



"Revitalization is our Business"

FORSYTH ECONOMIC VENTURES, INC.

Forsyth Economic Ventures, Inc. (FEV)

Board of Directors

July 9, 2024

Forsyth Economic Ventures

LOCATION: Electronic

July 9, 2024

**Immediately Following the Housing Authority of the City of Winston-Salem's
Noon Board Meeting**



"Revitalization is our Business"

FORSYTH ECONOMIC VENTURES, INC.

Forsyth Economic Ventures, Inc. (FEV)
Board of Directors
July 9, 2024

AGENDA

1. Call to Order
2. Review and Approval of Agenda (July 9, 2024)
3. Review and Approval of the Minutes (April 9, 2024)
4. Management Reports
 - Housing Operations
 - Forsyth Real Estate Development (FRED)
 - Non-Housing Operations
5. Resolutions
 - **Resolution No. 286:** Resolution Authorizing Approval of the Financial Statements (May 2024)
 - **Resolution No. 287:** Resolution Authorizing Acquisition of Investor Interest HHG III, LLC
6. Board Comments
7. Adjournment



"Revitalization is our Business"

FORSYTH ECONOMIC VENTURES, INC.

4/9/2024 Minutes

Board Committee Attendance:

Chairman Andrew Perkins- Present
Vice Chairperson Betsy Annese- Absent
Director Alfred Adams- Present
Director William Rose- Present
Director Art Gibel- Present
Director Felicia Brinson- Present
Director Arthur Dark- Present
Director Kathy Stitts – Absent
Director Vivian Perez Chandler – Absent

Staff Presenting:

Kevin Cheshire, Executive Director
Claire Bennett-Lookabill, Director of Finance
Kelly Church, VP of Operations
Lisa Matthews, Assistant Director

1. CALL TO ORDER

- Called to order by Chair Perkins at 12:46 p.m.

2. REVIEW AND APPROVAL OF AGENDA

- Consideration to approve the Agenda (April 9, 2024)

Motion: Director Dark

Second: Director Adams

Unanimous approval

3. REVIEW AND APPROVAL OF MINUTES

- Consideration to approve Minutes (January 9, 2024)

Motion: Director Gibel

Second: Director Rose

Unanimous approval

- Consideration to approve Special Meeting Minutes (February 13, 2024)

Motion: Director Gibel

Second: Director Rose

Unanimous approval

4. MANAGEMENT REPORTS

- Housing Operations

(Cheshire) Thank you Mr. Chairman. Lisa is going handle the Housing Operations Report. Before she gets into that, if I may say 2 quick things. We were on a Consent Agenda in City Council last night. We had three items on; two were related to Choice,



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Board of Directors
July 9, 2024
12:00 Noon

one of which concerned the ASA and Subrecipient Agreement that you all dealt with in the Housing Authority meeting. The reason I mentioned it here in FEV, is because the third item at City Council last night, had to do with the transfer of the property from FEV to the Housing Authority for the Consolidated Plat that you all approved in that Special Meeting. That sailed through. No issues there. You all will recall that the City had originally lent us money to acquire and rehab Fairview Landing, which had formerly been known as New Hope Manner, which was formerly known as Burke Village. There's also some bank debt on that property. The bank does not see any issues with releasing that collateral. You all remember that is unimproved property. There's a building on there that we never rehabbed. So the bank debt and the City debt are collateralized through the existing apartment buildings and not these that have not been rehabbed. That is on City Council later this month. So if it comes up, I just wanted to be sure I had mentioned that to you all, again. It sailed through last night on the Consent Agenda. It did not get pulled. It may get pulled for discussion at full Council, and I wanted you all to be up to speed on it. The other item, Mr. Chairman, I just want to show you some quick pictures of a Lansing Ridge cause I keep sort of bragging about the fact that that was an albatross around the neck of the Housing Authority for years and years. And now we've got new housing. So, a few quick photos. Shane and Tee-Tee were nice enough to shoot out there and grab a few. You can see that they're under construction, and that some houses have already been built and are occupied. Again, all of those are affordable housing/home ownership properties. **(Perkins)** Excellent. **(Cheshire)** Yes sir. **(Rose)** So...so how will they be owned? They're not going to be owned by FEV? **(Cheshire)** You guys have already given me permission to deed those over. So there's a development agreement in place with the partnership, Phil Strupe and Clement Little. We're taking those down in phases. The first phase has been deeded over. Once that first phase is complete, we'll deed over the remaining two phases, and then they will be deeded over to the end-user/homeowner. **(Gibel)** And how many total units? **(Cheshire)** Is it 24, give or take? I think, don't hold me to this. I think there are about 30 lots, several of which are not buildable and I think we're getting about 24 units. Again, I can get you the details, but that's a rough approximation. Thanks Lisa.

(Matthews) Okay. I'm taking the FEV Housing Report. Across the portfolio of the four properties, we were 95% occupied. We had five vacancies for that month. We charged \$59,448 out, and we collected \$54,785, leaving us about \$4,600 short. We only had one non-payment eviction filed in court for the portfolio, and we had one incident involving a resident, but it was non-violent/not involving drugs. For maintenance, at the beginning of the month, work orders were nine. We created 77 for the month and, at the end of the month, we had 17 open and not having any emergency work orders left open. Any questions? **(Perkins)** No. Thank you. **(Matthews)** Thanks.



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○ FRED Update

(Cheshire) Yes, sir, Kelly is going take that. I'd like to just provide context, since FEV only meets quarterly. Forsyth Real Estate Development is a subsidiary of FEV and it is the managing member of HHG III, LLC, which owns and operates Willows Peake Apartments out at Happy Hill. So that's how we, sort of, get from here to there?

(Church) Yes. So, I have an update on Willows Peake. Willows Peak, last time we met, we had an update on the camera installation. They are in the middle of that project. It was scheduled to be finished by the end of March. Like several other projects, it's been delayed. They are currently working on the electrical phase of the camera system. So, they started that last week. And that's where we are with that project. So hopefully, when we do our next meeting, we will have a full update and I'll be able to provide some photos of that finished project.

(Perkins) Excuse me. How...the cameras, how do they look at...is it storage? **(Church)** So, this is the real-time...**(Perkins)** So it's real-time?

