**HOUSING AUTHORITY**
**of the County of Los Angeles**
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*Executive Director*

May 29, 2007

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVE THE CONTRACT FOR A HOUSING MANAGEMENT PROGRAMS AND SECTION 8 SOFTWARE SYSTEM WITH YARDI SYSTEMS, INC. AND A PURCHASE ORDER WITH DELL COMPUTERS CORPORATION (ALL DISTRICTS)**
**(3 Vote)**

**CIO RECOMMENDATION: (X) APPROVE**
**( ) APPROVE WITH MODIFICATION ( ) DISAPPROVE**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the Contract with Yardi Systems, Inc., (Yardi) and the purchase order with Dell Computers Corporation (Dell) are not subject to the California Environmental Quality Act (CEQA).

2. Approve and authorize the Executive Director to execute a Contract with Yardi in substantially final form, as attached, to purchase a software system and associated implementation services for Housing Management and Section 8 Programs at a one-time cost of $1,117,430, using Investment Technology Funds included in the Community Development Commission's (Commission's) approved Fiscal Year 2006-2007 budget, to be effective on the date of Board of Commissioners of the Commission approval.

3. Authorize the Executive Director to execute amendments to the Contract, following approval as to form by County Counsel, to increase the Contract by up to $223,486, for any unforeseen costs, using the same source of funds described above.

4. Approve and authorize the Executive Director to execute a purchase order with Dell to purchase the server equipment on which the Yardi system will run, and authorize the Executive Director to use for this purpose $66,300 of Investment Technology Funds included in the Commission's approved Fiscal Year 2006-2007 budget, to be effective on the date of Board approval.

5. Authorize the Executive Director to increase the purchase order with Dell, by up to $6,630 for unforeseen costs using the same source of funds described above.

6. Authorize the Executive Director to execute amendments in one-year increments for the Software License and Service Agreement (Service Contract), following approval as to form by County Counsel, for a maximum of nine years, at the prior year's cost plus an escalation percentage cap equal to the Consumer Price Index for that year of service, using funds to be approved through the Commission's annual budget process.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to award a Purchase Agreement to Yardi Systems, Inc. for a new software system for the Housing Authority's Housing Management and Housing Choice Voucher (Section 8) Programs. The purchase of the new software system will allow the Housing Authority to replace the current systems used by the Housing Management and Section 8 Programs and allow staff to work more efficiently and accurately. The Investment Technology Funds that will be used for this purpose are included in the Commission's approved Fiscal Year 2006-2007 budget.

The Housing Authority has been using its current Section 8 software system since 1996 and its current Housing Management Programs software system since 2001. These systems are critical for capturing and reporting U.S. Department of Housing and Urban Development (HUD) required program data. The use of separate systems involves redundant data entry by Housing Authority staff. The maintenance of two separate software systems has taxed technical resources. In addition, due to limited functionality, the 229 users of the current Section 8 system must use 20 separate databases in order to complete their work. As a result Housing Authority efficiency is impacted. Complex, prescribed HUD processes and reporting requirements become subject to data quality issues. The Section 8 system is based on DOS technology, and was identified by a HUD audit as outdated; the DOS-based system is also very costly. While consideration was given to upgrading the Section 8 system, such a solution would not benefit the Housing Management Programs nor move the Housing Authority toward a single, integrated system. It was determined to be in the best interest of the Housing Authority to explore other options and ensure a competitive solicitation process was conducted.

A system selection panel consisting of Housing Authority and Commission staff determined that, compared to other housing software systems, the Yardi software system would be the most "user-friendly" system for staff as it is the easiest to navigate and the flow from screen-to-screen is seamless. Housing Authority management confirmed that Yardi would be the most cost-effective system because it would require less staff training than other systems. The Chicago Housing Authority, which has a comparable number of both Section 8 and Public Housing units, uses the Yardi software system and recommended it for our purposes.

One of the most important features that the Yardi software system offers is the HUD Form 50058 (50058) based workflow. The 50058 is the primary form used by HUD to track and assess Housing Authority performance. Yardi requires staff to complete the 50058 process in order for any action to occur in the system. This automatically enforces and documents the workflow integrity, ensuring a higher level of compliance with HUD regulations. The advantage to this approach is that there are no shortcuts that can be taken without producing an official document that can be transmitted to HUD electronically.

A major benefit of the new system will be the improved efficiency of supporting one system. Under the current system, the expertise required to support two different systems is not interchangeable. Other beneficiaries will be the 229 system staff of the Section 8 Program. Currently, they must navigate through 20 Microsoft Access databases and various screens to complete their work. The new Yardi software system incorporates most of these applications in its core system. This incorporation will afford staff greater opportunities to provide better, timely service to our clients.

The Yardi software system will require four new servers on which to operate. The Housing Authority's server hardware standard is Dell. Therefore, one Dell application server and three Dell web servers will be purchased.

A similar letter is being concurrently submitted to the Board of Commissioners of the Community Development Commission for its consideration on May 29, 2007.

**FISCAL IMPACT/ FINANCING:**

There is no impact on the County general fund. The one-time cost under the Contract will be funded with $1,117,430 in Investment Technology Funds included in the Commission's approved Fiscal Year 2006-2007 budget. A twenty percent (20%) contingency in the amount of $223,486 is also being set aside for unforeseen costs.

The purchase order with Dell for the acquisition of the four servers will be funded with $66,300 in Investment Technology Funds included in the Commission's approved Fiscal Year 2006-2007 budget. A ten percent (10%) contingency in the amount of $6,630 is also being set aside for unforeseen costs.

After the first year, the Commission may execute purchase orders for the Contract for a maximum of nine years, in one-year increments, at the prior year's cost plus an escalation percentage cap equal to the Consumer Price Index for that year of service, using funds to be approved through the Housing Authority's annual budget process.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

Should Yardi require additional or replacement personnel during the term of the Agreement, it will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program who meet the minimum qualifications for the open positions. Yardi will contact the County's GAIN/GROW Division for a list of participants by job category.

The Purchase and Service Agreements have been reviewed by County Counsel and approved by the County's Chief Information Officer based on the attached analysis. A recommendation for approval of the Purchase and Service Agreements will be filed concurrently for the Housing Commission meeting on May 23, 2007.

**ENVIRONMENTAL DOCUMENTATION:**

The purchase order and Contract are exempt from the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because they involve activities that will not have a physical impact or result in any physical changes to the environment. The activities are also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

**CONTRACTING PROCESS:**

On August 1, 2006, the Housing Authority issued a Request for Proposal (RFP) to identify a software vendor to provide a housing software system for the Housing Authority's Section 8 and Housing Management Programs. Requests for Proposals were mailed to 497 software vendors identified from the Housing Authority's vendor list. Advertisements also appeared in 11 local newspapers and on the County Webven website. Forty-two packages were requested and distributed.

On September 13, 2006, a total of three proposals were received and formally opened, and software vendor presentations were held from the period of October 25 through November 9, 2006.

On December 20, 2006, a panel consisting of Housing Authority and Commission staff familiar with the project evaluated the proposals and ranked each firm independently. The proposals were evaluated on vendor qualifications, vendor references and customer satisfaction, detailed conversion solution and implementation process on all proposed services, quality control and escalation plan, demonstration plan and cost. Yardi Systems, Inc. received the highest score and was invited to provide a second presentation to the Executive Management Team on January 23, 2007. A Summary of Outreach Activities is provided as Attachment A.

To purchase the Dell servers, the Commission plans to take advantage of the discounted costs leveraged through the National Association of State Procurement Officials (NASPO). Recently, the National Association of State Procurement Officials (NASPO) conducted a competitive bidding process consistent with the Commission's policies and procedures for the type of equipment the Commission now seeks to purchase. NASPO has a Master Price Agreement with Dell dated September 14, 2006, which makes the equipment available to state and local agencies within the state at discounted prices.

**IMPACT ON CURRENT PROJECT:**

The purchase of the new software system will allow the Housing Authority to replace the current software systems used by Housing Management and Section 8 Programs. The integration of two systems into one, user-friendly system will reduce the level of IT support needed and afford the users greater opportunities to provide better, timelier service to our clients. Additionally, the new software system will integrate with systems used by the U.S. Department of Housing and Urban Development.

The purchase of Dell servers will provide the equipment needed to run the Yardi software system.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Reviewed by:

JON W. FULLINWIDER
Chief Information Officer
County of Los Angeles

Attachments: 3

ATTACHMENT A

PURCHASE AGREEMENT FOR A
PUBLIC HOUSING AND SECTION 8 SOFTWARE SYSTEM

Summary of Outreach Activities

On August 1, 2006, the following outreach was initiated to identify a software vendor to provide a housing software system for the Housing Authority's Section 8 Housing Choice and Public Housing Programs.

A. Newspaper Advertising

Announcements appeared the following 11 local newspapers:

Dodge Construction News
Eastern Group Publications
International Daily News
LA Opinion
Agua Dulce News
Antelope Valley Press
Los Angeles Sentinel
Los Angeles Times
The Daily News
WAVE Community Newspapers
Long Beach Press Telegram

An announcement was also posted on the County Web Site.

B. Distribution of Request for Proposal Packets

The Housing Authority's vendor list was used to mail out Requests for Proposals to 497 software vendors, of which 128 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, 42 packages were requested and distributed.

C. Request for Proposal Results

On September 13, 2006, a total of three proposals were received. The proposal results were as follows:

| Company | Proposal Cost |
|---|---|
| Yardi | $1,564,271 |
| Visual Homes | $699,990 |
| Emphasys | $593,190 |

D. Review of Proposals

On December 20, 2006, a panel consisting of Housing Authority and Community Development Commission staff evaluated the proposals and ranked each firm independently. The results were as follows:

| Company | Evaluation Score |
|---|---|
| Yardi | 92.2% |
| Emphasys | 90.0% |
| Visual Homes | 79.6% |

Based on the criteria set forth in the RFP and consensus scoring, Yardi Systems, Inc., is being recommended for award of the purchase agreement.

E. Minority/Female Participation – Firm Selected

| Name | Ownership | Employees |
|---|---|---|
| Yardi | Minority | Total: 663 |
| | | 244 minorities |
| | | 230 women |
| | | 37% minorities |
| | | 35% women |

F. Minority/Female Participation – Firms Not Selected

| Name | Ownership | Employees |
|---|---|---|
| Visual Homes | Minority | Total: 45 |
| | | 33 minorities |
| | | 15 women |
| | | 73% minorities |
| | | 33% women |
| Emphasys | Non-Minority | Total: 118 |
| | | 24 minorities |
| | | 48 women |
| | | 20% minorities |
| | | 41% women |

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national

conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

# CIO ANALYSIS

## COMMUNITY DEVELOPMENT COMMISSION/HOUSING AUTHORITY PUBLIC HOUSING AND SECTION 8 SOFTWARE AND SERVICES AGREEMENT

**CIO RECOMMENDATION:** ☒ APPROVE ☐ APPROVE WITH MODIFICATION ☐ DISAPPROVE

**Contract Type:**

☒ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☐ Hardware Acquisition ☐ Other

**New/Revised Contract Term:** Base Term: 5 Yrs # of Option Yrs 5

**Contract Components:**

☒ Software ☐ Hardware ☐ Telecommunications
☒ Professional Services

**Project Executive Sponsor:** Carlos Jackson, Executive Director, Community Development Commission/Housing Authority

**Budget Information :**

| | |
|---|---|
| Y-T-D Contract Expenditures | $0 |
| Maximum Contract Amount | $1,117,430 |
| Maintenance Year 2-5 | $ 493,620 |
| Contract Contingency | $ 223,486 |
| System Hardware | $ 72,930 (includes contingency amount) |
| Aggregate Project Amount | $1,907,466 |

**Project Background:**

| Yes | No | Question |
|---|---|---|
| ☐ | ☒ | Is this project legislatively mandated? |
| ☐ | ☒ | Is this project subvented? If yes, what percentage is offset? |
| ☐ | ☒ | Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved? |

**Strategic Alignment:**

| Yes | No | Question |
|---|---|---|
| ☒ | ☐ | Is this project in alignment with the County of Los Angeles Strategic Plan? |
| ☒ | ☐ | Is this project consistent with the currently approved Department Business Automation Plan? |
| ☒ | ☐ | Does the project's technology solution comply with County of Los Angeles IT Directions Document? |
| ☒ | ☐ | Does the project technology solution comply with preferred County of Los Angeles IT Standards? |
| ☒ | ☐ | This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS). |

**Project/Contract Description:**

The County of Los Angeles Housing Authority (Housing Authority) plans to replace two separate software systems that currently support its Public Housing and Section 8 programs. It is requesting your Board's approval for the following:

- Delegate authority to Community Development Commission/Housing Authority Executive Director to execute an Agreement with Yardi Systems, Inc. (Yardi) in the amount of $1,117,430 for the acquisition of Housing Management and Section 8 software, project implementation services, and software maintenance and support services;

- Delegate authority to Community Development Commission/Housing Authority Executive Director, following approval as to form by County Counsel, to execute Agreement amendments up to $223,486 for unforeseen events; and

- A Purchase Order Agreement with Dell Computers Corporation for up to $72,930 to acquire hardware for operation of the Housing Management and Section 8 software.

**Background:**

The Housing Authority currently uses two separate software systems to support its Public Housing and Section 8 programs. While the systems have provided useful service to the Housing Authority for several years, they are no longer able to meet the full range of Housing Authority requirements for effective and efficient service delivery. A Department of Housing and Urban Development (HUD) audit specifically recommended replacement of the current systems.

A single consolidated system will increase the ability of the Housing Authority to serve members of the public that are eligible for both programs. In addition, newer technology development can improve eligibility verification accuracy and efficiency. Both accuracy and efficiency are factors used by HUD to evaluate the Housing Authority program performance. The new system will provide management and staff with real time information needed to provide the highest level of services and monitor compliance with HUD requirements on a daily basis.

Yardi was selected through a competitive Request for Proposals (RFP) that was issued in August 2006. Yardi was identified as the most qualified and cost effective vendor to meet the Housing Authority requirements. Yardi software has been successfully implemented in numerous public housing authorities throughout the U.S., including the Chicago Housing Authority and a variety of California counties.

**Project Justification/Benefits:**

Acquisition and implementation of the Yardi Systems software will allow the Housing Authority to streamline the delivery and management of its Public Housing and Section 8 programs. It will improve the ability of the Housing Authority to meet HUD standards for accuracy and timeliness of data and activities, and provide Housing Authority management with real time information regarding its compliance with HUD standards.

**Project Metrics:**

The most important measure of project success will be confirmation that implementation of the new system enables Housing Authority compliance with mandated HUD data accuracy and data transmission standards.

**Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved:**

The Housing Authority will not be able to take advantage of commercially available software developed specifically for the needs of public housing authorities, and successfully deployed at other large housing authorities in the U.S. As a result, the Housing Authority will be limited in its ability to improve the effectiveness and efficiency of service delivery, and it will be more difficult for the Housing Authority to achieve and to continue to comply with HUD standards.

**Alternatives Considered:**

The Housing Authority initially considered upgrading the existing Section 8 and Housing Management software systems but determined that this would not provide sufficient benefits, and would not be consistent with HUD audit recommendations.

The Housing Authority then considered selecting a new system that addressed additional requirements, such as full financial accounting, but found through a survey of the market that no such products were available.

Proposals from two other qualified software vendors were received in response to the RFP and were considered by the Housing Authority's evaluation committee, including demonstrations, before Yardi was selected as the finalist vendor. The Yardi system was judged by the committee as the most complete proposal to meet the Housing Authority's requirements as well as ease of use, which should reduce the amount of training time. While the Yardi system one-time costs were the highest of the three systems evaluated, the high level of "fit" with the Housing Authority requirements would result in a reduction of the overall implementation costs and risks.

**Project Risks:**

The Executive Management of the Housing Authority is committed to managing the possible risks associated with implementation of this system. The risks associated with this project were identified and thoroughly discussed in a Readiness Review conducted in March 2007 with the Chief Information Office, the Housing Authority, and Yardi.

As the Housing Authority moves forward with implementation, there are a small number of other risks that will require close oversight to ensure effective resolution:

- Ensuring clearly defined Acceptance Criteria is developed and agreed upon prior to commencement of work;
- Ensuring effective project communications and governance are in place to minimize potential 'scope creep';
- Defining a process and criteria for Yardi's assessment of the Housing Authority's requested software changes, if any, to determine whether those modifications would be added to the base product and whether there would be a cost to Housing Authority; and
- Evaluating the Housing Authority's 'in-house' development of an interface between the Yardi system and its PeopleSoft Finance/HR system which is outside the scope of the contract but could potentially impact the overall project schedule.

**Risk Mitigation Measures:**

Each of the above risks has been thoroughly discussed with the Housing Authority. Based on those discussions, the Chief Information Office feels confident that the Housing Authority fully understands these risks and the importance of effectively monitoring them throughout the implementation. The following actions represent the plans to mitigate the above risks:

- The Project Plan tasks include development of detailed Acceptance Test Plans prior to implementation of each phase;
- The Statement of Work and the Payment Schedule include measurable periodic milestones, including one (1) month of live operations for each of the three phases as a condition of acceptance;
- The Housing Authority will ensure that there is a documented and collaborative process by which the Project's Executive Steering Committee will consider approval of any software modifications and resultant costs; and
- It is essential that the Housing Authority IT organization understand the scope for the development of the Yardi/PeopleSoft interface and is confident that they can develop and maintain the software interface.

**Financial Analysis:**

The overall Project costs are as follows:

| | |
|---|---|
| Base contract for software, services, and the first year of maintenance | $1,117,430 |
| Maintenance Years 2 through 5 (@ $123,405/year) | 493,620 |
| Maximum Contract obligation for the base contract | $1,611,050 |
| | |
| Project Implementation Contingency (20%) | $ 223,486 |
| Windows-based Hardware Servers | 66,300 |
| Hardware Server Contingency (10%) | 6,630 |
| Total Project costs outside the Contract: | $ 296,416 |

**CIO Concerns:**

The Office of the CIO has conducted a Readiness Review with Housing Authority and is impressed with Housing Authority's knowledge of critical success factors for implementing the system software product and their commitment to achieving the project objectives. Housing Authority management understands that the Public Housing and Section 8 system implementation will require close project management oversight and commitment of resources by both the Housing Authority and Yardi Systems to successfully meet the project objectives and time schedule.

**CIO Recommendations:**

Recommend Board approval.

**CIO APPROVAL**

Date Received: 5/14/07

Prepared by: John Arnstein

Date: 5/17/07

Approved: Chris Meléndez

Date: 5/17/07

**PUBLIC HOUSING AND SECTION 8 SYSTEMS**
**SOFTWARE LICENSE AND IMPLEMENTATION SERVICES CONTRACT**

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**PUBLIC HOUSING AND SECTION 8 SYSTEMS**
**SOFTWARE LICENSE AND IMPLEMENTATION SERVICES CONTRACT**

This Contract (together with the Attachments and Exhibits hereto, the "Contract") is made and entered into by and between the Housing Authority of the County of Los Angeles (the "Housing Authority"), and Yardi Systems, Inc. (the "Contractor") effective as of the Effective Date.

## RECITALS

### 1. PURPOSE

The Contractor is in the business of providing real property management and accounting software (including software functionality for Public Housing and Section 8 Housing) and associated services. On September 12, 2006 in response to the Housing Authority's Request for Proposals, the Contractor submitted a proposal to furnish the software system and associated services described in this Contract to the Housing Authority

### 2. ENTIRE CONTRACT

This Contract with Attachments A through K constitutes the entire understanding and Contract of the parties. This Contract includes the following attachments:

A. Statement of Work
B-1 Fee Schedule
B-2 Payment Schedule
C. Project Schedule
D. Project Resource Requirements
E. Implementation Service Days
F. Training Days and Curriculum
G. Certificate of Acceptance
H. Yardi Software License and Service Agreement
I. Required Contract Forms
J. Required Contract Notices
K. Contractor's Proposal dated September 12, 2006
L. Flexsafe Escrow Agreement

## TERMS AND CONDITIONS

### 3. DEFINITIONS

The terms and phrases in this paragraph shall have the particular meanings set forth in this Paragraph 3 whenever such terms are used in capitalized form in this Contract.

A. Agreement

"Agreement," "Yardi Software License and Service Agreement" or "Yardi SLSA" shall mean the entire document attached as Attachment H (Yardi Software License and Service Agreement) to this Contract.

B. Business Day(s)

"Business Day" or "Business Days," whether singular or plural, shall mean any day or days of eight (8) working hours during a single day from 8:00 a.m. to 5:00 p.m. Pacific Time (PT), Monday through Friday, excluding The Housing Authority observed holidays.

C. Contractor; Licensor

"Contractor" and "Licensor" shall mean Yardi Systems, Inc., a California corporation.

D. Contractor's Account Manager

"Contractor's Account Manager" shall mean the Contractor's point of contact responsible for the Contractor's performance of its application support tasks and subtasks.

E. County

"County" shall mean County of Los Angeles, California.

F. CPI Adjustment

"CPI Adjustment" shall mean a percentage increase to the annual fee for support and Update Services specified in Attachment B-1 (Fee Schedule). This proportional increase shall be an amount equal to the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Los Angeles Region, for the most recently published percentage change for the 12-month period preceding the then-current Contract anniversary date.

G. The Housing Authority; Licensee

"The Housing Authority" and "Licensee" shall mean the Housing Authority of County of Los Angeles, California.

H. The Housing Authority's Project Director

"The Housing Authority's Project Director" shall mean the Housing Authority's point of contact responsible for notifying the Contractor in writing of any changes in the name or address of the Housing Authority's Project Director and ensuring that the objectives of this Contract are met.

I. The Housing Authority's Project Manager

"The Housing Authority's Project Manager" shall mean the Housing Authority's Project Manager responsible for ensuring that the technical standards and requirements of this Contract are met.

J. Day(s)

"Day" or "Days," whether singular or plural, shall mean calendar days (not Business Days).

K. Deficiency(ies)

"Deficiency" or "Deficiencies," whether singular or plural, shall mean and include any material deviation(s) from the Contractor's Related Documentation and the Specifications.

L. Deliverable(s)

"Deliverable" or "Deliverables," whether singular or plural, shall mean any Software License, services, and/or other consideration of any kind to be provided by Contractor to the Housing Authority under this Contract.

M. Effective Date

"Effective Date" shall mean the date this Contract has been executed by both the Housing Authority and the Contractor.

N. Fee Schedule(s)

"Fee Schedule" shall mean the schedule of prices located in Attachment B-1 (Fee Schedule).

O. Installation

"Installation" shall mean software installation Services provided by Contractor.

P. Related Documentation

"Related Documentation" shall mean Contractor's written and electronic publications relating to the Software delivered or otherwise made available by the Contractor to the Housing Authority.

Q. Services

"Services" shall mean the services provided by the Contractor to the Housing Authority under this Contract.

R. Software

"Software" shall mean the computer software programs provided by the Contractor to the Housing Authority under this Contract listed in Attachment B-1 (Fee Schedule), including any Updates, under this Contract.

S. Source Code

"Source Code" shall mean the source code for the Software including all new releases, Updates, modifications, enhancements, corrections, patches and improvements, and all documentation contained in the Source Code.

