

FPI Property Management, Inc. Amendment No. 1

December 17, 2025



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Requested Actions

- Extend contract term by 1-year (with the exception of Estuary II)
- Amend the fee schedule
- Approve an amendment to include an SB721 Addendum (California Balcony Law)
- Change control of FPI Property Management, Inc. to Sako and Partners Holdings, LLC (DBA Asset Living)
- Authorize the Executive Director/President to negotiate and approve other changes



Services Provided

- Property management
- House eligible residents and maximize occupancy and rent collection
- Vendor relationship management
- Repair and maintenance work payments
- Budget preparation
- Initial lease up and project start up
- Provide effective and timely services for the residents to encourage housing stabilization
- Meet the financial objectives of the partnership as described in the original underwriting projections;
- Ensure regular, effective communication between management staff and residents
- Implement regulatory requirements and operation consistent with law
- Maintain and preserve the physical housing resource for the projected useful life



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Fee Schedule

Monthly Management Fee:

\$49 per unit/monthly

Contract Expenses:

- Property specific personnel costs
- Worker's compensation and health insurance
- Safe Fund Charge
- Taxes
- Payroll processing charge
- Property specific postage
- Mid-year training seminar
- Annual holiday event charge
- Training access charge
- Accounting Costs
- Cloud platform and Desktop technical support charge
- Vault archive charge
- Cyber and Data Security
- Strategic Solutions
- Banks Analysis Fees
- Annual software license and business Intelligence software charge
- Leonardo 24/7 charge
- Compliance charge
- One-time stabilized properties fee
- Affordable Properties special projects charge



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Housing Authority of City of Alameda (AHA) Properties

Property Agreement Name	Properties
AHA Parrot Gardens	Parrot Gardens
Independence Plaza	Independence Plaza
	Lincoln House - 745 Lincoln Avenue Sherman House - 1416 Sherman Street, Paru House - 1825 Paru House, Mulberry Condos - 1911 Mulberry Avenue, Mulberry Condos - 2101 Eagle Avenue, Mulberry Condos - 2102 Clement Avenue, Mulberry Condos - 2116 Clement Avenue, Family Condos - 2137 Otis Drive Family Condos - 2209 Otis Drive Family Condos - 955 Shorepoint Avenue Family Condos - 965 Shorepoint Avenue
AHA Scattered Sites :Detached	Tucker Ave



Alameda Affordable Housing Corporation(AAHC) Properties

Property Agreement Name	Properties
AAHC Anne B. Diamant	Anne B. Diamant
AAHC China Clipper	China Clipper
AAHC Eagle Village	Eagle Village
AAHC Esperanza	Esperanza
	Lincoln Willow - 2101 Lincoln Avenue Stanford House - 1917 Stanford St, Pulte Homes - 441 Mitchell Ave. Pulte Homes - 445 Mitchell Ave. Pulte Homes - 2811 Tradewind Ct. Pulte Homes - 2803 Tradewind Ct. Pulte Homes - 605 Martin Mariner Ave. Pulte Homes - 611 Martin Mariner Ave. Pulte Homes - 2825 Tradewind Ct. Pulte Homes - 2833 Tradewind Ct. Pulte Homes - 2838 Tradewind Ct. Pulte Homes - 2855 Tradewind Dr. Pulte Homes - 2863 Tradewind Dr. Pulte Homes - 2873 Tradewind Dr. Pulte Homes - 2833 Fifth St. Pulte Homes - 2857 Fifth St. Pulte Homes - 2829 Fifth St. Pulte Homes - 2803 Fifth St. Pulte Homes - 2828 Tradewind Ct. Pulte Homes - 2860 Tradewind Dr.
AAHC Scattered Sites	
AAHC-Parrot Village	Parrot Village
Independence Plaza	Independence Plaza



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Island City Development (ICD) Properties

Owner	Properties
Constitution and Eagle, L.P.	Rosefield Village
Everett and Eagle, L.P.	Everett Commons
FPI-Sherman and Buena Vista, L.P.	Little John Commons
Mosley and Mabuhay LP	Estuary II (520 Mosley Avenue, Alameda CA 94501)
Lakehurst and Mosley, LP	Estuary I (500 Mosley Avenue, Alameda CA 94501)
Mabuhay and Lakehurst LP	Linnet Corner- 2000 Lakehurst Circle, Alameda CA 94501



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Property Updates

- With the exception of Mosley and Mabuhay LP (Estuary II), amend all property agreements to extend to December 31, 2026.
- Update all property management fee schedule to increase the Safe Fund fee from 3.25% to 3.55%.
- AHA plans to meet with FPI prior to March 2026 to discuss the contract fees and terms



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Additional Property Updates

- Independence Plaza is owned by AHA. However, the agreement for Independence Plaza with FPI is with AAHC due to a requirement in the Faircloth to RAD closing.
- Tucker Ave property was added to AHA Scattered Sites property grouping in 2023. However, the agreement was not amended at the time.