(Church) The real-time...**(Cheshire)** The Real-Time Crime Center. So, it is tied in with law enforcement. And I'm not sure if they...are they using Watchtower as their vendor? Do you remember? **(Church)** Um...no. I don't believe it is Watchtower. **(Cheshire)**

Okay. But the cameras that are being installed are connected to the Real-Time Crime Center at the Sheriff's Office and PD. **(Perkins)** Thank you. **(Cheshire)** Yes sir.

(Church) They had cameras there, but they just...they weren't working very well.

(Perkins) Yeah. We understand. **(Church)** They're just doing an upgrade, basically. They didn't have any other capital projects that they're planning on doing this year. Like HAWS, they are also preparing for their NSPIRE inspections and getting their units ready. They've only had one unit turnover this entire year, so far. So, for the past 3 months they've only had one unit turnover, and they have reduced their maintenance issues, and they've had a lot of positive feedback from the residents regarding their maintenance staff and their administrative staff. Those are all the updates I have.

(Perkins) Thank you so very much. **(Church)** Thank you.

○ Non-Housing Operations

(Perkins) Non-housing Operations. **(Matthews)** I'm taking that one. As for the Loewy Building, just to give you a brief update, we've already had 3 tenants move out. That leaves 12 remaining tenants in the building. All, of course, have to be out by July 31st. I've been made aware that one tenant is moving out this month, one next month, and one of our larger clients, the attorney, will be out by June 30th. **(Perkins)** Thank you very much. Appreciate it. **(Adams)** Any pushback? **(Matthews)** No sir. **(Perkins)** It's called efficiency Alfred. **(Adams)** How do you spell that? (laughter) **(Perkins)** Thank you very much.



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Board of Directors
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12:00 Noon

5. RESOLUTIONS

Resolution No. 285– Authorizing Approval of the Financial Statements (February 2024)

Motion: Director Rose

Second: Director Gibel

Unanimous.

(Perkins) Okay. Do we have financial report on FEV? **(Bennett Lookabill)** Yes. And I will go over, again, the Balance Sheet, Income Statement and Dashboard. So, the first thing on the Balance Sheet, you'll notice unrestricted cash is up. That looks like \$270,000. And then, if you move down to other current liabilities is also up. What happened in February is we received the \$310,000 deposit on this building. So it is in cash, making the cash look great. But it's also a liability, because until we sell this building, we might have to pay that back. So it's all affecting the Balance Sheet right now. Once the building is sold, that will move from a liability and onto the Income Statement as income. But right now, the two main things that are happening on the Balance Sheet are that cash is up and the liability is up. So I didn't have anything else on the Balance Sheet. If you'll move on to the Income Statement. The non-residential rent income, \$38,000 under budget. As Lisa just mentioned, we're having tenants move out, and we did not know when tenants were going to be moving out, and we did not schedule that. So, that's going to be under budget until this sale goes through. **(Perkins)** Gotcha. **(Bennett Lookabill)** If it really bothers you guys, you can do a budget revision. But you know...**(Perkins)** It doesn't bother us. **(Bennett Lookabill)** There you go. If you move on down, there's residential rent continues to be lower than budgeted. That's also...it's yeah, like a second line down, that's it. When we don't have full lease-up in those communities, it really affects things because the communities are small. So right now, they're under budget because they just don't have full lease-up. The expense side of things, everything's really in line. If you look at the overall, it's .81% difference between actual and budget. So there's really nothing there that's way out of whack. When we get over to the dashboard, you will see that Loewy is a little bit off. But again, and it's just a weird situation flow right now. The other thing I wanted to point out, is that net income prior to depreciation is \$58,000. A loss after depreciation, but it's \$94,500 but both of these figures are still under budget. When you flip over to the Dashboard, it's that last sheet, and you'll see the items in red, of course Loewy Building is not going to have the income we budgeted for, because tenants are moving out. The expense side of that, the only thing they're over on is the electric bill, and we don't expect that to continue. We just think that was because it was winter. You move on down to Fairview Landing, they are still cash flowing, but they need to watch their tenant income. They are also over budget in maintenance, wages, expenses, and vacancy prep. Which, of course, vacancy prep comes when you have tenants move out, you tend to turn over units. They go hand in hand. So, Loewy, you know, is just going to be strange. The other one to watch there



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would be Fairview. Did anybody have any questions? **(Perkins)** On the Loewy Building, with folks moving out, does that increase your security requirements because nobody's on the first floor? Are you having any problems there? **(Bennet Lookabill)** We really haven't changed anything up. **(Perkins)** Do you still have security in place? **(Bennett Lookabill)** Yes. They're still there. Most of our tenants come through that first floor anyway. They don't come through the back employee entrance. So we'll always have somebody at that front desk. **(Perkins)** I believe you. Anything else Bill? **(Rose)** Not for me. The only question I had was why the liabilities are up and you already answered. So, I make a motion that we approve the report as presented. **(Perkins)** Thank you very much. So that comes out of out of subcommittee as well, right? No. Okay.

6. BOARD COMMENTS

(Perkins) Are there any additional comments about FEV, from the Commissioners? If not, I'm looking to...**(Adams)** Excuse me. **(Perkins)** Yes sir? **(Adams)** Can we get an update on the Loewy Building, on the sale? **(Cheshire)** Yes sir, but there's really not a lot to update. **(Adams)** That's alright. **(Cheshire)** I think you and I had the conversation, maybe at the last meeting, publicly. The money has gone hard. So, we've got it. That's what Claire just mentioned. I won't take issue with how our CPA's booked it, but that's non-refundable. So...so we're there. The buyer has been great. Honestly, they've sent, I think, one consultant in, since the money went hard, to sort of poke around a little bit, because they're working on the historic designation for local landmark status. Other than that, it's just been quiet, which works for them and works for us. And then, as we get closer to occupancy at the King Billing, I will let the buyer know whether we need to extend that tentative closing date, or whether we still go on it, and they're fine either way. So I mean, I you know I don't want to celebrate prematurely, but our tenants have been wonderful. Even the ones who are disappointed and think it's the wrong decision to sell, have understood our logic and are...and are looking for alternative space. Our management team has been really good about working with people and extending out, if they have specific things that they need to get through specific events that are coming up in the summer. So it's all quiet on the Western Front. Really, here at Loewy, it's business as usual for us. It's business, as usual for the buyer, until we get ready to move over to King, and then things will start picking up. The only thing I envision, maybe potentially being a problem is, if one of the tenants can't find alternative space when that, sort of, hard deadline hits and Lisa will update us on that. Don't anticipate that happening, but that may be a problem where we may need to have to pursue some enforcement action. **(Rose)** And our move out date here is September? **(Cheshire)** Well, tentatively, yes, sir. **(Adams)** I just...again, I just wanted to know where...what was going on. So thank you. **(Cheshire)** Yes sir. Thank you very much. Any other comments.