T. Specifications

"Specifications" shall mean the functional and technical specifications for the Yardi Software licensed under this Agreement as identified in the Related Documentation and in Attachment K (Contractor's Proposal dated September 12, 2006).

U. State

"State" shall mean the State of California.

V. Third Party Software

"Third Party Software" shall mean that portion of the Software, including object code and Related Documentation, sublicensed by the Contractor to the Housing Authority under this Contract.

W. Update(s)

"Update(s)" shall mean those subsequent releases of the Software, including updates, enhancements, modifications, improvements,

corrections, bug fixes, patches, new releases and versions of the software. Updates shall be delivered to the Housing Authority when generally available to Contractor's clients so long as the Housing Authority is current in its payment of annual support and Updates fees.

X. Initial Term

"Initial Term" shall have the meaning set forth in Paragraph 4 (Term).

Y. Term

"Term" shall have the meaning set forth in Paragraph 4 (Term).

## 4. TERM

The term of this Agreement ("Term") shall commence upon the Effective Date and shall continue for a period of one (1) year thereafter (the "Initial Term"), unless sooner terminated as provided in this Agreement. At the end of the Initial Term of this Agreement, Housing Authority may, at its option, extend this Contract for up to five (5) additional consecutive one (1) year terms (hereinafter "Extended Term(s)") subject to the terms of this Contract. The Housing Authority shall be deemed to have exercised its extension option(s) automatically, without further act, unless, no later than thirty (30) days prior to the expiration of the Initial Term or any Extended Term, it notifies Contractor in writing that it elects not to extend the Contract pursuant to this Section.

## 5. SOFTWARE LICENSE

Subject to the terms and conditions of, and any use restrictions set forth in, this Contract, the Contractor grants to the Housing Authority a non-exclusive, non-transferable, perpetual license ("License" or "Software License") for the Housing Authority's Designated Users (as defined in Attachment H) to Use (as defined in Attachment H) the Software in accordance with the terms of this Contract and specifically including the license terms, restrictions and other terms contained in the SLSA attached as Attachment H (Yardi Software License and Service Agreement). The Housing Authority acknowledges that it has licensed the right for a finite number of Designated Users to Use the Software as specified in this Contract.

## 6. LICENSE TERM

Provided the Housing Authority is not in violation of the license terms and restrictions, the License granted under this Contract shall commence upon the Effective Date and shall continue in perpetuity and without regard to the Term.

## 7. SCOPE OF LICENSE

Provided (i) the Housing Authority has paid all of its annual support and Updates payments, and (ii) Contractor has not elected to cease support Services under support and Updates Paragraphs 8 and 9 of the SLSA, the Software License shall include the specified amount of annual support time set forth in this Contract.

The Software License granted under this Contract provides the Housing Authority with the following rights:

A. For Designated Users to Use the Software for management of the Housing Authority's business purposes;

B. To build the Software applications using the Contractor's application building tools licensed under this Contract;

C. To copy the Software solely for backup and archival purposes; and

D. To use, modify and distribute within the Housing Authority the Related Documentation in a hard copy format and, if and when available, electronically or on read-only CD-ROM in connection with the Housing Authority's Use of the Software solely in connection with management of the Housing Authority's business purposes.

## 8. OPTION TO LICENSE ADDITIONAL SOFTWARE PRODUCTS

Provided the Housing Authority is not in material breach of the terms of the Contract, the Contractor grants the Housing Authority the option to license additional Software products ("Additional Products") which are generally available from Contractor. The Housing Authority may exercise the option, via an Amendment to this Contract and paying the applicable License and support fees due. Upon the Housing Authority's execution of an amendment to this Contract for such Additional Products, and paying the associated fees, such Additional Products shall be deemed Software for the purpose of this Contract. The warranty related to Additional Products shall take effect upon Acceptance of such Additional Products by Housing Authority.

## 9. LICENSE RESTRICTIONS

No license, right or interest in any trademark, trade name or service mark of the Contractor or any third party from whom the Contractor has acquired License rights is granted under this Contract.

The Software and/or Related Documentation may not be sold, licensed or sublicensed, assigned or otherwise transferred, in whole or in part, by the Housing Authority except as otherwise expressly provided in this Contract.

The Housing Authority will not reverse-engineer, disassemble, decompile, decode or otherwise attempt to discover the source code for the Software.

The license terms and restrictions set forth in Standard Terms section 3 of the SLSA also apply to the Software and Related Documentation license.

## 10. SOURCE CODE ESCROW AGREEMENT

Escrow Agent. Provided the Housing Authority agrees to be bound by the relevant terms and pays the associated annual beneficiary fee (currently $200.00/year), Contractor agrees to enroll the Housing Authority as a beneficiary of the Contractor's software escrow agreement ("Flexsafe Escrow Agreement") with Iron Mountain (formerly DSI Technology Escrow Services, Inc.) ("Escrow Agent") for release of the source code for the Licensed Programs (the "Code") in accord with the release conditions in the Flexsafe Escrow Agreement. An copy of the Flexsafe Escrow Agreement is attached as Attachment L to this Agreement. The Contractor will place the Code in an escrow account maintained by Escrow Agent according to the Flexsafe Escrow Agreement.

Release Conditions. Upon the occurrence of the release conditions set forth in the Flexsafe Escrow Agreement, the Contractor acknowledges that Escrow Agent shall deliver the Code to the Housing Authority.

Fees. The Housing Authority agrees to pay all annual beneficiary fees for the Flexsafe Escrow Agreement. The Housing Authority acknowledges that the annual escrow beneficiary renewal fee may be updated from time to time as determined by the Escrow Agent.

Source Code License. Upon the occurrence of the release conditions set forth in the Flexsafe Escrow Agreement, the Contractor grants to the Housing Authority a non-exclusive, non-transferable, limited, perpetual license to use and modify the Code to support the Housing Authority's Use of the Software.

Maintenance of Escrow Agreement. During the term of this Agreement, the contractor agrees to maintain the Flexsafe Escrow Agreement or an escrow agreement materially similar to the Flexsafe Escrow Agreement. The Contractor shall maintain in Escrow the most recent versions of the Deposit Materials. The Contractor may change the Escrow Agent at any time upon notice to the Housing Authority.

## 11. ADDITIONAL SOURCE CODE PROVISION

Contractor additionally agrees that if: (i) Contractor has an enforceable obligation to continue support of the Software pursuant to this Contract, and (ii) notwithstanding the enforceable obligation identified in subparagraph (i), above, Contractor nevertheless elects to entirely stop supporting the Software, Contractor agrees to provide a copy of the source code for the Software to the Housing Authority. If Contractor provides a copy of the Software source code pursuant to this Paragraph 11, Contractor grants to the Housing Authority a non-exclusive, non-transferable, limited, perpetual license to use and modify the source code to support the Housing Authority's Use of the Software.

## 12. SUPPORT AND UPDATE SERVICES

Provided that the Housing Authority has met all of its payment obligations as set forth in this Contract, the Contractor shall provide to the Housing Authority Updates and technical support in accordance with Attachment H (Yardi Software License and Service Agreement). If elected by the Housing Authority, support and Update Services shall be renewed annually in accordance with this Contract; provided, however, that if at any point the Housing Authority elects not to pay for support and Update Services, the Contractor shall have no obligation to provide support Updates or other Services under this Agreement. The Housing Authority may cancel support and Updates Services at anytime by giving Contractor not less than thirty (30) days written notice. Upon any such cancellation, any prepaid support and Update Services fees shall be refunded to the Housing Authority by Contractor on a pro rata basis as of the date of cancellation.

## 13. CONTRACT PRICES AND FEES

The Contractor shall provide to the Housing Authority the Software and Services at the prices listed in Attachment B-1 (Fee Schedule), upon execution of this Contract.

## 14. ADDITIONAL CONSULTING/PROFESSIONAL SERVICES

The Housing Authority may purchase additional consulting or professional Services under this Contract. Such Services shall be provided by Contractor at times and rates to be mutually agreed upon between Housing Authority and Contractor. Such rates will be equal to or less than rates charged by Contractor to any other customer.

## 15. KEY PERFORMANCE STANDARDS

Key performance standards include the following:

2 seconds or less to accept basic data entry functions and present the next appropriate screen to the user 99% of the time.
99.5% system availability during normal business hours.
Ability to store 5 years of data online.

Contractor will review the Housing Authority system configuration to assist the Housing Authority in meeting these key performance standards.

## 16. FIT/GAP ANALYSIS

Contractor will work with Housing Authority to perform a Fit/Gap Analysis. The tasks involved in this process will be defined in the Detailed Project Plan. The Fit/Gap Analysis involves the following key elements:

- Reviewing in detail the capabilities of the Software with Housing Authority personnel.
- Confirming Housing Authority business processes, current software capabilities and required software capabilities, as defined in Attachment A Statement of Work, Section 3.0 General Requirements and Section 4.0 Specific Requirements.
- Identifying any gaps between the capabilities of the Software and Housing Authority requirements, as well as any gaps in Housing Authority business processes that will result from implementation of the Software.
- Defining and documenting how any gaps in software requirements will be addressed.
- Defining and documenting how changes in business processes will be addressed.

The results of the Fit/Gap Analysis will support the Software Acceptance process.

## 17. SOFTWARE ACCEPTANCE

Software Acceptance shall be based on requirements defined within Attachment A (Statement of Work) and work products created under Attachment A (Statement of Work) and Attachment C (Project Schedule), including but not limited to the Fit Gap Analysis and Detailed Project Plan. As an outcome of the Detailed Project Plan, Housing Authority and Contractor will mutually develop detailed Acceptance Checklist and Criteria, to be used as the basis for achieving each of the Acceptance milestones.

## 18. SOFTWARE WARRANTY

The Contractor represents and warrants that the Software shall perform in accordance with the Specifications and Related Documentation for a period of three (3) months following Acceptance of the Software or delivery of a major Software release (each a "Warranty Period"). During the Warranty Period, the Contractor shall, at no additional charge to the Housing Authority, use commercially reasonable efforts to repair, replace, or provide a reasonable work-around for any Software not conforming to the foregoing Software warranty. If,

during the Warranty Period, (i) Contractor is unable to repair, replace, or provide a reasonable work-around for any Software not conforming to the foregoing Software warranty within a reasonable time after the Housing Authority's notice of a failure of the Software to conform to the aforementioned warranty during the Warranty Period, or (ii) a repair, replacement, or reasonable work-around is not commercially reasonable, the Housing Authority may elect to terminate the Software License, in which case Contractor agrees to refund to the Housing Authority the License fees paid for the Software less the product determined by multiplying 2% of such License fees by the number of complete calendar months from the Effective Date to the date the Housing Authority ceases Use of the Licensed Programs. The Housing Authority will provide the Contractor with a reasonable opportunity to remedy any breach and reasonable assistance in remedying any breach.

## 19. DISPUTE RESOLUTION PROCEDURE

A. Contractor and Housing Authority agree to act promptly to mutually resolve any disputes that may arise with respect to the Contract. All such disputes shall be subject to the provisions of this Paragraph 19, as well as Paragraphs 9(b), 10, 11 and 13 of the Agreement. Such provisions are collectively referred to as the "Dispute Resolution Procedures". Time is of the essence in the resolution of disputes.

B. Contractor and Housing Authority agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance under this Contract.

C. If either party fails to continue without delay its performance under this Contract, then any additional costs which may be incurred by the other party as a result of the failure to continue to so perform shall be borne by the non-performing party.

D. In the event of any dispute between the parties with respect to this Contract, Contractor and Housing Authority shall submit the matter to their respective Project Manager for the purpose of endeavoring to resolve such dispute.

E. If the Project Managers are unable to resolve the dispute within a reasonable time not to exceed five (5) business days from the date of submission of the dispute, then the matter shall be immediately submitted to the Steering Committee. The Steering Committee shall have five (5) business days to attempt to resolve the dispute.

F. If the Steering Committee is unable to resolve the dispute within a reasonable time not to exceed five (5) business days from the date of submission of the dispute, then the matter shall be immediately submitted to the Executive

Director of the Housing Authority (Executive Director). This person shall have five (5) business days to attempt to resolve the dispute.

G. In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may, consistent with Standard Terms Paragraphs 9(b), 10, 11 and 13 of the Agreement, assert its other rights and remedies provided under the Agreement and its rights and remedies as provided by law.

H. All disputes utilizing the Dispute Resolution Procedures shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all three (3) levels described in this Paragraph (Dispute Resolution Procedure), the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.

I. The Housing Authority's right to terminate this Contract pursuant to, and in accord with, Paragraph 24 (Termination for Improper Consideration), Paragraph 31 (Termination for Convenience), or Paragraph 34 (Termination for Breach of Warranty to Comply with Housing Authority's Child Support Compliance Program) shall not be subject to the Dispute Resolution Procedures. The preceding sentence is intended only as a clarification of Housing Authority's rights, and shall not be deemed to impair any claims that Contractor may have against Housing Authority or Contractor's rights to assert such claims after any such termination.

## 20. FURTHER WARRANTIES

Contractor further represents and warrants, that:

A. The Services will be performed in a professional and workmanlike manner and consistent with generally accepted industry standards; provided, however that the Housing Authority notifies the Contractor of any Services not conforming to this warranty within sixty (60) days of performance of the Services.

B. The Housing Authority acknowledges and agrees that the Software requires a proprietary file (the "License File") which enforces the scope (e.g., number of Designated Users, Properties, Software product mix, etc.) of the Housing Authority's License. Except for the restrictions on the scope of the License by way of the License File as described above, the Contractor shall not intentionally cause any unplanned interruption of the operations of, or accessibility to the Software through any device, method or means including, without limitation, the use of any "virus," "lockup," "time bomb," or "key lock,"

"worm," device or program, or disabling code, which has the potential or capability of (i) compromising the security of the Housing Authority's confidential or proprietary information, (ii) causing any unplanned interruption of the operations of, or accessibility of the Software or (iii) altering, destroying, or inhibiting the Use of the Software, or the data contained in the associated data base (collectively referred to as a "Disabling Device"). Except for the restrictions on the scope of the License by way of the License File as described above , the Contractor represents, warrants and agrees that it has not intentionally placed, nor is it aware of, any Disabling Device on the Software or any Software product provided to the Housing Authority under this Contract, nor shall Contractor knowingly permit any subsequently delivered Software or Software product to contain any Disabling Device.

## 21. THE CONTRACTOR'S RESPONSIBILITIES

The Contractor agrees to perform in a good workmanlike manner to the satisfaction of the Housing Authority's Project Director, all the work described in this Agreement and all its attachments.

## 22. INVOICES AND PAYMENTS

The Contractor will submit to the Housing Authority an invoice on a form approved by the Housing Authority for the Software Licenses and associated Services described in Attachment B-1 (Fee Schedule), provided and rendered in accordance with Attachment A (Statement of Work) and on the terms specified in Attachment B-2 (Payment Schedule). Upon receipt of the Contractor's invoice, the Housing Authority will pay the Contractor within 30 days as indicated in Attachment B-2 (Payment Schedule).

Annual support and Updates, as referenced in Attachment B-1 (Fee Schedule) and Attachment H (Yardi Software License and Service Agreement), shall be invoiced annually in advance to the Housing Authority. The first invoice shall be submitted to Housing Authority in accord with Attachment B-2 (Payment Schedule).

The Contractor shall have no claim against the Housing Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment, it shall immediately notify the Housing Authority and shall immediately repay all such funds to the Housing Authority. Payment by the Housing Authority for services rendered after expiration or termination of this Contract shall not constitute a waiver of the Housing Authority's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract. Under no circumstances shall the Contractor provide, nor shall the Housing Authority

request, any Services under this Contract after the expiration of the Term of this Contract.

## 23. SOURCE AND APPROPRIATION OF FUNDS

The Contractor acknowledges that the Housing Authority will pay Contractor from funds appropriated through the U.S. Department of Housing and Urban Development (HUD) and such funds are appropriated every fiscal year beginning July 1.

Provided the Housing Authority timely notifies the Contractor that this Contract extends into succeeding fiscal years for which HUD funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year (if specified in the Housing Authority's notice) or as otherwise specified in the Housing Authority's notice; provided, however, that nothing in this section shall relieve the Housing Authority of its obligation to pay, or the Contractor's right to collect, License and Services fees for a License provided, or Services rendered, prior to the Housing Authority's notice of termination per this Paragraph.

## 24. TERMINATION FOR IMPROPER CONSIDERATION

The Housing Authority may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract, if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County office, employee or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment or extension of this Contract of the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the Housing Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by a Housing Authority officer or employee to solicit such improper consideration. The report shall be made either to the Housing Authority's Executive Director or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

## 25. ASSIGNMENT BY THE CONTRACTOR

A. Neither party may assign this Contract or any of its respective rights and obligations under this Contract without the express written consent of the other party before that assignment, which consent shall not be unreasonably withheld, except that Contractor may, without the Housing

Authority's prior consent, and notwithstanding any provision in this Contract to the contrary, assign this Contract to a successor in ownership of all or substantially all of the assets of Contractor that relate to the subject matter of this Contract. Any assignment under this Paragraph 25 will not relieve the assigning party of its outstanding obligations, if any, incurred before the assignment. This Contract shall be binding upon and insure to the benefit of the parties and their respective successors and permitted assigns. For purposes of this Paragraph 25, Housing Authority's consent shall require a written Amendment to the Contract. Any payments by the Housing Authority to any approved delegate or assignee on any claim under this Contract, in consequence of any such consent, shall be deductible, at the Housing Authority's reasonable discretion, against the claims which Contractor may have against the Housing Authority, whether under this Contract or otherwise.

B. Shareholders, partners, members and/or other equity holders of Contractor may transfer, sell, exchange, assign or divest themselves of any interest they may have in Contractor.

C. Contractor shall provide County with written notice of any sale, assignment, transfer, exchange or divestiture permitted without the Housing Authority's prior written consent under Paragraphs A and B. To the extent reasonably feasible and legally permissible, such notice shall be delivered to the Housing Authority prior to the commencement of such sale, assignment transfer. exchange or divestiture.

D. Except as permitted under Paragraphs A and B any assignment or assumption of any of Contractor's duties, responsibilities, or obligations by any entity other than Contractor without the Housing Authority's express prior written approval shall be a material breach of this Contract which may result in termination in accord with the terms of this Contract.

## 26. CONFIDENTIALITY.

The parties agree to the confidentiality provisions set forth in Standard Terms section 4 (Confidentiality) of Attachment H (Yardi Software and License Agreement).

## 27. SUBCONTRACTING

The Contractor may subcontract only those specific portions of work allowed in the original specifications covered by this Contract with prior written approval by the Housing Authority.

## 28. INSURANCE

The Contractor shall procure and maintain at the Contractor's expense for the duration of this Contract the following insurance against claims for injuries to

persons or damage to tangible property, which may arise from or in connection with the performance of the Services and Software programs provided by the Contractor, its agents, representatives, employees or subcontractors.

A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

| | |
|---|---|
| General Aggregate | $2,000,000 |
| Products/Completed Operations Aggregate | $1,000,000 |
| Personal and Advertising Injury | $1,000,000 |
| Each Occurrence | $1,000,000 |

The Housing Authority of the County of Los Angeles, the Community Development Commission of the County of Los Angeles, the County of Los Angeles shall be covered as additional insureds with respect to the Commercial General Liability insurance..

B. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than $1 million for each incident. Such insurance shall include coverage of all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

C. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing worker's compensation benefits, as required by the Labor Code of the State of California, or such other state as may be applicable to relevant Contractor employees.

The above insurance also shall include Employer's Liability coverage with limits of not less than the following:

| | |
|---|---|
| Each Accident | $1,000,000 |
| Disease-policy limit | $1,000,000 |
| Disease-each employee | $1,000,000 |

D. PROFESSIONAL LIABILITY INSURANCE: In an amount of not less than $1,000,000 per claim with a $1,000,000.

Each insurance certificate shall provide the insurer's language (as determined by each insurer's company) regarding notice upon cancellation, reduction in coverage, or reduction in limits regarding notice upon cancellation and with notice given as determined by the insurance carrier.

Acceptable insurance coverage shall be placed with carriers admitted to write insurance in California or carriers with a rating of or equivalent to A: VIII by A.M. Best & Company. Any deviation from this rule shall require specific approval in writing by the Housing Authority.

Coverage for any subcontractors shall be subject to the requirements stated in this Paragraph and shall be maintained at no expense to the Housing Authority.

Upon request of the Housing Authority, The Contractor shall furnish the Housing Authority with certificates of insurance and endorsements (in the case of the CGL policy) effecting the aforementioned coverage. The certificates and endorsement for the insurance policies are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which, subject to this Contract's notice and cure provisions, the Housing Authority may terminate this Contract.

## 29. INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the Housing Authority, Community Development Commission of County of Los Angeles (Commission), County of Los Angeles (County), and their respective elected and appointed officers, employees, and agents from and against any and all liability to third parties, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract and to the extent of Contractor's proportional fault, except for demands, claims, or actions resulting from the sole negligence or willful misconduct of the Housing Authority.

## 30. HOUSING AUTHORITY'S QUALITY ASSURANCE PLAN

The Housing Authority will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all contract terms and performance standards. The Contractor deficiencies, which Housing Authority determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Housing Authority and the Contractor. If improvement does not occur consistent with the corrective measure, the Housing Authority may, subject to the notice and cure provisions, terminate this Contract pursuant to Paragraph 34.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Contract to evaluate the performance of the Contractor. Based on the assessment of the performance review, as determined by the Commission in its sole discretion, written notification will be given to the

Contractor whether this Contract will be terminated at the end of the current year or will be continued into the next contract year.

## 31. TERMINATION FOR CONVENIENCE

The Housing Authority reserves the right to terminate this Contract in its entirety, or with respect to certain products or Services referenced in Attachment B-1 (Fee Schedule), when such action is deemed by Housing Authority to be in its best interest. Termination of Services under this Contract shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective, which shall be no less than thirty (30) calendar days after the notice is sent.

After receipt of a notice of termination and except as otherwise directed by Housing Authority, Contractor shall stop performance of its Services with respect to any or all orders under this Contract on the date and to the extent specified in such notice. Contractor shall complete performance of such part of the Services not terminated by such notice.

After receipt of a notice of termination, Contractor shall submit to Housing Authority, Contractor's termination claim and invoice. Such claim and invoice shall be submitted promptly, but no later than ninety (90) days from the effective date of termination.

## 32. TERMINATION FOR DEFAULT

(i) Subject to the notice and cure provision set forth in subsection (ii), below, this Contract may be terminated by either party upon written notice to the other party if the other party materially breaches this agreement.

(ii) Notwithstanding subsection (i), either party may terminate this Contract upon written notice to the other party if the other party materially breaches this Contract and fails to cure such breach within seven (7) days of the date of written notice of the breach or, if the breach cannot be reasonably cured within seven (7) days, fails to initiate cure within said seven (7) days and fails to continuously and diligently work to cure said breach until the breach is cured. If the Agreement is terminated pursuant to this Section 4.c, termination shall be effective upon expiration of the applicable cure period after delivery of the specified notice.

(iii) Either party may terminate this Agreement in accord with U.S Bankruptcy Law upon the filing of a bankruptcy petition by or against the other party that is not dismissed within 90 days.

