levy**. This fund provides the core administrative and programmatic resources necessary to operate the HRA and implement locally directed housing initiatives that are not tied to federal or state funding sources.

Over the past several years, the HRA has focused on stabilizing operations, completing the Robinwood repositioning, and rebuilding internal capacity for program delivery. With those efforts now complete, the **2026 General HRA Budget** reflects a continuation of disciplined financial management while investing directly in community-level programs aligned with HRA goals.

Highlights of the 2026 Proposed General HRA Budget:

- **Total Revenue:** \$439,868 (derived primarily from the 2026 Tax Levy)
- **Total Expenditures:** \$436,725
- **Projected Operating Result:** +\$3,143 (small surplus)

Special Program Allocations (within Expenditures):

- Mobile Home Rehabilitation Program – **\$60,000**
- Tree Removal Assistance Program – **\$60,000**
- (Corridor) Rehabilitation Loans – **\$45,000**
- Hope Center Partnership – **\$10,000**
- Down Payment Assistance Program – **\$60,000**

Core Operating Support Lines:

- Legal Services – **\$15,000**
- Expert & Professional Services – **\$150,000**
- Software Maintenance & Support – **\$12,000**
- Training & Education – **\$7,000**
- Travel – **\$3,000**
- Auditing & Accounting – **\$5,775**
- Insurance & Bonds – **\$6,000**
- Dues & Subscriptions – **\$800**
- Taxes & Licenses – **\$250**
- Recording Fees – **\$450**

Context and Intent:

- **2022–2024:** Focused on compliance, repositioning, and organizational stabilization.
- **2025:** Relaunched community programs, including tree-removal assistance and homeowner support.
- **2026:** Expands those efforts through continued investment in local programs, targeted homeowner aid, and collaboration with community partners such as the Hope Center.

The proposed 2026 General HRA Budget aligns directly with the approved Tax Levy and maintains a balanced financial position while strengthening the HRA’s local impact through practical, community-driven programming.

REQUESTED ACTION:

Approve a resolution adopting the **2026 General HRA 2026 Final Budget** as presented, authorizing the expenditure of funds for administrative operations and the implementation of HRA programs, including Mobile Home Rehabilitation, Tree Removal Assistance, Corridor Rehabilitation Loans, Hope Center Partnership, and Down Payment Assistance.

ATTACHMENTS:



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Resolution 2025-11- Closeout of Phase 2 Funding for FDC

BACKGROUND:

Faribo Downtown Central, LLC (FDC) received financial assistance from the Housing and Redevelopment Authority (HRA) to support **Phase 2** of its downtown redevelopment work through a forgivable loan approved in 2024. The funds were provided under a Loan Agreement and Business Subsidy Agreement to assist with rehabilitation and reinvestment in multiple downtown properties.

HRA staff has reviewed the documentation submitted by FDC and verified that all project and reporting requirements under **Phase 2** have been satisfied. FDC has also completed both **Phase 1 and Phase 2 projects** funded through the **HRA and EDA** with no crossover of receipts or duplication of expenses. Additionally, the City Council—through the separate EDA loan—has confirmed that repayment obligations have been met, allowing that loan to also be forgiven.

This resolution is intended solely to acknowledge the **completion and closeout of Phase 2 funding assistance** to FDC. It is **independent of and separate from any future board action** related to assignments or subordinations of the existing loan agreements. Closeout of Phase 2 should occur prior to consideration of those subsequent items.

Staff recommends approval of **Resolution 2025-12** to formally close out Phase 2 funding assistance for Faribo Downtown Central, LLC. All HRA and EDA obligations related to Phases 1 and 2 have been fulfilled with no crossover receipts, and this closeout will finalize the HRA's Phase 2

responsibilities before consideration of any assignment or subordination requests.

REQUESTED ACTION:

Motion to approve **Resolution 2025-12**, formally closing out Phase 2 funding assistance for Faribo Downtown Central, LLC.

ATTACHMENTS:

1. Resolution 2025-11 Closeout of Phase 2 Funding with FDC

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY

Resolution 2025-11

APPROVING CLOSEOUT OF PHASE 2 FUNDING ASSISTANCE FOR FARIBO DOWNTOWN CENTRAL LLC

WHEREAS, the Housing and Redevelopment Authority of Faribault, Minnesota ("HRA") entered into a Loan Agreement with Faribo Downtown Central LLC ("FDC") to provide financial assistance supporting Phase 2 of FDC's downtown revitalization efforts; and

WHEREAS, Phase 2 funding assistance was provided in accordance with the terms of the approved Loan Agreement, related Business Subsidy Agreement, and all accompanying documents; and

WHEREAS, FDC has completed the work and reporting obligations required under the Loan Agreement for Phase 2, and HRA staff has reviewed the documentation and determined that all contractual and program requirements have been satisfied; and

WHEREAS, the HRA now desires to formally acknowledge the completion and closeout of Phase 2 funding assistance to FDC;

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority of Faribault, Minnesota, as follows:

1. The HRA hereby approves the closeout of Phase 2 funding assistance provided to Faribo Downtown Central LLC under the terms of the applicable Loan Agreement and Business Subsidy Agreement.
2. HRA staff and legal counsel are authorized to execute all documents necessary to finalize the Phase 2 closeout and ensure compliance with all program requirements.
3. The Chair, Vice Chair, City Staff, and City Consultants are authorized and directed to take any and all additional actions necessary or convenient to accomplish the intent of this Resolution.
4. The recitals in the preamble of this Resolution are incorporated herein as findings of the HRA.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Adopted: November 10, 2025

ATTEST:



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: FDC Assignments and Subordinations options

BACKGROUND:

Faribo Downtown Central, LLC (FDC) received forgivable loan assistance from the Housing and Redevelopment Authority (HRA) to support acquisition and redevelopment of multiple downtown properties. The agreements include restrictions on sale, transfer, or refinancing during a five-year compliance period, ensuring that the public investment continues to provide community benefit through ongoing reinvestment and property maintenance.

With Phases 1 and 2 of FDC's project now complete and closed out, the HRA must determine how to handle any future **assignments or subordinations** of those forgivable loan agreements when FDC sells or refinances individual properties. Two possible approaches are presented for consideration:

- **Resolution 2025-12 – Blanket Authorization:**

This option would allow FDC to transfer its HRA loan agreements to subsequent buyers without returning to the Board for individual approvals, provided that the new owners assume all obligations of the original agreements. The HRA could, if desired, include a condition requiring FDC to provide **written notification of each property transfer** to maintain transparency while minimizing the amount of Board time spent on routine approvals.

- **Resolution 2025-10 – Case-by-Case Approval:**

This option would require each proposed assignment or subordination to be presented to the HRA for review and approval

before closing. This process allows the Board to communicate directly with new buyers, reaffirm that the original loan restrictions remain in place (including limitations on additional City borrowing during the five-year term), and to consider **incentives or flexibility** that promote additional community benefit—such as upper-story housing development or inclusion of affordable units at or below certain AMI thresholds.

These two options provide different balances of administrative efficiency and direct oversight. The HRA may also choose to refine the final terms of either resolution based on this discussion before adopting one approach.

REQUESTED ACTION:

Discuss the two resolution options for managing future assignments and subordinations of FDC-owned properties and **either select one for approval or provide direction to staff** on any desired modifications before adoption.

ATTACHMENTS:



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Resolution 2025-12 – Approving Assignments and Subordinations Related to FDC-Owned Properties

BACKGROUND:

Following completion and closeout of **Phase 2** of Faribo Downtown Central LLC's (FDC) redevelopment work, the HRA is asked to consider how to manage future **assignments and subordinations** of the forgivable loan agreements associated with FDC-owned properties.

Each agreement was structured to be fully forgivable after a five-year compliance period, contingent on property maintenance, reinvestment, and continued community benefit. During that period, restrictions remain in place on sale, transfer, or refinancing without HRA consent.

