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Inspector General

OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY



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Accredited

“Enhancing Public Trust in Government”

Audit Report

2026-A-0002

Palm Beach County Workforce Housing Program - Wellington Club Apartments

November 20, 2025



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PALM BEACH COUNTY WORKFORCE HOUSING PROGRAM - WELLINGTON CLUB APARTMENTS

SUMMARY

WHAT WE DID

We conducted an audit of the Palm Beach County (County) Workforce Housing Program (WHP) at Wellington Club Apartments (Wellington Club). The Master Declaration of Restrictive Covenants for Workforce Housing in Accordance with the Palm Beach County Workforce Housing Program (Restrictive Covenant), dated June 30, 2011, between the County and the declarant¹, Woodwind 2007, LLC, runs with the land and binds the Owner and all successors and assigns to provide and maintain designated Workforce Housing Units within Wellington Club development.² This audit was performed as part of the Office of Inspector General, Palm Beach County (OIG) 2023 Audit Plan.

Our audit focused on Wellington Club WHP related activities, transactions, and events from January 1, 2018 to June 30, 2023.

WHAT WE FOUND

We found that the sample of renters we tested at the Wellington Club who were eligible for the WHP were overcharged a total of \$32,876.82.³ The County identified some of the overcharges, and the Owner's property manager issued credits to the renters, reducing the total overpayments by renters to \$22,042.16. (See Exhibit 1)

The County's monitoring of the Wellington Club from 2018 through June 30, 2021 was not sufficient to identify instances where WHP households paid rental rates in excess of the established WHP rental rate limits. Additionally, the County and the Owner's property managers did not always follow the Restrictive Covenant's requirements. From 2018 forward, the County gradually enhanced its monitoring activities and guidance to the Owner's property managers each year as it identified deficiencies in the lease addendum, annual reporting processes outlined in the Restrictive Covenant, and trends in the noncompliance by the Owner's property managers that contributed to the overpayments by WHP

¹ The declarant shall be deemed to be the Owner until such time as declarant conveys fee title to another Owner.

² The Restrictive Covenant was between the County and the Owner of the Wellington Club Apartments property (not including a lender, mortgage holder, or party acquiring the property through foreclosure). The Owner contracted with two (2) property managers who managed the leasing of Wellington Club Apartments during the period of our audit--Weller Management, LLC and RPM Living, LLC.

³ Excludes overpayments identified that totaled less than \$100.

residents. The County worked with the current property manager to issue refunds to WHP households that overpaid; however, we identified additional overpayments that have not been refunded. (See Exhibit 1)

The Owner did not ensure that its property managers always charged the applicable WHP rental rate and/or properly applied utility charges and credits, and the County lacked sufficient monitoring to identify the noncompliance.

We found that 19 of the 39 (49%) WHP sample residents we tested paid rental amounts in excess of the amounts established by the WHP. (See Exhibit 1)

The County was not aware that the rent paid by some WHP residents was higher than the established WHP limits or that utility credits were not properly applied because the lease addenda and annual reports, which the Restrictive Covenant established as the main mechanisms by which the County monitored compliance with the WHP, included inaccurate information, did not provide sufficient information to determine compliance, or was provided late or not at all (in the case of lease addenda, see Finding 2).

Additionally, the personnel we met with from the Owner's property manager, RPM, was not aware of the Restrictive Covenant. And the County informed us that property manager personnel for the WHP overall indicated they were not clear about what fees were considered a "utility" and that all mandatory fees and charges should be included when computing the WHP rent amount.

In 2021, the County performed a more in-depth compliance review from July 2020

forward and requested that property managers adjust rents to comply with the WHP and issue credits to the WHP residents for rent charged in excess of the established WHP rental rates. We verified that the current property manager issued credits to WHP residents starting in January 2022 and continuing through July 2023 based on the County's calculation of the overpayments. However, we identified additional overpayments that have not been refunded. (See Exhibit 1)

Following the 2021 review, the County enhanced the 2022 annual report to require the property managers to disclose mandatory fees included in the WHP rental rate, which led to overpayments in the prior year, as well as provided WHP rent calculation guidance to the property manager to help mitigate the risk of overpayments for new WHP residents.

Corrective Action

During the audit, on November 17, 2023, the County provided current property manager with additional guidance for calculating the maximum allowable rent

The current Owner's property manager, RPM, maintains that utility credits were not applied to the WHP units as RPM was not initially billing residents for water services.

The County maintains that it was their understanding that the utility allowance was included in the lease agreement rent amount.

However, we were not provided documentation indicating that the utility allowance was included in the lease agreement rent amount.

under the WHP in the form of a WHP Rent Calculation Worksheet.

The County and Owner's property managers did not always follow the Restrictive Covenant with respect to WHP eligibility, lease restriction language, and lease addenda.

The property managers did not retain a lease addendum⁴ for one (1) WHP record, and documentation of the household's eligibility (income support) showed that the household was not eligible for a WHP unit because the household income exceeded the maximum WHP income ranges.⁵ We could not verify that the three (3) remaining WHP records were eligible for the WHP because the property manager could not locate the residents' files.

We found that property managers provided 31 lease addenda to the County after the due date in the Restrictive Covenant, and 18 were never provided to the County. Additionally, when lease addenda were provided to the County, in eight (8) instances, the County did not notify the property manager when it was insufficient in the timeframe required by the Restrictive Covenant.

We found the lease agreements for WHP households did not contain language required by the Restrictive Covenant.

Corrective Action

During the audit, the County implemented a process whereby the County notifies the property manager of any noncompliant

lease addenda within three (3) business days of receipt and maintains a perpetual tracking log of the property's lease addenda for more real-time monitoring, in lieu of the property manager preparing an annual report at the end of the compliance period. The Restrictive Covenant was amended to reflect this change.

The County did not always follow the Restrictive Covenant related to the annual report, and the Owner's property managers did not always provide complete information in the annual reports.

We found that both of the Owner's property managers did not submit annual reports by the Restrictive Covenant due date of May 1 because the County standardized the annual report period to July 1 - June 30 across all active WHP rental projects in 2018 and did not amend the Restrictive Covenant for the change.

In addition, the annual reports submitted by the Owner's property managers did not provide the names of *all* of the residents occupying the WHP unit in compliance with the Restrictive Covenant because the County's Annual Report forms indicated that either the "Household Name" or the "Leaseholder Name" be provided."

Corrective Action

During the audit, the County and Owner amended the Restrictive Covenant to eliminate the requirement of an annual report and implemented a perpetual WHP tracking and monitoring tool.

⁴ The lease addendum was the record used by the property manager to certify that a household was eligible for the WHP. The Restrictive Covenant stated, "This document shall contain the rented unit number, the names of all residents, total income for all residents within the unit and the income category they fall within."

⁵ This household, which resided in two different units during the period of our audit, was tested as two separate WHP records. Only one (1) of the household's two (2) WHP records was not eligible, which was the period 11/7/2015 – 10/8/2018.

WHAT WE RECOMMEND

Our report contains three (3) findings and ten (10) recommendations. Implementation of the recommendations will assist the County in strengthening internal controls and help ensure compliance with the WHP requirements.

Additionally, given the expected increase in the number of WHP projects that the County expects to oversee and the limited personnel in the County's Planning Division, we suggest that the County consider automating the collection, retention, and monitoring processes associated with the WHP certification and related information via an online system. Such a system could also provide the County with enhanced reporting and analysis capabilities. We further recommend that the County consider charging a monitoring fee in future WHP Restrictive Covenants to recover costs

associated with overseeing the WHP.

The County accepted recommendations 2 through 9, partially accepted recommendation 1, and did not accept recommendation 10. We have included the County's management response as Attachment 1.

Pursuant to Article XIII, Section 2-427 of the Palm Beach County Code, we provided the Owner, Woodwind 2007, LLC; the Owner's former property manager, Bryten Real Estate Partners (formerly Weller Management, LLC); and the Owner's current property manager, RPM Living, LLC with the opportunity to submit a written explanation or rebuttal to the Audit Report findings within twenty (20) calendar days. We have included RPM Living, LLC's written response as Attachment 2. We did not receive any responses from Woodwind 2007, LLC or Bryten Real Estate Partners.

BACKGROUND



In Palm Beach County, the WHP is implemented by the Planning, Zoning and Building Department's Planning division. The PBC Department of Planning, Zoning and Building is comprised of five (5) divisions: Administration, Building, Code Compliance (which includes the Contractor Regulations section), Planning, and Zoning. The Planning Division provides support for environmental sustainability initiatives, workforce housing, intergovernmental issues, transportation issues, and the protection of PBC's historic resources.

Workforce Housing Program

The Planning Division's WHP, established in the County's Comprehensive Plan, is intended to increase housing opportunities for persons employed in Palm Beach County jobs that help to keep the community viable. The WHP applies to all developments with a residential component of (ten) 10 or more units in the Urban/Suburban Tier of the unincorporated Palm Beach County, and in other areas where required by a project's condition of approval. Workforce Housing units are provided as either for-sale units or rentals, and generally target households having 60% to 140% of Area Median Income.

Year	Area Median Income
2018	\$74,300.00
2019	\$75,400.00
2020	\$79,100.00
2021	\$80,200.00
2022	\$90,300.00
2023	\$98,300.00
2024	\$104,000.00

Wellington Club Apartments

Wellington Club Apartments was the County's first WHP project. Following the Board of County Commissioners' (Board) approval on February 25, 2009 of an amendment to the master plan increasing the number of dwelling units and requiring a restrictive covenant guaranteeing 156 WHP units, Woodwind 2007, LLC (Owner) entered into a Contract for the Sale and Purchase of Development Rights with the County on March 30, 2009. Under the contract, the Owner acquired 109 development rights units from the County's Transfer

of Development Rights (TDR)⁶ bank at a reduced price of \$1.00 per unit,⁷ for a total purchase price of \$109.00.⁸ The Owner and County entered into the Restrictive Covenant on June 30, 2011 for 154 WHP units. The 2-unit difference is a result of a transfer of 2 units to another project. The Woodwind property was developed into an apartment building complex called Wellington Club, which was completed on October 5, 2012.

Wellington Club Apartments is located at the northeast corner of Woodwind Lane and State Road 7. Wellington Club Apartments has a total of 204 apartment units consisting of one, two, and three-bedroom apartments.

There were two (2) property managers that managed the leasing of Wellington Club Apartments on behalf of the Owner during the period of our audit. From January 2018 through November 2021, Weller Management, LLC⁹ (Weller) managed the leasing of all units including the WHP units, and from November 2021 through October 31, 2023, RPM Living, LLC (RPM) managed the leasing of all units including the WHP units. When the property managers transitioned in November 2021, Weller provided all financial records and contracts in place for the property to RPM, and any records retained at the Wellington Club property remained at that site.

Restrictive Covenant

The Restrictive Covenant, dated June 30, 2011, has a term or compliance period of 30 years from the date of the issuance of the certificate of occupancy for each building.

The Restrictive Covenant requires 154 total Workforce Housing units that are allocated amongst the following four income ranges:

- Low Category (>60% - 80%) – 39 units,
- Moderate 1 (>80% - 100%) – 39 units,
- Moderate 2 (>100% - 120%) – 39 units, and
- Middle (>120% - 140%) – 37 units.

The Restrictive Covenant also specifies the WHP requirements, such as household income categories eligible for the WHP, rental prices¹⁰ and utility credits for WHP units,

⁶ TDRs are a means of transferring the development potential of property from an area to another as a means of furthering specific goals, such as conservation of environmentally sensitive lands, and coastal redevelopment and revitalization efforts. For information on the County's TDR program, see <https://discover.pbc.gov/pzb/planning/Projects-Programs/TDRProgram.aspx>

⁷ The regular TDR unit price was \$50,000 for fiscal year, October 1, 2007 – September 30, 2008.

⁸ The Board reviewed a Development Order Amendment (DOA) for the Woodwind PUD. The 36.34-acre site was previously approved by the Board of County Commissioners on September 22, 2005, for a 67 unit single-family development with 5.87-acres lake tracts, .62-acre recreation area, and .72-acre private civic parcel. The Owner requested to reconfigure the site plan, to change the type of dwellings to multi-family, and to increase the number of dwelling units. The applicant proposed a total of 202 multi-family units, of which 156 units was for workforce housing and 46 units for market rate units. The applicant is requested to designate this development as the receiving area for the Transfer of Development Rights (TDR's) for 109 units and requested to purchase the TDR's for a reduced price of \$1.00.

⁹ In April 2024, Weller Management, LLC merged with MEB Management Services to become Bryten Real Estate Partners.

¹⁰ The County issued annual WHP Rent and Income Schedules, which outlined the allowable rent ranges for each income category.

required documentation and annual reporting for WHP units, and monitoring of the WHP by the County.

The Restrictive Covenant states that in the event the Wellington Club Apartments are sold prior to the expiration of the 30-year term, the new owner assumes the requirement for the number of remaining years as of the date of sale.

We conducted this audit in response to a management request from the County. The project was added to the FY 2023 Annual Audit Plan under the "Management Requests" category.

OBJECTIVES, SCOPE, AND METHODOLOGY

The overall objectives of the audit were to determine whether:

- Wellington Club WHP requirements were met and agreed upon deliverables were received and
- Internal controls were adequate related to administration of the Wellington Club WHP.

The initial audit scope included, but was not limited to, Wellington Club WHP-related activities, transactions, and events from January 1, 2018 to June 30, 2023.

The audit methodology included but was not limited to:

- Completion of a data reliability and integrity assessment of related computer systems;
- Review of ordinances, policies, procedure, contracts, agreements, and related requirements;
- Completion of process walk-throughs;
- Review of internal controls related to the Wellington Club WHP.
- Interview of appropriate personnel;
- Review of records, logs, and reports; and
- Detailed testing of selected Wellington Club WHP-related activities, transactions, and events.

As part of the audit, we completed a data reliability and integrity assessment for the property management computer system used by Weller Management and RPM Living for recording lease information, rents and fees charged, deposits, payments, and adjustments. We determined that the computer-processed data contained in the property management system was sufficiently reliable for the purposes of the audit.

This audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

FINDINGS AND RECOMMENDATIONS

Finding (1): The Owner did not ensure that its property managers always charged the applicable WHP rental rate and/or properly applied utility charges and credits, and the County lacked sufficient monitoring to identify the noncompliance.

The Restrictive Covenant states,

1. **Definitions:** In this Covenant, the following words and phrases shall have the meaning indicated, unless the context requires otherwise.

...

I. **“Rental Floor”** means price established for each unit type within each income category. This shall serve as the **minimum price point** the owner would be required to charge rents throughout the term of this Covenant. [Emphasis added]

...

2. **Occupancy:** A Required Workforce Housing Unit in the Development subject to this Covenant shall be leased only to an Eligible Household during the Compliance Period.

...

Rent ranges for Required Workforce Housing Units in each of the four targeted income ranges (Low (60-80%), Moderate 1 (80-100%), Moderate 2 (100-120%) and Middle (120-140%)) **shall be based upon the annual “Florida Housing Finance Corporation Family Rental Programs schedule published annually by Florida Housing Finance Corporation**, and shall take into account the number of bedrooms contained in each Required Workforce Housing Unit. **Owner shall provide each Resident with a utility credit equal to \$50.00 per month for one (1) and two (2) bedroom units and \$75.00 for three (3) bedroom units. When one or more utility cost(s) are included within the WHP rent price, and reasonable, reliable and verifiable documentation is provided that indicates the total utility cost included within the WHP rent price meets or exceeds the stated utility allowance cost, then the utility allowance requirement would be waived. If the information provided constitutes an amount less than the prescribed utility allowance, the value may be applied against the utility allowance and the remaining balance shall be credited to the WHP resident. For purposes of this provision utilities shall include, but not be limited to, water, sewer, gas and electric. Owner shall have the right during the term of the Compliance Period to set rents for the Property for each of the four (4) income categories anywhere between the low and top end rent ranges for that year based on the household income and bedroom count requirements as provided for in this Covenant. Florida Housing Finance Corporation Maximum Rents do not address the 100% Rent category. To resolve any issues created by this the parties agree to base this Rent calculation on the following formula which**

is used herein below for illustrative purposes only but is based on actual 2010 numbers and shall be adjusted annually in accordance with the provisions contained in this Covenant. [Emphasis added]

...

Rental Floor: A monthly floor on rents shall be established as follows

<u>Income %</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
60-80%	\$ 826	\$ 991	\$1,145
80-100%	\$1,101	\$1,321	\$1,526
100-120%	\$1,377	\$1,652	\$1,908
120-140%	\$1,653	\$1,983	\$2,290

...

Notwithstanding anything else contained in this Covenant, if any mandated rent amendments necessitate a decrease in rents and rents fall below the established Rental Floor provided above, rents are not required to re-set below the established Rental Floor. The Owner shall have the right at its discretion to set rents anywhere in the annually established rental range it deems appropriate.

In the event the Florida Housing Finance Corporation Family Rental Program information is no longer published the parties agree to work collectively to identify {sic} an **alternative source for publishing this information**. Such alternative source shall use a similar formula currently used by Florida Housing Finance Corporation. [Emphasis added]

...

12. Enforcement: The County, its successors or assigns, in the event of the occupancy or vacancy of any Required Workforce Housing Unit in violation of the provisions hereof, shall be entitled to **seek any relief available including, but not limited to, specific performance of the provisions hereof, injunctive relief, rescission of any unauthorized sale or lease, tolling of the time of the running time under the term of this covenant and the Palm Beach County code enforcement process**. The Monitoring Entity shall have the right to inspect and monitor the use of the Required Workforce Housing Units to insure compliance with this Covenant. In any action required to enforce the provisions of this Covenant, each party shall be responsible for their own attorneys' fees and other costs of bringing the action. [Emphasis added]

...

We reviewed the annual reports for each compliance period ending between January 1, 2018 and June 30, 2023 to identify the WHP participants. From the 399¹¹ unique WHP participants identified, we selected a sample of 39 residents (40 sample WHP records).¹²

Our sample was selected to include WHP records for employees of the property managers, the households identified in the December 2022 Palm Beach Post article,¹³ and a non-statistical random sample from the remaining WHP records.

Two (2) of the 40 sample WHP records we selected had an additional lease addendum on file that was applicable to a different, later time frame than the initial lease addendum filed with the County. We tested the records related to these lease addenda as separate sample items, for a total of 42¹⁴ WHP records.

We reviewed the lease agreements, resident ledgers, lease addenda, and the related documentation of eligibility (income support) for the 42 WHP records to determine if

- The Owner through the property manager charged rental rates within the applicable workforce housing rental range based on verified income;
- The Owner through the property manager properly applied utility charges and credits; and
- Rental rates and utility charges specified on the resident's lease agreement agreed to the lease addendum.

Summary of WHP Sample				
Record Type	WHP Record Count	Sample Record Count	Sample Resident Count	Lease Addendum Records Tested
Property Manager Employee	5 ¹⁵	2	2	2
Newspaper Article	4	4 ¹²	3	5
Random Selection	390	34	34	35
Total	399	40	39	42¹⁴

¹¹ 450 total residents – 51 filtered for (“Vacant”, “Vacant/Model”, “See row”, “NA”)

¹² One (1) of the 40 sample WHP records selected, which was a household reported in the December 2022 Palm Beach Post article, resided in two (2) different units at the Wellington Club Apartments and was counted as two (2) records for audit purposes.