(iv) Except for a termination by Contractor due to a material breach by the Housing Authority, the Housing Authority shall have the right to continue Use of the Software.

(v) The rights and remedies of the parties provided in this Paragraph 32 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## 33. THE CONTRACTOR'S WARRANTY OF ADHERENCE TO HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM

The Contractor acknowledges that the Housing Authority has established a goal of ensuring that all individuals who benefit financially from the Housing Authority through a contract, are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by Housing Authority Child Support Compliance Program and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as applicable and required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b), as applicable.

## 34. TERMINATION FOR BREACH OF WARRANTY TO COMPLY WITH HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the applicable requirements set forth in Paragraph 33 (Contractor's Warranty of Adherence to Housing Authority Child Support Compliance Program) shall constitute a default under this Contract. Without limiting the rights and remedies available to Housing Authority's under any other provision of this Contract, failure of the Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which Housing Authority may terminate this Contract pursuant to Paragraph 32 (Termination for Default) and pursue debarment of the Contractor pursuant to Housing Authority policy.

## 35. POST MOST WANTED DELINQUENT PARENTS LIST

The Contractor acknowledges that the Housing Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is County's and Housing Authority's policy to strongly encourage all Contractors to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at the

Contractor's place of business. The Child Support Services Department (CSSD) will supply the Contractor with the poster to be used.

## 36. INDEPENDENT CONTRACTOR

This Contract does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Housing Authority and the Contractor.

## 37. EMPLOYEES OF THE CONTRACTOR

Workers' Compensation: The Contractor understands and agrees that all persons furnishing Services to the Housing Authority pursuant to this Contract are, as between the Contractor and the Housing Authority, and for the purposes of Workers' Compensation liability, employees solely of the Contractor (except for persons with whom the Housing Authority may separately contract to consult and/or perform services related to this Contract). Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person providing Services pursuant to this Contract (except for persons with whom the Housing Authority may separately contract to consult and/or perform services related to this Contract) for injuries arising from an accident connected with Services provided to the Housing Authority under this Contract.

Professional Conduct: The Housing Authority does not and will not condone any acts, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The Housing Authority will properly investigate all charges of harassment by residents, employees or agents of the Housing Authority against any and all the Contractor's employees, agents or subcontractors providing Services for the Housing Authority. The Contractor assumes all liability for the actions of the Contractor's employees, agents or subcontractors in the course and scope of their employment, agency and/or subcontract with Contractor, as applicable, and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

## 38. DRUG-FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the applicable requirements of the Drug-Free Workplace Act of 1990.

## 39. SAFETY STANDARDS AND ACCIDENT PREVENTION

The Contractor shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its

own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Contract.

## 40. COMPLIANCE WITH LAWS

The Contractor agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain and apply to the performance of this Contract. The applicable federal, state and local laws, regulations, and directives may include, but are not necessarily limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Contract is in excess of $100,000 then the Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all applicable state and local insurance, training and licensing pursuant to Services required by this Contract.

The Contractor shall comply with the following laws in Sections 41-50, inclusive, and 55-57, inclusive, as applicable.

## 41. CIVIL RIGHTS ACT OF 1964, TITLE VI (NON-DISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS)

The Contractor shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

## 42. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The Contractor shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

## 43. AGE DISCRIMINATION ACT OF 1975 AND SECTION 504 OF THE REHABILITATION ACT OF 1973

The Contractor shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United

States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

## 44. EXECUTIVE ORDER 11246 AND 11375, EQUAL OPPORTUNITY IN EMPLOYMENT (NON-DISCRIMINATION IN EMPLOYMENT BY GOVERNMENT CONTRACTORS AND SUBCONTRACTORS)

The Contractor shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he has a collective bargaining Contract or other contract or understanding, a notice to be provided by the agency of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Housing Authority and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of the Contractor's noncompliance with the non-discrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with

procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the Housing Authority may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the Housing Authority, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

## 45. GREATER AVENUES FOR INDEPENDENCE (GAIN) PROGRAM AND GENERAL RELIEF OPPORTUNITY FOR WORK (GROW) PROGRAM

Should the Contractor require additional or replacement personnel after the Effective Date, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position, and who apply for an open position. The Contractor shall contact the County's GAIN/GROW Division at (626) 927-5354 for a list of GAIN/GROW participants by job category.

## 46. FEDERAL LOBBYIST REQUIREMENTS

The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Contract, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

## 47. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

## 48. USE OF RECYCLED-CONTENT PAPER PRODUCTS

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the Project.

## 49. CONTRACTOR RESPONSIBILITY AND DEBARMENT

A. A responsible contractor is a contractor, consultant, vendor or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Housing Authority, Commission, and County to conduct business only with responsible contractors.

B. The Contractor is hereby notified that if the Housing Authority acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Housing Authority may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on Housing Authority contracts for a specified period of time, which generally will not to exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the Housing Authority.

C. The Housing Authority may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor has done any of the following: (1) violated any term of a contract with the Housing Authority, Commission, or County or a nonprofit corporation created by the Housing Authority, Commission, or County, (2) committed an act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Housing Authority, Commission, or County, any other public entity, a nonprofit corporation created by the Housing Authority, Commission, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or

offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Housing Authority, Commission, County, or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Housing Authority will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Housing Authority shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. If a contractor has been debarred for a period longer than five years, that contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Housing Authority may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Housing Authority.

The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a

hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

H. These terms shall also apply to subcontractors and subconsultants of Contractor and Housing Authority and Commission contractors, consultants, vendors and agencies.

## 50. COMPLIANCE WITH JURY SERVICE PROGRAM

A. Unless the Contractor has demonstrated to the Housing Authority satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program or that the Contractor qualifies for an exception to the Jury Service Program, the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

B. For purposes of this Paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of the Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) the Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any subcontractor to perform Services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.

C. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.

D. The Contractor's violation of this Paragraph of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## 51. ACCESS AND RETENTION OF RECORDS

The Contractor shall provide access to the Housing Authority, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions.

The Contractor is required to retain the aforementioned records for a period of five years after the Housing Authority pays final payment and other pending matters are closed under this Contract.

## 52. CONFLICT OF INTEREST

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Housing Authority. Upon execution of this Contract and during its term, as appropriate, the Contractor shall, disclose in writing to the Housing Authority any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Housing Authority's interest and the interests of the third parties.

## 53. SEVERABILITY

In the event that any provision herein is held to be invalid, void, unenforceable, or illegal by any court of competent jurisdiction, the same shall be deemed severed from the remainder of this Contract and shall in no way affect, impair or invalidate any other provision contained in this Contract. If any such provision shall be deemed invalid, void, unenforceable or illegal due to its scope or breadth, such provision shall be deemed valid and enforceable to the extent of the scope or breadth permitted by law.

## 54. INTERPRETATION

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if drafted by both parties to this Contract.

## 55. WAIVER

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision of this Contract.

## 56. PATENT RIGHTS

The Contractor will hold all the patent rights with respect to any discovery or invention by the Contractor, which arises or is developed in the course of, or under this Contract.

## 57. COPYRIGHT

The Contractor will hold all copyrights in and to works of authorship performed in whole or in part by the Contractor in connection with the licenses or Services provided under this Contract. The Contractor acknowledges that it has no right, title or interest in and to Housing Authority data entered into the database associated with the Licensed Programs.

## 58. NOTICES

The Housing Authority shall provide the Contractor with notice of any injury or damage arising from or connected with Services rendered pursuant to this Contract to the extent that Housing Authority has actual knowledge of such injury or damage. Housing Authority shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the person intended to receive the same, at the following address:

| | |
|---|---|
| The Housing Authority: | Emilio Salas, Director<br>Housing Authority of the County of Los Angeles<br>2 Coral Circle<br>Monterey Park, CA 91755 |
| The Contractor: | Gordon Morrell, Chief Operating Officer<br>YARDI SYSTEMS, INC.<br>430 S. Fairview Ave.<br>Goleta, CA 93117<br><br>With copy to:<br>Matthew Dentinger, Legal Department<br>YARDI SYSTEMS, INC.<br>430 S. Fairview Ave.<br>Goleta, CA 93117 |

Notices addressed as above provided shall be deemed delivered three (3) business days after mailed by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. The Contractor and the Housing Authority may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

**59. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Attachment D (Required Contract Notices) of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

**60. CONTRACTOR'S ACKNOWLEDGMENT OF HOUSING AUTHORITY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the Housing Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Housing Authority's policy to encourage all Housing Authority contractors to voluntarily post the Housing Authority's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply the Contractor with the poster to be used.

## 61. CONTRACTOR'S CHARITABLE CONTRIBUTIONS COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring the Contractor to complete the Charitable Contributions Certification as included in Attachment C (Required Contract Forms), the Housing Authority seeks to ensure that all Housing Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Housing Authority and its taxpayers. A contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

## 62. TIME IS OF THE ESSENCE

Successful, timely implementation of the Software is important to meeting the business goals and improving the operations of the Housing Authority. Contractor acknowledges the importance to Housing Authority of successfully implementing the system as soon as reasonably possible. Contractor will work with Housing Authority in the development of the Detailed Project Plan to achieve this objective. Contractor will assign the project resources sufficient to perform Services under the Contract and Housing Authority will assign sufficient resources, to meet the agreed upon deadlines. Contractor and Housing Authority resource assignments will be reviewed during the course of the implementation to ensure ongoing ability to meet agreed upon deadlines. Contractor will work with Housing Authority during the development of the Detailed Project Plan, and during the course of the implementation, to identify the Housing Authority resources needed to successfully meet agreed upon deadlines.

## 63. CONFLICTS INTERPRETATION; ORDER OF PRECEDENCE

The parties agree that any court or other body of competent jurisdiction interpreting this Contract shall, to the fullest extent possible, interpret the terms of this Contract, including all attachments, as complementary rather than conflicting. In the event that, notwithstanding the interpretation provided in the preceding sentence, an unavoidable conflict arises the conflict shall be resolved by the following order of precedence of the Contract components:

The body of this Contract;

H. Yardi Software License and Service Agreement
A Statement of Work
B-1 Fee Schedule
B-2 Payment Schedule
C. Project Schedule

D. Project Resource Requirements
E. Implementation Services Days
F. Training Days and Curriculum
G. Certificate of Acceptance
I. Required Contract Forms
J. Required Contract Notices
K. Contractor's Proposal dated September 12, 2006
L. Flexsafe Escrow Agreement

## SIGNATURES

IN WITNESS WHEREOF, the Contractor and the Housing Authority have executed this Contract through their duly authorized officers this _____day of _____, 2007.

HOUSING AUTHORITY
OF THE COUNTY OF LOS ANGELES

By_____
Carlos Jackson
Executive Director

APPROVED AS TO PROGRAM:
ADMINISTRATIVE SERVICES DIVISION

By_____
Emilio Salas
Director

APPROVED AS TO FORM:
Raymond G. Fortner, Jr.
County Counsel

By_____
Behnaz Tashakorian
Deputy

YARDI SYSTEMS, INC.

By_____
(Name of Authorized Representative)
(Title of Representative)

# ATTACHMENT A

# STATEMENT OF WORK

# ATTACHMENT A

# STATEMENT OF WORK

# HOUSING MANAGEMENT AND SECTION 8 SYSTEM

## 1.0 SCOPE OF WORK

### 1.1 General Background

The Housing Authority of the County of the Los Angeles (Housing Authority) is the County's affordable housing agency. The Housing Authority helps strengthen neighborhoods, empower families, support local economics, and promote individual achievement. In order to maintain the highest level of service possible, the Housing Authority continually seeks contractors for services at various housing developments throughout the County of Los Angeles. To support this effort, the Housing Authority also seeks to promote and foster self sufficiency among low and moderate-income housing residents through an array of comprehensive services that support and augment efforts towards self-sufficiency and an improved quality of life. Thus, the Contractor shall be qualified and prepared to provide Workforce Development Employment Services in accordance with this Statement of Work.

The Housing Authority is divided into two separate divisions: Housing Management - management of Public Housing and other affordable site based developments, and Assisted Housing - administration of the Section 8 Program. The programs are broken down as follows:

**Housing Management Division Programs**

- Currently using ISSI Visual Homes
- 3,348 Rental Units distributed among 50 scattered sites, throughout Los Angeles County
- Programs included: Public Housing (3,042 units), Low-Mod Development (8 units), California Rental Housing Construction Program (62 units), and the Project Based Section 8 Program (526 units - Multi Family)

**Assisted Housing Division (Section 8)**

- Currently using Emphasis Data Flex version 6
- One main office, one satellite office and three service centers
- 20,550 LA County Housing Authority Vouchers
- 125 HOPWA Certificates
- 700 Shelter Plus Care Certificates

- 450 Moderate Rehab Vouchers
- 1,000 Portability Vouchers Billed to other Housing Authorities
- Various numbers of portability vouchers billed to LA County by other Housing Authorities
- 375 Preservation Units
- 800 FSS Participants
- Small City Housing Authorities Administered by LA County:
  - 215 Lakewood Housing Authority Vouchers
  - 203 Paramount Housing Authority Vouchers
  - 212 Lawndale Housing Authority Vouchers
  - 86 Lomita Housing Authority Vouchers
  - 97 West Hollywood Housing Authority Vouchers
  - 224 Santa Fe Springs Housing Authority Vouchers
- 135,000 registrants on the LA County Waiting List
- 28,000 Small Cities registrants

## 2.0 MILESTONE TASKS

### 2.1 Task No. 1: Acceptance of Installation of Yardi Software and Test Data

The Contractor shall deliver and install the Licensed Product (Yardi Software) on the Housing Authority system within Contractor's Test Data.

| | |
|---|---|
| Deliverables: | Licensed Product (Yardi Software) and documentation |

### 2.2 Task No. 2: Acceptance of Detailed Project Plan

The Contractor shall develop with the Housing Authority the Detailed Project Plan, which shall be reviewed and accepted by the Housing Authority.

| | |
|---|---|
| Deliverables: | Housing Authority acceptance of Detailed Project Plan |

### 2.3 Task No. 3: Acceptance of All Waiting Lists

The Housing Authority shall successfully operate the Waiting Lists software for one month.

| | |
|---|---|
| Deliverables: | Housing Authority acceptance of the Licensed Product, which must comply with the required functionalities described in Section 4.3.30 as stated in this Statement of Work. |

2.4 **Task No. 4: Acceptance of Section 8 Assisted Housing Software**

The Housing Authority shall successfully operate the Section 8 Assisted Housing Software Waiting List software for Assisted Housing Management for one month.

Deliverables: Housing Authority acceptance of the Licensed Product, which must comply with the required functionalities described in Section 4.3.13 through 4.3.25 as stated in this Statement of Work.

2.5 **Task No. 5: Acceptance of Housing Management Programs Software.**

The Housing Authority shall successfully operate the Housing Management Programs Software for one month.

Deliverables: Housing Authority acceptance of the Licensed Product, which must comply with the required functionalities described in Sections 4.2, 4.3.1 through 4.3.11as stated in this Statement of Work

2.6 **Task No. 6: Final Acceptance of the Implementation of Yardi Software**

The Housing Authority shall perform a final test and acceptance for the integrated Licensed Product (Yardi Software), for one month, to validate that all processes operate in accordance with the requirements of this Statement of Work.

Deliverables: Housing Authority acceptance of the Licensed Product as in full compliance with all required functionalities as stated in this Statement of Work.

## 3.0 GENERAL REQUIREMENTS

3.1 The Contractor must provide qualified and experienced personnel to perform all work in accordance with the Statement of Work.

3.2 The Contractor shall provide technical support from 7 a.m. – 5 p.m. Pacific Standard time with off hours support available as necessary with the ability to provide remote support via VPN, Terminal Services, Citrix or equivalent to support application as needed.

3.3 The Contractor shall provide supported software user groups comprised of end users and having representation from the software manufacturer involved and supporting the group.

3.4 Upon the Housing Authority providing clean data, the Contractor shall provide a successful data conversion from Emphasys Flex version 6 and Visual Homes 3.0 to the software.

3.5 The Contractor shall provide timely and clean (bug free) updates to software.

3.6 The Contractor shall have the ability to perform software customizations with a predefined labor rate.

3.7 The Contractor shall provide Internet website support for configuration documentation, data dictionary, FAQ's and knowledge base and system updates.

## 4.0 SPECIFIC REQUIREMENTS

### 4.1. Database And Technical Requirements

The Contractor shall provide the following required database and technical products and capabilities:

4.1.1 Deliver Web interface enabled queries for staff and clients to retrieve data online.

4.1.2 Defined reporting tool and ability to develop customized reports.

4.1.3 Clearly define database layouts and data dictionary.

4.1.4 Clearly defined infrastructure, server, workstation and network resource requirements.

4.1.5 Ability to perform data maintenance and system updates quickly with minimal to no impact on users daily activities.

4.1.6 Data archiving utilities for the purpose of keeping large databases performing at optimal levels.

4.1.7 Real-time utilities to monitor who's logged into the database, troubleshoot errors and monitor system performance.

### 4.2. Required Functionalities

The Contractor shall provide the following required functionalities:

4.2.1 Built in quality control mechanism with data/referential integrity enforcement including date/time-stamped audit trail logging, including history tracking on status changes and processes as defined by the Housing Authority. For example, if a record is deleted, an audit trail should record the transaction information, including the date and time deleted and user who deleted it. If a tenant, applicant, or owner status is changed, a log of changes should be kept so that the history of changes can be reported upon.

4.2.2 Ability to manage all relevant functions for multiple programs as separate entities under a single installation, for example; managing multiple housing authorities. Since the Housing Authority actually functions as seven separate Agencies, each with their own ACC, it's imperative that the system support the separate management of these agencies under the same installation from management of separate waiting lists, leases, and 50058 processing and submission to HUD under independent mailboxes for each Housing Authority. This is in addition to the ability to manage multiple sub-programs within a single agency designation; i.e. Homeless, Family Unification, and FSS under a single ACC.

4.2.3 Ability to add user-defined fields for but not limited to 50058/59 documents, tenant data, property data, landlord and owner data, and applicant data.

4.2.4 Unit address verification. Verification of property/unit addresses against Census Bureau standards so that data entry integrity and consistency is maintained throughout.

4.2.5 Individual as well as group security features available by system function or user/group responsibilities by module, screen, and/or specific fields where needed with reports identifying the security setup for the organization, including allowed and denied access for each user and applicable modules. For example, The Housing Authority may have a group of staff who are only responsible for handling Tenant Terminations. In this case, the system security should be flexible enough to grant only the functional access needed for this group to perform their duties. Someone in the Termination group would have different clearance than someone in a group that does Contracting – security should allow for these nuances so that the Agency can control access points relative to function.

4.2.6 Built in support for Direct Deposit HAP Payments to Landlords (Section 8). 60% of Section 8 Landlords are paid subsidies through

Direct Deposit. The Agency goal is to increase that to 100%. The system should create the bank transmission file (ACH) as well as provide for statements that can be made available to landlords for their review and record keeping.

4.2.7 Built in support for Lockbox Rent Collection from Tenants (Public Housing).

4.2.8 Ability to track concurrent program type fields for clients who are in multiple programs; for example, clients who are leased up under a Section 8 set-aside for Homeless populations.

4.2.9 Ability to pre-assign/allocate clients to multiple staffs based upon case management or function; i.e. one person who might be responsible for annual re-examinations while one or more individuals (or teams) is responsible for interim changes. The Section 8 side of the agency does not operate in a case management environment; functional areas designate who will be responsible for contract maintenance at various points in the process. For example, an Annual Re-Examination for client A would be handled by a different functional person/unit than an Interim Re-Examination for the same client. In this case, there is a need to track the assignment of both.

4.2.10 Automated 50058/50059 processes with full PIC/TRACS/MAT compatibility including format, validation, and submission. All validation of 50059 and 50058 accuracy in the system should mirror the validation done at TRACS/PIC/MAT so that the Agency can proactively determine the expectation of successful 50059/50058 transmissions to the PIC/MTCS web portal.

4.2.11 Automated forms management/development/generation and tracking linked to specific functions and/or processes with automatic triggering mechanisms; i.e. if one level of 3rd party verification is unavailable, the system automatically generates a letter for the next step in the verification process. This is especially important in the management of processes. The 3rd Party Verification process requires that the Agency document each step along the way in the fulfillment of HUD requirements. Each step provides for regressive actions based upon the results of the previous action; For example, if electronic verification of income is unsuccessful, once the system is 'told' this, the system would generate a letter based upon the next step in the process. Another example would be triggering mailings or actions based upon client responsiveness to Agency solicitations – an income packet for an annual re-examination that isn't returned by the client within a

specified period of time would trigger a follow up letter and scheduled appointment.

4.2.12 Workflow processing for supervisor review and approval with regard to ensuring that various steps are followed up to and including quality control/review. Relative to 3.2.11, where the Agency deems appropriate, certain processes would not be allowed to continue until a designated person with security clearance approves the processes. The system should document the results of that approval/disapproval. This is in light of HUD's increased attention to documentation of each action taken or not taken by Housing Authorities.

4.2.13 Financial functionalities that are minimally required in the support of all Section 8-related Voucher, SEMAP, ACC, Budget and Utilization Reporting including HAP subsidies, portability payables and receivables, and all financial accounting of inventories, and fixed assets.

4.2.14 Context sensitive help with checklist option and required field definitions.

4.2.15 Quality Control functions, including random sampling for audit purposes.

4.2.16 FSS (including Escrow, 5-year plans, and progress tracking). Special identifying Code for all FSS participants

4.2.17 Criminal Background Check tracking for applicants

**4.3 Required Modules and Functionalities**

The Contractor shall provide the following:

**Housing Management Programs Modules:**

4.3.1 Tenant Accounts Receivable (tracking and reporting) for each program that shall include the ability to perform the following:

- Track tenant transaction activities with a running balance;
- Report breakdown of balances in each category (examples: rent charge, security deposit, maintenance charges, and late charges); and
- Report percentage of Total Rent collected and total accounts receivable on a monthly, quarterly and annual basis.

4.3.2 Suitability/Eligibility Workflow and Progress Tracking that shall include the ability to perform the following:

- Track application process;
- Front End date and time application stamp;
- Link to determine jurisdictional preference;
- Supervisor to correct application at all levels;
- Track changes/deletions made to application; and
- Seamless transition from waiting lists to application review process.

4.3.3 Maintenance Work Order and Inventory Management (multiple remote sites) with handheld capabilities that shall include the ability to perform the following:

- Override date and time on work orders;
- Automatically guide the process from beginning to end;
- After opening a work order and inserting the date and time it was requested, it shall automatically proceed to the screen where the actual work request is inserted;
- When work orders are printed, the date and time the work order was prepared shall automatically be included on the page.
- Interface between the inventory module and work order module;
- Automatically track the inventory stock; and
- In closing work out orders, it shall automatically guide the process.

4.3.4 Fixed Asset Management that shall include the ability to perform the following:

- Depreciation tracking;
- Disposition tracking;
- Inclusive of serial and model numbers; and
- Asset location tracking

4.3.5 Procurement that shall include the ability to perform the following:

- Automatically process from function to function;
- Interface with work orders and inventory modules;
- Electronically approve and process; and

4.3.6 Property/Unit Management (Asset Management) that shall include the ability to perform the following:

- Generate occupancy reports monthly by development and/or grouping;
- Track units approved to be taken off the rent roll per development; and
- Generate all HUD required reports per HUD approved groupings.