Under this proposed resolution, the HRA would authorize **blanket approval** for assignments and subordinations of FDC's existing loan agreements, provided that any successor owner or lender assumes all terms and obligations of the original agreement and obtains prior written approval from HRA staff and legal counsel. This approach is intended to streamline future transactions while preserving the program's original intent, public-benefit requirements, and community-reinvestment goals.

This option is presented for Board consideration as an alternative to Resolution 2025-10, which would require **case-by-case approval** of individual assignment or subordination requests.

While both options have merit, **staff recommends approval of Resolution 2025-10 (case-by-case approval)** rather than blanket authorization under Resolution 2025-12. Given the complexity of the FDC

loan structure and the public investment involved, staff believes a cautious, property-specific review process provides greater transparency, accountability, and protection of community interests.

REQUESTED ACTION:

Discuss and determine HRA direction regarding future assignments and subordinations of FDC-owned properties, choosing between **Resolution 2025-12 (blanket authorization)** or **Resolution 2025-10 (case-by-case approval)**.

ATTACHMENTS:

1. Resolution 2025-12 Approve reassignment of FDC properties together

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY

Resolution 2025-12

APPROVING ASSIGNMENTS AND SUBORDINATIONS RELATED TO FDC-OWNED PROPERTIES

WHEREAS, each property is subject to one or more HRA forgivable loan agreements ("Loan Agreements") that include restrictions related to ownership, transfer, and subordination during a designated compliance period; and

WHEREAS, FDC has requested that the HRA approve certain assignments and subordinations of its Loan Agreements to facilitate the sale or refinancing of FDC-owned properties prior to completion of the five-year hold period; and

WHEREAS, the HRA finds that allowing such assignments and subordinations, when accompanied by full assumption of the Loan Agreement obligations by the successor owner or lender, preserves the intent of the program and supports continued reinvestment and revitalization efforts in downtown Faribault; and

WHEREAS, the HRA desires to establish a process by which such assignments and subordinations may be reviewed and approved to ensure compliance with the original program objectives and community benefit;

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority of Faribault, Minnesota, as follows:

1. The HRA hereby approves assignments and subordinations of FDC's HRA Loan Agreements as necessary to permit the sale, transfer, or refinancing of properties owned by FDC, provided that any successor owner or lender assumes all terms and obligations of the original Loan Agreement and receives prior written approval from the HRA.
2. The HRA authorizes staff and legal counsel to prepare, review, and execute the necessary assignment, assumption, or consent documents to effectuate these transactions consistent with this Resolution.
3. All program requirements, restrictions, and repayment or forgiveness terms of the original Loan Agreements shall remain binding and

enforceable upon any successor owner for the remainder of the original term.

4. The Chair, Vice Chair, City Staff, and City Consultants are hereby authorized and directed to take any and all actions necessary or convenient to accomplish the intent of this Resolution.
5. The recitals in the preamble of this Resolution are incorporated herein as findings of the HRA.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Adopted: November 10, 2025

ATTEST:



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Resolution 2025-10 - Approving Assignments and Subordinations Related to FDC-Owned Properties

BACKGROUND:

Following formal HRA action to close out **Phase 2** of Faribo Downtown Central LLC's (FDC) redevelopment work, the next step is to determine how to manage future **assignments and subordinations** of the HRA's forgivable loan agreements associated with the FDC properties.

The existing agreements were structured to be fully forgivable after a five-year compliance period, contingent on property maintenance, reinvestment, and continued community benefit. During that period, restrictions remain in place on sale, transfer, or refinancing without HRA approval.

FDC has requested that the HRA consider allowing earlier resale or refinancing of certain properties. In response, staff recommend that the HRA maintain **direct Board oversight** by requiring any assignment or subordination to be reviewed and approved **on a case-by-case basis**. This approach protects the public investment, ensures compliance with the original loan terms, and allows the HRA to evaluate each proposal based on its individual community benefit and redevelopment impact.

This action follows prior precedent, such as the sale of 311 Central Avenue, when the Board reviewed a specific buyer's redevelopment intent before approving the transfer. The same process would apply to any future FDC-related property sales or financing requests.

Staff recommends approval of **Resolution 2025-10 - Approving**

Assignments and Subordinations Related to FDC-Owned Properties on a Case-by-Case Basis. This resolution affirms the HRA's continued authority to review and approve each proposed property transfer or subordination individually, ensuring all public-benefit requirements remain in effect and aligned with the HRA's downtown revitalization goals.

REQUESTED ACTION:

Resolution 2025-10 – Approving Assignments and Subordinations Related to FDC-Owned Properties on a Case-by-Case Basis

ATTACHMENTS:

1. 2024 Loan Documents FDC Executed

SPECIAL COMMERCIAL REHABILITATION LOAN AGREEMENT

THIS SPECIAL COMMERCIAL REHABILITATION AGREEMENT (the "Agreement") is made and entered into this 29 day of March, 2024, between the Economic Development Authority of Faribault, a public body corporate and politic under the laws of Minnesota, on behalf of the City of Faribault, a Minnesota municipal corporation under the laws of Minnesota (collectively, the "City"), and Faribo Downtown Central LLC, a Minnesota limited liability company (the "Borrower"):

RECITALS

1. The purpose of the City is as follows:
 - A. Provide a sufficient supply of adequate, safe and sanitary dwellings in order to protect the health, safety, morals and welfare of the city;
 - B. Clear and redevelop blighted areas;
 - C. Provide commercial development opportunities; and
 - D. Redevelop blighted areas in situations in which private enterprise would not act without governmental participation or subsidies.
2. The Borrower has acquired certain real property legally described on Exhibit A attached hereto (the "Property"), which is located in Rice County, Minnesota.
3. The Borrower has submitted or is in the process of submitting an updated proposal for development of the Property (the "Development" or the "Project").
4. Business assistance is proposed to be granted by the City to Borrower under Minnesota Statutes, Sections 116J.993 through 116J.995 (the "Business Subsidy Act"), and Minnesota Statutes, Chapter 469 for the Property pursuant to the requirements of the City Downtown Revitalization Program (the "Policy").
5. This Agreement between the Borrower and the City, provides for certain benefits and business assistance to the Borrower in connection with development of the Property, including the following assistance: a one-time loan in the maximum principal amount of \$500,000.
 - (a) During the term of this Agreement, Borrower shall:
 - (i) Submit to the City a design proposal to be reviewed by the City showing

the location, size, and nature of the proposed Development, including layouts, renderings, elevations, and other graphic or written explanations of the Development. The design proposal shall be accompanied by a proposed schedule for the starting and completion of the Development;

- (ii) Submit an over-all cost estimate for the design and construction of the Development;
 - (iii) Submit a time schedule for the Development;
 - (iv) Undertake and obtain such other preliminary economic feasibility studies, income and expense projections, and such other economic information as Borrower may desire to further confirm the economic feasibility and soundness of the Development;
 - (v) Submit to the City the Borrower's financing plan showing that the proposed Development is financially feasible;
 - (vi) Furnish satisfactory financial data to the City evidencing Borrower's ability to undertake the Development.
- (b) Borrower understands that any business assistance sought for the proposed Development must be obtained as outlined by law.
6. The Borrower has requested financial assistance from the City in the amount of \$500,000 to assist with the Development at the Property.
 7. Pursuant to City of Faribault Resolution #2023-232, the City Council authorized the transfer of \$500,000 from the City's General Fund (101) to the Faribault Economic Development Authority (the "EDA") to administer a special commercial rehabilitation loan for the Borrower on the terms and conditions set forth in Resolution #2023-232 as set forth in Exhibit E.
 8. This Agreement shall be administered by the EDA on the behalf and at the direction of the City Council, consistent with the terms and conditions of the authorizing resolution and any applicable policies of the City.
 9. The City has agreed to lend to the Borrower, upon execution of this Agreement, project financing for the Development in the maximum principal amount of \$500,000 (the "Funds"), to be repaid as follows: the unpaid balance of principal and interest or so much thereof as may be advanced under this Note is payable in installments due as follows: Repayment of principal and interest must not exceed a term of five (5) years. The Borrower must make monthly principal and interest payments to the City per the amortization table included in Exhibit E of the Agreement, pages E-3 and E-4, which allows the Borrower to pay interest only - without principal payments - during the first twelve (12) months of the loan term (the "Repayment").
 10. The City has reviewed this Agreement and finds that execution of this Agreement by the City and performance of the City's obligations hereunder are in the best interests of the

City, and its residents.