¹³ <https://www.palmbeachpost.com/story/news/local/2022/12/12/workforce-housing-large-palm-beach-county-site-overcharged-tenants/10756539002/>

¹⁴ 51 lease addenda - 8 additional lease addenda had a similar date but the annual income differed so the selected lease addendum used was based on verified income if there was a difference in the WHP income category. – 1 additional lease addendum had a different and later time frame for which no lease agreements were entered after the lease addendum's date of occupancy = 42 WHP records

¹⁵ One employee had a change in surname.

WHP Rental Ranges

We found the property managers charged rental rates that were within the applicable WHP rental ranges to 23 of the 42 (55%) WHP records that we tested. The property managers charged rental rates in excess of the applicable WHP rental ranges to fourteen (14) WHP records (33%). We could not determine if the correct WHP rental rate was charged to five (5) WHP records (12%) because the tenant ledger was not available to the current property manager, RPM.

Of the fourteen (14) WHP records overcharged, the County properly notified the property manager of the incorrect rental rate for nine (9) WHP records (64%). In the remaining five (5) instances, the County either made a calculation error in its review of the annual report, or the County was not aware that the household was overcharged because the property manager did not provide the lease addendum and the overcharge occurred prior to the County reviewing annual reports for compliance in 2020.

Of the nine (9) instances where the County notified the property manager that the incorrect rate was being charged, the property manager issued a full credit to the WHP household in two (2) instances. In six (6) instances the property manager issued a credit, but we calculated an additional credit is due to the WHP household. The property manager did not issue a credit to the WHP household in one (1) instance because the resident vacated the unit prior to the County reviewing annual reports for compliance.

Utility Charges and Credits

We found the property managers properly applied utility charges and credits to fourteen (14) of 42 (33%) WHP records that we tested (9 – RPM WHP records, 5 Weller WHP records). For 23 of 42 (55%) WHP records, the property managers did not properly apply the utility charges and credits (4 – RPM WHP records, 19 - Weller WHP records).

We could not determine whether the utility charges and credits were properly applied for five (5) WHP records (12%), because the tenant ledger was not available to the current property manager, RPM.

Of the 23 WHP records where the property manager did not properly apply the utility charges and credits, the County properly notified the property manager for eight (8) WHP records (35%). In five (5) instances, the amount overpaid by the WHP household was less than \$10, or the County was not aware that the household overpaid because the error occurred prior to the County reviewing annual reports for compliance in 2020. In the remaining ten (10) instances, the County determined that the utility charges and credits were properly applied based on the County's understanding that the utility allowance was included in the rent or that any excess costs beyond the utility allowance were appropriately charged to the WHP resident. However, charging excess utility costs to the WHP resident conflicts with the terms of the Restrictive Covenant.

Of the eight (8) instances where the County notified the property manager that the utility charges and credits were not applied properly, the property manager issued a full credit

to the WHP household in three (3) instances. In five (5) instances the property manager issued a credit, but we calculated an additional credit is due to the WHP household.

See Exhibit 1 for a schedule of the WHP household overpayments and related causes by WHP resident.

The Restrictive Covenant established the lease addendum and the annual report as the main mechanisms by which the County was to monitor the eligibility of households in the WHP and the Owner's compliance with the rent and utility credit requirements. The lease addendum form included the unit number, number of bedrooms, monthly rent, each resident's name and annual income, the WHP income category, and date of occupancy.

We found that the monthly rent specified on the lease addendum did not always match the resident's lease agreement, in most cases because a mandatory trash fee charged by the property manager was excluded from the lease addendum rent amount. Additionally, the lease addendum form did not request the amount of the utilities charged or credits applied to the household's account. In addition, 27 of the 51 lease addenda we tested were provided to the County over 165 days late or not at all, see Finding 2. Therefore, the County was not aware that the rent paid by some WHP households was in excess of the established WHP rental rate limits or that utility credits were not properly applied.

Beginning in 2020, the County revised its annual report template, required information, and guidance each year in response to issues identified in the prior year's submissions, see Finding 3. The annual report template did not require disclosure of extra fees, and the lease agreements and tenant ledgers were not required from the property manager or reviewed on-site to verify rent and utilities charged and utility credits applied were accurately reported to the County, with the exception of the 2019 on-site review noted below.

Additionally, the personnel we met with from the Owner's property manager, RPM, was not aware of the Restrictive Covenant. And the County informed us that property manager personnel for the WHP overall indicated they were not clear about what fees were considered a "utility" and that all mandatory fees and charges should be included when computing the WHP rent amount. Personnel of the current property manager, RPM, told us that she thinks the County needs to provide training regarding completion of the annual report and how to calculate the maximum WHP rent when a tenant pays for utilities. She stated that that the County did not provide trainings since she started working for RPM in 2022. Instead, the County conducts meetings about opportunities available to the properties, changes in the system, or the reporting process (i.e. field changes on the report). When the County informs her not to do something a certain way and she inquires why, the County's response is not clear. Additionally, she noted that personnel from other properties have inquired with her about how to calculate the rent for WHP residents.

In February 2019, the County did a surprise review of a sample of WHP resident files from the 2018 annual report retained on-site by the property manager (Weller) to

determine if resident incomes were consistent with the annual report and the lease addenda, the utility allowance/credit were used correctly, files were complete and in order, and the rents and incomes were consistent with the WHP criteria. The County did not identify any significant issues from this review. The County did not retain documentation from the review, so we could not determine if any of the files reviewed were included in our sample. The County did not perform any subsequent on-site reviews of WHP resident files.

After the review of the annual report for the compliance period ending June 30, 2021 the County performed a more in depth compliance review covering activity from July 2020 forward. After consulting with the County Attorney, the County told the property manager on December 22, 2021, to immediately adjust rents to correct WHP levels and to credit tenants for any overpayments made during that current lease period. The property manager complied and started issuing credits to WHP residents in January 2022. We verified that the property manager continued issuing credits to WHP residents through July 2023 based on the County's calculation of the overpayment.

The County enhanced the annual report for the compliance period ending June 30, 2022 to require disclosure of mandatory fees and provided rent calculation guidance to the property manager.

As a result of the property managers not properly charging WHP rental rates and providing utility credits as required by the Restrictive Covenant and the County's lack of sufficient WHP monitoring, 19 of the 39 (49%) WHP sample residents we tested paid rental amounts in excess of the amounts established by the WHP. (See Exhibit 1)

Summary of WHP Overpayments				
Record Type	WHP Record Count	Sample Record Count	Sample Resident Count	Overpayments Identified ¹⁶
Property Manager Employee	5 ¹⁵	2	2	1
Newspaper Article	4	4 ¹²	3	3
Random Selection	390	34	34	15
Total	399	40	39	19

Corrective Action

The County revised the Unified Land Development Code on October 26, 2023 for the WHP to charge residents for utility costs that exceed the utility allowance.

During the audit, the County provided to the property on November 17, 2023, a revised WHP Rent Calculation Worksheet which required information on whether the lease

¹⁶ Excludes overpayments identified that totaled less than \$100.

addendum being submitted was for an initial lease execution or lease renewal, date of lease/renewal execution, adjustments approved during the lease term, number of bedrooms, lease start and end dates, WHP income category, maximum WHP rent in effect, and for the WHP rent calculation, the monthly rent per lease, mandatory fees/charges and the utility allowance.

The County implemented a WHP property manager training on July 16, 2025, which included the topics: income and rent ranges, on-line access for property managers to view the list of occupied units, income eligibility requirement, WHP rent compliance review, mandatory/optional fees, and low occupancy - notice of non-compliance and remedy options. The online access to the housing dashboard provides property managers a snapshot of current occupancy and automated notifications for non-compliance. Property managers are not required to enter tenant data at this time. However, effective January 1, 2026, property managers will be required to input the tenant data as well as upload supporting documents including the lease addendum and rent calculation worksheet. The housing dashboard currently requires manual input from the County staff to review the uploaded tenant documents, determine whether residents meet the WHP eligibility requirements, issue and manage compliance notices, and escalate non-compliant properties to Code Enforcement for further action.

Recommendations:

- (1) The County ensure that the property manager/owner provides credits or issues refunds to WHP households that overpaid which were not identified or fully credited in the County's overpayment review process.**
- (2) The County implement routine reviews of WHP household files retained electronically and physically by the property (e.g. rental applications, original lease addenda, lease agreements, and tenant ledgers) to verify lease addendum and annual report information reported to the County is complete and accurate.**
- (3) The County develop and implement a departmental PPM for WHP monitoring activities including but not limited to:**
 - a. Reviewing lease addenda received for WHP eligibility;**
 - b. Logging and tracking lease addenda received;**
 - c. Reviewing information provided in the annual report, when applicable;**
 - d. Documenting communication with property managers; and**
 - e. Steps for communicating and escalating noncompliance issues.**
- (4) The County routinely conduct WHP training program for property manager personnel and upon property manager request.**
- (5) The County develop and implement a WHP manual to provide new and current WHP property managers that includes, but is not limited to, the following:**

- a. Copy of the Restrictive Covenant.
 - b. Copy of the applicable County Code.
 - c. Outline of property manager responsibilities related to the WHP.
 - d. Detailed instructions for the completing the lease addendum and annual report, if applicable, and submitting it to the County.
 - e. County WHP personnel contact information.
- (6) The County work with legal personnel to add language in future WHP restrictive covenants that allows the County to enforce changes in the WHP code that may conflict with the Restrictive Covenant.

Management Response Summary:

- (1) The County agrees with some identified overcharges but disagrees with others.
- (2) The County will work toward making additional resources available to conduct routine reviews to verify property manager determinations.
- (3) Procedures are in place and will be formalized as a departmental PPM.
- (4) Practice is in place.
- (5) Materials and practice are in place.
- (6) The County will work with owners to facilitate opting in to future WHP code changes.

Finding (2): The County and Owner's property managers did not always follow the Restrictive Covenant with respect to WHP eligibility, lease restriction language, and lease addenda.

The Restrictive Covenant states,

1. Definitions: In this Covenant, the following words and phrases shall have the meaning indicated, unless the context requires otherwise.

...

i. **"Lease Addendum"** means document **approved** by the **Monitoring Entity** which serves to verify the income of a resident occupying a unit. This document shall contain the rented unit number, the names of all residents, total income for all residents within the unit and the income category they fall within. This document shall be signed and notarized by both the resident and the owner.

2. Occupancy: A Required Workforce Housing Unit in the Development subject to this Covenant shall be leased only to an Eligible Household during the Compliance Period. **Owner shall obtain documentation of eligibility (meeting County income standards as defined in this Covenant) prior to entering into a Lease for any Required Workforce Housing Unit. The Owner shall require, at Lease execution the Resident and the Owner execute a Lease Addendum certifying the household income.** Said addendum shall be notarized. **This addendum shall serve as the income verification information required by the Monitoring Entity for the purposes of approving the Resident for occupancy of a Workforce Housing Unit. The Owner shall forward the notarized addendum to the Monitoring Entity within ten (10) business days of execution of the Lease. The Monitoring Entity shall advise owner of sufficiency of Lease Addendum within ten (10) business days of receipt.** The County shall periodically confirm consistency for all Required Workforce Housing Units as provided in this covenant. Each Required Workforce Unit leased to another Eligible Household during the Compliance Period shall be leased at an attainable housing cost as provided for in Section 2 of this Covenant. Owner shall not require consent or approval of the Monitoring Entity prior to entering into a Lease. [Emphasis added]

4. Restriction: Declarant shall include in every lease for a Required Workforce Housing Unit, a restriction stating as follows:

"This unit is to be leased to and occupied by an Eligible Household: in accordance with the Woodwind Master Declaration of Restrictive Covenants for Workforce Housing recorded in ORB __ Page __ of the Public Records of Palm Beach County, Florida". This restriction shall be in effect for thirty (30) years (non-recurring) from the date of issuance of the certificate of occupancy for each building. Owner shall be responsible for collection and verification of income and shall submit to the Monitoring Entity the Lease addendum signed by the Resident and Owner properly notarized certifying the Residents income as required under this Covenant. Owner shall only be required to collect such income information as would a prudent landlord leasing multi-family housing in the West Palm Beach marketplace. Income verification information may include (i) W-2 (ii) copy of Residents pay stub (iii) banking information, or similar types of financial information as deemed reasonably necessary by Owner to ensure the Resident is qualified to occupy a Workforce Housing unit as provided for in this Covenant. In the event the Monitoring Entity determines upon submission of the Lease addendum that the Resident does not qualify (within the restricted ranges) for the Required Workforce Housing Unit, then such unit will be deemed as one of the forty eight (48) non-restricted market rate units when the next available unit becomes available.

5. Certification of Eligible Households: The Declarant and the County and their successors and assigns agree that the procedures for certification of an Eligible Household of a Required Workforce Housing Unit under this paragraph shall not discriminate against any applicant based upon any protected class included in any

federal, state or local fair housing law. **Within the time frames provided for in this Covenant, the Owner shall provide the Monitoring Entity with a copy of the Lease addendum certifying a Residents income.** Owner shall not be required to obtain approval from the Monitoring Entity prior to execution of the Lease by an Eligible Household or occupancy by such Eligible Household of a Required Workforce Housing Unit. **The Monitoring Entity shall be provided the right to enter the management office for the purposes of reviewing Residents files to ensure the Owner is in compliance with the provisions of this Covenant.** All records shall be maintained within Palm Beach County and be available during normal business hours. The County shall have the right to copy any records related to performance of compliance with this covenant. [Emphasis added]

If the Monitoring Entity determines that the Eligible Household occupying a Required Workforce Housing Unit is not an Eligible Household or is deemed Eligible but not within the identified WHP income category then the Monitoring Entity shall notify the Owner of that determination. Occupancy of Workforce Units: One hundred fifty four (154) units in the Development have been identified and required by condition of approval for the Development and Articles 5.G.1, 5.G.2 and Article 3.15.H of the Palm Beach County Unified Land Development Code to be leased only as Required Workforce Housing Units. These one hundred fifty four (154) units, out of a total of two hundred and two (202) units in the Development, may only be leased and occupied by Eligible Households. The remaining forty eight (48) units in the Development are non-restricted market units. It is the express intent and the Palm Beach County Board of County Commissioners did provide a density bonus above the allowable density for the Development in exchange for the provision of workforce housing opportunities. [Emphasis added]

6. Compliance Covenant:

a. **The Owner of this Development containing Required Workforce Housing Units, its successors and assigns shall furnish to the Monitoring Entity** such information about the Required Workforce Housing Units as the County may reasonably request at each occasion of change in occupancy, including, but not limited to, the identity of the Eligible Household, the identity of the occupants, and **the addendum signed and certified by the Resident and Owner certifying the household income as collected by the Owner at the time of leasing** (but in no event other private financial information of Residents) all for the purposes of assuring compliance with this Covenant. [Emphasis added]

...

12. Enforcement: The County, its successors or assigns, in the event of the occupancy or vacancy of any Required Workforce Housing Unit in violation of the provisions hereof, shall be entitled to seek any relief available including, but not limited to, specific performance of the provisions hereof,

injunctive relief, rescission of any unauthorized sale or lease, tolling of the time of the running time under the term of this covenant and the Palm Beach County code enforcement process. The Monitoring Entity shall have the right to inspect and monitor the use of the Required Workforce Housing Units to insure compliance with this Covenant. In any action required to enforce the provisions of this Covenant, each party shall be responsible for their own attorneys' fees and other costs of bringing the action. [Emphasis added]

We reviewed the annual reports and the rent rolls for each compliance period ending between January 1, 2018 and June 30, 2023 to identify WHP participants. From the 399¹¹ unique WHP participants identified, the 39 sample residents (40 sample WHP records¹²) were determined.

Our sample was selected to include WHP records for employees of the property managers, the households identified in the December 2022 Palm Beach Post article¹³, and a non-statistical random sample from the remaining WHP records.

We obtained lease addendum records that were forwarded to the County and/or retained in residents' files at the property, tenant ledgers from the property managers' system, lease agreements, and reviewed income records retained by the property managers to determine if:

- WHP households were eligible for a WHP unit;
- Ineligible households vacated the WHP or a market rate unit was designated to be a WHP unit; and
- The County took appropriate actions to enforce the Restrictive Covenant if WHP units were occupied in violation of the WHP requirements.
- Lease addenda forwarded to the County were accurate;
- Lease addenda were forwarded to the County within ten (10) business days of execution of the lease;
- The County reviewed the Lease Addendum within ten (10) business days and notified the property manager of ineligible households;
- Lease agreements included the restriction language required by the Restrictive Covenant.

Summary of WHP Sample					
Record Type	WHP Record Count	Sample Record Count	Sample Resident Count	Lease Addendum Count ¹⁷	Lease Agreement Count
Property Manager Employees	5 ¹⁵	2	2	3	4
Newspaper Article	4	4 ¹²	3	5	15
Random Selection	390	34	34	43	64

¹⁷ Includes at least one lease addendum for each sample record (40) plus 11 additional lease addenda received.

Vacant Units	45	0	0	0	0
Duplicate Records ¹⁸	6	0	0	0	0
Total	450	40	39	51	83

Eligibility

Based on the lease addendum records,¹⁹ we found that 36 (90%) of the 40 WHP records were eligible for a WHP unit based on the requirements in the Restrictive Covenant. The property managers did not retain a lease addendum for one (1) WHP record, and documentation of the household's eligibility (income support) showed that the household was not eligible for a WHP unit because income exceeded the maximum WHP income ranges.²⁰ This household was not reported in the respective annual report provided to the County. We could not verify that the three (3) remaining WHP records were eligible for the WHP because the physical lease file and electronic rental history file were not available to the current property manager, RPM. The County had requested the lease addendum upon reviewing the annual report but it was not provided to them.

Eligibility Based on Lease Addendum			
Record Type	Sample Record Count	Eligible for WHP Unit	Eligibility Unknown
Property Manager Employees	2	2	0
Newspaper Article	4	3 ²⁰	0
Random Selection	34	31	3
Total	40	36	3

RPM could not access the electronic leasing records in the property management software for leases that ended prior to November 2021, while Weller was the property manager. Additionally, RPM could not locate the tenants' physical files. RPM staff told us that prior to 2022, physical folders were stored in a disorganized manner in storage rooms located at each of the apartment buildings and the leasing office.

¹⁸ These WHP households are also a part of the 'Random Selection' count.

¹⁹ We summarized WHP household eligibility based on the lease addendum information because the lease addendum is the record used to demonstrate WHP eligibility according to the Restrictive Covenant. However, we found that many of the lease addenda we reviewed were not sufficiently supported as required by the Restrictive Covenant or reported inaccurate income amounts. These situations are covered in the following sections of this finding.

²⁰ Income support for one household which resided in two (2) different units during the period of our audit, and was counted as two (2) WHP records, showed that it was not eligible for a WHP unit in one of the WHP records for the period 11/7/2015 – 10/8/2018.

After selecting the sample of WHP records, we identified a WHP record with a lease addendum that had a business name as the household name. We found that this household was not eligible for a WHP unit because the household income exceeded the maximum WHP income ranges. The lease addendum was dated December 14, 2020, and Weller, the property manager at the time, provided it to the County nine (9) months later on August 20, 2021. The County did not notify the property manager that the household was not eligible. The unit occupied was excluded from the 2019-2020 annual report, which reported 153 WHP units occupied and one (1) WHP unit vacant for the model apartment. Therefore, this unit had no impact on the WHP units available for rent to eligible WHP households.

The property managers did not always retain records related to the certification of eligible households, as required by the Restrictive Covenant. The WHP households lacking required records may have been ineligible and occupying a WHP unit that was not available to be leased to an eligible household as intended by the WHP.