4.3.7 PHAS Compliance Tracking and Reporting that shall include the ability to perform the following:

- Compliance tracking and reporting per development;
- Provide Unit Turn Around, Work Order, and Unit Inspection reports on a monthly basis;
- Interface with Work Orders and UPCS Inspection modules; and
- Automatically provide alerts on units vacant longer than 25 days.

4.3.8 50058 processing and submission that shall include the ability to perform on-line 50058 validation meeting all HUD requirements.

4.3.9 Multi-family 50059 processing and HAP voucher submission that shall include the ability to perform the following:

- Provide a Multi-Family 50059 gross rent change function;
- Meet all TRACS submission requirements;
- Alert the contract administrator for annual rent increase at least 90 days prior to effective date; and
- Alert the contract administrator for contract renewals.

4.3.10 Multi-Family 50059 processing and HAP Voucher submission:

- Meet all TRACS submission requirements;
- Alert the contract administrator for annual rent increase at least 90 days prior to effective date; and
- Alert the contract administrator for contract renewals.
- Gross Rent Change Functions

4.3.11 Legal Module that shall include the ability to perform the following:

- Generate an exception report for those residents in legal and to identify rent payments received;
- Track 3-Day, 14-Day, 30-Day, and 60-Day Notices;
- User defined ability to interface with legal database; and
- Identify and track residents with Behavior Agreements.

4.3.12 Fraud module that includes the ability to perform user defined interface with the Fraud database and track payment agreements and balances.

**Assisted Housing Modules:**

4.3.13 Voucher Management and Tracking – Intake through Lease through termination. To elaborate, every applicant goes through an eligibility processes, possibly a voucher process, and a lease process when they are successful in locating a unit. Because of the volume of clients served at any point in time, it's critical that these processes be tracked in volume. For example, how many

voucher holders have located units but the units have not been inspected yet? How many contracts have been mailed more than 2 weeks ago but have not been returned? This item is critical to the management of a program that has high levels of client turnover in any of its processes. This situation would also apply to Annual Re-Examinations – How many clients are up for Re-Exam in the next 90 days and how many have outstanding interim activity on the floor and in which unit and which staff have been assigned the interim task(s)?

4.3.14 Portability Management (voucher and billing/financial). The portability process involves the tracking of incoming and outgoing voucher holders, where they are in the process – either at the receiving or originating PHA – and ongoing correspondence is needed as well as documentation of that correspondence. For example, if a client ports to our Agency, there are a series of documents that need to be completed by the client and by the Agency. As the voucher holder progresses through the system, at various stages, documents are required – such as the 52665, which is submitted back to the originating PHA, identifying the results of the voucher holder's success. In addition, the appropriate 50058 document should be automatically generated with the correct effective dates according to HUD regulations and validated according to the same criteria outlined in 3.2.10.

4.3.15 Intake/Lease Up Processing. The requirements of this functionality are a mirror of 3.3.13. The system should move data through the process with minimal, if not zero, redundant input on the part of users. For instance, the system should not allow a client who is not income eligible to be issued a voucher. The system should allow tolling of voucher time at the discretion of the Agency.

4.3.16 Rent Reasonableness. The system should provide for tracking of Rent Reasonableness determinations as made by the Agency, including a database that keeps historical records of rent comps used in the determination of Rent Reasonableness for any rent negotiation, including notes and documentation input by users as to the decisions made in this area.

4.3.17 Accounts Receivable (for tenant, owner, and Portability billing). The Accounts Receivable is needed for anyone who owes money to the Housing Authority – it should be standard with transactional history, running balance, billing statements, account aging, and links into operational modules such as Section 8 and Public Housing where other types of activity or business is conducted with the same clients.

4.3.18 Moderate Rehab/Project Based/Preservation Processing and reporting. All functionality with regard to these programs should be in compliance with HUD regulations and statutory requirements involving contracting, reporting, subsidies, and eligibility requirements.

4.3.19 Certificate Based Program Processing (HOPWA, Shelter Plus Care, etc). All functionality with regard to these programs should be in compliance with HUD regulations and statutory requirements involving contracting, reporting, subsidies, and eligibility requirements.

4.3.20 HAP/1099/Direct Deposit Processing. System should provide for 1099 printing and processing, including electronic file generation for transmission to the IRS

4.3.21 SEMAP Compliance Tracking and Reporting in single module. All system and 50058-based SEMAP indicators should be readily available in the system. Criteria for determination of SEMAP ratings should be exactly the same as prescribed by HUD and presented on the PIC website. It is understood that this is only related to those items automatically calculated based upon 50058 data.

4.3.22 Affordable Housing Monitoring.

4.3.23 New Construction Administration.

4.3.24 Re-examination processing and tracking – interim and annual, including all support activities such as EIV, UIV, 3rd Party Verification, etc.

4.3.25 Financial Tracking of administrative and HAP expenditures and revenues from multiple sources. This is related to the multitude of ACC's managed by the Agency; each is independent and must be tracked as independent Housing Authorities.

Common modules

4.3.26 Full 3rd Party Verification of Income Tracking modeled according to HUD recommended hierarchy. HUD prescribes a mandatory hierarchy that Housing Authorities are required to follow and document; the system should provide for this tracking so that the Housing Authority is not required to keep separate ledgers outside the bounds of the system in order to fulfill this requirement. The

system should have this process linked step by step to each action or reaction, including forms generation.

4.3.27 Fraud Prevention Tracking including Credit Review and Criminal Background Checks.

4.3.28 Quality Control functions, including random sampling for audit purposes. Under SEMAP, the Housing Authority is required to pull various sample sizes based upon information or quantities in the system. Currently, the agency manually calculates these sample sizes. The system should auto-calculate these sample sizes and generate the samples for quality assurance on SEMAP indicators 1-14. (This is for AH only not HM)

4.3.29 FSS (including Escrow, 5-year plans, and progress tracking). All FSS Functionality up and beyond the ongoing maintenance of the Section 8 Contract should be included with respect to family goals and resources, escrow earnings, FSS addendums to the 50058, and financial reporting. (This is for AH only, not HM)

4.3.30 Waiting List shall have ability to perform the following:

- Section 8;
- Separate Multi-Family Waiting Lists including all applicant information including veteran status, bedroom size, disabled status, annual income, date and time of application and fully auditable;
- Separate California Rental Housing Construction Program (RHCP) including a break-down of very low and other low-income registrants;
- Automatically order all waiting lists according to admission priority for all programs;
- Establish site based waiting lists for each grouping, under Asset Management, when Housing Management moves to separate waiting lists;
- Monitor Housing Management waiting lists; and

In addition, because the Agency functions with multiple waiting lists for multiple programs, the system should provide for independent and collective management of the waiting list data. For example; the agency should be able to determine applicant statuses on various waiting lists, even for applicants who have applied for multiple waiting lists – including those who are leased on one program but have applied for another.

4.3.31 Interim and Annual Re-Examination Processing that shall include the ability to perform the following:

- Generate re-examination schedule 120 days prior to effective date;
- Track re-examination completion dates;
- Automatically generate delinquent re-examinations on a monthly basis; and
- Track staff assignments for re-examinations and interims.

4.3.32 Inspections for Public Housing and Section-8 (with hand-held capability) shall include the ability to perform the following:

- Uniform Property Condition Standards (UPCS) compliant;
- Schedule and track components;
- Generate monthly schedules to ensure inspections are done annually; and
- Automatically generate delinquent inspections on a monthly basis.

All Inspections for Public Housing and Section 8 should be covered by the system including scheduling by area or inspector or date, the use of handheld devices, and subsequent 50058 generation for Code 13's in the event of de-coupling inspections from annual re-examinations. Handheld device selection should be flexible enough for the Agency to select a multitude of devices depending on the application with the understanding that the system would provide for software standards that reach across multiple handheld manufacturer products.

4.3.33 Forms/Workflow management and tracking. The Agency currently manages about 200 forms that are related to various aspects of Eligibility, Landlord relations, and contract maintenance, including Re-Exams and HQS. The system should have embedded into its' process management, for example, the ability to auto-generate and auto-populate forms at the appropriate times in the process. An example would be the generation of an inspection deficiency letter if the HQS inspection fails.

4.3.34 Built-in reporting systems for workflow, work distribution, outcome management, and executive decision-making. The system should provide standards for determining Lease Up, Utilization, Re-Examinations Due, and executive dashboard type reporting – i.e. SEMAP and overall productivity by unit, staff or ACC.

4.3.35 Asset Management and Reporting. (This applies to HM only not AH)

4.3.36 Ability to generate reports in various formats, i.e. PDF format, Excel format, etc.

4.3.37 HUD Systems Integration; i.e., PIC, REAC, and TRACS.

4.3.38 Voyager application supports Microsoft SQL server and XML Application Programming Interface's.

## 5.0 RESPONSIBILITIES

The Housing Authority's and the Contractor's responsibilities are as follows:

**HOUSING AUTHORITY**

### 5.1 Personnel

The Housing Authority will administer the Contract according to the Contract. Specific duties will include:

5.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.

5.1.2 Provide direction to the Contractor in areas relating to policy, information and procedural requirements.

5.1.3 Preparing Amendments to the Contract in accordance with the Contract.

5.1.4 Provide a Project Manager or designated alternate for the Contractor.

### 5.2 Computer Training Room

5.2.1 The Housing Authority shall provide access to the computer training room.

5.2.2 The Contractor shall provide user documentation that corresponds to the specific version installed with updates as needed.

### 5.3 Identification Badges

The Housing Authority shall furnish and require every on-duty employee to wear a visible photo identification badge-identifying employee by name. Such badge shall be displayed on employee's person at all times he/she is on Housing Authority designated property.

## CONTRACTOR

### 5.4 Project Manager

5.4.1 The Contractor shall have available a Project Manager or designated alternate. Contractor shall provide a telephone number where the Project Manager may be reached on normal Housing Authority business hours and may be reached by cell phone outside of normal Housing Authority business hours.

5.4.2 The Contractor shall have the Project Manager act as a central point of contact with the Housing Authority. Project Manager shall demonstrate previous experience in the management of work requirements for facilities similar in size and complexity.

5.4.3 The Contractor shall give Project Manager/alternate full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

### 5.5 Personnel

The Contractor shall assign a sufficient number of employees to perform the required work. **At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.**

### 5.6 Materials and Equipment

The Contractor shall purchase all materials/equipment to provide the needed Services. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

### 5.7 Meetings

The Contractor shall schedule and hold progress meetings throughout the project and deliver meeting minutes within a week to all attendees via email.

### 5.8 Third Party Software

The Contractor shall disclose all Third Party Software associate with the proposed system.

### 5.9 Training

The Contractor shall provide training for Housing Authority staff as deemed necessary to ensure proper implementation of the Public Housing and Section 8 System.

### 5.10 Technical Assistance

The Contractor shall provide technical assistance Services.

## 6.0 ADDITIONS AND DELETIONS

6.1 The Housing Authority reserves the right to add or delete any the above services during the term of the contract subject to mutual consent.

6.2 The Contractor shall have the capability to handle any increase or decrease in services. In the event that additional or less services are required, fees will be adjusted by negotiation between the Commission and the Contractor.

# ATTACHEMENT B-1

# FEE SCHEDULE

# ATTACHMENT B-1

## FEE SCHEDULE

**One-Time Software License Fee** **$120,000**

**Included Modules:**

- Yardi iPHA™ Property and Financial Management
- Yardi iPHA™ Public and Leased Housing
- Yardi Voyager™ Construction/Grant Management
- Yardi Voyager™ Maintenance
- Electronic Banking
- ACH for Payables
- Yardi Conductor Report Manager
- Yardi iInspect Inspection, Scheduling, and Tracking
- Yardi Standard iPHA Management Report Set
- Yardi iAffordable (Tax Credit and Project Based HCV)
- Yardi HQS Field Inspections (PDA Client)
- Yardi Legal Module
- Yardi Spreadsheet Link

*Optional Modules (not included in fees shown on this attachment)

- Yardi Document Management
- Yardi Budget and Forecasting

**Designated Users**
300 designated users at $1,500 per user **$450,000**

**Annual Support and Updates**[1] **$114,000**
(380 annual support hours are included)

**Subtotal** **$684,000**

**Tax (8.25%)** **$56,430**

**Implementation and Training** **$357,000**
Yardi will cover travel costs through
Final Acceptance of Implementation of Yardi Software

**Data Conversion Services** **$20,000**
Includes sample, pilot, and live iterations for waitlist, tenants, and vendors

**Total One-Time License Fees and Services** **$1,117,430**

**Annual Support and Update Services:**

| **Years: 2-5** [1] | **Previous Year's Cost Plus Cap*** |
|---|---|

[1] Annual fees for subsequent years are based on total of 300 users and the product mix referenced above. Each subsequent years' annual fee is subject to change upon anniversary date of the Contract, to include an escalation percentage cap equal to the allowable Consumer Price Index (CPI) increase, calculated as defined in the Definition Section of the Agreement. ("CPI").

The Housing Authority shall process all invoices for the Implementation of Yardi Software within 30 days of receipt of invoice, completion and acceptance. Invoices for the Annual License and Maintenance Service shall be processed and paid by Housing Authority prior to the arrival of each anniversary date, contingent on the prior receipt from Yardi of a valid invoice at least 30 days prior to the anniversary date.

*The Housing Authority may purchase the optional modules for prices listed below for up to 24 months from the execution of this Contract. Annual support fees will be increased accordingly at the rate of 20% of the value of any added modules. The Housing Authority must execute the Contractor's standard License Agreement Addendum to add any additional products and services.

- Yardi Document Management ($20,000)
- Yardi Budget and Forecasting ($20,000)

# ATTACHMENT B-2

# PAYMENT SCHEDULE

# ATTACHMENT B-2

## MILESTONE PAYMENT SCHEDULE

The Contractor shall provide the required software implementation services and the annual software license and service for the Housing Authority as described in the Statement of Work and Implementation Project Schedule in Attachment C. Specific milestone dates are noted in the Implementation Project Plan.

The Housing Authority will compensate the Contractor based on the following payment schedule:

| Task | Payment Amount |
|---|---|
| Acceptance of Installation of Yardi Software and Test Data | $223,486.00 (20%) |
| Acceptance of Final Project Plan | $167,614.50 (15%) |
| Acceptance of Waiting List Live Processing | $223,486.00 (20%) |
| Acceptance of Section 8 Live Processing | $279,357.50 (25%) |
| Acceptance of PH, Work Order, Inspections, & Affordable Housing Live Processing Housing Management Programs Software | $111,743.00 (10%) |
| Final Acceptance of Implementation of Yardi Software | $111,743.00 (10%) |
| **SUBTOTAL:** | **$1,117,430.00 (100%)** |

Installation means loading of the Software into the memory of the Housing Authority's hardware.

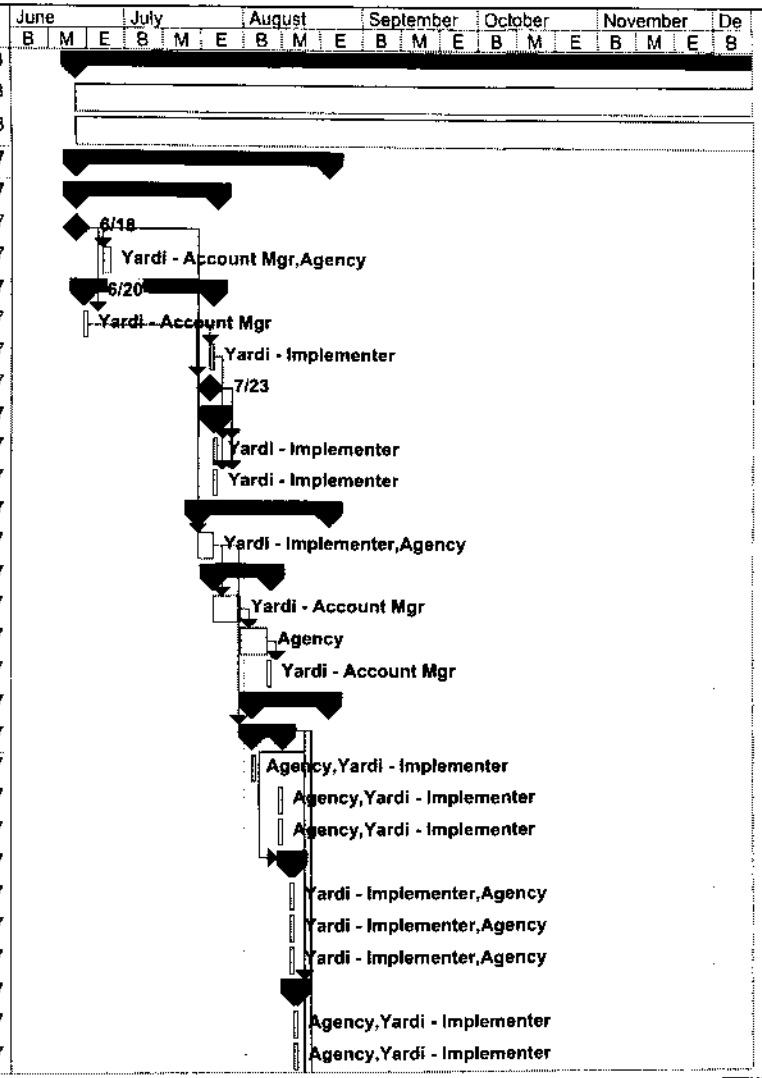
Live Processing means processing current transactions in a live production database.

# APPENDIX C

# PROJECT PLAN SCHEDULE

# Housing Authority of the County of Los Angeles
# Yardi Software Implementation
# May 2007

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 1 | **General Project Management** | **Mon 6/18/07** | **Fri 12/19/08** |
| 2 | Weekly Project Team Meeting - 1/2 day | Mon 6/18/07 | Fri 12/19/08 |
| 3 | Monthly Executive Meeting - 1/2 day | Mon 6/18/07 | Fri 12/19/08 |
| 4 | **Deployment Planning** | **Mon 6/18/07** | **Wed 8/22/07** |
| 5 | **Pre-Implementation** | **Mon 6/18/07** | **Tue 7/24/07** |
| 6 | Account Transfer to Client Services | Mon 6/18/07 | Mon 6/18/07 |
| 7 | Operating Environment Analysis | Mon 6/25/07 | Tue 6/26/07 |
| 8 | **Software Installation and Database Creation** | **Wed 6/20/07** | **Mon 7/23/07** |
| 9 | Send software CD | Wed 6/20/07 | Wed 6/20/07 |
| 10 | Install software modules on client's Server | Mon 7/23/07 | Mon 7/23/07 |
| 11 | Install sample database on client's server | Mon 7/23/07 | Mon 7/23/07 |
| 12 | **Test installation of software** | **Tue 7/24/07** | **Tue 7/24/07** |
| 13 | Ensure database tables are up-to-date | Tue 7/24/07 | Tue 7/24/07 |
| 14 | Ensure software dll fields are up-to-date | Tue 7/24/07 | Tue 7/24/07 |
| 15 | **Implementation Planning** | **Fri 7/20/07** | **Wed 8/22/07** |
| 16 | Kick Off Meeting | Fri 7/20/07 | Mon 7/23/07 |
| 17 | **Project Plan Development** | **Tue 7/24/07** | **Tue 8/7/07** |
| 18 | Draft plan provided by Yardi | Tue 7/24/07 | Mon 7/30/07 |
| 19 | Plan reviewed and updated by client | Tue 7/31/07 | Mon 8/6/07 |
| 20 | Final plan submitted | Tue 8/7/07 | Tue 8/7/07 |
| 21 | **Initial System Overview - Key staff only** | **Fri 8/3/07** | **Wed 8/22/07** |
| 22 | **Review with ITS department** | **Fri 8/3/07** | **Fri 8/10/07** |
| 23 | Review of file directories | Fri 8/3/07 | Fri 8/3/07 |
| 24 | Review of form and field security | Fri 8/10/07 | Fri 8/10/07 |
| 25 | Review of report interfaces | Fri 8/10/07 | Fri 8/10/07 |
| 26 | **Review with Waiting List department** | **Mon 8/13/07** | **Mon 8/13/07** |
| 27 | Review of screens | Mon 8/13/07 | Mon 8/13/07 |
| 28 | Review of processes | Mon 8/13/07 | Mon 8/13/07 |
| 29 | Review of reports | Mon 8/13/07 | Mon 8/13/07 |
| 30 | **Review with Section 8 department** | **Tue 8/14/07** | **Tue 8/14/07** |
| 31 | Review of screens | Tue 8/14/07 | Tue 8/14/07 |
| 32 | Review of processes | Tue 8/14/07 | Tue 8/14/07 |

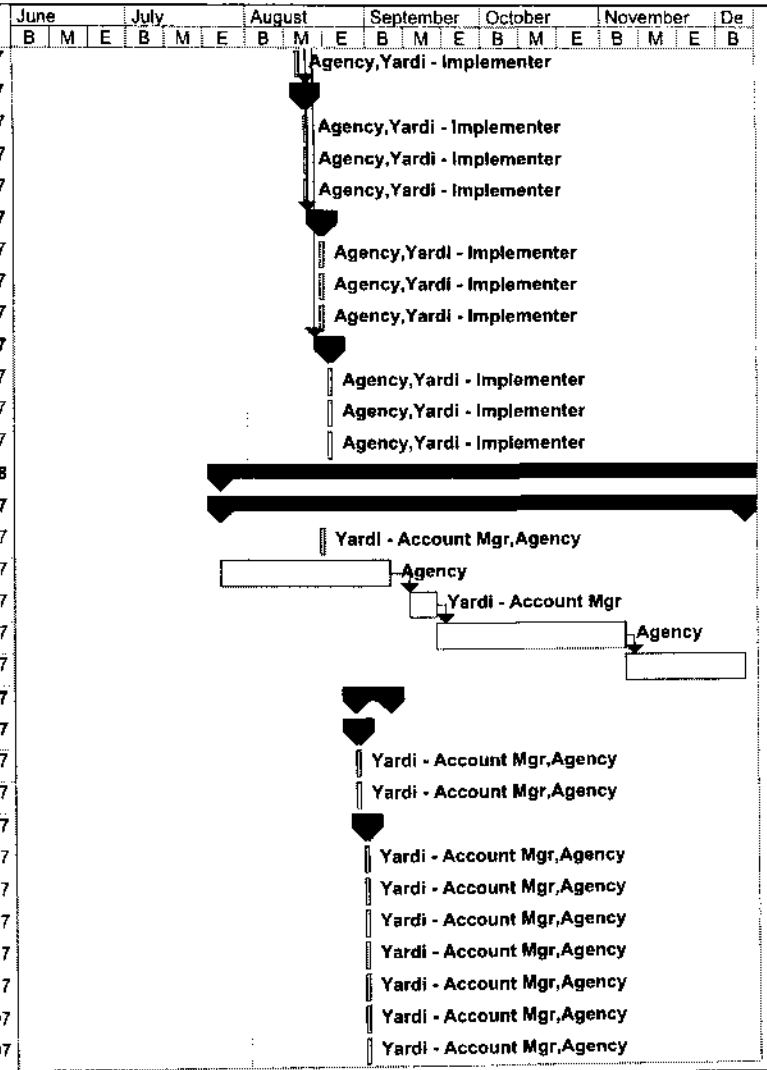



Project: Yardi Implementation
Date: Wed 5/16/07

Task
Split
Progress
Milestone
Summary
Project Summary
External Tasks
External Milestone
Deadline