11. The parties are authorized and empowered to enter into this Agreement under the laws of the State of Minnesota.
12. By providing the Funds, the City will not provide additional funding, from any/all other City programs, for the Property included as part of the Development for five (5) years.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the City and the Borrower agree as follows:

1. The recitals set forth in the preamble to this Agreement and the exhibits attached to this Agreement are incorporated into this Agreement as if fully set forth herein.
2. The Borrower intends to conduct activity and to make the contemplated improvements to the Property in accordance with the Development. Upon submission of the materials to the reasonable satisfaction of the City required for the Development as set forth particularly in Recital No. 5 above, and as required by the Policy and the fulfillment of all terms and conditions of this Agreement, the Funds shall be provided as a \$500,000 loan pursuant to the terms and conditions set forth in City of Faribault Resolution #2023-232 and the Repayment as required by this Agreement, the Promissory Note (the "Note"), the form of which is attached hereto as Exhibit B, a separate mortgage (the "Mortgage"), the form of which is attached as Exhibit C, and a separate Guaranty Agreement, the form of which is attached hereto as Exhibit D. The Borrower agrees to execute all such documents at closing.
3. Upon closing, the City agrees to provide the Funds.
4. The business assistance in the form of a loan are proposed to be granted by the City to Borrower under Minnesota Statutes, Sections 116J.993 through 116J.995 (the "Business Subsidy Act"), and Minnesota Statutes, Chapter 469 and pursuant to the requirements of the Policy, with such required Business Subsidy Agreement being incorporated by reference into this Agreement as set forth in Exhibit F.
5. The Borrower agrees to fully comply with all stated requirements, and acknowledges that all terms, conditions, and requirements are made part of this Agreement.
6. All documents executed shall, as deemed reasonably necessary by the City, be filed with the County Recorder and/or Registrar of Titles. The City shall maintain a lien on the Property pursuant to the security instruments required herein.
7. Failure to comply with any term, covenant, condition, or requirement contained in this Agreement, or a default under any note, mortgage, or other instrument executed in connection with this Agreement (following the passing of any applicable notice and cure periods), following thirty (30) days after the City gives written notice specifying the form of said non-compliance, shall constitute a breach of this Agreement and a default by the Borrower. The foregoing notwithstanding, if a default requires more than thirty (30) days to cure, such default shall not constitute an uncured default, provided that the curing of the default is promptly commenced upon receipt of written notice from the City, and with due

diligence is thereafter continuously prosecuted to completion and is completed in a reasonable period of time, not to exceed ninety (90) days.

If any default shall occur, following the passing of applicable cure periods, the City may declare the Funds provided to Borrower to be due and payable in accordance with the terms of the Note. The City may also pursue remedies available under the terms of any mortgage or other instrument executed to secure its interests in the Funds or the Property, and other such remedies as may be available under local, state, or federal laws.

8. The Borrower, for itself and for its successors and/or its assigns, further agrees and consents to the filing of such security instruments and this Agreement with the government officials or entities appropriate to protect the interest of the City in the Property.
9. Without limitation of any provision set forth herein, the Borrower agrees to pay to the City any costs or expenses, including without limitation attorney fees, incurred by the City in enforcing any provision of this Agreement.
10. Except as expressly set forth herein, nothing in this Agreement shall constitute a limitation or waiver of the City's right to enforce any ordinance, law, rule, or regulation.
11. The Borrower shall and does hereby agree to protect, defend, indemnify and hold the City, including its officers, agents, and employees, harmless of and from any and all liability, loss, or damage that it may incur under or by reason of this Agreement, and of and from any and all claims and demands whatsoever that may be asserted against the City by reason of any alleged obligations or undertakings on the part of the City to perform or discharge any of the terms, covenants, or agreements contained in this Agreement. This indemnification and hold harmless provision shall survive the execution, delivery, and performance of this Agreement and the payment or repayment of any Funds. The Borrower waives notice of the acceptance of this Agreement by the City. Nothing in this Agreement shall constitute a waiver or limitation of the City's immunities or limitations on liability as set forth in Minnesota Statutes, Chapter 466 or otherwise.
12. A notice, demand, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and

(A) as to the Borrower: Faribo Downtown Central LLC
3305 Highway 60 West
Faribault, MN 55021
ATTN: Brett Reese and Nort Johnson

(B) as to the City: City of Faribault
208 1st Avenue NW
Faribault, MN 55021
ATTN: City Administrator

Economic Development Authority
of Faribault
208 1st Avenue NW
Faribault, MN 55021
ATTN: Executive Director

with a copy to:

Scott J. Riggs, City Attorney
Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section 12.

13. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.
14. The City and the Borrower acknowledge that nothing contained in this Agreement nor any act by the City and the Borrower shall be deemed or construed by the parties or by any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture between the City and the Borrower.
15. This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.
16. The performance or observance of any promise or condition set forth in this Agreement may be waived, amended, or modified only by a writing signed by both parties. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.
17. This Agreement may be modified solely through written amendments hereto executed by both the Borrower and the City.
18. The Borrower shall not assign, subcontract, transfer, or pledge this Agreement whether in whole or in part, without the prior written consent of the City. The Borrower may sell, assign or transfer interest in the Property to a third party with notice to, and with the City's consent, which consent shall not be unreasonably withheld or conditioned.
19. Wherever possible, each provision of this Agreement and each related document shall be interpreted so that it is valid under applicable law. If any provision of this Agreement or any related document is to any extent found invalid by a court or other governmental entity of competent jurisdiction, that provision shall be ineffective only to the extent of such invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement or any other related document.

20. This Agreement, together with the Exhibits hereto, which are expressly incorporated by reference, constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Agreement, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, pertaining to the subject matter of this Agreement or concerning the Funds.
21. This Agreement shall be recorded among the land records of Rice County, Minnesota. The provisions of this Agreement shall run with the Property and be binding upon the Borrower and its assigns or successors in interest.
22. The Borrower warrants that all work performed pursuant to this Agreement shall be in compliance with existing laws, codes, ordinances, pertinent regulations, standards, and specifications. This Agreement does not act as a substitute for any permits or approvals that are otherwise required by the Borrower in order to complete any of the Improvements.
23. Each of the undersigned parties warrants it has the full authority to execute this Agreement.
24. Borrower represents and warrants that no person or business will be displaced or otherwise entitled to relocation benefits as a result of the acquisition, sale, rehabilitation or redevelopment of the Property, and that there are no tenants or other persons or businesses in possession of the Property other than Borrower, or that have been disclosed by Borrower. The Borrower represents and warrants that no relocation benefits are applicable to the Property. Borrower acknowledges that, absent these representations and warranties being made by Borrower to the City in this Agreement, the City would not provide funds pursuant to the Policy and this Agreement to the Borrower to rehabilitate or redevelop the Property. Borrower agrees to defend and indemnify the City against any claims made by any third parties for relocation benefits or services.
25. Additional Loan Requirements.