Accuracy of Lease Addenda

The property managers retained documentation of eligibility (income support) for 23 of the 36 WHP records where a resident file was located. We found the income reported on the lease addenda for those 23 WHP records was accurate in eighteen (18) (78%) instances. The income reported on the lease addenda for the remaining five (5) WHP records (22%) did not match the income support in the property manager's file; however, there was no impact to the WHP income category selected. Weller prepared the lease addendum in all five (5) of these instances.

Lease Addenda Versus Documentation of Eligibility					
Record Type	Sample Record Count	Eligible for WHP ¹⁹	Income Support Retained	Lease Addendum Income Accurate	Lease Addendum Income Inaccurate
Property Manager Employees	2	2	1	1	0
Newspaper Article	4	3 ²⁰	2	1	1
Random Selection	34	31	20	16	4
Total	40	36	23	18	5

In February 2019, the County did a surprise review of a sample of WHP resident files from the 2018 annual report retained on-site by the property manager (Weller) to determine if resident incomes were consistent with the annual report and the lease addenda, the utility allowance/credit were used correctly, files were complete and in order, and the rents and incomes were consistent with the WHP criteria. The County did not identify any significant issues from this review. The County did not retain documentation from the review, so we could not determine if any of the files reviewed were included in

our sample. The County did not perform any subsequent on-site reviews of WHP resident files.

Submission of Lease Addenda

Of the 40 WHP records selected, we obtained 47²¹ unique lease addenda associated with 36 WHP records. We found RPM forwarded one (1) lease addendum to the County within ten (10) business days of execution of the lease, as required by the Restrictive Covenant. RPM forwarded twelve (12) lease addenda to the County late and did not provide six (6) lease addenda, in violation of the Restrictive Covenant. The prior property manager, Weller, forwarded nineteen (19) lease addenda to the County late and did not provide twelve (12) lease addenda, in violation of the Restrictive Covenant.

Four (4) of the total of eighteen (18) lease addenda not provided to the County could not be located by the current property manager, RPM, and were for leases that began when Weller was the property manager. One (1) lease addendum provided to us was dated March 30, 2013; however, the County did not provide us with a record of when it was received.

Of the 31 lease addenda provided to the County late, 12 (39%) were provided over 165 days past the Restrictive Covenant's due date.

Submission of Lease Addenda to the County							
Record Type	Sample Record Count	Lease Addendum Count	Provided to County On Time	Provided to County Late	Unknown When Provided to County	Not Provided to County	Not in PM File
Property Manager Employees	2	3	1	1	0	1	0
Newspaper Article	4 ¹²	6	0	5	0	0	1
Random Selection	34	42	0	25	1	13	3
Total	40	51	1	31	1	14	4

Of the 33 lease addenda provided to the County, the County advised the property manager that the lease addendum received was not sufficient after ten (10) business days in eight (8) instances. The eight (8) instances of late notification included two (2) WHP records where the lease addendum did not identify the income category for the household, as required by the Restrictive Covenant.

²¹ Lease Addendum Count of 51 less four (4) not provided to the OIG.

RPM staff told our office that they were not aware of the Restrictive Covenant requirement that lease addenda be submitted within ten (10) business days of execution of the lease and that the County has never advised them of this requirement.

The County did not routinely track and monitor lease addenda received and WHP eligibility until June 2023. Prior to that, it appears the County waited until the annual report review to advise the owner of deficiencies related to the lease addenda, such as rent charged above the maximum rent for the tenant's income and lack of an income category selection.

The property managers did not always provide the County with lease addenda and the County did not always notify property managers of ineligible households in a timely manner, as required by the Restrictive Covenant. Late submission of lease addenda and notifications for ineligible households increases the time that an ineligible household could be occupying a WHP unit that is in turn not available to an eligible household as intended by the WHP.

Lease Restriction Language

Of the 40 WHP records selected, we obtained 83 lease agreements associated with 36 WHP records. None of the 83 lease agreements included the restriction language required by the Restrictive Covenant. The County provided us with a lease addendum dated March 2013 for one (1) of the 36 WHP records that included the restriction language; however, the lease agreements for 2018 – 2023 for that WHP record did not include the required language. Additionally, the remaining lease addenda we reviewed in the audit did not include the required language.

RPM could not access or locate the related electronic and physical files for four (4) WHP records. These WHP records were for leases that ended prior to RPM's time as property manager. Therefore, no lease agreement was provided, and we could not test the lease agreements for compliance with the Restrictive Covenant.

It appears the property managers were not aware of the requirement to include the required language in WHP lease agreements. The County did not review WHP lease agreements to verify compliance with the Restrictive Covenant. We informed the current property manager, RPM, of the required lease agreement language, and RPM personnel made the necessary update to the lease agreement.

Corrective Action

During the audit, the County granted the property the option to opt in to a WHP change where it would no longer complete an annual report. Instead the property manager participates in real time compliance by providing lease addenda to the County for eligibility review within 10 days after the lease tenant's period begins. After which, the County determines the resident's compliance and notifies the property of the outcome within 3 business days. The County also maintains a tracking sheet for the property's lease addenda and then advises the property if the number of lease addenda on file, based on move-in and move-out dates on a monthly basis, falls below 90% of its WHP obligation.

Wellington opted in to eliminate the requirement for an annual report, and a Second Amendment To Master Declaration of Restrictive Covenant was executed on June 14, 2024 to implement the change.

Recommendations:

- (7) The County follow the Restrictive Covenant and notify the property manager of households ineligible for the WHP and/or with an insufficient lease addendum within the required timeframe.
- (8) The County implement a process to perpetually track lease addenda received and related information (i.e. income, rent and fees, lease execution date, lease start and end dates), determine occupancy by income category, and monitor for compliance with the Restrictive Covenant.
- (9) The County implement a process to ensure and/or amend the Restrictive Covenant to require that the records for current and prior WHP households are retained and accessible to the new property manager when there is a change in property managers.

Management Response Summary:

- (7) Practice is in place.
- (8) Practice is in place.
- (9) The County will provide an annual reminder to owners and property managers regarding the retention of records, starting in January 2026.

Finding (3): The County did not always follow the Restrictive Covenant related to the annual report, and the Owner's property managers did not always provide complete information in the annual reports.

The Restrictive Covenant states,

7. Annual Report for The Required Workforce Housing Units: No later than May 1 of each year during the Compliance Period, the Owner of the Development containing Required Workforce Housing Units shall provide to the Monitoring Entity an annual report detailing compliance with the terms of this Covenant. The **annual report shall be on a form provided by the Monitoring Entity** and shall contain, at a minimum but not limited to, sufficient information and documentation to prove the compliance of each Required Workforce Housing Unit with the terms of this Covenant as follows: [Emphasis added]

- i. The unit number of the Required Workforce Housing Unit and the Owner/Lessee of such unit;

- ii. The names of all Residents of the Required Workforce Housing Unit;
- iii. Identify any changes in Owner/ /Residents of the Required Workforce Housing Unit from the previous year's report;
- iv. Documentation that the Owner verified and certified the income eligibility of the Eligible Household occupying the Required Workforce Housing Unit; and
- v. The location of all designated Required Workforce Housing Units within the Development at the time of the Annual Report.

We compiled and analyzed the annual reports for each compliance period ending between January 1, 2018 and June 30, 2023. We identified 6 annual reports that were due to be provided to the Monitoring Entity (County) detailing compliance with the terms of the Restrictive Covenant.

We obtained and reviewed the six (6) annual reports that were forwarded to the County to determine if the:

- Property managers properly completed and submitted the annual reports in compliance with the Restrictive Covenant; and
- County followed up with the property managers to correct errors, inconsistencies, and inaccurate data identified during its review.

We found that both property managers submitted annual reports late and did not provide the names of all of the Residents occupying the WHP unit, in violation of the Restrictive Covenant, for each of the compliance periods in our audit.

In the compliance period ending 6/30/2018, Weller did not report the location of one (1) WHP unit and in the compliance period ending 6/30/2019 did not report the location of seven (7) WHP units. Additionally, Weller did not provide the date that it certified the household income for 10 WHP units, as required by the County's Annual Report form in the compliance period ending 6/30/2021. Also, RPM did not provide the date that the lease addendum was provided to the County, as required by the County's Annual Report form in the compliance period ending 6/30/2022.

Summary of Annual Report Noncompliance					
Compliance Period	Property Manager	On-time	All Residents Listed	Income Eligibility Certified	Location of all WHP Units
5/1/2017 – 7/22/2018	Weller	No	No	Yes	No
7/23/2018 - 6/30/2019	Weller	No	No	Yes	No
7/1/2019 - 6/30/2020	Weller	No	No	Yes	Yes
7/1/2020 - 6/30/2021	Weller	No	No	No	Yes
7/1/2021 - 6/30/2022	RPM	No	No	No	Yes
7/1/2022 - 6/30/2023	RPM	No	No	Yes	Yes

We found the County followed up with the property managers to correct errors, inconsistencies, missing information, and inaccurate data identified during their review of the annual reports.

During the process walkthrough meeting, the County advised us that during 2018, the reporting period was standardized to July 1 through June 30 across all active WHP rental projects. This change in the reporting period was also in line with the change in the WHP Rents and Incomes schedule which is published annually by the County. The Restrictive Covenant was not updated to reflect this change from May to July. The property managers submitted the annual reports to the County by the County's revised due date and/or extension deadline, which followed the reporting period end date of June 30 each year. However, because the revised due dates established by the County were in conflict with the Restrictive Covenant, the Owner could have refused to comply with the County's updates to the WHP annual reporting requirements causing the County to commit additional time and resources to review and reconcile annual reports that were not consistent with the new WHP income and rental rate guidance.

The County's Annual Report forms indicated that either the "Household Name" (compliance periods ending 6/30/2018 and 6/30/2019) or the "Leaseholder Name" (compliance periods ending 6/30/2020 through 6/30/2023) be provided, which was in conflict with the Restrictive Covenant's requirement to provide "the names of all Residents of the Required Workforce Housing Unit." The property managers completed the annual reports with only the household or leaseholder name information as indicated on the County's Annual Report form.

The property managers did not always provide complete information regarding the WHP units and households occupying the WHP units. Without complete information, County personnel have to dedicate additional time and resources to follow-up with the property manager to determine if it is complying with the requirement to lease all 154 WHP units

to eligible households and may not identify instances where a WHP household is being overcharged or an ineligible household is occupying a WHP unit.

The County's annual report form changed each year with different instructions and report fields than the prior year for the WHP information requested. Each year the County made changes to the annual report form and its monitoring process, which included providing the property managers with clarification and additional guidance for completing the report.

Summary of Annual Report Changes		
Compliance Period	Date Report Template Provided to Property	Report Template / Additional Guidance
5/1/2017 – 7/22/2018	7/16/2018	No guidance or term definitions
7/23/2018 - 6/30/2019	7/1/2019	No guidance or term definitions
7/1/2019 - 6/30/2020	7/1/2020	Terms and report fields defined
7/1/2020 - 6/30/2021	7/1/2021	Terms and report fields defined
7/1/2021 - 6/30/2022	6/30/2022	Updated terms and report fields; additional guidance provided for rent calculation and income determination
7/1/2022 - 6/30/2023	7/20/2023	Updated terms and report fields; Instructions provided for Annual Report

Corrective Action

During the audit, the County revised the Unified Land Development Code on October 26, 2023 for the WHP, which included removing the requirement for an annual report. In December 2023, the County proposed eliminating the requirement for an annual report to all WHP property owners which had the requirement. The owner of the Wellington Club Apartments accepted this change and a Second Amendment To Master Declaration of Restrictive Covenant was executed on June 14, 2024.

As Wellington Club opted-in to eliminate the requirement for an annual report, the County now uses a Microsoft Excel spreadsheet to perpetually track the WHP residents based on the household information provided on the lease addendum and a new WHP rent calculation worksheet completed by the property manager. The County now assesses the number of WHP households in each income category for compliance with the 154-unit requirement on a monthly basis, rather than at the end of a compliance period. Additionally, upon receipt of the lease addendum and rent calculation worksheet, the County now assesses if the rental rates charged and utility credits applied for a new WHP household are in compliance with the Restrictive Covenant.

Recommendation:

- (10) The County follow the Restrictive Covenant related to annual reporting due dates and required information or amend the Restrictive Covenant to align with the County's practice.**

Management Response Summary:

- (10) No changes are necessary.**

Suggestion

Given the expected increase in the number of WHP properties that the County will be overseeing and the limited personnel in the County's Planning Division, we suggest that the County consider automating the collection, retention, and monitoring processes associated with the WHP certification and related information via an online system which could also provide the County with enhanced reporting and analysis capabilities. We also suggest that the County consider charging a monitoring fee in future WHP Restrictive Covenants to recover costs associated with overseeing the WHP.

ACKNOWLEDGEMENT

The Inspector General's audit staff would like to extend our appreciation to the County, Weller Management, LLC, and RPM Living, LLC's staff for their assistance and support in the completion of this audit.

This report is available on the OIG website at: <https://pbc.gov/oig/>. Please address inquiries regarding this report to the Director of Audit by email at inspector@pbc.gov or by telephone at (561) 233-2350.

EXHIBIT

Exhibit 1 – Schedule of WHP Resident Overpayments

ATTACHMENTS

Attachment 1 – Palm Beach County Planning Division's Management Response

Attachment 2 – RPM Living, LLC's Management Response

EXHIBIT 1

Schedule of WHP Resident Overpayments (Finding #1)							
Sample No.	Resident/Sample Type	Period	Amount Overpaid as of 6/30/2023 ²²	Average Monthly Amount Overpaid	Credits through May 2024 ²³	Amount Overpaid	Cause(s) of Overpayment ²⁴
1	Newspaper Article (Kerla)	8/9/2019 – 8/7/2022	\$4,276.87	\$118.91	\$1,514.19	\$2,762.68	1, 2, 3, 4, 5
2	Newspaper Article (Ceballos)	4/28/2020 – 6/30/2023	\$3,559.50	\$93.50	\$3,116.00	\$443.50	1, 2, 5
3	Newspaper Article (Chilcutt)	10/9/2018 – 10/8/2022	\$7,410.50	\$154.39	\$3,384.22	\$4,026.28	1, 2, 4, 5
5	Property Manager Employees	4/23/2018 – 4/30/2023	\$824.20	\$13.68	\$ -	\$824.20	2, 5
9	Random Selection	5/21/2022 – 1/31/2023	\$626.61	\$74.74	\$ -	\$626.61	2, 5
10	Random Selection	11/9/2021 – 6/30/2023	\$2,581.87	\$131.32	\$ -	\$2,581.87	1, 2, 6
12	Random Selection	4/21/2021 – 4/20/2023	\$112.12	\$4.68	\$ -	\$112.12	2, 5
13	Random Selection	1/1/2018 – 8/31/2018	\$156.00	\$19.61	\$ -	\$156.00	2, 5
16	Random Selection	8/30/2020 – 6/30/2023	\$586.06	\$17.24	\$148.78	\$437.28	1, 2, 3, 5
18	Random Selection	1/1/2018 – 7/31/2019	\$1,164.80	\$61.51	\$ -	\$1,164.80	1, 2, 5
22	Random Selection	10/4/2022 – 1/31/2023	\$292.74	\$74.83	\$ -	\$292.74	2, 5
24	Random Selection	8/28/2020 – 1/31/2023	\$519.35	\$17.83	\$ -	\$519.35	2, 8
29	Random Selection	1/31/2020 – 1/30/2023	\$3,359.23	\$93.31	\$2,489.00	\$870.23	1, 2, 5
31	Random Selection	7/1/2019 – 12/31/2022	\$220.00	\$5.23	\$ -	\$220.00	2, 5

²² Overpayments less than \$100 were excluded.

²³ Credits posted to the WHP household's tenant ledger effectively reducing the amount paid to the property manager.

²⁴ Other causes may have contributed to the overpayments that were not identified in our audit.

32	Random Selection	5/1/2018 – 4/30/2019	\$3,696.00	\$308.85	\$ -	\$3,696.00	1, 2, 5
33	Random Selection	5/1/2020 – 4/30/2022	\$970.00	\$40.47	\$ -	\$970.00	2, 5
36	Random Selection	4/9/2022 – 4/8/2023	\$300.00	\$25.07	\$182.47	\$117.53	1, 5, 7
38	Random Selection	3/31/2018 – 6/30/2021	\$1,095.81	\$28.08	\$ -	\$1,095.81	1, 2, 5
40	Random Selection	7/27/2019 – 6/30/2023	\$1,125.16	\$23.87	\$ -	\$1,125.16	2, 5
		Total	\$32,876.82	\$1,307.10	\$10,834.66	\$22,042.16	

Causes of Overpayment:

1. The property manager did not charge the correct WHP rental range, as required by the Restrictive Covenant.
2. The property manager did not apply the utility credit, as required by the Restrictive Covenant.
3. The County did not use the annual WHP Rent schedule in effect on the date that the lease agreement was executed when determining a household's maximum allowable WHP rent for their review of the annual report.
4. The County's review of the annual report for the period ending June 30, 2020 did not treat the trash fee as a "mandatory" fee included in the amount of rent paid by WHP households.
5. The County did not start reviewing the tenant ledgers along with the annual report information to identify overpayments until the period ending June 30, 2021 (period beginning July 1, 2020), and our audit identified amounts overpaid prior to July 2020 and after February 2023, which was the most recent review as of the end of our audit period, June 30, 2023. We reviewed the tenant ledgers as of May 2024 and included any credits that had been applied through that date.
6. The County's overpayment review used a higher income category, which was reported on the lease addendum, for determining the WHP maximum rent; whereas our audit used a lower income category based on the lease addendum and documentation retained in the property manager's file to support the household income.
7. The County made a minor error in calculating the overpayment.
8. The County did not review the tenant ledger, which shows the utility credits provided, because the WHP rental rate on the annual report was correct and/or the WHP unit/household was not included in the annual report.

ATTACHMENT 1 – PALM BEACH COUNTY PLANNING DIVISION'S MANAGEMENT RESPONSE



County Administration
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**Palm Beach County
Board of County
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Maria G. Marino, Mayor
Sara Baxter, Vice Mayor
Gregg K. Weiss
Joel G. Flores
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Bobby Powell Jr.

County Administrator

Joseph Abruzzo

"An Equal Opportunity Employer"
Official Electronic Letterhead

November 17, 2025

Mrs. Hillary Bojan
Director of Audit
Palm Beach County Office of Inspector General
100 Australian Ave – 4th Floor
West Palm Beach, FL 33406

Re: Draft Audit Report, Palm Beach County Workforce Housing Program – Wellington Club Apartments

Dear Mrs. Bojan:

Palm Beach County has received the referenced report, an audit of the Palm Beach County Workforce Housing Program (WHP) at Wellington Club Apartments, and focused on Wellington Club WHP-related activities, transactions, and events from January 1, 2018 to June 30, 2023.

The Inspector General's Audit found the County's monitoring of the Wellington Club Apartments prior to June 30, 2021 was insufficient to identify overcharges, but that the County enhanced its monitoring activities and guidance to property managers each year to address deficiencies in monitoring and trends in the noncompliance by property managers that had contributed to the overpayments by WHP residents. The Audit also found that County worked with the current property manager to issue refunds to WHP households that overpaid; however, the Audit identified additional overpayments that have not been refunded. Additionally, the Audit found that the County and the Owner's property managers did not always follow the requirements of the property's WHP Restrictive Covenant.

Management Response

This response addresses the findings and recommendations of the Audit. As outlined in Exhibit A, the time period addressed in the Audit report spans a period of transformation in the WHP, when market conditions were changing, the number of WHP units was increasing, and it was becoming apparent that compliance would require more intensive County involvement than had been proposed initially. Accordingly, staff agrees with many of the issues identified by the Audit relating to the first years of the program's implementation; as acknowledged in the Audit, many of these were also recognized by staff and have been addressed through corrective measures currently in place. Others will be addressed by implementing items recommended in the Audit report, as outlined below.