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7. ADJOURNMENT

Motion to Adjourn at 1:00 p.m.

Motion: Director Gibel

Second: Director Dark

Adopted Date

Kevin Cheshire- Secretary

FEV Housing Report May 2024

	Fairview Landing	Bethlehem Pointe	Fev Houses (17th)	Heights
Imperial Operations				
Occupancy Rate	88%	100%	0%	100%
Number of Units	67	12	2	15
Move Ins	0	0	0	1
Move Outs	3	0	0	0
Vacancies	8	0	2	0
# of Applicants Pulled	10	0	0	0
Charges Billed in May	\$35,215	\$6,540	\$0	\$14,399
Payments Collected in May	\$33,078	\$6,497	\$0	\$16,064
Waiting List	14	1	0	8
Lease Violations				
# of Late Payment Notices	17	4	0	4
# of Termination Notices (Other than Non-Payment)	0	0	0	0
# of Judicial evictions Filed in Court (Non-Payment)	3	0	0	0
# of Judicial Evictions Filed in Court (Other)	0	0	0	0
Security				
# of Incidents Reports	9	2	0	1
# of Violent/Drug Reports	0	0	0	0
# of Incidents Involving Residents	0	0	0	0
Maintenance				
Opening Balance of Work Orders for BOM	10	3	0	1
# of Created Work Orders for the Month	52	5	1	27
# of Open Work Orders EOM	19	1	0	10
# of Emergency Work Orders EOM	0	0	0	0

RESOLUTION NO. 286

AUTHORIZING APPROVAL OF THE MAY 31, 2024 FINANCIAL STATEMENTS

WHEREAS, the Forsyth Economic Ventures ("FEV") operates on a Fiscal Year ending September 30; and

WHEREAS, unaudited Financial Statements are prepared monthly; and

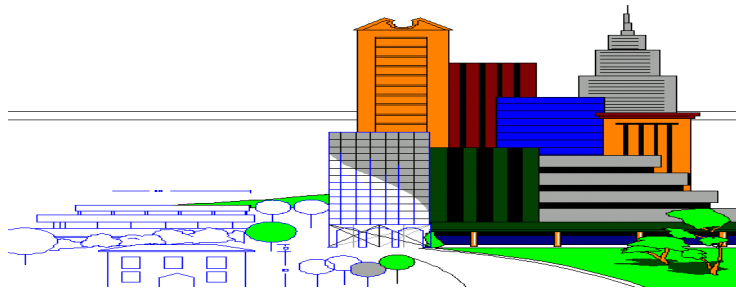
WHEREAS, the unaudited Financial Statements dated May 31, 2024, were submitted to the Board of Directors for review; and

WHEREAS, the unaudited Financial Statements attached and referenced herein is a permanent record and will continue to be maintained in FEV's permanent files;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby accepts the unaudited Financial Statements dated May 31, 2024.

Adopted On: _____ (Date)

Signed: _____
Kevin Cheshire
Board Secretary



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500 West Fourth Street, Suite 300
Winston-Salem, NC 27101

VARIANCE REPORT FOR May 31, 2024

Total year-to-date Forsyth Economic Ventures:

	<u>Total FEV</u>
• Total Operating Revenue -	\$1,036,276
• Total Operating Expenses -	\$ 890,291
• Income Before Depreciation & Other Expenses -	\$145,995
• Payment of Principal on Debt -	\$ 89,850
• Net Cash Flow	\$455,362

FEV produced a total income of \$1,036,276. Total operating expense is over budget by \$15,597 or 1.78%. The net loss (including depreciation and taxes) reported for the period is (\$112,295).

Loewy Building produced a net income of \$100,695 (excluding the depreciation expense). The depreciation expense recorded year to date is \$119,855. At the end of the fiscal period, the Loewy Building has a positive cash flow of \$400,928.

To date, FEV has received a 10% down-payment from the sale of the Loewy Building which has been recorded as deferred income on the financial statements.

**FORSYTH ECONOMIC VENTURES
BALANCE SHEET**

As of May 31, 2024

	May 2024	FYE 2023	Variance		May 2023
			Amount	Percentage	
ASSETS					
CURRENT ASSETS					
CASH					
UNRESTRICTED CASH	1,110,673	664,315	446,358	67.19%	646,746
SECURITY DEPOSIT/RESERVE	125,854	111,155	14,699	13.22%	112,004
TOTAL CASH	1,236,527	775,470	461,057	59.46%	758,750
NOTE RECEIVABLE - CORPORATE	0	0	0	0.00%	0
OTHER ACCOUNTS RECEIVABLE	4,345	8,136	(3,791)	-46.60%	2,455
PREPAID EXPENSES AND OTHER ASSETS	5,745	50,587	(44,842)	-88.64%	45,560
TOTAL CURRENT ASSETS	1,246,617	834,193	412,424	49.44%	806,765
NON-CURRENT ASSETS					
TOTAL FIXED ASSETS	11,448,027	11,574,027	(126,000)	-1.09%	11,579,328
ACCUMULATED DEPRECIATION	(5,340,576)	(5,103,284)	(237,292)	-4.65%	(4,978,804)
FIXED ASSETS, NET OF DEPRECIATION	6,107,451	6,470,743	(363,292)	-5.61%	6,600,524
TOTAL OTHER ASSETS (INVENTORY)	0	0	0	0.00%	0
TOTAL NON-CURRENT ASSETS	6,107,451	6,470,743	(363,292)	-5.61%	6,600,524
TOTAL ASSETS	7,354,068	7,304,936	49,132	0.67%	7,407,289
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
DEFERRED REVENUE	310,000	7,612	302,388	3972.52%	12,660
ACCOUNTS PAYABLE	4,096	39,357	(35,261)	-89.59%	5,346
ACCRUED LIABILITIES	43,230	60,454	(17,224)	-28.49%	74,008
NOTE PAYABLE - SHORT TERM	137,762	137,762	0	0.00%	1,530,853
NOTE PAYABLE TO CORPORATE	0	0	0	0.00%	0
OTHER CURRENT LIABILITIES	45,449	44,078	1,371	3.11%	45,507
TOTAL CURRENT LIABILITIES	540,537	289,263	251,274	86.87%	1,668,374
NON-CURRENT LIABILITIES					
LONG TERM DEBT	5,253,337	5,343,187	(89,850)	-1.68%	4,008,569
TOTAL NON-CURRENT LIABILITIES	5,253,337	5,343,187	(89,850)	-1.68%	4,008,569
TOTAL LIABILITIES	5,793,874	5,632,450	161,424	2.87%	5,676,943
EQUITY					
INVESTED IN CAPITAL ASSETS, NET	720,773	994,215	(273,442)	-27.50%	1,061,102
UNRESTRICTED NET ASSETS	863,316	431,234	432,082	100.20%	364,345
RESTRICTED NET ASSETS	88,400	71,650	16,750	23.38%	71,650
NET INCOME/(LOSS)	(112,295)	175,387	(287,682)	-164.03%	233,249
TOTAL EQUITY	1,560,194	1,672,486	(112,292)	-6.71%	1,730,346
TOTAL LIABILITIES AND EQUITY	7,354,068	7,304,936	49,132	0.67%	7,407,289