(a) Five Year Requirement. The Borrower covenants and agrees with the City that if the Property is sold, transferred or otherwise conveyed, voluntarily or involuntarily, either while the Borrower is living or by reason of the death of the Borrower, within a period of five (5) years after the date of this Agreement, the Borrower or its heirs, executors, or representatives, as the case may be, shall repay to the City a sum equal to the full amount of the Loan.

Any such repayment shall be made to the City no later than the 30th day following such sale, transfer or other conveyance, or on such later date or dates as the City, in its sole discretion, may designate.

(b) One Year Requirement. The Borrower further covenants and agrees with the City that if the improvements described in the application for this Agreement are not completed within one year of the date of this Agreement, the Borrower shall immediately repay to the City a sum equal to the full amount of the Loan. This one-year deadline may be extended, if in writing and agreed-upon by the City, for unforeseeable weather-related delays, changes in contractors for non-performance, or other natural disasters.

26. The City acknowledges the existence of previous loan agreements (the "Existing Loan Agreements") with the EDA and HRA regarding the Property that contain a term preventing any additional funds to be provided to the Borrower by the City. Notwithstanding such term in the Existing Loan Agreements, the City desires to provide additional funds to the Borrower.
27. Phase I Completion. The loan contemplated by this Agreement shall only be issued by the City to the Borrower upon the complete close-out of the Phase I development contemplated by the Existing Loan Agreements for the EDA and HRA. Such close-out requirements shall be determined by the City and in the City's sole discretion consistent with the terms and conditions of the Existing Loan Agreements.

[Signature pages to follow]

IN WITNESS WHEREOF, the Borrower, having signed this Agreement, and the City having duly approved this Agreement on the day and year first written above and pursuant to such approval and the proper City officials having signed this Agreement, the parties hereto agree to be bound by the provisions herein set forth.

THE BORROWER:

Dated: March 29, 2024.

FARIBO DOWNTOWN CENTRAL LLC

By: _____

Brett Reese

Its: Chief Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 29 day of March, 2024, by Brett Reese, the Chief Manager of Faribo Downtown Central LLC, a Minnesota limited liability company, by and on behalf of said company.

Notary Public



**ECONOMIC DEVELOPMENT AUTHORITY
OF FARIBAULT**

Dated: March 26, 2024.

By: [Signature]
Rodney Gramse

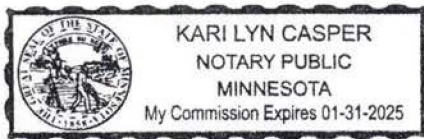
Its: Chair

By: [Signature]
A.J. Smith

Its: Vice Chair/Secretary Treasurer

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

On this 26 day of March, 2024, before me personally appeared Rodney Gramse and A.J. Smith, the Chair and Vice Chair/Secretary Treasurer, respectively, of the Economic Development Authority of Faribault, a public body corporate and politic under the laws of Minnesota, on behalf of said authority.



[Signature]
Notary Public

CITY OF FARIBAULT:

Dated: March 29, 2024.

By: [Signature]
Kevin F. Voracek

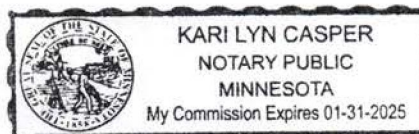
Its: Mayor

By: [Signature]
Timothy C. Murray

Its: City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

On this 29 day of March, 2024, before me personally appeared Kevin F. Voracek and Timothy C. Murray, the Mayor and City Administrator, respectively, of the City of Faribault, a Minnesota municipal corporation, on behalf of said corporation.



[Signature]
Notary Public

THIS DOCUMENT DRAFTED BY:
Kennedy & Graven, Chartered (SJR)
700 Fifth Street Towers
150 South Fifth Street
Minneapolis, MN 55402

EXHIBIT A TO LOAN AGEEMENT

LEGAL DESCRIPTION OF THE PROPERTY

The land to which this Agreement applies is legally described as follows:

PID No. 18.31.1.26.320

PID No. 18.31.1.26.319

PID No. 18.31.1.26.318

PID No. 18.31.1.26.317

PID No. 18.31.1.26.316

PID No. 18.31.1.26.302

(addresses associated with building also include
12 3rd Street NE, 14 3rd Street NE, 16 3rd Street NE,
303 Central, 305 Central)

PID No. 18.31.1.26.300

PID No. 18.31.1.26.299

PID No. 18.31.1.26.294

PID No. 18.31.1.26.471

GUARANTY AGREEMENT

This Guaranty Agreement (the "Guaranty" or "Guaranty Agreement") is made and entered into this 29 day of March, 2024, by Brett Reese (the "Guarantor") for the benefit of the Economic Development Authority of Faribault, a public body corporate and politic under the laws of Minnesota ("Lender").

WITNESSETH:

WHEREAS, pursuant to the loan agreement of even date herewith between Borrower and Lender (the "Loan Agreement"), Faribo Downtown Central LLC, a Minnesota limited liability company (the "Borrower") proposes to borrow the sum of \$500,000.00 from Lender in order to make certain upgrades and improvements on the property within the City of Faribault, Minnesota, legally described as set forth in the attached Exhibit A to this Guaranty, which is incorporated by reference and included in this Guaranty as if fully set forth herein; and

WHEREAS, Borrower has agreed to repay to Lender \$500,000.00 together with interest thereon at the rate and within the time stated in Borrower's promissory note of even date herewith ("Note"); and

WHEREAS, to secure payment of the Note, Lender has required, and the Guarantor has agreed to provide, a guaranty of the indebtedness above described between Borrower and Lender; and

WHEREAS, the Guarantor will receive a direct financial benefit from the loan to Borrower by Lender pursuant to the Note.

NOW, THEREFORE, to induce Lender to make the loan to Borrower, Guarantor hereby covenants and agrees with Lender, for the benefit of all who at any time become holders of the Note, as follows:

Section 1.1. The Guarantor hereby unconditionally guarantees to Lender for the benefit of the Holder (as defined in the Note) from time to time of the Note: (a) the full and prompt payment of the principal of the Note when and as the same shall become due, whether at the stated maturity thereof, by acceleration or otherwise; (b) the full and prompt payment of any interest, if any, on the Note when and as the same shall become due; and (c) any other amounts due Lender under the Loan Agreement and the Note. All payments shall be paid in lawful money of the United States of America. Each and every default in payment of the principal of or interest on the Note shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

Section 1.2. The obligations of Guarantor under this Guaranty shall be absolute and unconditional and shall remain in full force and effect until the entire principal of and interest on the Note shall have been paid or forgiven as provided for in the Note and Loan Agreement, and such obligations shall not be affected, modified or impaired upon the happening from time to time

of any event, including, without limitation, any of the following:

- a. The compromise, settlement, or release of less than all of the obligations, covenants or agreements of Borrower under the Loan Agreement and the Note;
- b. The failure to give notice to any person of the occurrence of an event of default under the terms and provisions of this Guaranty or the Note executed by Borrower;
- c. The extension of the time for payment of principal of or interest on the Note or under this Guaranty;
- d. Any failure, omission, delay, or lack on the part of Lender to enforce, assert or exercise any right, power, or remedy conferred on Lender in this Guaranty or other instruments executed and delivered in connection with the loan contemplated thereby, or any other act or acts on the part of Lender or any of the holders from time to time of the Note;
- e. The default or failure of Guarantor to perform any of the obligations set forth in this Guaranty.

Section 1.3. No set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature that Borrower has or may have against Lender shall be available hereunder to Guarantor against Lender.

Section 1.4. In the event of a default in the payment of principal of the Note when and as the same shall become due, whether at the stated maturity thereof, by acceleration or otherwise, or in the event of a default in the payment of any interest on the Note when and as the same shall become due, or upon the occurrence and continuance of any Event of Default under the Loan Agreement, Lender may proceed hereunder, and Lender, in its sole discretion, shall have the right to proceed first and directly against Guarantor for the full amount due without proceeding against or exhausting any other remedies it may have as to Borrower.

