



## Report on Property Management Transition

### Monona Shores Apartments & CDA 95-1

The CDA issued a Request for Proposals (RFP) for Property Management Services at Monona Shores Apartments and CDA 95-1 on February 25, 2019. Submitted proposals were reviewed by a selection committee and the contract for both properties was awarded to Founders 3 Real Estate Services effective July 1, 2019. Termination notices were issued to both property management companies (Broihahn and Meridian) on May 29, 2019. CDA staff met with staff from Broihahn and Meridian individually and developed a transition plan for each property. In addition, Founders 3 provided a property takeover checklist to both property management companies.

#### Highlights

- **CDA 95-1:** The handoff from Meridian to Founders 3 overall went smoothly. Some residents are confused as to where they should pay their rent, but the new property manager is working with residents to ensure rent makes its way to the correct place without late fees. The transition at CDA 95-1 was completed as of September 6, 2019.
- **Monona Shores:** Founders 3 met with Broihahn and moved into the management office at Monona Shores on July 1. No losses were reported at either Monona Shores or CDA 95-1. The transition at Monona Shores was more challenging since most property records were handed over in paper form. The transition at Monona Shores Apartments was completed as of September 9, 2019.
- **Staffing:** Property management for both properties is staffed through the on-site office at Monona Shores Apartments. Founders 3 has hired 1 full time property manager and 1 full time maintenance staff person. The maintenance staff person holds an employment lease at Monona Shores and also provides custodial services, resulting in a savings from the reduction of the custodial services contract. There is currently 1 vacant position, a leasing agent. Founders 3 has completed interviews and is moving through negotiations.
- **Current Projects:** Founders 3 has primarily focused on occupancy and curb appeal. Some current projects at Monona Shores included gutter cleaning, website, and parking enforcement. Founders 3 has started work on the 2020 budget for both properties.

#### Key Indicators Through the Transition Period (May – August)

- **Occupancy:**

	May	June	July	August
Monona Shores	96%	99%	98%	98%
CDA 95-1	100%	100%	100%	100%

- **Net Operating Income:**

	May	June	July	August
Monona Shores	33,656	16,632	76,291	56,946
CDA 95-1	16,755	Unknown	12,645	18,539

- **Per Unit Per Year (PUPY):**

	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>
<b>Monona Shores</b>	7,182	7,546	5,728	5,602
<b>CDA 95-1</b>	5,251	Unknown	4,961	4,712

- **Operating Cash Balances:**

	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>
<b>Monona Shores</b>	368,925	333,298	402,437	435,398
<b>CDA 95-1</b>	17,634	23,759	90,589	99,582