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 33 | Review of reports | Tue 8/14/07 | Tue 8/14/07 |
| 34 | **Review with Public Housing department** | **Thu 8/16/07** | **Thu 8/16/07** |
| 35 | Review of screens | Thu 8/16/07 | Thu 8/16/07 |
| 36 | Review of processes | Thu 8/16/07 | Thu 8/16/07 |
| 37 | Review of reports | Thu 8/16/07 | Thu 8/16/07 |
| 38 | **Review with Finance department** | **Mon 8/20/07** | **Mon 8/20/07** |
| 39 | Review of screens | Mon 8/20/07 | Mon 8/20/07 |
| 40 | Review of processes | Mon 8/20/07 | Mon 8/20/07 |
| 41 | Review of reports | Mon 8/20/07 | Mon 8/20/07 |
| 42 | **Review with Work Order department** | **Wed 8/22/07** | **Wed 8/22/07** |
| 43 | Review of screens | Wed 8/22/07 | Wed 8/22/07 |
| 44 | Review of processes | Wed 8/22/07 | Wed 8/22/07 |
| 45 | Review of reports | Wed 8/22/07 | Wed 8/22/07 |
| 46 | **Configuration** | **Wed 7/25/07** | **Wed 7/9/08** |
| 47 | **Chart of Account Development** | **Wed 7/25/07** | **Fri 12/7/07** |
| 48 | Review of Yardi accounting functionality | Mon 8/20/07 | Mon 8/20/07 |
| 49 | Development of draft Chart of Accounts | Wed 7/25/07 | Thu 9/6/07 |
| 50 | Review of draft Chart of Accounts | Wed 9/12/07 | Tue 9/18/07 |
| 51 | Revision of Chart of Accounts | Wed 9/19/07 | Tue 11/6/07 |
| 52 | Enter/Upload Chart of Accounts | Wed 11/7/07 | Fri 12/7/07 |
| 53 | **Review IPHA Table setup** | **Wed 8/29/07** | **Thu 9/6/07** |
| 54 | **Wait List Processing** | **Wed 8/29/07** | **Wed 8/29/07** |
| 55 | Income Limits | Wed 8/29/07 | Wed 8/29/07 |
| 56 | Preferences | Wed 8/29/07 | Wed 8/29/07 |
| 57 | **Utility Allowance Setup** | **Fri 8/31/07** | **Fri 8/31/07** |
| 58 | Localities | Fri 8/31/07 | Fri 8/31/07 |
| 59 | Building Types | Fri 8/31/07 | Fri 8/31/07 |
| 60 | Utilities/Services | Fri 8/31/07 | Fri 8/31/07 |
| 61 | Schedules | Fri 8/31/07 | Fri 8/31/07 |
| 62 | Census Tracts | Fri 8/31/07 | Fri 8/31/07 |
| 63 | Payment Standards | Fri 8/31/07 | Fri 8/31/07 |
| 64 | Flat Rents | Fri 8/31/07 | Fri 8/31/07 |

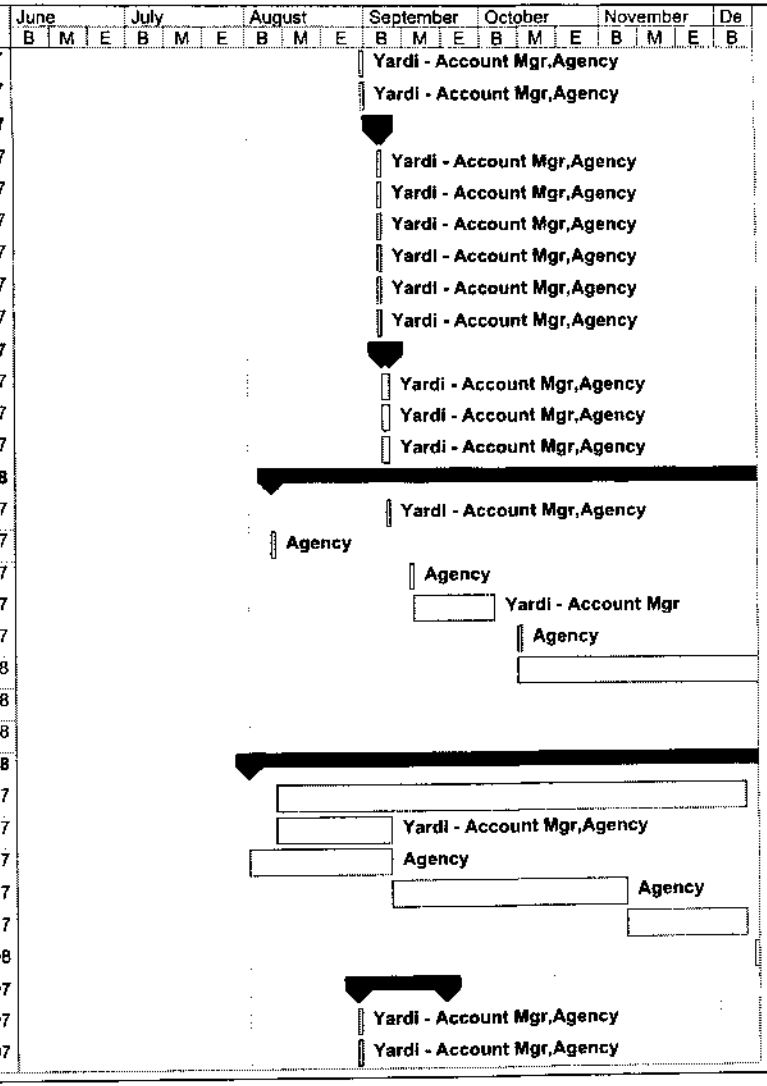



Project: Yardi Implementation
Date: Wed 5/16/07

Task | Milestone | External Tasks
Split | Summary | External Milestone
Progress | Project Summary | Deadline

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 65 | Max Rents | Fri 8/31/07 | Fri 8/31/07 |
| 66 | Vendor Setup | Fri 8/31/07 | Fri 8/31/07 |
| 67 | **FSS Client Tracking** | **Tue 9/4/07** | **Tue 9/4/07** |
| 68 | Goals | Tue 9/4/07 | Tue 9/4/07 |
| 69 | Services | Tue 9/4/07 | Tue 9/4/07 |
| 70 | Providers | Tue 9/4/07 | Tue 9/4/07 |
| 71 | Questions | Tue 9/4/07 | Tue 9/4/07 |
| 72 | Interview Templates | Tue 9/4/07 | Tue 9/4/07 |
| 73 | Rent Comparability | Tue 9/4/07 | Tue 9/4/07 |
| 74 | **PHAS Setup** | **Wed 9/5/07** | **Thu 9/6/07** |
| 75 | Map HACLA Chart to HUD Chart | Wed 9/5/07 | Thu 9/6/07 |
| 76 | Map HACLA Unit Status to HUD Status | Wed 9/5/07 | Thu 9/6/07 |
| 77 | Map HACLA Work Order Status to HUD Status | Wed 9/5/07 | Thu 9/6/07 |
| 78 | **Custom report development** | **Tue 8/7/07** | **Tue 4/8/08** |
| 79 | Review Reporting Requirements | Thu 9/6/07 | Thu 9/6/07 |
| 80 | Provide listing of default reports | Tue 8/7/07 | Tue 8/7/07 |
| 81 | Provide Yardi a list of agency critical reports | Wed 9/12/07 | Wed 9/12/07 |
| 82 | Identify scope of work and cost for providing agency critical reports | Thu 9/13/07 | Wed 10/3/07 |
| 83 | Approve scope of work and cost for agency critical reports | Wed 10/10/07 | Wed 10/10/07 |
| 84 | Create and provide agency critical reports | Wed 10/10/07 | Wed 1/9/08 |
| 85 | Review custom reports and provide feedback of changes | Thu 1/10/08 | Fri 3/7/08 |
| 86 | Implement changes and provide completed reports | Wed 1/16/08 | Tue 4/8/08 |
| 87 | **Creation of procedures documentation** | **Wed 8/1/07** | **Tue 1/22/08** |
| 88 | Establish and document coding conventions | Wed 8/8/07 | Fri 12/7/07 |
| 89 | Review general software processes | Wed 8/8/07 | Thu 9/6/07 |
| 90 | Establish and document agency specific processes and policy decisions | Wed 8/1/07 | Thu 9/6/07 |
| 91 | Creation of procedures documentation | Fri 9/7/07 | Tue 11/6/07 |
| 92 | Review of procedures documentation | Wed 11/7/07 | Fri 12/7/07 |
| 93 | Revise procedures documentation based on review | Mon 12/10/07 | Tue 1/22/08 |
| 94 | **Customization Options** | **Wed 8/29/07** | **Thu 9/20/07** |
| 95 | Review User-Defined Field Definitions | Wed 8/29/07 | Wed 8/29/07 |
| 96 | Review One to Many tables | Wed 8/29/07 | Wed 8/29/07 |

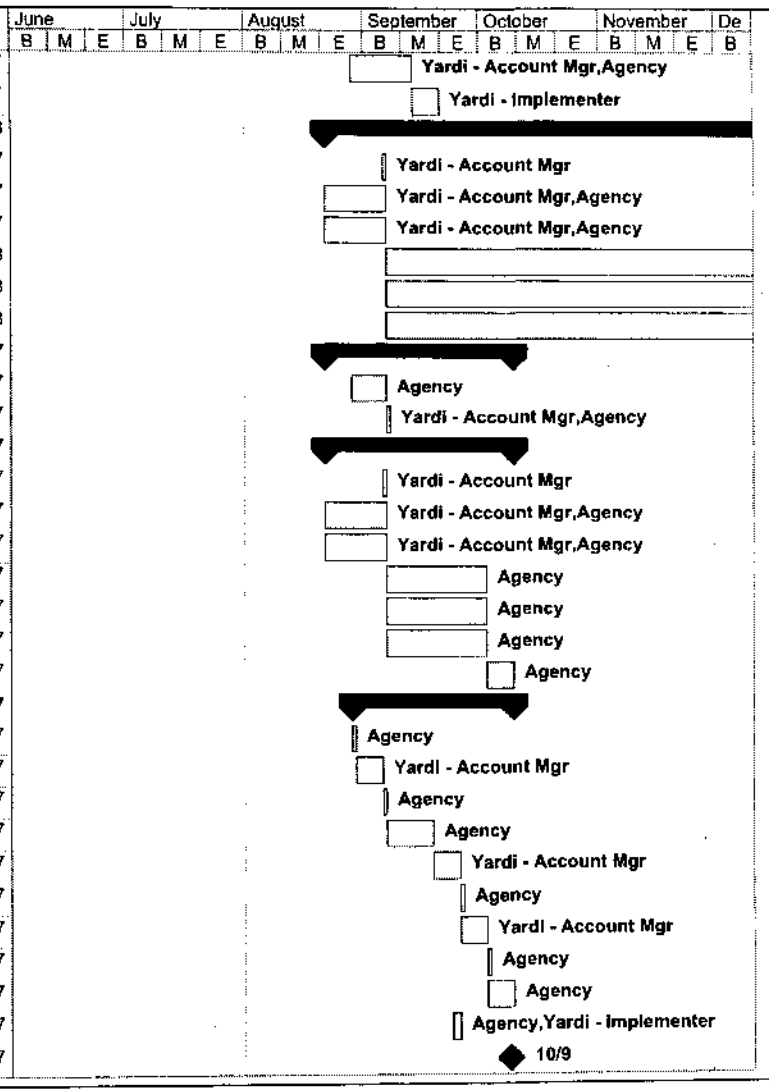



Project: Yardi Implementation
Date: Wed 5/16/07

Task | Split | Progress | Milestone | Summary | Project Summary | External Tasks | External Milestone | Deadline

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 97 | Identify Configuration of User-Defined Fields | Wed 8/29/07 | Thu 9/13/07 |
| 98 | Configure Database Based on User-Defined Fields | Fri 9/14/07 | Thu 9/20/07 |
| 99 | **Overall Security Plan** | **Wed 8/22/07** | **Wed 7/9/08** |
| 100 | Provide list of security items | Thu 9/6/07 | Thu 9/6/07 |
| 101 | Review Security functionality | Wed 8/22/07 | Thu 9/6/07 |
| 102 | Review Account Security | Wed 8/22/07 | Thu 9/6/07 |
| 103 | Define Groups | Fri 9/7/07 | Wed 7/9/08 |
| 104 | Define Users | Fri 9/7/07 | Wed 7/9/08 |
| 105 | Establish, Review and Approve Security Setup | Fri 9/7/07 | Wed 7/9/08 |
| 106 | **Phase I - Wait List** | **Wed 8/22/07** | **Tue 10/9/07** |
| 107 | Setup and Configure Waiting List | Wed 8/29/07 | Thu 9/6/07 |
| 108 | Confirm Waiting List Setup and Configuration | Fri 9/7/07 | Fri 9/7/07 |
| 109 | **Waiting List Security Plan** | **Wed 8/22/07** | **Tue 10/9/07** |
| 110 | Provide list of security items | Thu 9/6/07 | Thu 9/6/07 |
| 111 | Review Security functionality | Wed 8/22/07 | Thu 9/6/07 |
| 112 | Review Account Security | Wed 8/22/07 | Thu 9/6/07 |
| 113 | Define Groups | Fri 9/7/07 | Tue 10/2/07 |
| 114 | Define Users | Fri 9/7/07 | Tue 10/2/07 |
| 115 | Establish, Review and Approve Security Setup | Fri 9/7/07 | Tue 10/2/07 |
| 116 | Finalize and implement security | Wed 10/3/07 | Tue 10/9/07 |
| 117 | **Data Conversion** | **Wed 8/29/07** | **Tue 10/9/07** |
| 118 | Provide Yardi with sample client waiting list data for conversion | Wed 8/29/07 | Wed 8/29/07 |
| 119 | Conversion of sample data | Thu 8/30/07 | Wed 9/5/07 |
| 120 | Load of sample data on client's server | Thu 9/6/07 | Thu 9/6/07 |
| 121 | Review converted data and provide feedback | Fri 9/7/07 | Tue 9/18/07 |
| 122 | Modify conversion utility based on feedback | Wed 9/19/07 | Tue 9/25/07 |
| 123 | Provide Yardi with live client waiting list data for conversion | Wed 9/26/07 | Wed 9/26/07 |
| 124 | Conversion of live data | Wed 9/26/07 | Tue 10/2/07 |
| 125 | Load of live data on client's server | Wed 10/3/07 | Wed 10/3/07 |
| 126 | Review converted data and provide feedback | Wed 10/3/07 | Tue 10/9/07 |
| 127 | On-site Training for Waiting List Team | Mon 9/24/07 | Tue 9/25/07 |
| 128 | Begin live processing of waiting list | Tue 10/9/07 | Tue 10/9/07 |

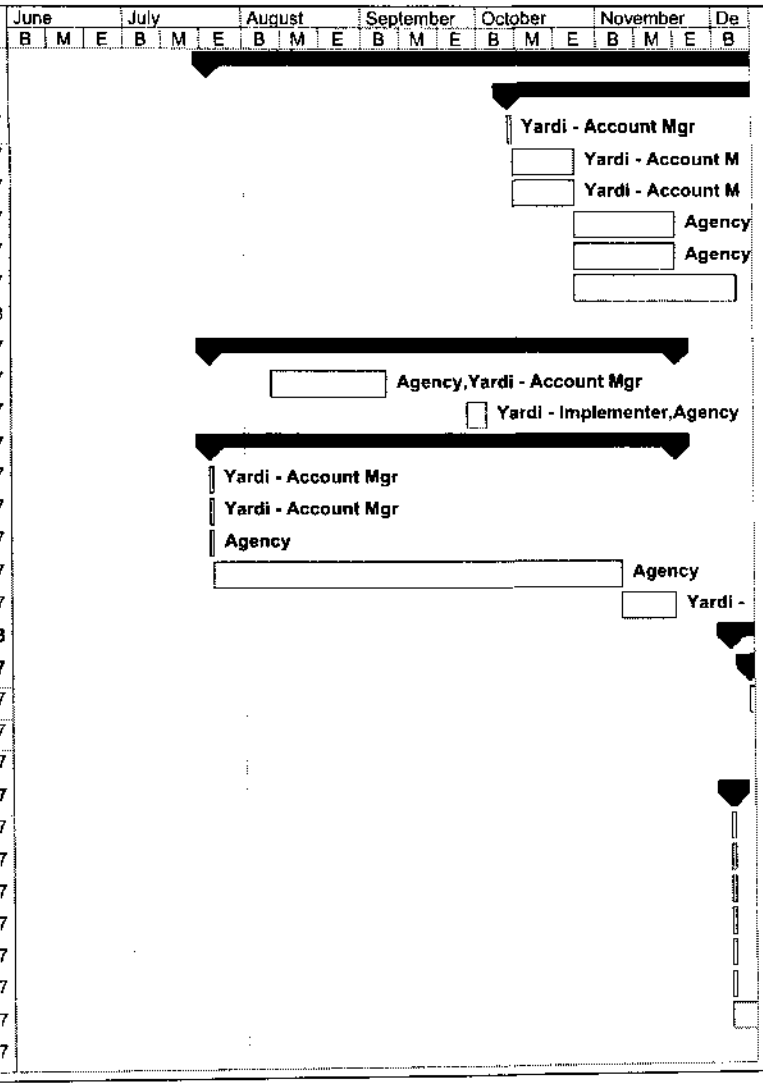



Project: Yardi Implementation
Date: Wed 5/16/07

Task
Split
Progress
Milestone
Summary
Project Summary
External Tasks
External Milestone
Deadline

# Housing Authority of the County of Los Angeles
# Yardi Software Implementation
# May 2007

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 129 | **Phase II - HCV, HQS Inspections** | **Mon 7/23/07** | **Tue 3/11/08** |
| 130 | **HCV, Inspections Security Plan** | **Tue 10/9/07** | **Tue 3/4/08** |
| 131 | Provide list of security items | Tue 10/9/07 | Tue 10/9/07 |
| 132 | Review Security functionality | Wed 10/10/07 | Thu 10/25/07 |
| 133 | Review Account Security | Wed 10/10/07 | Thu 10/25/07 |
| 134 | Define Groups | Fri 10/26/07 | Tue 11/20/07 |
| 135 | Define Users | Fri 10/26/07 | Tue 11/20/07 |
| 136 | Establish, Review and Approve Security Setup | Fri 10/26/07 | Thu 12/6/07 |
| 137 | Finalize and implement security | Wed 2/27/08 | Tue 3/4/08 |
| 138 | **Sample HCV Conversion** | **Mon 7/23/07** | **Tue 11/20/07** |
| 139 | Review and Establish Settings in Account & Options | Wed 8/8/07 | Thu 9/6/07 |
| 140 | On-site Training | Fri 9/28/07 | Tue 10/2/07 |
| 141 | **Data Conversion** | **Mon 7/23/07** | **Tue 11/20/07** |
| 142 | Provide Yardi with sample client data for conversion | Mon 7/23/07 | Mon 7/23/07 |
| 143 | Conversion of sample data | Mon 7/23/07 | Mon 7/23/07 |
| 144 | Load of sample data on client's server | Mon 7/23/07 | Mon 7/23/07 |
| 145 | Review converted data and provide feedback | Tue 7/24/07 | Tue 11/6/07 |
| 146 | Modify conversion utility based on feedback | Wed 11/7/07 | Tue 11/20/07 |
| 147 | **Pilot Testing - HCV, Inspections** | **Wed 12/5/07** | **Tue 2/5/08** |
| 148 | **On-site Training** | **Mon 12/10/07** | **Mon 12/24/07** |
| 149 | HCV Case Management | Mon 12/10/07 | Wed 12/12/07 |
| 150 | Inspections | Fri 12/14/07 | Mon 12/17/07 |
| 151 | FSS | Fri 12/21/07 | Mon 12/24/07 |
| 152 | **Data Conversion Files Provided** | **Wed 12/5/07** | **Wed 12/5/07** |
| 153 | Chart of accounts | Wed 12/5/07 | Wed 12/5/07 |
| 154 | 50058 Files for Sample Properties/Residents | Wed 12/5/07 | Wed 12/5/07 |
| 155 | Vendor information | Wed 12/5/07 | Wed 12/5/07 |
| 156 | Vendor balances | Wed 12/5/07 | Wed 12/5/07 |
| 157 | Tenant information | Wed 12/5/07 | Wed 12/5/07 |
| 158 | Inspection Baselines | Wed 12/5/07 | Wed 12/5/07 |
| 159 | Conversion of unit/vendor/tenant balances data for pilot project | Wed 12/5/07 | Tue 12/11/07 |
| 160 | Load of Pilot data on client's server | Wed 12/12/07 | Wed 12/12/07 |

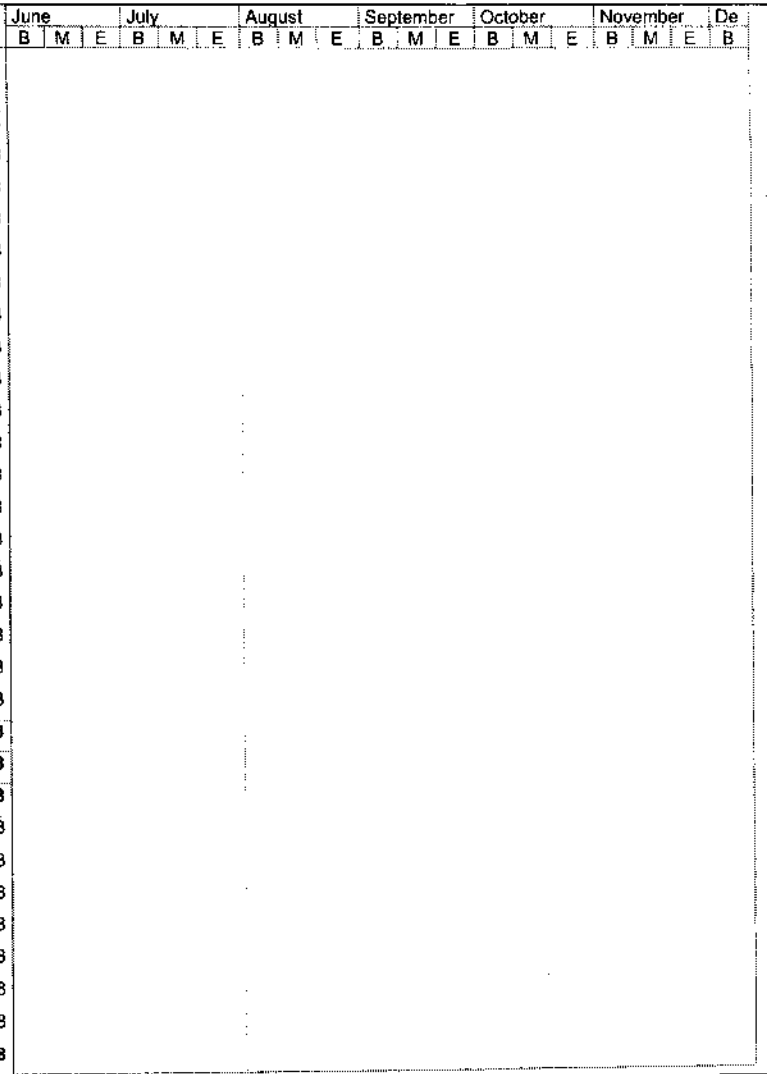



Project: Yardi Implementation
Date: Wed 5/16/07

Task | Milestone | External Tasks
Split | Summary | External Milestone
Progress | Project Summary | Deadline

# Housing Authority of the County of Los Angeles
# Yardi Software Implementation
# May 2007

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 161 | Post Rent/HAP | Tue 12/25/07 | Tue 12/25/07 |
| 162 | Review converted data and provide feedback | Wed 12/19/07 | Mon 1/7/08 |
| 163 | Resolve outstanding issues related to data conversion | Wed 1/9/08 | Tue 1/22/08 |
| 164 | Modify conversion utility based on feedback | Tue 1/22/08 | Tue 2/5/08 |
| 165 | **Final Conversion - HCV, Inspections** | **Fri 2/8/08** | **Fri 3/7/08** |
| 166 | **On-site Training** | **Fri 2/8/08** | **Mon 2/25/08** |
| 167 | HCV Case Management | Fri 2/8/08 | Mon 2/18/08 |
| 168 | Inspections | Tue 2/19/08 | Wed 2/20/08 |
| 169 | FSS | Fri 2/22/08 | Mon 2/25/08 |
| 170 | **Data Conversion Files Provided** | **Wed 2/27/08** | **Wed 2/27/08** |
| 171 | Chart of accounts | Wed 2/27/08 | Wed 2/27/08 |
| 172 | 50058 Files for all Properties/Residents | Wed 2/27/08 | Wed 2/27/08 |
| 173 | Vendor information | Wed 2/27/08 | Wed 2/27/08 |
| 174 | Vendor balances | Wed 2/27/08 | Wed 2/27/08 |
| 175 | Tenant information | Wed 2/27/08 | Wed 2/27/08 |
| 176 | Inspection Baselines | Wed 2/27/08 | Wed 2/27/08 |
| 177 | Conversion of unit/vendor/tenant balances | Wed 2/27/08 | Tue 3/4/08 |
| 178 | Load of Pilot data on client's server | Wed 3/5/08 | Wed 3/5/08 |
| 179 | Post Rent/HAP | Fri 3/7/08 | Fri 3/7/08 |
| 180 | Begin Live Processing of HCV | Mon 3/10/08 | Mon 3/10/08 |
| 181 | Monitor month end processes | Wed 3/5/08 | Tue 3/11/08 |
| 182 | **Phase III - PH , Maintenance, REAC Inspections, Affordable** | **Wed 3/12/08** | **Mon 10/13/08** |
| 183 | **Review PH , Maintenance, REAC Inspections, Affordable Table Setup** | **Fri 3/28/08** | **Wed 4/9/08** |
| 184 | **Work Order** | **Fri 3/28/08** | **Tue 4/1/08** |
| 185 | Work Order Status | Fri 3/28/08 | Fri 3/28/08 |
| 186 | Work Order Labor Setup | Fri 3/28/08 | Fri 3/28/08 |
| 187 | User-Defined Field Setup | Mon 3/31/08 | Mon 3/31/08 |
| 188 | Inventory | Mon 3/31/08 | Mon 3/31/08 |
| 189 | Stock Items | Tue 4/1/08 | Tue 4/1/08 |
| 190 | Templates | Tue 4/1/08 | Tue 4/1/08 |
| 191 | Reoccurring Work Orders | Tue 4/1/08 | Tue 4/1/08 |
| 192 | **Inspections** | **Wed 4/2/08** | **Thu 4/3/08** |

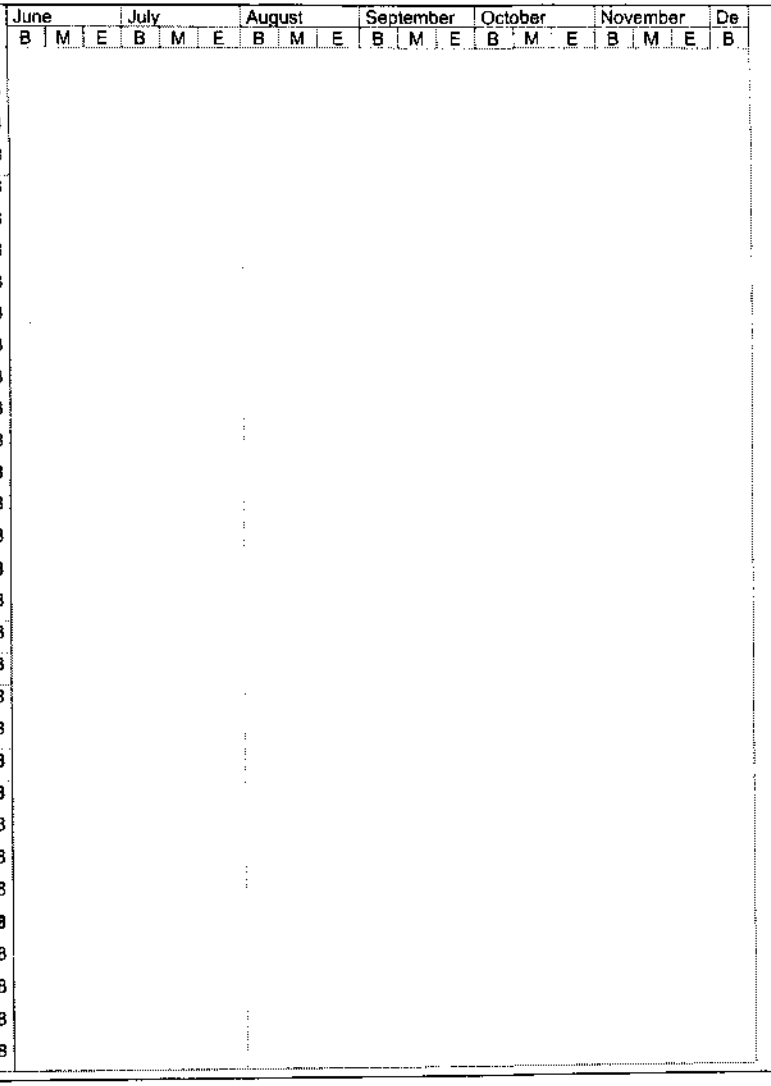



Project: Yardi Implementation
Date: Wed 5/16/07

Task
Split
Progress
Milestone
Summary
Project Summary
External Tasks
External Milestone
Deadline

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 193 | Templates | Wed 4/2/08 | Wed 4/2/08 |
| 194 | User-Defiled Field Setup | Thu 4/3/08 | Thu 4/3/08 |
| 195 | **Affordable** | **Fri 4/4/08** | **Wed 4/9/08** |
| 196 | Setup Accounts and Options | Fri 4/4/08 | Tue 4/8/08 |
| 197 | User-Defined Field Setup | Wed 4/9/08 | Wed 4/9/08 |
| 198 | **Maintenance, Inspections, Affordable Security Plan** | **Wed 3/12/08** | **Mon 10/13/08** |
| 199 | Provide list of security items | Wed 3/12/08 | Wed 3/12/08 |
| 200 | Review Security functionality | Wed 3/12/08 | Thu 3/27/08 |
| 201 | Review Account Security | Wed 3/12/08 | Thu 3/27/08 |
| 202 | Define Groups | Fri 3/28/08 | Tue 4/22/08 |
| 203 | Define Users | Fri 3/28/08 | Tue 4/22/08 |
| 204 | Establish, Review and Approve Security Setup | Wed 4/23/08 | Tue 6/3/08 |
| 205 | Finalize and implement security | Wed 5/28/08 | Tue 6/3/08 |
| 206 | **Sample Work Order, Inspections, Affordable Conversion** | **Fri 4/11/08** | **Tue 8/19/08** |
| 207 | Review and Establish Settings in Account & Options | Fri 4/11/08 | Mon 5/12/08 |
| 208 | On-site Training | Fri 5/9/08 | Tue 5/13/08 |
| 209 | **Data Conversion** | **Thu 5/1/08** | **Tue 8/19/08** |
| 210 | Provide Yardi with sample client data for conversion | Thu 5/1/08 | Thu 5/1/08 |
| 211 | Conversion of sample data | Fri 5/2/08 | Fri 5/2/08 |
| 212 | Load of sample data on client's server | Mon 5/5/08 | Mon 5/5/08 |
| 213 | Review converted data and provide feedback | Tue 5/6/08 | Tue 8/19/08 |
| 214 | Modify conversion utility based on feedback | Fri 5/23/08 | Thu 6/5/08 |
| 215 | **Pilot Testing - Work Order, Inspections, Affordable** | **Fri 6/13/08** | **Fri 7/25/08** |
| 216 | **On-site Training** | **Fri 6/13/08** | **Mon 6/30/08** |
| 217 | Work Order | Fri 6/13/08 | Mon 6/16/08 |
| 218 | Inspections | Fri 6/20/08 | Fri 6/20/08 |
| 219 | Affordable | Fri 6/27/08 | Mon 6/30/08 |
| 220 | **Data Conversion Files Provided** | **Thu 6/19/08** | **Thu 6/19/08** |
| 221 | 50059 Files for Sample Properties/Residents | Thu 6/19/08 | Thu 6/19/08 |
| 222 | Tenant information | Thu 6/19/08 | Thu 6/19/08 |
| 223 | Tenant balances | Thu 6/19/08 | Thu 6/19/08 |
| 224 | Security deposits | Thu 6/19/08 | Thu 6/19/08 |

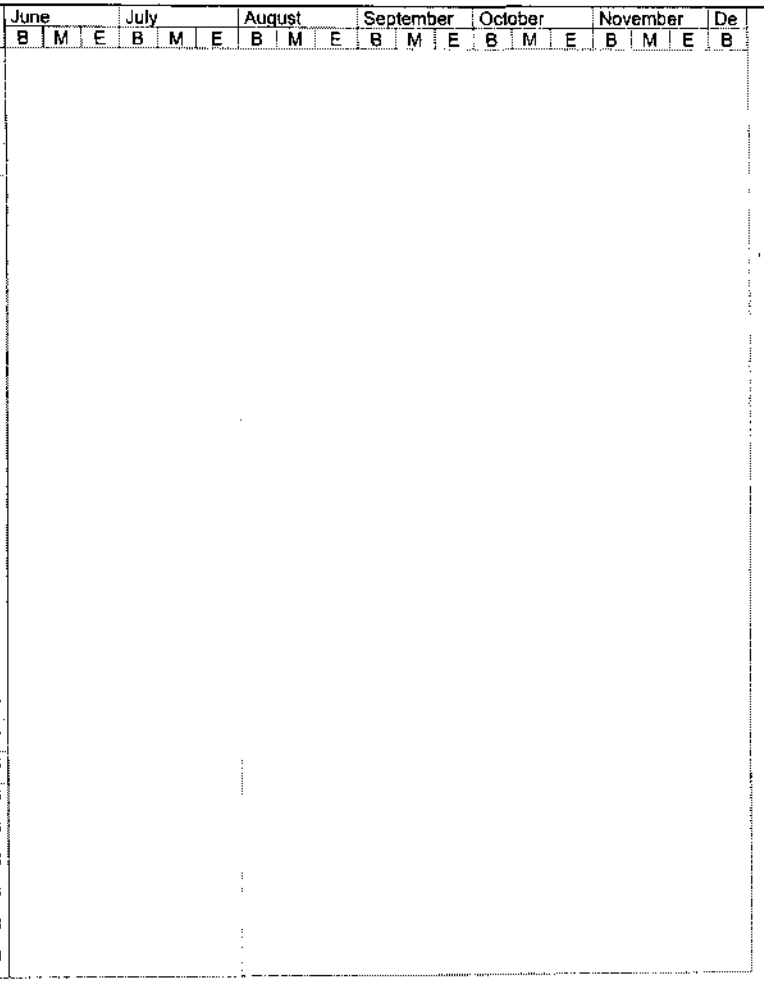



Project: Yardi Implementation
Date: Wed 5/16/07

Task | Milestone | External Tasks
Split | Summary | External Milestone
Progress | Project Summary | Deadline

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007

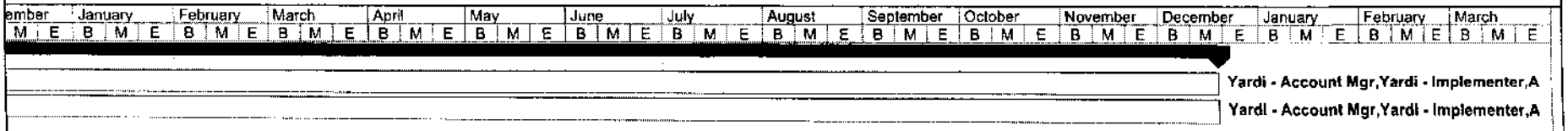
| ID | Task Name | Start | Finish |
|---|---|---|---|
| 225 | Pre-paid rent charges | Thu 6/19/08 | Thu 6/19/08 |
| 226 | Monies owed/in arrears | Thu 6/19/08 | Thu 6/19/08 |
| 227 | Work Order History | Thu 6/19/08 | Thu 6/19/08 |
| 228 | Stock & Inventory | Thu 6/19/08 | Thu 6/19/08 |
| 229 | Conversion of unit/tenant balances data for pilot project | Fri 6/20/08 | Thu 6/26/08 |
| 230 | Load of Pilot data on client's server | Fri 6/27/08 | Fri 6/27/08 |
| 231 | Affordable Post Rent/HAP | Wed 7/2/08 | Wed 7/2/08 |
| 232 | Review converted data and provide feedback | Wed 7/2/08 | Mon 7/21/08 |
| 233 | Resolve outstanding issues related to data conversion | Fri 7/11/08 | Thu 7/24/08 |
| 234 | Modify conversion utility based on feedback | Fri 7/11/08 | Fri 7/25/08 |
| 235 | **Final Conversion -PH, Work Order, Inspections, Affordable** | **Fri 8/29/08** | **Wed 10/1/08** |
| 236 | **On-site Training** | **Fri 8/29/08** | **Fri 9/5/08** |
| 237 | Affordable Housing | Fri 8/29/08 | Tue 9/2/08 |
| 238 | Work Order/Maintenance | Wed 9/3/08 | Thu 9/4/08 |
| 239 | Inspections | Fri 9/5/08 | Fri 9/5/08 |
| 240 | **Data Conversion Files Provided** | **Thu 9/18/08** | **Thu 9/18/08** |
| 241 | 50059 Files for all Properties/Residents | Thu 9/18/08 | Thu 9/18/08 |
| 242 | Vendor information | Thu 9/18/08 | Thu 9/18/08 |
| 243 | Vendor balances | Thu 9/18/08 | Thu 9/18/08 |
| 244 | Tenant information | Thu 9/18/08 | Thu 9/18/08 |
| 245 | Tenant balances | Thu 9/18/08 | Thu 9/18/08 |
| 246 | Security deposits | Thu 9/18/08 | Thu 9/18/08 |
| 247 | Pre-paid rent charges | Thu 9/18/08 | Thu 9/18/08 |
| 248 | Monies owed/in arrears | Thu 9/18/08 | Thu 9/18/08 |
| 249 | Conversion of unit/vendor/tenant balances | Fri 9/19/08 | Thu 9/25/08 |
| 250 | Load of Pilot data on client's server | Fri 9/26/08 | Fri 9/26/08 |
| 251 | Affordable Post Rent/HAP | Wed 10/1/08 | Wed 10/1/08 |
| 252 | Begin Live Processing PH, Work Order, Inspections, Affordable | Fri 10/3/08 | Fri 10/3/08 |
| 253 | Monitor month end processes | Tue 10/7/08 | Mon 10/13/08 |




Project: Yardi Implementation
Date: Wed 5/16/07

Task | Milestone | External Tasks
Split | Summary | External Milestone
Progress | Project Summary | Deadline

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007




Project: Yardi Implementation
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Task | Milestone | External Tasks
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# Housing Authority of the County of Los Angeles
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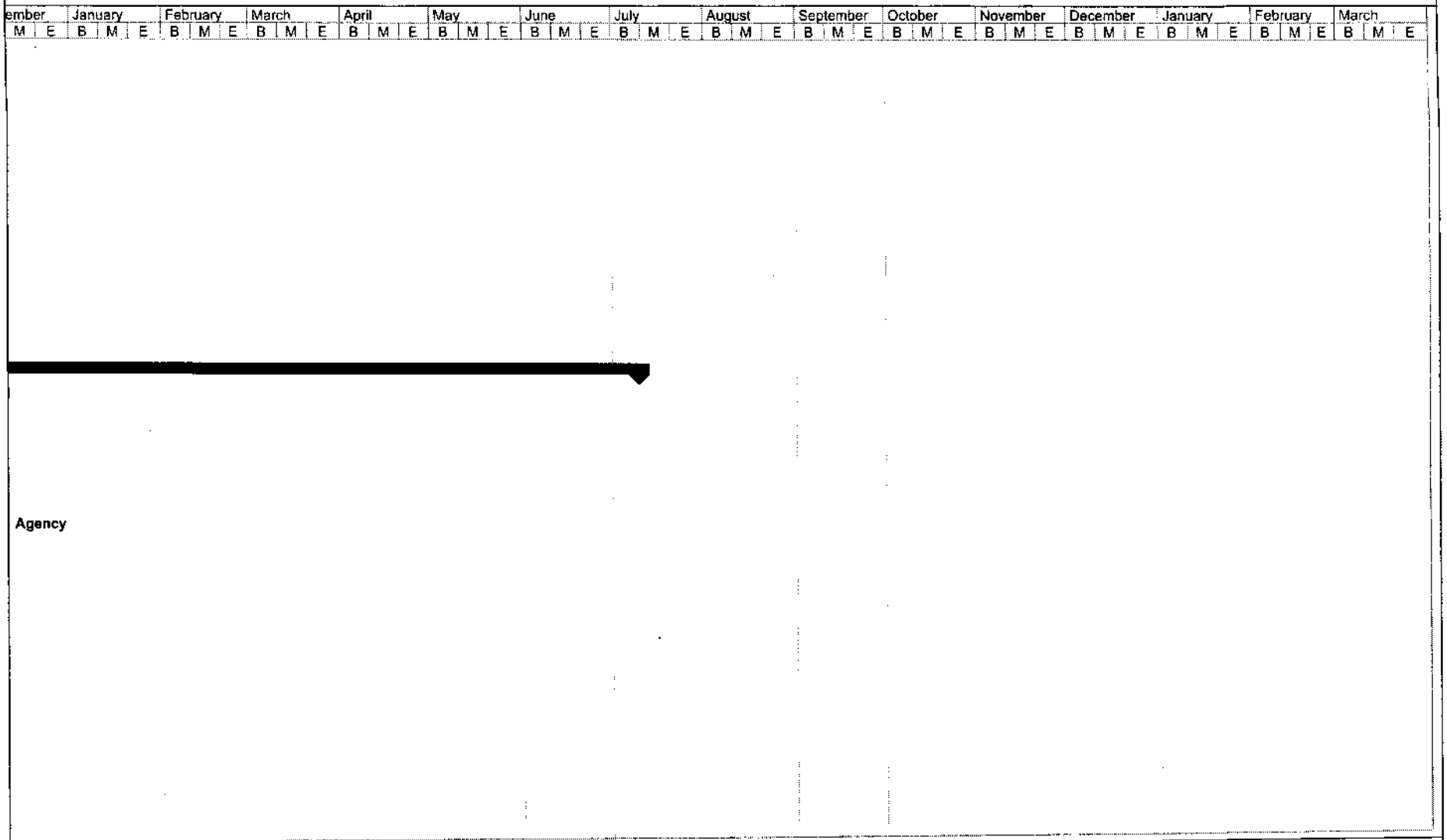


Project: Yardi Implementation
Date: Wed 5/16/07

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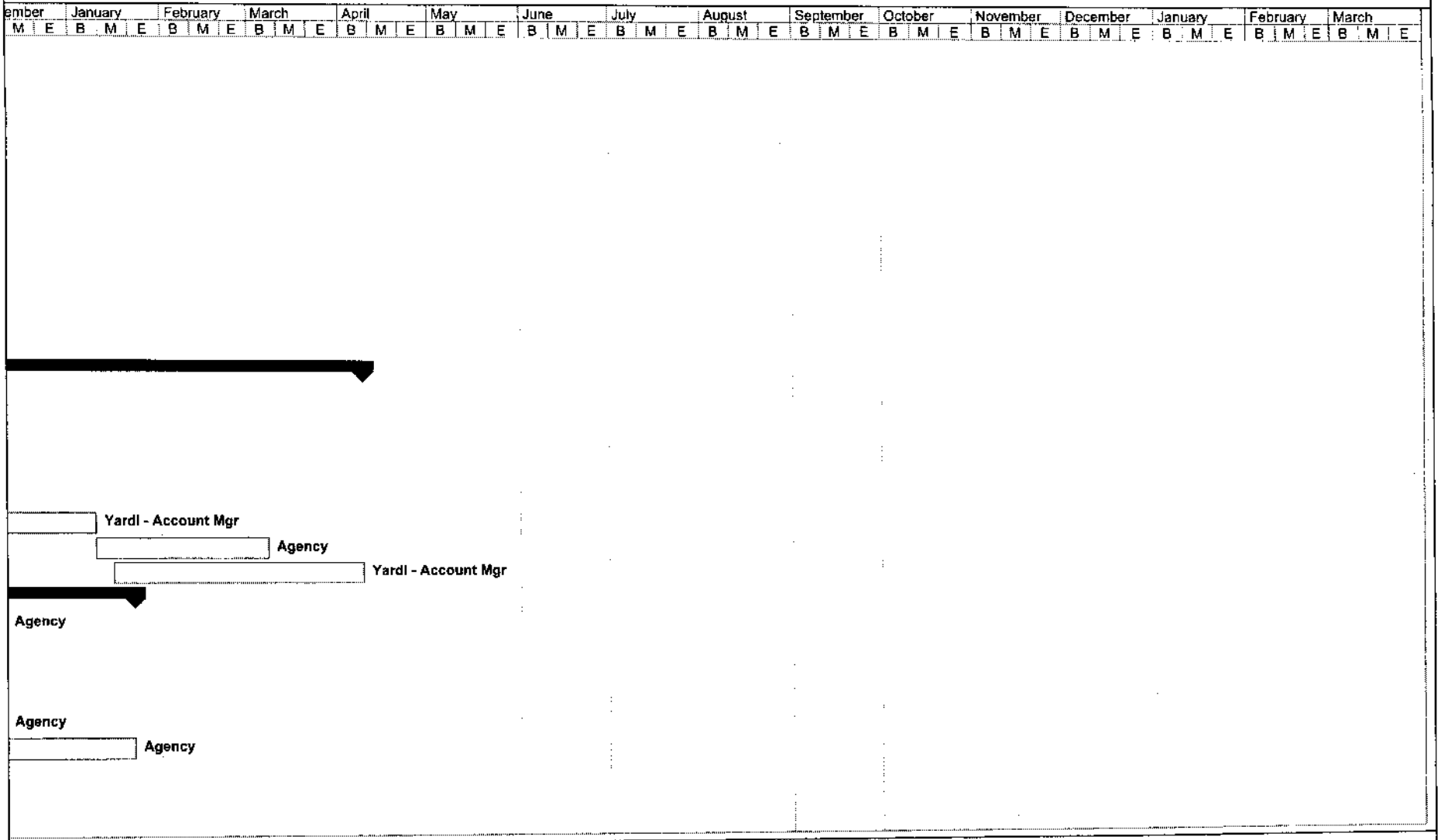
|---|---|---|---|---|---|
| Task | | Milestone | | External Tasks | |
| Split | | Summary | | External Milestone | |
| Progress | | Project Summary | | Deadline | |

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007




Project: Yardi Implementation
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Task
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# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
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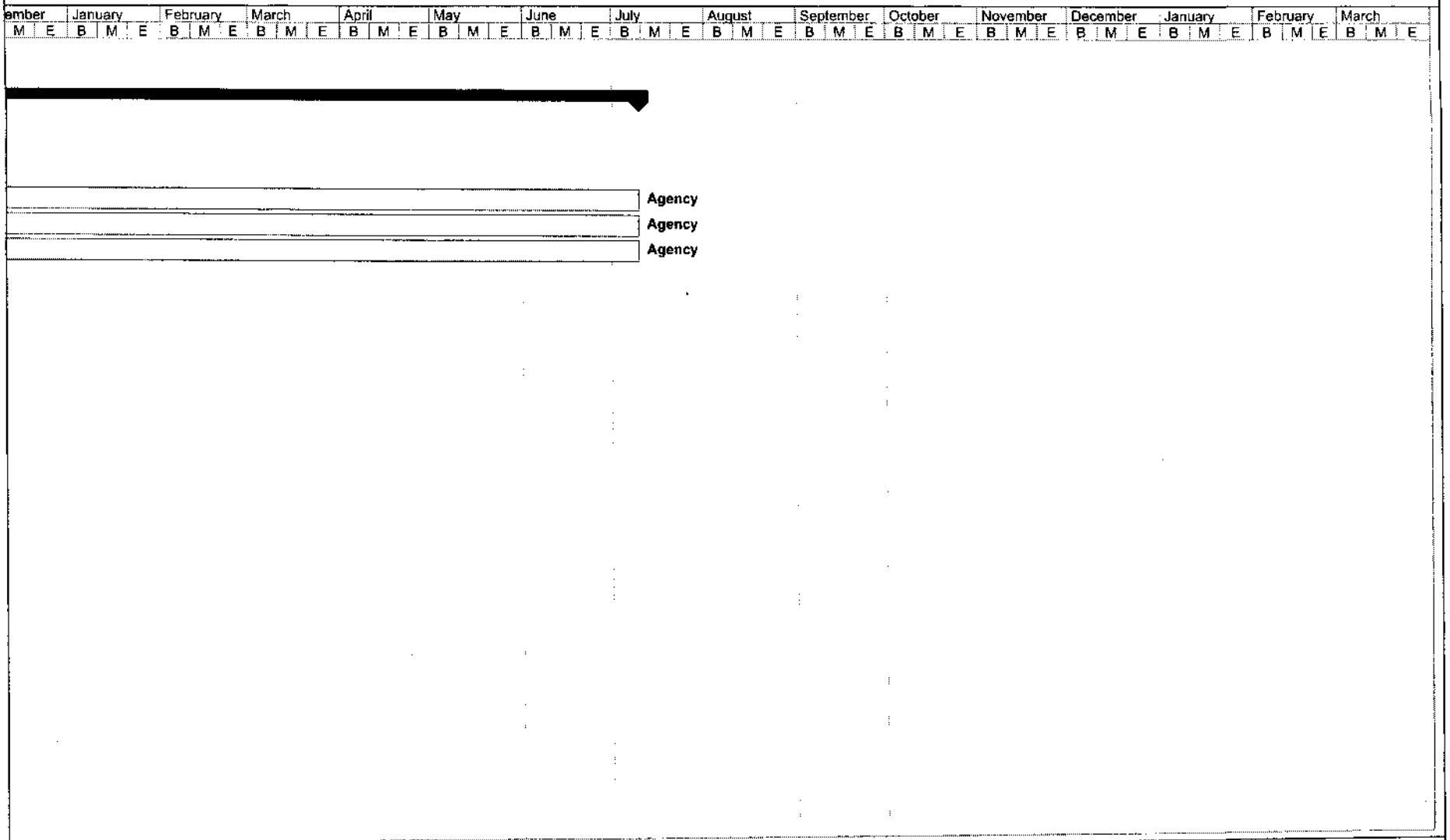


Project: Yardi Implementation
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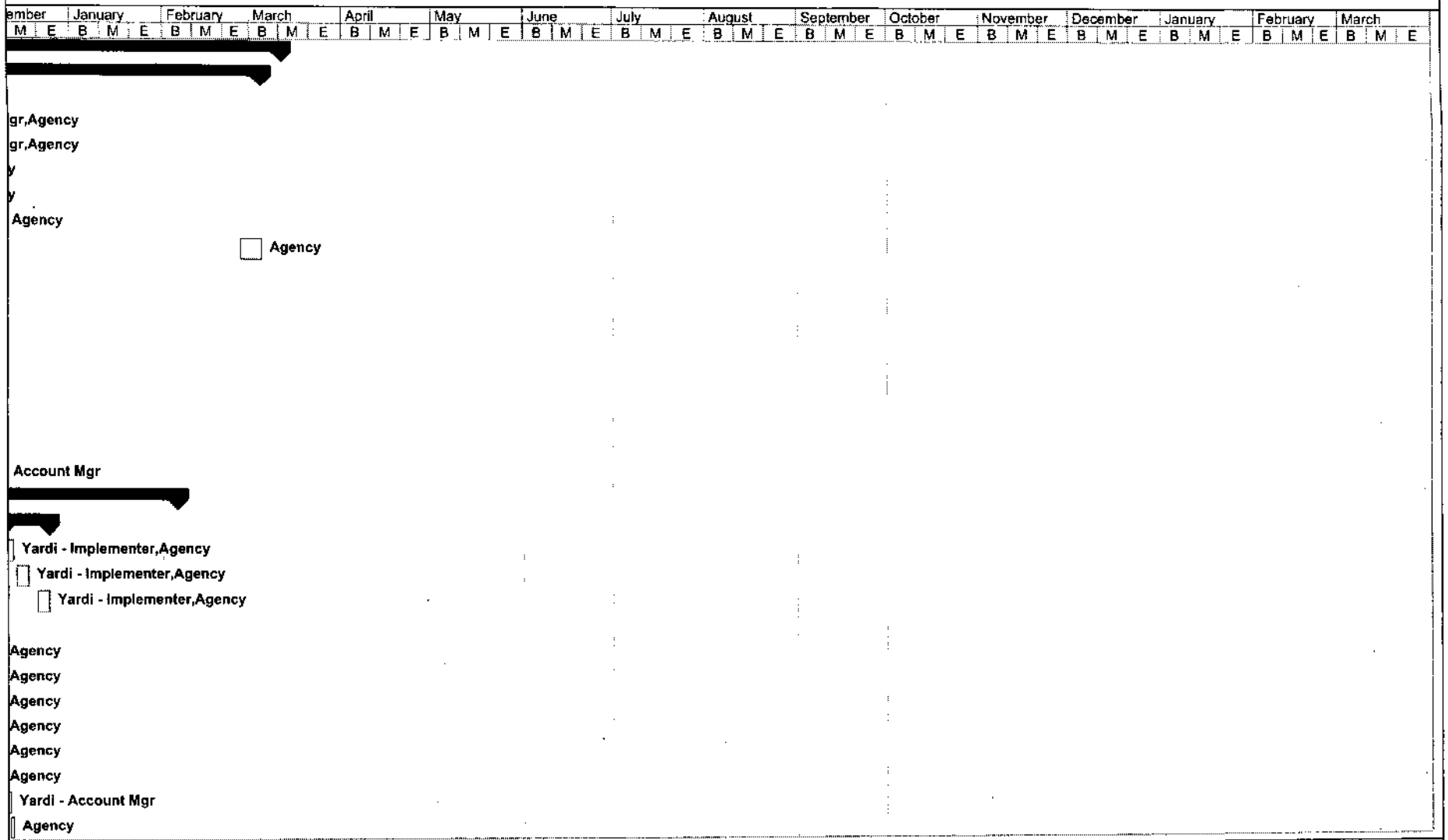
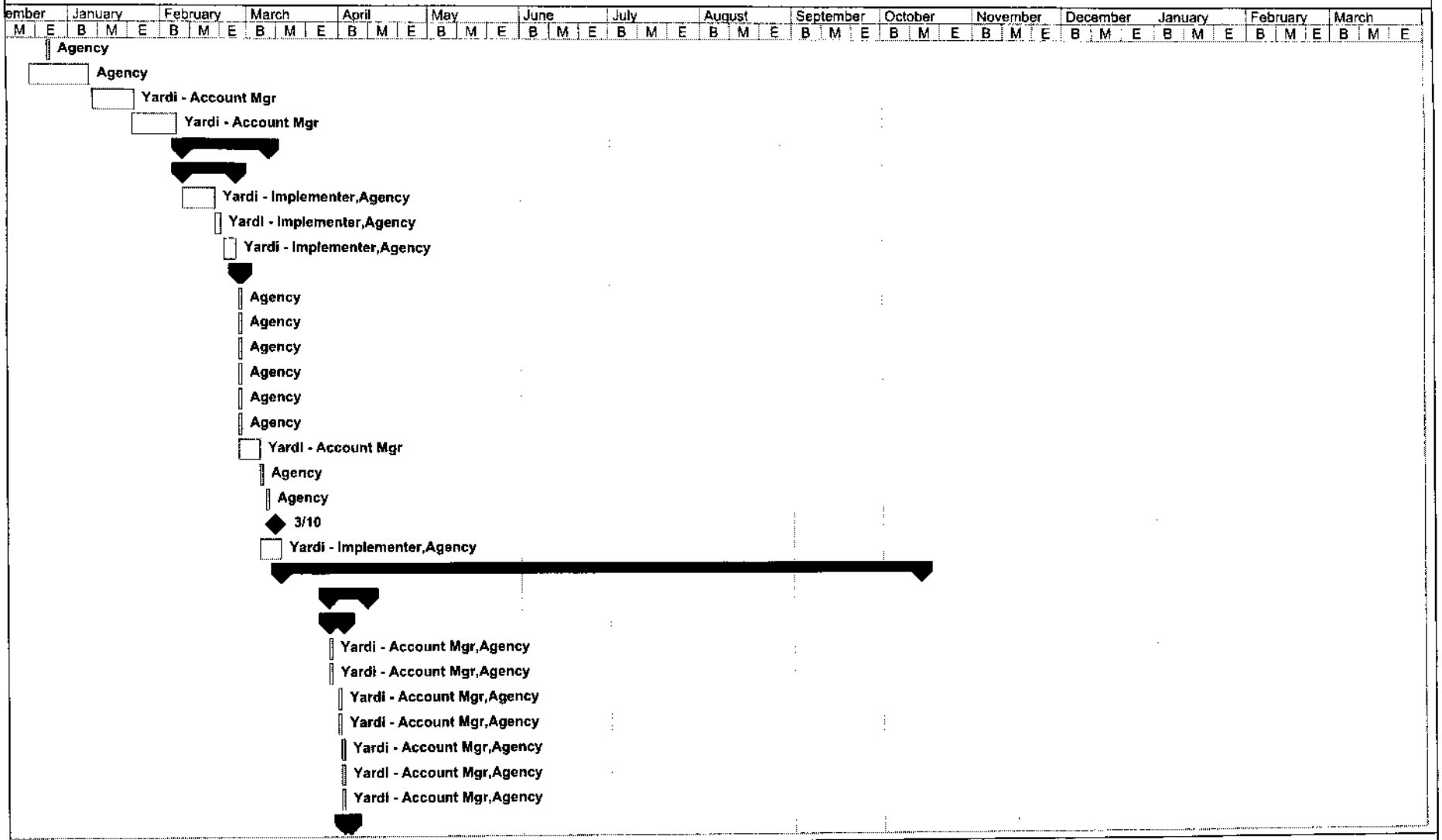
# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007




Project: Yardi Implementation
Date: Wed 5/16/07

| | | | | | |
|---|---|---|---|---|---|
| Task | | Milestone | | External Tasks | |
| Split | | Summary | | External Milestone | |
| Progress | | Project Summary | | Deadline | |

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007




Project: Yardi Implementation
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Task
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Summary
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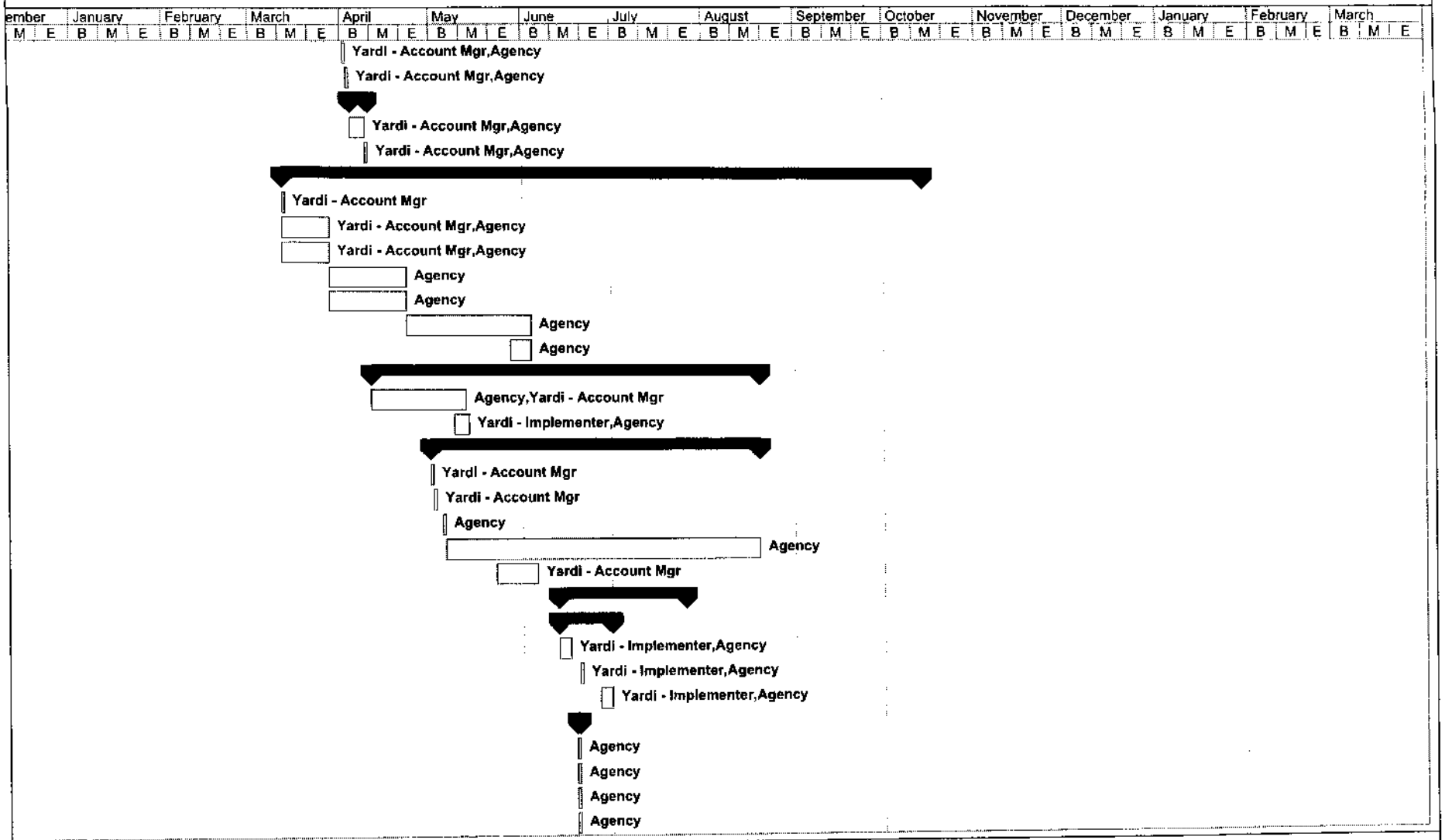
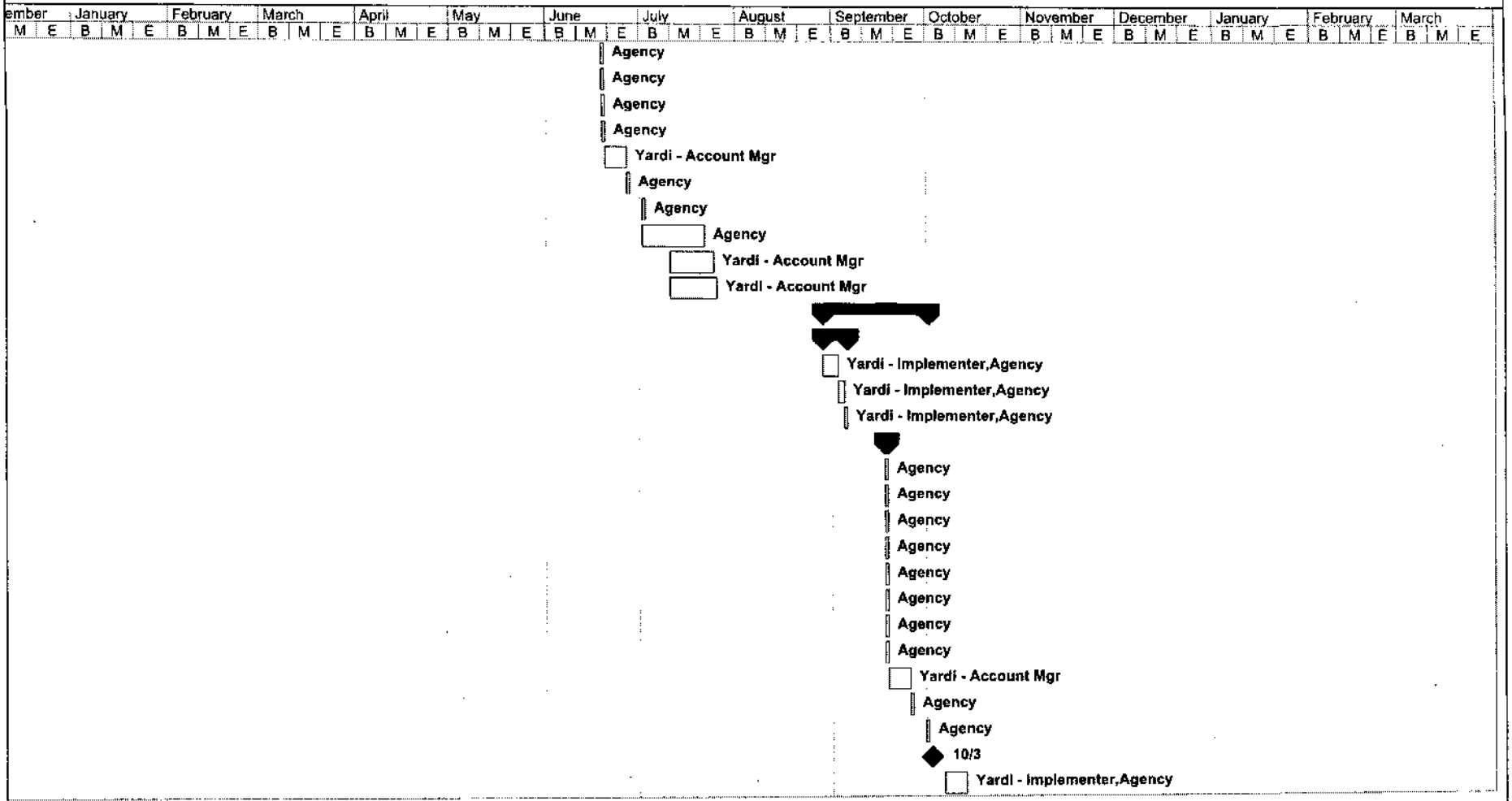
# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007




Project: Yardi Implementation
Date: Wed 5/16/07

| | | | | | |
|---|---|---|---|---|---|
| Task | | Milestone | | External Tasks | |
| Split | | Summary | | External Milestone | |
| Progress | | Project Summary | | Deadline | |

# Housing Authority of the County of Los Angeles
## Yardi Software Implementation
## May 2007




Project: Yardi Implementation
Date: Wed 5/16/07

| | | | | | |
|---|---|---|---|---|---|
| Task | | Milestone | | External Tasks | |
| Split | | Summary | | External Milestone | |
| Progress | | Project Summary | | Deadline | |

# ATTACHMENT D

# PROJECT RESOURCE REQUIREMENTS

# Attachment D – Housing Authority Resource Requirements

Minimal level of required Housing Authority staffing for a 12 month implementation:

| | | |
|---|---|---|
| HACLA Project Manager | 1 FTE | 1yr |
| Subject Matter Experts (SMEs) [b]: | 1 [a] | 20hrs/wk for 2 months; then 5hrs/wk 10 months |
| Conversion Programmer [c] | 1 FTE | 3 months |
| Technical Writer | 1 FTE | 3 months |
| Business analysts/testers [b] | | 40hrs/wk for 4 weeks |

| | |
|---|---|
| Steering Committee: | 2hrs/mo for project duration |
| Department Head | |
| Senior manager from each major department | |
| Project Director | |
| Project Manager | |
| Contractor's Project Manager | |
| Contractor's Project Sponsor (Ray Elliot) | |

[a] per major department during the respective implementation phase

[b] during the corresponding pilot phase for their department the timing of the involvement of the Business Analyst/Testers and SME's would change to correspond to a more concurrent implementation of the Public Housing and Leased Housing Departments, respectively.

[c] estimates assume that the Conversion Programmer is able to extract data from both legacy systems. If this is not the case; then an additional resource would be required in this area – 1 FTE for up to 3 months.

# ATTACHMENT E

# IMPLEMENTATION SERVICE DAYS

# Attachment E – Implementation Services Days

Yardi will provide the following days of onsite implementation services:

| Service | On-site Days |
|---|---|
| Project Management/Quality Control | 72 |
| General Implementation Services | 45 |
| Implementation/Configuration (HCV) | 15 |
| Implementation/Configuration (PH/Managed) | 15 |
| Implementation/Configuration (Maintenance) | 3 |
| Total | 150 |

# ATTACHMENT F

# TRAINING DAYS AND CURRICULUM

# Attachment F – Training Days and Curriculum

| Training Subject | Onsite Training Days |
|---|---|
| Train-the Trainer | |
| Waiting List | 6 |
| IPHA | 45 |
| Inspections | 6 |
| Construction and Job Cost | 12 |
| Maintenance/Inventory | 6 |
| Affordable | 30 |
| Total | 105 |

# ATTACHMENT G

# CERTIFICATE OF ACCEPTANCE

## Attachment G – Certificate of Acceptance

Housing Authority agrees that all acceptance test criteria for Payment Milestone (Payment Milestone description) have been successfully met and The Housing Authority formally accepts this payment milestone.