Section 1.5. Guarantor hereby expressly waives notice from Lender or the holders from time to time of the Note of acceptance of or any reliance upon this Guaranty. Guarantor agrees to pay all the costs, expenses, and fees, including attorneys fees, which may be incurred by Lender in enforcing or attempting to enforce this Guaranty whether the same shall be enforced by suit or otherwise.

Section 1.6. This Guaranty is entered into by Guarantor with Lender for the benefit of Lender and the holders from time to time of the Note, all of whom shall be entitled to enforce performance and observance of this Guaranty.

Section 1.7. Guarantor is duly authorized and empowered to execute, deliver, and perform this Guaranty.

Section 1.8. The performance or observance of any promise or condition set forth in this

Guaranty may be waived, amended, or modified only by a writing signed by Guarantor and Lender. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

Section 1.9. This Guaranty is made and shall be governed in all respects by the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Guaranty shall be heard in the state or federal courts of Minnesota, and all parties to this Guaranty waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

Section 1.10. If any provision or application of this Guaranty is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications that can be given effect, and this Guaranty shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby.

Section 1.11. All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, certified mail, return receipt requested, to the following addresses (or such other addresses as either party may notify the other):

To Lender: Economic Development Authority
 of Faribault
 208 1st Avenue NW
 Faribault, MN 55021
 ATTN: Executive Director

City of Faribault
208 NW 1st Avenue
Faribault, MN 55021
Attn: City Administrator

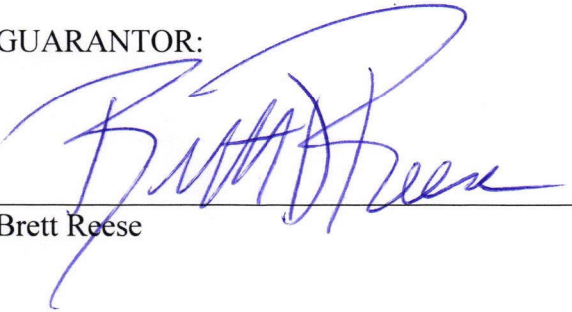
To Guarantor: Faribo Downtown Central LLC
 3305 Highway 60 West
 Faribault, MN 55021
 Attn: Brett Reese

Section 1.12. This Guaranty constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Guaranty, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, concerning the Guaranty. Nothing contained herein shall effect or impair Lender's rights under the Loan Agreement, or the Note.

Section 1.13. Brett Reese hereby acknowledges and agrees that he is liable for each and every obligation of the Borrower set forth in the Note and that such liability shall survive death, divorce, and any other event and shall be binding on his respective estate.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed as of the date first above written.

GUARANTOR:



Brett Reese

EXHIBIT A TO GUARANTY AGREEMENT

LEGAL DESCRIPTION

That property located within the city of Faribault, Rice County, Minnesota and legally described as follows:

PID No. 18.31.1.26.320

PID No. 18.31.1.26.319

PID No. 18.31.1.26.318

PID No. 18.31.1.26.317

PID No. 18.31.1.26.316

PID No. 18.31.1.26.302

(addresses associated with building also include
12 3rd Street NE, 14 3rd Street NE, 16 3rd Street NE,
303 Central, 305 Central)

PID No. 18.31.1.26.300

PID No. 18.31.1.26.299

PID No. 18.31.1.26.294

PID No. 18.31.1.26

MORTGAGE

THIS MORTGAGE, made this 29 day of March, 2024, by Faribo Downtown Central LLC, a Minnesota limited liability company, with its principal place of business located at 3305 Highway 60 West, Faribault, MN 55021 ("Mortgagor"), to the Economic Development Authority of Faribault, a public body corporate and politic under the laws of Minnesota, located at 208 1st Avenue NW, Faribault, MN 55021 ("Mortgagee").

WITNESSETH: That said Mortgagor hereby mortgages and conveys to said Mortgagee the following described premises located at:

PID No. 18.31.1.26.320

PID No. 18.31.1.26.319

PID No. 18.31.1.26.318

PID No. 18.31.1.26.317

PID No. 18.31.1.26.316

PID No. 18.31.1.26.302

(addresses associated with building also include
12 3rd Street NE, 14 3rd Street NE, 16 3rd Street NE,
303 Central, 305 Central)

PID No. 18.31.1.26.300

PID No. 18.31.1.26.299

PID No. 18.31.1.26.294

PID No. 18.31.1.26.471

Faribault, Minnesota, Rice County Minnesota (the "Property"), and legally described in Exhibit A attached hereto and made a part hereof.

This Mortgage is given in consideration of and as security for the payment of Five Hundred Thousand and No/100 Dollars (\$500,000.00) (the "Loan"), receipt of which is hereby acknowledged and which is made to enable the Mortgagor to make improvements to the Property. The Loan is evidenced by a Promissory Note (the "Note"), attached hereto as Exhibit B, and repayment of the Loan shall be in accordance with the terms of the Note.

Mortgagor makes and includes in this Mortgage the statutory covenants and other provisions set forth in Minnesota Statutes Section 507.15, including the following:

- a. To warrant title to the Property;
- b. To pay all other mortgages, liens, charges or encumbrances against the Property as and when they become due;
- c. To pay the indebtedness of the Note as herein provided;
- d. To pay all real estate taxes on the Property;

- e. To keep the Property in repair and not commit waste; and
- f. To keep the Property insured against loss by fire and other hazards for at least the sum of the full insurable value of the Property for the protection for the Mortgagee.

If the Mortgagor herein shall pay the Mortgagee herein, its successors or assigns, the sum of Five Hundred Thousand and No/100 Dollars (\$500,000.00) when it becomes due according to the terms of the above-mentioned Note, then this Mortgage shall be null and void, otherwise to remain in full force and effect. But if default shall be made in payment of said sum when due or in any of the covenants or agreements contained herein, then the Mortgagee may declare immediately due and payable the entire unpaid principal balance, and the Mortgagee, its successors or assigns, are hereby authorized and empowered to foreclose this Mortgage by action or advertisement, pursuant to the statutes of the State of Minnesota in such case made and provided, power being expressly granted to sell the Property at public auction and convey the same to the purchaser in fee simple and, out of the proceeds arising from such sale, to pay the principal of the Note with interest, if any, together with all legal costs and charges of such foreclosure and the maximum attorneys' fees permitted by law.

Mortgagee prior to acceleration shall mail notice to Mortgagor specifying: (1) the event of default; (2) the action required to cure such event; (3) the date, not less than 30 days from the date the notice is mailed to Mortgagor, by which date such default must be cured; and (4) that failure to cure such default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform Mortgagor of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Mortgagor to acceleration and sale. If the default is not cured on or before the date specified in the notice (subject to the cure rights set forth below), Mortgagee at Mortgagee's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may invoke the power of sale hereby granted and any other remedy permitted by applicable law. Any one of the following events shall constitute an Event of Default:

- i. Mortgagor fails to pay any amounts due under the Note when said payment is due, and such default shall continue for ten (10) days after notice from the City; and
- ii. Mortgagor violates or fails to perform any of the other terms, covenants or conditions of this Mortgage and such default shall continue for thirty (30) days after notice from the Mortgagee, unless such default cannot be cured in the exercise of reasonable diligence within said thirty (30) day period, in which event Mortgagor shall be allowed such additional time as is needed to cure such default with all due diligence.

