



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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**AGENDA**

**DATE & TIME**

**LOCATION**

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Wednesday, December 17, 2025 - 7:01 PM**

Independence Plaza, 703 Atlantic Avenue, Alameda - Ruth Rambeau Memorial Community Room

**PUBLIC PARTICIPATION** Public access to this meeting is available as follows:

To Attend In-Person -

Independence Plaza, 703 Atlantic Avenue, Alameda - Ruth Rambeau Memorial Community Room

Join Zoom Meeting

<https://us06web.zoom.us/j/82617583123?pwd=BM3TenEVxEayocip8V0NHIZ9Qi0nYb.1>

Meeting ID: 826 1758 3123

Passcode: 406791

By Phone (through Zoom):

Find your local number: <https://us06web.zoom.us/u/keIQZ99OFI>

Meeting ID: 826 1758 3123

Passcode: 406791

Persons wishing to address the Board of Directors are asked to submit comments for the public comment period of the Agenda as follows:

- Send an email with your comment(s) to [jpolar@alamedahsg.org](mailto:jpolar@alamedahsg.org) and [vcooper@alamedahsg.org](mailto:vcooper@alamedahsg.org) prior to or during the Board of Directors meeting.
- Call and leave a message at (510) 871-7435, TTY/TRS: 711.
- Complete a speaker card in the meeting room on the day of the meeting.

Written comments may also be submitted via US Mail to:

Housing Authority of the City of Alameda  
701 Atlantic Avenue  
Alameda, CA 94501

Written comments received by the Housing Authority prior to 12 Noon on the day of the meeting will be posted on the Housing Authority's website and presented at the meeting during the public comment period. Written comments received by the Housing Authority after



12 Noon, but prior to the meeting start time, will only be presented during the public comment period. Please mark any submission as "Public Comment" and indicate which agenda item they relate to.

- The public comment period is limited to three minutes per speaker.

Persons in need of special assistance to participate in the meetings of the Housing Authority of the City of Alameda, please contact (510) 747-4325 (voice), TTY/TRS: 711, or [jpolar@alamedahsg.org](mailto:jpolar@alamedahsg.org). Notification 72 hours prior to the meeting will assist the Housing Authority of the City of Alameda to make reasonable arrangements to provide accessibility or language assistance.

## PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Directors
2. AB2449 COMPLIANCE "AB2449 Compliance: The Chair will confirm that there are 4 members in the same, properly noticed meeting room within the jurisdiction of the City of Alameda. Each board member who is accessing the meeting remotely must disclose verbally whether they are able to be remote under AB2449: (1) just cause (max. 2 per year), or (2) emergency circumstances." For Emergency Circumstances, the request must be approved by a majority vote of the Board of Directors for the emergency circumstances to be used as a justification to participate remotely. Remote Directors must provide a general description of the circumstances relating to need to appear remotely at the given meeting. Director must also publicly disclose at the meeting, prior to any action, whether any other individuals 18 years or older are present in the room with the member at the remote location, and the general nature of the member's relationship with such individuals.
3. DIRECTOR RECUSALS
4. Motion to Accept the Order of the Board of Directors Agenda for the December 17, 2025 Meeting.
5. Public Comment (Non-Agenda)
6. CONSENT CALENDER

Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Directors or a member of the public.

- 6.A. Accept the quarterly report on the property financials for properties owned by the Housing Authority of the City of Alameda (AHA), Alameda Affordable Housing Corporation (AAHC), and Island City Development (ICD) for the period ending September 30, 2025. **Page 6**
- 6.B. Accept a report on the Budgets for the FPI-Managed Low-Income Housing Tax Credit (LIHTC) Sites. **Page 9**
- 6.C. Accept the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budgets for Lakehurst and Mosley, L.P. (Estuary I) for the Fiscal Year and Calendar Year 2026. **Page 16**
- 6.D. Accept the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budgets for Mabuhay and Lakehurst, L.P. (Linnet Corner) for the Fiscal Year and Calendar Year





2026. **Page 21**

- 6.E. Accept a Report on Compliance with SB721 California's Balcony Law. **Page 29**
- 6.F. Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**AAHC Scattered Sites**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**AAHC Scattered Sites**) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule. **Page 32**
- 6.G. Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**China Clipper**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**China Clipper**) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule. **Page 53**
- 6.H. Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Eagle Village**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**Eagle Village**) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule. **Page 74**
- 6.I. Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Esperanza Apartments**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721



addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(Esperanza Apartments)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule. **Page 95**

- 6.J. Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. **(Independence Plaza)** extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(Independence Plaza)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule. **Page 116**

- 6.K. Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. **(Anne B. Diamant)** extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(Anne B. Diamant)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule. **Page 137**

- 6.L. Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. **(Parrot Village)** extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(Parrot Village)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with



FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule. **Page 158**

7. AGENDA
8. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
9. WRITTEN COMMUNICATIONS
10. EXECUTIVE DIRECTOR'S COMMUNICATIONS
11. DIRECTORS COMMUNICATIONS, (Communications from the Directors)
12. ADJOURNMENT OF REGULAR MEETING

\* \* \* Note \* \* \*

Documents related to this agenda are available for public inspection and copying at the Alameda Affordable Housing Corporation office, 701 Atlantic Avenue, during normal business hours.

Know Your RIGHTS Under the Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Directors exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review, subject to limited statutory exceptions.

In order to assist the Alameda Affordable Housing Corporation's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Alameda Affordable Housing Corporation accommodate these individuals.





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701 Atlantic Avenue • Alameda, California 94501-2161

To: Board of Directors  
From: Nancy Gerardin, Director of Property Operations

Prepared By: Nancy Gerardin, Director of Property Operations

Date: December 17, 2025

Re: Accept the quarterly report on the property financials for properties owned by the Housing Authority of the City of Alameda (AHA), Alameda Affordable Housing Corporation (AAHC), and Island City Development (ICD) for the period ending September 30, 2025.  
6.A.

## **BACKGROUND**

Below is a summary analysis of cash flow, debt service coverage ratio, vacancy rate, and operating expenses for the wholly owned assets managed by FPI Management. The below represents the 799 units owned by the Housing Authority of the City of Alameda (AHA), Alameda Affordable Housing Corporation (AAHC), and Island City Development (ICD) for the quarter ending September 2025.

## **DISCUSSION**

All stabilized properties generated positive cash flow in the trailing 12-month period ending September 30, 2025. Portfolio-wide, the vacancy rate for stabilized properties was 5.7%. In the month of September, Estuary I completed lease up and Linnet Corner began lease up efforts.

Key Performance Indicators - AHA Properties - 12 Months Ending September 30, 2025						
	<u>IP</u>	<u>ABD</u>	<u>LJC</u>	<u>PG</u>	<u>PV</u>	<u>RV</u>
Operating Cash Flow	3,392,310	956,627	403,709	104,929	1,604,932	626,695
Debt Coverage Ratio	No Debt	No Debt	5.43	No Debt	50.37	2.47
Vacancy Rate	5.2%	1.5%	2.2%	8.8%	12.5%	6.1%
Operating Exp - PUPY	7,364	9,622	11,649	14,443	3,344	10,447
	<u>EC</u>	<u>AHA SS</u>	<u>AAHC SS</u>	<u>CC</u>	<u>Esper</u>	<u>Eagle</u>
Operating Cash Flow	83,039	431,807	438,452	329,490	2,570,177	715,036
Debt Coverage Ratio	1.47	No Debt	No Debt	No Debt	4.92	8.58
Vacancy Rate	10.3%	8.2%	0.4%	12.0%	5.0%	3.0%
Operating Exp - PUPY	14,732	9,414	11,669	10,011	10,522	9,163



The key performance indicators (KPIs) used in this analysis include:

- Operating Cash Flow, which includes payment of debt service interest, does not include the financial impact of any capital activity (repairs eligible for replacement reserve reimbursement) and does not include any reserve reimbursement that has occurred.
- Debt Coverage Ratio is NOI divided by hard debt.
- Vacancy Rate, calculated as Vacancy Loss (in dollars) as a proportion of Gross Potential Rent (GPR). Vacancy was significantly impacted during this period due to the delay with access to the referrals from the Wait List.
- Operating Expenses are routine expenses (as indicated in the property financial analysis on Attachment 1) and do not include mortgage payments, reserve deposits or depreciation. These are presented on a Per Unit Per Year basis.

### **FISCAL IMPACT**

No fiscal impact.

### **CEQA**

N/A

### **RECOMMENDATION**

Accept the quarterly report on the property financials for properties owned by the Housing Authority of the City of Alameda (AHA), Alameda Affordable Housing Corporation (AAHC), and Island City Development (ICD) for the period ending September 30, 2025.

### **ATTACHMENTS**

1. 11. B Quarterly Financials Attachment

Respectfully submitted,



Nancy Gerardin, Director of Property Operations

**Stabilized Portfolio**  
**12-Month trailing period ending September 30, 2025**

	IP	ABD	LJC	PG	PV	RV	EC	AHASS	AAHC SS	CC	Esper	Eagle
<u>Revenue</u>												
Gross Potential Rent	4,482,036	1,701,660	864,600	295,856	1,979,872	1,740,232	592,896	581,692	770,784	610,416	4,715,510	1,133,301
Vacancy Loss	(233,919)	(24,834)	(19,239)	(26,100)	(248,114)	(105,997)	(60,994)	(47,852)	(2,759)	(73,059)	(236,849)	(34,465)
Other Revenue	<u>513,920</u>	<u>(94,771)</u>	<u>10,523</u>	<u>(63,727)</u>	<u>72,878</u>	<u>379,329</u>	<u>22,833</u>	<u>142,734</u>	<u>(14,523)</u>	<u>52,421</u>	<u>9,486</u>	<u>40,381</u>
Effective Gross Income	4,762,037	1,582,055	855,884	206,029	1,804,636	2,013,564	554,735	676,574	753,502	589,778	4,488,147	1,139,217
<u>Operating Expenses</u>												
Payroll	349,303	189,968	159,822	24,457	39,335	226,204	52,939	57,333	58,666	53,760	263,413	46,376
Administration	289,171	94,351	60,209	15,419	18,303	294,786	102,429	96,196	151,938	54,100	168,893	67,638
Utilities	342,060	156,992	38,357	34,480	58,060	195,928	21,038	34,084	55,982	69,479	371,185	106,168
Maintenance	227,409	140,514	68,257	18,479	37,078	124,024	78,075	29,365	18,877	58,584	322,628	73,759
<u>Tax &amp; Insurance</u>	<u>161,784</u>	<u>43,603</u>	<u>34,476</u>	<u>8,265</u>	<u>14,419</u>	<u>120,219</u>	<u>40,168</u>	<u>27,789</u>	<u>29,587</u>	<u>24,365</u>	<u>136,573</u>	<u>35,926</u>
Total Operating Expenses	1,369,727	625,428	361,121	101,100	167,195	961,161	294,649	244,767	315,050	260,288	1,262,692	329,867
Net Operating Income	3,392,310	956,627	494,763	104,929	1,637,441	1,052,403	260,086	431,807	438,452	329,490	3,225,455	809,350
<u>Mortgage Interest</u>	<u>No Debt</u>	<u>No Debt</u>	<u>91,054</u>	<u>No Debt</u>	<u>32,509</u>	<u>425,708</u>	<u>177,047</u>	<u>No Debt</u>	<u>No Debt</u>	<u>No Debt</u>	<u>655,278</u>	<u>94,314</u>
Operating Cash Flow	3,392,310	956,627	403,709	104,929	1,604,932	626,695	83,039	431,807	438,452	329,490	2,570,177	715,036

**Properties in Lease-Up Phase**  
**Abbreviated Review Period ending September 30, 2025**

	<u>Estuary</u>	<u>Linnet</u>
<u>Revenue:</u>		
GPR	302,100	118,629
Vacancy	(81,654)	(88,769)
<u>Other Rev</u>	<u>(4,867)</u>	<u>4,031</u>
EGI	215,579	33,891
<u>Oper Exp</u>	<u>55,521</u>	<u>97,217</u>
NOI	160,058	(63,326)





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To: Board of Directors  
From: Nancy Gerardin, Director of Property Operations

Prepared By: Nancy Gerardin, Director of Property Operations

Date: December 17, 2025

Re: Accept a report on the Budgets for the FPI-Managed Low-Income Housing Tax Credit (LIHTC) Sites.  
6.B.

---

### **BACKGROUND**

The role of Property Operations includes compliance with applicable regulatory agreements and underwritten financial performance. In collaboration with FPI Management, a 3rd party property management provider, Property Operations, Finance, and Housing Development have prepared the draft 2026 operating budgets. Staff are submitting the annual operating budgets for the following LIHTC properties: Estuary I and Linnet Corner. These properties were built since 2018, developed by Island City Development (ICD), and are managed by FPI.

### **DISCUSSION**

The operating budget is a projection of the upcoming year's operating revenue and expenses including administrative, marketing, utilities, operating and maintenance, taxes and insurance, and resident services. This budget also includes other required financial expenses such as the monthly debt service payments and replacement reserve deposits for projecting the amount of cash flow available for distribution where applicable. Property Operations, Housing Development, and Finance have reviewed and now submit the annual 2026 draft budgets to the Island City Development Board of Commissioners for approval. Property Operations and Housing Development also submit the budgets to the appropriate lenders and regulatory agencies. Staff will bring any revision requests from funders over 10% of total budget back to the Board of Directors for approval.

### **FISCAL IMPACT**

Not applicable.



**CEQA**

Not applicable.

**RECOMMENDATION**

Accept a report on the Budgets for the FPI-Managed Low-Income Housing Tax Credit (LIHTC) Sites and the Budgets for the John Stewart Company-Managed and Satellite Affordable Housing Associates-Managed Low-Income Housing Tax Credit (LIHTC) Sites.

**ATTACHMENTS**

1. 11.B 2026 LIHTC Budget Presentation 12.17.2025

Respectfully submitted,



Nancy Gerardin, Director of Property Operations

**11.B Approve LIHTC Property Budgets for the Island City  
Development and Joint-Venture Owned Properties for January  
1, 2026 – December 31, 2026; Accept a Presentation on the Budgets  
for the FPI-Managed Low-Income Housing Tax Credit (LIHTC) Sites**

# Estuary

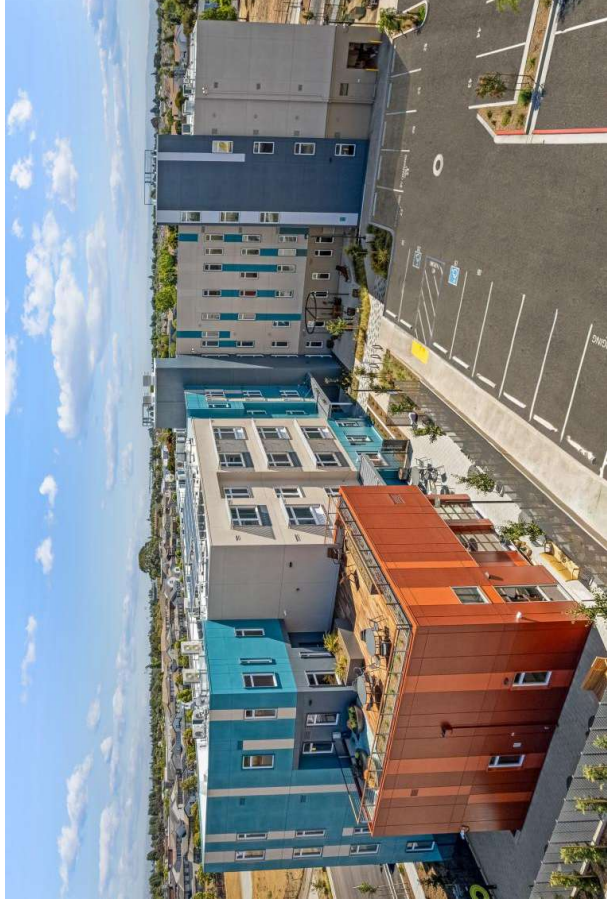


- Lease up began in August and was completed within 30 days and 100% occupancy achieved by September 2025.
- Significant resident engagement by management and LifeSTEPS to provide both services and sense of community.

# Estuary

Estuary I		Budget Summary													
# of Units Vacancy %	45 5.0%	Total Revenue:		Total \$ / Unit		Net Oper. Income:		Total		\$ / Unit					
		1,132,623	25,169	341,098	7,580	791,526	17,589	63,700	1,416	5,600	124	271,798	6,040		
FPI MANAGEMENT		Net Oper. Income:		341,098		7,580		Non-Operating Expenses:		Cash Flow:					
CAPITAL GROUNDWATER INITIATIVE															
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	\$/Unit
Revenue															
Total Rent Revenue		92,995	92,995	92,995	92,995	92,995	92,995	95,381	95,381	95,381	95,381	95,381	95,381	1,130,254	25,117
Retail Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenue		305	305	305	90	305	90	305	90	305	90	305	90	2,369	53
TOTAL REVENUE															
		93,300	93,095	93,300	93,095	93,300	93,095	95,686	95,471	95,686	95,471	95,686	95,471	1,132,623	25,163
OPERATING EXPENSES															
Payroll		13,955	14,888	14,439	14,439	14,439	14,439	20,585	14,439	14,439	14,439	14,439	14,439	189,089	4,202
Leasing & Marketing Expenses		1,125	25	25	1,125	25	25	1,125	25	25	25	25	25	11,180	248
Administrative Expenses		22,768	22,958	22,958	22,958	25,654	24,002	22,960	22,995	22,108	22,093	22,108	22,093	273,386	6,075
Property Management Expense		2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	26,460	588
Utility Expenses		7,838	7,838	7,838	7,838	7,838	7,838	7,838	7,838	7,838	7,838	7,838	7,838	94,059	2,090
Repairs & Maintenance Expense		9,656	8,606	11,194	9,181	9,256	8,606	9,656	9,623	20,233	10,198	10,273	9,623	126,103	2,802
Turnover Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes & Insurance Expenses		5,937	5,937	5,937	5,937	5,937	5,937	5,937	5,937	5,937	5,937	5,937	5,937	71,248	1,583
TOTAL OPER. EXPENSES															
		63,495	62,457	63,896	62,818	65,354	63,092	70,166	62,462	72,784	70,314	62,824	71,893	791,526	17,589
NET OPERATING INCOME															
		29,815	30,628	29,404	30,267	27,945	30,032	25,500	33,009	22,902	25,157	32,862	23,578	341,098	7,580
Debt Service (Interest)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partnership & Other Expenses		3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	41,200	916
Startup Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INCOME															
		26,382	27,194	25,971	26,834	24,512	26,599	22,066	29,576	19,468	21,723	29,428	20,144	299,898	6,664
Debt Service (principal Payments)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation & Amort. (Add Back)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserves		(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(1,875)	(22,500)	(500)
Capital Repairs		0	0	0	0	0	0	0	0	0	0	0	0	(5,600)	(124)
Capital Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reliab. Expense		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Expense		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to Cash Flow		0	0	0	0	0	0	0	0	0	0	0	0	0	0
CASH FLOW															
		24,507	25,319	24,096	24,969	22,637	21,324	20,181	27,701	17,583	19,848	27,553	15,463	271,798	6,040
DSCR		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

# Linnet Corner



- Lease up began in September 2025 and achieved 78% by October 31<sup>st</sup>.
- Significant resident engagement by management and LifeSTEPS to provide both services and sense of community.



# Linnet Corner

Linnet Corner												
# of Units Vacancy %	64 5.0%	Budget Summary										
		Total										\$ / Unit
		1,409,344										713,372
		695,972										10,875
FPI MANAGEMENT		713,372										88
TOTAL OPER. INCOME:		574,872										8,982
Revenue												
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
115,346	115,346	115,346	115,346	115,346	115,346	118,051	118,051	118,051	118,051	118,051	118,051	1,400,385
0	0	0	0	0	0	0	0	0	0	0	0	0
1,035	575	575	1,035	575	575	1,035	575	575	1,255	575	575	8,959
116,381	115,921	115,921	116,381	115,921	115,921	119,086	118,626	118,626	119,306	118,626	118,626	1,409,344
OPERATING EXPENSES												
14,371	15,304	14,840	14,840	14,840	14,840	21,166	14,840	14,840	14,840	14,840	24,774	194,334
1,600	25	25	1,600	25	25	1,600	25	25	1,600	25	25	223
9,718	9,563	8,848	8,758	15,046	10,738	9,873	9,138	8,698	8,778	8,698	8,698	116,553
3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	37,632
11,129	11,129	11,129	11,129	11,129	11,129	11,129	11,129	11,129	11,129	11,129	11,129	133,550
9,328	6,898	7,528	9,503	6,898	6,898	9,328	9,328	20,271	12,751	8,931	8,931	116,193
0	0	0	0	0	0	0	0	0	0	0	0	0
6,752	6,752	6,752	9,160	6,752	6,752	6,752	6,752	6,752	6,752	6,752	6,752	83,431
56,034	52,806	52,257	58,125	57,826	53,517	52,984	53,951	64,951	66,665	53,511	63,445	695,972
60,348	63,115	63,664	58,256	58,096	62,404	56,102	64,675	53,775	52,640	65,115	55,181	713,372
NET OPERATING INCOME												
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
8,408	8,408	8,408	8,408	8,408	8,408	8,408	8,408	8,408	8,408	8,408	8,408	100,900
0	0	0	0	0	0	0	0	0	0	0	0	0
51,939	54,707	55,256	49,848	49,687	53,996	47,694	56,267	45,367	44,232	56,707	46,773	612,472
NET INCOME												
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(2,667)	(32,000)
0	0	0	0	0	0	0	0	0	0	0	0	(5,600)
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
CASH FLOW												
49,273	52,040	52,589	47,181	47,021	49,529	45,027	53,600	42,700	41,585	54,040	41,306	574,872
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DSCR												

**Low- Income Housing Tax Credit (LIHTC) Annual Operating  
Budget for Lakehurst and Mosley, L.P. (Estuary I) for the  
Fiscal Year and Calendar Year 2026.**

2026 Operating Budget



Estuary I

**Hide or Unhide Rows**

Budget Detail		Annual Totals	Per Unit Per Year
<b>RENTAL INCOME</b>			
5120-005 MARKET RENT (45 Apts.)	[ 1 ]	130,944	2,910
5121-000 TENANT ASSISTANCE PAYMENTS	[ 2 ]	1,099,704	24,438
GROSS POTENTIAL RENT		1,230,648	27,348
5220-000 VACANCIES (5.0%)	[ 3 ]	(61,532)	(1,367)
5731-000 RENT FREE UNIT (MGR)	[ 4 ]	(38,616)	(858)
NET RENTAL INCOME		1,130,254	25,117
#			
<b>OTHER INCOME</b>			
5920-000 NSF AND LATE CHARGES	[ 7 ]	900	20
5940-000 FORFEITED TENANT SECURITY DEP.	[ 8 ]	1,200	27
5990-300 APPLICATION SCREENING FEE	[ 9 ]	269	6
TOTAL OTHER INCOME		2,369	53
NET INCOME		1,132,623	25,169
<b>PAYROLL &amp; BENEFITS</b>			
6330-000 MANAGEMENT SALARIES	[ 10 ]	67,102	1,491
6335-000 BONUS SALARIES	[ 11 ]	2,200	49
6500-200 MAINT. TECHNICIAN - SALARY	[ 12 ]	69,392	1,542
6711-000 PAYROLL TAXES	[ 13 ]	11,548	257
6380-000 PAYROLL ADMIN	[ 14 ]	838	19
6722-000 WORKMAN'S COMPENSATION	[ 15 ]	10,542	234
6722-100 SAFE FUND	[ 16 ]	5,091	113
6723-000 HEALTH INS. & EMPL. BENEFITS	[ 17 ]	22,375	497
TOTAL PAYROLL		189,089	4,202
<b>LEASING AND MARKETING</b>			
6250-000 OTHER RENTING EXPENSE	[ 18 ]	11,180	248

## TOTAL LEASING AND MARKETING

11,180 248

**ADMIN. EXPENSES**

6200-550 EMPLOYEE ADS	[ 19 ]	450	10
6250-100 CREDIT REPORTS	[ 20 ]	857	19
6250-300 CABLE TV	[ 21 ]	2,700	60
6310-500 OFFICE EQUIPMENT	[ 22 ]	1,200	27
6311-000 OFFICE SUPPLIES	[ 23 ]	1,200	27
6320-000 MGMT. FEES (\$49.00)	[ 24 ]	26,460	588
6320-350 SOCIAL SERVICES FEE	[ 25 ]	220,000	4,889
6340-000 LEGAL EXPENSES (PROJECT)	[ 26 ]	1,100	24
6350-000 AUDITING EXPENSES (PROJECT)	[ 27 ]	12,500	278
6350-100 COMPLIANCE EXPENSE	[ 28 ]	6,293	140
6360-000 TELEPHONE & ANSWERING SERVICE	[ 29 ]	8,495	189
6360-100 INTERNET ACCESS	[ 30 ]	1,200	27
6360-200 MEETING/STAFF DEVELOPMENT	[ 31 ]	600	13
6370-100 POSTAGE	[ 32 ]	600	13
6370-300 TRAVEL/MILEAGE	[ 33 ]	600	13
6390-010 RENTERS INSURANCE EXPENSE	[ 34 ]	5,940	132
6390-060 COMPUTER EXPENSE OFFICE	[ 35 ]	1,772	39
6390-065 COMPUTER SOFTWARE EXPENSE	[ 36 ]	6,075	135
6390-150 TRAINING	[ 37 ]	1,804	40

## TOTAL &amp; ADMIN. EXPENSES

299,846 6,663

**UTILITIES EXPENSES**

6450-000 ELECTRICITY	[ 38 ]	7,740	172
6451-000 WATER	[ 39 ]	36,630	814
6453-000 SEWER	[ 40 ]	14,445	321
6454-000 GARBAGE AND TRASH	[ 41 ]	29,394	653
6454-010 EXTRAORDINARY TRASH REMOVAL	[ 42 ]	5,850	130

## TOTAL UTILITIES EXP.

94,059 2,090

**OPER. & MAINT. EXPENSES**

6515-000 CLEANING SUPPLIES	[ 43 ]	3,150	70
6517-000 CLEANING CONTRACT (UNITS)	[ 44 ]	900	20
6517-050 CLEANING CONTRACT (COMMON)	[ 45 ]	16,158	359
6519-000 EXTERMINATING CONTRACT	[ 46 ]	4,132	92
6530-000 PATROL SERVICE CONTRACT	[ 47 ]	54,000	1,200
6530-100 ALARM SERVICE	[ 48 ]	1,936	43
6537-000 GROUNDS CONTRACT	[ 49 ]	4,920	109

6541-050 REPAIRS MATERIAL-APPLIANCES	[ 50 ]	300	7
6541-200 REPAIRS MATERIAL-ELECTRICAL	[ 51 ]	600	13
6541-300 REPAIRS MATERIAL-PLUMBING	[ 52 ]	1,200	27
6541-600 REPAIRS MATERIAL-LIGHTS/FANS/FIXTURES	[ 53 ]	300	7
6541-900 REPAIRS MATERIAL-MISC.	[ 54 ]	600	13
6541-901 REPAIR MATERIALS-FIRE PROT	[ 55 ]	600	13
6541-904 REPAIR MAT-DOORS/WINDOWS	[ 56 ]	600	13
6541-905 REPAIR MATERIALS-KEYS/LOCKS	[ 57 ]	495	11
6541-906 REPAIR MATERIAL-EQUIP/TOOLS	[ 58 ]	600	13
6541-908 REPAIR MATERIALS-UNIFORMS	[ 59 ]	350	8
6542-200 REPAIRS CONTRACT-ELECTRICAL	[ 60 ]	600	13
6542-300 REPAIRS CONTRACT-PLUMBING	[ 61 ]	1,500	33
6542-600 REPAIRS CONTRACT-LIGHTS/FANS/FIXTURES	[ 62 ]	750	17
6542-901 REPAIR CONTRACT-FIRE PROT	[ 63 ]	9,960	221
6542-904 REPAIR CONT-DOOR/WINDOWS	[ 64 ]	750	17
6545-000 ELEVATOR MAINTENANCE/CONTRACT	[ 65 ]	5,083	113
6560-100 INTERIOR PAINTING CONTRACT	[ 66 ]	9,000	200
6560-110 PAINTING SUPPLIES	[ 67 ]	1,890	42
6590-000 MISC. OPER. & MAINT. REPAIRS	[ 68 ]	5,729	127

TOTAL OPERATING & MAINT. EXPENSE		126,103	2,802
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#### **TAXES AND INSURANCE**