However, the County does not concur with several of the findings of the Audit. The Audit indicated that the restrictive covenant was not followed with regard to the required utility allowance, and that as a result several tenants were overcharged. The County believes that the utility allowance was applied in a manner consistent with the Code and restrictive covenant. This issue is addressed in the first finding, and in Exhibit B to this letter, which outlines the County's rationale. As a result of this issue and other factors, the County also disagrees with the amount of overcharges to tenants and the remaining credits



November 17, 2025
Mrs. Hillary Bojan
Page 2

due. The Audit identified \$32,876 in overcharges, with \$22,042 not yet refunded. As detailed in Exhibit C, the County calculates that overcharges total \$19,780, with the amount of credits not yet refunded totaling \$8,928.

The audit also indicated that the County did not follow the restrictive covenant with regard to the annual report requirements. As discussed below in Finding 3, the annual report is for the benefit of the County, and thus the County could modify the required components of the annual report to improve efficiency.

Below are the Audit findings and recommendations, and the management response to each.

Audit Finding (1): The Owner did not ensure that its property managers always charged the applicable WHP rental rate and/or properly applied utility charges and credits, and the County lacked sufficient monitoring to identify the noncompliance.

Audit Recommendations:

(1) The County ensure that the property manager/owner provides credits or issues refunds to WHP households that overpaid which were not identified or fully credited in the County's overpayment review process.

Response: The County agrees with some identified overcharges but disagrees with others.

The Audit indicated that property managers charged rental rates in excess of the applicable WHP rental ranges in fourteen (14) of 42 records sampled. However, for two of those records (Samples 10 & 32), the rent was deemed correct and compliant based on the documentation provided to the County, signed by both the property manager and the tenant; the Audit based its finding on additional information on file at the property that revealed that the income may have been misreported to the County. County will reconsider its compliance determination if the property owner or tenants attest that the income was lower than was stated in the Lease Addendum provided to the County. Of the remaining 12 records, three received sufficient credits (Samples 35, 35a, and 36). For four of the remaining (Samples 3, 18, 29, and 38), the County agrees with the Audit calculation of credits due. For four additional samples (1, 1a, & 16), the County has provided its assessment of credits due, which are lower than identified in the Audit; for the final sample (Sample 15), the County's assessment is that no overcharged occurred.

The County does not concur with the findings of the Audit that the restrictive covenant was not followed with regard to the required utility allowance, and that 23 of 42 tenants were overcharged as a result. The County believes that the utility allowance was applied in a manner consistent with the Code and restrictive covenant. In the County's assessment, for 14 of these 23 samples



November 17, 2025

Mrs. Hillary Bojan

Page 3

the Utility Allowance was applied appropriately and WHP Rent was compliant. A detailed explanation of this issue is provided in Exhibit B. Since the Audit identified multiple reasons for overpayment for some samples, Exhibit C-1 and C-2 comprehensively assesses the Audit findings for each sample, and provides a calculation of credits due if any.

(2) The County implement routine reviews of WHP household files retained electronically and physically by the property (e.g. rental applications, original lease addenda, lease agreements, and tenant ledgers) to verify lease addendum and annual report information reported to the County is complete and accurate.

Response: The County will work toward making additional resources available to conduct routine reviews of verify property manager determinations. Staff routinely requests lease addenda and tenant ledgers while determining compliance for each of the Program's 1500+ rentals currently in the program, and in addressing inquiries received from WHP tenants regarding eligibility, unit availability, rents charged, and fees assessed. The County also requires that every tenant receive an information sheet on the WHP that includes links and staff contact information, to assist in ensuring compliance. While the restrictive covenant and WHP code allow the County to conduct site visits and request additional information to verify the property manager's income and eligibility determinations, currently the limited staff resources are focused on addressing overall project compliance metrics such as occupancy rates and issues identified by tenants.

Regarding the recommendation, staff continues to work on increasing efficiencies in the ongoing compliance monitoring system, linking it to an online dashboard that facilitates property manager provision and staff review of required documentation. The County's intent is to achieve an optimal data input and compliance monitoring process, for both staff and property managers, and then secure contract services for compliance monitoring to free staff time to enhance the level of review and verification as is recommended.

(3) The County develop and implement a departmental PPM for WHP monitoring activities including but not limited to: a. Reviewing lease addenda received for WHP eligibility; b. Logging and tracking lease addenda received; c. Reviewing information provided in the annual report, when applicable; d. Documenting communication with property managers; and e. Steps for communicating and escalating noncompliance issues.

Response: These procedures are in place, and will be formalized as a departmental PPM. Written procedures are in place for all aspects of WHP compliance monitoring, and these continue to be updated as enhancements are made to the compliance monitoring system. In addition, post 2021, protocols have been established and followed for documenting



November 17, 2025
Mrs. Hillary Bojan
Page 4

communication with property managers and for escalation of issues. These will be formalized as a departmental PPM for WHP.

(4) The County routinely conduct WHP training program for property manager personnel and upon property manager request.

Response: This practice is in place. The County has, since the inception of the program, provided training to property managers at the commencement of leasing, when there is a change in property management or ownership (if staff is made aware of the change as required by code), when there are WHP code changes affecting property management, and upon request for clarification of any issue. In addition, since 2023, the County has conducted quarterly meetings to provide training on new requirements or features, to obtain suggestions from property managers, and to address questions or issues.

With regard to conveyance of information to staff at the Wellington Club, and their property manager's claim that they were unaware of the restrictive covenant and other requirements, we document numerous communications with the property in the Audit period, as well as their participation in meetings and training, where program requirements were discussed.

(5) The County develop and implement a WHP manual to provide new and current WHP property managers that includes, but is not limited to, the following: a. Copy of the Restrictive Covenant. b. Copy of the applicable County Code. c. Outline of property manager responsibilities related to the WHP. d. Detailed instructions for completing the lease addendum and annual report, if applicable, and submitting it to the County. e. County WHP personnel contact information.

Response: These materials and this practice are in place. The restrictive covenant and WHP code, along with portal information, links, forms and instructions, are provided to the property manager and their staff prior to commencement of leasing, as part of the training provided. WHP personnel contact information is provided on every form and price schedule, as well as in every communication. In addition, the following are provided online here: PZB - Planning Division – WHPRentallInfo

WHP Code

Key Definitions

Reporting Timeline

WHP Rents and Incomes

Forms for Properties with Utility Allowance

- **Lease Addendum** (projects subject to 4 income categories)
- **Lease Addendum** (projects subject to 8 income subcategories)
- **WHP Rent Calculation Worksheet** (projects subject to 4 income categories with Utility Allowance)



November 17, 2025
Mrs. Hillary Bojan
Page 5

WHP Rent Calculation Worksheet (projects subject to 8 income subcategories) with Utility Allowance

Forms for Properties without Utility Allowance

- **Lease Addendum** (projects subject to 4 income categories)
- **Lease Addendum** (projects subject to 8 income subcategories)
- **WHP Rent Calculation Worksheet** (projects subject to 4 income categories) without Utility Allowance
- **WHP Rent Calculation Worksheet** (projects subject to 8 income subcategories) without Utility Allowance

Property Manager Training (Power Point presentation from most recent Training Session)

(6) The County work with legal personnel to add language in future WHP restrictive covenants that allows the County to enforce changes in the WHP code that may conflict with the Restrictive Covenant.

Response: The County will work with owners to facilitate opting in to future WHP code changes. The restrictive covenant establishes that the property owner has the right, but not the obligation, to incorporate into the covenant any changes made to the WHP during the term of the covenant. Such changes require the approval of the property owner and the Board of County Commissioners. This is based on the provisions of the Unified Land Development Code, wherein all development orders, permits, enforcement orders, ongoing enforcement actions, and all other actions of the Board of County Commissioners, the Zoning Commission, the Development Review Officer, Enforcement Boards, all other Palm Beach County decision making and advisory boards, Special Masters, Hearing Officers, and all other Palm Beach County Officials, issued pursuant to the procedures established by prior Palm Beach County land development regulations, shall remain in full force and effect.

The WHP has been revised substantially three times since adoption, in 2010, 2019, and 2023. While these code changes cannot be imposed on properties developed under prior versions of the WHP, the County does work with property owners who choose to incorporate the changes. For example, the County facilitated an "opt-in" process for the 2023 changes addressing utility allowance, fees, and annual reporting.

Audit Finding (2): The County and property managers did not always follow the Restrictive Covenant with respect to WHP eligibility, lease restriction language, and lease addenda.

Audit Recommendations:

(7) The County follow the Restrictive Covenant and notify the property manager of households ineligible for the WHP and/or with an insufficient lease addendum within the required timeframe.



November 17, 2025
Mrs. Hillary Bojan
Page 6

Response: This practice is in place. Although the Wellington Club restrictive covenant dates from an earlier period and provides for a 10-day timeframe for County review and response, the WHP code was revised in 2023 to establish a 3-business day review and response time for the County. This timeframe applies to the submittal of lease addenda for all properties, including the Wellington Club Apartments.

(8) The County implement a process to perpetually track lease addenda received and related information (i.e. income, rent and fees, lease execution date, lease start and end dates), determine occupancy by income category, and monitor for compliance with the Restrictive Covenant.

Response: This process is in place. The County has implemented a comprehensive compliance monitoring tracking system, that is used to track all of the items listed. The tracking system is accessible to property managers, to track the compliance status of their submittals and the all of their WHP units in one place. Exhibit D provides an excerpt of a report from the monitoring tracking system for Wellington Club Apartment WHP units.

(9) The County implement a process to ensure and/or amend the Restrictive Covenant to require that the records for current and prior WHP households are retained and accessible to the new property manager when there is a change in property managers.

Response: The County will provide an annual reminder to owners and property managers regarding the retention of records, starting in January 2026. The restrictive covenant already places the responsibility for maintaining tenant records on the property owner and property manager, and also requires that the terms of the covenant be disclosed to any subsequent owners, successors, and assigns, in any and all sales documents, agreements and deeds. As a reminder to property owners and managers of this responsibility pursuant to the restrictive covenant, the County will provide a reminder at the first of each year, commencing in January 2026.

Audit Finding (3): The County did not always follow the Restrictive Covenant related to the annual report, and property managers did not always provide complete information in the annual reports.

Audit Recommendation:

(10) The County follow the Restrictive Covenant related to annual reporting due dates and required information or amend the Restrictive Covenant to align with the County's practice.

Response: No changes are necessary. Restrictive covenants for projects historically included a due date for annual reports based on the project's approval date, meaning that reports from projects were received throughout the year. As the number of projects increased, in 2018, the County



November 17, 2025
Mrs. Hillary Bojan
Page 7

standardize the due date for annual reporting to July 1st, to streamline the process and better align with the annual issuance of new income and rent schedules. The Audit determined that this did not follow the restrictive covenant for Wellington Club Apartments, which included a deadline of May 1st for the annual report.

As the annual report is for the benefit of the County, updating the due date in the restrictive covenants was not deemed necessary, and would have required Board of County Commissioners' approval for an inconsequential change. The Audit also noted that the County stopped requesting certain information required by the restrictive covenant to be in the annual report, such as names and ages of all WHP household members. This information had been gathered in early reports but never used for any purpose by the County. As with the standardization of the annual report due date discussed above, to streamline the process, the requirement to provide the names and ages of all household members was eliminated.

As noted in this Audit finding, property managers did not always provide complete information in the annual reports, hindering compliance determination. Ultimately, to address these recurring issues, the County recommended, and the Board approved a change to the WHP code to eliminate the Annual Report process, replacing this challenging backward-looking process with a comprehensive system tracking every unit in real time. The County allowed for properties to opt in to revise their covenants to do away with the annual report. Wellington Club opted to do so.

Thank you to the Office of the Inspector General for completing this audit requested by County Administration. We appreciate the tremendous amount of work that your office has undertaken in reviewing both the property manager's and the County's actions regarding the WHP units at the Wellington Club Apartments. The Audit recommendations and suggestion will assist the County in continuing to improve and build on the success of the Workforce Housing Program.

Yours truly,

A blue ink signature of Patrick Rutter, written in a cursive style.

Patrick Rutter
Deputy County Administrator

cc:

Exhibit A
History and Evolution of the Workforce Housing Program Implementation

The WHP implementation is best understood in two 'eras.' The initial period began with the creation of the WHP in 2006. To gain support for establishment of the program, assurances were made to industry that the program would not be overly intrusive or disruptive in the business of developers and property managers. Accordingly, tenant eligibility would be determined directly by the property manager, and reported to the County through a lease addendum and an annual report. The staff implementing the program in the first years reported that these were reviewed as received, and compliance was handled informally. Few issues were identified, as property managers rarely charged the maximum rent allowable per the WHP, and property managers generally agreed to comply with requested adjustments, to be confirmed at the next annual report. There is little documentation available from this period.

The second period began in early 2017, when staffing changes were made to support a major revision of the WHP code with the objective of increasing the number of WHP units produced. No changes were made to the established monitoring approach initially, while code revisions were underway, but in becoming familiar with the program it became increasingly apparent that informal compliance monitoring was falling short. Market conditions were changing, and increased development overall meant that the number of WHP rental units also increased significantly: the number of WHP units jumped 50% from 2019 to 2020, from 501 to 748 units, and doubled again to 1550 by 2024. Turnover of property managers created consistency challenges, and rising market rents led to WHP rents at maximum allowable levels and extra fees for the first time in many projects. Efforts began to formalize the compliance process and included instituting tracking findings and communications with property managers, scheduling conference calls, providing written meeting notes to property managers after each call, and providing follow-up reminders.

Upon completion of the code revision process in late 2019, staff's attention turned fully to compliance monitoring, and additional enhancements were instituted. These included creating enhanced instructions for the annual report, providing monthly reminders to submit lease addenda, requesting ledgers to verify annual report information, and creating a rent calculation worksheet. However, this was a slow and incremental process, with limited success, and still rooted in a 'facilitation' rather than 'enforcement' approach. As late as fall of 2022, staff was directed to work cooperatively with property managers (and WCA specifically) to resolve ongoing issues without code enforcement action.

Given the ongoing issues, in 2023 the decision was made to undertake code and programmatic changes, to address the "lessons learned" and completely transform compliance monitoring from essentially relying on a backward-looking annual report to a comprehensive system tracking every unit in real time. This was accomplished through the following changes and enhancements:

- Created database to track documentation submittals, lease start and end dates, and individual unit and overall project compliance, and worked with ISS to provide online access to property managers
- Created a new fee structure governing how utilities, and mandatory and voluntary fees, are charged
- Established a minimum overall occupancy threshold for WHP units
- Eliminated Annual Report requirement
- Codified 10-day response time for properties, to allow for code enforcement instead of court action
- Instituted quarterly meetings/trainings for property managers, and provided all materials online
- Created manuals for compliance monitoring

Exhibit B
Application of the Required Utility Allowance

The WHP code and restrictive covenant establish that:

- *Units that do not include utilities must provide a utility allowance (\$50 for 1 or 2 bedrooms; \$75 for 3+)*
- *Units that include utilities that cost less than the allowance must credit the difference to the rent cost.*
- *Utility allowance is waived for units with utility costs that meets or exceeds utility allowance cost.*

There are two areas of disagreement with regard to the utility allowance provision and impact on tenant overcharges. The two areas of disagreement pertain to “rent charged” and “excess utility costs.”

Rent Charged: The property owner is obligated to charge a compliant rent – a rent that does not exceed the maximum allowable for the income category and number of bedrooms, minus the required allowance.

Many projects simply charge a rent that is at or below that figure, and do not “show the math,” which would entail starting with a higher rent figure then showing a rent reduction in the amount of the required utility allowance. The Audit identified as overcharged any unit in the sample that did not show the utility allowance as a specific reduction in the unit’s ledger and in the forms provided to the County, even if the rent charged was at or below the maximum minus the utility allowance. The County’s assessment is that this is not a specific requirement of the Code nor the restrictive covenant, and represents an unnecessary and inefficient additional step for both property managers and staff that does nothing to ensure compliant rent. It also does not reflect the industry trend of charging a ‘smart’ rent that already incorporates these necessary adjustments. Thus, under this reasoning, no overcharge occurred for units 14 of 23 records in the sample.

Ultimately, as noted in the Audit, due to multiple issues with fees charged including utilities, in 2023 staff proposed and the Board approved changes to the WHP code. The utility allowance concept was eliminated and a uniform approach to all fees including utilities was adopted. This applied to all projects going forward, and to existing projects that “opted in” to the code change and revised their restrictive covenants. Clarifications were also added for projects that opted to retain the utility allowance.

Excess Utility Costs: As outlined above, the WHP code and restrictive covenant addressed what happens to the excess allowance if the allowance amount *exceeds* the utility cost. The code and covenant did not address the inverse—what happens to the excess utility cost when the cost exceeds the allowance amount.

When properties demonstrated an excess utility cost, the County allowed for that excess cost to be imposed on the tenant. The reasoning was that if the property owner had to bear the excess cost, the utility allowance would effectively be the actual cost of the utility, and not the prescribed \$50 or \$75. There was nothing in the WHP code or Restrictive Covenant to indicate that the intent was for the property-owner to bear the full cost of utilities. This approach was consistent with standard rental industry practices that require tenants to pay for overages on utilities. It was also reasonable and fair that if the tenant receives a credit for the remaining utility allowance when the cost of the utilities is lower than the allowance, then the tenant would bear the cost of the utility that exceeded the allowance.

In the case of Wellington Club Apartments, as discussed above, the property did not reflect the utility cost and the utility allowance in its ledgers, instead charging a rent that reflected the reduction, and then applying a charge for any excess utility cost. The Audit identified as overcharged those units where this excess was charged to the tenant. Under the County’s reasoning, no overcharge occurred for these units.

As noted in the Audit and discussed above, the utility allowance concept was eventually replaced with a uniform approach to all fees including utilities, which applied to all projects going forward, and to existing projects opting in. For projects that did not choose to opt in to this change, and instead retained the utility allowance requirement, the 2023 WHP code revisions clarified that the cost of utilities in excess of the allowance can be charged to the tenant.