Notwithstanding Mortgagee's acceleration of the sums secured by this Mortgage, Mortgagor shall have the right to have any proceedings begun by Mortgagee to enforce this Mortgage discontinued at any time prior to the earlier of (i) sale of the Property pursuant to the power of sale contained in this Mortgage or (ii) a judgment enforcing this Mortgage, if: (a) Mortgagor pays Mortgagee all sums constituting the default actually existing under this Mortgage and the Note at the commencement of foreclosure proceedings under this Mortgage; (b) Mortgagor

cures all breaches of any other covenants or agreements of Mortgagor contained in this Mortgage; (c) Mortgagor pays all reasonable expenses incurred by Mortgagee in enforcing the covenants and agreements of Mortgagor contained in this Mortgage and in enforcing Mortgagee's remedies as provided herein, including, but not limited to, reasonable attorneys' fees, and (d) Mortgagor takes such action as Mortgagee may reasonably require to assure that the lien of this Mortgage, Mortgagee's interest in the Property and Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

MORTGAGOR HEREBY: EXPRESSLY CONSENTS TO THE FORECLOSURE AND SALE OF THE MORTGAGED PROPERTY BY ACTION PURSUANT TO MINNESOTA STATUTES CHAPTER 581 OR, AT OPTION OF MORTGAGEE, BY ADVERTISEMENT PURSUANT TO MINNESOTA STATUTES CHAPTER 580, WHICH PROVIDES FOR SALE AFTER SERVICE OF NOTICE THEREOF UPON THE OCCUPANT OF THE MORTGAGED PROPERTY AND PUBLICATION OF SAID NOTICE FOR SIX WEEKS IN THE COUNTY IN MINNESOTA WHERE THE MORTGAGED PROPERTY IS SITUATED AND ACKNOWLEDGES THAT SERVICE NEED NOT BE MADE UPON MORTGAGOR PERSONALLY UNLESS MORTGAGOR IS AN OCCUPANT AND THAT NO HEARING OF ANY TYPE IS REQUIRED IN CONNECTION WITH THE SALE AND EXCEPT AS MAY BE PROVIDED IN SAID STATUTES, EXPRESSLY WAIVES ANY AND ALL RIGHT TO PRIOR NOTICE OF SALE OF THE MORTGAGED PROPERTY.

This Mortgage and the Note shall be construed according to the laws of the State of Minnesota. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision.

(Signatures Appear on Next Page)

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be duly executed as of the day and year first above written.

MORTGAGOR:

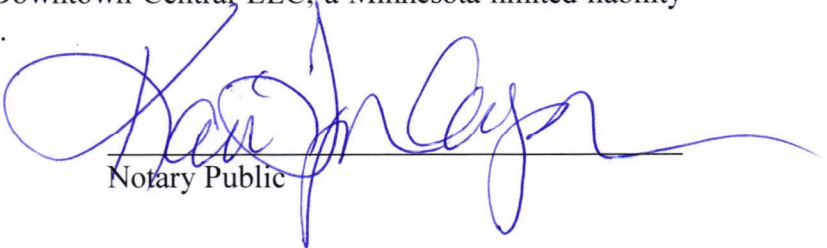
Dated: March 29, 2024.

FARIBO DOWNTOWN CENTRAL LLC

By: 
Brett Reese
Its: Chief Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 29 day of March, 2024, by Brett Reese, the Chief Manager of Faribo Downtown Central LLC, a Minnesota limited liability company, by and on behalf of said company.


Notary Public



This document drafted by:
Kennedy & Graven, Chartered (SJR)
700 Fifth Street Towers
150 South Fifth Street
Minneapolis, MN 55402

EXHIBIT A TO MORTGAGE
PROPERTY LEGAL DESCRIPTION

PID No. 18.31.1.26.320

PID No. 18.31.1.26.319

PID No. 18.31.1.26.318

PID No. 18.31.1.26.317

PID No. 18.31.1.26.316

PID No. 18.31.1.26.302

(addresses associated with building also include
12 3rd Street NE, 14 3rd Street NE, 16 3rd Street NE,
303 Central, 305 Central)

PID No. 18.31.1.26.300

PID No. 18.31.1.26.299

PID No. 18.31.1.26.294

PID No. 18.31.1.26.471

EXHIBIT B TO MORTGAGE
EXECUTED PROMISSORY NOTE

PROMISSORY NOTE

\$500,000.00

7.0%

Date: March 21, 2024

Faribo Downtown Central LLC, a Minnesota limited liability company ("Maker"), for value received, hereby promises to pay to the Economic Development Authority of Faribault, a public body corporate and politic under the laws of Minnesota (the "City"), a public body corporate and politic under the laws of Minnesota, or its assigns (referred to herein as "Holder"), at its designated principal office or such other place as the Holder may designate in writing, the principal sum of Five Hundred Thousand and No/100 Dollars (\$500,000.00) or so much thereof as may be advanced under this Note, with interest of seven (7.0%) percent thereon, in any coin or currency that at the time or times of payment is legal tender for the payment of private debts in the United States of America. The principal of and interest on this Note is payable in installments due as follows:

1. The entire unpaid balance of principal shall be due and payable upon the earlier of the following: (i) thirty (30) days after written notification by Holder to Maker of the occurrence of any default or non-compliance with any provision or requirement of the Loan Agreement (following notice and passing of all applicable notice and cure provisions), dated March __, 2024, between the Maker and Holder (the "Agreement"); or (ii) ten (10) days after the Maker makes or allows to be made any total or partial transfer, sale, assignment, conveyance or transfer in any other mode, of the Property (as such term is defined in the Agreement), if such transfer occurs before the issuance of a Certificate of Occupancy for the Development (as defined in the Loan Agreement); unless, such transfer, sale, assignment, conveyance or transfer in any other mode is expressly allowed under the Agreement.

Notwithstanding the above paragraph, the unpaid balance of principal and interest or so much thereof as may be advanced under this Note is payable in installments due as follows: Repayment of principal and interest must not exceed a term of five (5) years. The Maker must make monthly principal and interest payments to the Holder per the amortization table included in Exhibit E of the Agreement, pages E-3 and E-4, which allows the Maker to pay interest only - without principal payments - during the first twelve (12) months of the loan term.

2. This Note is given pursuant to the Agreement between the Maker and Holder. If any information in the Agreement is found to be invalid for whatever reason, such invalidity shall constitute an Event of Default hereunder.

3. All of the agreements, conditions, covenants, provisions, and stipulations contained in the Agreement are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. It is agreed that time is of the essence of this Note. If an Event of Default occurs under the Agreement, or any other instrument securing this Note, then the Holder of this Note may at its right and option, without notice, declare immediately due and payable the principal balance of this Note, together with reasonable attorneys' fees and expenses incurred by the Holder of this Note in collecting or enforcing payment hereof, whether by lawsuit or otherwise, and all other sums due hereunder or any instrument securing this Note. The Maker of this Note agrees that the Holder of this Note may, without notice to and without affecting the liability of the Maker,

accept additional or substitute security for this Note, or release any security or any party liable for this Note or extend or renew this Note.

4. The remedies of the Holder of this Note as provided herein, and in the Agreement, or any other instrument securing this Note shall be cumulative and concurrent and may be pursued singly, successively, or together, and, at the sole discretion of the Holder of this Note, may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Holder of this Note shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Holder and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. This Note may not be amended, modified, or changed except only by an instrument in writing signed by the party against whom enforcement of any such amendment, modifications, or change is sought.

5. If any term of this Note, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Note, or the application of such term to persons or circumstances other than those to which it is invalid or unenforceable shall not be affected thereby, and each term of this Note shall be valid and enforceable to the fullest extent permitted by law.

6. If any Event of Default occurs, and if Holder engages legal counsel or others in connection with advice to Holder or Holder's rights and remedies under the Agreement or this Note, Maker shall pay all reasonable expenses incurred by Holder for such persons, irrespective of whether any suit or other proceeding has been or is filed or commenced. Any such expenses, costs and charges shall constitute additional principal, payable upon demand, and subject to this Note.