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.
- SB721 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 Bill requires inspections to be conducted every six years.
- The Addendum extended the deadline for the initial inspection to January 1, 2026.



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Changes by Executive Director/President

- 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.
- Staff expects to be asked to implement changes requested by insurance, investors and lenders in coming months.

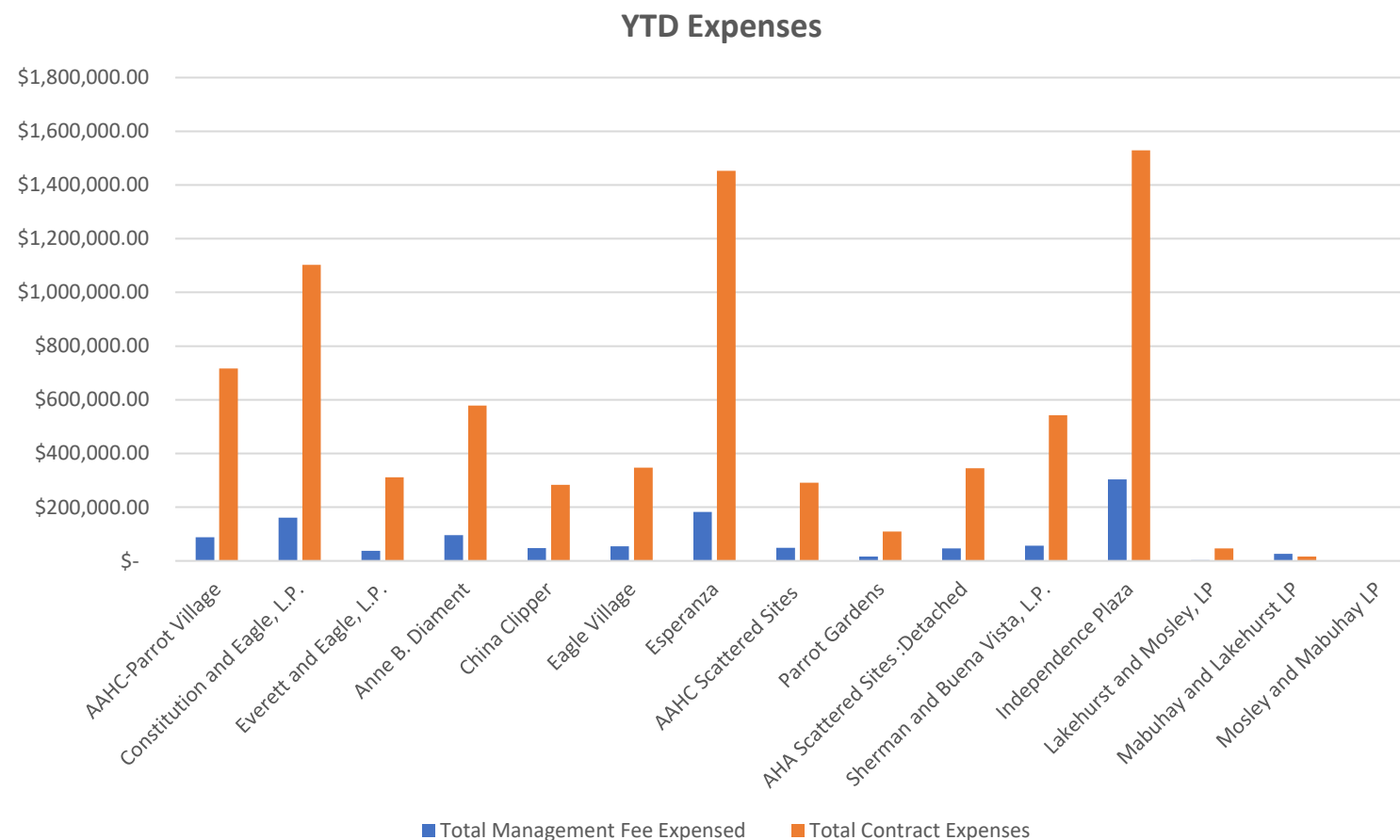


Change in Control of FPI to Asset Living

- As of August 1, 2025, Sako and Partners Holdings, LLC (DBA Asset Living) purchased the controlling share of FPI Management.
- Per FPI, transition will have minimal impact on the residents and quality of service.
- AHA will continue monitoring the performance of Asset Living and discuss updates to the terms prior to March 2025.

YTD Expenses

- **Total Management Fee Expenses:** \$1,167,033.66
- **Total Contract Expenses:** \$7,674,057.93



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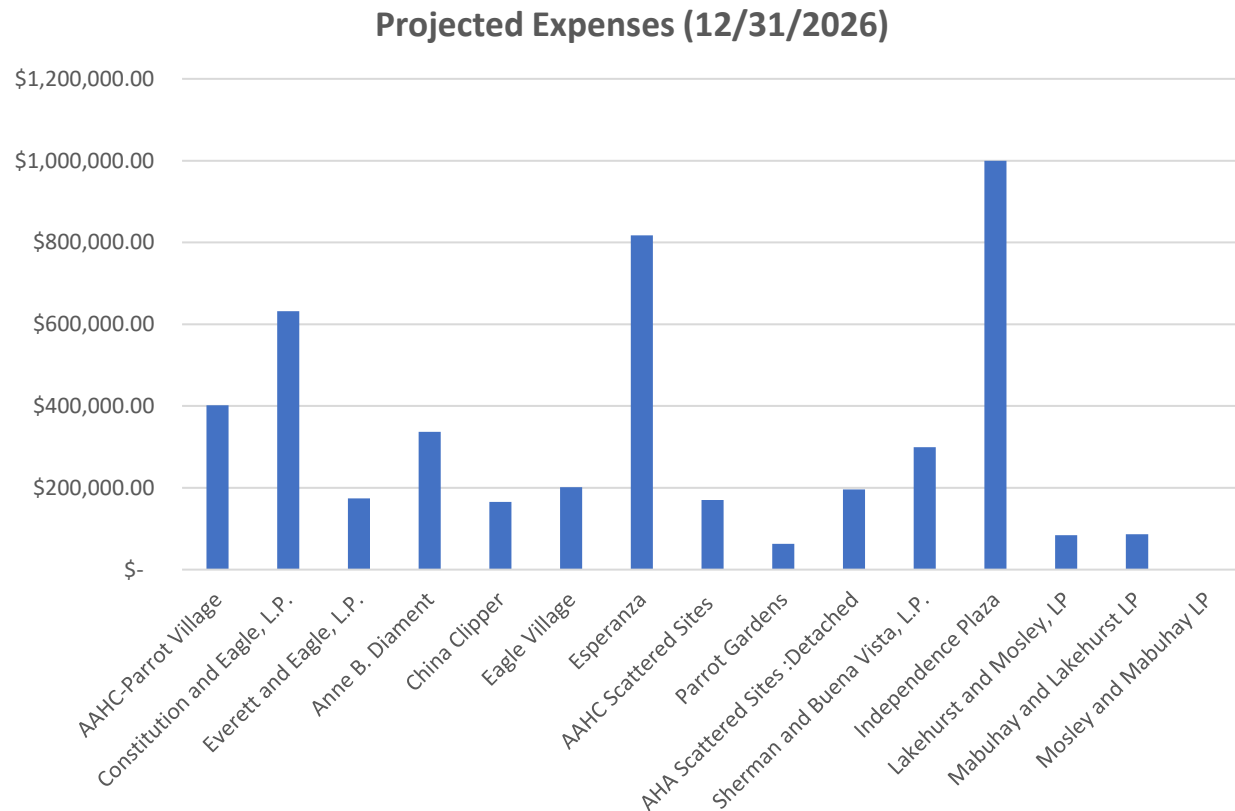
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Projected Expenses

- **Projected Management Fee Expenses:**
\$639,909.82
- **Projected Expenses:**
\$3,988,388.94



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Recommendation

- Authorize the Executive Director to negotiate and execute a first amendment to the property management agreement between the Entity and FPI Property Management, Inc., 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 property 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.