Exhibit C-1, Summary

County Comprehensive Assessment of Audit findings of Resident Overpayments
County Adjustments are in strikethrough and underlined format. See Exhibit C-2 for details

Sample No.	Resident/Sample Type	Period	Amount Overpaid as of 6/30/23	Avg Monthly Amount Overpaid	Credits through May 2024	Amount Overpaid
1	Newspaper Article (Kerla)	8/9/2019 – 8/7/2022	\$4,276.87 <u>\$3,011</u>	\$118.91	\$1,514.19 \$ 1545.19	\$2,762.68 <u>\$1,466</u>
2	Newspaper Article (Ceballos)	4/28/2020 – 6/30/2023	\$3,559.50 <u>\$3,228</u>	\$93.50	\$ 3,116.00	\$443.50 <u>\$112</u>
3	Newspaper Article (Chilcutt)	10/9/2018 – 10/8/2022	\$ 7,410.50	\$ 154.39	\$ 3,384.22	\$ 4,026.28
5	Property Manager Employees	4/23/2018 – 4/30/2023	\$824.20	\$13.68	\$ -	\$824.20
9	Random Selection	5/21/2022 – 1/31/2023	\$626.61	\$74.74	\$ -	\$626.61
10	Random Selection	11/9/2021 – 6/30/2023	\$2,581.87	\$131.32	\$ -	\$2,581.87
12	Random Selection	4/21/2021 – 4/20/2023	\$112.12	\$4.68	\$ -	\$112.12
13	Random Selection	1/1/2018 – 8/31/2018	\$156.00	\$19.61	\$ -	\$156.00
16	Random Selection	8/30/2020 – 6/30/2023	\$586.06 <u>\$341</u>	\$17.24	\$ 148.78	\$437.28 <u>\$192</u>
18	Random Selection	1/1/2018 – 7/31/2019	\$ 1,164.80	\$ 61.51	\$ -	\$ 1,164.80
22	Random Selection	10/4/2022 – 1/31/2023	\$292.74	\$74.83	\$ -	\$292.74
24	Random Selection	8/28/2020 – 1/31/2023	\$519.35	\$17.83	\$ -	\$519.35
29	Random Selection	1/31/2020 – 1/30/2023	\$ 3,359.23	\$ 93.31	\$ 2,489.00	\$ 870.23
31	Random Selection	7/1/2019 – 6/30/2021	\$220.00	\$5.23	\$ -	\$220.00
32	Random Selection	5/1/2018 – 4/30/2019	\$3,696.00	\$308.85	\$ -	\$3,696.00
33	Random Selection	5/1/2020 – 4/30/2022	\$970.00	\$40.47	\$ -	\$970.00
36	Random Selection	4/9/2022 – 4/8/2023	\$300.00 <u>\$170</u>	\$25.07	\$ 182.47	\$117.53 \$ -
38	Random Selection	3/31/2018 – 6/30/2021	\$ 1,095.81	\$ 28.08	\$ -	\$ 1,095.81
40	Random Selection	7/27/2019 – 6/30/2023	\$1,125.16	\$23.87	\$ -	\$1,125.16
			\$32,876.82 <u>\$19,780.34</u>		\$ 10,834.66	\$22,042.16 <u>\$8,928.15</u>

Exhibit C-2

Analysis of 19 Tenants Identified by IG Audit as Overpaid

Sample 1. Newspaper Article (Kerla), 2 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1 as Overpaid tenant (#1 of 19) for this period: 8/9/2019-8/7/2022, due to these causes of overpayment: 1, 2, 3, 4, 5

County Assessment: overpaid, \$1,466 credit is due for overcharges for the period prior to July 2020.

Cause 1: Overpaid due to incorrect rent charged by PM.

Cause 2: N/A (See Exhibit B for explanation)

Cause 3: N/A. Per Project manager (PM) Lease renewal for the 8/21-8/22 lease dates was sent to tenant on 5/21 when Max 1582 price was in effect. Therefore, County used the correct schedule to calculate overcharges.

Cause 4: During a follow-up conference call on 11/19/2020 the PM stated that the \$25 trash fee was an additional charge imposed on all tenants, so she was crediting the \$25 to the WHP renters. In doing so, she was ensuring no WHP tenant's rent exceeded the Max WHP rent due to a mandatory Trash fee. When County reviewed the 2019-20 report the county staff relied on the information of \$25 credits to all WHP tenants to offset the Trash fee. That statement was not correct as the ledger showed no credits.

The \$25 Trash fee was tabulated into the credit due (see below Calculation of overpayment and credit due below).

Cause 5: Credits are due for overcharges from the period prior to July 2020.

Calculation of overpayment and credit due :

Lease period 8/9/19-8/8/2020: Overcharges 1632

- *Max WHP Rent 1506-50+45 (water charge)=1501,*
- *WHP Rent 1612+25=1637*
- *Monthly overcharge was 1637-1501=136*
- *12 months *136=1632*

Lease period 8/9/2020-8/8/2021. Overcharges 660+47=707

- *Max WHP Rent (per 2020 Schedule) 1582-50+45 (water charge)=1577,*
- *WHP Rent 1612+25=1637*
- *Monthly overcharge was 1637-1577=60*
- *11 months *60=660*

Water charges were adjusted July 2021

- *Max WHP Rent per 2020 Schedule) 1582-50+58(water charge)=1590,*
- *WHP Rent 1612+25=1637*
- *Monthly overcharge was 1637-1590=47*

Page 1 of 14

Exhibit C-2

- 1 months *47=47

Lease period 8/9/2021-8/9/22. Overcharges 570+102=672

- Max WHP Rent (per 2020 Schedule. Pre-leased per PM) 1582-50+58(water charge)=1590,
- WHP Rent was 1660+25=1685
- Monthly overcharge was 1685-1590=95
- 6 months *95=570

Base rent was adjusted February 2022

- Max WHP Rent (per 2020 Schedule. Pre-leased per PM) 1582-50+58(water charge)=1590,
- WHP Rent 1582+25=1607
- Monthly overcharge was 1607-1590=17
- 6 months *17=102

Lease period 8/9/2022-8/8/2023. No overcharges

- Max WHP Rent (per 2022 Schedule) 1656-50+58 (water charge)=1664,
- WHP Rent 1542+25=1567
- No overcharges 1567<1664

Lease period 8/9/2023-8/8/2024. No overcharges

- Max WHP Rent (per 2023 Schedule) 1754-50=1704, \$58 water was assessed
- WHP Rent 1617+25=1642
- No overcharges 1642<1704

Total overcharges: 1632+707+672=3011

Total credits provided: 1515+30=1545

Credits due: 1,466

Sample 2. Newspaper Article (Ceballos), 1 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1 as Overpaid tenant (#2 of 19) for this period: 4/28/2020-6/30/2023, due to these causes of overpayment: 1, 2, 5

County Assessment: overpaid, \$112 credit due for overcharges for the period prior to July 2020.

Cause 1: – Overpaid due to incorrect rent charged by PM.

Cause 2: – N/A (See Exhibit B for explanation)

Cause 5: Credits are due for overcharges from the period prior to July 2020.

No overcharges after March 2023. Trash was not charged on 3/23, rent after 4/2023 was compliant.

Exhibit C-2

Calculation of overpayment and credit due :

Lease period 4/28/2020-4/27/2021: Overcharges 1872

- *Max WHP Rent 1255 (2019 Schedule)-50+35 (water charge)=1240,*
- *WHP Rent 1371+25=1396*
- *Monthly overcharge was 1396-1240=156*
- *12 months *156=1872*

Lease period 4/28/2021-4/27/2022. Overcharges 240+791+75=1106

- *Max WHP Rent 1318 (2020 Schedule)-50+35(water charge)=1303,*
- *WHP Rent 1398+25=1423*
- *Monthly overcharge was 1423-1303=120*
- *2 months *120=240*

Water charges were adjusted July 2021

- *Max WHP Rent 1318 (2020 Schedule)-50+42 (water charge)=1310,*
- *WHP Rent 1398+25=1423*
- *Monthly overcharge was 1423-1310=113*
- *7 months *113=791*

Base rent was adjusted February 2022

- *Max WHP Rent 1318 (2020 Schedule)-50+42(water charge)=1310,*
- *WHP Rent 1310+25=1335*
- *Monthly overcharge was 1335-1310=25*
- *3 months *25=75*

Lease period 4/28/2022-4/27/2023. Overcharges 250

- *Max WHP Rent 1285 (2021 Schedule)-50+42(water charge)=1277,*
- *WHP Rent 1277+25=1302*
- *Monthly overcharge was 1302-1277=25*
- *10 months *25=250*

Starting March 2023 PM did not assessed \$25 Trash fee

Lease period 4/28/2023-4/27/2024. No overcharges

- *Max WHP Rent (per 2022 Schedule) 1380-50+42=1372,*
- *WHP Rent 1307+25=1332*
- *No overcharges, 1332<1372*

Total overcharges: 1872+1106+250=3228

Total credits provided: 3116

Credits due: 112

Exhibit C-2

Sample 3. Newspaper Article (Chilcutt). 1 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1 as Overpaid tenant (#3 of 19) for this period: 10/9/18-10/8/22, due to these causes of overpayment: 1, 2, 4, 5

County Assessment: overpaid, \$4,026 credit due for overcharges for the period prior to July 2020

Cause 1: Overpaid due to incorrect rent charged by PM.

Cause 2: N/A (See Exhibit B for explanation)

Cause 4: During a follow-up conference call on 11/19/2020 the PM stated that the \$25 trash fee was an additional charge imposed on all tenants, so she was crediting the \$25 to the WHP renters. In doing so, she was ensuring no WHP tenant's rent exceeded the Max WHP rent due to a mandatory Trash fee. When County reviewed the 2019-20 report the county staff relied on the information of \$25 credits to all WHP tenants to offset the Trash fee. That statement was not correct as the ledger showed no credits.

The \$25 Trash fee was tabulated into the credit due (see below Calculation of overpayment and credit due below).

Cause 5: Credits are due for overcharges from the period prior to July 2020.

Sample 5. Property Manager Employee. 3 bedroom unit, total household income was certified as MOD1. Identified in IG Audit Exhibit 1 as Overpaid tenant (#4 of 19) for this period: 4/23/2018-4/30/23, due to these causes of overpayment: 2, 5

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). Tenant has received employee discount \$371 in 2018-2019 period, \$376 in 2019-2020, 2020-2021 and 21-22 periods and \$387 in in 2022-23 and 2023-24 periods which brought WHP Rent into compliance.

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
4/23/2018-4/22/2019	\$1870-\$20=\$1850 \$55 water cost (not assessed), required partial UA credit (further referenced as partial UA) is \$75-\$55= \$20	\$1854-\$371+ \$25 = \$1508 \$371 Employee discount	\$1508 < \$1850 No overcharges \$20UA is built in rent

Exhibit C-2

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
4/23/2019- 4/22/2020	\$2000-\$20=\$1980 \$55 water cost (not assessed), Required partial UA is \$75-\$55= \$20	\$1880-\$376+\$25=\$1529 \$376 Employee discount	\$1529<\$1980 No overcharges \$20UA is built in rent
4/23/2020- 4/22/2021	\$2174-\$20=\$2154 \$55 water cost (not assessed), required partial UA is \$75-\$55= \$20	\$1880-\$376+\$25=\$1529 \$376 Employee discount	\$1529<\$2154 No overcharges \$20UA is built in rent
4/23/2021- 4/22/2022	\$2284-\$3=\$2281 \$72 water cost (not assessed), required partial UA is \$75-\$72= \$3	\$1880-\$376 +\$25 = \$1529 \$376 Employee discount	\$1529<\$2281 No overcharges \$3UA is built in rent
4/23/2022- 4/22/2023	\$2226-\$3=\$2223 \$72 water cost (not assessed), required partial UA is \$75-\$72= \$3	\$1936-\$387+\$25= \$1598 \$387 Employee discount	\$1598<\$2223 No overcharges \$3UA is built in rent
4/23/2023- 4/22/2024	\$2393-\$75=\$2318 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$1986-\$387+\$25= \$1627 \$387 Employee discount	\$1627<\$2318 No overcharges \$75UA is built in rent
4/23/2024- 4/22/2025	\$2533-\$75=\$2458 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$1987+\$25=\$2012	\$2012<\$2458 No overcharges \$75UA is built in rent

Sample 9. 3 bedroom unit, total household income was certified as Middle. Identified in IG Audit Exhibit 1as Overpaid tenant (#5 of 19) for this period: 5/21/22-1/31/23, due to these causes of overpayment: 2, 5

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Exhibit C-2

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
5/21/2022-5/20/2023	\$2671-\$75=\$2596 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2439+\$25=\$2464	\$2464 < \$2596 No overcharges \$75 UA is built in rent
5/21/2023-5/20/2024	\$2871-\$75=\$2796 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2589+\$25=\$2614	\$2614 < \$2796 No overcharges \$75UA is built in rent

Sample 10. 1 bedroom unit, total household income was certified as Middle. Identified in IG Audit Exhibit 1as Overpaid tenant (#6 of 19) for this period: 11/9/21-6/30/2023, due to these causes of overpayment: 1, 2, 6.

County Assessment: not overpaid unless Property owner and/or tenant(s) can attest to the lower income identified by the IG Audit

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Cause 6: Staff relied on lease addendum provided by Property Manager., which reported the tenant's income as \$109,044, Middle category per 2021 schedule. Based on this information, the correct rent was charged and no overcharge occurred.

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
11/09/2021-11/08/2022	\$2248-\$8=\$2256 \$58 water cost (not assessed), required partial UA is \$50-\$58= \$(8)	\$1910+\$25=\$1935	\$1935 < \$2256 No overcharges
11/09/2022-11/08/2023	\$2415-\$50=\$2365 Water charge of \$58 is assessed to the tenant, required UA is \$50	\$2260+\$25=\$2285	\$2285 < \$2365 No overcharges \$50UA is built in rent

Sample 12. 3 bedroom unit, total household income was certified as MOD1. Identified in IG Audit Exhibit 1as Overpaid tenant (#7 of 19) for this period: 4/21/21-4/20/2023, due to these causes of overpayment: 2, 5.

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Exhibit C-2

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
4/11/2021-4/10/2022	\$2284-\$3=\$2248 \$72 water cost (not assessed), required partial UA is \$75-\$72= \$3	\$1890+\$25=\$1905	\$1905 < \$2248 No overcharges \$3 US is built-in rent
4/11/2022-4/10/2023	\$2226-\$3=\$2223 \$72 water cost (not assessed), required partial UA is \$75-\$72= \$3	\$2090+\$25=\$2115	\$2115 < \$2223 No overcharges \$3UA is built in rent
4/11/2023-4/10/2024	\$2393-\$75=\$2318 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2290+\$25=\$2315	\$2315 < \$2318 No overcharges \$75UA is built in rent
4/11/2024-4/10/2025	\$2533-\$75=\$2458 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2390+\$25=\$2415	\$2415 < \$2458 No overcharges \$75UA is built in rent

Sample 13. 3 bedroom unit, Lease Addendum was not provided to County. Identified in IG Exhibit 1 dated 8/21/2025 as Overpaid tenant (#8 of 19) for this period: 1/1/2018-8/31/18, due to these causes of overpayment: 2,5.

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

This tenant was reported in 2017-2018 report as Middle tenant. However, Lease Addendum was not provided. Tenant occupied 3 bedroom unit and had \$348 concession. For the purpose of compliance determination, staff compared the WHP Rent to the maximum WHP allowed for the LOW category (see calculations below). The WHP rent was below the Max WHP Rent for 3 bedroom unit in LOW Category, therefore, not overplayed.

Lease dates	Max WHP Rent (LOW category)	WHP Rent per ledger	Overcharges
11/29/2017-11/28/2019	\$1496-\$20=\$1476 \$55 water cost (not assessed), required partial UA is \$75-\$55= \$20	\$1739+\$25-\$348 =\$1416 \$348 Security officer concession	\$1416 < \$1476 No overcharges \$20UA is built in rent

Sample 16. 1 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1 as Overpaid tenant (#9 of 19) for this period: 8/30/20-6/30/23, due to these causes of overpayment: 1, 2, 3, 5.

County Assessment: overpaid, \$192 credit is due for overcharges for the period prior to July 2020.

Exhibit C-2

Cause 1: Overpaid due to incorrect rent charged by PM.

Cause 2: N/A (See Exhibit B for explanation)

Cause 3: N/A. Per Project manager (PM) Lease renewal for the 8/21-8/22 lease dates was sent to tenant on 5/21 when Max 1582 price was in effect. Therefore, County used the correct schedule to calculate overcharges.

Cause 5: Credits were issued for period starting 7/1/2021. Credits are due for overcharges from the 10 months prior to 7/1/2021.

Calculation of overpayment and credit due :

Lease period 8/30/2020-8/29/2021: Overcharges 180+22=202

- Max WHP Rent 1318 (2018 Schedule)-50+35 (water charge)=1303,
- WHP Rent 1296+25=1321
- Monthly overcharge was 1321-1303=18
- 10 months *18=180

Water charges were adjusted July 2021

- Max WHP Rent 1318 (2020 Schedule)-50+42 (water charge)=1310,
- WHP Rent 1296+25=1321
- Monthly overcharge was 1321-1310=11
- 2 months *11=22

Lease period 8/30/2021-8/29/2022: Overcharges 132

- Max WHP Rent 1318 (2020 Schedule per PM Lease was renewed 6/21)-50+42(water charge)=1310,
- WHP Rent 1296+25=1321
- Monthly overcharge was 1321-1310=11
- 12 months *11=132

Lease period 8/30/2022-8/29/2023: No overcharges

- Max WHP Rent 1380 (2022 Schedule)-50+42(water charge)=1372,
- WHP Rent 1277+25=1302
- No overcharges: 1302<1372

Lease period 8/30/2023-8/29/2024: No overcharges

- Max WHP Rent 1462 (2023 Schedule)-50=1412, \$42 water was assessed,
- WHP Rent 1352+25=1377
- No overcharges: 1377<1412

Total overcharges: 209+132=341

Total credits provided: 149

Credits due: 192

Exhibit C-2

Sample 18. 2 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1 as Overpaid tenant (#10 of 19) for this period: 1/1/18-7/31/19, due to these causes of overpayment: 1, 2, 5.

County Assessment: overpaid, \$1164 credit is due for overcharges for the period prior to July 2020.

Cause 1: Overpaid due to incorrect rent charged by PM.

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: Credits due for overcharges from the period prior to July 2020.

Sample 22. 2 bedroom unit, total household income was certified as MOD2. Identified in IG Audit Exhibit 1 as Overpaid tenant (#11 of 19) for this period: 10/4/22-1/31/23, due to these causes of overpayment: 2,5.

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
10/4/2022-10/3/2023	\$2871-\$75=\$2796 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2539+\$25=\$2564	\$2564 < \$2796 No overcharges \$75 UA is built-in rent
10/4/2023-10/3/2024	\$3039-\$75=\$2964 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2664+\$25=\$6289	\$2689 < \$2964 No overcharges \$75UA is built in rent

Sample 24. 1 bedroom unit, total household income was certified as MOD2. Identified in IG Audit Exhibit 1 as Overpaid tenant (#12 of 19) for this period: 8/28/2020-1/31/23, due to these causes of overpayment: 2,8.

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance (see calculations below).

Cause 8: Ledger was submitted on 6/4/2024 and was reviewed and the unit was deemed compliant.

Exhibit C-2

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
8/28/2020-8/27/2021	\$1977-\$15=\$1962 \$35 water cost (not assessed), required partial UA is \$50-\$35= \$15	\$1316+\$25=\$1341	\$1341 < \$1962 No overcharges \$15 UA is built-in rent
8/28/2021-8/27/2022	\$1927-\$8=\$1919 \$42 water cost (not assessed), required partial UA is \$50-\$42= \$8	\$1355+\$25=\$1380	\$1380 < \$1919 No overcharges \$8 UA is built-in rent
8/28/2022-8/27/2023	\$2070-\$50=\$2020 Water charge of \$42 is assessed to the tenant, required UA is \$50	\$1555+\$25=\$1580	\$1580 < \$2020 No overcharges \$50UA is built in rent

Sample 29. 1 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1 as Overpaid tenant (#13 of 19) for this period: 1/31/2020-1/30/2023, due to these causes of overpayment: 1,2,5.

County Assessment: overpaid, \$870.23 credit due for overcharges for the period prior to July 2020.

Cause 1: Overpaid due to incorrect rent charged by PM.

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: Credits due for overcharges from the period prior to July 2020. No overcharges after March 2023.

Sample 31. 2 bedroom unit, total household income was certified as Middle. Identified in IG Audit Exhibit 1 as Overpaid tenant (#14 of 19) for this period: 7/1/2019-6/30/2021, due to these causes of overpayment: 2,5.