6719-000 BUSINESS TAX & LICENSE	[ 69 ]	2,408	54
6720-000 PROPERTY & LIAB. INS. (HAZARD)	[ 70 ]	64,840	1,441
6729-000 OTHER INSURANCE	[ 71 ]	4,000	89

TOTAL TAXES AND INSURANCE		71,248	1,583
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<b>TOTAL OPERATING EXPENSES</b>		791,526	17,589
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<b>NET OPERATING INCOME</b>		341,098	7,580
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#### **FINANCIAL EXPENSES**

TOTAL FINANCIAL EXPENSES		0	0
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#### **CORPORATE ENTITY**

7120-200 ASSET MANAGEMENT FEE	[ 72 ]	5,150	114
7120-450 MANAGING GENERAL PARTNER FEE	[ 73 ]	36,050	801

TOTAL CORPORATE ENTITY		41,200	916
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**CAPITAL EXPENSES**

7350-000 CARPET &amp; FLOOR REPLACEMENT

[ 74 ]

4,000

89

7380-000 APPLIANCE REPLACEMENT

[ 75 ]

1,600

36

TOTAL CAPITAL EXPENSES

5,600

124

**NET INCOME****CASH FLOW/(LOSS)**

NET INCOME (As Per Above)

PLUS: DEPRECIATION (As Per Above)

2320-000 MORTGAGE PAYABLE

2320-010 MORTGAGE PAYABLE - 2ND

2320-020 MORTGAGE PAYABLE - 3RD

2320-030 MORTGAGE PAYABLE - 4TH

2310-000 NOTES PAYABLE (LONG-TERM)

2310-010 NOTES PAYABLE (LONG-TERM)-2ND

1320-000 RESERVE FOR REPLACEMENTS

R &amp; R WITHDRAWALS

1320-006 RESERVE FOR REPLACEMENTS II

OTHER RESERVE WITHDRAWAL

**POSITIVE/(NEGATIVE) CASH FLOW**



**Low- Income Housing Tax Credit (LIHTC) Annual Operating  
Budget for Mabuhay and Lakehurst, L.P. (Linnet Corner) for  
the Fiscal Year and Calendar Year 2026.**

## 2026 Operating Budget

### Linnet Corner



Hide or Unhide Rows

Budget Detail		Annual Totals	Per Unit Per Year
<b>RENTAL INCOME</b>			
5120-005 MARKET RENT (64 Apts.)	[ 1 ]	330,534	5,165
GROSS POTENTIAL RENT		1,515,390	23,678
5220-000 VACANCIES (5.0%)	[ 3 ]	(75,770)	(1,184)
5731-000 RENT FREE UNIT (MGR)	[ 4 ]	(38,616)	(603)
5940-005 BAD DEBT	[ 5 ]	(826)	(13)
5940-010 BAD DEBT RECOVERY	[ 6 ]	207	3
NET RENTAL INCOME		1,400,385	21,881
#			
<b>OTHER INCOME</b>			
5910-000 LAUNDRY SERVICE	[ 7 ]	6,000	94
5920-000 NSF AND LATE CHARGES	[ 8 ]	900	14
5940-000 FORFEITED TENANT SECURITY	[ 9 ]	1,800	28
5990-300 APPLICATION SCREENING FE	[ 10 ]	259	4
TOTAL OTHER INCOME		8,959	140
NET INCOME		1,409,344	22,021
<b>PAYROLL &amp; BENEFITS</b>			
6330-000 MANAGEMENT SALARIES	[ 11 ]	71,548	1,118
6335-000 BONUS SALARIES	[ 12 ]	2,200	34

6500-200 MAINT. TECHNICIAN - SALARY	[ 13 ]	69,392	1,084
6711-000 PAYROLL TAXES	[ 14 ]	11,917	186
6380-000 PAYROLL ADMIN	[ 15 ]	838	13
6722-000 WORKMAN'S COMPENSATION	[ 16 ]	10,808	169
6722-100 SAFE FUND	[ 17 ]	5,255	82
6723-000 HEALTH INS. & EMPL. BENEFIT	[ 18 ]	22,375	350

TOTAL PAYROLL		194,334	3,036
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### LEASING AND MARKETING

6250-000 OTHER RENTING EXPENSE	[ 19 ]	14,280	223
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TOTAL LEASING AND MARKETING		14,280	223
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### ADMIN. EXPENSES

6200-550 EMPLOYEE ADS	[ 20 ]	675	11
6250-100 CREDIT REPORTS	[ 21 ]	847	13
6250-300 CABLE TV	[ 22 ]	2,700	42
6310-500 OFFICE EQUIPMENT	[ 23 ]	1,200	19
6311-000 OFFICE SUPPLIES	[ 24 ]	1,200	19
6320-000 MGMT. FEES (\$49.00)	[ 25 ]	37,632	588
6320-350 SOCIAL SERVICES FEE	[ 26 ]	57,601	900
6340-000 LEGAL EXPENSES (PROJECT)	[ 27 ]	1,100	17
6350-000 AUDITING EXPENSES (PROJECT)	[ 28 ]	12,500	195
6350-100 COMPLIANCE EXPENSE	[ 29 ]	8,920	139
6360-000 TELEPHONE & ANSWERING SERVICE	[ 30 ]	7,454	116
6360-100 INTERNET ACCESS	[ 31 ]	1,200	19
6360-200 MEETING/STAFF DEVELOPMENT	[ 32 ]	600	9
6370-100 POSTAGE	[ 33 ]	600	9
6370-300 TRAVEL/MILEAGE	[ 34 ]	600	9
6390-010 RENTERS INSURANCE EXPENSE	[ 35 ]	5,940	93
6390-060 COMPUTER EXPENSE OFFICE	[ 36 ]	2,155	34
6390-065 COMPUTER SOFTWARE EXPENSE	[ 37 ]	9,206	144

6390-150 TRAINING	[ 38 ]	2,055	32
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TOTAL & ADMIN. EXPENSES		154,185	2,409
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#### UTILITIES EXPENSES

6450-000 ELECTRICITY	[ 39 ]	11,008	172
6451-000 WATER	[ 40 ]	52,096	814
6453-000 SEWER	[ 41 ]	20,544	321
6454-000 GARBAGE AND TRASH	[ 42 ]	41,582	650
6454-010 EXTRAORDINARY TRASH REM	[ 43 ]	8,320	130

TOTAL UTILITIES EXP.		133,550	2,087
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#### OPER. & MAINT. EXPENSES

6515-000 CLEANING SUPPLIES	[ 44 ]	4,225	66
6517-000 CLEANING CONTRACT (UNITS	[ 45 ]	1,350	21
6517-050 CLEANING CONTRACT (COMM	[ 46 ]	16,230	254
6519-000 EXTERMINATING CONTRACT	[ 47 ]	4,900	77
6530-000 PATROL SERVICE CONTRACT	[ 48 ]	31,800	497
6530-100 ALARM SERVICE	[ 49 ]	1,936	30
6537-000 GROUNDS CONTRACT	[ 50 ]	5,256	82
6541-050 REPAIRS MATERIAL-APPLIAN	[ 51 ]	400	6
6541-200 REPAIRS MATERIAL-ELECTRI	[ 52 ]	750	12
6541-300 REPAIRS MATERIAL-PLUMBIN	[ 53 ]	1,500	23
6541-600 REPAIRS MATERIAL-LIGHTS/F	[ 54 ]	400	6
6541-900 REPAIRS MATERIAL-MISC.	[ 55 ]	750	12
6541-901 REPAIR MATERIALS-FIRE PRO	[ 56 ]	750	12
6541-904 REPAIR MAT-DOORS/WINDOW	[ 57 ]	750	12
6541-905 REPAIR MATERIALS-KEYS/LO	[ 58 ]	725	11
6541-906 REPAIR MATERIAL-EQUIP/TO	[ 59 ]	750	12
6541-908 REPAIR MATERIALS-UNIFORM	[ 60 ]	350	5
6542-200 REPAIRS CONTRACT-ELECTR	[ 61 ]	750	12
6542-300 REPAIRS CONTRACT-PLUMBI	[ 62 ]	2,000	31

6542-600 REPAIRS CONTRACT-LIGHTS/FANS	[ 63 ]	1,000	16
6542-901 REPAIR CONTRACT-FIRE PRC	[ 64 ]	9,960	156
6542-904 REPAIR CONT-DOOR/WINDOW	[ 65 ]	950	15
6545-000 ELEVATOR MAINTENANCE/CONTRA	[ 66 ]	10,167	159
6560-100 INTERIOR PAINTING CONTRA	[ 67 ]	9,000	141
6560-110 PAINTING SUPPLIES	[ 68 ]	2,085	33
6590-000 MISC. OPER. & MAINT. REPAIR	[ 69 ]	7,459	117

TOTAL OPERATING & MAINT. EXPENSE		116,193	1,816
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#### **TAXES AND INSURANCE**

6719-000 BUSINESS TAX & LICENSE	[ 70 ]	2,408	38
6720-000 PROPERTY & LIAB. INS. (HAZ)	[ 71 ]	77,023	1,203
6729-000 OTHER INSURANCE	[ 72 ]	4,000	63

TOTAL TAXES AND INSURANCE		83,431	1,304
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<b>TOTAL OPERATING EXPENSES</b>		<b>695,972</b>	<b>10,875</b>
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<b>NET OPERATING INCOME</b>		<b>713,372</b>	<b>11,146</b>
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#### **FINANCIAL EXPENSES**

TOTAL FINANCIAL EXPENSES		0	0
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#### **CORPORATE ENTITY**

7190-000 OTHER ENTITY EXPENSES	[ 73 ]	77,037	1,204
7120-200 ASSET MANAGEMENT FEE	[ 74 ]	5,150	80
7120-450 MANAGING GENERAL PARTNER	[ 75 ]	18,713	292

TOTAL CORPORATE ENTITY

100,900

1,577

### CAPITAL EXPENSES

7350-000 CARPET & FLOOR REPLACEM [ 76 ]

4,000

63

7380-000 APPLIANCE REPLACEMENT [ 77 ]

1,600

25

TOTAL CAPITAL EXPENSES

5,600

88

### NET INCOME

### CASH FLOW/(LOSS)

NET INCOME (As Per Above)

PLUS: DEPRECIATION (As Per Above)

2320-000 MORTGAGE PAYABLE

2320-010 MORTGAGE PAYABLE - 2ND

2320-020 MORTGAGE PAYABLE - 3RD

2320-030 MORTGAGE PAYABLE - 4TH

2310-000 NOTES PAYABLE (LONG-TERM)

2310-010 NOTES PAYABLE (LONG-TERM)-2ND

1320-000 RESERVE FOR REPLACEMENTS

R & R WITHDRAWALS

1320-006 RESERVE FOR REPLACEMENTS II

OTHER RESERVE WITHDRAWAL



**POSITIVE/(NEGATIVE) CASH FLOW**





**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Joseph Nagel, Senior Construction Project Manager  
Prepared By: Joseph Nagel, Senior Construction Project Manager  
Date: December 17, 2025  
Re: Accept a Report on Compliance with SB721 California's Balcony Law.  
6.E.

---

## **BACKGROUND**

The Housing Authority of the City of Alameda (AHA) and its affiliate, the Alameda Affordable Housing Corporation, own and operate several multifamily properties throughout Alameda.

In 2018, the California State Senate passed a law titled California Senate Bill 721 (SB721), also known as the "Balcony Inspection Law", in response to a 2015 tragic balcony collapse in Berkeley where 6 individuals died and 7 additional people were injured. SB721 aims to prevent future structural failures caused by deterioration and water intrusion.

The law requires the inspection of a building for which a building permit application has been submitted on or after January 1, 2019, to occur no later than 6 years following the issuance of a certificate of occupancy from the local jurisdiction.

The current inspection deadline is January 1, 2026, with subsequent inspections required every six years. This law applies to multifamily apartment buildings with three or more residential units that have exterior elevated elements (EEE's) supported by wood or wood-based products, such as balconies, decks and stairways.

The inspections include assessment of the load-bearing components and associated waterproofing elements of a sample of at least 15 percent of each type of exterior elevated element using methods that allow for evaluation of their performance and condition by direct visual examination and utilizing borescope cameras and other equipment to assess hard-to-reach areas such as enclosed floor spaces.

## **DISCUSSION**

In 2019, Anne B. Diamant (ABD) (65 Units/48 EEE's) and Independence Plaza (186 Units/127 EEE's) were inspected by Applied Materials & Engineering, Inc. As a result of the 2019 inspections, in 2022-2024, 30 balconies were fully replaced at ABD and 56 balconies



and 25 guardrails were fully replaced at Independence Plaza.

In 2024, Bureau Veritas inspected ABD (65 Units/48 EEE's), China Clipper (26 Units/6 EEE's), Esperanza (120 Units/6 EEE's), Independence Plaza (186 Units/127 EEE's), Lincoln House (4 Units/2 EEE's), and Stanford House (4 Units/1 EEE). Due to the age of these properties, 100 percent of EEE's were inspected instead of the required 15 percent.

As a result of these inspections, 2 balconies at China Clipper, 1 balcony at Lincoln House, and some post to roof connections were identified at Esperanza. Plans and permit applications have been submitted to the building department for the repairs at China Clipper and Lincoln House. The new post connections/retrofits are currently being designed by Barry and Wynn Associates.

Everett Commons (21 Units/9 EEE's) and LittleJohn Commons (31 Units/26 EEE's) were also inspected by Bureau Veritas in 2024. These properties were both built in 2018, and as a result, only the required 15 percent were inspected. No repairs were required.

California Senate Bill (SB) 326 requires inspections of exterior elevated elements (EEE) like balconies and decks, for condominiums and homeowner associations (HOA's) to ensure their safety. The law mandates that an initial inspection by a qualified professional must be completed by January 1, 2025, with subsequent inspections every nine years. For the condominiums owned by AHA or AAHC, staff is asking for updates from the respective HOA's that should be taking the lead for this work. RCD, as the managing general partner, has been the lead for Shinsei Gardens LP. Staff is requesting updates from other developer/partners on affordable housing where AHA has a loan or ground lease. AHA is also requesting an update from properties where it is a ground lessor to a land trust that may be subject to this requirement.

The AHA office balcony is not subject to SB721. It is not classified as a multifamily property with 3 or more dwelling units.

In the future, all properties with 3 or more dwelling units will have a minimum of 15 percent of the EEE's inspected every six years. If significant defects are present during the 15 percent component inspections, the sampling size will be increased to 100 percent for that property. Rosefield Village will be inspected in 2028 and added to the existing cycle of the other properties in 2030 and 2036.

### **FISCAL IMPACT**

Funding for repairs on existing properties owned by either AHA or AAHC are made from property reserves or the 2025 Reserve Policy Preservation Budget, as adopted by the AHA Board of Commissioners.

### **CEQA**

None.

### **RECOMMENDATION**

Accept the Report on Compliance with the SB721 California Balcony Law.



**ATTACHMENTS**

None

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joseph Nagel". The signature is fluid and cursive, with the first name "Joseph" and last name "Nagel" clearly distinguishable.

Joseph Nagel, Senior Construction Project Manager



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Radha Mehta, Management Analyst

Prepared By: Radha Mehta, Management Analyst

Date: December 17, 2025

Re: Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. **(AAHC Scattered Sites)** extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(AAHC Scattered Sites)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.  
6.F.

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## **BACKGROUND**

The Housing Authority of City of Alameda (AHA) has been utilizing third party property management services to provide efficient management and operation services for AHA residential properties. Outsourcing the management of properties has allowed AHA to continue prioritizing the administration of its housing assistance programs. On August 18, 2022, AHA issued a Request for Qualifications (RFQ) to manage AHA's multifamily portfolio, with the anticipated contract start date of January 1, 2023, which also included additional properties to be added in the coming years. The scope of services within the RFQ included leasing and operations, property management, management of relationships between vendors and service providers, repair and maintenance work payments, budget preparation, initial lease up and project start up, enforcement of lease, and reporting services to AHA.

In September 2022, the RFQ Evaluation Committee reviewed and ranked the submissions. In



October 2022, the top firms were invited to interview with an AHA interview panel. FPI was ranked first by the panelists for property management services and was awarded property management services agreements for properties owned by three separate entities; AHA, Alameda Affordable Housing Corporation (AAHC) and various Island City Development's (ICD) Limited Partnerships. FPI presented a strong proposal because of its experience managing affordable housing developments. On January 1, 2023, AAHC Scattered Sites transitioned from The John Stewart Company to FPI Property Management, Inc. and the Board of Commissioners approved an initial three-year agreement, with a term period of December 31, 2025 and two 1-year options to extend the term. Staff is now recommending to execute the first one year option.

## **DISCUSSION**

AAHC Scattered Sites includes 27 properties. The agreement for AAHC Scattered Sites with FPI includes monthly management fees along with other contract fees. The monthly management fees are charged at \$49.00 per unit per month. Other contract fees include property-specific personnel costs, worker's compensation, Safe Fund Charge, taxes, health insurance benefits, payroll processing costs, postage, holiday event charge, training costs, software and technical costs, vault archive charge, cyber and data security, training manual costs, bank analysis fees, compliance monitoring fees, third-party eligibility file review fees and one-time on-boarding transition fee for stabilized properties. The property and maintenance vendor payments are excluded from the contract costs below. The property agreements with FPI do not have not-to-exceed amounts due to the nature of the contract expenses. Certain expenses such as personnel and insurance costs for FPI were not detailed as the costs varied by properties and positions. These costs are approved annually in the budget process. It is important to notice that many of these are pass through costs, such as site-based payroll which are reimbursed by the owner for service rendered. This is standard property management practice. Based on the accrued costs for the properties, Staff anticipate approximately \$170,011.36 to be paid for the contract and management fee cost for year 2026. These numbers below are an estimate only.

Owner	Term Date	# of Units	Management Fee Expensed	Contract Expenses	Total Expenditures	Projected Expenditures (1/1/2026 to 12/31/2026)
AAHC Scattered Sites	12/31/2025	27	\$48,915.80	\$291,106.92	\$340,022.72	\$170,011.36

FPI has requested a slight increase to the Safe Fund fee from 3.25% to 3.55%. The Safe Fund fee is used to fund multiple employee-related expense arising from litigation and/or FPI employees that arise from the Property. This charge is calculated based on a percentage of on-site employee payroll compensation at the Project. Examples of the fees include safety training, labor law and safety posters, OSHA kits, respirator kit, and safety program management. AHA staff is also requesting an extension of property management services by one year. However, AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms. Staff also expects to rebid property management services in 2026, as there is only one more year of extension permitted on the contract.



Health and Safety Code Section 17973, also known as California's SB 721 Balcony Law which was approved by the Governor back in 2018, requires property managers of multi-family buildings (3+ units) to ensure that balconies, decks, porches and other elevated exterior elements are inspected by a qualified professional. The Addendum extended the deadline for the initial inspection to January 1, 2026. The Bill requires inspections to be conducted every six years. The proposed Balcony Law Addendum is an agreement between FPI and AHA to adhere to the Balcony Law, which will be attached to the property management agreement as the new Exhibit F to the agreement. A separate report on SB721 compliance is included in this Board packet.

#### Change in Control of FPI to Asset Living

As of August 1, 2025, Sako and Partners Holdings, LLC, a Texas based limited liability company doing business as Asset Living Asset Living purchased the controlling share of FPI Management. FPI has informed AHA the transition will have minimal impact on the residents and the quality of service. FPI has also maintained there will be no changes to the agreed fees. AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025. A consent of change letter is included in the action proposed and also referenced as Exhibit G to the agreement in Amendment No. 1.

#### Other Changes

The requested action from the Board also includes a request to Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider. In the event of a major change that is not in the owners' favor, the Property Management Agreement would come back to the board for approval. For some sites, especially the LIHTC Sites, staff expect these stakeholders to ask or require for change in 2026 that are more favorable to the ownership and/or insurance entities and Staff may need to move quickly to make changes.

#### **FISCAL IMPACT**

Funding for this contract has been approved and is budgeted for in the current fiscal year, including the minor fee increases. Expenditures will continue to be reviewed prior to submission of the upcoming fiscal year's budget and prior to any further extensions of this contract.

#### **CEQA**

Not Applicable

#### **RECOMMENDATION**

Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**AAHC Scattered Sites**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment





to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(AAHC Scattered Sites)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.

**ATTACHMENTS**

1. AAHC Scattered Sites- Amendment No. 1

Respectfully submitted,

*Radha Mehta*

Radha Mehta, Management Analyst

## **FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT (“Amendment”)** is entered into as of 18<sup>th</sup> day of December, 2025, ("**Effective Date**") by and between the ALAMEDA AFFORDABLE HOUSING CORPORATION, nonprofit public benefit corporation ("**Owner**"), and FPI MANAGEMENT, INC., a California corporation, and a licensed property management provider ("**Agent**"). The Owner and the Agent are individually referred to herein as a "**Party**" and collectively as the "**Parties**."

### **RECITALS**

A. The Owner and Agent entered into that certain Property Management Agreement dated January 1, 2023 ("**Agreement**") to provide property management services at Owner's China Clipper property, consisting of 27 units located at Lincoln Ave, Stanford St., Mitchell Ave., Tradewind Ct., Tradewind Dr., Martin Mariner Ave., and Fifth St., Alameda, CA 94501, as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on January 1, 2023 with a termination date of December 31, 2025, and two 1-year options to extend the term.

C. The Owner has continued need for Agent's property management services and desires to exercise the option to extend the term for 1-year to December 31, 2026.

D. Due to an increase in certain costs Agent has requested an amendment to the Fee Expense Structure attached to the Agreement as Exhibit A.

E. Agent is requiring Owner to acknowledge the deck and balcony inspection requirements set forth in Senate Bill 721 (Approved by the Governor on September 17, 2018. Filed with Secretary of State September 17, 2018) which was codified in Health and Safety Code Section 17973 ("Balcony Law Addendum).

F. Agent notified Owner of a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and requested Owner's consent to such change in control.

G. The Parties desire to (i) extend the term of the Agreement to December 31, 2026, (ii) amend the Fee Expense Structure attached as Exhibit A, (iii) amend the Agreement to include the Balcony Law Addendum which will be attached to the Agreement as Exhibit F; and (iv) consent to the change of control and amend the Agreement to include a Notice of Change of Control which will be attached as Exhibit G.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Term.** Pursuant to Section 2 (Term) of the Agreement, Owner hereby exercises the first option to extend the term for 1-year, such that the term of the Agreement shall be extended to December 31,2026.
3. **Property Management Fee and Expense Structure.** The Property Management Fee and Expense Structure attached to the Agreement as Exhibit A is hereby deleted in its entirety and replaced with the Amended Property Management Fee and Expense Structure attached hereto as Attachment No. 1 and incorporated herein by this reference.
4. **Balcony Law Addendum (SB721).** The Agreement is hereby amended to add the Balcony Law Addendum (Health and Safety Code Section 17973) as the new Exhibit F, which is attached hereto as Attachment No. 2 and incorporated herein by this reference. The Parties shall execute the Balcony Law Addendum concurrently with each Parties execution of this Amendment.
5. **Notice of Change in Control of Agent; Consent to Change.** On or about [insert date] Owner received notice regarding a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and a request for Owner's consent to such change in control. The Agreement is hereby amended to add the attached Notice of Change in Control of FPI Management, Inc., as Exhibit G to the Agreement, which is attached hereto as Attachment No.3 and incorporated herein by this reference.

Owner hereby consents to such change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, as set forth in Notice of Change in Control of FPI Management, Inc., attached as Exhibit G to the Agreement.

5. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in

counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Owner and Agent have executed this Amendment as of the Effective Date.

**OWNER:**

ALAMEDA AFFORDABLE HOUSING CORPORATION

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Vanessa M. Cooper  
Executive Director  
Owner Representative

**AGENT:**

FPI MANAGEMENT, INC.

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Scott Bishop  
EVP

**ATTACHMENT NO. 1**

**(EXHIBIT A TO AGREEMENT)**

**AMENDED PROPERTY MANAGEMENT FEE AND EXPENSE STRUCTURE**

This Property Management Fee and Expense Structure is attached to and made part of the Management Agreement between Owner and Agent. Capitalized terms not otherwise defined herein shall have the same definition as set forth in the Management Agreement.

Owner shall pay to FPI Management, Inc. the fees identified below for providing comprehensive property management services:

***A monthly management fee in an amount equal to \$49 per unit monthly Property specific personnel costs***

<b>Property specific personnel costs</b>	Hourly and monthly compensation, bonuses, for on-site employees at the Property, if any.
<b>Workers' compensation</b>	FPI's workers' compensation cost for employees who perform work on-site at the Project
<b>FPI's Safe Fund Charge (previously included in "FPI's workers compensation charge")</b>	Used to fund and subsidize multiple expenses concerning or arising from litigation and/or FPI employees that relates to or arises from the Property and/or other FPI managed properties nationwide, including but not limited to the following: employee safety and ergonomic assessments, employee environmental training (lead paint, asbestos awareness, mold & moisture management), employee safety training (e.g., hazard communication, blood borne pathogens, lock out-tag out, etc.), employee related insurance (employment practices and crime coverage), global, national, regional and property specific litigation costs, labor law and safety poster sets, labor/employment law consultations (supervisor training), pre-employment screening (including but not limited to background checks, drug testing, and medical and fit testing for respirator use, when applicable), OSHA kits, respirator kits, safety program management, and SDS Binders. Safe Fund payments made by the Owner and the owners of other FPI managed properties may insure to the benefit of other FPI managed property owners. This charge is calculated

	based on a percentage of on-site employee payroll compensation at the Project as follows: <b>Three and fifty-five hundredths percent (3.55%).</b>
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<b><u>Taxes – All taxes related to the Property, including but not limited to sales, business and payroll tax</u></b>	Per federal, state and local laws, statutes, regulations, and requirement.
<b><u>FPI's health insurance benefit charge (medical, dental and vision)</u></b>	Approximately \$807.30 per full-time employee per month.
<b><u>FPI's payroll processing charge (FPI uses ADP)</u></b>	\$27.19 per employee, per month.
<b><u>Property specific postage, Federal Express, Express Mail, U.S. Mail</u></b>	Per provider cost.
<b><u>FPI's annual mid-year training seminar charge</u></b>	Approximately \$250 per on-site manager, plus travel cost.
<b><u>FPI's annual holiday event charge</u></b>	Approximately \$100 per on-site manager, plus travel cost.
<b><u>FPI's online Grace Hill Training access charge</u></b>	\$.54 per unit, per month (Affordable)
<b><u>FPI's cloud platform and DeskTop Technical Support for Office and Business Centers charge</u></b>	\$.61 per unit, per month. This provides unlimited remote access support for site computers and FPI-related applications, i.e., computer virus/spyware/malware administration, PC Encryption, web filtering, Google's GSuite business tools, administration for all property e-mail accounts, property hardware, orders for PCs, laptops, switches, and printers. The cloud platform provides one email box, per 100 units, additional email box will be \$75 per email box, annually.
<b><u>FPI's Vault Archive charge</u></b>	Vault email archive fees - \$70 per on-site mailboxes. Archives property emails for 10 years.

<b><u>Cyber and Data Security</u></b>	\$ .38 per unit, per month. This provides security monitoring, training software and support.
<b><u>FPI's Strategic Solutions</u></b>	\$76 annually – online training manual.
<b><u>Bank analysis fees</u></b>	Actual charges from bank analysis statements
<b><u>FPI's annual software license charge</u></b>	Yardi 7.0 - \$1,249 per year, 0-50 units Yardi 7.0 - \$3,222 per year, 51-150 units Yardi 7.0 - \$3,585 per year, 151-300 units Yardi 7.0 - \$4,232 per year, 301-500 units Yardi 7.0 - \$4,999 per year, 501+ units  Yardi Procure 2 Pay - \$5.93 per unit, per year Yardi Affordable - \$631 per year  Yardi RentCaffeine Affordable - \$14 per unit per year
	Yardi RentCaffeine Setup Fee - \$ 300 - One-time set up fee  Yardi Affordable - \$2 / per unit – One-time set up fee
<b><u>FPI's Business Intelligence Software charge</u></b>	\$.66 per unit, per month.
<b><u>FPI's Leonardo 24/7 charge</u></b>	No charge, 0-25 units  \$25 per month, 26-50 units  \$50 per month, 51-149 units  \$109 per month, 150+ units  \$99 – One time set up fee
<b><u>Compliance charge</u></b>	



<p><b><u>FPI Compliance Monitoring Fee*</u></b></p>	<p>*\$4.00 per unit / per month: FPI monitoring of affordable programs including LIHTC, Bonds, HOME funds, and any other affordable programs. Providing Income/Rent Limits, training on compliance systems and affordable requirements. Support for annual audits performed by agencies, including pre-audit reviews and preparations.</p> <p>*\$4.00 per unit/per month does not apply to HUD properties. Any additional fees will be identified and approved by HUD.</p>
<p><b><u>Third-Party Eligibility File Review Fee</u></b></p>	<p>FPI has engaged Karen A. Graham Consulting LLC to conduct 3rd-party file reviews and eligibility of all affordable household certifications. Expenses will vary based on property program layering, Self-certification status. Expense is based on a per-file rate.</p> <p>LIHTC Properties or Local Programs Tier 2 (no HUD or RD)</p> <p>\$27.00 Standard File Review (MI, AR, RIC, MOMI, Add-On-AO and IC)</p> <p>\$33.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR) File Reviews</p> <p>\$54.00 First Year Quality Assurance (MI, RIC, MRQC)* Includes combined eligibility and investor review w/ close out letter &amp; report.</p> <p>*First-year fee only, Standard rate applies at the 2nd year review.</p> <p>HUD or USDA-USDA-RD program only (no LIHTC)</p> <p>\$30.00 Standard File Reviews (MI, AR, IR, IC)</p> <p>\$36.00 High Priority File Reviews</p> <p>Blended (LIHTC with HUD/USDA-RD or Local Programs Tier 3)</p> <p>\$47.00 Standard File Reviews (MI, AR, IR, IC)</p>

	<p>\$53.00 High Priority File Reviews</p> <p>\$37.00 HUD/RD AR w/ LIHTC Self Cert (SCR) File Review</p> <p>Local Programs Tier 1 (Market Rate with Local Program-City, County, HOME funds)</p> <p>\$24.00 Standard File Review (MI or AR)</p> <p>\$30.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR File Review)</p>
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<b><u>One-Time Fees</u></b>	
<b>Stabilized Properties Only</b>	\$3,000 On-boarding transition fee
<b><u>Special Projects</u></b>  <b>Affordable Properties Only</b>	<p>Onboarding - Resolution and/or Closeout work</p> <p>Additional work during the initial transition up to 12-months. Fee based on need and agreed upon Action Plan (e.g. pre-audit work, file organization, prior delinquency balances and overdue certification close out.)</p> <p>Utility Allowance Analysis - 3rd-party analysis (as needed) LEP (Limited English Proficiency) Language Plan (if applicable) Electronic signatures/conversion - Application/Forms (if applicable)</p>
<b><u>Accounting Costs</u></b>	Upon termination of management agreement, Agent will provide trailing accounting for a sixty (60) day period, subsequent to the date of termination of management services. Thereafter, at Owner's request, any additional accounting services will be provided for a monthly fee equal to one half of the last monthly management fee paid, prior to termination.

**The fees, costs, charges and expenses in this Property Management Fee and Expense Structure are subject to change annually.**

## ATTACHMENT NO. 2

### (NEW EXHIBIT F TO AGREEMENT)

#### BALCONY LAW ADDENDUM (SB721)

This Health and Safety Code Section 17973 Addendum ("Balcony Law Addendum") is to the Property Management Agreement, or similarly titled agreement, (the "PMA") dated the [Click to enter day of Month](#) day of [Click to enter Month](#), [Click to enter Year](#) between [Click to enter Legal Name of Owner Entity](#) ("Owner"), and FPI Property Management, Inc. ("Agent"), a California corporation, for the property known as [Click to enter Name of Apartment Complex](#) (the "Project") located at [Click to enter Street Address of Apartment Unit](#), [Click to enter City, State, Zip Code](#).

All capitalized terms used, but not defined herein, shall have the meaning set forth in the PMA. The terms and conditions of this Balcony Law Addendum shall be incorporated by reference into the PMA and any breach of the terms and conditions of this Balcony Law Addendum shall be construed a breach of the PMA. Except as set forth in this Balcony Law Addendum, the PMA is unaffected and shall continue in full force and effect in accordance with their terms. If there is conflict between the terms of this Balcony Law Addendum and the terms of the PMA, the terms of this Balcony Law Addendum will control. The Owner and Agent agree as follows:

1. Notice is hereby given to Owner that on September 17, 2018, Senate Bill No. 721 was approved by the California Governor. The bill was codified under California Health and Safety Code section 17973 ("Section 17973"). Section 17973 imposes on property owners strict inspection requirements relating to exterior elements of buildings used for human habitation. It provides as follows:

(a) Exterior elevated elements that include load-bearing components in all buildings containing three or more multifamily dwelling units shall be inspected. The inspection shall be performed by a licensed architect; licensed civil or structural engineer; a building contractor holding any or all of the "A," "B," or "C-5" license classifications issued by the Contractors State License Board, with a minimum of five years' experience, as a holder of the aforementioned classifications or licenses, in constructing multistory wood frame buildings; or an individual certified as a building inspector or building official from a recognized state, national, or international association, as determined by the local jurisdiction. These individuals shall not be employed by the local jurisdiction while performing these inspections. The purpose of the inspection is to determine that exterior elevated elements and their associated waterproofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or the occupants is not endangered. The person or business performing the inspection shall be hired by the owner of the building.

(b) For purposes of this section, the following terms have the following definitions:

(1) "Associated waterproofing elements" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.

(2) "Exterior elevated element" means the following types of structures, including their supports and railings: balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and which have a walking surface that is elevated more than six feet above ground level, are designed for human occupancy or use, and rely in whole or in substantial part on wood or wood-based products for structural support or stability of the exterior elevated element.

(3) "Load-bearing components" are those components that extend beyond the exterior walls of the building to deliver structural loads from the exterior elevated element to the building.

(c) The inspection required by this section shall at a minimum include:

(1) Identification of each type of exterior elevated element that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.

(2) Assessment of the load-bearing components and associated waterproofing elements of the exterior elevated elements identified in paragraph (1) using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.

(3) The evaluation and assessment shall address each of the following as of the date of the evaluation:

(A) The current condition of the exterior elevated elements.

(B) Expectations of future performance and projected service life.

(C) Recommendations of any further inspection necessary.

(4) A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner's designated agent within 45 days of completion of the inspection.

The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.

(d) The inspection shall be completed by **January 1, 2026**, and by January 1 every six years thereafter. The inspector conducting the inspection shall produce an initial report pursuant to paragraph (4) of subdivision (c) and, if requested by the owner, a final report indicating that any required repairs have been completed. A copy of any report that recommends immediate repairs, advises that any building assembly poses an immediate threat to the safety of the occupants, or that preventing occupant access or emergency repairs, including shoring, are necessary, shall be provided by the inspector to the owner of the building and to the local enforcement agency within 15 days of completion of the report. Subsequent inspection reports shall incorporate copies of prior inspection reports, including the locations of the exterior elevated elements inspected. Local enforcement agencies may determine whether any additional information is to be provided in the report and may require a copy of the initial or final reports, or both, be submitted to the local jurisdiction. Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles, and shall be disclosed and delivered to the buyer at the time of any subsequent sale of the building.

(e) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than six years following issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this section.

(f) If the property was inspected within three years prior to January 1, 2019, by an inspector as described in subdivision (a) and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection pursuant to this section shall be required until **January 1, 2026**.

(g) An exterior elevated element found by the inspector that is in need of repair or replacement shall be corrected by the owner of the building. All necessary permits for repair or replacement shall be obtained from the local jurisdiction. All repair and replacement work shall be performed by a qualified and licensed contractor in compliance with all of the following:

(1) The recommendations of a licensed professional described in subdivision (a).

(2) Any applicable manufacturer's specifications.

(3) The California Building Standards Code, consistent with subdivision (d) of Section 17922 of the Health and Safety Code.

(4) All local jurisdictional requirements.

(h)

(1) An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately. Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of subdivision (g), be inspected by the inspector, and reported to the local enforcement agency.

(2) The owner of the building requiring corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

(i)

(1) The owner of the building shall be responsible for complying with the requirements of this section.

(2) If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on the fee schedule set by the local Owner of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency.

(3) In the event that a civil penalty is assessed pursuant to this section, a building safety lien may be recorded in the county

recorder's office by the local jurisdiction in the county in which the parcel of land is located and from the date of recording shall have the force, effect, and priority of a judgment lien.

(j)

(1) A building safety lien authorized by this section shall specify the amount of the lien, the name of the agency on whose behalf the lien is imposed, the street address, the legal description and assessor's parcel number of the parcel on which the lien is imposed, and the name and address of the recorded owner of the building.

(2) In the event that the lien is discharged, released, or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in paragraph (1) shall be recorded by the governmental agency. A safety lien and the release of the lien shall be indexed in the grantor-grantee index.

(3) A building safety lien may be foreclosed by an action brought by the appropriate local jurisdiction for a money judgment.

(4) Notwithstanding any other law, the county recorder may impose a fee on the city to reimburse the costs of processing and recording the lien and providing notice to the owner of the building. A city may recover from the owner of the building any costs incurred regarding the processing and recording of the lien and providing notice to the owner of the building as part of its foreclosure action to enforce the lien.

(k) The continued and ongoing maintenance of exterior elevated elements in a safe and functional condition in compliance with these provisions shall be the responsibility of the owner of the building.

(l) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section.

(m) For any building subject to the provisions of this section that is proposed for conversion to condominiums to be sold to the public after January 1, 2019, the inspection required by this section shall be conducted prior to the first close of escrow of a separate interest in the project and shall include the inspector's recommendations for repair or replacement of any exterior elevated element found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, and would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants. The inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be submitted to the Department of Real Estate by the proponent of the conversion and shall be a condition to the issuance

of the final public report. A complete copy of the inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be included with the written statement of defects required by Section 1134 of the Civil Code, and provided to the local jurisdiction in which the project is located. The inspection, report, and confirmation of completed repairs shall be a condition of the issuance of a final inspection or certificate of occupancy by the local jurisdiction.

(n) This section shall not apply to a common interest development, as defined in Section 4100 of the Civil Code.

(o) The governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this section.

(Health & Saf. Code, § 17973 (Deering, Lexis Advance through the 2022 Regular Session).)

2. Owner agrees and acknowledges it has received notice about Section 17973 and the requirements it imposes. Owner further agrees and acknowledges that Owner is responsible for taking the necessary actions to comply with Section 17973, including, but not limited, to performing any and all required inspections and repairs with qualified entities and/or individuals.
3. Owner agrees and acknowledges that it is aware that Section 17973 contains key deadlines by which Owner must achieve compliance with Section 17973. The earliest deadline contained in Section 17973 is **January 1, 2026**. Failure to comply with Section 17973 allows for the imposition of severe penalties and legal liability.
4. Owner agrees and acknowledges that achieving compliance with Section 17973 may require Owner to expend substantial financial resources and that compliance with Section 17973 is not optional.

The parties represent that they have read, understand and agree to all the sections contained in this Balcony Law Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Balcony Law Addendum as of the day and year first above written.

**Owner**

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

\_\_\_\_\_  
Date

[Click Here to enter Name](#)

[Click Here to enter Title](#)

**Agent**

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

\_\_\_\_\_  
Date

Scott Bishop

EVP



ATTACHMENT NO. 3

(NEW EXHIBIT G TO AGREEMENT)

NOTICE OF CHANGE IN CONTROL OF FPI MANAGEMENT, INC

Re: Notice of Change in Control of FPI Management, Inc.

Dear Valued Client:

This is to inform you that following a stock sale, there has been a change in control of FPI Management, Inc. ("FPI") as of August 1, 2025. FPI is now a wholly owned subsidiary of Sako and Partners Holdings, LLC, doing business as Asset Living . FPI's new chief executive officer is Ryan McGrath. FPI's real estate broker's licenses in the states it operates are unchanged and FPI's licensed real estate brokers of record are also unchanged in all states, except California. In California, FPI's CFO, Scott Bishop, CA License Number 01778245, is now FPI's licensed broker of record, replacing Dennis Treadaway, who is no longer with the company.

Respectfully,

Scott Bishop  
Chief Financial Officer  
FPI Management, Inc.

**Acknowledgement of Change in Control**

By executing of this Notice of Change in Control of FPI Management, Inc. ("FPI") and Alameda Housing Owner ("Owner") acknowledges the change of control of FPI and consents to FPI's continued management of Owner's property locations listed in Exhibit G1 attached.

**Click to Enter Full Legal Name of Property Owner.**

By: \_\_\_\_\_  
Click to Enter Signer's Full Name.

Its: Click to Enter Signer's Title.

Date: Click to Enter Date.

**Exhibit G1- Owner's Property Locations**

<b>Code</b>	<b>Project Name</b>	<b>Address</b>	<b># units</b>
V24	Stanford House	1917 Stanford Street	4
V25	Lincoln Willow	2101 Lincoln Avenue	5
V25	Pulte Condos	Mitchell Avenue Tradewind Court Martin Mariner Avenue Tradewind Drive Fifth Street	18



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Radha Mehta, Management Analyst

Prepared By: Radha Mehta, Management Analyst

Date: December 17, 2025

Re: Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**China Clipper**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**China Clipper**) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.  
6.G.

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## **BACKGROUND**

The Housing Authority of City of Alameda (AHA) has been utilizing third party property management services to provide efficient management and operation services for AHA residential properties. Outsourcing the management of properties has allowed AHA to continue prioritizing the administration of its housing assistance programs. On August 18, 2022, AHA issued a Request for Qualifications (RFQ) to manage AHA's multifamily portfolio, with the anticipated contract start date of January 1, 2023, which also included additional properties to be added in the coming years. The scope of services within the RFQ included leasing and operations, property management, management of relationships between vendors and service providers, repair and maintenance work payments, budget preparation, initial lease up and project start up, enforcement of lease, and reporting services to AHA.

In September 2022, the RFQ Evaluation Committee reviewed and ranked the submissions. In



October 2022, the top firms were invited to interview with an AHA interview panel. FPI was ranked first by the panelists for property management services and was awarded property management services agreements for properties owned by three separate entities; AHA, Alameda Affordable Housing Corporation (AAHC) and various Island City Development's (ICD) Limited Partnerships. FPI presented a strong proposal because of its experience managing affordable housing developments. On January 1, 2023, China Clipper transitioned from The John Stewart Company to FPI Property Management, Inc. and the Board of Commissioners approved an initial three-year agreement, with a term period of December 31, 2025 and two 1-year options to extend the term. Staff is now recommending to execute the first one year option.

## **DISCUSSION**

China Clipper includes 25 units. The agreement for China Clipper with FPI includes monthly management fees along with other contract fees. The monthly management fees are charged at \$49.00 per unit per month. Other contract fees include property-specific personnel costs, worker's compensation, Safe Fund Charge, taxes, health insurance benefits, payroll processing costs, postage, holiday event charge, training costs, software and technical costs, vault archive charge, cyber and data security, training manual costs, bank analysis fees, compliance monitoring fees, third-party eligibility file review fees and one-time on-boarding transition fee for stabilized properties. The property and maintenance vendor payments are excluded from the contract costs below. The property agreements with FPI do not have not-to-exceed amounts due to the nature of the contract expenses. Certain expenses such as personnel and insurance costs for FPI were not detailed as the costs varied by properties and positions. These costs are approved annually in the budget process. It is important to notice that many of these are pass through costs, such as site-based payroll which are reimbursed by the owner for service rendered. This is standard property management practice. Based on the accrued costs for the property, Staff anticipate approximately \$165,446.02 to be paid for the contract and management fee cost for year 2026. These numbers below are an estimate only.

Owner	Term Date	# of Units	Management Contract Fee Expensed	Contract Expenses	Total Expenditures	Projected Expenditures (1/1/2026 to 12/31/2026)
China Clipper	12/31/2025	26	\$47,161.37	\$283,730.66	\$330,892.03	\$165,446.02

FPI has requested a slight increase to the Safe Fund fee from 3.25% to 3.55%. The Safe Fund fee is used to fund multiple employee-related expense arising from litigation and/or FPI employees that arise from the Property. This charge is calculated based on a percentage of on-site employee payroll compensation at the Project. Examples of the fees include safety training, labor law and safety posters, OSHA kits, respirator kit, and safety program management. AHA staff is also requesting an extension of property management services by one year. However, AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms. Staff also expects to rebid property management services in 2026, as there is only one more year of extension permitted on the contract.

California's SB 721 Balcony Law Addendum



Health and Safety Code Section 17973, also known as California's SB 721 Balcony Law which was approved by the Governor back in 2018, requires property managers of multi-family buildings (3+ units) to ensure that balconies, decks, porches and other elevated exterior elements are inspected by a qualified professional. The Addendum extended the deadline for the initial inspection to January 1, 2026. The Bill requires inspections to be conducted every six years. The proposed Balcony Law Addendum is an agreement between FPI and AHA to adhere to the Balcony Law, which will be attached to the property management agreement as the new Exhibit F to the agreement. A separate report on SB721 compliance is included in this Board packet.

#### Change in Control of FPI to Asset Living

As of August 1, 2025, Sako and Partners Holdings, LLC, a Texas based limited liability company doing business as Asset Living Asset Living purchased the controlling share of FPI Management. FPI has informed AHA the transition will have minimal impact on the residents and the quality of service. FPI has also maintained there will be no changes to the agreed fees. AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025. A consent of change letter is included in the action proposed and also referenced as Exhibit G to the agreement in Amendment No. 1.

#### Other Changes

The requested action from the Board also includes a request to Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider. In the event of a major change that is not in the owners' favor, the Property Management Agreement would come back to the board for approval. For some sites, especially the LIHTC Sites, staff expect these stakeholders to ask or require for change in 2026 that are more favorable to the ownership and/or insurance entities and Staff may need to move quickly to make changes.

#### **FISCAL IMPACT**

Funding for this contract has been approved and is budgeted for in the current fiscal year, including the minor fee increases. Expenditures will continue to be reviewed prior to submission of the upcoming fiscal year's budget and prior to any further extensions of this contract.

#### **CEQA**

Not applicable.

#### **RECOMMENDATION**

Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**China Clipper**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset



Living; and consent to FPI Property Management, Inc., continued management of **(China Clipper)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.

**ATTACHMENTS**

1. China Clipper- Amendment No. 1

Respectfully submitted,

*Radha Mehta*

Radha Mehta, Management Analyst

**FIRST AMENDMENT TO  
PROPERTY MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT (“Amendment”)** is entered into as of 18<sup>th</sup> day of December, 2025, ("**Effective Date**") by and between the ALAMEDA AFFORDABLE HOUSING CORPORATION, nonprofit public benefit corporation ("**Owner**"), and FPI MANAGEMENT, INC., a California corporation, and a licensed property management provider ("**Agent**"). The Owner and the Agent are individually referred to herein as a "**Party**" and collectively as the "**Parties**."

**RECITALS**

A. The Owner and Agent entered into that certain Property Management Agreement dated January 1, 2023 ("**Agreement**") to provide property management services at Owner's China Clipper property, consisting of 26 units located at 460 Buena Vista Ave., Alameda, CA 94501, as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on January 1, 2023 with a termination date of December 31, 2025, and two 1-year options to extend the term.

C. The Owner has continued need for Agent's property management services and desires to exercise the option to extend the term for 1-year to December 31, 2026.

D. Due to an increase in certain costs Agent has requested an amendment to the Fee Expense Structure attached to the Agreement as Exhibit A.

E. Agent is requiring Owner to acknowledge the deck and balcony inspection requirements set forth in Senate Bill 721 (Approved by the Governor on September 17, 2018. Filed with Secretary of State September 17, 2018) which was codified in Health and Safety Code Section 17973 ("Balcony Law Addendum).

F. Agent notified Owner of a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and requested Owner's consent to such change in control.

G. The Parties desire to (i) extend the term of the Agreement to December 31, 2026, (ii) amend the Fee Expense Structure attached as Exhibit A, (iii) amend the Agreement to include the Balcony Law Addendum which will be attached to the Agreement as Exhibit F; and (iv) consent to the change of control and amend the Agreement to include a Notice of Change of Control which will be attached as Exhibit G.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Term.** Pursuant to Section 2 (Term) of the Agreement, Owner hereby exercises the first option to extend the term for 1-year, such that the term of the Agreement shall be extended to December 31,2026.
3. **Property Management Fee and Expense Structure.** The Property Management Fee and Expense Structure attached to the Agreement as Exhibit A is hereby deleted in its entirety and replaced with the Amended Property Management Fee and Expense Structure attached hereto as Attachment No. 1 and incorporated herein by this reference.
4. **Balcony Law Addendum (SB721).** The Agreement is hereby amended to add the Balcony Law Addendum (Health and Safety Code Section 17973) as the new Exhibit F, which is attached hereto as Attachment No. 2 and incorporated herein by this reference. The Parties shall execute the Balcony Law Addendum concurrently with each Parties execution of this Amendment.
5. **Notice of Change in Control of Agent; Consent to Change.** On or about [insert date] Owner received notice regarding a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and a request for Owner's consent to such change in control. The Agreement is hereby amended to add the attached Notice of Change in Control of FPI Management, Inc., as Exhibit G to the Agreement, which is attached hereto as Attachment No.3 and incorporated herein by this reference.

Owner hereby consents to such change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, as set forth in Notice of Change in Control of FPI Management, Inc., attached as Exhibit G to the Agreement.

5. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in



counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Owner and Agent have executed this Amendment as of the Effective Date.

**OWNER:**

ALAMEDA AFFORDABLE HOUSING CORPORATION

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Vanessa M. Cooper  
Executive Director  
Owner Representative

**AGENT:**

FPI MANAGEMENT, INC.

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Scott Bishop  
EVP

**ATTACHMENT NO. 1**

**(EXHIBIT A TO AGREEMENT)**

**AMENDED PROPERTY MANAGEMENT FEE AND EXPENSE STRUCTURE**

This Property Management Fee and Expense Structure is attached to and made part of the Management Agreement between Owner and Agent. Capitalized terms not otherwise defined herein shall have the same definition as set forth in the Management Agreement.

Owner shall pay to FPI Management, Inc. the fees identified below for providing comprehensive property management services:

***A monthly management fee in an amount equal to \$49 per unit monthly Property specific personnel costs***

<b>Property specific personnel costs</b>	Hourly and monthly compensation, bonuses, for on-site employees at the Property, if any.
<b>Workers' compensation</b>	FPI's workers' compensation cost for employees who perform work on-site at the Project
<b>FPI's Safe Fund Charge (previously included in "FPI's workers compensation charge")</b>	Used to fund and subsidize multiple expenses concerning or arising from litigation and/or FPI employees that relates to or arises from the Property and/or other FPI managed properties nationwide, including but not limited to the following: employee safety and ergonomic assessments, employee environmental training (lead paint, asbestos awareness, mold & moisture management), employee safety training (e.g., hazard communication, blood borne pathogens, lock out-tag out, etc.), employee related insurance (employment practices and crime coverage), global, national, regional and property specific litigation costs, labor law and safety poster sets, labor/employment law consultations (supervisor training), pre-employment screening (including but not limited to background checks, drug testing, and medical and fit testing for respirator use, when applicable), OSHA kits, respirator kits, safety program management, and SDS Binders. Safe Fund payments made by the Owner and the owners of other FPI managed properties may insure to the benefit of other FPI managed property owners. This charge is calculated

	based on a percentage of on-site employee payroll compensation at the Project as follows: <b>Three and fifty-five hundredths percent (3.55%).</b>
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<b><u>Taxes – All taxes related to the Property, including but not limited to sales, business and payroll tax</u></b>	Per federal, state and local laws, statutes, regulations, and requirement.
<b><u>FPI's health insurance benefit charge (medical, dental and vision)</u></b>	Approximately \$807.30 per full-time employee per month.
<b><u>FPI's payroll processing charge (FPI uses ADP)</u></b>	\$27.19 per employee, per month.
<b><u>Property specific postage, Federal Express, Express Mail, U.S. Mail</u></b>	Per provider cost.
<b><u>FPI's annual mid-year training seminar charge</u></b>	Approximately \$250 per on-site manager, plus travel cost.
<b><u>FPI's annual holiday event charge</u></b>	Approximately \$100 per on-site manager, plus travel cost.
<b><u>FPI's online Grace Hill Training access charge</u></b>	\$.54 per unit, per month (Affordable)
<b><u>FPI's cloud platform and DeskTop Technical Support for Office and Business Centers charge</u></b>	\$.61 per unit, per month. This provides unlimited remote access support for site computers and FPI-related applications, i.e., computer virus/spyware/malware administration, PC Encryption, web filtering, Google's GSuite business tools, administration for all property e-mail accounts, property hardware, orders for PCs, laptops, switches, and printers. The cloud platform provides one email box, per 100 units, additional email box will be \$75 per email box, annually.
<b><u>FPI's Vault Archive charge</u></b>	Vault email archive fees - \$70 per on-site mailboxes. Archives property emails for 10 years.

<b><u>Cyber and Data Security</u></b>	\$ .38 per unit, per month. This provides security monitoring, training software and support.
<b><u>FPI's Strategic Solutions</u></b>	\$76 annually – online training manual.
<b><u>Bank analysis fees</u></b>	Actual charges from bank analysis statements
<b><u>FPI's annual software license charge</u></b>	<p>Yardi 7.0 - \$1,249 per year, 0-50 units Yardi 7.0 - \$3,222 per year, 51-150 units Yardi 7.0 - \$3,585 per year, 151-300 units Yardi 7.0 - \$4,232 per year, 301-500 units Yardi 7.0 - \$4,999 per year, 501+ units</p> <p>Yardi Procure 2 Pay - \$5.93 per unit, per year Yardi Affordable - \$631 per year</p> <p>Yardi RentCaffeine Affordable - \$14 per unit per year</p>
	<p>Yardi RentCaffeine Setup Fee - \$ 300 - One-time set up fee</p> <p>Yardi Affordable - \$2 / per unit – One-time set up fee</p>
<b><u>FPI's Business Intelligence Software charge</u></b>	\$ .66 per unit, per month.
<b><u>FPI's Leonardo 24/7 charge</u></b>	<p>No charge, 0-25 units</p> <p>\$25 per month, 26-50 units</p> <p>\$50 per month, 51-149 units</p> <p>\$109 per month, 150+ units</p> <p>\$99 – One time set up fee</p>
<b><u>Compliance charge</u></b>	

<p><b><u>FPI Compliance Monitoring Fee*</u></b></p>	<p>*\$4.00 per unit / per month: FPI monitoring of affordable programs including LIHTC, Bonds, HOME funds, and any other affordable programs. Providing Income/Rent Limits, training on compliance systems and affordable requirements. Support for annual audits performed by agencies, including pre-audit reviews and preparations.</p> <p>*\$4.00 per unit/per month does not apply to HUD properties. Any additional fees will be identified and approved by HUD.</p>
<p><b><u>Third-Party Eligibility File Review Fee</u></b></p>	<p>FPI has engaged Karen A. Graham Consulting LLC to conduct 3rd-party file reviews and eligibility of all affordable household certifications. Expenses will vary based on property program layering, Self-certification status. Expense is based on a per-file rate.</p> <p>LIHTC Properties or Local Programs Tier 2 (no HUD or RD)</p> <p>\$27.00 Standard File Review (MI, AR, RIC, MOMI, Add-On-AO and IC)</p> <p>\$33.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR) File Reviews</p> <p>\$54.00 First Year Quality Assurance (MI, RIC, MRQC)* Includes combined eligibility and investor review w/ close out letter &amp; report.</p> <p>*First-year fee only, Standard rate applies at the 2nd year review.</p> <p>HUD or USDA-USDA-RD program only (no LIHTC)</p> <p>\$30.00 Standard File Reviews (MI, AR, IR, IC)</p> <p>\$36.00 High Priority File Reviews</p> <p>Blended (LIHTC with HUD/USDA-RD or Local Programs Tier 3)</p> <p>\$47.00 Standard File Reviews (MI, AR, IR, IC)</p>

	<p>\$53.00 High Priority File Reviews</p> <p>\$37.00 HUD/RD AR w/ LIHTC Self Cert (SCR) File Review</p> <p>Local Programs Tier 1 (Market Rate with Local Program-City, County, HOME funds)</p> <p>\$24.00 Standard File Review (MI or AR)</p> <p>\$30.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR File Review)</p>
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<b><u>One-Time Fees</u></b>	
<b>Stabilized Properties Only</b>	\$3,000 On-boarding transition fee
<b><u>Special Projects</u></b>  <b>Affordable Properties Only</b>	<p>Onboarding - Resolution and/or Closeout work</p> <p>Additional work during the initial transition up to 12-months. Fee based on need and agreed upon Action Plan (e.g. pre-audit work, file organization, prior delinquency balances and overdue certification close out.)</p> <p>Utility Allowance Analysis - 3rd-party analysis (as needed) LEP (Limited English Proficiency) Language Plan (if applicable) Electronic signatures/conversion - Application/Forms (if applicable)</p>
<b><u>Accounting Costs</u></b>	Upon termination of management agreement, Agent will provide trailing accounting for a sixty (60) day period, subsequent to the date of termination of management services. Thereafter, at Owner's request, any additional accounting services will be provided for a monthly fee equal to one half of the last monthly management fee paid, prior to termination.

**The fees, costs, charges and expenses in this Property Management Fee and Expense Structure are subject to change annually.**

## ATTACHMENT NO. 2

### (NEW EXHIBIT F TO AGREEMENT)

#### BALCONY LAW ADDENDUM (SB721)

This Health and Safety Code Section 17973 Addendum ("Balcony Law Addendum") is to the Property Management Agreement, or similarly titled agreement, (the "PMA") dated the [Click to enter day of Month](#) day of [Click to enter Month](#), [Click to enter Year](#) between [Click to enter Legal Name of Owner Entity](#) ("Owner"), and FPI Property Management, Inc. ("Agent"), a California corporation, for the property known as [Click to enter Name of Apartment Complex](#) (the "Project") located at [Click to enter Street Address of Apartment Unit](#), [Click to enter City, State, Zip Code](#).

All capitalized terms used, but not defined herein, shall have the meaning set forth in the PMA. The terms and conditions of this Balcony Law Addendum shall be incorporated by reference into the PMA and any breach of the terms and conditions of this Balcony Law Addendum shall be construed a breach of the PMA. Except as set forth in this Balcony Law Addendum, the PMA is unaffected and shall continue in full force and effect in accordance with their terms. If there is conflict between the terms of this Balcony Law Addendum and the terms of the PMA, the terms of this Balcony Law Addendum will control. The Owner and Agent agree as follows:

1. Notice is hereby given to Owner that on September 17, 2018, Senate Bill No. 721 was approved by the California Governor. The bill was codified under California Health and Safety Code section 17973 ("Section 17973"). Section 17973 imposes on property owners strict inspection requirements relating to exterior elements of buildings used for human habitation. It provides as follows:

(a) Exterior elevated elements that include load-bearing components in all buildings containing three or more multifamily dwelling units shall be inspected. The inspection shall be performed by a licensed architect; licensed civil or structural engineer; a building contractor holding any or all of the "A," "B," or "C-5" license classifications issued by the Contractors State License Board, with a minimum of five years' experience, as a holder of the aforementioned classifications or licenses, in constructing multistory wood frame buildings; or an individual certified as a building inspector or building official from a recognized state, national, or international association, as determined by the local jurisdiction. These individuals shall not be employed by the local jurisdiction while performing these inspections. The purpose of the inspection is to determine that exterior elevated elements and their associated waterproofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or the occupants is not endangered. The person or business performing the inspection shall be hired by the owner of the building.

(b) For purposes of this section, the following terms have the following definitions:



(1) "Associated waterproofing elements" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.

(2) "Exterior elevated element" means the following types of structures, including their supports and railings: balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and which have a walking surface that is elevated more than six feet above ground level, are designed for human occupancy or use, and rely in whole or in substantial part on wood or wood-based products for structural support or stability of the exterior elevated element.

(3) "Load-bearing components" are those components that extend beyond the exterior walls of the building to deliver structural loads from the exterior elevated element to the building.

(c) The inspection required by this section shall at a minimum include:

(1) Identification of each type of exterior elevated element that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.

(2) Assessment of the load-bearing components and associated waterproofing elements of the exterior elevated elements identified in paragraph (1) using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.

(3) The evaluation and assessment shall address each of the following as of the date of the evaluation:

(A) The current condition of the exterior elevated elements.

(B) Expectations of future performance and projected service life.

(C) Recommendations of any further inspection necessary.

(4) A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner's designated agent within 45 days of completion of the inspection.

The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.

(d) The inspection shall be completed by **January 1, 2026**, and by January 1 every six years thereafter. The inspector conducting the inspection shall produce an initial report pursuant to paragraph (4) of subdivision (c) and, if requested by the owner, a final report indicating that any required repairs have been completed. A copy of any report that recommends immediate repairs, advises that any building assembly poses an immediate threat to the safety of the occupants, or that preventing occupant access or emergency repairs, including shoring, are necessary, shall be provided by the inspector to the owner of the building and to the local enforcement agency within 15 days of completion of the report. Subsequent inspection reports shall incorporate copies of prior inspection reports, including the locations of the exterior elevated elements inspected. Local enforcement agencies may determine whether any additional information is to be provided in the report and may require a copy of the initial or final reports, or both, be submitted to the local jurisdiction. Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles, and shall be disclosed and delivered to the buyer at the time of any subsequent sale of the building.

(e) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than six years following issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this section.

(f) If the property was inspected within three years prior to January 1, 2019, by an inspector as described in subdivision (a) and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection pursuant to this section shall be required until **January 1, 2026**.

(g) An exterior elevated element found by the inspector that is in need of repair or replacement shall be corrected by the owner of the building. All necessary permits for repair or replacement shall be obtained from the local jurisdiction. All repair and replacement work shall be performed by a qualified and licensed contractor in compliance with all of the following:

(1) The recommendations of a licensed professional described in subdivision (a).

(2) Any applicable manufacturer's specifications.

(3) The California Building Standards Code, consistent with subdivision (d) of Section 17922 of the Health and Safety Code.

(4) All local jurisdictional requirements.

(h)

(1) An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately. Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of subdivision (g), be inspected by the inspector, and reported to the local enforcement agency.

(2) The owner of the building requiring corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

(i)

(1) The owner of the building shall be responsible for complying with the requirements of this section.

(2) If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on the fee schedule set by the local Owner of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency.

(3) In the event that a civil penalty is assessed pursuant to this section, a building safety lien may be recorded in the county

recorder's office by the local jurisdiction in the county in which the parcel of land is located and from the date of recording shall have the force, effect, and priority of a judgment lien.

(j)

(1) A building safety lien authorized by this section shall specify the amount of the lien, the name of the agency on whose behalf the lien is imposed, the street address, the legal description and assessor's parcel number of the parcel on which the lien is imposed, and the name and address of the recorded owner of the building.

(2) In the event that the lien is discharged, released, or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in paragraph (1) shall be recorded by the governmental agency. A safety lien and the release of the lien shall be indexed in the grantor-grantee index.

(3) A building safety lien may be foreclosed by an action brought by the appropriate local jurisdiction for a money judgment.

(4) Notwithstanding any other law, the county recorder may impose a fee on the city to reimburse the costs of processing and recording the lien and providing notice to the owner of the building. A city may recover from the owner of the building any costs incurred regarding the processing and recording of the lien and providing notice to the owner of the building as part of its foreclosure action to enforce the lien.

(k) The continued and ongoing maintenance of exterior elevated elements in a safe and functional condition in compliance with these provisions shall be the responsibility of the owner of the building.

(l) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section.

(m) For any building subject to the provisions of this section that is proposed for conversion to condominiums to be sold to the public after January 1, 2019, the inspection required by this section shall be conducted prior to the first close of escrow of a separate interest in the project and shall include the inspector's recommendations for repair or replacement of any exterior elevated element found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, and would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants. The inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be submitted to the Department of Real Estate by the proponent of the conversion and shall be a condition to the issuance

of the final public report. A complete copy of the inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be included with the written statement of defects required by Section 1134 of the Civil Code, and provided to the local jurisdiction in which the project is located. The inspection, report, and confirmation of completed repairs shall be a condition of the issuance of a final inspection or certificate of occupancy by the local jurisdiction.

(n) This section shall not apply to a common interest development, as defined in Section 4100 of the Civil Code.

(o) The governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this section.

(Health & Saf. Code, § 17973 (Deering, Lexis Advance through the 2022 Regular Session).)

2. Owner agrees and acknowledges it has received notice about Section 17973 and the requirements it imposes. Owner further agrees and acknowledges that Owner is responsible for taking the necessary actions to comply with Section 17973, including, but not limited, to performing any and all required inspections and repairs with qualified entities and/or individuals.
3. Owner agrees and acknowledges that it is aware that Section 17973 contains key deadlines by which Owner must achieve compliance with Section 17973. The earliest deadline contained in Section 17973 is **January 1, 2026**. Failure to comply with Section 17973 allows for the imposition of severe penalties and legal liability.
4. Owner agrees and acknowledges that achieving compliance with Section 17973 may require Owner to expend substantial financial resources and that compliance with Section 17973 is not optional.

The parties represent that they have read, understand and agree to all the sections contained in this Balcony Law Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Balcony Law Addendum as of the day and year first above written.

**Owner**

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

\_\_\_\_\_  
Date

[Click Here to enter Name](#)

[Click Here to enter Title](#)

**Agent**

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

\_\_\_\_\_  
Date

Scott Bishop

EVP

**ATTACHMENT NO. 3**

**(NEW EXHIBIT G TO AGREEMENT)**

**NOTICE OF CHANGE IN CONTROL OF FPI MANAGEMENT, INC**

Re: Notice of Change in Control of FPI Management, Inc.

Dear Valued Client:

This is to inform you that following a stock sale, there has been a change in control of FPI Management, Inc. (“FPI”) as of August 1, 2025. FPI is now a wholly owned subsidiary of Sako and Partners Holdings, LLC, doing business as Asset Living . FPI’s new chief executive officer is Ryan McGrath. FPI’s real estate broker’s licenses in the states it operates are unchanged and FPI’s licensed real estate brokers of record are also unchanged in all states, except California. In California, FPI’s CFO, Scott Bishop, CA License Number 01778245, is now FPI’s licensed broker of record, replacing Dennis Treadaway, who is no longer with the company.

Respectfully,

Scott Bishop  
Chief Financial Officer  
FPI Management, Inc.

**Acknowledgement of Change in Control**

By executing of this Notice of Change in Control of FPI Management, Inc. (“FPI”) and Alameda Housing Owner (“Owner”) acknowledges the change of control of FPI and consents to FPI’s continued management of Owner’s property locations listed in Exhibit G1 attached.

**Click to Enter Full Legal Name of Property Owner.**

By: \_\_\_\_\_  
Click to Enter Signer’s Full Name.

Its: Click to Enter Signer’s Title.

Date: Click to Enter Date.

**Exhibit G1- Owner's Property Locations**

<b>Code</b>	<b>Project Name</b>	<b>Address</b>	<b># units</b>
V18	China Clipper Plaza	460 Buena Vista Avenue	26



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Radha Mehta, Management Analyst

Prepared By: Radha Mehta, Management Analyst

Date: December 17, 2025

Re: Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Eagle Village**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**Eagle Village**) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.  
6.H.

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## **BACKGROUND**

The Housing Authority of City of Alameda (AHA) has been utilizing third party property management services to provide efficient management and operation services for AHA residential properties. Outsourcing the management of properties has allowed AHA to continue prioritizing the administration of its housing assistance programs. On August 18, 2022, AHA issued a Request for Qualifications (RFQ) to manage AHA's multifamily portfolio, with the anticipated contract start date of January 1, 2023, which also included additional properties to be added in the coming years. The scope of services within the RFQ included leasing and operations, property management, management of relationships between vendors and service providers, repair and maintenance work payments, budget preparation, initial lease up and project start up, enforcement of lease, and reporting services to AHA.

In September 2022, the RFQ Evaluation Committee reviewed and ranked the submissions. In





October 2022, the top firms were invited to interview with an AHA interview panel. FPI was ranked first by the panelists for property management services and was awarded property management services agreements for properties owned by three separate entities; AHA, Alameda Affordable Housing Corporation (AAHC) and various Island City Development's (ICD) Limited Partnerships. FPI presented a strong proposal because of its experience managing affordable housing developments. On January 1, 2023, Eagle Village transitioned from The John Stewart Company to FPI Property Management, Inc. and the Board of Commissioners approved an initial three-year agreement, with a term period of December 31, 2025 and two 1-year options to extend the term. Staff is now recommending to execute the first one year option.

## **DISCUSSION**

Eagle Village includes 36 units. The agreement for Eagle Village with FPI includes monthly management fees along with other contract fees. The monthly management fees are charged at \$49.00 per unit per month. Other contract fees include property-specific personnel costs, worker's compensation, Safe Fund Charge, taxes, health insurance benefits, payroll processing costs, postage, holiday event charge, training costs, software and technical costs, vault archive charge, cyber and data security, training manual costs, bank analysis fees, compliance monitoring fees, third-party eligibility file review fees and one-time on-boarding transition fee for stabilized properties. The property and maintenance vendor payments are excluded from the contract costs below. The property agreements with FPI do not have not-to-exceed amounts due to the nature of the contract expenses. Certain expenses such as personnel and insurance costs for FPI were not detailed as the costs varied by properties and positions. These costs are approved annually in the budget process. It is important to notice that many of these are pass through costs, such as site-based payroll which are reimbursed by the owner for service rendered. This is standard property management practice. Based on the accrued costs for the property, Staff anticipate approximately \$201,373.20 to be paid for the contract and management fee cost for year 2026. These numbers below are an estimate only.

Owner	Term Date	# of Units	Management Contract Fee Expensed	Contract Expenses	Total Expenditures	Projected Expenditures (1/1/2026 to 12/31/2026)
Eagle Village	12/31/2025	36	\$54,915.50	\$347,830.90	\$402,746.40	\$201,373.20

FPI has requested a slight increase to the Safe Fund fee from 3.25% to 3.55%. The Safe Fund fee is used to fund multiple employee-related expense arising from litigation and/or FPI employees that arise from the Property. This charge is calculated based on a percentage of on-site employee payroll compensation at the Project. Examples of the fees include safety training, labor law and safety posters, OSHA kits, respirator kit, and safety program management. AHA staff is also requesting an extension of property management services by one year. However, AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms. Staff also expects to rebid property management services in 2026, as there is only one more year of extension permitted on the contract.

California's SB 721 Balcony Law Addendum



Health and Safety Code Section 17973, also known as California's SB 721 Balcony Law which was approved by the Governor back in 2018, requires property managers of multi-family buildings (3+ units) to ensure that balconies, decks, porches and other elevated exterior elements are inspected by a qualified professional. The Addendum extended the deadline for the initial inspection to January 1, 2026. The Bill requires inspections to be conducted every six years. The proposed Balcony Law Addendum is an agreement between FPI and AHA to adhere to the Balcony Law, which will be attached to the property management agreement as the new Exhibit F to the agreement. A separate report on SB721 compliance is included in this Board packet.

#### Change in Control of FPI to Asset Living

As of August 1, 2025, Sako and Partners Holdings, LLC, a Texas based limited liability company doing business as Asset Living Asset Living purchased the controlling share of FPI Management. FPI has informed AHA the transition will have minimal impact on the residents and the quality of service. FPI has also maintained there will be no changes to the agreed fees. AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025. A consent of change letter is included in the action proposed and also referenced as Exhibit G to the agreement in Amendment No. 1.

#### Other Changes

The requested action from the Board also includes a request to Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider. In the event of a major change that is not in the owners' favor, the Property Management Agreement would come back to the board for approval. For some sites, especially the LIHTC Sites, staff expect these stakeholders to ask or require for change in 2026 that are more favorable to the ownership and/or insurance entities and Staff may need to move quickly to make changes.

#### **FISCAL IMPACT**

Funding for this contract has been approved and is budgeted for in the current fiscal year, including the minor fee increases. Expenditures will continue to be reviewed prior to submission of the upcoming fiscal year's budget and prior to any further extensions of this contract.

#### **CEQA**

No Applicable.

#### **RECOMMENDATION**

Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (Eagle Village) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset



Living; and consent to FPI Property Management, Inc., continued management of (Eagle Village) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.

**ATTACHMENTS**

1. Eagle Village- Amendment No. 1

Respectfully submitted,

*Radha Mehta*

Radha Mehta, Management Analyst

**FIRST AMENDMENT TO  
PROPERTY MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT (“Amendment”)** is entered into as of 18<sup>th</sup> day of December, 2025, ("**Effective Date**") by and between the ALAMEDA AFFORDABLE HOUSING CORPORATION, nonprofit public benefit corporation ("**Owner**"), and FPI MANAGEMENT, INC., a California corporation, and a licensed property management provider ("**Agent**"). The Owner and the Agent are individually referred to herein as a "**Party**" and collectively as the "**Parties**."

**RECITALS**

A. The Owner and Agent entered into that certain Property Management Agreement dated January 1, 2023 ("**Agreement**") to provide property management services at Owner's Eagle Village property, consisting of 36 units located at 721 Eagle Ave., Alameda, CA 94501, as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on January 1, 2023 with a termination date of December 31, 2025, and two 1-year options to extend the term.

C. The Owner has continued need for Agent's property management services and desires to exercise the option to extend the term for 1-year to December 31, 2026.

D. Due to an increase in certain costs Agent has requested an amendment to the Fee Expense Structure attached to the Agreement as Exhibit A.

E. Agent is requiring Owner to acknowledge the deck and balcony inspection requirements set forth in Senate Bill 721 (Approved by the Governor on September 17, 2018. Filed with Secretary of State September 17, 2018) which was codified in Health and Safety Code Section 17973 ("Balcony Law Addendum).

F. Agent notified Owner of a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and requested Owner's consent to such change in control.

G. The Parties desire to (i) extend the term of the Agreement to December 31, 2026, (ii) amend the Fee Expense Structure attached as Exhibit A, (iii) amend the Agreement to include the Balcony Law Addendum which will be attached to the Agreement as Exhibit F; and (iv) consent to the change of control and amend the Agreement to include a Notice of Change of Control which will be attached as Exhibit G.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Term.** Pursuant to Section 2 (Term) of the Agreement, Owner hereby exercises the first option to extend the term for 1-year, such that the term of the Agreement shall be extended to December 31,2026.
3. **Property Management Fee and Expense Structure.** The Property Management Fee and Expense Structure attached to the Agreement as Exhibit A is hereby deleted in its entirety and replaced with the Amended Property Management Fee and Expense Structure attached hereto as Attachment No. 1 and incorporated herein by this reference.
4. **Balcony Law Addendum (SB721).** The Agreement is hereby amended to add the Balcony Law Addendum (Health and Safety Code Section 17973) as the new Exhibit F, which is attached hereto as Attachment No. 2 and incorporated herein by this reference. The Parties shall execute the Balcony Law Addendum concurrently with each Parties execution of this Amendment.
5. **Notice of Change in Control of Agent; Consent to Change.** On or about [insert date] Owner received notice regarding a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and a request for Owner's consent to such change in control. The Agreement is hereby amended to add the attached Notice of Change in Control of FPI Management, Inc., as Exhibit G to the Agreement, which is attached hereto as Attachment No.3 and incorporated herein by this reference.

Owner hereby consents to such change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, as set forth in Notice of Change in Control of FPI Management, Inc., attached as Exhibit G to the Agreement.

5. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in

counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Owner and Agent have executed this Amendment as of the Effective Date.

**OWNER:**

ALAMEDA AFFORDABLE HOUSING CORPORATION

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Vanessa M. Cooper  
Executive Director  
Owner Representative

**AGENT:**

FPI MANAGEMENT, INC.

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Scott Bishop  
EVP

**ATTACHMENT NO. 1**

**(EXHIBIT A TO AGREEMENT)**

**AMENDED PROPERTY MANAGEMENT FEE AND EXPENSE STRUCTURE**

This Property Management Fee and Expense Structure is attached to and made part of the Management Agreement between Owner and Agent. Capitalized terms not otherwise defined herein shall have the same definition as set forth in the Management Agreement.

Owner shall pay to FPI Management, Inc. the fees identified below for providing comprehensive property management services:

***A monthly management fee in an amount equal to \$49 per unit monthly Property specific personnel costs***

<b>Property specific personnel costs</b>	Hourly and monthly compensation, bonuses, for on-site employees at the Property, if any.
<b>Workers' compensation</b>	FPI's workers' compensation cost for employees who perform work on-site at the Project
<b>FPI's Safe Fund Charge (previously included in "FPI's workers compensation charge")</b>	Used to fund and subsidize multiple expenses concerning or arising from litigation and/or FPI employees that relates to or arises from the Property and/or other FPI managed properties nationwide, including but not limited to the following: employee safety and ergonomic assessments, employee environmental training (lead paint, asbestos awareness, mold & moisture management), employee safety training (e.g., hazard communication, blood borne pathogens, lock out-tag out, etc.), employee related insurance (employment practices and crime coverage), global, national, regional and property specific litigation costs, labor law and safety poster sets, labor/employment law consultations (supervisor training), pre-employment screening (including but not limited to background checks, drug testing, and medical and fit testing for respirator use, when applicable), OSHA kits, respirator kits, safety program management, and SDS Binders. Safe Fund payments made by the Owner and the owners of other FPI managed properties may insure to the benefit of other FPI managed property owners. This charge is calculated



	based on a percentage of on-site employee payroll compensation at the Project as follows: <b>Three and fifty-five hundredths percent (3.55%).</b>
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<b><u>Taxes – All taxes related to the Property, including but not limited to sales, business and payroll tax</u></b>	Per federal, state and local laws, statutes, regulations, and requirement.
<b><u>FPI's health insurance benefit charge (medical, dental and vision)</u></b>	Approximately \$807.30 per full-time employee per month.
<b><u>FPI's payroll processing charge (FPI uses ADP)</u></b>	\$27.19 per employee, per month.
<b><u>Property specific postage, Federal Express, Express Mail, U.S. Mail</u></b>	Per provider cost.
<b><u>FPI's annual mid-year training seminar charge</u></b>	Approximately \$250 per on-site manager, plus travel cost.
<b><u>FPI's annual holiday event charge</u></b>	Approximately \$100 per on-site manager, plus travel cost.
<b><u>FPI's online Grace Hill Training access charge</u></b>	\$.54 per unit, per month (Affordable)
<b><u>FPI's cloud platform and DeskTop Technical Support for Office and Business Centers charge</u></b>	\$.61 per unit, per month. This provides unlimited remote access support for site computers and FPI-related applications, i.e., computer virus/spyware/malware administration, PC Encryption, web filtering, Google's GSuite business tools, administration for all property e-mail accounts, property hardware, orders for PCs, laptops, switches, and printers. The cloud platform provides one email box, per 100 units, additional email box will be \$75 per email box, annually.
<b><u>FPI's Vault Archive charge</u></b>	Vault email archive fees - \$70 per on-site mailboxes. Archives property emails for 10 years.

<b><u>Cyber and Data Security</u></b>	\$ .38 per unit, per month. This provides security monitoring, training software and support.
<b><u>FPI's Strategic Solutions</u></b>	\$76 annually – online training manual.
<b><u>Bank analysis fees</u></b>	Actual charges from bank analysis statements
<b><u>FPI's annual software license charge</u></b>	Yardi 7.0 - \$1,249 per year, 0-50 units Yardi 7.0 - \$3,222 per year, 51-150 units Yardi 7.0 - \$3,585 per year, 151-300 units Yardi 7.0 - \$4,232 per year, 301-500 units Yardi 7.0 - \$4,999 per year, 501+ units  Yardi Procure 2 Pay - \$5.93 per unit, per year Yardi Affordable - \$631 per year  Yardi RentCaffeine Affordable - \$14 per unit per year
	Yardi RentCaffeine Setup Fee - \$ 300 - One-time set up fee  Yardi Affordable - \$2 / per unit – One-time set up fee
<b><u>FPI's Business Intelligence Software charge</u></b>	\$ .66 per unit, per month.
<b><u>FPI's Leonardo 24/7 charge</u></b>	No charge, 0-25 units  \$25 per month, 26-50 units  \$50 per month, 51-149 units  \$109 per month, 150+ units  \$99 – One time set up fee
<b><u>Compliance charge</u></b>	

<p><b><u>FPI Compliance Monitoring Fee*</u></b></p>	<p>*\$4.00 per unit / per month: FPI monitoring of affordable programs including LIHTC, Bonds, HOME funds, and any other affordable programs. Providing Income/Rent Limits, training on compliance systems and affordable requirements. Support for annual audits performed by agencies, including pre-audit reviews and preparations.</p> <p>*\$4.00 per unit/per month does not apply to HUD properties. Any additional fees will be identified and approved by HUD.</p>
<p><b><u>Third-Party Eligibility File Review Fee</u></b></p>	<p>FPI has engaged Karen A. Graham Consulting LLC to conduct 3rd-party file reviews and eligibility of all affordable household certifications. Expenses will vary based on property program layering, Self-certification status. Expense is based on a per-file rate.</p> <p>LIHTC Properties or Local Programs Tier 2 (no HUD or RD)</p> <p>\$27.00 Standard File Review (MI, AR, RIC, MOMI, Add-On-AO and IC)</p> <p>\$33.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR) File Reviews</p> <p>\$54.00 First Year Quality Assurance (MI, RIC, MRQC)* Includes combined eligibility and investor review w/ close out letter &amp; report.</p> <p>*First-year fee only, Standard rate applies at the 2nd year review.</p> <p>HUD or USDA-USDA-RD program only (no LIHTC)</p> <p>\$30.00 Standard File Reviews (MI, AR, IR, IC)</p> <p>\$36.00 High Priority File Reviews</p> <p>Blended (LIHTC with HUD/USDA-RD or Local Programs Tier 3)</p> <p>\$47.00 Standard File Reviews (MI, AR, IR, IC)</p>

	<p>\$53.00 High Priority File Reviews</p> <p>\$37.00 HUD/RD AR w/ LIHTC Self Cert (SCR) File Review</p> <p>Local Programs Tier 1 (Market Rate with Local Program-City, County, HOME funds)</p> <p>\$24.00 Standard File Review (MI or AR)</p> <p>\$30.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR File Review)</p>
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<b><u>One-Time Fees</u></b>	
<b>Stabilized Properties Only</b>	\$3,000 On-boarding transition fee
<b><u>Special Projects</u></b>  <b>Affordable Properties Only</b>	<p>Onboarding - Resolution and/or Closeout work</p> <p>Additional work during the initial transition up to 12-months. Fee based on need and agreed upon Action Plan (e.g. pre-audit work, file organization, prior delinquency balances and overdue certification close out.)</p> <p>Utility Allowance Analysis - 3rd-party analysis (as needed) LEP (Limited English Proficiency) Language Plan (if applicable) Electronic signatures/conversion - Application/Forms (if applicable)</p>
<b><u>Accounting Costs</u></b>	Upon termination of management agreement, Agent will provide trailing accounting for a sixty (60) day period, subsequent to the date of termination of management services. Thereafter, at Owner's request, any additional accounting services will be provided for a monthly fee equal to one half of the last monthly management fee paid, prior to termination.

**The fees, costs, charges and expenses in this Property Management Fee and Expense Structure are subject to change annually.**

## ATTACHMENT NO. 2

### (NEW EXHIBIT F TO AGREEMENT)

#### BALCONY LAW ADDENDUM (SB721)

This Health and Safety Code Section 17973 Addendum ("Balcony Law Addendum") is to the Property Management Agreement, or similarly titled agreement, (the "PMA") dated the [Click to enter day of Month](#) day of [Click to enter Month](#), [Click to enter Year](#) between [Click to enter Legal Name of Owner Entity](#) ("Owner"), and FPI Property Management, Inc. ("Agent"), a California corporation, for the property known as [Click to enter Name of Apartment Complex](#) (the "Project") located at [Click to enter Street Address of Apartment Unit](#), [Click to enter City, State, Zip Code](#).

All capitalized terms used, but not defined herein, shall have the meaning set forth in the PMA. The terms and conditions of this Balcony Law Addendum shall be incorporated by reference into the PMA and any breach of the terms and conditions of this Balcony Law Addendum shall be construed a breach of the PMA. Except as set forth in this Balcony Law Addendum, the PMA is unaffected and shall continue in full force and effect in accordance with their terms. If there is conflict between the terms of this Balcony Law Addendum and the terms of the PMA, the terms of this Balcony Law Addendum will control. The Owner and Agent agree as follows:

1. Notice is hereby given to Owner that on September 17, 2018, Senate Bill No. 721 was approved by the California Governor. The bill was codified under California Health and Safety Code section 17973 ("Section 17973"). Section 17973 imposes on property owners strict inspection requirements relating to exterior elements of buildings used for human habitation. It provides as follows:

(a) Exterior elevated elements that include load-bearing components in all buildings containing three or more multifamily dwelling units shall be inspected. The inspection shall be performed by a licensed architect; licensed civil or structural engineer; a building contractor holding any or all of the "A," "B," or "C-5" license classifications issued by the Contractors State License Board, with a minimum of five years' experience, as a holder of the aforementioned classifications or licenses, in constructing multistory wood frame buildings; or an individual certified as a building inspector or building official from a recognized state, national, or international association, as determined by the local jurisdiction. These individuals shall not be employed by the local jurisdiction while performing these inspections. The purpose of the inspection is to determine that exterior elevated elements and their associated waterproofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or the occupants is not endangered. The person or business performing the inspection shall be hired by the owner of the building.

(b) For purposes of this section, the following terms have the following definitions:

(1) "Associated waterproofing elements" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.

(2) "Exterior elevated element" means the following types of structures, including their supports and railings: balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and which have a walking surface that is elevated more than six feet above ground level, are designed for human occupancy or use, and rely in whole or in substantial part on wood or wood-based products for structural support or stability of the exterior elevated element.

(3) "Load-bearing components" are those components that extend beyond the exterior walls of the building to deliver structural loads from the exterior elevated element to the building.

(c) The inspection required by this section shall at a minimum include:

(1) Identification of each type of exterior elevated element that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.

(2) Assessment of the load-bearing components and associated waterproofing elements of the exterior elevated elements identified in paragraph (1) using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.

(3) The evaluation and assessment shall address each of the following as of the date of the evaluation:

(A) The current condition of the exterior elevated elements.

(B) Expectations of future performance and projected service life.

(C) Recommendations of any further inspection necessary.

(4) A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner's designated agent within 45 days of completion of the inspection.

The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.

(d) The inspection shall be completed by **January 1, 2026**, and by January 1 every six years thereafter. The inspector conducting the inspection shall produce an initial report pursuant to paragraph (4) of subdivision (c) and, if requested by the owner, a final report indicating that any required repairs have been completed. A copy of any report that recommends immediate repairs, advises that any building assembly poses an immediate threat to the safety of the occupants, or that preventing occupant access or emergency repairs, including shoring, are necessary, shall be provided by the inspector to the owner of the building and to the local enforcement agency within 15 days of completion of the report. Subsequent inspection reports shall incorporate copies of prior inspection reports, including the locations of the exterior elevated elements inspected. Local enforcement agencies may determine whether any additional information is to be provided in the report and may require a copy of the initial or final reports, or both, be submitted to the local jurisdiction. Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles, and shall be disclosed and delivered to the buyer at the time of any subsequent sale of the building.

(e) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than six years following issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this section.

(f) If the property was inspected within three years prior to January 1, 2019, by an inspector as described in subdivision (a) and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection pursuant to this section shall be required until **January 1, 2026**.

(g) An exterior elevated element found by the inspector that is in need of repair or replacement shall be corrected by the owner of the building. All necessary permits for repair or replacement shall be obtained from the local jurisdiction. All repair and replacement work shall be performed by a qualified and licensed contractor in compliance with all of the following:

(1) The recommendations of a licensed professional described in subdivision (a).

(2) Any applicable manufacturer's specifications.

(3) The California Building Standards Code, consistent with subdivision (d) of Section 17922 of the Health and Safety Code.

(4) All local jurisdictional requirements.

(h)

(1) An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately. Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of subdivision (g), be inspected by the inspector, and reported to the local enforcement agency.

(2) The owner of the building requiring corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

(i)

(1) The owner of the building shall be responsible for complying with the requirements of this section.

(2) If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on the fee schedule set by the local Owner of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency.

(3) In the event that a civil penalty is assessed pursuant to this section, a building safety lien may be recorded in the county



recorder's office by the local jurisdiction in the county in which the parcel of land is located and from the date of recording shall have the force, effect, and priority of a judgment lien.

(j)

(1) A building safety lien authorized by this section shall specify the amount of the lien, the name of the agency on whose behalf the lien is imposed, the street address, the legal description and assessor's parcel number of the parcel on which the lien is imposed, and the name and address of the recorded owner of the building.

(2) In the event that the lien is discharged, released, or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in paragraph (1) shall be recorded by the governmental agency. A safety lien and the release of the lien shall be indexed in the grantor-grantee index.

(3) A building safety lien may be foreclosed by an action brought by the appropriate local jurisdiction for a money judgment.

(4) Notwithstanding any other law, the county recorder may impose a fee on the city to reimburse the costs of processing and recording the lien and providing notice to the owner of the building. A city may recover from the owner of the building any costs incurred regarding the processing and recording of the lien and providing notice to the owner of the building as part of its foreclosure action to enforce the lien.

(k) The continued and ongoing maintenance of exterior elevated elements in a safe and functional condition in compliance with these provisions shall be the responsibility of the owner of the building.

(l) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section.

(m) For any building subject to the provisions of this section that is proposed for conversion to condominiums to be sold to the public after January 1, 2019, the inspection required by this section shall be conducted prior to the first close of escrow of a separate interest in the project and shall include the inspector's recommendations for repair or replacement of any exterior elevated element found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, and would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants. The inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be submitted to the Department of Real Estate by the proponent of the conversion and shall be a condition to the issuance

of the final public report. A complete copy of the inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be included with the written statement of defects required by Section 1134 of the Civil Code, and provided to the local jurisdiction in which the project is located. The inspection, report, and confirmation of completed repairs shall be a condition of the issuance of a final inspection or certificate of occupancy by the local jurisdiction.

(n) This section shall not apply to a common interest development, as defined in Section 4100 of the Civil Code.

(o) The governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this section.

(Health & Saf. Code, § 17973 (Deering, Lexis Advance through the 2022 Regular Session).)

2. Owner agrees and acknowledges it has received notice about Section 17973 and the requirements it imposes. Owner further agrees and acknowledges that Owner is responsible for taking the necessary actions to comply with Section 17973, including, but not limited, to performing any and all required inspections and repairs with qualified entities and/or individuals.
3. Owner agrees and acknowledges that it is aware that Section 17973 contains key deadlines by which Owner must achieve compliance with Section 17973. The earliest deadline contained in Section 17973 is **January 1, 2026**. Failure to comply with Section 17973 allows for the imposition of severe penalties and legal liability.
4. Owner agrees and acknowledges that achieving compliance with Section 17973 may require Owner to expend substantial financial resources and that compliance with Section 17973 is not optional.

The parties represent that they have read, understand and agree to all the sections contained in this Balcony Law Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Balcony Law Addendum as of the day and year first above written.

**Owner**

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

\_\_\_\_\_  
Date

[Click Here to enter Name](#)

[Click Here to enter Title](#)

**Agent**

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

\_\_\_\_\_  
Date

Scott Bishop

EVP

ATTACHMENT NO. 3

(NEW EXHIBIT G TO AGREEMENT)

NOTICE OF CHANGE IN CONTROL OF FPI MANAGEMENT, INC

Re: Notice of Change in Control of FPI Management, Inc.

Dear Valued Client:

This is to inform you that following a stock sale, there has been a change in control of FPI Management, Inc. ("FPI") as of August 1, 2025. FPI is now a wholly owned subsidiary of Sako and Partners Holdings, LLC, doing business as Asset Living . FPI's new chief executive officer is Ryan McGrath. FPI's real estate broker's licenses in the states it operates are unchanged and FPI's licensed real estate brokers of record are also unchanged in all states, except California. In California, FPI's CFO, Scott Bishop, CA License Number 01778245, is now FPI's licensed broker of record, replacing Dennis Treadaway, who is no longer with the company.

Respectfully,

Scott Bishop  
Chief Financial Officer  
FPI Management, Inc.

**Acknowledgement of Change in Control**

By executing of this Notice of Change in Control of FPI Management, Inc. ("FPI") and Alameda Housing Owner ("Owner") acknowledges the change of control of FPI and consents to FPI's continued management of Owner's property locations listed in Exhibit G1 attached.

**Click to Enter Full Legal Name of Property Owner.**

By: \_\_\_\_\_  
Click to Enter Signer's Full Name.

Its: Click to Enter Signer's Title.

Date: Click to Enter Date.

**Exhibit G1- Owner's Property Locations**

<b>Code</b>	<b>Project Name</b>	<b>Address</b>	<b># units</b>
V27	Eagle Village	721 Eagle Avenue	36



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Radha Mehta, Management Analyst

Prepared By: Radha Mehta, Management Analyst

Date: December 17, 2025

Re: Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. **(Esperanza Apartments)** extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(Esperanza Apartments)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.  
6.I.

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## **BACKGROUND**

The Housing Authority of City of Alameda (AHA) has been utilizing third party property management services to provide efficient management and operation services for AHA residential properties. Outsourcing the management of properties has allowed AHA to continue prioritizing the administration of its housing assistance programs. On August 18, 2022, AHA issued a Request for Qualifications (RFQ) to manage AHA's multifamily portfolio, with the anticipated contract start date of January 1, 2023, which also included additional properties to be added in the coming years. The scope of services within the RFQ included leasing and operations, property management, management of relationships between vendors and service providers, repair and maintenance work payments, budget preparation, initial lease up and project start up, enforcement of lease, and reporting services to AHA.

In September 2022, the RFQ Evaluation Committee reviewed and ranked the submissions. In



October 2022, the top firms were invited to interview with an AHA interview panel. FPI was ranked first by the panelists for property management services and was awarded property management services agreements for properties owned by three separate entities; AHA, Alameda Affordable Housing Corporation (AAHC) and various Island City Development's (ICD) Limited Partnerships. FPI presented a strong proposal because of its experience managing affordable housing developments. On January 1, 2023, Esperanza transitioned from The John Stewart Company to FPI Property Management, Inc. and the Board of Commissioners approved an initial three-year agreement, with a term period of December 31, 2025 and two 1-year options to extend the term. Staff is now recommending to execute the first one year option.

## **DISCUSSION**

Esperanza includes 120 units. The agreement for Esperanza with FPI includes monthly management fees along with other contract fees. The monthly management fees are charged at \$49.00 per unit per month. Other contract fees include property-specific personnel costs, worker's compensation, Safe Fund Charge, taxes, health insurance benefits, payroll processing costs, postage, holiday event charge, training costs, software and technical costs, vault archive charge, cyber and data security, training manual costs, bank analysis fees, compliance monitoring fees, third-party eligibility file review fees and one-time on-boarding transition fee for stabilized properties. The property and maintenance vendor payments are excluded from the contract costs below. The property agreements with FPI do not have not-to-exceed amounts due to the nature of the contract expenses. Certain expenses such as personnel and insurance costs for FPI were not detailed as the costs varied by properties and positions. These costs are approved annually in the budget process. It is important to notice that many of these are pass through costs, such as site-based payroll which are reimbursed by the owner for service rendered. This is standard property management practice. Based on the accrued costs for Esperanza, Staff anticipate approximately \$817,514.06 to be paid for the contract and management fee cost for year 2026. These numbers below are an estimate only.

Owner	Term Date	# of Units	Management Fee Expensed	Contract Expenses	Total Expenditures	Projected Expenditures (1/1/2026 to 12/31/2026)
Esperanza	12/31/2025	120	\$182,284.20	\$1,452,743.91	\$1,635,028.111	\$817,514.06

FPI has requested a slight increase to the Safe Fund fee from 3.25% to 3.55%. The Safe Fund fee is used to fund multiple employee-related expense arising from litigation and/or FPI employees that arise from the Property. This charge is calculated based on a percentage of on-site employee payroll compensation at the Project. Examples of the fees include safety training, labor law and safety posters, OSHA kits, respirator kit, and safety program management. AHA staff is also requesting an extension of property management services by one year. However, AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms. Staff also expects to rebid property management services in 2026, as there is only one more year of extension permitted on the contract.

## **California's SB 721 Balcony Law Addendum**

Health and Safety Code Section 17973, also known as California's SB 721 Balcony Law which



was approved by the Governor back in 2018, requires property managers of multi-family buildings (3+ units) to ensure that balconies, decks, porches and other elevated exterior elements are inspected by a qualified professional. The Addendum extended the deadline for the initial inspection to January 1, 2026. The Bill requires inspections to be conducted every six years. The proposed Balcony Law Addendum is an agreement between FPI and AHA to adhere to the Balcony Law, which will be attached to the property management agreement as the new Exhibit F to the agreement. A separate report on SB721 compliance is included in this Board packet.

#### Change in Control of FPI to Asset Living

As of August 1, 2025, Sako and Partners Holdings, LLC, a Texas based limited liability company doing business as Asset Living Asset Living purchased the controlling share of FPI Management. FPI has informed AHA the transition will have minimal impact on the residents and the quality of service. FPI has also maintained there will be no changes to the agreed fees. AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025. A consent of change letter is included in the action proposed and also referenced as Exhibit G to the agreement in Amendment No. 1.

#### Other Changes

The requested action from the Board also includes a request to Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider. In the event of a major change that is not in the owners' favor, the Property Management Agreement would come back to the board for approval. For some sites, especially the LIHTC Sites, staff expect these stakeholders to ask or require for change in 2026 that are more favorable to the ownership and/or insurance entities and Staff may need to move quickly to make changes. (

#### FISCAL IMPACT

Funding for this contract has been approved and is budgeted for in the current fiscal year, including the minor fee increases. Expenditures will continue to be reviewed prior to submission of the upcoming fiscal year's budget and prior to any further extensions of this contract.

#### CEQA

Not applicable.

#### RECOMMENDATION

Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Esperanza Apartments**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**Esperanza Apartments**) pursuant to the property management agreement; Authorize the



Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.

**ATTACHMENTS**

1. Esperanza- Amendment No. 1

Respectfully submitted,

*Radha Mehta*

Radha Mehta, Management Analyst



## **FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT (“Amendment”)** is entered into as of 18<sup>th</sup> day of December, 2025, ("**Effective Date**") by and between the ALAMEDA AFFORDABLE HOUSING CORPORATION, nonprofit public benefit corporation ("**Owner**"), and FPI MANAGEMENT, INC., a California corporation, and a licensed property management provider ("**Agent**"). The Owner and the Agent are individually referred to herein as a "**Party**" and collectively as the "**Parties**."

### **RECITALS**

A. The Owner and Agent entered into that certain Property Management Agreement dated January 1, 2023 ("**Agreement**") to provide property management services at Owner's Esperanza property, consisting of 120 units located at 1903 Third Street., Alameda, CA 94501, as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on January 1, 2023 with a termination date of December 31, 2025, and two 1-year options to extend the term.

C. The Owner has continued need for Agent's property management services and desires to exercise the option to extend the term for 1-year to December 31, 2026.

D. Due to an increase in certain costs Agent has requested an amendment to the Fee Expense Structure attached to the Agreement as Exhibit A.

E. Agent is requiring Owner to acknowledge the deck and balcony inspection requirements set forth in Senate Bill 721 (Approved by the Governor on September 17, 2018. Filed with Secretary of State September 17, 2018) which was codified in Health and Safety Code Section 17973 ("Balcony Law Addendum).

F. Agent notified Owner of a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and requested Owner's consent to such change in control.

G. The Parties desire to (i) extend the term of the Agreement to December 31, 2026, (ii) amend the Fee Expense Structure attached as Exhibit A, (iii) amend the Agreement to include the Balcony Law Addendum which will be attached to the Agreement as Exhibit F; and (iv) consent to the change of control and amend the Agreement to include a Notice of Change of Control which will be attached as Exhibit G.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Term.** Pursuant to Section 2 (Term) of the Agreement, Owner hereby exercises the first option to extend the term for 1-year, such that the term of the Agreement shall be extended to December 31,2026.
3. **Property Management Fee and Expense Structure.** The Property Management Fee and Expense Structure attached to the Agreement as Exhibit A is hereby deleted in its entirety and replaced with the Amended Property Management Fee and Expense Structure attached hereto as Attachment No. 1 and incorporated herein by this reference.
4. **Balcony Law Addendum (SB721).** The Agreement is hereby amended to add the Balcony Law Addendum (Health and Safety Code Section 17973) as the new Exhibit F, which is attached hereto as Attachment No. 2 and incorporated herein by this reference. The Parties shall execute the Balcony Law Addendum concurrently with each Parties execution of this Amendment.
5. **Notice of Change in Control of Agent; Consent to Change.** On or about [insert date] Owner received notice regarding a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and a request for Owner's consent to such change in control. The Agreement is hereby amended to add the attached Notice of Change in Control of FPI Management, Inc., as Exhibit G to the Agreement, which is attached hereto as Attachment No.3 and incorporated herein by this reference.

Owner hereby consents to such change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, as set forth in Notice of Change in Control of FPI Management, Inc., attached as Exhibit G to the Agreement.

5. **Miscellaneous.**
  - a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.
  - b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.
  - c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.
  - d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.
  - e. **Counterparts.** This Amendment may be signed by the Parties in

counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Owner and Agent have executed this Amendment as of the Effective Date.

**OWNER:**

ALAMEDA AFFORDABLE HOUSING CORPORATION

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Vanessa M. Cooper  
Executive Director  
Owner Representative

**AGENT:**

FPI MANAGEMENT, INC.

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Scott Bishop  
EVP

**ATTACHMENT NO. 1**

**(EXHIBIT A TO AGREEMENT)**

**AMENDED PROPERTY MANAGEMENT FEE AND EXPENSE STRUCTURE**

This Property Management Fee and Expense Structure is attached to and made part of the Management Agreement between Owner and Agent. Capitalized terms not otherwise defined herein shall have the same definition as set forth in the Management Agreement.

Owner shall pay to FPI Management, Inc. the fees identified below for providing comprehensive property management services:

***A monthly management fee in an amount equal to \$49 per unit monthly Property specific personnel costs***

<b>Property specific personnel costs</b>	Hourly and monthly compensation, bonuses, for on-site employees at the Property, if any.
<b>Workers' compensation</b>	FPI's workers' compensation cost for employees who perform work on-site at the Project
<b>FPI's Safe Fund Charge (previously included in "FPI's workers compensation charge")</b>	Used to fund and subsidize multiple expenses concerning or arising from litigation and/or FPI employees that relates to or arises from the Property and/or other FPI managed properties nationwide, including but not limited to the following: employee safety and ergonomic assessments, employee environmental training (lead paint, asbestos awareness, mold & moisture management), employee safety training (e.g., hazard communication, blood borne pathogens, lock out-tag out, etc.), employee related insurance (employment practices and crime coverage), global, national, regional and property specific litigation costs, labor law and safety poster sets, labor/employment law consultations (supervisor training), pre-employment screening (including but not limited to background checks, drug testing, and medical and fit testing for respirator use, when applicable), OSHA kits, respirator kits, safety program management, and SDS Binders. Safe Fund payments made by the Owner and the owners of other FPI managed properties may insure to the benefit of other FPI managed property owners. This charge is calculated

	based on a percentage of on-site employee payroll compensation at the Project as follows: <b>Three and fifty-five hundredths percent (3.55%).</b>
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<b><u>Taxes – All taxes related to the Property, including but not limited to sales, business and payroll tax</u></b>	Per federal, state and local laws, statutes, regulations, and requirement.
<b><u>FPI's health insurance benefit charge (medical, dental and vision)</u></b>	Approximately \$807.30 per full-time employee per month.
<b><u>FPI's payroll processing charge (FPI uses ADP)</u></b>	\$27.19 per employee, per month.
<b><u>Property specific postage, Federal Express, Express Mail, U.S. Mail</u></b>	Per provider cost.
<b><u>FPI's annual mid-year training seminar charge</u></b>	Approximately \$250 per on-site manager, plus travel cost.
<b><u>FPI's annual holiday event charge</u></b>	Approximately \$100 per on-site manager, plus travel cost.
<b><u>FPI's online Grace Hill Training access charge</u></b>	\$.54 per unit, per month (Affordable)
<b><u>FPI's cloud platform and DeskTop Technical Support for Office and Business Centers charge</u></b>	\$.61 per unit, per month. This provides unlimited remote access support for site computers and FPI-related applications, i.e., computer virus/spyware/malware administration, PC Encryption, web filtering, Google's GSuite business tools, administration for all property e-mail accounts, property hardware, orders for PCs, laptops, switches, and printers. The cloud platform provides one email box, per 100 units, additional email box will be \$75 per email box, annually.
<b><u>FPI's Vault Archive charge</u></b>	Vault email archive fees - \$70 per on-site mailboxes. Archives property emails for 10 years.

<b><u>Cyber and Data Security</u></b>	\$ .38 per unit, per month. This provides security monitoring, training software and support.
<b><u>FPI's Strategic Solutions</u></b>	\$76 annually – online training manual.
<b><u>Bank analysis fees</u></b>	Actual charges from bank analysis statements
<b><u>FPI's annual software license charge</u></b>	Yardi 7.0 - \$1,249 per year, 0-50 units Yardi 7.0 - \$3,222 per year, 51-150 units Yardi 7.0 - \$3,585 per year, 151-300 units Yardi 7.0 - \$4,232 per year, 301-500 units Yardi 7.0 - \$4,999 per year, 501+ units  Yardi Procure 2 Pay - \$5.93 per unit, per year Yardi Affordable - \$631 per year  Yardi RentCaffeine Affordable - \$14 per unit per year
	Yardi RentCaffeine Setup Fee - \$ 300 - One-time set up fee  Yardi Affordable - \$2 / per unit – One-time set up fee
<b><u>FPI's Business Intelligence Software charge</u></b>	\$ .66 per unit, per month.
<b><u>FPI's Leonardo 24/7 charge</u></b>	No charge, 0-25 units  \$25 per month, 26-50 units  \$50 per month, 51-149 units  \$109 per month, 150+ units  \$99 – One time set up fee
<b><u>Compliance charge</u></b>	

<p><b><u>FPI Compliance Monitoring Fee*</u></b></p>	<p>*\$4.00 per unit / per month: FPI monitoring of affordable programs including LIHTC, Bonds, HOME funds, and any other affordable programs. Providing Income/Rent Limits, training on compliance systems and affordable requirements. Support for annual audits performed by agencies, including pre-audit reviews and preparations.</p> <p>*\$4.00 per unit/per month does not apply to HUD properties. Any additional fees will be identified and approved by HUD.</p>
<p><b><u>Third-Party Eligibility File Review Fee</u></b></p>	<p>FPI has engaged Karen A. Graham Consulting LLC to conduct 3rd-party file reviews and eligibility of all affordable household certifications. Expenses will vary based on property program layering, Self-certification status. Expense is based on a per-file rate.</p> <p>LIHTC Properties or Local Programs Tier 2 (no HUD or RD)</p> <p>\$27.00 Standard File Review (MI, AR, RIC, MOMI, Add-On-AO and IC)</p> <p>\$33.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR) File Reviews</p> <p>\$54.00 First Year Quality Assurance (MI, RIC, MRQC)* Includes combined eligibility and investor review w/ close out letter &amp; report.</p> <p>*First-year fee only, Standard rate applies at the 2nd year review.</p> <p>HUD or USDA-USDA-RD program only (no LIHTC)</p> <p>\$30.00 Standard File Reviews (MI, AR, IR, IC)</p> <p>\$36.00 High Priority File Reviews</p> <p>Blended (LIHTC with HUD/USDA-RD or Local Programs Tier 3)</p> <p>\$47.00 Standard File Reviews (MI, AR, IR, IC)</p>



	<p>\$53.00 High Priority File Reviews</p> <p>\$37.00 HUD/RD AR w/ LIHTC Self Cert (SCR) File Review</p> <p>Local Programs Tier 1 (Market Rate with Local Program-City, County, HOME funds)</p> <p>\$24.00 Standard File Review (MI or AR)</p> <p>\$30.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR File Review)</p>
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<b><u>One-Time Fees</u></b>	
<b>Stabilized Properties Only</b>	\$3,000 On-boarding transition fee
<b><u>Special Projects</u></b>  <b>Affordable Properties Only</b>	<p>Onboarding - Resolution and/or Closeout work</p> <p>Additional work during the initial transition up to 12-months. Fee based on need and agreed upon Action Plan (e.g. pre-audit work, file organization, prior delinquency balances and overdue certification close out.)</p> <p>Utility Allowance Analysis - 3rd-party analysis (as needed) LEP (Limited English Proficiency) Language Plan (if applicable) Electronic signatures/conversion - Application/Forms (if applicable)</p>
<b><u>Accounting Costs</u></b>	Upon termination of management agreement, Agent will provide trailing accounting for a sixty (60) day period, subsequent to the date of termination of management services. Thereafter, at Owner's request, any additional accounting services will be provided for a monthly fee equal to one half of the last monthly management fee paid, prior to termination.

**The fees, costs, charges and expenses in this Property Management Fee and Expense Structure are subject to change annually.**

## ATTACHMENT NO. 2

### (NEW EXHIBIT F TO AGREEMENT)

#### BALCONY LAW ADDENDUM (SB721)

This Health and Safety Code Section 17973 Addendum ("Balcony Law Addendum") is to the Property Management Agreement, or similarly titled agreement, (the "PMA") dated the [Click to enter day of Month](#) day of [Click to enter Month](#), [Click to enter Year](#) between [Click to enter Legal Name of Owner Entity](#) ("Owner"), and FPI Property Management, Inc. ("Agent"), a California corporation, for the property known as [Click to enter Name of Apartment Complex](#) (the "Project") located at [Click to enter Street Address of Apartment Unit](#), [Click to enter City, State, Zip Code](#).

All capitalized terms used, but not defined herein, shall have the meaning set forth in the PMA. The terms and conditions of this Balcony Law Addendum shall be incorporated by reference into the PMA and any breach of the terms and conditions of this Balcony Law Addendum shall be construed a breach of the PMA. Except as set forth in this Balcony Law Addendum, the PMA is unaffected and shall continue in full force and effect in accordance with their terms. If there is conflict between the terms of this Balcony Law Addendum and the terms of the PMA, the terms of this Balcony Law Addendum will control. The Owner and Agent agree as follows:

1. Notice is hereby given to Owner that on September 17, 2018, Senate Bill No. 721 was approved by the California Governor. The bill was codified under California Health and Safety Code section 17973 ("Section 17973"). Section 17973 imposes on property owners strict inspection requirements relating to exterior elements of buildings used for human habitation. It provides as follows:

(a) Exterior elevated elements that include load-bearing components in all buildings containing three or more multifamily dwelling units shall be inspected. The inspection shall be performed by a licensed architect; licensed civil or structural engineer; a building contractor holding any or all of the "A," "B," or "C-5" license classifications issued by the Contractors State License Board, with a minimum of five years' experience, as a holder of the aforementioned classifications or licenses, in constructing multistory wood frame buildings; or an individual certified as a building inspector or building official from a recognized state, national, or international association, as determined by the local jurisdiction. These individuals shall not be employed by the local jurisdiction while performing these inspections. The purpose of the inspection is to determine that exterior elevated elements and their associated waterproofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or the occupants is not endangered. The person or business performing the inspection shall be hired by the owner of the building.

(b) For purposes of this section, the following terms have the following definitions:

(1) "Associated waterproofing elements" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.

(2) "Exterior elevated element" means the following types of structures, including their supports and railings: balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and which have a walking surface that is elevated more than six feet above ground level, are designed for human occupancy or use, and rely in whole or in substantial part on wood or wood-based products for structural support or stability of the exterior elevated element.

(3) "Load-bearing components" are those components that extend beyond the exterior walls of the building to deliver structural loads from the exterior elevated element to the building.

(c) The inspection required by this section shall at a minimum include:

(1) Identification of each type of exterior elevated element that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.

(2) Assessment of the load-bearing components and associated waterproofing elements of the exterior elevated elements identified in paragraph (1) using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.

(3) The evaluation and assessment shall address each of the following as of the date of the evaluation:

(A) The current condition of the exterior elevated elements.

(B) Expectations of future performance and projected service life.

(C) Recommendations of any further inspection necessary.

(4) A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner's designated agent within 45 days of completion of the inspection.

The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.

(d) The inspection shall be completed by **January 1, 2026**, and by January 1 every six years thereafter. The inspector conducting the inspection shall produce an initial report pursuant to paragraph (4) of subdivision (c) and, if requested by the owner, a final report indicating that any required repairs have been completed. A copy of any report that recommends immediate repairs, advises that any building assembly poses an immediate threat to the safety of the occupants, or that preventing occupant access or emergency repairs, including shoring, are necessary, shall be provided by the inspector to the owner of the building and to the local enforcement agency within 15 days of completion of the report. Subsequent inspection reports shall incorporate copies of prior inspection reports, including the locations of the exterior elevated elements inspected. Local enforcement agencies may determine whether any additional information is to be provided in the report and may require a copy of the initial or final reports, or both, be submitted to the local jurisdiction. Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles, and shall be disclosed and delivered to the buyer at the time of any subsequent sale of the building.

(e) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than six years following issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this section.

(f) If the property was inspected within three years prior to January 1, 2019, by an inspector as described in subdivision (a) and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection pursuant to this section shall be required until **January 1, 2026**.

(g) An exterior elevated element found by the inspector that is in need of repair or replacement shall be corrected by the owner of the building. All necessary permits for repair or replacement shall be obtained from the local jurisdiction. All repair and replacement work shall be performed by a qualified and licensed contractor in compliance with all of the following:

(1) The recommendations of a licensed professional described in subdivision (a).

(2) Any applicable manufacturer's specifications.

(3) The California Building Standards Code, consistent with subdivision (d) of Section 17922 of the Health and Safety Code.

(4) All local jurisdictional requirements.

(h)

(1) An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately. Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of subdivision (g), be inspected by the inspector, and reported to the local enforcement agency.

(2) The owner of the building requiring corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

(i)

(1) The owner of the building shall be responsible for complying with the requirements of this section.

(2) If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on the fee schedule set by the local Owner of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency.

(3) In the event that a civil penalty is assessed pursuant to this section, a building safety lien may be recorded in the county

recorder's office by the local jurisdiction in the county in which the parcel of land is located and from the date of recording shall have the force, effect, and priority of a judgment lien.

(j)

(1) A building safety lien authorized by this section shall specify the amount of the lien, the name of the agency on whose behalf the lien is imposed, the street address, the legal description and assessor's parcel number of the parcel on which the lien is imposed, and the name and address of the recorded owner of the building.

(2) In the event that the lien is discharged, released, or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in paragraph (1) shall be recorded by the governmental agency. A safety lien and the release of the lien shall be indexed in the grantor-grantee index.

(3) A building safety lien may be foreclosed by an action brought by the appropriate local jurisdiction for a money judgment.

(4) Notwithstanding any other law, the county recorder may impose a fee on the city to reimburse the costs of processing and recording the lien and providing notice to the owner of the building. A city may recover from the owner of the building any costs incurred regarding the processing and recording of the lien and providing notice to the owner of the building as part of its foreclosure action to enforce the lien.

(k) The continued and ongoing maintenance of exterior elevated elements in a safe and functional condition in compliance with these provisions shall be the responsibility of the owner of the building.

(l) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section.

(m) For any building subject to the provisions of this section that is proposed for conversion to condominiums to be sold to the public after January 1, 2019, the inspection required by this section shall be conducted prior to the first close of escrow of a separate interest in the project and shall include the inspector's recommendations for repair or replacement of any exterior elevated element found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, and would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants. The inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be submitted to the Department of Real Estate by the proponent of the conversion and shall be a condition to the issuance

of the final public report. A complete copy of the inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be included with the written statement of defects required by Section 1134 of the Civil Code, and provided to the local jurisdiction in which the project is located. The inspection, report, and confirmation of completed repairs shall be a condition of the issuance of a final inspection or certificate of occupancy by the local jurisdiction.

(n) This section shall not apply to a common interest development, as defined in Section 4100 of the Civil Code.

(o) The governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this section.

(Health & Saf. Code, § 17973 (Deering, Lexis Advance through the 2022 Regular Session).)

2. Owner agrees and acknowledges it has received notice about Section 17973 and the requirements it imposes. Owner further agrees and acknowledges that Owner is responsible for taking the necessary actions to comply with Section 17973, including, but not limited, to performing any and all required inspections and repairs with qualified entities and/or individuals.
3. Owner agrees and acknowledges that it is aware that Section 17973 contains key deadlines by which Owner must achieve compliance with Section 17973. The earliest deadline contained in Section 17973 is **January 1, 2026**. Failure to comply with Section 17973 allows for the imposition of severe penalties and legal liability.
4. Owner agrees and acknowledges that achieving compliance with Section 17973 may require Owner to expend substantial financial resources and that compliance with Section 17973 is not optional.

The parties represent that they have read, understand and agree to all the sections contained in this Balcony Law Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Balcony Law Addendum as of the day and year first above written.

**Owner**

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

\_\_\_\_\_  
Date

[Click Here to enter Name](#)

[Click Here to enter Title](#)

**Agent**

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

\_\_\_\_\_  
Date

Scott Bishop

EVP

ATTACHMENT NO. 3

(NEW EXHIBIT G TO AGREEMENT)

NOTICE OF CHANGE IN CONTROL OF FPI MANAGEMENT, INC

Re: Notice of Change in Control of FPI Management, Inc.

Dear Valued Client:

This is to inform you that following a stock sale, there has been a change in control of FPI Management, Inc. ("FPI") as of August 1, 2025. FPI is now a wholly owned subsidiary of Sako and Partners Holdings, LLC, doing business as Asset Living . FPI's new chief executive officer is Ryan McGrath. FPI's real estate broker's licenses in the states it operates are unchanged and FPI's licensed real estate brokers of record are also unchanged in all states, except California. In California, FPI's CFO, Scott Bishop, CA License Number 01778245, is now FPI's licensed broker of record, replacing Dennis Treadaway, who is no longer with the company.

Respectfully,

Scott Bishop  
Chief Financial Officer  
FPI Management, Inc.

**Acknowledgement of Change in Control**

By executing of this Notice of Change in Control of FPI Management, Inc. ("FPI") and Alameda Housing Owner ("Owner") acknowledges the change of control of FPI and consents to FPI's continued management of Owner's property locations listed in Exhibit G1 attached.

**Click to Enter Full Legal Name of Property Owner.**

By: \_\_\_\_\_  
Click to Enter Signer's Full Name.

Its: Click to Enter Signer's Title.

Date: Click to Enter Date.



**Exhibit G1- Owner's Property Locations**

<b>Code</b>	<b>Project Name</b>	<b>Address</b>	<b># units</b>
V19	Esperanza	1903 Third Street	120



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Radha Mehta, Management Analyst

Prepared By: Radha Mehta, Management Analyst

Date: December 17, 2025

Re: Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Independence Plaza**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**Independence Plaza**) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.  
6.J.

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## **BACKGROUND**

The Housing Authority of City of Alameda (AHA) has been utilizing third party property management services to provide efficient management and operation services for AHA residential properties. Outsourcing the management of properties has allowed AHA to continue prioritizing the administration of its housing assistance programs. On August 18, 2022, AHA issued a Request for Qualifications (RFQ) to manage AHA's multifamily portfolio, with the anticipated contract start date of January 1, 2023, which also included additional properties to be added in the coming years. The scope of services within the RFQ included leasing and operations, property management, management of relationships between vendors and service providers, repair and maintenance work payments, budget preparation, initial lease up and project start up, enforcement of lease, and reporting services to AHA.

In September 2022, the RFQ Evaluation Committee reviewed and ranked the submissions. In



October 2022, the top firms were invited to interview with an AHA interview panel. FPI was ranked first by the panelists for property management services and was awarded property management services agreements for properties owned by three separate entities; AHA, Alameda Affordable Housing Corporation (AAHC) and various Island City Development's (ICD) Limited Partnerships. FPI presented a strong proposal because of its experience managing affordable housing developments. On March 1, 2023, Independence Plaza transitioned from The John Stewart Company to FPI Property Management, Inc. and the Board of Commissioners approved an initial three-year agreement, with a term period of December 31, 2025 and two 1-year options to extend the term. Staff is now recommending to execute the first one year option.

## **DISCUSSION**

Independence Plaza includes 186 units. Although this site is owned by AHA, the agreement for Independence Plaza with FPI is with AAHC due to a requirement in the Faircloth to RAD closing and includes monthly management fees along with other contract fees. The monthly management fees are charged at \$49.00 per unit per month. Other contract fees include property-specific personnel costs, worker's compensation, Safe Fund Charge, taxes, health insurance benefits, payroll processing costs, postage, holiday event charge, training costs, software and technical costs, vault archive charge, cyber and data security, training manual costs, bank analysis fees, compliance monitoring fees, third-party eligibility file review fees and one-time on-boarding transition fee for stabilized properties. The property and maintenance vendor payments are excluded from the contract costs below. The property agreements with FPI do not have not-to-exceed amounts due to the nature of the contract expenses. Certain expenses such as personnel and insurance costs for FPI were not detailed as the costs varied by properties and positions. These costs are approved annually in the budget process. It is important to notice that many of these are pass through costs, such as site-based payroll which are reimbursed by the owner for service rendered. This is standard property management practice. Based on the accrued costs for Independence Plaza, Staff anticipate approximately \$999,527.99 to be paid for the contract and management fee cost for year 2026. These numbers below are an estimate only.

Owner	Term Date	# of Units	Management Fee Expensed	Contract Expenses	Total Expenditures	Projected Expenditures (1/1/2026 to 12/31/2026)
Independence Plaza	12/31/2025	186	\$303,762.00	\$1,528,705.99	\$1,832,467.99	\$999,527.99

FPI has requested a slight increase to the Safe Fund fee from 3.25% to 3.55%. The Safe Fund fee is used to fund multiple employee-related expense arising from litigation and/or FPI employees that arise from the Property. This charge is calculated based on a percentage of on-site employee payroll compensation at the Project. Examples of the fees include safety training, labor law and safety posters, OSHA kits, respirator kit, and safety program management. AHA staff is also requesting an extension of property management services by one year. However, AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms. Staff also expects to rebid property management services in 2026, as there is only one more year of extension permitted on the contract.

Health and Safety Code Section 17973, also known as California's SB 721 Balcony Law which was approved by the Governor back in 2018, requires property managers of multi-family buildings (3+ units) to ensure that balconies, decks, porches and other elevated exterior elements are inspected by a qualified professional. The Addendum extended the deadline for the initial inspection to January 1, 2026. The Bill requires inspections to be conducted every six years. The proposed Balcony Law Addendum is an agreement between FPI and AHA to adhere to the Balcony Law, which will be attached to the property management agreement as the new Exhibit F to the agreement. A separate report on SB721 compliance is included in this Board packet.

#### Change in Control of FPI to Asset Living

As of August 1, 2025, Sako and Partners Holdings, LLC, a Texas based limited liability company doing business as Asset Living Asset Living purchased the controlling share of FPI Management. FPI has informed AHA the transition will have minimal impact on the residents and the quality of service. FPI has also maintained there will be no changes to the agreed fees. AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025. A consent of change letter is included in the action proposed and also referenced as Exhibit G to the agreement in Amendment No. 1.

#### Other Changes

The requested action from the Board also includes a request to Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider. In the event of a major change that is not in the owners' favor, the Property Management Agreement would come back to the board for approval. For some sites, especially the LIHTC Sites, staff expect these stakeholders to ask or require for change in 2026 that are more favorable to the ownership and/or insurance entities and Staff may need to move quickly to make changes.

#### **FISCAL IMPACT**

Funding for this contract has been approved and is budgeted for in the current fiscal year, including the minor fee increases. Expenditures will continue to be reviewed prior to submission of the upcoming fiscal year's budget and prior to any further extensions of this contract.

#### **CEQA**

Not applicable.

#### **RECOMMENDATION**

Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Independence Plaza**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of



**(Independence Plaza)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.

**ATTACHMENTS**

1. Independence Plaza- Amendment No. 1

Respectfully submitted,

*Radha Mehta*

Radha Mehta, Management Analyst

## **FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT (“Amendment”)** is entered into as of 18<sup>th</sup> day of December, 2025, ("**Effective Date**") by and between the ALAMEDA AFFORDABLE HOUSING CORPORATION, nonprofit public benefit corporation ("**Owner**"), and FPI MANAGEMENT, INC., a California corporation, and a licensed property management provider ("**Agent**"). The Owner and the Agent are individually referred to herein as a "**Party**" and collectively as the "**Parties**."

### **RECITALS**

A. The Owner and Agent entered into that certain Property Management Agreement dated March 1, 2023 ("**Agreement**") to provide property management services at Owner's Independence Plaza property, consisting of 186 units located at 703 Atlantic Ave., Alameda, CA 94501, as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on March 1, 2023 with a termination date of December 31, 2025, and two 1-year options to extend the term.

C. The Owner has continued need for Agent's property management services and desires to exercise the option to extend the term for 1-year to December 31, 2026.

D. Due to an increase in certain costs Agent has requested an amendment to the Fee Expense Structure attached to the Agreement as Exhibit A.

E. Agent is requiring Owner to acknowledge the deck and balcony inspection requirements set forth in Senate Bill 721 (Approved by the Governor on September 17, 2018. Filed with Secretary of State September 17, 2018) which was codified in Health and Safety Code Section 17973 ("Balcony Law Addendum).

F. Agent notified Owner of a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and requested Owner's consent to such change in control.

G. The Parties desire to (i) extend the term of the Agreement to December 31, 2026, (ii) amend the Fee Expense Structure attached as Exhibit A, (iii) amend the Agreement to include the Balcony Law Addendum which will be attached to the Agreement as Exhibit F; and (iv) consent to the change of control and amend the Agreement to include a Notice of Change of Control which will be attached as Exhibit G.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Term.** Pursuant to Section 2 (Term) of the Agreement, Owner hereby exercises the first option to extend the term for 1-year, such that the term of the Agreement shall be extended to December 31,2026.
3. **Property Management Fee and Expense Structure.** The Property Management Fee and Expense Structure attached to the Agreement as Exhibit A is hereby deleted in its entirety and replaced with the Amended Property Management Fee and Expense Structure attached hereto as Attachment No. 1 and incorporated herein by this reference.
4. **Balcony Law Addendum (SB721).** The Agreement is hereby amended to add the Balcony Law Addendum (Health and Safety Code Section 17973) as the new Exhibit F, which is attached hereto as Attachment No. 2 and incorporated herein by this reference. The Parties shall execute the Balcony Law Addendum concurrently with each Parties execution of this Amendment.
5. **Notice of Change in Control of Agent; Consent to Change.** On or about [insert date] Owner received notice regarding a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and a request for Owner's consent to such change in control. The Agreement is hereby amended to add the attached Notice of Change in Control of FPI Management, Inc., as Exhibit G to the Agreement, which is attached hereto as Attachment No.3 and incorporated herein by this reference.

Owner hereby consents to such change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, as set forth in Notice of Change in Control of FPI Management, Inc., attached as Exhibit G to the Agreement.

5. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in

counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Owner and Agent have executed this Amendment as of the Effective Date.



**OWNER:**

ALAMEDA AFFORDABLE HOUSING CORPORATION

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Vanessa M. Cooper  
Executive Director  
Owner Representative

**AGENT:**

FPI MANAGEMENT, INC.

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Scott Bishop  
EVP

**ATTACHMENT NO. 1**

**(EXHIBIT A TO AGREEMENT)**

**AMENDED PROPERTY MANAGEMENT FEE AND EXPENSE STRUCTURE**

This Property Management Fee and Expense Structure is attached to and made part of the Management Agreement between Owner and Agent. Capitalized terms not otherwise defined herein shall have the same definition as set forth in the Management Agreement.

Owner shall pay to FPI Management, Inc. the fees identified below for providing comprehensive property management services:

***A monthly management fee in an amount equal to \$49 per unit monthly Property specific personnel costs***

<b>Property specific personnel costs</b>	Hourly and monthly compensation, bonuses, for on-site employees at the Property, if any.
<b>Workers' compensation</b>	FPI's workers' compensation cost for employees who perform work on-site at the Project
<b>FPI's Safe Fund Charge (previously included in "FPI's workers compensation charge")</b>	Used to fund and subsidize multiple expenses concerning or arising from litigation and/or FPI employees that relates to or arises from the Property and/or other FPI managed properties nationwide, including but not limited to the following: employee safety and ergonomic assessments, employee environmental training (lead paint, asbestos awareness, mold & moisture management), employee safety training (e.g., hazard communication, blood borne pathogens, lock out-tag out, etc.), employee related insurance (employment practices and crime coverage), global, national, regional and property specific litigation costs, labor law and safety poster sets, labor/employment law consultations (supervisor training), pre-employment screening (including but not limited to background checks, drug testing, and medical and fit testing for respirator use, when applicable), OSHA kits, respirator kits, safety program management, and SDS Binders. Safe Fund payments made by the Owner and the owners of other FPI managed properties may insure to the benefit of other FPI managed property owners. This charge is calculated

	based on a percentage of on-site employee payroll compensation at the Project as follows: <b>Three and fifty-five hundredths percent (3.55%).</b>
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<b><u>Taxes – All taxes related to the Property, including but not limited to sales, business and payroll tax</u></b>	Per federal, state and local laws, statutes, regulations, and requirement.
<b><u>FPI's health insurance benefit charge (medical, dental and vision)</u></b>	Approximately \$807.30 per full-time employee per month.
<b><u>FPI's payroll processing charge (FPI uses ADP)</u></b>	\$27.19 per employee, per month.
<b><u>Property specific postage, Federal Express, Express Mail, U.S. Mail</u></b>	Per provider cost.
<b><u>FPI's annual mid-year training seminar charge</u></b>	Approximately \$250 per on-site manager, plus travel cost.
<b><u>FPI's annual holiday event charge</u></b>	Approximately \$100 per on-site manager, plus travel cost.
<b><u>FPI's online Grace Hill Training access charge</u></b>	\$.54 per unit, per month (Affordable)
<b><u>FPI's cloud platform and DeskTop Technical Support for Office and Business Centers charge</u></b>	\$.61 per unit, per month. This provides unlimited remote access support for site computers and FPI-related applications, i.e., computer virus/spyware/malware administration, PC Encryption, web filtering, Google's GSuite business tools, administration for all property e-mail accounts, property hardware, orders for PCs, laptops, switches, and printers. The cloud platform provides one email box, per 100 units, additional email box will be \$75 per email box, annually.
<b><u>FPI's Vault Archive charge</u></b>	Vault email archive fees - \$70 per on-site mailboxes. Archives property emails for 10 years.

<b><u>Cyber and Data Security</u></b>	\$ .38 per unit, per month. This provides security monitoring, training software and support.
<b><u>FPI's Strategic Solutions</u></b>	\$76 annually – online training manual.
<b><u>Bank analysis fees</u></b>	Actual charges from bank analysis statements
<b><u>FPI's annual software license charge</u></b>	<p>Yardi 7.0 - \$1,249 per year, 0-50 units Yardi 7.0 - \$3,222 per year, 51-150 units Yardi 7.0 - \$3,585 per year, 151-300 units Yardi 7.0 - \$4,232 per year, 301-500 units Yardi 7.0 - \$4,999 per year, 501+ units</p> <p>Yardi Procure 2 Pay - \$5.93 per unit, per year Yardi Affordable - \$631 per year</p> <p>Yardi RentCaffeine Affordable - \$14 per unit per year</p>
	<p>Yardi RentCaffeine Setup Fee - \$ 300 - One-time set up fee</p> <p>Yardi Affordable - \$2 / per unit – One-time set up fee</p>
<b><u>FPI's Business Intelligence Software charge</u></b>	\$ .66 per unit, per month.
<b><u>FPI's Leonardo 24/7 charge</u></b>	<p>No charge, 0-25 units</p> <p>\$25 per month, 26-50 units</p> <p>\$50 per month, 51-149 units</p> <p>\$109 per month, 150+ units</p> <p>\$99 – One time set up fee</p>
<b><u>Compliance charge</u></b>	

<p><b><u>FPI Compliance Monitoring Fee*</u></b></p>	<p>*\$4.00 per unit / per month: FPI monitoring of affordable programs including LIHTC, Bonds, HOME funds, and any other affordable programs. Providing Income/Rent Limits, training on compliance systems and affordable requirements. Support for annual audits performed by agencies, including pre-audit reviews and preparations.</p> <p>*\$4.00 per unit/per month does not apply to HUD properties. Any additional fees will be identified and approved by HUD.</p>
<p><b><u>Third-Party Eligibility File Review Fee</u></b></p>	<p>FPI has engaged Karen A. Graham Consulting LLC to conduct 3rd-party file reviews and eligibility of all affordable household certifications. Expenses will vary based on property program layering, Self-certification status. Expense is based on a per-file rate.</p> <p>LIHTC Properties or Local Programs Tier 2 (no HUD or RD)</p> <p>\$27.00 Standard File Review (MI, AR, RIC, MOMI, Add-On-AO and IC)</p> <p>\$33.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR) File Reviews</p> <p>\$54.00 First Year Quality Assurance (MI, RIC, MRQC)* Includes combined eligibility and investor review w/ close out letter &amp; report.</p> <p>*First-year fee only, Standard rate applies at the 2nd year review.</p> <p>HUD or USDA-USDA-RD program only (no LIHTC)</p> <p>\$30.00 Standard File Reviews (MI, AR, IR, IC)</p> <p>\$36.00 High Priority File Reviews</p> <p>Blended (LIHTC with HUD/USDA-RD or Local Programs Tier 3)</p> <p>\$47.00 Standard File Reviews (MI, AR, IR, IC)</p>

	<p>\$53.00 High Priority File Reviews</p> <p>\$37.00 HUD/RD AR w/ LIHTC Self Cert (SCR) File Review</p> <p>Local Programs Tier 1 (Market Rate with Local Program-City, County, HOME funds)</p> <p>\$24.00 Standard File Review (MI or AR)</p> <p>\$30.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR File Review)</p>
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<b><u>One-Time Fees</u></b>	
<b>Stabilized Properties Only</b>	\$3,000 On-boarding transition fee
<b><u>Special Projects</u></b>  <b>Affordable Properties Only</b>	<p>Onboarding - Resolution and/or Closeout work</p> <p>Additional work during the initial transition up to 12-months. Fee based on need and agreed upon Action Plan (e.g. pre-audit work, file organization, prior delinquency balances and overdue certification close out.)</p> <p>Utility Allowance Analysis - 3rd-party analysis (as needed) LEP (Limited English Proficiency) Language Plan (if applicable) Electronic signatures/conversion - Application/Forms (if applicable)</p>
<b><u>Accounting Costs</u></b>	Upon termination of management agreement, Agent will provide trailing accounting for a sixty (60) day period, subsequent to the date of termination of management services. Thereafter, at Owner's request, any additional accounting services will be provided for a monthly fee equal to one half of the last monthly management fee paid, prior to termination.

**The fees, costs, charges and expenses in this Property Management Fee and Expense Structure are subject to change annually.**

## ATTACHMENT NO. 2

### (NEW EXHIBIT F TO AGREEMENT)

#### BALCONY LAW ADDENDUM (SB721)

This Health and Safety Code Section 17973 Addendum ("Balcony Law Addendum") is to the Property Management Agreement, or similarly titled agreement, (the "PMA") dated the [Click to enter day of Month](#) day of [Click to enter Month](#), [Click to enter Year](#) between [Click to enter Legal Name of Owner Entity](#) ("Owner"), and FPI Property Management, Inc. ("Agent"), a California corporation, for the property known as [Click to enter Name of Apartment Complex](#) (the "Project") located at [Click to enter Street Address of Apartment Unit](#), [Click to enter City, State, Zip Code](#).

All capitalized terms used, but not defined herein, shall have the meaning set forth in the PMA. The terms and conditions of this Balcony Law Addendum shall be incorporated by reference into the PMA and any breach of the terms and conditions of this Balcony Law Addendum shall be construed a breach of the PMA. Except as set forth in this Balcony Law Addendum, the PMA is unaffected and shall continue in full force and effect in accordance with their terms. If there is conflict between the terms of this Balcony Law Addendum and the terms of the PMA, the terms of this Balcony Law Addendum will control. The Owner and Agent agree as follows:

1. Notice is hereby given to Owner that on September 17, 2018, Senate Bill No. 721 was approved by the California Governor. The bill was codified under California Health and Safety Code section 17973 ("Section 17973"). Section 17973 imposes on property owners strict inspection requirements relating to exterior elements of buildings used for human habitation. It provides as follows:

(a) Exterior elevated elements that include load-bearing components in all buildings containing three or more multifamily dwelling units shall be inspected. The inspection shall be performed by a licensed architect; licensed civil or structural engineer; a building contractor holding any or all of the "A," "B," or "C-5" license classifications issued by the Contractors State License Board, with a minimum of five years' experience, as a holder of the aforementioned classifications or licenses, in constructing multistory wood frame buildings; or an individual certified as a building inspector or building official from a recognized state, national, or international association, as determined by the local jurisdiction. These individuals shall not be employed by the local jurisdiction while performing these inspections. The purpose of the inspection is to determine that exterior elevated elements and their associated waterproofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or the occupants is not endangered. The person or business performing the inspection shall be hired by the owner of the building.

(b) For purposes of this section, the following terms have the following definitions:

(1) "Associated waterproofing elements" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.

(2) "Exterior elevated element" means the following types of structures, including their supports and railings: balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and which have a walking surface that is elevated more than six feet above ground level, are designed for human occupancy or use, and rely in whole or in substantial part on wood or wood-based products for structural support or stability of the exterior elevated element.

(3) "Load-bearing components" are those components that extend beyond the exterior walls of the building to deliver structural loads from the exterior elevated element to the building.

(c) The inspection required by this section shall at a minimum include:

(1) Identification of each type of exterior elevated element that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.

(2) Assessment of the load-bearing components and associated waterproofing elements of the exterior elevated elements identified in paragraph (1) using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.

(3) The evaluation and assessment shall address each of the following as of the date of the evaluation:

(A) The current condition of the exterior elevated elements.

(B) Expectations of future performance and projected service life.

(C) Recommendations of any further inspection necessary.

(4) A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner's designated agent within 45 days of completion of the inspection.



The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.

(d) The inspection shall be completed by **January 1, 2026**, and by January 1 every six years thereafter. The inspector conducting the inspection shall produce an initial report pursuant to paragraph (4) of subdivision (c) and, if requested by the owner, a final report indicating that any required repairs have been completed. A copy of any report that recommends immediate repairs, advises that any building assembly poses an immediate threat to the safety of the occupants, or that preventing occupant access or emergency repairs, including shoring, are necessary, shall be provided by the inspector to the owner of the building and to the local enforcement agency within 15 days of completion of the report. Subsequent inspection reports shall incorporate copies of prior inspection reports, including the locations of the exterior elevated elements inspected. Local enforcement agencies may determine whether any additional information is to be provided in the report and may require a copy of the initial or final reports, or both, be submitted to the local jurisdiction. Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles, and shall be disclosed and delivered to the buyer at the time of any subsequent sale of the building.

(e) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than six years following issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this section.

(f) If the property was inspected within three years prior to January 1, 2019, by an inspector as described in subdivision (a) and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection pursuant to this section shall be required until **January 1, 2026**.

(g) An exterior elevated element found by the inspector that is in need of repair or replacement shall be corrected by the owner of the building. All necessary permits for repair or replacement shall be obtained from the local jurisdiction. All repair and replacement work shall be performed by a qualified and licensed contractor in compliance with all of the following:

(1) The recommendations of a licensed professional described in subdivision (a).

(2) Any applicable manufacturer's specifications.

(3) The California Building Standards Code, consistent with subdivision (d) of Section 17922 of the Health and Safety Code.

(4) All local jurisdictional requirements.

(h)

(1) An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately. Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of subdivision (g), be inspected by the inspector, and reported to the local enforcement agency.

(2) The owner of the building requiring corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

(i)

(1) The owner of the building shall be responsible for complying with the requirements of this section.

(2) If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on the fee schedule set by the local Owner of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency.

(3) In the event that a civil penalty is assessed pursuant to this section, a building safety lien may be recorded in the county

recorder's office by the local jurisdiction in the county in which the parcel of land is located and from the date of recording shall have the force, effect, and priority of a judgment lien.

(j)

(1) A building safety lien authorized by this section shall specify the amount of the lien, the name of the agency on whose behalf the lien is imposed, the street address, the legal description and assessor's parcel number of the parcel on which the lien is imposed, and the name and address of the recorded owner of the building.

(2) In the event that the lien is discharged, released, or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in paragraph (1) shall be recorded by the governmental agency. A safety lien and the release of the lien shall be indexed in the grantor-grantee index.

(3) A building safety lien may be foreclosed by an action brought by the appropriate local jurisdiction for a money judgment.

(4) Notwithstanding any other law, the county recorder may impose a fee on the city to reimburse the costs of processing and recording the lien and providing notice to the owner of the building. A city may recover from the owner of the building any costs incurred regarding the processing and recording of the lien and providing notice to the owner of the building as part of its foreclosure action to enforce the lien.

(k) The continued and ongoing maintenance of exterior elevated elements in a safe and functional condition in compliance with these provisions shall be the responsibility of the owner of the building.

(l) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section.

(m) For any building subject to the provisions of this section that is proposed for conversion to condominiums to be sold to the public after January 1, 2019, the inspection required by this section shall be conducted prior to the first close of escrow of a separate interest in the project and shall include the inspector's recommendations for repair or replacement of any exterior elevated element found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, and would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants. The inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be submitted to the Department of Real Estate by the proponent of the conversion and shall be a condition to the issuance

of the final public report. A complete copy of the inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be included with the written statement of defects required by Section 1134 of the Civil Code, and provided to the local jurisdiction in which the project is located. The inspection, report, and confirmation of completed repairs shall be a condition of the issuance of a final inspection or certificate of occupancy by the local jurisdiction.

(n) This section shall not apply to a common interest development, as defined in Section 4100 of the Civil Code.

(o) The governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this section.

(Health & Saf. Code, § 17973 (Deering, Lexis Advance through the 2022 Regular Session).)

2. Owner agrees and acknowledges it has received notice about Section 17973 and the requirements it imposes. Owner further agrees and acknowledges that Owner is responsible for taking the necessary actions to comply with Section 17973, including, but not limited, to performing any and all required inspections and repairs with qualified entities and/or individuals.
3. Owner agrees and acknowledges that it is aware that Section 17973 contains key deadlines by which Owner must achieve compliance with Section 17973. The earliest deadline contained in Section 17973 is **January 1, 2026**. Failure to comply with Section 17973 allows for the imposition of severe penalties and legal liability.
4. Owner agrees and acknowledges that achieving compliance with Section 17973 may require Owner to expend substantial financial resources and that compliance with Section 17973 is not optional.

The parties represent that they have read, understand and agree to all the sections contained in this Balcony Law Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Balcony Law Addendum as of the day and year first above written.

**Owner**

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

\_\_\_\_\_  
Date

[Click Here to enter Name](#)

[Click Here to enter Title](#)

**Agent**

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

\_\_\_\_\_  
Date

Scott Bishop

EVP

ATTACHMENT NO. 3

(NEW EXHIBIT G TO AGREEMENT)

NOTICE OF CHANGE IN CONTROL OF FPI MANAGEMENT, INC

Re: Notice of Change in Control of FPI Management, Inc.

Dear Valued Client:

This is to inform you that following a stock sale, there has been a change in control of FPI Management, Inc. (“FPI”) as of August 1, 2025. FPI is now a wholly owned subsidiary of Sako and Partners Holdings, LLC, doing business as Asset Living . FPI’s new chief executive officer is Ryan McGrath. FPI’s real estate broker’s licenses in the states it operates are unchanged and FPI’s licensed real estate brokers of record are also unchanged in all states, except California. In California, FPI’s CFO, Scott Bishop, CA License Number 01778245, is now FPI’s licensed broker of record, replacing Dennis Treadaway, who is no longer with the company.

Respectfully,

Scott Bishop  
Chief Financial Officer  
FPI Management, Inc.

**Acknowledgement of Change in Control**

By executing of this Notice of Change in Control of FPI Management, Inc. (“FPI”) and Alameda Housing Owner (“Owner”) acknowledges the change of control of FPI and consents to FPI’s continued management of Owner’s property locations listed in Exhibit G1 attached.

**Click to Enter Full Legal Name of Property Owner.**

By: \_\_\_\_\_  
Click to Enter Signer’s Full Name.

Its: Click to Enter Signer’s Title.

Date: Click to Enter Date.

**Exhibit G1- Owner's Property Locations**

<b>Code</b>	<b>Project Name</b>	<b>Address</b>	<b># units</b>
A128	Independence Plaza	703 Atlantic Ave. Alameda, CA 94501	186



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Radha Mehta, Management Analyst

Prepared By: Radha Mehta, Management Analyst

Date: December 17, 2025

Re: Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. **(Anne B. Diamant)** extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(Anne B. Diamant)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.  
6.K.

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## **BACKGROUND**

The Housing Authority of City of Alameda (AHA) has been utilizing third party property management services to provide efficient management and operation services for AHA residential properties. Outsourcing the management of properties has allowed AHA to continue prioritizing the administration of its housing assistance programs. On August 18, 2022, AHA issued a Request for Qualifications (RFQ) to manage AHA's multifamily portfolio, with the anticipated contract start date of January 1, 2023, which also included additional properties to be added in the coming years. The scope of services within the RFQ included leasing and operations, property management, management of relationships between vendors and service providers, repair and maintenance work payments, budget preparation, initial lease up and project start up, enforcement of lease, and reporting services to AHA.

In September 2022, the RFQ Evaluation Committee reviewed and ranked the submissions. In



October 2022, the top firms were invited to interview with an AHA interview panel. FPI was ranked first by the panelists for property management services and was awarded property management services agreements for properties owned by three separate entities; AHA, Alameda Affordable Housing Corporation (AAHC) and various Island City Development's (ICD) Limited Partnerships. FPI presented a strong proposal because of its experience managing affordable housing developments. On July 1, 2023, Anne B. Diamant transitioned from The John Stewart Company to FPI Property Management, Inc. and the Board of Commissioners approved an initial three-year agreement, with a term period of December 31, 2025 and two 1-year options to extend the term. Staff is now recommending to execute the first one year option.

## **DISCUSSION**

Anne B. Diamant includes 65 units. The agreement for Anne B. Diamant with FPI includes monthly management fees along with other contract fees. The monthly management fees are charged at \$49.00 per unit per month. Other contract fees include property-specific personnel costs, worker's compensation, Safe Fund Charge, taxes, health insurance benefits, payroll processing costs, postage, holiday event charge, training costs, software and technical costs, vault archive charge, cyber and data security, training manual costs, bank analysis fees, compliance monitoring fees, third-party eligibility file review fees and one-time on-boarding transition fee for stabilized properties. The property and maintenance vendor payments are excluded from the contract costs below. The property agreements with FPI do not have not-to-exceed amounts due to the nature of the contract expenses. Certain expenses such as personnel and insurance costs for FPI were not detailed as the costs varied by properties and positions. These costs are approved annually in the budget process. It is important to notice that many of these are pass through costs, such as site-based payroll which are reimbursed by the owner for service rendered. This is standard property management practice. Based on the accrued costs for the property, Staff anticipate approximately \$337,128.08 to be paid for the contract and management fee cost for year 2026. These numbers below are an estimate only.

Owner	Term Date	# of Units	Management Fee Expensed	Contract Expenses	Total Expenditures	Projected Expenditures (1/1/2026 to 12/31/2026)
Anne B. Diamant	12/31/2025	65	\$95,365.00	\$578,891.15	\$674,256.15	\$337,128.08

FPI has requested a slight increase to the Safe Fund fee from 3.25% to 3.55%. The Safe Fund fee is used to fund multiple employee-related expense arising from litigation and/or FPI employees that arise from the Property. This charge is calculated based on a percentage of on-site employee payroll compensation at the Project. Examples of the fees include safety training, labor law and safety posters, OSHA kits, respirator kit, and safety program management. AHA staff is also requesting an extension of property management services by one year. However, AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms. Staff also expects to rebid property management services in 2026, as there is only one more year of extension permitted on the contract.



Health and Safety Code Section 17973, also known as California's SB 721 Balcony Law which was approved by the Governor back in 2018, requires property managers of multi-family buildings (3+ units) to ensure that balconies, decks, porches and other elevated exterior elements are inspected by a qualified professional. The Addendum extended the deadline for the initial inspection to January 1, 2026. The Bill requires inspections to be conducted every six years. The proposed Balcony Law Addendum is an agreement between FPI and AHA to adhere to the Balcony Law, which will be attached to the property management agreement as the new Exhibit F to the agreement. A separate report on SB721 compliance is included in this Board packet.

#### Change in Control of FPI to Asset Living

As of August 1, 2025, Sako and Partners Holdings, LLC, a Texas based limited liability company doing business as Asset Living Asset Living purchased the controlling share of FPI Management. FPI has informed AHA the transition will have minimal impact on the residents and the quality of service. FPI has also maintained there will be no changes to the agreed fees. AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025. A consent of change letter is included in the action proposed and also referenced as Exhibit G to the agreement in Amendment No. 1.

#### Other Changes

The requested action from the Board also includes a request to Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider. In the event of a major change that is not in the owners' favor, the Property Management Agreement would come back to the board for approval. For some sites, especially the LIHTC Sites, staff expect these stakeholders to ask or require for change in 2026 that are more favorable to the ownership and/or insurance entities and Staff may need to move quickly to make changes.

#### **FISCAL IMPACT**

Funding for this contract has been approved and is budgeted for in the current fiscal year, including the minor fee increases. Expenditures will continue to be reviewed prior to submission of the upcoming fiscal year's budget and prior to any further extensions of this contract.

#### **CEQA**

Not applicable.

#### **RECOMMENDATION**

Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Anne B. Diamant**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to



the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of **(Anne B. Diamant)** pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.

**ATTACHMENTS**

1. Anne B. Diamant - Amendment No. 1

Respectfully submitted,

*Radha Mehta*

Radha Mehta, Management Analyst

## **FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT (“Amendment”)** is entered into as of 18<sup>th</sup> day of December, 2025, ("**Effective Date**") by and between the ALAMEDA AFFORDABLE HOUSING CORPORATION, nonprofit public benefit corporation ("**Owner**"), and FPI MANAGEMENT, INC., a California corporation, and a licensed property management provider ("**Agent**"). The Owner and the Agent are individually referred to herein as a "**Party**" and collectively as the "**Parties.**"

### **RECITALS**

A. The Owner and Agent entered into that certain Property Management Agreement dated January 1, 2023 ("**Agreement**") to provide property management services at Owner's Anne B. Diamant property, consisting of 65 units located at 920 Park Street, Alameda, CA 94501, as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on July 1, 2023 with a termination date of December 31, 2025, and two 1-year options to extend the term.

C. The Owner has continued need for Agent's property management services and desires to exercise the option to extend the term for 1-year to December 31, 2026.

D. Due to an increase in certain costs Agent has requested an amendment to the Fee Expense Structure attached to the Agreement as Exhibit A.

E. Agent is requiring Owner to acknowledge the deck and balcony inspection requirements set forth in Senate Bill 721 (Approved by the Governor on September 17, 2018. Filed with Secretary of State September 17, 2018) which was codified in Health and Safety Code Section 17973 ("Balcony Law Addendum).

F. Agent notified Owner of a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and requested Owner's consent to such change in control.

G. The Parties desire to (i) extend the term of the Agreement to December 31, 2026, (ii) amend the Fee Expense Structure attached as Exhibit A, (iii) amend the Agreement to include the Balcony Law Addendum which will be attached to the Agreement as Exhibit F; and (iv) consent to the change of control and amend the Agreement to include a Notice of Change of Control which will be attached as Exhibit G.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Term.** Pursuant to Section 2 (Term) of the Agreement, Owner hereby exercises the first option to extend the term for 1-year, such that the term of the Agreement shall be extended to December 31, 2026.
3. **Property Management Fee and Expense Structure.** The Property Management Fee and Expense Structure attached to the Agreement as Exhibit A is hereby deleted in its entirety and replaced with the Amended Property Management Fee and Expense Structure attached hereto as Attachment No. 1 and incorporated herein by this reference.
4. **Balcony Law Addendum (SB721).** The Agreement is hereby amended to add the Balcony Law Addendum (Health and Safety Code Section 17973) as the new Exhibit F, which is attached hereto as Attachment No. 2 and incorporated herein by this reference. The Parties shall execute the Balcony Law Addendum concurrently with each Parties execution of this Amendment.
5. **Notice of Change in Control of Agent; Consent to Change.** On or about [insert date] Owner received notice regarding a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and a request for Owner's consent to such change in control. The Agreement is hereby amended to add the attached Notice of Change in Control of FPI Management, Inc., as Exhibit G to the Agreement, which is attached hereto as Attachment No.3 and incorporated herein by this reference.

Owner hereby consents to such change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, as set forth in Notice of Change in Control of FPI Management, Inc., attached as Exhibit G to the Agreement.

5. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in

counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Owner and Agent have executed this Amendment as of the Effective Date.

**OWNER:**

ALAMEDA AFFORDABLE HOUSING CORPORATION

---

Vanessa M. Cooper  
Executive Director  
Owner Representative

**AGENT:**

FPI MANAGEMENT, INC.

---

Scott Bishop  
EVP

**ATTACHMENT NO. 1**

**(EXHIBIT A TO AGREEMENT)**

**AMENDED PROPERTY MANAGEMENT FEE AND EXPENSE STRUCTURE**

This Property Management Fee and Expense Structure is attached to and made part of the Management Agreement between Owner and Agent. Capitalized terms not otherwise defined herein shall have the same definition as set forth in the Management Agreement.

Owner shall pay to FPI Management, Inc. the fees identified below for providing comprehensive property management services:

***A monthly management fee in an amount equal to \$49 per unit monthly Property specific personnel costs***

<b>Property specific personnel costs</b>	Hourly and monthly compensation, bonuses, for on-site employees at the Property, if any.
<b>Workers' compensation</b>	FPI's workers' compensation cost for employees who perform work on-site at the Project
<b>FPI's Safe Fund Charge (previously included in "FPI's workers compensation charge")</b>	Used to fund and subsidize multiple expenses concerning or arising from litigation and/or FPI employees that relates to or arises from the Property and/or other FPI managed properties nationwide, including but not limited to the following: employee safety and ergonomic assessments, employee environmental training (lead paint, asbestos awareness, mold & moisture management), employee safety training (e.g., hazard communication, blood borne pathogens, lock out-tag out, etc.), employee related insurance (employment practices and crime coverage), global, national, regional and property specific litigation costs, labor law and safety poster sets, labor/employment law consultations (supervisor training), pre-employment screening (including but not limited to background checks, drug testing, and medical and fit testing for respirator use, when applicable), OSHA kits, respirator kits, safety program management, and SDS Binders. Safe Fund payments made by the Owner and the owners of other FPI managed properties may insure to the benefit of other FPI managed property owners. This charge is calculated

	based on a percentage of on-site employee payroll compensation at the Project as follows: <b>Three and fifty-five hundredths percent (3.55%).</b>
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<b><u>Taxes – All taxes related to the Property, including but not limited to sales, business and payroll tax</u></b>	Per federal, state and local laws, statutes, regulations, and requirement.
<b><u>FPI's health insurance benefit charge (medical, dental and vision)</u></b>	Approximately \$807.30 per full-time employee per month.
<b><u>FPI's payroll processing charge (FPI uses ADP)</u></b>	\$27.19 per employee, per month.
<b><u>Property specific postage, Federal Express, Express Mail, U.S. Mail</u></b>	Per provider cost.
<b><u>FPI's annual mid-year training seminar charge</u></b>	Approximately \$250 per on-site manager, plus travel cost.
<b><u>FPI's annual holiday event charge</u></b>	Approximately \$100 per on-site manager, plus travel cost.
<b><u>FPI's online Grace Hill Training access charge</u></b>	\$.54 per unit, per month (Affordable)
<b><u>FPI's cloud platform and DeskTop Technical Support for Office and Business Centers charge</u></b>	\$.61 per unit, per month. This provides unlimited remote access support for site computers and FPI-related applications, i.e., computer virus/spyware/malware administration, PC Encryption, web filtering, Google's GSuite business tools, administration for all property e-mail accounts, property hardware, orders for PCs, laptops, switches, and printers. The cloud platform provides one email box, per 100 units, additional email box will be \$75 per email box, annually.
<b><u>FPI's Vault Archive charge</u></b>	Vault email archive fees - \$70 per on-site mailboxes. Archives property emails for 10 years.



<b><u>Cyber and Data Security</u></b>	\$ .38 per unit, per month. This provides security monitoring, training software and support.
<b><u>FPI's Strategic Solutions</u></b>	\$76 annually – online training manual.
<b><u>Bank analysis fees</u></b>	Actual charges from bank analysis statements
<b><u>FPI's annual software license charge</u></b>	<p>Yardi 7.0 - \$1,249 per year, 0-50 units Yardi 7.0 - \$3,222 per year, 51-150 units Yardi 7.0 - \$3,585 per year, 151-300 units Yardi 7.0 - \$4,232 per year, 301-500 units Yardi 7.0 - \$4,999 per year, 501+ units</p> <p>Yardi Procure 2 Pay - \$5.93 per unit, per year Yardi Affordable - \$631 per year</p> <p>Yardi RentCaffeine Affordable - \$14 per unit per year</p>
	<p>Yardi RentCaffeine Setup Fee - \$ 300 - One-time set up fee</p> <p>Yardi Affordable - \$2 / per unit – One-time set up fee</p>
<b><u>FPI's Business Intelligence Software charge</u></b>	\$ .66 per unit, per month.
<b><u>FPI's Leonardo 24/7 charge</u></b>	<p>No charge, 0-25 units</p> <p>\$25 per month, 26-50 units</p> <p>\$50 per month, 51-149 units</p> <p>\$109 per month, 150+ units</p> <p>\$99 – One time set up fee</p>
<b><u>Compliance charge</u></b>	

<p><b><u>FPI Compliance Monitoring Fee*</u></b></p>	<p>*\$4.00 per unit / per month: FPI monitoring of affordable programs including LIHTC, Bonds, HOME funds, and any other affordable programs. Providing Income/Rent Limits, training on compliance systems and affordable requirements. Support for annual audits performed by agencies, including pre-audit reviews and preparations.</p> <p>*\$4.00 per unit/per month does not apply to HUD properties. Any additional fees will be identified and approved by HUD.</p>
<p><b><u>Third-Party Eligibility File Review Fee</u></b></p>	<p>FPI has engaged Karen A. Graham Consulting LLC to conduct 3rd-party file reviews and eligibility of all affordable household certifications. Expenses will vary based on property program layering, Self-certification status. Expense is based on a per-file rate.</p> <p>LIHTC Properties or Local Programs Tier 2 (no HUD or RD)</p> <p>\$27.00 Standard File Review (MI, AR, RIC, MOMI, Add-On-AO and IC)</p> <p>\$33.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR) File Reviews</p> <p>\$54.00 First Year Quality Assurance (MI, RIC, MRQC)* Includes combined eligibility and investor review w/ close out letter &amp; report.</p> <p>*First-year fee only, Standard rate applies at the 2nd year review.</p> <p>HUD or USDA-USDA-RD program only (no LIHTC)</p> <p>\$30.00 Standard File Reviews (MI, AR, IR, IC)</p> <p>\$36.00 High Priority File Reviews</p> <p>Blended (LIHTC with HUD/USDA-RD or Local Programs Tier 3)</p> <p>\$47.00 Standard File Reviews (MI, AR, IR, IC)</p>

	<p>\$53.00 High Priority File Reviews</p> <p>\$37.00 HUD/RD AR w/ LIHTC Self Cert (SCR) File Review</p> <p>Local Programs Tier 1 (Market Rate with Local Program-City, County, HOME funds)</p> <p>\$24.00 Standard File Review (MI or AR)</p> <p>\$30.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR File Review)</p>
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<b><u>One-Time Fees</u></b>	
<b>Stabilized Properties Only</b>	\$3,000 On-boarding transition fee
<b><u>Special Projects</u></b>  <b>Affordable Properties Only</b>	<p>Onboarding - Resolution and/or Closeout work</p> <p>Additional work during the initial transition up to 12-months. Fee based on need and agreed upon Action Plan (e.g. pre-audit work, file organization, prior delinquency balances and overdue certification close out.)</p> <p>Utility Allowance Analysis - 3rd-party analysis (as needed) LEP (Limited English Proficiency) Language Plan (if applicable) Electronic signatures/conversion - Application/Forms (if applicable)</p>
<b><u>Accounting Costs</u></b>	Upon termination of management agreement, Agent will provide trailing accounting for a sixty (60) day period, subsequent to the date of termination of management services. Thereafter, at Owner's request, any additional accounting services will be provided for a monthly fee equal to one half of the last monthly management fee paid, prior to termination.

**The fees, costs, charges and expenses in this Property Management Fee and Expense Structure are subject to change annually.**

## ATTACHMENT NO. 2

### (NEW EXHIBIT F TO AGREEMENT)

#### BALCONY LAW ADDENDUM (SB721)

This Health and Safety Code Section 17973 Addendum ("Balcony Law Addendum") is to the Property Management Agreement, or similarly titled agreement, (the "PMA") dated the [Click to enter day of Month](#) day of [Click to enter Month](#), [Click to enter Year](#) between [Click to enter Legal Name of Owner Entity](#) ("Owner"), and FPI Property Management, Inc. ("Agent"), a California corporation, for the property known as [Click to enter Name of Apartment Complex](#) (the "Project") located at [Click to enter Street Address of Apartment Unit](#), [Click to enter City, State, Zip Code](#).

All capitalized terms used, but not defined herein, shall have the meaning set forth in the PMA. The terms and conditions of this Balcony Law Addendum shall be incorporated by reference into the PMA and any breach of the terms and conditions of this Balcony Law Addendum shall be construed a breach of the PMA. Except as set forth in this Balcony Law Addendum, the PMA is unaffected and shall continue in full force and effect in accordance with their terms. If there is conflict between the terms of this Balcony Law Addendum and the terms of the PMA, the terms of this Balcony Law Addendum will control. The Owner and Agent agree as follows:

1. Notice is hereby given to Owner that on September 17, 2018, Senate Bill No. 721 was approved by the California Governor. The bill was codified under California Health and Safety Code section 17973 ("Section 17973"). Section 17973 imposes on property owners strict inspection requirements relating to exterior elements of buildings used for human habitation. It provides as follows:

(a) Exterior elevated elements that include load-bearing components in all buildings containing three or more multifamily dwelling units shall be inspected. The inspection shall be performed by a licensed architect; licensed civil or structural engineer; a building contractor holding any or all of the "A," "B," or "C-5" license classifications issued by the Contractors State License Board, with a minimum of five years' experience, as a holder of the aforementioned classifications or licenses, in constructing multistory wood frame buildings; or an individual certified as a building inspector or building official from a recognized state, national, or international association, as determined by the local jurisdiction. These individuals shall not be employed by the local jurisdiction while performing these inspections. The purpose of the inspection is to determine that exterior elevated elements and their associated waterproofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or the occupants is not endangered. The person or business performing the inspection shall be hired by the owner of the building.

(b) For purposes of this section, the following terms have the following definitions:

(1) "Associated waterproofing elements" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.

(2) "Exterior elevated element" means the following types of structures, including their supports and railings: balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and which have a walking surface that is elevated more than six feet above ground level, are designed for human occupancy or use, and rely in whole or in substantial part on wood or wood-based products for structural support or stability of the exterior elevated element.

(3) "Load-bearing components" are those components that extend beyond the exterior walls of the building to deliver structural loads from the exterior elevated element to the building.

(c) The inspection required by this section shall at a minimum include:

(1) Identification of each type of exterior elevated element that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.

(2) Assessment of the load-bearing components and associated waterproofing elements of the exterior elevated elements identified in paragraph (1) using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.

(3) The evaluation and assessment shall address each of the following as of the date of the evaluation:

(A) The current condition of the exterior elevated elements.

(B) Expectations of future performance and projected service life.

(C) Recommendations of any further inspection necessary.

(4) A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner's designated agent within 45 days of completion of the inspection.

The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.

(d) The inspection shall be completed by **January 1, 2026**, and by January 1 every six years thereafter. The inspector conducting the inspection shall produce an initial report pursuant to paragraph (4) of subdivision (c) and, if requested by the owner, a final report indicating that any required repairs have been completed. A copy of any report that recommends immediate repairs, advises that any building assembly poses an immediate threat to the safety of the occupants, or that preventing occupant access or emergency repairs, including shoring, are necessary, shall be provided by the inspector to the owner of the building and to the local enforcement agency within 15 days of completion of the report. Subsequent inspection reports shall incorporate copies of prior inspection reports, including the locations of the exterior elevated elements inspected. Local enforcement agencies may determine whether any additional information is to be provided in the report and may require a copy of the initial or final reports, or both, be submitted to the local jurisdiction. Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles, and shall be disclosed and delivered to the buyer at the time of any subsequent sale of the building.

(e) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than six years following issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this section.

(f) If the property was inspected within three years prior to January 1, 2019, by an inspector as described in subdivision (a) and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection pursuant to this section shall be required until **January 1, 2026**.

(g) An exterior elevated element found by the inspector that is in need of repair or replacement shall be corrected by the owner of the building. All necessary permits for repair or replacement shall be obtained from the local jurisdiction. All repair and replacement work shall be performed by a qualified and licensed contractor in compliance with all of the following:

(1) The recommendations of a licensed professional described in subdivision (a).

(2) Any applicable manufacturer's specifications.

(3) The California Building Standards Code, consistent with subdivision (d) of Section 17922 of the Health and Safety Code.

(4) All local jurisdictional requirements.

(h)

(1) An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately. Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of subdivision (g), be inspected by the inspector, and reported to the local enforcement agency.

(2) The owner of the building requiring corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

(i)

(1) The owner of the building shall be responsible for complying with the requirements of this section.

(2) If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on the fee schedule set by the local Owner of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency.

(3) In the event that a civil penalty is assessed pursuant to this section, a building safety lien may be recorded in the county

recorder's office by the local jurisdiction in the county in which the parcel of land is located and from the date of recording shall have the force, effect, and priority of a judgment lien.

(j)

(1) A building safety lien authorized by this section shall specify the amount of the lien, the name of the agency on whose behalf the lien is imposed, the street address, the legal description and assessor's parcel number of the parcel on which the lien is imposed, and the name and address of the recorded owner of the building.

(2) In the event that the lien is discharged, released, or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in paragraph (1) shall be recorded by the governmental agency. A safety lien and the release of the lien shall be indexed in the grantor-grantee index.

(3) A building safety lien may be foreclosed by an action brought by the appropriate local jurisdiction for a money judgment.

(4) Notwithstanding any other law, the county recorder may impose a fee on the city to reimburse the costs of processing and recording the lien and providing notice to the owner of the building. A city may recover from the owner of the building any costs incurred regarding the processing and recording of the lien and providing notice to the owner of the building as part of its foreclosure action to enforce the lien.

(k) The continued and ongoing maintenance of exterior elevated elements in a safe and functional condition in compliance with these provisions shall be the responsibility of the owner of the building.

(l) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section.

(m) For any building subject to the provisions of this section that is proposed for conversion to condominiums to be sold to the public after January 1, 2019, the inspection required by this section shall be conducted prior to the first close of escrow of a separate interest in the project and shall include the inspector's recommendations for repair or replacement of any exterior elevated element found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, and would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants. The inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be submitted to the Department of Real Estate by the proponent of the conversion and shall be a condition to the issuance



of the final public report. A complete copy of the inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be included with the written statement of defects required by Section 1134 of the Civil Code, and provided to the local jurisdiction in which the project is located. The inspection, report, and confirmation of completed repairs shall be a condition of the issuance of a final inspection or certificate of occupancy by the local jurisdiction.

(n) This section shall not apply to a common interest development, as defined in Section 4100 of the Civil Code.

(o) The governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this section.

(Health & Saf. Code, § 17973 (Deering, Lexis Advance through the 2022 Regular Session).)

2. Owner agrees and acknowledges it has received notice about Section 17973 and the requirements it imposes. Owner further agrees and acknowledges that Owner is responsible for taking the necessary actions to comply with Section 17973, including, but not limited, to performing any and all required inspections and repairs with qualified entities and/or individuals.
3. Owner agrees and acknowledges that it is aware that Section 17973 contains key deadlines by which Owner must achieve compliance with Section 17973. The earliest deadline contained in Section 17973 is **January 1, 2026**. Failure to comply with Section 17973 allows for the imposition of severe penalties and legal liability.
4. Owner agrees and acknowledges that achieving compliance with Section 17973 may require Owner to expend substantial financial resources and that compliance with Section 17973 is not optional.

The parties represent that they have read, understand and agree to all the sections contained in this Balcony Law Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Balcony Law Addendum as of the day and year first above written.

**Owner**

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

\_\_\_\_\_  
Date

[Click Here to enter Name](#)

[Click Here to enter Title](#)

**Agent**

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

\_\_\_\_\_  
Date

Scott Bishop

EVP

ATTACHMENT NO. 3

(NEW EXHIBIT G TO AGREEMENT)

NOTICE OF CHANGE IN CONTROL OF FPI MANAGEMENT, INC

Re: Notice of Change in Control of FPI Management, Inc.

Dear Valued Client:

This is to inform you that following a stock sale, there has been a change in control of FPI Management, Inc. ("FPI") as of August 1, 2025. FPI is now a wholly owned subsidiary of Sako and Partners Holdings, LLC, doing business as Asset Living . FPI's new chief executive officer is Ryan McGrath. FPI's real estate broker's licenses in the states it operates are unchanged and FPI's licensed real estate brokers of record are also unchanged in all states, except California. In California, FPI's CFO, Scott Bishop, CA License Number 01778245, is now FPI's licensed broker of record, replacing Dennis Treadaway, who is no longer with the company.