7. It is intended that this Note is made with reference to and shall be construed as a Minnesota contract and is governed by the laws thereof. Any disputes, controversies, or claims arising out of this Note shall be heard in the state or federal courts of Minnesota, and all parties to this Note waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

8. The performance or observance of any promise or condition set forth in this Note may be waived, amended, or modified only by a writing signed by the Maker and the Holder. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, and things required to exist, happen, and be performed precedent to or in the issuance of this Note do exist, have happened, and have been performed in regular and due form as required by law.

29 IN WITNESS WHEREOF, the Maker has caused this Note to be duly executed as of the day of March, 2024.

Faribo Downtown Central LLC, a Minnesota limited liability company

By:


Brett Reese

Its:

Chief Manager

EXHIBIT E

CITY RESOLUTION 2023-232

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2023-232

AUTHORIZE THE TRANSFER OF \$500,000 FROM THE CITY'S GENERAL FUND TO THE FARIBAULT EDA TO ADMINISTER A SPECIAL COMMERCIAL REHABILITATION LOAN FOR FARIBO DOWNTOWN CENTRAL LLC

WHEREAS, Faribo Downtown Central LLC requested a \$500,000 loan from the City to assist with the rehabilitation of its downtown commercial buildings; and

WHEREAS, the City Council held a work session on November 21, 2023, and indicated it would be willing to transfer \$500,000 to the Faribault Economic Development Authority to administer a special commercial rehabilitation loan on behalf of the City for Faribo Downtown Central LLC.

NOW, THEREFORE BE IT RESOLVED by the Faribault City Council as follows:

1. The recitals set forth above are incorporated into this Resolution.
2. The City Council (the "City") directs the City Finance Director to transfer \$500,000 from the City's General Fund (101) to the Faribault Economic Development Authority (the "EDA") to administer a special commercial rehabilitation loan on behalf of the City for Faribo Downtown Central LLC (the "Borrower").
3. The City requests that the EDA prepare and administer loan documents (the "Loan") for execution between the Borrower and the EDA on behalf of the City.
4. The terms of the Loan must be consistent with the EDA's standard loan documents and the following:
 - A. The Loan period must not exceed five (5) years.
 - B. The principal amount of the Loan must not exceed \$500,000.
 - C. The Loan's interest rate must be two (2) percent above current bond interest rates.
 - D. The Borrower must make monthly principal and interest payments to the EDA per the Amortization Table included in Exhibit A of this resolution, which allows the Borrower to pay interest - without principal payments - during the first 12 months of the loan period.
 - E. The EDA must transfer the Borrower's monthly principal payments and 50 percent of the Borrower's interest payments to the City's General Fund. The EDA may retain 50 percent of the

Borrower's interest payments.

- F. The Borrower must provide the EDA with a detailed list of how it will use the Loan for approval by the EDA, and shall provide documentation as to the completion of all work for which the Loan was utilized.
- G. The Borrower can only use the Loan on those properties/building owned by the Borrower from the original portfolio of buildings presented to the EDA in 2022 as follows:

<u>PARCEL ID</u>	<u>ADDRESS</u>
18.31.1.26.293	N/A
18.31.1.26.294	329 Central Ave.
18.31.1.26.299	313 Central Ave.
18.31.1.26.300	311 Central Ave.
18.31.1.26.302	301/303/305 Central Ave. & 12/14 3rd St. NE
18.31.1.26.316	229 Central Ave.
18.31.1.26.317	227 Central Ave.
18.31.1.26.319	221/223 Central Ave.
18.31.1.26.320	219 Central Ave.
18.31.1.26.471	114/116 Central Ave.

- 5. The Mayor and the City Administrator are authorized and directed to execute and deliver any additional agreements, certificates or other documents that the City determines are necessary to implement this Resolution.
- 6. The City Council directs City staff to take any appropriate action and to prepare any appropriate documents to facilitate the directives of the City Council as set forth in this Resolution.
- 7. The Mayor, City staff, City attorney and City consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

Date Adopted: November 28, 2023.

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Timothy C. Murray, City Administrator

EXHIBIT A TO RESOLUTION 2023-232

Amortization Table

General Fund (101) to EDA TO FDC

Loan Details	
Loan amount	\$500,000.00
Annual interest rate	7.00%
Loan period in years	5
Start date of loan	12/26/2023

Loan Summary	
Monthly payment	\$11,973.12
Number of payments	60
Total interest	\$169,709.76
Total cost of loan	\$669,709.76

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
1	1/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
2	2/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
3	3/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
4	4/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
5	5/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
6	6/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
7	7/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
8	8/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
9	9/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
10	10/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
11	11/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
12	12/26/2024	\$500,000.00	\$2,916.67	\$0.00	\$2,916.67	\$500,000.00
13	1/26/2025	\$500,000.00	\$11,973.12	\$9,056.45	\$2,916.67	\$490,943.55
14	2/26/2025	\$490,943.55	\$11,973.12	\$9,104.28	\$2,868.84	\$481,834.26
15	3/26/2025	\$481,834.26	\$11,973.12	\$9,162.42	\$2,810.70	\$472,671.84
16	4/26/2025	\$472,671.84	\$11,973.12	\$9,215.07	\$2,757.25	\$463,455.90
17	5/26/2025	\$463,455.90	\$11,973.12	\$9,269.65	\$2,703.49	\$454,186.55
18	6/26/2025	\$454,186.55	\$11,973.12	\$9,323.70	\$2,649.42	\$444,862.65
19	7/26/2025	\$444,862.65	\$11,973.12	\$9,378.00	\$2,595.03	\$435,484.55
20	8/26/2025	\$435,484.55	\$11,973.12	\$9,432.79	\$2,540.33	\$426,051.77
21	9/26/2025	\$426,051.77	\$11,973.12	\$9,487.82	\$2,485.50	\$416,563.95
22	10/26/2025	\$416,563.95	\$11,973.12	\$9,543.16	\$2,429.96	\$407,020.79
23	11/26/2025	\$407,020.79	\$11,973.12	\$9,598.83	\$2,374.29	\$397,421.95
24	12/26/2025	\$397,421.95	\$11,973.12	\$9,654.83	\$2,318.29	\$387,767.13
25	1/26/2026	\$387,767.13	\$11,973.12	\$9,711.15	\$2,261.97	\$378,055.90
26	2/26/2026	\$378,055.90	\$11,973.12	\$9,767.79	\$2,205.33	\$368,288.19
27	3/26/2026	\$368,288.19	\$11,973.12	\$9,824.77	\$2,148.35	\$358,463.42
28	4/26/2026	\$358,463.42	\$11,973.12	\$9,882.00	\$2,091.04	\$348,581.34