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
8/7/2017-8/6/2018	\$2268-\$5=\$2263 \$45 water cost (not assessed), required partial UA is \$50-\$45= \$5	\$1564+\$25=1589	\$1589 < \$2263 No overcharges \$5UA is built in rent

Exhibit C-2

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
8/7/2018-8/6/2019	\$2425-\$5=\$2420 \$45 water cost (not assessed), required partial UA is \$50-\$45= \$5	\$1589+\$25=1614	\$1614 <\$2420 No overcharges \$5UA is built in rent
8/7/2019-8/6/2020	\$2635-\$5=\$2630 \$45 water cost (not assessed), required partial UA is \$50-\$45= \$5	\$1637+\$25=1662	\$1662 <\$2630 No overcharges \$5UA is built in rent
8/7/2020-10/6/2021	\$2768-\$5=\$2763 \$45 water cost (not assessed), required partial UA is \$50-\$45= \$5	\$1637+\$25=1662	\$1662 <\$2763 No overcharges \$5UA is built in rent
10/7/2021-10/6/2022	\$2698-\$8=\$2706 \$58 water cost (not assessed), required partial UA is \$50-\$58= \$(8)	\$1737+\$25=1762	\$1762 <\$2706 No overcharges
10/7/2022-10/6/2023	\$2898-\$50=\$2848 Water charge of \$58 is assessed to the tenant, required UA is \$50	\$1937+\$25=1762	\$1762 <\$2848 No overcharges \$50 UA is built in rent
10/7/2023-10/6/2024	\$3069-\$50=\$3019 Water charge of \$58 is assessed to the tenant, required UA is \$50	\$2062+\$25=2087	\$2087 <\$3019 No overcharges \$50 UA is built in rent

Sample 32. 2 bedroom unit, total household income was certified as MOD1. Identified in IG Audit Exhibit 1as Overpaid tenant (#15 of 19) for this period: 5/1/2018-4/30/2019, due to these causes of overpayment: 1,2,5.

County Assessment: not overpaid unless Property owner and/or tenant(s) can attest to the lower income identified by the IG Audit.

Cause 1: N/A Correct rent was charged. Tenant was originally qualified as MOD 1 tenant when they moved-in to unit 3-304 (1 bedroom). On 5/1/2018 (when 2017 prices were in effect) they moved to Unit 3-111 which was a 2 bedroom unit. As County Staff relied on information provided by Property Manager. The WHP rent of \$1604 was deemed compliant (see calculations below) and therefore, no overcharge occurred.

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
5/1/2018-4/30/2019	\$1620-\$5=\$1615 \$45 water cost (not assessed), required partial UA is \$50-\$45= \$5	\$1579+\$25=\$1604	\$1604 <\$1615 No overcharges \$5UA is built in rent

Exhibit C-2

Sample 33. 2 bedroom unit, total household income was certified as MOD1. Identified in IG Audit Exhibit 1as Overpaid tenant (#16 of 19) for this period: 5/1/2020-4/30/2022, due to these causes of overpayment: 2,5.

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
5/15/2020-5/14/2021	\$1883-\$5=\$1878 \$45 water cost (not assessed), required partial UA is \$50-\$45= \$5	\$1805+\$25=\$1830	\$1830 < \$1878 No overcharges \$5UA is built in rent
5/15/2021-5/14/2022	\$1978-\$5=\$1973 \$45 water cost (not assessed), required partial UA is \$50-\$45= \$5	\$1859+\$25=\$1884	\$1884 < \$1973 No overcharges \$5UA is built in rent

Sample 36. 2 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1as Overpaid tenant (#17 of 19) for this period: 4/9/2022-4/8/2023, due to these causes of overpayment: 1, 5, 7.

County Assessment: overpaid, sufficient credits were provided, no credits due

Cause 1: Overpaid due to incorrect rent charged by PM

Cause 5: no overcharges after 2/23.

Cause 7: Credit was calculated correctly. The property manager has demonstrated an excess utility cost of \$8 and, as outlined in Exhibit B, the County allowed for that excess cost to be imposed on the tenant.

Calculation of overpayment and credit due :

Lease period 4/9/2022-4/9/2023: Overcharges 170

- *Max WHP Rent 1542 (2021 Schedule)-50+58(water charge)=1550,*
- *WHP Rent 1542+25=1567*
- *Monthly overcharge was 1567-1550=17*
- *PM removed \$25 trash fees in 3/23 and 4/23.*
- *10 months *17=170*

Exhibit C-2

Lease period 4/10/2023-4/9/2024: No overcharges

- Max WHP Rent 1656 (2022 Schedule)-50=1606 (\$25 water allocation was assessed),
- WHP Rent 1572
- No overcharges: 1572<1606

Total overcharges: 170

Total credits provided: 182.42

Credits due: 0

Sample 38. 2 bedroom unit, total household income was certified as LOW. Identified in IG Audit Exhibit 1 as Overpaid tenant (#18 of 19) for this period: 3/31/2018-6/30/2021, due to these causes of overpayment: 1, 2, 5.

County Assessment: overpaid, \$1,095.81 credit is due for 3/31/2018-6/30/2021 overpaid period

Cause 1: Overpaid due to incorrect rent charged by PM.

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: Credits due for overcharges.

Sample 40. 3 bedroom unit, total household income was certified as Middle. Identified in IG Audit Exhibit 1 as Overpaid tenant (#19 of 19) for this period: 7/21/2019-6/30/2023, due to these causes of overpayment: 2,5.

County Assessment: not overpaid

Cause 2: N/A (See Exhibit B for explanation)

Cause 5: N/A (not overcharged see calculations below). WHP Rent never exceeded Max WHP Rent adjusted to reflect the required Utility Allowance.

Lease dates	Max WHP Rent	WHP Rent per ledger	Overcharges
7/27/2019-7/26/2020	\$3043-\$20=\$1980 \$55 water cost (not assessed), required partial UA is \$75-\$55= \$20	\$1870+\$25=\$1895	\$1895<\$3043 No overcharges \$20UA is built in rent
7/27/2020-10/25/2021	\$3197-\$20=\$3177 \$55 water cost (not assessed), required partial UA is \$75-\$55= \$20	\$1870+\$25=\$1895	\$1895<\$3177 No overcharges \$20UA is built in rent

Exhibit C-2

10/26/2021- 10/25/2022	\$3116-\$3=\$3113 \$72 water cost (not assessed), required partial UA is \$75-\$72= \$3	\$1970+\$25=\$1995	\$1995<\$2281 No overcharges \$3UA is built in rent
10/26/2022- 10/25/2023	\$3349-\$75=\$3274 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2170+\$25=\$2195	\$2195<\$3274 No overcharges \$75UA was built in rent
10/26/2023- 10/25/2024	\$3545-\$75=\$3470 Water charge of \$72 is assessed to the tenant, required UA is \$75	\$2320+\$25- \$75=\$2270	\$2270<\$3470 No overcharges \$75UA was provided on ledger

Sample of report from WHP Portal for Wellington Club (excerpt)

Exhibit D-1

WHP Rental Unit Number	Number of Bedrooms	LEASING START DATE	LEASING END DATE	WHP Certification Date	WHP Income Category at certification date	Monthly Rent	Trash	Total Monthly Rent	Max WHP Rent	Applicable Utility allowance	Required Utility allowance	Max WHP Rent in effect reduced by Applicable Utility Allowance	WHP rent per worksheet	Overcharge	Status
1-301	3	7/29/2025	7/28/2026	7/29/2024	> 60-80% of MFI	2185	30	2215	2228	75	75	2153	2140	0	Current
1-301	3	7/29/2024	7/28/2025	7/29/2024	> 60-80% of MFI	2042	30	2072	2228	75	75	2153	1997	0	Expired
1-302	3	8/21/2025	8/20/2026	8/20/2025	> 120-140% of MFI	2545	30	2575	4256	75	75	4181	2500	0	Current
1-304	2	12/28/2025	12/27/2026	12/28/2017	> 120-140% of MFI	2311	30	2341	3682	50	50	3632	2291	0	Current
1-304	2	12/28/2024	12/27/2025	12/28/2017	> 120-140% of MFI	2239	30	2269	3374	50	50	3324	2219	0	Current
1-305	2	1/16/2025	1/15/2026	1/16/2024	> 60-80% of MFI	1759	30	1789	1928	50	50	1878	1739	0	Current
1-305	2	1/16/2024	1/15/2025	1/16/2024	> 60-80% of MFI	1676	30	1706	1754	50	50	1704	1656	0	Expired
1-306	2	8/1/2025	7/31/2026	8/1/2025	> 60-80% of MFI	1953	30	1983	2104	50	50	2054	1933	0	Current
1-306	2	9/3/2024	7/8/2025	9/3/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
1-307	3	3/18/2025	3/17/2026	3/18/2025	> 80-100% of MFI	2445	30	2475	2785	75	75	2710	2400	0	Current
1-307	3	1/1/2024	1/10/2025	1/20/2022	> 60-80% of MFI	1836	30	1866	2026	50	75	1951	1816	0	Expired
1-308	3	7/29/2024	7/28/2025	7/29/2019	> 120-140% of MFI	2635	30	2665	3545	75	75	3470	2590	0	Expired
1-301	3	4/26/2025	4/25/2026	4/25/2018	> 80-100% of MFI	2182	30	2212	2785	75	75	2710	2137	0	Current
1-301	3	4/26/2024	4/25/2025	4/25/2018	> 80-100% of MFI	2078	30	2108	2533	50	75	2458	2058	0	Expired
1-302	3	4/19/2025	4/18/2026	4/19/2025	> 80-100% of MFI	2490	30	2520	2785	75	75	2710	2445	0	Current
1-302	3	4/5/2024	4/4/2025	4/5/2024	> 120-140% of MFI	2750	30	2780	3545	75	75	3470	2705	0	Expired
1-303	2	9/3/2025	9/2/2026	9/4/2021	> 60-80% of MFI	1837	30	1867	2104	50	50	2054	1817	0	Current
1-303	2	9/3/2024	9/2/2025	9/4/2021	> 60-80% of MFI	1752	30	1782	1928	50	50	1878	1732	0	Expired
1-305	2	12/30/2024	12/29/2025	12/1/2022	> 120-140% of MFI	2294	30	2324	3374	50	50	3324	2274	0	Current
1-306	2	6/23/2025	6/22/2026	2/3/2022	> 60-80% of MFI	1808	30	1838	1928	50	50	1878	1788	0	Current
1-306	2	6/23/2024	6/22/2025	2/3/2022	> 60-80% of MFI	1722	30	1752	1754	50	50	1704	1702	0	Expired
1-307	3	7/31/2025	7/30/2026	7/31/2024	> 60-80% of MFI	2299	30	2329	2432	75	75	2357	2254	0	Current
1-307	3	7/31/2024	7/30/2025	7/31/2024	> 60-80% of MFI	2148	30	2178	2228	75	75	2153	2103	0	Expired
1-308	3	5/25/2025	5/24/2026	5/25/2022	> 120-140% of MFI	2823	30	2853	3899	75	75	3824	2777	0	Current
1-308	3	5/25/2024	5/24/2025	5/25/2022	> 120-140% of MFI	2739	30	2769	3545	75	75	3470	2694	0	Expired
1-302	3	11/17/2025	11/16/2026	7/17/2018	> 120-140% of MFI	2481	30	2511	4256	75	75	4181	2436	0	Current
1-302	3	11/17/2024	11/16/2025	7/17/2018	> 120-140% of MFI	2431	30	2461	3899	75	75	3824	2386	0	Current
1-303	2	3/29/2024	3/19/2025	3/20/2024	> 120-140% of MFI	2121	30	2151	3069	50	50	3019	2101	0	Expired
1-304	2	7/27/2025	7/26/2026	7/27/2024	> 60-80% of MFI	1898	30	1928	1928	50	50	1878	1878	0	Current
1-304	2	7/27/2024	7/26/2025	7/27/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
1-305	2	10/7/2025	10/6/2026	10/7/2023	> 60-80% of MFI	1831	30	1861	2104	50	50	2054	1811	0	Current
1-305	2	10/7/2024	10/6/2025	10/8/2023	> 60-80% of MFI	1756	30	1786	1928	50	50	1878	1736	0	Expired
1-306	2	11/1/2025	10/31/2026	11/1/2017	> 80-100% of MFI	2070	30	2100	2630	50	50	2580	2050	0	Current
1-306	2	11/1/2024	10/31/2025	11/1/2017	> 80-100% of MFI	1972	30	2002	2410	50	50	2360	1952	0	Expired
2-101	3	8/7/2025	8/6/2026	6/7/2018	> 80-100% of MFI	2219	30	2249	2785	75	75	2710	2174	0	Current
2-101	3	8/7/2024	8/6/2025	6/7/2018	> 80-100% of MFI	2069	30	2099	2785	75	75	2710	2024	0	Expired
2-103	2	6/12/2025	6/11/2026	6/12/2021	> 100-120% of MFI	2322	30	2352	2410	50	50	2360	2302	0	Current
2-103	2	6/12/2024	6/11/2025	6/12/2021	> 100-120% of MFI	2212	30	2242	2631	50	50	2581	2192	0	Expired
2-105	2	5/31/2025	5/30/2026	5/31/2013	> 60-80% of MFI	1798	30	1828	1928	50	50	1878	1778	0	Current
2-105	2	5/31/2024	5/30/2025	5/31/2013	> 60-80% of MFI	1712	30	1742	1754	50	50	1704	1692	0	Expired
2-106	2	3/29/2025	3/28/2026	3/29/2025	> 80-100% of MFI	2190	30	2220	2410	50	50	2360	2170	0	Current
2-106	2	8/16/2024	2/28/2025	8/16/2023	> 120-140% of MFI	2350	30	2380	3374	50	50	3324	2330	0	Expired
2-107	3	4/21/2025	4/20/2026	4/21/2021	> 80-100% of MFI	2390	30	2420	2785	75	75	2710	2345	0	Current
2-107	3	4/21/2024	4/20/2025	4/21/2021	> 80-100% of MFI	2390	30	2420	2533	50	75	2458	2370	0	Expired
2-108	3	6/27/2025	6/26/2026	6/27/2025	> 80-100% of MFI	2510	30	2540	2785	75	75	2710	2465	0	Current
2-108	3	2/9/2024	2/8/2025	2/9/2024	> 120-140% of MFI	2470	30	2500	3545	75	75	3470	2425	0	Expired
2-201	3	5/21/2025	5/20/2026	5/21/2022	> 100-120% of MFI	2795	30	2825	3342	75	75	3267	2750	0	Current
2-201	3	5/21/2024	5/20/2025	5/21/2022	> 100-120% of MFI	2714	30	2744	3039	75	75	2964	2669	0	Expired
2-202	3	9/19/2025	9/18/2026	9/19/2025	> 60-80% of MFI	2365	30	2395	2432	75	75	2357	2320	0	Current
2-202	3	8/10/2024	8/9/2025	8/10/2023	> 100-120% of MFI	2908	30	2938	3342	75	75	3267	2863	0	Expired
2-203	2	7/19/2025	7/18/2026	7/19/2023	> 100-120% of MFI	2457	30	2487	3156	50	50	3106	2437	0	Current
2-203	2	7/19/2024	7/18/2025	7/19/2023	> 100-120% of MFI	2340	30	2370	2631	50	50	2581	2320	0	Expired
2-204	2	1/24/2025	1/23/2026	1/24/2025	> 60-80% of MFI	1898	30	1928	1928	50	50	1878	1878	0	Current
2-205	2	12/30/2025	12/29/2026	12/31/2020	> 120-140% of MFI	2245	30	2275	3682	50	50	3632	2225	0	Current
2-205	2	12/30/2024	12/29/2025	12/31/2020	> 120-140% of MFI	2173	30	2203	3374	50	50	3324	2153	0	Current
2-207	3	11/14/2024	11/13/2025	11/14/2023	> 80-100% of MFI	2509	30	2539	2785	75	75	2710	2464	0	Current
2-208	3	12/27/2024	12/26/2025	12/27/2024	> 80-100% of MFI	2390	30	2420	2785	75	75	2710	2345	0	Current
2-301	2	3/14/2025	3/13/2026	3/14/2025	> 60-80% of MFI	2140	30	2170	2228	75	75	2153	2095	0	Current
2-301	3	2/22/2024	2/21/2025	2/22/2024	> 60-80% of MFI	1912	30	1942	2026	75	75	1951	1867	0	Expired
2-303	2	8/31/2025	8/30/2026	8/31/2024	> 60-80% of MFI	1898	30	1928	1928	50	50	1878	1878	0	Current
2-303	2	8/31/2024	8/30/2025	8/31/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
2-304	2	8/15/2025	8/14/2026	6/15/2013	> 60-80% of MFI	1812	30	1842	2104	50	50	2054	1792	0	Current
2-304	2	8/15/2024	8/14/2025	6/15/2013	> 60-80% of MFI	1702	30	1732	1928	50	50	1878	1682	0	Expired
2-305	2	3/8/2025	3/7/2026	3/5/2024	> 60-80% of MFI	1739	30	1769	1928	50	50	1878	1719	0	Current
2-305	2	3/8/2024	3/7/2025	3/5/2024	> 60-80% of MFI	1656	30	1686	1754	50	50	1704	1636	0	Expired
2-307	3	10/23/2025	10/22/2026	10/23/2024	> 60-80% of MFI	2230	30	2260	2432	75	75	2357	2185	0	Current
2-307	3	10/23/2024	10/22/2025	10/23/2024	> 60-80% of MFI	2123	30	2153	2228	75	75	2153	2078	0	Expired
2-308	3	9/27/2025	9/26/2026	9/27/2024	> 60-80% of MFI	2273	30	2303	2432	75	75	2357	2228	0	Current
2-308	3	9/27/2024	9/26/2025	9/27/2024	> 60-80% of MFI	2148	30	2178	2228	75	75	2153	2103	0	Expired
3-101	2	8/9/2025	8/8/2026	8/9/2019	> 60-80% of MFI	1828	30	1858	1928	50	50	1878	1808	0	Current
3-101	2	8/9/2024	8/8/2025	8/9/2019	> 60-80% of MFI	1692	30	1722	1928	50	50	1878	1672	0	Expired
3-103	2	4/19/2025	4/18/2026	4/19/2024	> 60-80% of MFI	1810	30	1840	1928	50	50	1878	1790	0	Current
3-103	2	4/19/2024	4/18/2025	4/19/2024	> 60-80% of MFI	1724	30	1754	1754	50	50	1704	1704	0	Expired

Sample of report from WHP Portal for Wellington Club (excerpt)

Exhibit D-1

3-104	2	6/7/2025	6/8/2026	6/7/2024	> 80-100% of MFI	2273	30	2363	2410	50	50	2360	2253	0	Current
3-104	2	6/7/2024	6/8/2025	6/7/2024	> 80-100% of MFI	2165	30	2193	2193	50	50	2143	2143	0	Expired
3-105	1	3/9/2025	3/9/2026	3/9/2021	> 80-100% of MFI	1886	30	1916	2009	50	50	1959	1886	0	Current
3-105	1	3/9/2024	3/9/2025	3/9/2021	> 80-100% of MFI	1796	30	1826	1828	50	50	1778	1776	0	Expired
3-106	1	2/15/2024	2/14/2025	2/16/2022	> 60-80% of MFI	1375	30	1405	1462	50	50	1412	1355	0	Expired
3-109	1	10/10/2025	10/9/2026	10/10/2025	> 60-80% of MFI	1725	30	1755	1755	50	50	1705	1705	0	Current
3-110	1	9/1/2025	8/31/2026	8/14/2025	> 80-100% of MFI	1577	30	1607	2193	50	50	2143	1557	0	Current
3-110	1	9/1/2024	8/31/2025	9/1/2021	> 60-80% of MFI	1407	30	1437	1607	50	50	1557	1387	0	Expired
3-111	2	6/7/2025	6/8/2026	6/7/2024	> 80-100% of MFI	2271	30	2361	2410	50	50	2360	2251	0	Current
3-111	2	6/7/2024	6/8/2025	6/7/2024	> 80-100% of MFI	2163	30	2193	2193	50	50	2143	2143	0	Expired
3-112	2	9/27/2025	9/26/2026	9/27/2025	> 60-80% of MFI	1999	30	2029	2104	50	50	2054	1979	0	Current
3-201	2	10/17/2025	10/16/2026	10/17/2025	> 60-80% of MFI	1888	30	1918	2104	50	50	2054	1868	0	Current
3-201	2	10/17/2024	10/30/2025	10/17/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
3-202	2	10/5/2025	10/4/2026	10/5/2024	> 60-80% of MFI	1904	30	1934	2104	50	50	2054	1884	0	Current
3-202	2	10/5/2024	10/4/2025	10/5/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
3-203	2	12/22/2024	12/23/2025	12/22/2023	> 80-100% of MFI	2200	30	2230	2410	50	50	2360	2180	0	Current
3-204	2	8/13/2025	8/12/2026	8/13/2025	> 60-80% of MFI	2073	30	2103	2104	50	50	2054	2053	0	Current
3-204	2	7/25/2024	7/24/2025	7/25/2021	> 60-80% of MFI	1722	30	1752	1754	50	50	1704	1702	0	Expired
3-205	1	2/24/2025	2/23/2026	2/24/2025	> 60-80% of MFI	1577	30	1607	1607	50	50	1557	1557	0	Current
3-206	1	8/9/2025	8/8/2026	8/9/2025	> 60-80% of MFI	1725	30	1755	1755	50	50	1705	1705	0	Current
3-206	1	4/29/2025	4/28/2026	4/29/2024	> 60-80% of MFI	1502	30	1532	1607	50	50	1557	1482	0	Expired
3-206	1	4/29/2024	4/19/2025	4/29/2024	> 60-80% of MFI	1430	30	1460	1462	50	50	1412	1410	0	Expired
3-207	1	4/29/2025	4/25/2026	4/29/2024	> 60-80% of MFI	1512	30	1542	1607	50	50	1557	1492	0	Current
3-207	1	4/29/2024	4/25/2025	4/29/2024	> 60-80% of MFI	1440	20	1460	1462	50	50	1412	1410	0	Expired
3-208	1	9/15/2025	9/14/2026	9/15/2025	> 60-80% of MFI	1725	30	1755	1755	50	50	1705	1705	0	Current
3-208	1	8/27/2024	8/26/2025	8/27/2022	> 100-120% of MFI	1974	30	2004	2410	50	50	2360	1954	0	Expired
3-209	1	6/1/2025	5/31/2026	6/1/2024	> 60-80% of MFI	1504	30	1534	1607	50	50	1557	1484	0	Current
3-209	1	6/1/2024	5/31/2025	6/1/2024	> 60-80% of MFI	1432	30	1462	1462	50	50	1412	1412	0	Expired
3-210	1	4/28/2025	4/27/2026	1/31/2022	> 60-80% of MFI	1477	30	1507	1607	50	50	1557	1457	0	Current
3-210	1	4/28/2024	4/27/2025	1/31/2022	> 60-80% of MFI	1407	30	1437	1462	50	50	1412	1387	0	Expired
3-212	2	10/15/2025	10/14/2026	10/15/2025	> 120-140% of MFI	1999	30	2029	3682	50	50	3632	1979	0	Current
3-212	2	8/9/2024	8/8/2025	8/9/2023	> 100-120% of MFI	2290	30	2320	2892	50	50	2842	2240	0	Expired
3-302	2	10/18/2025	10/17/2026	10/18/2025	> 60-80% of MFI	1933	30	1963	2104	50	50	2054	1913	0	Current
3-302	2	9/27/2024	9/26/2025	9/27/2024	> 60-80% of MFI	1878	30	1908	1928	50	50	1878	1858	0	Expired
3-303	2	7/8/2025	7/7/2026	7/8/2023	> 80-100% of MFI	2293	30	2323	2630	50	50	2580	2273	0	Current
3-303	2	7/8/2024	7/7/2025	7/8/2023	> 80-100% of MFI	2163	30	2193	2193	50	50	2143	2143	0	Expired
3-304	2	1/28/2025	1/27/2026	1/28/2021	> 100-120% of MFI	2049	30	2079	2892	50	50	2842	2029	0	Current
3-304	2	1/28/2024	1/27/2025	1/28/2021	> 100-120% of MFI	2049	30	2079	2631	50	50	2581	2029	0	Expired
3-306	1	2/27/2024	7/19/2024	2/27/2013	> 100-120% of MFI	1834	30	1864	2193	50	50	2143	1814	0	Expired
3-306	1	12/31/2025	12/30/2026	12/31/2022	> 120-140% of MFI	2182	30	2212	3671	50	50	3621	2182	0	Current
3-306	1	12/31/2024	12/30/2025	12/31/2022	> 120-140% of MFI	2132	30	2162	2812	50	50	2762	2112	0	Current
3-307	1	2/21/2024	2/20/2025	2/22/2019	> 80-100% of MFI	1525	30	1555	1828	50	50	1778	1505	0	Expired
3-309	1	6/21/2025	6/20/2026	6/21/2023	> 60-80% of MFI	1502	30	1532	1607	50	50	1557	1482	0	Current
3-309	1	6/21/2023	6/20/2024	6/21/2023	> 60-80% of MFI	1365	25	1380	1380	50	50	1330	1330	0	Expired
3-311	2	5/30/2025	5/29/2026	5/30/2025	> 60-80% of MFI	1888	30	1928	1928	50	50	1878	1878	0	Current
3-311	2	5/24/2024	5/19/2025	5/24/2024	> 80-100% of MFI	2100	30	2130	2193	50	50	2143	2080	0	Expired
3-312	2	6/1/2025	5/31/2026	6/1/2024	> 80-100% of MFI	2252	30	2282	2410	50	50	2360	2232	0	Current
3-312	2	6/1/2024	5/31/2025	6/1/2024	> 80-100% of MFI	2145	30	2175	2193	50	50	2143	2125	0	Expired
4-101	2	4/10/2025	4/9/2026	4/10/2025	> 80-100% of MFI	2115	30	2145	2410	50	50	2360	2095	0	Current
4-101	2	3/12/2024	3/11/2025	3/8/2022	> 100-120% of MFI	2230	30	2260	2631	50	50	2581	2210	0	Expired
4-102	2	3/28/2025	4/30/2026	3/28/2023	> 120-140% of MFI	2529	30	2559	3374	50	50	3324	2509	0	Expired
4-102	2	3/28/2024	3/27/2025	3/28/2023	> 120-140% of MFI	2455	30	2485	3089	50	50	3019	2435	0	Expired
4-104	2	6/1/2025	5/31/2026	6/1/2024	> 60-80% of MFI	1794	30	1824	1928	50	50	1878	1774	0	Current
4-104	2	6/1/2024	5/31/2025	6/1/2024	> 60-80% of MFI	1724	30	1754	1754	50	50	1704	1704	0	Expired
4-105	1	4/1/2025	3/31/2026	4/1/2017	> 60-80% of MFI	1412	30	1442	1607	50	50	1557	1392	0	Current
4-105	1	4/1/2024	3/31/2025	4/1/2017	> 60-80% of MFI	1345	30	1375	1462	50	50	1412	1325	0	Expired
4-106	1	9/25/2025	9/24/2026	9/10/2021	> 60-80% of MFI	1562	30	1592	1755	50	50	1705	1532	0	Current
4-106	1	9/25/2024	9/24/2025	9/10/2021	> 60-80% of MFI	1427	30	1457	1607	50	50	1557	1407	0	Expired
4-108	1	6/14/2024	6/13/2025	6/14/2021	> 60-80% of MFI	1430	30	1460	1462	50	50	1412	1410	0	Expired
4-109	1	5/18/2025	5/17/2026	5/30/2024	> 60-80% of MFI	1504	30	1534	1607	50	50	1557	1484	0	Current
4-109	1	5/30/2024	5/17/2025	5/30/2024	> 60-80% of MFI	1432	30	1462	1462	50	50	1412	1412	0	Expired
4-110	1	12/21/2025	12/20/2026	12/21/2023	> 60-80% of MFI	1575	30	1605	1755	50	50	1705	1555	0	Current
4-110	1	12/21/2024	12/20/2025	12/21/2023	> 60-80% of MFI	1500	30	1530	1607	50	50	1557	1480	0	Current
4-112	2	2/20/2025	2/19/2026	2/20/2022	> 60-80% of MFI	1777	30	1807	1928	50	50	1878	1757	0	Current
4-112	2	2/20/2024	2/19/2025	2/20/2022	> 60-80% of MFI	1692	30	1722	1754	50	50	1704	1672	0	Expired
4-201	2	6/3/2025	6/2/2026	6/3/2023	> 80-100% of MFI	2248	30	2278	2410	50	50	2360	2228	0	Current
4-201	2	6/3/2024	6/2/2025	6/3/2023	> 80-100% of MFI	2162	30	2192	2193	50	50	2143	2142	0	Expired
4-202	2	4/14/2025	4/13/2026	8/15/2017	> 80-100% of MFI	2175	30	2205	2410	50	50	2360	2155	0	Current
4-202	2	4/14/2024	4/13/2025	8/15/2017	> 80-100% of MFI	2071	30	2101	2193	50	50	2143	2051	0	Current
4-203	2	9/20/2025	10/22/2026	9/20/2024	> 80-100% of MFI	2301	30	2331	2630	50	50	2580	2281	0	Expired
4-203	2	9/20/2024	9/19/2025	9/20/2024	> 80-100% of MFI	2301	30	2331	2410	50	50	2360	2281	0	Expired
4-204	2	7/13/2025	7/12/2026	7/13/2024	> 60-80% of MFI	1898	30	1928	2104	50	50	2054	1878	0	Current
4-204	2	7/13/2024	7/12/2025	7/13/2024	> 60-80% of MFI	1878	30	1908	1928	50	50	1878	1858	0	Expired
4-205	1	11/7/2025	11/6/2026	11/7/2022	> 100-120% of MFI	2009	30	2039	2632	50	50	2582	1989	0	Current
4-205	1	11/7/2024	11/6/2025	11/7/2022	> 100-120% of MFI	1954	30	1984	2410	50	50	2360	1934	0	Expired
4-205	1	11/7/2023	11/6/2024	11/7/2022	> 100-120% of MFI	1879	30	1909	2193	50	50	2143	1859	0	Expired
4-206	1	3/3/2025	3/2/2026	3/3/2023	> 80-100% of MFI	1855	30	1885	2009	50	50	1959	1835	0	Current
4-206	1</														

Sample of report from WHP Portal for Wellington Club (excerpt)

Exhibit D-1

4-209	1	5/3/2024	11/14/2024	5/3/2024	> 80-100% of MFI	1747	30	1777	1828	50	50	1778	1727	0	Expired
4-210	1	10/27/2025	10/26/2026	1/27/2017	> 100-120% of MFI	2003	30	2033	2032	50	50	2042	1983	0	Current
4-210	1	10/27/2024	10/26/2025	1/27/2017	> 100-120% of MFI	1923	30	1953	2410	50	50	2360	1903	0	Expired
4-211	2	6/3/2025	6/2/2026	6/3/2024	> 60-80% of MFI	1810	30	1840	1928	50	50	1878	1790	0	Current
4-211	2	6/3/2024	6/2/2025	6/3/2024	> 60-80% of MFI	1724	30	1754	1754	50	50	1704	1704	0	Expired
4-212	2	8/31/2025	8/30/2026	8/31/2022	> 80-100% of MFI	2380	30	2410	2410	50	50	2360	2360	0	Current
4-212	2	8/31/2024	8/30/2025	8/31/2022	> 80-100% of MFI	2273	30	2303	2410	50	50	2360	2253	0	Expired
4-301	2	12/25/2024	12/24/2025	5/25/2022	> 100-120% of MFI	2390	30	2420	2892	50	50	2842	2370	0	Current
4-301	2	12/25/2023	12/24/2024	5/25/2022	> 100-120% of MFI	2315	30	2345	0	50	50	-50	2295	2295	Expired
4-302	2	4/28/2025	4/27/2026	4/28/2025	> 60-80% of MFI	1808	30	1928	1928	50	50	1878	1878	0	Current
4-302	2	9/16/2024	4/18/2025	9/16/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
4-304	2	8/21/2025	8/20/2026	8/21/2025	> 60-80% of MFI	1725	30	1755	2104	50	50	2054	1705	0	Current
4-304	2	4/3/2025	6/21/2025	9/28/2021	> 80-100% of MFI	2191	30	2221	2410	50	50	2360	2171	0	Expired
4-304	2	4/3/2024	4/2/2025	9/28/2021	> 80-100% of MFI	2087	30	2117	2193	50	50	2143	2087	0	Expired
4-305	1	3/17/2025	3/16/2026	3/17/2021	> 80-100% of MFI	1848	30	1878	2009	50	50	1959	1826	0	Current
4-305	1	3/17/2024	3/16/2025	3/17/2021	> 80-100% of MFI	1758	30	1788	1828	50	50	1778	1738	0	Expired
4-306	1	1/31/2025	1/30/2026	1/31/2022	> 80-100% of MFI	1831	30	1861	2009	50	50	1959	1811	0	Current
4-306	1	1/31/2024	1/30/2025	1/31/2022	> 80-100% of MFI	1761	30	1791	1828	50	50	1778	1741	0	Expired
4-308	1	2/1/2025	1/31/2026	1/31/2020	> 60-80% of MFI	1504	30	1534	1607	50	50	1557	1484	0	Current
4-308	1	2/1/2024	1/31/2025	1/31/2020	> 60-80% of MFI	1432	30	1462	1462	50	50	1412	1412	0	Expired
4-309	1	2/20/2025	2/19/2026	8/27/2025	> 60-80% of MFI	1577	30	1607	1607	50	50	1557	1557	0	Current
4-309	1	1/27/2024	1/26/2025	1/27/2024	> 80-100% of MFI	1747	30	1777	1828	50	50	1778	1727	0	Expired
4-310	1	7/20/2025	7/19/2026	7/20/2024	> 60-80% of MFI	1577	30	1607	1755	50	50	1705	1557	0	Current
4-310	1	7/20/2024	7/19/2025	7/20/2024	> 60-80% of MFI	1527	30	1557	1607	50	50	1557	1507	0	Expired
4-311	2	12/10/2024	7/10/2025	12/10/2024	> 80-100% of MFI	2125	30	2155	2410	50	50	2360	2105	0	Expired
4-312	2	9/18/2025	9/17/2026	9/17/2024	> 60-80% of MFI	1906	30	1936	2104	50	50	2054	1916	0	Current
4-312	2	9/18/2024	9/17/2025	9/17/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
5-101	3	11/9/2025	11/8/2026	11/9/2022	> 120-140% of MFI	2785	30	2815	4256	75	75	4181	2740	0	Current
5-101	3	11/9/2024	11/8/2025	11/9/2022	> 120-140% of MFI	2475	30	2505	3899	75	75	3824	2430	0	Expired
5-102	3	9/8/2025	9/7/2026	9/8/2025	> 120-140% of MFI	2310	30	2340	4256	75	75	4181	2265	0	Current
5-102	3	8/7/2024	8/6/2025	8/7/2021	> 120-140% of MFI	2510	30	2540	3899	75	75	3824	2465	0	Expired
5-103	2	9/30/2025	9/29/2026	7/30/2017	> 80-100% of MFI	2243	30	2273	2630	50	50	2580	2223	0	Current
5-103	2	9/30/2024	9/29/2025	7/30/2017	> 80-100% of MFI	2163	30	2193	2410	50	50	2360	2143	0	Expired
5-104	2	7/13/2025	7/12/2026	7/13/2019	> 80-100% of MFI	2337	30	2367	2892	50	50	2842	2317	0	Current
5-104	2	7/13/2024	7/12/2025	7/13/2019	> 100-120% of MFI	2226	30	2256	2892	50	50	2842	2206	0	Expired
5-105	2	10/28/2025	10/27/2026	10/28/2019	> 80-100% of MFI	2147	30	2177	2630	50	50	2580	2127	0	Current
5-105	2	10/28/2024	10/27/2025	10/28/2019	> 80-100% of MFI	2082	30	2092	2410	50	50	2360	2042	0	Expired
5-106	2	11/7/2025	11/6/2026	11/7/2024	> 60-80% of MFI	1903	30	1933	2104	50	50	2054	1883	0	Current
5-106	2	11/7/2024	11/6/2025	11/7/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
5-107	3	10/8/2025	10/7/2026	10/8/2024	> 60-80% of MFI	2256	30	2286	2432	75	75	2357	2211	0	Current
5-107	3	10/8/2024	10/7/2025	10/8/2024	> 60-80% of MFI	2148	30	2178	2228	75	75	2153	2103	0	Expired
5-201	3	6/10/2025	6/9/2026	6/10/2023	> 100-120% of MFI	2724	30	2754	3342	75	75	3267	2679	0	Current
5-201	3	6/10/2024	6/9/2025	6/10/2023	> 100-120% of MFI	2644	30	2674	3039	75	75	2964	2599	0	Expired
5-202	3	5/7/2025	5/6/2026	1/31/2022	> 60-80% of MFI	2064	30	2094	2228	75	75	2153	2019	0	Current
5-202	3	5/7/2024	5/6/2025	5/7/2022	> 60-80% of MFI	1966	30	1996	2026	75	75	1951	1921	0	Expired
5-203	2	10/7/2025	10/6/2026	8/7/2015	> 120-140% of MFI	2282	30	2292	3682	50	50	3632	2242	0	Current
5-203	2	10/7/2024	10/6/2025	8/7/2015	> 120-140% of MFI	2182	30	2192	3374	50	50	3324	2142	0	Expired
5-204	2	5/22/2025	5/21/2026	5/22/2017	> 100-120% of MFI	2389	30	2429	2892	50	50	2842	2379	0	Current
5-204	2	5/22/2024	5/21/2025	5/22/2017	> 100-120% of MFI	2285	30	2315	2631	50	50	2581	2265	0	Expired
5-205	2	2/28/2025	2/27/2026	2/28/2025	> 80-100% of MFI	2125	30	2155	2410	50	50	2360	2105	0	Current
5-206	2	7/22/2025	7/21/2026	7/22/2024	> 60-80% of MFI	1808	30	1928	1928	50	50	2054	1878	0	Current
5-206	2	7/22/2024	7/21/2025	7/22/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
5-207	3	10/30/2025	10/29/2026	10/31/2019	> 80-100% of MFI	2363	30	2393	3040	75	75	2965	2318	0	Current
5-207	3	10/30/2024	10/29/2025	10/31/2019	> 80-100% of MFI	2250	30	2280	2785	75	75	2710	2205	0	Expired
5-208	3	9/28/2025	9/27/2026	7/28/2013	> 100-120% of MFI	2550	30	2580	3648	75	75	3573	2505	0	Current
5-208	3	9/28/2024	9/27/2025	7/28/2013	> 100-120% of MFI	2410	30	2440	3342	75	75	3267	2365	0	Expired
5-301	3	6/27/2025	6/26/2026	6/26/2025	> 80-100% of MFI	2445	30	2475	2785	75	75	2710	2400	0	Current
5-301	3	6/16/2024	6/15/2025	6/16/2023	> 80-100% of MFI	2400	30	2520	2533	75	75	2458	2445	0	Expired
5-302	3	5/23/2025	5/22/2026	5/23/2023	> 60-80% of MFI	2065	30	2095	2228	75	75	2153	2020	0	Current
5-302	3	5/23/2024	5/22/2025	5/23/2023	> 60-80% of MFI	1986	30	2016	2026	75	75	1951	1941	0	Expired
5-303	2	5/29/2025	5/28/2026	5/29/2025	> 80-100% of MFI	2125	30	2155	2410	50	50	2360	2105	0	Current
5-303	2	4/26/2024	4/25/2025	9/27/2019	> 80-100% of MFI	2112	30	2142	2193	50	50	2143	2092	0	Expired
5-304	2	3/15/2025	3/14/2026	3/15/2021	> 60-80% of MFI	1782	30	1812	1928	50	50	1878	1762	0	Current
5-304	2	3/15/2024	3/14/2025	3/15/2021	> 60-80% of MFI	1712	30	1742	1754	50	50	1704	1692	0	Expired
5-305	2	11/1/2025	10/31/2026	1/31/2022	> 60-80% of MFI	1871	30	1901	2104	50	50	2054	1851	0	Current
5-305	2	11/1/2024	10/31/2025	11/1/2019	> 60-80% of MFI	1781	30	1811	1928	50	50	1878	1761	0	Expired
5-307	3	2/5/2025	2/4/2026	2/5/2016	> 100-120% of MFI	2711	30	2741	3342	75	75	3267	2666	0	Current
5-307	3	2/5/2024	2/4/2025	2/5/2016	> 100-120% of MFI	2582	30	2612	3039	75	75	2964	2537	0	Expired
5-308	3	10/12/2025	10/11/2026	10/12/2019	> 100-120% of MFI	2584	30	2614	3648	75	75	3573	2539	0	Current
5-308	3	10/12/2024	10/11/2025	10/12/2019	> 100-120% of MFI	2495	30	2525	3342	75	75	3267	2450	0	Expired
6-101	3	11/6/2025	11/5/2026	11/6/2025	> 80-100% of MFI	2450	30	2480	3040	75	75	2965	2405	0	Current
6-101	3	5/28/2024	5/27/2025	5/24/2024	> 80-100% of MFI	2503	30	2533	2533	75	75	2458	2458	0	Expired
6-102	3	5/24/2025	5/23/2026	5/24/2024	> 100-120% of MFI	2730	30	2760	3342	50	50	3292	2710	0	Current
6-102	3	5/24/2024	5/23/2025	5/24/2024	> 100-120% of MFI	2600	30	2630	3069	75	75	2994	2555	0	Expired
6-103	2	5/29/2025	5/31/2026	1/31/2022	> 80-100% of MFI	1987	30	2017	2410	50	50	2360	1987	0	Current
6-103	2	5/29/2024	5/28/2025	5/29/2021	> 80-100% of MFI	1802	30	1922	2193	50	50	2143	1872	0	Expired
6-105	2	6/9/2025	6/8/2026	6/9/2021	> 60-80% of MFI	2270	30	2300	2410	50	50	23			