Respectfully,

Scott Bishop  
Chief Financial Officer  
FPI Management, Inc.

**Acknowledgement of Change in Control**

By executing of this Notice of Change in Control of FPI Management, Inc. ("FPI") and Alameda Housing Owner ("Owner") acknowledges the change of control of FPI and consents to FPI's continued management of Owner's property locations listed in Exhibit G1 attached.

**Click to Enter Full Legal Name of Property Owner.**

By: \_\_\_\_\_  
Click to Enter Signer's Full Name.

Its: Click to Enter Signer's Title.

Date: Click to Enter Date.

**Exhibit G1- Owner's Property Locations**

<b>Code</b>	<b>Project Name</b>	<b>Address</b>	<b># units</b>
W70	Anne B. Diamant	920 Park Street Alameda, CA 94501	65



**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Board of Directors  
From: Radha Mehta, Management Analyst

Prepared By: Radha Mehta, Management Analyst

Date: December 17, 2025

Re: Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Alameda Affordable Housing Corporation and FPI Property Management, Inc. (**Parrot Village**) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset Living; and consent to FPI Property Management, Inc., continued management of (**Parrot Village**) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.  
6.L.

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## **BACKGROUND**

The Housing Authority of City of Alameda (AHA) has been utilizing third party property management services to provide efficient management and operation services for AHA residential properties. Outsourcing the management of properties has allowed AHA to continue prioritizing the administration of its housing assistance programs. On August 18, 2022, AHA issued a Request for Qualifications (RFQ) to manage AHA's multifamily portfolio, with the anticipated contract start date of January 1, 2023, which also included additional properties to be added in the coming years. The scope of services within the RFQ included leasing and operations, property management, management of relationships between vendors and service providers, repair and maintenance work payments, budget preparation, initial lease up and project start up, enforcement of lease, and reporting services to AHA.

In September 2022, the RFQ Evaluation Committee reviewed and ranked the submissions. In



October 2022, the top firms were invited to interview with an AHA interview panel. FPI was ranked first by the panelists for property management services and was awarded property management services agreements for properties owned by three separate entities; AHA, Alameda Affordable Housing Corporation (AAHC) and various Island City Development's (ICD) Limited Partnerships. FPI presented a strong proposal because of its experience managing affordable housing developments. On January 1, 2023, Parrot Village transitioned from The John Stewart Company to FPI Property Management, Inc. and the Board of Commissioners approved an initial three-year agreement, with a term period of December 31, 2025 and two 1-year options to extend the term. Staff is now recommending to execute the first one year option.

### **DISCUSSION**

Parrot Village includes 50 units. The agreement for Parrot Village with FPI includes monthly management fees along with other contract fees. The monthly management fees are charged at \$49.00 per unit per month. Other contract fees include property-specific personnel costs, worker's compensation, Safe Fund Charge, taxes, health insurance benefits, payroll processing costs, postage, holiday event charge, training costs, software and technical costs, vault archive charge, cyber and data security, training manual costs, bank analysis fees, compliance monitoring fees, third-party eligibility file review fees and one-time on-boarding transition fee for stabilized properties. The property and maintenance vendor payments are excluded from the contract costs below. The property agreements with FPI do not have not-to-exceed amounts due to the nature of the contract expenses. Certain expenses such as personnel and insurance costs for FPI were not detailed as the costs varied by properties and positions. These costs are approved annually in the budget process. It is important to notice that many of these are pass through costs, such as site-based payroll which are reimbursed by the owner for service rendered. This is standard property management practice. Based on the accrued costs for Parrot Village, Staff anticipate approximately \$402,218.42 to be paid for the contract and management fee cost for year 2026. These numbers below are an estimate only.

Owner	Term Date	# of Units	Management Fee Expensed	Contract Expenses	Total Expenditures	Projected Expenditures (1/1/2026 to 12/31/2026)
Parrot Village	12/31/2025	50	\$87,999.37	\$716,437.46	\$804,436.83	\$402,218.42

FPI has requested a slight increase to the Safe Fund fee from 3.25% to 3.55%. The Safe Fund fee is used to fund multiple employee-related expense arising from litigation and/or FPI employees that arise from the Property. This charge is calculated based on a percentage of on-site employee payroll compensation at the Project. Examples of the fees include safety training, labor law and safety posters, OSHA kits, respirator kit, and safety program management. AHA staff is also requesting an extension of property management services by one year. However, AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms. Staff also expects to rebid property management services in 2026, as there is only one more year of extension permitted on the contract.

California's SB 721 Balcony Law Addendum



Health and Safety Code Section 17973, also known as California's SB 721 Balcony Law which was approved by the Governor back in 2018, requires property managers of multi-family buildings (3+ units) to ensure that balconies, decks, porches and other elevated exterior elements are inspected by a qualified professional. The Addendum extended the deadline for the initial inspection to January 1, 2026. The Bill requires inspections to be conducted every six years. The proposed Balcony Law Addendum is an agreement between FPI and AHA to adhere to the Balcony Law, which will be attached to the property management agreement as the new Exhibit F to the agreement. A separate report on SB721 compliance is included in this Board packet.

#### Change in Control of FPI to Asset Living

As of August 1, 2025, Sako and Partners Holdings, LLC, a Texas based limited liability company doing business as Asset Living Asset Living purchased the controlling share of FPI Management. FPI has informed AHA the transition will have minimal impact on the residents and the quality of service. FPI has also maintained there will be no changes to the agreed fees. AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025. A consent of change letter is included in the action proposed and also referenced as Exhibit G to the agreement in Amendment No. 1.

#### Other Changes

The requested action from the Board also includes a request to Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider. In the event of a major change that is not in the owners' favor, the Property Management Agreement would come back to the board for approval. For some sites, especially the LIHTC Sites, staff expect these stakeholders to ask or require for change in 2026 that are more favorable to the ownership and/or insurance entities and Staff may need to move quickly to make changes.

#### **FISCAL IMPACT**

Funding for this contract has been approved and is budgeted for in the current fiscal year, including the minor fee increases. Expenditures will continue to be reviewed prior to submission of the upcoming fiscal year's budget and prior to any further extensions of this contract.

#### **CEQA**

Not Applicable

#### **RECOMMENDATION**

Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Housing Authority of the City of Alameda and FPI Property Management, Inc. (Parrot Village) extending the contract term by 1-year with a new contract termination date of December 31, 2026; and approving an amendment to the agreement to include an SB721 addendum (California's Balcony Law) and an amendment to the fee schedule; Consent to change in control of FPI Property Management, Inc., to Sako and Partners Holdings, LLC, a Texas limited liability company doing business as Asset



Living; and consent to FPI Property Management, Inc., continued management of (Parrot Village) pursuant to the property management agreement; Authorize the Executive Director/President to negotiate and approve other changes to the Property Management Agreement with FPI Management Inc. if required by the lender, investor, regulatory or insurance provider, provided the changes do not modify the fee schedule.

**ATTACHMENTS**

1. Parrot Village- Amendment No. 1

Respectfully submitted,

*Radha Mehta*

Radha Mehta, Management Analyst

**FIRST AMENDMENT TO  
PROPERTY MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO PROPERTY MANAGEMENT AGREEMENT (“Amendment”)** is entered into as of 18<sup>th</sup> day of December, 2025, ("**Effective Date**") by and between the ALAMEDA AFFORDABLE HOUSING CORPORATION, nonprofit public benefit corporation ("**Owner**"), and FPI MANAGEMENT, INC., a California corporation, and a licensed property management provider ("**Agent**"). The Owner and the Agent are individually referred to herein as a "**Party**" and collectively as the "**Parties**."

**RECITALS**

A. The Owner and Agent entered into that certain Property Management Agreement dated January 1, 2023 ("**Agreement**") to provide property management services at Owner's Parrot Village property, consisting of 50 units located at 1850 Wood Street., Alameda, CA 94501, as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on January 1, 2023 with a termination date of December 31, 2025, and two 1-year options to extend the term.

C. The Owner has continued need for Agent's property management services and desires to exercise the option to extend the term for 1-year to December 31, 2026.

D. Due to an increase in certain costs Agent has requested an amendment to the Fee Expense Structure attached to the Agreement as Exhibit A.

E. Agent is requiring Owner to acknowledge the deck and balcony inspection requirements set forth in Senate Bill 721 (Approved by the Governor on September 17, 2018. Filed with Secretary of State September 17, 2018) which was codified in Health and Safety Code Section 17973 ("Balcony Law Addendum).

F. Agent notified Owner of a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and requested Owner's consent to such change in control.

G. The Parties desire to (i) extend the term of the Agreement to December 31, 2026, (ii) amend the Fee Expense Structure attached as Exhibit A, (iii) amend the Agreement to include the Balcony Law Addendum which will be attached to the Agreement as Exhibit F; and (iv) consent to the change of control and amend the Agreement to include a Notice of Change of Control which will be attached as Exhibit G.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:



1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Term.** Pursuant to Section 2 (Term) of the Agreement, Owner hereby exercises the first option to extend the term for 1-year, such that the term of the Agreement shall be extended to December 31,2026.
3. **Property Management Fee and Expense Structure.** The Property Management Fee and Expense Structure attached to the Agreement as Exhibit A is hereby deleted in its entirety and replaced with the Amended Property Management Fee and Expense Structure attached hereto as Attachment No. 1 and incorporated herein by this reference.
4. **Balcony Law Addendum (SB721).** The Agreement is hereby amended to add the Balcony Law Addendum (Health and Safety Code Section 17973) as the new Exhibit F, which is attached hereto as Attachment No. 2 and incorporated herein by this reference. The Parties shall execute the Balcony Law Addendum concurrently with each Parties execution of this Amendment.
5. **Notice of Change in Control of Agent; Consent to Change.** On or about [insert date] Owner received notice regarding a change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, and a request for Owner's consent to such change in control. The Agreement is hereby amended to add the attached Notice of Change in Control of FPI Management, Inc., as Exhibit G to the Agreement, which is attached hereto as Attachment No.3 and incorporated herein by this reference.

Owner hereby consents to such change in control of Agent to Sako and Partners Holdings, LLC, a Texas limited liability company, doing business as Asset Living, as set forth in Notice of Change in Control of FPI Management, Inc., attached as Exhibit G to the Agreement.

5. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Agreement, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Agreement.** Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in

counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Owner and Agent have executed this Amendment as of the Effective Date.

**OWNER:**

ALAMEDA AFFORDABLE HOUSING CORPORATION

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Vanessa M. Cooper  
Executive Director  
Owner Representative

**AGENT:**

FPI MANAGEMENT, INC.

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Scott Bishop  
EVP

**ATTACHMENT NO. 1**

**(EXHIBIT A TO AGREEMENT)**

**AMENDED PROPERTY MANAGEMENT FEE AND EXPENSE STRUCTURE**

This Property Management Fee and Expense Structure is attached to and made part of the Management Agreement between Owner and Agent. Capitalized terms not otherwise defined herein shall have the same definition as set forth in the Management Agreement.

Owner shall pay to FPI Management, Inc. the fees identified below for providing comprehensive property management services:

***A monthly management fee in an amount equal to \$49 per unit monthly Property specific personnel costs***

<b>Property specific personnel costs</b>	Hourly and monthly compensation, bonuses, for on-site employees at the Property, if any.
<b>Workers' compensation</b>	FPI's workers' compensation cost for employees who perform work on-site at the Project
<b>FPI's Safe Fund Charge (previously included in "FPI's workers compensation charge")</b>	Used to fund and subsidize multiple expenses concerning or arising from litigation and/or FPI employees that relates to or arises from the Property and/or other FPI managed properties nationwide, including but not limited to the following: employee safety and ergonomic assessments, employee environmental training (lead paint, asbestos awareness, mold & moisture management), employee safety training (e.g., hazard communication, blood borne pathogens, lock out-tag out, etc.), employee related insurance (employment practices and crime coverage), global, national, regional and property specific litigation costs, labor law and safety poster sets, labor/employment law consultations (supervisor training), pre-employment screening (including but not limited to background checks, drug testing, and medical and fit testing for respirator use, when applicable), OSHA kits, respirator kits, safety program management, and SDS Binders. Safe Fund payments made by the Owner and the owners of other FPI managed properties may insure to the benefit of other FPI managed property owners. This charge is calculated

	based on a percentage of on-site employee payroll compensation at the Project as follows: <b>Three and fifty-five hundredths percent (3.55%).</b>
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<b><u>Taxes – All taxes related to the Property, including but not limited to sales, business and payroll tax</u></b>	Per federal, state and local laws, statutes, regulations, and requirement.
<b><u>FPI's health insurance benefit charge (medical, dental and vision)</u></b>	Approximately \$807.30 per full-time employee per month.
<b><u>FPI's payroll processing charge (FPI uses ADP)</u></b>	\$27.19 per employee, per month.
<b><u>Property specific postage, Federal Express, Express Mail, U.S. Mail</u></b>	Per provider cost.
<b><u>FPI's annual mid-year training seminar charge</u></b>	Approximately \$250 per on-site manager, plus travel cost.
<b><u>FPI's annual holiday event charge</u></b>	Approximately \$100 per on-site manager, plus travel cost.
<b><u>FPI's online Grace Hill Training access charge</u></b>	\$.54 per unit, per month (Affordable)
<b><u>FPI's cloud platform and DeskTop Technical Support for Office and Business Centers charge</u></b>	\$.61 per unit, per month. This provides unlimited remote access support for site computers and FPI-related applications, i.e., computer virus/spyware/malware administration, PC Encryption, web filtering, Google's GSuite business tools, administration for all property e-mail accounts, property hardware, orders for PCs, laptops, switches, and printers. The cloud platform provides one email box, per 100 units, additional email box will be \$75 per email box, annually.
<b><u>FPI's Vault Archive charge</u></b>	Vault email archive fees - \$70 per on-site mailboxes. Archives property emails for 10 years.

<b><u>Cyber and Data Security</u></b>	\$ .38 per unit, per month. This provides security monitoring, training software and support.
<b><u>FPI's Strategic Solutions</u></b>	\$76 annually – online training manual.
<b><u>Bank analysis fees</u></b>	Actual charges from bank analysis statements
<b><u>FPI's annual software license charge</u></b>	<p>Yardi 7.0 - \$1,249 per year, 0-50 units Yardi 7.0 - \$3,222 per year, 51-150 units Yardi 7.0 - \$3,585 per year, 151-300 units Yardi 7.0 - \$4,232 per year, 301-500 units Yardi 7.0 - \$4,999 per year, 501+ units</p> <p>Yardi Procure 2 Pay - \$5.93 per unit, per year Yardi Affordable - \$631 per year</p> <p>Yardi RentCaffeine Affordable - \$14 per unit per year</p>
	<p>Yardi RentCaffeine Setup Fee - \$ 300 - One-time set up fee</p> <p>Yardi Affordable - \$2 / per unit – One-time set up fee</p>
<b><u>FPI's Business Intelligence Software charge</u></b>	\$ .66 per unit, per month.
<b><u>FPI's Leonardo 24/7 charge</u></b>	<p>No charge, 0-25 units</p> <p>\$25 per month, 26-50 units</p> <p>\$50 per month, 51-149 units</p> <p>\$109 per month, 150+ units</p> <p>\$99 – One time set up fee</p>
<b><u>Compliance charge</u></b>	

<p><b><u>FPI Compliance Monitoring Fee*</u></b></p>	<p>*\$4.00 per unit / per month: FPI monitoring of affordable programs including LIHTC, Bonds, HOME funds, and any other affordable programs. Providing Income/Rent Limits, training on compliance systems and affordable requirements. Support for annual audits performed by agencies, including pre-audit reviews and preparations.</p> <p>*\$4.00 per unit/per month does not apply to HUD properties. Any additional fees will be identified and approved by HUD.</p>
<p><b><u>Third-Party Eligibility File Review Fee</u></b></p>	<p>FPI has engaged Karen A. Graham Consulting LLC to conduct 3rd-party file reviews and eligibility of all affordable household certifications. Expenses will vary based on property program layering, Self-certification status. Expense is based on a per-file rate.</p> <p>LIHTC Properties or Local Programs Tier 2 (no HUD or RD)</p> <p>\$27.00 Standard File Review (MI, AR, RIC, MOMI, Add-On-AO and IC)</p> <p>\$33.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR) File Reviews</p> <p>\$54.00 First Year Quality Assurance (MI, RIC, MRQC)* Includes combined eligibility and investor review w/ close out letter &amp; report.</p> <p>*First-year fee only, Standard rate applies at the 2nd year review.</p> <p>HUD or USDA-USDA-RD program only (no LIHTC)</p> <p>\$30.00 Standard File Reviews (MI, AR, IR, IC)</p> <p>\$36.00 High Priority File Reviews</p> <p>Blended (LIHTC with HUD/USDA-RD or Local Programs Tier 3)</p> <p>\$47.00 Standard File Reviews (MI, AR, IR, IC)</p>

	<p>\$53.00 High Priority File Reviews</p> <p>\$37.00 HUD/RD AR w/ LIHTC Self Cert (SCR) File Review</p> <p>Local Programs Tier 1 (Market Rate with Local Program-City, County, HOME funds)</p> <p>\$24.00 Standard File Review (MI or AR)</p> <p>\$30.00 High Priority File Reviews</p> <p>\$14.00 Standard Self Cert (SCR File Review)</p>
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<b><u>One-Time Fees</u></b>	
<b>Stabilized Properties Only</b>	\$3,000 On-boarding transition fee
<b><u>Special Projects</u></b>  <b>Affordable Properties Only</b>	<p>Onboarding - Resolution and/or Closeout work</p> <p>Additional work during the initial transition up to 12-months. Fee based on need and agreed upon Action Plan (e.g. pre-audit work, file organization, prior delinquency balances and overdue certification close out.)</p> <p>Utility Allowance Analysis - 3rd-party analysis (as needed) LEP (Limited English Proficiency) Language Plan (if applicable) Electronic signatures/conversion - Application/Forms (if applicable)</p>
<b><u>Accounting Costs</u></b>	Upon termination of management agreement, Agent will provide trailing accounting for a sixty (60) day period, subsequent to the date of termination of management services. Thereafter, at Owner's request, any additional accounting services will be provided for a monthly fee equal to one half of the last monthly management fee paid, prior to termination.

**The fees, costs, charges and expenses in this Property Management Fee and Expense Structure are subject to change annually.**



## ATTACHMENT NO. 2

### (NEW EXHIBIT F TO AGREEMENT)

#### BALCONY LAW ADDENDUM (SB721)

This Health and Safety Code Section 17973 Addendum ("Balcony Law Addendum") is to the Property Management Agreement, or similarly titled agreement, (the "PMA") dated the [Click to enter day of Month](#) day of [Click to enter Month](#), [Click to enter Year](#) between [Click to enter Legal Name of Owner Entity](#) ("Owner"), and FPI Property Management, Inc. ("Agent"), a California corporation, for the property known as [Click to enter Name of Apartment Complex](#) (the "Project") located at [Click to enter Street Address of Apartment Unit](#), [Click to enter City, State, Zip Code](#).

All capitalized terms used, but not defined herein, shall have the meaning set forth in the PMA. The terms and conditions of this Balcony Law Addendum shall be incorporated by reference into the PMA and any breach of the terms and conditions of this Balcony Law Addendum shall be construed a breach of the PMA. Except as set forth in this Balcony Law Addendum, the PMA is unaffected and shall continue in full force and effect in accordance with their terms. If there is conflict between the terms of this Balcony Law Addendum and the terms of the PMA, the terms of this Balcony Law Addendum will control. The Owner and Agent agree as follows:

1. Notice is hereby given to Owner that on September 17, 2018, Senate Bill No. 721 was approved by the California Governor. The bill was codified under California Health and Safety Code section 17973 ("Section 17973"). Section 17973 imposes on property owners strict inspection requirements relating to exterior elements of buildings used for human habitation. It provides as follows:

(a) Exterior elevated elements that include load-bearing components in all buildings containing three or more multifamily dwelling units shall be inspected. The inspection shall be performed by a licensed architect; licensed civil or structural engineer; a building contractor holding any or all of the "A," "B," or "C-5" license classifications issued by the Contractors State License Board, with a minimum of five years' experience, as a holder of the aforementioned classifications or licenses, in constructing multistory wood frame buildings; or an individual certified as a building inspector or building official from a recognized state, national, or international association, as determined by the local jurisdiction. These individuals shall not be employed by the local jurisdiction while performing these inspections. The purpose of the inspection is to determine that exterior elevated elements and their associated waterproofing elements are in a generally safe condition, adequate working order, and free from any hazardous condition caused by fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or the occupants is not endangered. The person or business performing the inspection shall be hired by the owner of the building.

(b) For purposes of this section, the following terms have the following definitions:

(1) "Associated waterproofing elements" include flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.

(2) "Exterior elevated element" means the following types of structures, including their supports and railings: balconies, decks, porches, stairways, walkways, and entry structures that extend beyond exterior walls of the building and which have a walking surface that is elevated more than six feet above ground level, are designed for human occupancy or use, and rely in whole or in substantial part on wood or wood-based products for structural support or stability of the exterior elevated element.

(3) "Load-bearing components" are those components that extend beyond the exterior walls of the building to deliver structural loads from the exterior elevated element to the building.

(c) The inspection required by this section shall at a minimum include:

(1) Identification of each type of exterior elevated element that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.

(2) Assessment of the load-bearing components and associated waterproofing elements of the exterior elevated elements identified in paragraph (1) using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.

(3) The evaluation and assessment shall address each of the following as of the date of the evaluation:

(A) The current condition of the exterior elevated elements.

(B) Expectations of future performance and projected service life.

(C) Recommendations of any further inspection necessary.

(4) A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner's designated agent within 45 days of completion of the inspection.

The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.

(d) The inspection shall be completed by **January 1, 2026**, and by January 1 every six years thereafter. The inspector conducting the inspection shall produce an initial report pursuant to paragraph (4) of subdivision (c) and, if requested by the owner, a final report indicating that any required repairs have been completed. A copy of any report that recommends immediate repairs, advises that any building assembly poses an immediate threat to the safety of the occupants, or that preventing occupant access or emergency repairs, including shoring, are necessary, shall be provided by the inspector to the owner of the building and to the local enforcement agency within 15 days of completion of the report. Subsequent inspection reports shall incorporate copies of prior inspection reports, including the locations of the exterior elevated elements inspected. Local enforcement agencies may determine whether any additional information is to be provided in the report and may require a copy of the initial or final reports, or both, be submitted to the local jurisdiction. Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles, and shall be disclosed and delivered to the buyer at the time of any subsequent sale of the building.

(e) The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than six years following issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this section.

(f) If the property was inspected within three years prior to January 1, 2019, by an inspector as described in subdivision (a) and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection pursuant to this section shall be required until **January 1, 2026**.

(g) An exterior elevated element found by the inspector that is in need of repair or replacement shall be corrected by the owner of the building. All necessary permits for repair or replacement shall be obtained from the local jurisdiction. All repair and replacement work shall be performed by a qualified and licensed contractor in compliance with all of the following:

(1) The recommendations of a licensed professional described in subdivision (a).

(2) Any applicable manufacturer's specifications.

(3) The California Building Standards Code, consistent with subdivision (d) of Section 17922 of the Health and Safety Code.

(4) All local jurisdictional requirements.

(h)

(1) An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately. Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of subdivision (g), be inspected by the inspector, and reported to the local enforcement agency.

(2) The owner of the building requiring corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

(i)

(1) The owner of the building shall be responsible for complying with the requirements of this section.

(2) If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on the fee schedule set by the local Owner of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency.

(3) In the event that a civil penalty is assessed pursuant to this section, a building safety lien may be recorded in the county

recorder's office by the local jurisdiction in the county in which the parcel of land is located and from the date of recording shall have the force, effect, and priority of a judgment lien.

(j)

(1) A building safety lien authorized by this section shall specify the amount of the lien, the name of the agency on whose behalf the lien is imposed, the street address, the legal description and assessor's parcel number of the parcel on which the lien is imposed, and the name and address of the recorded owner of the building.

(2) In the event that the lien is discharged, released, or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in paragraph (1) shall be recorded by the governmental agency. A safety lien and the release of the lien shall be indexed in the grantor-grantee index.

(3) A building safety lien may be foreclosed by an action brought by the appropriate local jurisdiction for a money judgment.

(4) Notwithstanding any other law, the county recorder may impose a fee on the city to reimburse the costs of processing and recording the lien and providing notice to the owner of the building. A city may recover from the owner of the building any costs incurred regarding the processing and recording of the lien and providing notice to the owner of the building as part of its foreclosure action to enforce the lien.

(k) The continued and ongoing maintenance of exterior elevated elements in a safe and functional condition in compliance with these provisions shall be the responsibility of the owner of the building.

(l) Local enforcement agencies shall have the ability to recover enforcement costs associated with the requirements of this section.

(m) For any building subject to the provisions of this section that is proposed for conversion to condominiums to be sold to the public after January 1, 2019, the inspection required by this section shall be conducted prior to the first close of escrow of a separate interest in the project and shall include the inspector's recommendations for repair or replacement of any exterior elevated element found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, and would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants. The inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be submitted to the Department of Real Estate by the proponent of the conversion and shall be a condition to the issuance

of the final public report. A complete copy of the inspection report and written confirmation by the inspector that any repairs or replacements recommended by the inspector have been completed shall be included with the written statement of defects required by Section 1134 of the Civil Code, and provided to the local jurisdiction in which the project is located. The inspection, report, and confirmation of completed repairs shall be a condition of the issuance of a final inspection or certificate of occupancy by the local jurisdiction.

(n) This section shall not apply to a common interest development, as defined in Section 4100 of the Civil Code.

(o) The governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this section.

(Health & Saf. Code, § 17973 (Deering, Lexis Advance through the 2022 Regular Session).)

2. Owner agrees and acknowledges it has received notice about Section 17973 and the requirements it imposes. Owner further agrees and acknowledges that Owner is responsible for taking the necessary actions to comply with Section 17973, including, but not limited, to performing any and all required inspections and repairs with qualified entities and/or individuals.
3. Owner agrees and acknowledges that it is aware that Section 17973 contains key deadlines by which Owner must achieve compliance with Section 17973. The earliest deadline contained in Section 17973 is **January 1, 2026**. Failure to comply with Section 17973 allows for the imposition of severe penalties and legal liability.
4. Owner agrees and acknowledges that achieving compliance with Section 17973 may require Owner to expend substantial financial resources and that compliance with Section 17973 is not optional.

The parties represent that they have read, understand and agree to all the sections contained in this Balcony Law Addendum.

INTENDING TO BE BOUND, the parties hereto have executed this Balcony Law Addendum as of the day and year first above written.

**Owner**

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

\_\_\_\_\_  
Date

[Click Here to enter Name](#)

[Click Here to enter Title](#)

**Agent**

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

\_\_\_\_\_  
Date

Scott Bishop

EVP

ATTACHMENT NO. 3

(NEW EXHIBIT G TO AGREEMENT)

NOTICE OF CHANGE IN CONTROL OF FPI MANAGEMENT, INC

Re: Notice of Change in Control of FPI Management, Inc.

Dear Valued Client:

This is to inform you that following a stock sale, there has been a change in control of FPI Management, Inc. ("FPI") as of August 1, 2025. FPI is now a wholly owned subsidiary of Sako and Partners Holdings, LLC, doing business as Asset Living . FPI's new chief executive officer is Ryan McGrath. FPI's real estate broker's licenses in the states it operates are unchanged and FPI's licensed real estate brokers of record are also unchanged in all states, except California. In California, FPI's CFO, Scott Bishop, CA License Number 01778245, is now FPI's licensed broker of record, replacing Dennis Treadaway, who is no longer with the company.

Respectfully,

Scott Bishop  
Chief Financial Officer  
FPI Management, Inc.

**Acknowledgement of Change in Control**

By executing of this Notice of Change in Control of FPI Management, Inc. ("FPI") and Alameda Housing Owner ("Owner") acknowledges the change of control of FPI and consents to FPI's continued management of Owner's property locations listed in Exhibit G1 attached.

**Click to Enter Full Legal Name of Property Owner.**

By: \_\_\_\_\_  
Click to Enter Signer's Full Name.

Its: Click to Enter Signer's Title.

Date: Click to Enter Date.

**Exhibit G1- Owner's Property Locations**

<b>Code</b>	<b>Project Name</b>	<b>Address</b>	<b># units</b>
V22	Parrot Village	1850 Wood Street	50