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Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
29	5/26/2026	\$348,581.84	\$11,973.12	\$9,939.73	\$2,033.39	\$338,641.81
30	6/26/2026	\$338,641.81	\$11,973.12	\$9,997.71	\$1,975.41	\$328,643.90
31	7/26/2026	\$328,643.90	\$11,973.12	\$10,056.03	\$1,917.09	\$318,587.87
32	8/26/2026	\$318,587.87	\$11,973.12	\$10,114.69	\$1,858.43	\$308,473.17
33	9/26/2026	\$308,473.17	\$11,973.12	\$10,173.69	\$1,799.43	\$298,299.48
34	10/26/2026	\$298,299.48	\$11,973.12	\$10,233.04	\$1,740.08	\$288,066.44
35	11/26/2026	\$288,066.44	\$11,973.12	\$10,292.73	\$1,680.39	\$277,773.71
36	12/26/2026	\$277,773.71	\$11,973.12	\$10,352.77	\$1,620.35	\$267,420.94
37	1/26/2027	\$267,420.94	\$11,973.12	\$10,413.16	\$1,559.96	\$257,007.77
38	2/26/2027	\$257,007.77	\$11,973.12	\$10,473.91	\$1,499.21	\$246,533.86
39	3/26/2027	\$246,533.86	\$11,973.12	\$10,535.01	\$1,438.11	\$235,998.85
40	4/26/2027	\$235,998.85	\$11,973.12	\$10,596.46	\$1,376.66	\$225,402.40
41	5/26/2027	\$225,402.40	\$11,973.12	\$10,658.27	\$1,314.85	\$214,744.13
42	6/26/2027	\$214,744.13	\$11,973.12	\$10,720.45	\$1,252.67	\$204,023.68
43	7/26/2027	\$204,023.68	\$11,973.12	\$10,782.98	\$1,190.14	\$193,240.70
44	8/26/2027	\$193,240.70	\$11,973.12	\$10,845.88	\$1,127.24	\$182,394.81
45	9/26/2027	\$182,394.81	\$11,973.12	\$10,909.15	\$1,063.97	\$171,485.66
46	10/26/2027	\$171,485.66	\$11,973.12	\$10,972.79	\$1,000.33	\$160,512.86
47	11/26/2027	\$160,512.86	\$11,973.12	\$11,036.79	\$936.33	\$149,476.06
48	12/26/2027	\$149,476.06	\$11,973.12	\$11,101.18	\$871.94	\$138,374.91
49	1/26/2028	\$138,374.91	\$11,973.12	\$11,165.93	\$807.19	\$127,208.97
50	2/26/2028	\$127,208.97	\$11,973.12	\$11,231.07	\$742.05	\$115,977.91
51	3/26/2028	\$115,977.91	\$11,973.12	\$11,296.58	\$676.54	\$104,681.32
52	4/26/2028	\$104,681.32	\$11,973.12	\$11,362.46	\$610.64	\$93,318.84
53	5/26/2028	\$93,318.84	\$11,973.12	\$11,428.76	\$544.36	\$81,890.08
54	6/26/2028	\$81,890.08	\$11,973.12	\$11,495.43	\$477.69	\$70,394.66
55	7/26/2028	\$70,394.66	\$11,973.12	\$11,562.48	\$410.64	\$58,832.17
56	8/26/2028	\$58,832.17	\$11,973.12	\$11,629.93	\$343.19	\$47,202.24
57	9/26/2028	\$47,202.24	\$11,973.12	\$11,697.77	\$275.35	\$35,504.47
58	10/26/2028	\$35,504.47	\$11,973.12	\$11,766.01	\$207.11	\$23,738.46
59	11/26/2028	\$23,738.46	\$11,973.12	\$11,834.65	\$138.47	\$11,903.81
60	12/26/2028	\$11,903.81	\$11,973.12	\$11,903.81	\$69.31	\$0.00
			\$609,709.76	\$500,000.00	\$109,709.76	

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DOCSOPEN\FA105\469\935058.v10-3/14/24

E-4

State of Minnesota
County of Rice

CITY OF FARIBAULT

RESOLUTION #2024-052

APPROVE A SPECIAL COMMERCIAL REHABILITATION LOAN AGREEMENT BETWEEN THE ECONOMIC DEVELOPMENT AUTHORITY OF FARIBAULT, ON BEHALF OF THE CITY OF FARIBAULT, AND FARIBO DOWNTOWN CENTRAL LLC

WHEREAS, on November 28, 2023, the Faribault City Council adopted Resolution #2023-232, which authorized the transfer of \$500,000 from the City's general fund to the Economic Development Authority of Faribault to administer a Special Commercial Rehabilitation Loan for Faribo Downtown Central LLC ("FDC"); and

WHEREAS, the Economic Development Authority of Faribault, on behalf of the City of Faribault, proposes to grant the business assistance in the form of the Special Commercial Rehabilitation Loan Agreement to Faribo Downtown Central LLC under Minnesota Statutes, Section 116J.993 through 116J.995 (the "Business Subsidy Act"), and Minnesota Statutes, Chapter 469, and pursuant to the requirements of the Policy; and

WHEREAS, the City Attorney prepared the Special Commercial Rehabilitation Loan Agreement and all related documents outlined in the Agreement, attached as Exhibit A to this Resolution; and

WHEREAS, the Economic Development Authority of Faribault ("EDA") and the Housing and Redevelopment Authority of Faribault ("HRA") each reviewed and approved additional business assistance in the form of forgivable loan agreements pursuant to the Business Subsidy Act in the amount of \$250,000 (collectively, the "Loan Agreements") to FDC pursuant to EDA Resolution #2024-03 and HRA Resolution #2024-02, respectively, both adopted on February 28, 2024; and

WHEREAS, the City Council, on February 28, 2024, following proper notice, held a public hearing regarding the City Council's consideration of the Special Commercial Rehabilitation Loan Agreement per the Business Subsidy Act.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Faribault as follows:

1. The recitals in the preamble of this Resolution and the exhibits attached to this Resolution are incorporated into this Resolution as if fully set forth herein.
2. The form of the Special Commercial Rehabilitation Loan Agreement and all related documents outlined in the Agreement, including the Business Subsidy Agreement, is hereby approved by the City Council, subject to modifications as approved by the mayor, city administrator and city attorney.
3. The Mayor and City Administrator are hereby authorized and directed to execute said Special Commercial Rehabilitation Loan Agreement and all related documents outlined therein.
4. The EDA and HRA Loan Agreements are hereby approved by the City Council.
5. The Mayor, City Administrator, City Staff, and City Consultants, are hereby authorized and directed to take any and all additional steps and actions necessary or convenient to accomplish the intent of this Resolution, including but not limited to, refining the language in the Agreement and all related documents therein.

Date Adopted: February 28, 2024

Faribault City Council

DocuSigned by:

Kevin F. Voracek

AF5440CB040D4E7

Kevin F. Voracek, Mayor

ATTEST:

DocuSigned by:

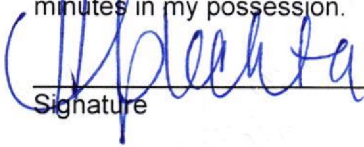
Timothy C. Murray

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Timothy C. Murray, City Administrator

CERTIFICATION

I, Heather Slechta, City Clerk, for City of Faribault, do hereby certify that the foregoing Resolution is a true and exact copy of Resolution 2024-052 as adopted by the City Council of Faribault at a duly authorized meeting on February 28, 2024 shown by the minutes in my possession.



Signature

Heather Slechta
City Clerk



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Appointment of Elderly Housing Corporation (EHC) Board Members

BACKGROUND:

The Elderly Housing Corporation (EHC) serves as the nonprofit ownership entity for **Robinwood Manor**, providing oversight and coordination with the Housing and Redevelopment Authority (HRA) regarding management, financing, and operational policies. The EHC Board is composed of members appointed by the HRA to ensure proper representation and alignment with the HRA's mission and program requirements.

One or more seats on the EHC Board are currently **vacant or pending reappointment** due to recent membership changes. The HRA is asked to consider appointments to fill the open position(s) and maintain a full and active EHC Board.

REQUESTED ACTION:

Appoint **one or more qualified individuals** to the Elderly Housing Corporation (EHC) Board to fill current vacancies and maintain continuity of governance for Robinwood Manor.

ATTACHMENTS:



Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Thomas Furman - Executive Director
THROUGH: David Wanberg, Director of Community and Economic Development
MEETING DATE: November 10, 2025
SUBJECT: Director's Report

BACKGROUND:

Verbal reports on germane topics, including:

- MN NAHRO Commissioner training Session 4: "What the HRA Board Needs to Know About ED Salaries and Benefits."
- HRA Board applications and anticipated departures.
- Robinwood sales impacts, plans, opportunities.
- Allyson Brunette Special meeting on Saturday the 15th of November from 9-12.

REQUESTED ACTION:

Give feedback and if needed, provide direction.

ATTACHMENTS: