

United States Department of the Air Force

Air Combat Command (ACC), Air Force Global Strike Command (AFGSC), Air Force Space Command (AFSPC) and Air Force Center for Engineering and the Environment (AFCEE)



**Privatization of Military Family Housing
Beale, FE Warren, Malmstrom, and Whiteman Air
Force Bases (“Western Group”)**

Solicitation No. AFCEE-09-0002

APPENDIX G

**Reporting Requirements Instruction Letter with
Sample Reports**

**PROPOSALS ARE DUE NO LATER THAN
5:00 P.M. EST 21 SEPTEMBER 2010 AT:**

ALVAREZ & MARSAL REAL ESTATE ADVISORY SERVICES
C/O EMAX FINANCIAL & ADVISORY REAL ESTATE SERVICES, LLC
60 Broad Street, Suite 3501
New York, NY 10004
Voice: 212.813.3510 Fax: 212.813.3505
Email: western@emaxllc.com
Web site: www.amafpress.com/projects/western

**APPENDIX G. REPORTING REQUIREMENTS
INSTRUCTION LETTER WITH SAMPLE REPORTS**



DEPARTMENT OF THE AIR FORCE
AIR FORCE CENTER FOR ENGINEERING AND THE ENVIRONMENT
LACKLAND AIR FORCE BASE TEXAS

_____, 2010

AFCEE/HPM
2261 Hughes Ave
Lackland AFB, Texas 78238-9853

Attn: _____,
Authorized Representative

Re: Western Group Military Housing Privatization Initiative (MHPI)
Financial Reporting Requirements

Dear _____:

As the Air Force Portfolio Manager for the MHPI, I represent the Secretary of the Air Force (the "Secretary" or the "Government"), with respect to the above-referenced transaction scheduled to close on _____, 2010. This letter supplements the transaction documents listed below and sets forth detailed financial reporting requirements upon which the Government is willing to consummate this transaction. The relevant transaction documents are as follows:

1. Lease of Property
2. Government Direct Loan and Associated Legal Instruments
3. Lockbox Agreement
4. Master Development and Management Agreement
5. Other transaction documents with reporting requirements

As part of the MHPI, the Government requires certain information be provided periodically. All projects shall use a fiscal year based on the calendar year. Reporting periods shall be based on the calendar quarter with each report providing monthly detail. Each reporting element (Pro forma,

budget, quarterly report) should be in a format easily comparable and in sufficient detail to explain variances. Variance explanations shall include narrative discussion for all material variances from budget. Material variances shall be defined as line item expense variances which exceed both \$10,000 and 5% during the period. The Air Force reserves the right to request additional information on other line items regardless of the significance of any variances.

The following reports index lists some of the information that is requested.

1. Quarterly Income Statement;
2. Quarterly Income Statement Variance Report;
3. Year-to-Date Income Statement;
4. Quarterly Cash Flow Statement;
5. Quarterly/Annual Balance Sheet;
6. Quarterly Delinquencies & Charge-Offs Report;
7. Extraordinary Costs/Expenditures Report;
8. Quarterly Debt Coverage Report;
9. Year-to-Date Debt Coverage Report;
10. Quarterly Occupancy Report by Unit;
11. Quarterly Occupancy Report by Rank;
12. Quarterly Leasing Activity Report;
13. In Service Report;
14. Quarterly Inquiry Report;
15. Quarterly Waitlist Report;
16. Quarterly Security Deposit Report;
17. Quarterly Maintenance Report;
18. Quarterly Maintenance Survey Report;
19. Development Costs Report;
20. Construction Progress Report; and
21. Financing Proposals Report.

The above list is not inclusive of other information that may be requested by the Government from time to time as determined by AFCEE/HPM (AF Portfolio Management). Such additional requests may include, but are not limited to, support for the summary reports listed above; rent roll or other information requested by the Base Housing Office, and other reports that are generated by standard property management software packages. [For grouped projects, the reporting templates must be completed for each Privatized Housing Community (i.e., the privatized housing community taken as a whole at each installation). An additional set of templates that consolidate this data at the Project Level must also be completed.]

The exact format of the reports is flexible to the extent that changes improve the quality or usability of information contained therein. However, budgets and financial statements should be provided in a form and format that can be compared to the Pro Forma. Sample reports are provided as an attachment hereto in both hard and electronic copy format. The electronic version is in MS Excel format and includes formulas and other details that may be of assistance in developing your reports. Submissions should also be compiled in a spreadsheet package such as MS Excel. The Government is

contemplating other technologies to capture data and reserves the right to require their use at a future date.

Reports, including year-end reports, should be sent via e-mail to the following persons **within thirty (30) days** of the end of the reporting period:

AF Portfolio Manager
AFCEE/HPM
2261 Hughes Ave
Lackland AFB, TX 78236-9853
hdpm@us.af.mil

Jones Lang LaSalle
1627 Eye Street NW, 8th Floor
Washington, DC 20005
john.leineweber@am.jll.com

Western Group POC

MAJCOM POC

Please execute both copies of this letter in the space provided below to indicate your acceptance of the terms and provisions set forth herein. Return one fully executed original to the Air Force Portfolio Manager and a copy to the other entities listed above.

Sincerely,

Ronald Marlin
Acting Chief, Portfolio Management
Housing Privatization

Attchs:

Standardized Reporting Templates
(Hard and electronic copy format)

PROJECT OWNER:

By: _____

Name: _____

Title: _____

Date: _____