TOTAL FORSYTH ECONOMIC VENTURES
BALANCE SHEET
As of May 31, 2024

	Loewy	Forsyth RE Dev	Northwest Properties	Bethlehem Pointe	Fairview Landing	The Heights	FEV Corporate	Eliminations	5/31/2024 Total FEV	FYE 2023 Total FEV	Variance
ASSETS											
CURRENT ASSETS											
CASH											
UNRESTRICTED CASH	501,209	196,509	14,045	33,534	81,967	0	283,409		1,110,673	664,315	446,358
SECURITY DEPOSIT/RESERVE	15,533		1,736	2,500	102,335	3,750			125,854	111,155	14,699
TOTAL CASH	516,742	196,509	15,781	36,034	184,302	3,750	283,409	0	1,236,527	775,470	461,057
ACCOUNTS RECEIVABLE-MISC											
AR - CORPORATE	186		119	254	3,786		45,404	(45,404)	4,345	8,136	(3,791)
AR - OTHERS	186	0	119	254	3,786	0	45,404	(45,404)	4,345	8,136	(3,791)
TOTAL AR-MISC											
INVESTMENTS											
UNRESTRICTED									0	0	0
RESTRICTED									0	0	0
TOTAL INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0
PREPAID EXPENSES AND OTHER ASSETS											
PREPAID EXPENSES-INSURANCE	(4,551)		(103)	(316)		(964)			(5,934)	1,527	(7,461)
PREPAID EXPENSES-OTHER	11,060		12	180	407	20			11,679	49,060	(37,381)
TOTAL PREPAID EXPENSES AND OTHER ASSETS	6,509	0	(91)	(136)	407	(944)	0	0	5,745	50,587	(44,842)
CURRENT INTERFUNDS											
DUE FROM MISC									0	0	0
TOTAL DUE FROM AMOUNTS - CURRENT	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT ASSETS	523,437	196,509	15,809	36,152	188,495	2,806	328,813	(45,404)	1,246,617	834,193	412,424
NON-CURRENT ASSETS											
FIXED ASSETS											
LAND	553,737		6,631	8,159	200,000	113,500	220,958		1,102,985	1,228,985	(126,000)
BUILDINGS	5,175,128		26,961	206,914	2,960,976	1,402,256	523,978		10,296,213	10,296,213	0
LEASEHOLD IMPROVEMENTS									0	0	0
CONSTRUCTION IN PROGRESS									0	0	0
FEM-VEHICLES									0	0	0
FEM-DWELLINGS									0	0	0
FEM-COMPUTERS	40,443								40,443	40,443	0
FEM-ADMINISTRATION	8,386								8,386	8,386	0
TOTAL FIXED ASSETS	5,777,694	0	33,592	215,073	3,160,976	1,515,756	744,936	0	11,448,027	11,574,027	(126,000)
ACCUMULATED DEPRECIATION	(3,847,570)		(26,244)	(172,797)	(680,872)	(103,830)	(509,263)		(5,340,576)	(5,103,284)	(237,292)
FIXED ASSETS, NET OF DEPRECIATION	1,930,124	0	7,348	42,276	2,480,104	1,411,926	235,673	0	6,107,451	6,470,743	(363,292)
OTHER ASSETS											
INVENTORY									0	0	0
TOTAL OTHER ASSETS	0	0	0	0	0	0	0	0	0	0	0
TOTAL NON-CURRENT ASSETS	1,930,124	0	7,348	42,276	2,480,104	1,411,926	235,673	0	6,107,451	6,470,743	(363,292)
TOTAL ASSETS	2,453,561	196,509	23,157	78,428	2,668,599	1,414,732	564,486	(45,404)	7,354,068	7,304,936	49,132

TOTAL FORSYTH ECONOMIC VENTURES
BALANCE SHEET
As of May 31, 2024

	Loewy	Forsyth RE Dev	Northwest Properties	Bethlehem Pointe	Fairview Landing	The Heights	FEV Corporate	Eliminations	5/31/2024 Total FEV	FYE 2023 Total FEV	Variance
LIABILITIES AND EQUITY											
CURRENT LIABILITIES											
ACCOUNTS PAYABLE											
ACCOUNTS PAYABLE - VENDORS										34,694	(34,694)
ACCOUNTS PAYABLE - OTHERS		3,607			489				4,096	4,663	(567)
TOTAL ACCOUNTS PAYABLE	0	0	0	3,607	489	0	0	0	4,096	39,357	(35,261)
ACCURED LIABILITIES											
ACCURED SALARIES AND WAGES										9,652	(9,652)
PAYROLL WITHHOLDINGS										0	0
ACCURED UTILITIES										16,705	(16,705)
ACCURED INTEREST PAYABLE	1,202				2,510	2,281			5,993	5,993	0
ACCURED PILOT - PHA WIDE					8,417				8,417	8,417	0
ACCURED COMPENSATED ABSENCES			23	115	206	115	507		1,473	1,473	0
OTHER ACCURED LIABILITIES	3,347	12,000					12,000		27,347	18,214	9,133
TOTAL ACCURED LIABILITIES	4,549	12,507	23	115	11,133	2,396	12,507	0	43,230	60,454	(17,224)
OTHER CURRENT LIABILITIES											
TENANT SECURITY DEPOSITS	15,293			2,500	15,280	3,750			36,823	39,540	(2,717)
TENANT PREPAID RENTS	5,507			1,347	221	1,551			8,626	4,538	4,088
DEFERRED REVENUE	310,000								310,000	7,612	302,388
NOTE PAYABLE - SHORT TERM	62,376					45,404		(45,404)	62,376	62,376	0
NOTE PAYABLE TO CORPORATE					42,822	32,564			0	0	0
CURRENT PORTION-LT DEBT									75,386	75,386	0
TOTAL OTHER CURRENT LIABILITIES	393,176	0	0	3,847	58,323	83,269	0	(45,404)	493,211	189,452	303,759
TOTAL CURRENT LIABILITIES	397,725	12,507	23	7,569	69,945	85,665	12,507	(45,404)	540,537	289,263	251,274
NON-CURRENT LIABILITIES											
LONG TERM DEBT											
MORTGAGE PAYABLE	1,294,330					1,436,464			5,386,678	5,476,528	(89,850)
NOTE PAYABLE									0	0	0
ACCURED COMPENSATED ABSENCES									4,421	4,421	0
	1,294,330	1,522	69	346	617	345	1,522		5,391,099	5,480,949	(89,850)
	(62,376)	1,522	69	346	2,656,501	1,436,809	1,522	0	5,391,099	5,480,949	(89,850)
	1,231,954	1,522	69	346	(42,822)	(32,564)	0	0	(137,762)	(137,762)	0
Less Current Portion											
TOTAL LONG TERM DEBT - NET	1,231,954	1,522	69	346	2,613,679	1,404,245	1,522	0	5,253,337	5,343,187	(89,850)
TOTAL NON-CURRENT LIABILITIES	1,231,954	1,522	69	346	2,613,679	1,404,245	1,522	0	5,253,337	5,343,187	(89,850)
TOTAL LIABILITIES	1,629,679	14,029	92	7,915	2,683,624	1,489,910	14,029	(45,404)	5,793,874	5,632,450	161,424
EQUITY											
INVESTED IN CAPITAL ASSETS, NET	635,794	0	7,348	42,276	(175,780)	(24,538)	235,673	0	720,773	994,215	(273,442)
UNRESTRICTED NET ASSETS	207,248	147,688	17,956	30,180	106,880	(35,445)	388,809		863,316	431,234	432,082
RESTRICTED NET ASSETS				0	88,400	(15,195)	(74,025)		88,400	71,650	16,750
NET INCOME/(LOSS)	(19,160)	34,792	(2,239)	(1,943)	(34,525)	(15,195)	(112,295)		(112,295)	175,387	(287,682)
TOTAL EQUITY	823,882	182,480	23,065	70,513	(15,025)	(75,178)	550,457	0	1,560,194	1,672,486	(112,292)
TOTAL LIABILITIES AND EQUITY	2,453,561	196,509	23,157	78,428	2,668,599	1,414,732	564,486	(45,404)	7,354,068	7,304,936	49,132

Forsyth Economic Ventures
Consolidated Revenue and Expense Statement
October 1, 2023 -May 31, 2024

	YTD	YTD	Variance		5/31/2023
	Actual	Budget	Amount	Percentage	Actual
Operating Income					
Non Residential Rental Income	488,120	561,594	(73,474)	-13.08%	425,915
Residential Rental Income	458,885	479,175	(20,290)	-4.23%	505,658
Other Non-Residential Revenue	110	2,387	(2,277)	-95.39%	2,140
Tenant Revenue Other	11,170	12,093	(923)	-7.64%	11,811
Other Income	77,515	65,533	11,982	18.28%	48,884
Investment Income	476	733	(257)	-35.09%	463
Net Gain on Sale of Real Estate	0	0	-	0.00%	-
Total Income	1,036,276	1,121,516	(85,240)	-7.60%	994,871
Operating Expenditures					
Administrative	342,879	358,729	(15,850)	-4.42%	233,414
Utilities	122,967	120,472	2,495	2.07%	105,856
Maintenance	233,283	213,616	19,667	9.21%	224,660
Protective Services	1,799	-	1,799	100.00%	342
General	189,353	181,866	7,487	4.12%	190,191
Total Operating Expenses	890,281	874,684	15,597	1.78%	754,463
Net Operating Income (Loss) Before Depreciation	145,995	246,832	(100,837)	-40.85%	240,408
Depreciation expense	237,290	221,431	15,859	7.16%	244,759
Net Operating Income (Loss) After Depreciation	(91,295)	25,401	(116,696)	-459.41%	(4,351)
Net Gain/Loss on Sale of Real Estate	(21,000)	0	(21,000)	-100.00%	237,600
Net Income (Loss)	(112,295)	25,401	(137,696)	-542.08%	233,249
Other Changes In Cash					
Principal payments on debt	89,850	89,850	-	0.00%	90,512
Capital Asset Purchases/Sales	(126,000)	(126,000)	-	0.00%	(98,526)
Changes in Assets & Liabilities	299,912	299,912	-	0.00%	(79,997)
Replacement Reserve	-	-	-	-	-
Depreciation expense add back	237,290	221,431	15,859	7.16%	215,425
Cash Increase (Decrease)	461,057	582,894	(121,837)	-20.90%	376,691

CONSOLIDATED STATEMENT OF REVENUE & EXPENSE
BUDGETED PROGRAM ONLY

October 1, 2023 - May 31, 2024

	Loeuy Building	Forsyth RE Dev	Northwest Properties	Bethlehem Poinsite	Fairview Landing	The Heights	FEV Corporate	YTD ACTUAL	YTD BUDGET	VARIANCE		ANNUAL BUDGET		REMAINING		
										AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT	
Income																
Tenant Rental Income			10,217	50,142	284,093	114,433		458,885	479,175	(20,290)	-4.23%	718,763	259,878	36.16%		
Tenant Revenue Other	1,135		617	1,343	7,128	947		11,170	12,093	(923)	-7.64%	18,140	6,970	38.42%		
Other Income	1,204	76,295	1	1	8	2	4	77,515	65,533	11,982	18.28%	65,800	(11,715)	-17.80%		
Other Income Loeuy Bldg	50							50	400	(350)	-87.50%	600	550	91.67%		
NonDwelling Rental Income	488,120							488,120	561,594	(73,474)	-13.08%	842,391	354,271	42.06%		
Parking Rental Income	60							60	1,987	(1,927)	-96.98%	2,980	2,920	97.99%		
Interest Income					476			476	733	(257)	-35.09%	1,100	624	56.73%		
Net Gain on Sale of Real Estate								0	0	0	0.00%	0	0	0.00%		
Operating Transfer In								0	0	0	0.00%	0	0	0.00%		
Total Income	490,569	76,295	10,835	51,486	291,705	115,382	4	1,036,276	1,121,516	(85,240)	-7.60%	1,649,774	613,498	37.19%		
Operating Expenditures																
Administrative																
Salaries		28,431	669	5,305	22,423	11,272	28,431	96,531	110,406	(13,875)	-12.57%	174,767	78,236	44.77%		
Employee Benefits		7,540	479	1,853	8,831	3,750	7,540	29,993	34,561	(4,568)	-13.22%	51,842	21,849	42.15%		
Audit	3,133	3,770					4,200	11,103	11,900	(797)	-6.70%	17,850	6,747	37.80%		
Management Fees	96,000		1,489	7,380	20,398	17,438		142,705	147,200	(4,495)	-3.05%	220,800	78,095	35.37%		
Other	38,782	1,762	676	1,115	14,175	1,853	4,184	62,547	54,662	7,885	14.43%	81,993	19,446	23.72%		
Total Admin	137,915	41,503	3,313	15,653	65,827	34,313	44,355	342,879	358,729	(15,850)	-4.42%	547,252	204,373	37.35%		
Utilities																
Water	3,682		37	255	2,603	511		7,088	9,349	(2,261)	-24.18%	14,023	6,935	49.45%		
Electric	102,680		92	924	10,470	1,064		115,230	110,740	4,490	4.05%	166,110	50,880	30.63%		
Gas	197			452				649	383	266	69.30%	575	(74)	-12.87%		
Total Utilities	106,559	0	129	1,631	13,073	1,575	0	122,967	120,472	2,495	2.07%	180,708	57,741	31.95%		
Ordinary maintenance																
Labor			4,852	3,393	13,243	5,806	22	27,316	15,285	12,031	78.71%	24,034	(3,282)	-13.66%		
Employee Benefits Maint			1,421	1,214	5,384	2,139	4	10,162	6,611	3,551	53.71%	9,917	(245)	-2.47%		
Materials	8,004		246	4,577	34,899	7,670		58,396	33,067	22,329	67.53%	43,350	(12,046)	-27.79%		
Contract Costs	48,231		343	10,505	57,591	17,939	5,800	140,409	158,653	(18,244)	-11.50%	236,854	96,445	40.72%		
Total maintenance	56,235	0	6,862	19,689	111,117	33,554	5,826	233,283	213,616	19,667	9.21%	314,155	80,872	25.74%		
Protective Services																
Protective Services			257	771	514	257		1,799	0	1,799	100.00%	0	(1,799)	-100.00%		
Total Protective Services	0	0	257	771	514	257	0	1,799	0	1,799	100.00%	0	(1,799)	0.00%		
General																
Insurance	18,182		413	1,265	17,210	3,850	2,410	43,330	45,947	(2,617)	-5.70%	68,920	25,590	37.13%		
PILOT Tax					10,000			10,000	6,667	3,333	50.00%	10,000	0	0.00%		
Property Tax	21,553							21,553	21,333	220	1.03%	32,000	10,447	32.65%		
Interest Expense	48,029				32,069	22,848		102,936	96,919	6,017	6.21%	145,379	42,443	29.19%		
Other General Expense	1,401		710	957	7,294	1,172		11,534	11,000	534	4.85%	16,500	4,966	30.10%		

CONSOLIDATED STATEMENT OF REVENUE & EXPENSE
BUDGETED PROGRAM ONLY

October 1, 2023 - May 31, 2024

	Loewy Building	Forsyth RE Dev	Northwest Properties	Bethlehem Poinsite	Fairview Landing	The Heights	FEV Corporate	YTD ACTUAL	YTD BUDGET	VARIANCE		ANNUAL BUDGET	REMAINING	
										AMOUNT	PERCENT		AMOUNT	PERCENT
Net Loss on Sale of Real Estate							21,000	0	21,000	100.00%	0	(21,000)	# DIV/0!	
Total General	89,165	0	1,123	2,222	66,563	27,870	210,353	181,866	28,487	15.66%	272,799	62,446	22.89%	
Total Operating Expenditures	389,874	41,503	11,684	39,966	257,094	97,569	911,281	874,684	36,597	4.18%	1,314,914	403,633	30.70%	
Net Income (Loss) Before Depreciation	100,695	34,792	(849)	11,520	34,611	17,813	124,995	246,832	(121,837)	-49.36%	334,860	209,865	62.67%	
Depreciation	119,855		1,390	13,463	69,136	33,008	237,290	221,431	15,859	7.16%	332,146	94,856	28.56%	
Net Income (Loss)	(19,160)	34,792	(2,239)	(1,943)	(34,525)	(15,195)	(112,295)	25,401	(137,696)	-542.08%	2,714	115,009	4237.62%	
Debt Service	41,172				27,710	20,968	89,850	89,850	0	0.00%	174,250	84,400	48.44%	
Capital Asset Purchases/Sales							(126,000)	(126,000)	0	0.00%	0	126,000	0.00%	
Changes in Assets & Liabilities	341,405	1,363	(700)	(1,342)	(24,474)	3,405	299,912	299,912	0	0.00%	0	(299,912)	-100.00%	
Replacement Reserve Payment							0	0	0	0.00%	19,750	19,750	100.00%	
Depreciation Add Back	119,855	0	1,390	13,463	69,136	33,008	237,290	221,431	15,859	7.16%	332,146	94,856	28.56%	
Net Cash Increase (Used) In Operations	400,928	36,155	(1,549)	10,178	(17,573)	250	461,057	582,894	(121,837)	-20.90%	180,360	(280,697)	-155.63%	

FORSYTH ECONOMIC VENTURES

BALANCE SHEET & RATIO DATA

As of 5/31/2024

	786mr Northwest	787mr Bethlehem Pointe	788mr Fairview Manor	789mr The Heights
1000-00-000 ASSETS				
1300-00-000 TOTAL CURRENT ASSETS	15,808.88	36,150.85	188,494.74	-42,597.93
1499-00-000 TOTAL NONCURRENT ASSETS	7,348.57	42,275.92	2,480,104.62	1,411,926.01
1999-00-000 TOTAL ASSETS	23,157.45	78,426.77	2,668,599.36	1,369,328.08