Sample of report from WHP Portal for Wellington Club (excerpt)

Exhibit D-1

6-208	3	5/1/2024	10/1/2024	4/23/2018	> 80-100% of MFI	1987	30	2017	2533	75	75	2458	1942	0	Expired
6-201	3	8/22/2025	8/21/2026	8/22/2021	> 80-100% of MFI	2504	30	2554	3040	75	75	2965	2479	0	Current
6-201	3	8/22/2024	8/21/2025	8/22/2021	> 80-100% of MFI	2449	30	2479	2785	75	75	2710	2404	0	Expired
6-203	2	1/14/2025	1/13/2026	1/14/2022	> 60-80% of MFI	1798	30	1828	1928	50	50	1878	1778	0	Current
6-203	2	1/14/2024	1/13/2025	1/14/2022	> 60-80% of MFI	1712	30	1742	1754	50	50	1704	1692	0	Expired
6-204	2	12/22/2024	12/21/2025	12/21/2022	> 100-120% of MFI	2143	30	2173	2892	50	50	2842	2123	0	Current
6-206	2	3/31/2025	3/30/2026	3/30/2013	> 60-80% of MFI	1798	30	1828	1928	50	50	1878	1778	0	Current
6-206	2	3/31/2024	3/30/2025	3/30/2013	> 60-80% of MFI	1712	30	1742	1754	50	50	1704	1692	0	Expired
6-206	2	3/20/2025	3/19/2026	3/20/2020	> 100-120% of MFI	2335	30	2365	2892	50	50	2842	2315	0	Current
6-206	2	3/20/2024	3/19/2025	3/20/2020	> 100-120% of MFI	2224	30	2254	2631	50	50	2581	2204	0	Expired
6-207	3	3/6/2025	3/5/2026	9/29/2021	> 80-100% of MFI	2515	30	2545	2785	50	75	2710	2405	0	Current
6-207	3	3/6/2024	3/5/2025	9/29/2021	> 80-100% of MFI	2305	30	2425	2533	75	75	2458	2350	0	Expired
6-301	3	7/26/2025	7/25/2026	7/26/2023	> 80-100% of MFI	2605	30	2655	3040	75	75	2965	2580	0	Current
6-301	3	7/26/2024	7/25/2025	7/26/2023	> 80-100% of MFI	2500	30	2530	2533	75	75	2458	2455	0	Expired
6-302	3	9/19/2025	9/18/2026	9/19/2019	> 100-120% of MFI	2495	30	2525	3342	75	75	3267	2450	0	Current
6-302	3	9/19/2024	9/18/2025	9/19/2019	> 100-120% of MFI	2375	30	2405	3342	75	75	3267	2330	0	Expired
6-303	2	10/24/2025	10/23/2026	10/24/2025	> 80-100% of MFI	2280	30	2310	2630	50	50	2580	2280	0	Expired
6-303	2	2/25/2025	9/20/2025	2/24/2023	> 100-120% of MFI	2326	30	2356	2892	50	50	2842	2306	0	Expired
6-303	2	2/25/2024	2/24/2025	2/24/2023	> 100-120% of MFI	2215	30	2245	2631	50	50	2581	2195	0	Expired
6-304	2	3/17/2025	3/16/2026	3/17/2025	> 80-100% of MFI	2170	30	2200	2410	50	50	2360	2150	0	Current
6-304	2	8/9/2024	3/8/2025	11/8/2023	> 60-80% of MFI	1701	30	1731	1928	50	50	1878	1681	0	Expired
6-306	2	1/31/2024	1/30/2025	1/31/2021	> 80-100% of MFI	2129	30	2159	2193	50	50	2143	2109	0	Expired
6-308	3	10/23/2025	10/22/2026	10/23/2025	> 60-80% of MFI	2299	30	2329	2432	75	75	2387	2254	0	Current
6-308	3	7/12/2024	7/11/2025	7/12/2022	> 100-120% of MFI	2740	30	2770	3039	75	75	2964	2695	0	Expired
7-101	2	3/4/2025	3/3/2026	3/4/2023	> 80-100% of MFI	2231	30	2261	2410	50	50	2360	2211	0	Current
7-101	2	3/4/2024	3/3/2025	3/4/2023	> 80-100% of MFI	2125	30	2155	2193	50	50	2143	2105	0	Expired
7-102	2	8/26/2025	10/15/2025	8/26/2023	> 100-120% of MFI	2455	30	2485	3156	50	50	3106	2435	0	Expired
7-102	2	8/26/2024	8/25/2025	8/26/2023	> 100-120% of MFI	2455	30	2485	2892	50	50	2842	2435	0	Expired
7-104	2	3/30/2025	3/29/2026	3/30/2023	> 120-140% of MFI	2533	30	2563	3374	50	50	3324	2513	0	Current
7-104	2	3/30/2024	3/29/2025	3/30/2023	> 120-140% of MFI	2455	30	2485	3069	50	50	3019	2435	0	Expired
7-106	1	3/8/2025	3/7/2026	3/8/2024	> 60-80% of MFI	1507	30	1537	1607	50	50	1557	1482	0	Current
7-106	1	3/8/2024	3/7/2025	3/8/2024	> 60-80% of MFI	1430	30	1460	1462	50	50	1412	1410	0	Expired
7-107	1	7/7/2025	7/6/2026	7/7/2018	> 60-80% of MFI	1532	30	1562	1607	50	50	1557	1512	0	Current
7-107	1	7/7/2024	7/6/2025	7/7/2018	> 60-80% of MFI	1432	30	1462	1462	50	50	1412	1412	0	Expired
7-109	1	9/3/2025	9/2/2026	9/3/2024	> 60-80% of MFI	1642	30	1672	1755	50	50	1705	1622	0	Current
7-109	1	9/3/2024	9/2/2025	9/3/2024	> 60-80% of MFI	1557	30	1587	1607	50	50	1557	1537	0	Expired
7-110	1	12/20/2024	12/19/2025	12/20/2022	> 100-120% of MFI	1925	30	1955	2009	50	50	1959	1905	0	Current
7-111	2	10/10/2025	7/9/2026	10/10/2025	> 100-120% of MFI	1999	30	2029	3156	50	50	3106	1979	0	Current
7-111	2	7/22/2024	7/21/2025	7/22/2023	> 100-120% of MFI	2230	30	2260	2892	50	50	2842	2210	0	Expired
7-112	2	10/20/2025	10/19/2026	10/20/2025	> 120-140% of MFI	1899	30	1929	3682	5	50	3632	1924	0	Expired
7-112	2	8/2/2024	8/1/2025	8/2/2021	> 80-100% of MFI	2103	30	2133	2410	50	50	2360	2083	0	Expired
7-201	2	10/3/2025	10/2/2026	10/3/2025	> 80-100% of MFI	1993	30	1993	2630	50	50	2580	1943	0	Current
7-201	2	3/1/2025	8/31/2025	3/1/2025	> 60-80% of MFI	1898	30	1928	1928	50	50	1878	1878	0	Expired
7-201	2	2/7/2024	2/6/2025	2/7/2024	> 80-100% of MFI	2151	30	2181	2193	50	50	2143	2131	0	Expired
7-202	2	9/18/2025	9/17/2026	9/18/2025	> 80-100% of MFI	2275	30	2305	2630	50	50	2580	2255	0	Current
7-202	2	8/24/2024	8/23/2025	8/24/2024	> 80-100% of MFI	2330	30	2360	2410	50	50	2360	2310	0	Expired
7-203	2	8/28/2025	8/27/2026	8/28/2025	> 60-80% of MFI	1963	30	1993	2104	50	50	2054	1943	0	Current
7-203	2	2/21/2025	7/8/2025	3/21/2025	> 80-100% of MFI	2275	30	2305	2410	50	50	2360	2255	0	Expired
7-204	2	9/23/2025	9/22/2026	9/23/2023	> 100-120% of MFI	2330	30	2360	2892	50	50	2842	2310	0	Expired
7-204	2	9/23/2024	9/22/2025	9/23/2023	> 100-120% of MFI	2430	30	2460	3156	50	50	3106	2410	0	Current
7-206	1	1/11/2025	1/10/2026	1/4/2021	> 100-120% of MFI	1933	30	1963	2410	50	50	2360	1913	0	Current
7-206	1	1/11/2024	1/10/2025	1/4/2021	> 100-120% of MFI	1841	30	1871	2193	50	50	2143	1821	0	Expired
7-207	1	1/17/2025	1/16/2026	1/17/2025	> 60-80% of MFI	1577	30	1607	1607	50	50	1557	1557	0	Current
7-208	1	8/8/2024	8/7/2025	8/8/2023	> 100-120% of MFI	924	30	954	2410	50	50	2360	904	0	Expired
7-209	1	8/9/2025	8/8/2026	8/9/2025	> 60-80% of MFI	1577	30	1607	1755	50	50	1705	1557	0	Current
7-209	1	9/28/2024	7/31/2025	9/28/2024	> 60-80% of MFI	1527	30	1557	1607	50	50	1557	1507	0	Expired
7-211	2	7/1/2025	6/30/2026	7/2/2021	> 60-80% of MFI	1777	30	1807	1928	50	50	1878	1757	0	Current
7-211	2	7/1/2024	6/30/2025	7/2/2021	> 60-80% of MFI	1692	30	1722	1754	50	50	1704	1672	0	Expired
7-212	2	8/31/2025	8/30/2026	8/31/2024	> 80-100% of MFI	2380	30	2410	2630	50	50	2580	2360	0	Current
7-212	2	8/31/2024	8/30/2025	8/31/2024	> 80-100% of MFI	2330	30	2360	2410	50	50	2360	2310	0	Expired
7-301	2	9/27/2025	9/26/2026	9/25/2024	> 60-80% of MFI	1909	30	1939	2104	50	50	2054	1978	0	Current
7-301	2	9/27/2024	9/26/2025	9/25/2024	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Expired
7-302	2	2/24/2025	2/23/2026	3/24/2025	> 60-80% of MFI	1848	30	1878	1928	50	50	1878	1828	0	Current
7-302	2	2/13/2024	2/12/2025	1/8/2022	> 60-80% of MFI	1700	30	1730	1754	50	50	1704	1680	0	Expired
7-303	2	1/25/2026	1/24/2027	1/31/2022	> 60-80% of MFI	1847	30	1877	2104	50	50	2054	1827	0	Current
7-303	2	1/25/2025	1/24/2026	1/31/2022	> 60-80% of MFI	1792	30	1822	1928	50	50	1878	1772	0	Current
7-303	2	1/25/2024	1/24/2025	1/31/2022	> 60-80% of MFI	1707	30	1737	1754	50	50	1704	1687	0	Expired
7-304	2	1/29/2025	1/28/2026	1/29/2022	> 100-120% of MFI	2426	30	2456	2892	50	50	2842	2406	0	Current
7-304	2	1/29/2024	1/28/2025	1/29/2022	> 100-120% of MFI	2310	30	2340	2631	50	50	2581	2290	0	Expired
7-305	1	6/30/2025	6/29/2026	7/1/2017	> 60-80% of MFI	1507	30	1537	1607	50	50	1557	1482	0	Current
7-305	1	6/30/2024	6/29/2025	7/1/2017	> 60-80% of MFI	1430	30	1460	1462	50	50	1412	1410	0	Expired
7-307	1	8/15/2025	8/14/2026	7/19/2021	> 60-80% of MFI	1577	30	1607	1755	50	50	1705	1557	0	Current
7-307	1	8/7/2024	8/6/2025	7/19/2021	> 60-80% of MFI	1432	30	1462	1607	50	50	1557	1412	0	Expired
7-309	1	6/13/2025	6/12/2026	6/13/2021	> 60-80% of MFI	1507	30	1537	1607	50	50	1557	1482	0	Current
7-309	1	6/13/2024	6/12/2025	6/13/2021	> 60-80% of MFI	1430	30	1460	1462	50	50	1412	1410	0	Expired
7-310	1	1/26/2024	1/25/2025	1/26/2020	> 100-120% of MFI	1530	30	1560	2193	50	50	2143	1510	0	Expired
7-311	2	3/15/2025	3/14/2026	3/15/2024	> 100-120% of MFI	2448	30	2478	2892	50	50	2842	2428	0	Current
7-31															

ATTACHMENT 2 – RPM LIVING, LLC'S MANAGEMENT RESPONSE

Palm Beach County Workforce Housing Program – Wellington Club Apartments

Audit Report 2026-A-0002

Property Management/Owner Response

Property management/owner appreciate the opportunity to respond to the County's audit findings documented in Audit Report 2026-A-0002. We are committed to full compliance with WHP requirements and the Restrictive Covenant. We will continue to work closely with the County's WHP team to ensure all household files, utility credits, and annual reports are complete, accurate, and submitted in a timely manner.

- **Finding (1):** *The Owner did not ensure that its property managers always charged the applicable WHP rental rate and/or properly applied utility charges and credits and the County lacked sufficient monitoring to identify the non-compliance.*

During the review period, utility credits were not applied to WFH housing units as the property was not billing residents for water services. Water billing has now been established, and management is ensuring that all required utility credits are applied accurately and consistently in compliance with program guidelines.

- **Finding (2):** *The County and property managers did not always follow the Restrictive Covenant with respect to WHP eligibility, lease restriction language and lease addenda.*

A vast majority of noted issues occurred under a previous management company not affiliated with the current team. Since assuming management, proper verbiage/language has been added to the template lease agreement and sent to the County (most recently 10.2024).

- **Finding (3):** *The County did not always follow the Restrictive Covenant related to the annual report and all property managers did not always provide complete information in the annual reports.*

During much of the inspection period, the property was under a prior management company not affiliated with the current team. Since assuming management, we have implemented procedures to ensure all WHP annual reports are complete, accurate, and compliant with the Restrictive Covenant.

- **Recommendations (1):** *The County ensure that the property manager/owner provides credits or issues refunds to WHP households that overpaid which were not identified or fully credited in the County's overpayment review process.*

Property will continue to work with the County to ensure all credits due are applied.

- **Recommendations (2):** *The County implement routine reviews of WHP household files retained electronically and physically by the property (e.g. rental applications, original lease addenda, lease agreements and tenant ledgers) to verify lease addendum and annual report information reported to the County is complete and accurate.*

Both electronic and physical files, including rental applications, lease agreements, lease addenda, and tenant ledgers, are being cross-checked to confirm consistency with information reported to the County.

- **Recommendations (3):** *The County develop and implement a departmental PPM for WHP monitoring activities including but not limited to:*
 - a. *Reviewing lease addenda received for WHP eligibility*
 - b. *Logging and tracking lease addenda received;*
 - c. *Reviewing information provided in the annual report, when applicable;*
 - d. *Documenting communication with property managers; and*
 - e. *Steps for communicating and escalating noncompliance issues.*

Property management team will follow all monitoring activities developed by the County.

- **Recommendations (4):** *The County routinely conduct WHP training program for property manager personnel and upon property manager request.*

Property management team will attend routine training courses implemented by the County and will require all new managers and associates to attend/request training to ensure understanding of the WHP.

- **Recommendations (5):** The County develop and implement a WHP manual to provide new and current WHP property managers that includes, but is not limited to, the following:
 - a. Copy of Restrictive Covenant.
 - b. Copy of the applicable County Code.
 - c. Outline of property manager responsibilities related to the WHP.
 - d. Detailed instructions for completing the lease addendum and annual report, if applicable, and submitting it to the County.
 - e. County WHP personnel contact information.

County to implement.

- **Recommendations (6):** The County work with legal personnel to add language in the future WHP restrictive covenants that allows the County to enforce changes in the WHP code that may conflict with the Restrictive Covenant.

County to implement.

- **Recommendations (7):** The County follow the Restrictive Covenant and notify the property manager of households ineligible for the WHP and/or with an insufficient lease addendum within the required timeframe.

The property team will continue to work closely with the County to ensure all WHP households meet eligibility requirements and that lease addenda are properly executed. When notified by the County of any household ineligibility or documentation issues, management will promptly address and resolve the matter within the required timeframe. We will continue to coordinate with the County to maintain compliance with the Restrictive Covenant.

- **Recommendations (8):** The County implement a process to perpetually track lease addenda received and related information (i.e. income, rent and fees, lease execution date, lease start and end dates), determine occupancy by income category, and monitor for compliance with the Restrictive Covenant.

County to implement.

- **Recommendations (9):** The County implement a process to ensure and/or amend the Restrictive Covenant to require that the records for current and prior

WHP households are retained and accessible to the new property manager when there is a change in property managers.

County to implement.

- **Recommendation (10):** The County follow the Restrictive Covenant related to annual reporting due dates and required information or amend the Restrictive Covenant to align with the County's practice.

County to implement.