2000-00-000 LIABILITIES & EQUITY

2001-00-000 LIABILITIES:				
2299-00-000 TOTAL CURRENT LIABILITIES	23.06	7,568.19	69,943.36	40,262.55
2399-00-000 TOTAL NONCURRENT LIABILITIES	69.17	345.57	2,613,678.52	1,404,245.47
2499-00-000 TOTAL LIABILITIES	92.23	7,913.76	2,683,621.88	1,444,508.02

2800-00-000 EQUITY

2899-00-000 TOTAL EQUITY	23,065.22	70,513.01	-15,022.52	-75,179.94
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2999-00-000 TOTAL LIABILITIES AND EQUITY

2999-00-000 TOTAL LIABILITIES AND EQUITY	23,157.45	78,426.77	2,668,599.36	1,369,328.08
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CURRENT RATIO

	786mr Northwest	787mr Bethlehem Pointe	788mr Fairview Manor	789mr The Heights
TOTAL CURRENT ASSETS	15,808.88	36,150.85	188,494.74	(42,597.93)
TOTAL CURRENT LIABILITIES	23.06	7,568.19	69,943.36	40,262.55
CURRENT RATIO	25.10	3.13	1.90	(0.49)

**QUICK RATIO
(Does not include inventory)**

	786mr Northwest	787mr Bethlehem Pointe	788mr Fairview Manor	789mr The Heights
TOTAL CURRENT ASSETS (less inventory)	15,808.88	36,150.85	188,494.74	(42,597.93)
TOTAL CURRENT LIABILITIES	23.06	7,568.19	69,943.36	40,262.55
QUICK RATIO	25.10	3.13	1.90	(0.49)

INCOME and EXPENSE DATA
10/1/2023-5/31/2024

	786mr Northwest	787mr Bethlehem Pointe	788mr Fairview Manor	789mr The Heights
INCOME & EXPENSE DATA				
WITHOUT DEPRECIATION				
3000-00-000 INCOME				
3199-00-000 NET TENANT INCOME	10,833.84	51,485.16	291,220.74	115,380.10
3699-00-000 TOTAL OTHER INCOME	0.60	0.97	484.27	2.02
3999-00-000 TOTAL INCOME	10,834.44	51,486.13	291,705.01	115,382.12

4000-00-000 EXPENSES				
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	3,312.59	15,652.64	65,827.90	34,312.31
4399-00-000 TOTAL UTILITY EXPENSES	128.30	1,630.19	13,072.56	1,575.13
4499-00-000 TOTAL MAINTENANCE EXPENSES	6,861.84	19,688.02	111,117.55	33,553.22
4499-99-000 TOTAL PROTECTIVE SERVICES	257.00	771.11	514.03	257.00
4599-00-000 TOTAL GENERAL EXPENSES	1,123.25	2,222.30	34,504.26	5,021.62
4899-00-000 TOTAL FINANCING EXPENSES	0.00	0.00	32,058.53	22,847.86
5999-00-000 TOTAL NONOPERATING ITEMS	1,390.27	13,463.51	69,136.24	33,008.00
8000-00-000 TOTAL EXPENSES	13,073.25	53,427.77	326,231.07	130,575.14
TOTAL EXPENSES (NO DEPRECIATION)	11,682.98	39,964.26	257,094.83	97,567.14

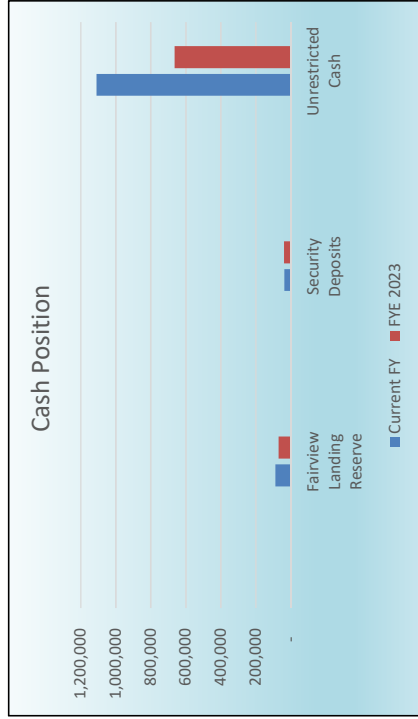
9000-00-000 NET INCOME	-2,238.81	-1,941.64	-34,526.06	-15,193.02
NET INCOME (NO DEPRECIATION)	-848.54	11,521.87	34,610.18	17,814.98

	786mr Northwest	787mr Bethlehem Pointe	788mr Fairview Manor	789mr The Heights
FEV CASH FLOW DATA				
NET INCOME (LOSS)	(848.54)	11,521.87	34,610.18	17,814.98
Capital Expense/Long Term Improvements				
Replacement Reserve Payments				
Extraordinary Items (Sale of Land)				
Depreciation Add Back	1,390.27	13,463.51	69,136.24	33,008.00
Net Cash Increase (Used) in Operations	541.73	24,985.38	103,746.42	50,822.98

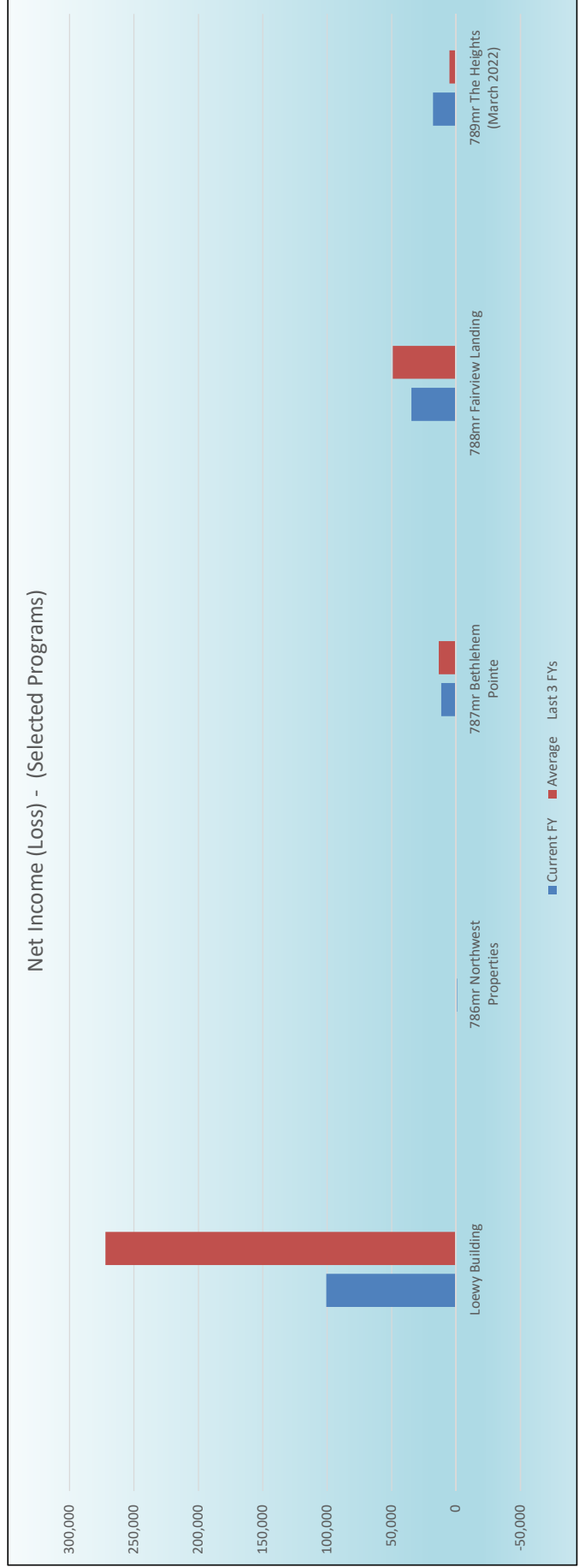
	786mr Northwest	787mr Bethlehem Pointe	788mr Fairview Manor	789mr The Heights
FEV UNIT DATA				
# of Housing Units	3	12	67	15
Rental Months Year To Date	8	8	8	8
# Unit Months Year to Date	24	96	536	120
Average Rent Per Unit Month	193.16	247.39	371.58	577.16
Average Subsidy Per Unit	232.54	274.93	158.45	376.45
	425.70	522.32	530.02	953.61
Average Operating Expense Per Unit	486.79	416.29	479.65	813.06

**FORSYTH ECONOMIC VENTURES
FINANCIAL DASHBOARD - Selected Operations**

CASH POSITION 5/31/2024	Current FY	FYE 2023	Change Over Prior FYE
Fairview Landing Reserve	\$ 88,400	\$ 71,650	\$ 16,750
Security Deposits	\$ 37,454	\$ 39,505	\$ (2,051)
Unrestricted Cash	\$ 1,110,673	\$ 664,315	\$ 446,358
Total Cash on Hand	\$ 1,236,527	\$ 775,470	\$ 461,057



NET INCOME (LOSS) - (Selected Operations) 10/01/2023-5/31/2024	Current FY	Current Budget	Average Last 3 FYs
Loewy Building	\$ 100,695	\$ 182,599	\$ 272,239
786mr Northwest Properties	\$ (849)	\$ (513)	\$ (12)
787mr Bethlehem Pointe	\$ 11,520	\$ 5,317	\$ 13,433
788mr Fairview Landing	\$ 34,611	\$ 83,790	\$ 49,080
789mr The Heights (March 2022)	\$ 17,813	\$ 18,420	\$ 5,086
Total FEY Selected Operations	\$ 163,790	\$ 289,613	\$ 339,827
Depreciation	\$ (221,869)	\$ (220,993)	\$ (226,633)
Total FEY Net Depreciation	\$ (58,079)	\$ 68,620	\$ 113,194



RESOLUTION NO. 287

**AUTHORIZING ACQUISITION OF INVESTOR INTEREST
HHG III, LLC**

WHEREAS, Forsyth Economic Ventures, Inc., a North Carolina nonprofit corporation ("FEV"), is the sole member and sole manager of Forsyth Real Estate Development, LLC, a North Carolina limited liability company ("FRED"), and

WHEREAS, FRED is the managing member and Raymond James Affordable Housing Fund 6 L.L.C., a Delaware limited liability company ("Raymond James"), is the investor member of HHG III, LLC, a North Carolina limited liability company ("HHG III"), pursuant to that certain Amended and Restated Operating Agreement, dated June 1, 2006, as amended (the "Operating Agreement"); and

WHEREAS, HHG III owns an apartment complex known as Willows Peake Apartments (the "Project"), which qualified for low income housing tax credits under Section 42 of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, the compliance period, as defined by the Code, for the low-income housing tax credits has ended, and Raymond James desires to sell its entire right, title and interest in HHG III (the "Investor Interest") and enter into a purchase and sale agreement ("Purchase Agreement") with FRED under which FRED will purchase the Investor Interest for a purchase price of One Hundred Ninety-Eight Thousand One Hundred Sixty-Seven and 90/100 Dollars (\$198,167.90) (the "Purchase Price"); and

WHEREAS, FRED plans to assign the Purchase Agreement to FEV; and

WHEREAS, in connection with the acquisition of the Investor Interest by FEV and admission of FEV to HHG III as an investor member, FEV shall be required to: (i) accept assignment of the Investor Interest, (ii) state its desire to be admitted to HHG III as an investor member, in the place and stead of Raymond James, in respect of such Membership, (iii) assume and agree to perform the obligations of such investor member to HHG III under the Operating Agreement, in respect of such membership interest, and (iv) agree to be bound by, and to perform the provisions of, the Operating Agreement, in respect of the membership interest assigned to FEV; and

WHEREAS, the Board of Directors has determined the purchase of the Investor Interest by FEV and admission of FEV to HHG III as the investor member to be in the best interest of FEV, FRED, and HHG III.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Executive Director, Chair, Vice-Chair, and/or any other duly elected officer(s) of FEV, on behalf of FEV, is (are) hereby authorized to take action reasonable and necessary and execute such documents and enter into such contracts as are usual and necessary to close the acquisition of the Investor Interest and admission of FEV to HHG III as an investor member as described herein.
2. The Executive Director, Chair, Vice-Chair, and/or any other duly elected officer(s) of FEV, the sole member of FRED, on behalf of FRED, be and (are) hereby authorized on behalf of FRED, to take action reasonable and necessary and execute such documents and enter into such contracts as are usual and necessary to close the acquisition of the Investor Interest by FEV and admission of FEV to HHG III as an investor member as described herein

Adopted: _____ (date)

Signed: _____
Secretary/Executive Director