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES

By: _____

Emilio Salas, Director

Date: _____

# ATTACHMENT H

# CONTRACTOR'S SOFTWARE LICENSE AND SERVICE AGREEMENT

# YARDI SOFTWARE LICENSE AND SERVICE AGREEMENT

## SPECIFIC TERMS

1. *Grant of License.* Yardi Systems, Inc., 430 South Fairview Ave., Goleta, California, 93117 ("Contractor" or "Licensor") hereby grants to Housing Authority and Housing Authority accepts from and Licensor, pursuant to the terms and conditions of the Contract and this Software Licensed and Service Agreement ("Agreement"), a non-exclusive, perpetual license ("License") to Use each Licensed Program (as such terms are defined, below) as set forth in the Contract (including any schedules, exhibits or appendixes thereto) to which this Agreement is attached as Attachment H (Yardi Software License and Service Agreement). Notwithstanding any other provision of this Agreement, the License granted under this Agreement shall include the right to permit access to the Licensed Program on Housing Authority's servers to any user affiliated with Housing Authority who has access to the central server, provided that such access to the Licensed Program shall be subject to the terms and restrictions applicable to Housing Authority's Use of the Licensed Program including, without limitation, and restriction on the number of Designated Users (defined below). To the extent that any of the terms or conditions contained in this Agreement are in conflict with the terms or conditions contained in the Contract, the terms and conditions of the Contract shall prevail, and the conflicting provisions in this Agreement shall be null and void. The parties agree that, to the fullest extent possible, terms should be interpreted as complementary rather than conflicting.

2. ***Standard Terms and Conditions.*** The standard terms and conditions for this Agreement are set forth below and made a part of this Agreement and the Contract.

3. ***Fees.*** On the terms and subject to the limitations set forth in this Agreement and the Contract, Housing Authority shall pay Licensor the fees specified in Attachment B-1 (Fee Schedule) to the Contract. Fees shall be payable as set forth in Attachment B-2 (Payment Schedule) to the Contract.

4. ***Software Implementation and Training.*** On the terms and subject to the limitations set forth in this Agreement, and the Contract, Licensor shall implement and provide appropriate training for the Licensed Programs as specified in Attachment E (Implementation Services Days) and Attachment F (Training Days and Curriculum) to the Contract.

5. ***Support and Updates.*** On the terms and subject to the limitations set forth in this Agreement and the Contract, and subject to annual renewal, Licensor shall provide telephone support and program Updates to Housing Authority as specified below.

6. ***Product Development.*** On the terms and subject to the limitations set forth in this Agreement and the Contract, Licensor shall provide custom programming to Housing Authority as specified below. Included are all Upgrades to the Licensed Programs.

## SUPPORT AND UPDATES

1. **Housing Authority Service.** It is the goal of Licensor to provide effective and timely product support for its Licensed Programs subject to the terms and conditions of this Agreement and the Contract.

2. **Housing Authority Contacts.** In order to facilitate achievement of Licensor's service goals, Housing Authority agrees to appoint a single point of contact ("SPOC") for software installation, support and maintenance. Housing Authority may change the identity of the SPOC upon advance written notice to Licensor.

3. **Licensor's Contacts.** Licensor shall appoint an account manager to Housing Authority's account. Licensor may change the identity of the account managers from time to time and Housing Authority's file shall be available to Licensor's entire technical support team to provide coverage and back-up for the account manager.

4. **Product Support Services.** Licensor shall provide technical support and maintenance for the Licensed Programs through its account managers and technical staff to Housing Authority's SPOC for day to day operational inquiries by Housing Authority through telephone, fax, or e-mail contacts. Product support does not include onsite installation, implementation, training, or testing of the Licensed Programs, nor does it include any data conversion. These services, if ordered, are specified on Attachment B-1 (Fee Schedule) to the Contract. Support service will use professional, reasonable efforts to address and solve Housing Authority's issues.

5. **Total Hours Included.** The total amount of support time included with Housing Authority's annual fee is specified in Attachment B-1 (Fee Schedule). The annual periods covered by this Agreement and the Contract shall begin on the Effective Date and shall not include unused support time from prior years. If additional hours of technical support are needed by Housing Authority during an annual period, Housing Authority may purchase additional hours at the Licensor's then-current prevailing rate for technical support at the time the hours are needed. Licensor's current rate for technical support is $120.00/hour.

6. **Support hours.** Licensor's hours for support service are between 6:00 A.M. and 4:00 P.M. (Pacific Time) Monday through Friday (excluding holidays).

7. **Priority.** Licensor shall have the right to prioritize Housing Authority's support requests according to the severity of the impact of the software problem on the Housing Authority. Generally, Licensor will prioritize support requests in the following order:

Priority: Housing Authority Impact: Service Priority Goals

Priority 1: Business halted – response within 2 business hours.

Priority 2: Business impacted - response within 4 business hours.

Priority 3: Non-critical service requests - response within 1 business day.

8. **Software updates.** Licensor shall provide to Housing Authority, and Housing Authority shall install, current versions of the Licensed Programs, which may include corrections, enhancement, and improvements. Licensor shall not be required to provide support services for old versions of the Licensed Programs.

9. **Standard term.** Support provided under the Contract shall be subject to all of the Standard Terms of this Agreement, the terms of the Contract, and the timely payment of all fees required by Housing Authority to Licensor under the Contract. Support services may be suspended if any payments due by Housing Authority to Licensor are in arrears for more than thirty (30) days.

10. **Obsolescence.** Licensor reserves the right to cease providing support services for Licensed Program (a) three (3) years from the last date Licensor ceases to license the Licensed Program, or (b) five (5) years from the Effective Date, whichever is later. Licensor agrees to notify Housing Authority when Licensor ceases such service.

**IMPLEMENTATION/TRAINING**

1. **Delivery.** Licensor shall ship via common carrier one copy of the Licensed Programs to the Housing Authority's location designated in the Specific Terms within ten (10) days of the Effective Date.

2. **Installation.** Housing Authority shall provide, at the location designated in the Contract, the computer equipment on which the Licensed Programs are to be installed. Housing Authority agrees that such computer equipment shall be installed and fully operational before beginning installation of the Licensed Programs and that this functionality is the responsibility of Housing Authority. The Licensed Programs shall be installed only at the location specified in the Contract. Housing Authority shall grant Licensor access to the site and the computer equipment as determined by Licensor and for the period of time required for implementation and/or training and shall give Licensor priority use of such computer equipment during those periods. Database and network administration will be the responsibility of the Housing Authority.

3. **Data Conversion.** Electronic data conversion is available on a pre-scheduled basis. Housing Authority will be billed for electronic conversion services, if ordered, at the rate stated on Attachment B-1 (Fee Schedule) in the Contract. Data Preparation and post conversion 'clean-up' is inherent in any data conversion. Unless otherwise agreed, Housing Authority shall be solely responsible for data conversion, data entry and verification of data.

4. **Acceptance.** Acceptance shall occur upon the earlier of: (i) Housing Authority's delivery of notice to Licensor that the Licensed Programs substantially comply with the Specifications, or (ii) 30 days after Live Processing..

5. **Location.** Implementation and training may take place at Housing Authority's location or via telephone. Housing Authority may request on-site implementation or training and Licensor shall make commercially reasonable to accommodate Housing Authority's requests. Housing Authority will be billed at the rate stated in Attachment B-1 (Fee Schedule) to the Contract.

**PRODUCT DEVELOPMENT**

1. Licensor provides Custom Programming Services (as defined in Paragraph 2 of the Product Development section of the Agreement) for its clients. The fees for such Custom Programming Services, if initially ordered, are set forth in Attachment B-1 (Fee Schedule) to the Contract. Custom Programming Services are otherwise subject to the parties' mutual agreement.

2. Custom Programming Services include, but are not limited to, development of custom computer programs and installation, training, and maintenance with respect to such custom computer programs. Housing Authority assumes responsibility for the creation of financial reports and the creation of custom reports and data elements.

3. Housing Authority shall be responsible for initiating any requests for Custom Programming Services by providing written notice to Licensor of the desired services. Licensor will advise Housing Authority of Licensor's availability, schedule, and fee for performing the Custom Programming Services. All Custom Programming Services will be subject to Housing Authority's written acceptance of (i) Licensor's schedule for meeting Housing Authority's request for Custom Programming Services and (ii) Licensor's fees for such services.

**STANDARD TERMS**

1. ***Definitions.*** The following terms are defined for the purposes of this Agreement, and the Contract, as follows:

a. "License Fee" means those fees, as specified in the Specific Terms section of this Agreement and the Schedules and Attachments to the Contract, paid for the Use of the Licensed Program.

b. "Licensed Program" means each computer software program enumerated in Attachment B-1 (Fee Schedule).

c. "Use" means (i) copying any portion of any Licensed Program only into Housing Authority's computer system for processing, (ii) consulting any Licensed Program in printed form in support of this processing, and (iii) copying for archival or emergency restart purposes. "Use" shall not include service, maintenance or modifications by anyone other than Licensor.

d. "Designated User" means any Housing Authority user logging onto the Licensor system at any time. Each Designated User should have a unique name and password.

***2. Survival.***

Housing Authority's obligations under the provisions of sections 3, 4, 5, 6, and 10 shall survive any termination of this Agreement and/or the Contract.

***3. Licenses; Restrictions.***

a. **Nonexclusive License.** Subject to all the terms and conditions of this Agreement, and the Contract, Licensor hereby grants to Housing Authority a nonexclusive license to Use the Licensed Program at the location specified in the Specific Terms during the term of the Contract. The Agreement and the Contract, do not give Housing Authority a license or right to distribute or sell the Licensed Programs or any modification of them, to make modifications of the Licensed Programs except as authorized by Licensor, or to Use the Licensed Programs or any portion of them for assistance in the preparation for sale or distribution of any computer program. This Agreement does not grant a license or right to Use the Licensed Program on any computer or computer system other than those owned by Housing Authority or in Housing Authority's possession and control, or authorized by Housing Authority to serve as an application host. Housing Authority further agrees to establish data for Use with the Licensed Programs in not more than one central (home office) location.

b. **Restrictions.** Housing Authority may not rent, lease, sell, sublicense, transfer, time share, modify, reproduce, distribute, publish or publicly display the Licensed Programs. Housing Authority may not Use the Licensed Programs for any purpose other than those purposed expressly stated in the Contract. Housing Authority may not reverse engineer, decompile or otherwise attempt to discover the source code for the Licensed Programs unless permitted by applicable law. Housing Authority may not permit any person or entity to breach the restrictions included in this section.

***4. Confidentiality.***

a. **Definition of Confidential Information.** "Confidential Information" as used in this Agreement, and the Contract, shall mean any and all technical and non-technical information including: the Housing Authority Data, patent, copyright, trade secret, proprietary information, techniques, sketches, drawings, statistical and/or probabilistic mathematical models, mathematical calculations and/or simulations, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, data, software source documents, object code, source code, and formula related to the current, future and proposed products and services of each of the parties, and includes, without limitation, each party's respective information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans and information. "Confidential Information" also includes proprietary or confidential information of any third party who may disclose such information to either party in the course of the other party's business.

b. **Nondisclosure and Nonuse Obligation.** Each party (the "Receiving Party") agrees that it will not use, disseminate, or in any way disclose any Confidential Information of the other party (the "Disclosing Party"), to any person, firm or business, except that the Receiving Party may use the Disclosing Party's Confidential Information to the extent necessary to perform its obligations or exercise its rights and License under this Agreement and the Contract. The Receiving Party agrees that it shall treat all Confidential Information of the Disclosing Party with the same degree of care as the Receiving Party accords to its own Confidential Information, but in no case less than reasonable care. The Receiving Party agrees that it shall disclose Confidential Information of the other party only to those of its employees and contractors who need to know such information, and the Receiving Party certifies that such employees and contractors have previously agreed, either as a condition to employment or in order to obtain the Confidential Information of the Disclosing Party, to be bound by terms and conditions applicable to the Receiving Party under this Agreement and the Contract. The Receiving Party may not make disclosure of Confidential Information to its employees and contractors for the purpose of enabling them to service, maintain or modify the Licensed Program except to the extent necessary to coordinate and implement such service, maintenance and modification by Licensor. The Receiving Party shall immediately give notice to the Disclosing Party of any unauthorized use or disclosure of Disclosing Party's Confidential Information. The Receiving Party agrees to assist the Disclosing Party in remedying any such unauthorized Use or disclosure of Disclosing Party's Confidential Information.

c. **Exclusions from Nondisclosure and Nonuse Obligations.** The obligations under Section 4.b ("Nondisclosure and Nonuse Obligations") of the Receiving Party, with respect to any portion of the Confidential Information of the Disclosing Party, shall not apply to such portion that such Receiving Party can document: (a) was in the public domain at or subsequent to the time such portion was communicated to the Receiving Party by the Disclosing Party through no fault of the Receiving Party, (b) was rightfully in the Receiving Party's possession free of any obligation of confidence at or subsequent to the time such portion was communicated to the Receiving Party by the Disclosing Party, (c) was developed by employees or agents of such Receiving Party independently of and without reference to any information communicated to the Receiving Party by the Disclosing Party, or (d) was communicated by the Disclosing Party to an unaffiliated third party free of any obligation of confidence. A disclosure by the Receiving Party of Confidential Information of the Disclosing Party, either (a) in response to a valid order by a court or other governmental body, (b) otherwise required by law, or (c) necessary to establish the rights of either party under this Agreement and the Contract, shall not be considered to be a breach of this Agreement and the Contract by the Receiving Party or a waiver of

confidentiality for other purposes; provided, however, the Receiving Party shall provide prompt prior written notice thereof to the Disclosing Party to enable the Disclosing Party to seek a protective order or otherwise prevent such disclosure.

d. **Ownership and Return of Confidential Information and Other Materials.** All Confidential Information of the Disclosing Party, and any Derivatives (as hereinafter defined) thereof whether created by the Disclosing Party or the Receiving Party, shall remain the property of the Disclosing Party, and no license or other rights to the Disclosing Party's Confidential Information or Derivatives is granted or implied hereby, except as expressly set forth in this Agreement and the Contract. For purposes of this Agreement and the Contract, "Derivatives" shall mean: (a) for copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; (b) for patentable or patented material, any improvement thereon; and (c) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected under copyright, patent and/or trade secret laws. All materials (including, without limitation, documents, drawings, statistical and/or probabilistic mathematical models, mathematical calculations and/or simulations, apparatus, sketches, designs, lists and all other tangible media of expression) furnished by the Disclosing Party to the Receiving Party shall remain the property of the Disclosing Party. At the Disclosing Party's request and no later than five (5) business days after such request, the Receiving Party shall promptly destroy or deliver to the Disclosing Party, at the Disclosing Party's option, (a) all materials furnished to the Receiving Party, (b) all tangible media of expression in such Receiving Party's possession or control to the extent that such tangible media incorporate any of the Disclosing Party's Confidential Information, and (c) written certification of the Receiving Party's compliance with such obligations under this sentence.

e. **Disclosure of Third Party Information.** Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

5. ***Copies.***

a. Housing Authority may make copies of the Licensed Programs and documentation needed for backup or archival purposes, provided, however, that no more copies will be in existence at one time, other than those needed for daily operation, testing, and archival purposes, without the prior written consent of Licensor. Housing Authority further agrees that any copies of the Licensed Programs remain the property of Licensor. This section does not affect copies of Housing Authority's data.

b. Housing Authority agrees to reproduce the following notice on all copies of the Licensed Program in any form:

*This computer program is a proprietary trade secret of Yardi Systems, Inc. Possession and use of this program must conform strictly to the license agreement between user and Licensor, and receipt or possession does not convey any rights to divulge, reproduce, or allow others to use this program without Licensor's specific written authorization.*

*Copyright 2006, by Yardi Systems, Inc. All rights reserved*

6. ***Security.*** Housing Authority agrees not to provide or otherwise make available any Licensed Programs in any form to anyone other than employees or consultants of the Housing Authority who are obligated to maintain in confidence third party trade secrets and know-how, licensed or otherwise, in the possession of Housing Authority, without prior written consent of an officer of Licensor. Housing Authority agrees to advise all employees having access to the Licensed Program of the proprietary and confidential nature of the Licensed Program.

7. ***License, Support, Update Fees; Taxes.***

a. As compensation for the License, Support, Updates and other Services, Housing Authority shall pay the fees stated in Attachment B-1 (Fee Schedule) to the Contract. The Fees are payable as specified in Attachment B-1 (Fee Schedule) to the Contract and failure of Housing Authority to timely pay Fees shall be deemed a default by Housing Authority under the terms of the Contract. Failure of Housing Authority to pay any fees due pursuant to the Contract shall relieve Licensor of any and all further obligations to Housing Authority.

b. The fees specified in Attachment B-1 (Fee Schedule) to the Contract are exclusive of any tariff, duty, or tax, however designated, levied or based including, without limitation, any sales or use taxes in any state and local privilege or excise taxes based on gross revenue, on (i) this Agreement or the Contract, (ii) the Licensed Programs, (iii) Housing Authority's Use of the Licensed Programs per this Agreement and/or the Contract, or (iv) any materials or supplies furnished by Licensor under this Agreement and/or the Contract. Housing Authority agrees to pay and be responsible for any and all of such tariffs, duties, and taxes (exclusive, however, of taxes based on the Licensor's net income) unless Housing Authority provides documentation to Licensor establishing that Housing Authority is exempt from such taxation.

8. ***Title.***

Licensor retains title to and ownership of the Licensed Programs and all portions of them at all times. Licensor shall defend, indemnify and hold Housing Authority harmless against all liability to third parties arising from the alleged violation of any third parties' trade secrets, proprietary information, trademark, copyright, patent rights or intellectual property rights in connection with the grant of this License for the Licensed Program under this Agreement and/or the Contract.

9. ***Limited Warranty; Warranty Disclaimer; Consequential Damage, etc. Waiver.***

a. During the term of the Contract, Licensor warrants that the Licensed Programs will perform as specified in the Licensed Programs Documentation (user manuals) regarding the Licensed Programs identified in Attachment A. Licensor does not warrant that the Licensed Programs will meet the requirements and expectations of Housing Authority.

b. **TO THE FULLEST EXTENT ALLOWED UNDER APPLICABLE LAW, AND EXCEPT AS EXPRESSLY SET FORTH IN THE CONTRACT, LICENSOR DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE**

**IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. TO THE FULLEST EXTENT ALLOWED UNDER APPLICABLE LAW, AND REGARDLESS OF ANY OTHER PROVISION OF THIS AGREEMENT OR THE CONTRACT, LICENSOR ADDITIONALLY DISCLAIMS ALL OBLIGATIONS AND LIABILITIES ON THE PART OF LICENSOR FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL AND CONSEQUENTIAL DAMAGES, ATTORNEYS' AND EXPERTS' FEES, AND COURT COSTS (EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF THESE DAMAGES), ARISING FROM OR IN CONNECTION WITH THE CONTRACT.**

10. ***Remedies.***

a. (i) The parties acknowledge and agree that, if Housing Authority breaches any of its obligations under Standard Terms Paragraphs 3, 4 or 6 of this Agreement, Licensor might incur irreparable harm and damage that might not be fully compensated with monetary damages. Accordingly, if Housing Authority breaches any provision of Standard Terms Paragraphs 3, 4 or 6 of this Agreement, Licensor, in addition to monetary damages, shall be entitled to seek specific performance of Housing Authority's obligations under those sections and injunctive relief against any further violations of those sections. (ii) The parties acknowledge and agree that, if Licensor breaches any of its obligations under Standard Terms Paragraph of this Agreement, Housing Authority might incur irreparable harm and damage that might not be fully compensated with monetary damages. Accordingly, if Licensor breaches any provision of Standard Terms Paragraph of this Agreement, Housing Authority, in addition to monetary damages, shall be entitled to seek specific performance of Licensor's obligations under those sections and injunctive relief against any further violations of those sections.

b. Licensor's sole obligation with respect to a curable breach by Licensor of any representation, warranty, or obligation under this Agreement and/or the Contract is to correct that breach.

c. It agreed that if any liabilities are imposed on Licensor under this Agreement or the Contract for any reason whatsoever, including, but not limited to, any liabilities resulting from Licensor's inability to correct any breach of this Agreement or the Contract, the maximum aggregate amount payable by Licensor for all such liabilities will not exceed the aggregate amount of fees received by Licensor from Housing Authority during the one (1) year prior to event giving rise to the liability.

11. ***Governing Law; Venue.***

This Contract, and any dispute arising from the relationship between the parties to this Contract, shall be governed and determined by California law. Any dispute that arises under or relates to the Contract initiated by Housing Authority (whether contract, tort, or both) shall be resolved only in a court of competent jurisdiction in the City of Santa Barbara, State of California (or, if no court of competent jurisdiction resides in the City of Santa Barbara, CA, then the court of competent jurisdiction closest to the City of Santa Barbara, CA), and the parties expressly waive any right they may otherwise have to cause any such action or proceeding to be brought or tried elsewhere. Any dispute that arises under or relates to the Contract initiated by Licensor (whether contract, tort, or both) shall be resolved only in a court of competent jurisdiction in the City of Los Angeles, State of California, and the parties expressly waive any right they may otherwise have to cause any such action or proceeding to be brought or tried elsewhere.

12. ***Binding Effect.*** This Contract is binding on and inures to the benefit of the Licensor and its successors, assigns, and legal representatives. This Contract is binding on and personal to Housing Authority.

13. ***Mediation.***

a. In the event of any disputes between Licensor and Housing Authority arising out of or connected with this Agreement and/or the Contract which the parties are unable to resolve through direct negotiation, either party may serve upon the other at its principal place of business a request for mediation. Neither party may file an action against the other in any court unless and until the party seeking to file such an action has first requested a mediation hearing and made a good faith effort to complete the mediation process provided in this Agreement.

b. The party requesting mediation shall arrange for a neutral, independent person with experience in dispute mediations to act as mediator. The mediation shall be held not less than ten (10) or more than twenty (20) days from the date the party requesting mediation gives notice of the request for mediation to the other party. If requested by the Housing Authority, the mediation shall be held in Santa Barbara, California. If requested by Contractor, the mediation shall be held in the County of Los Angeles, California. The cost of mediation shall be borne by the parties equally.

c. The parties shall maintain the mediation proceedings in confidence and shall not disclose to third persons the statements made therein by the other parties or the mediator. The provisions of California Evidence Code Sections 1115 - 1128 shall apply to the mediation proceedings.

d. At least five (5) days before the date of the mediation, each party shall provide the mediator with a statement of its position and copies of all supporting documents. Each party shall send to the mediation a person who has authority to bind the party. If the dispute involves third parties, such as Housing Authority's customers they shall also be asked to participate in the mediation, but their presence shall not be necessary for the mediation to proceed.

e. If a party has participated in good faith in a mediation and is dissatisfied with the outcome, that party may then invoke all legal rights and remedies available to the party at law or in equity.

14. ***Headings.*** The captions of the sections of this Agreement and the Contract are inserted for convenience only and are not intended to be a part of this Agreement or the Contract for purposes of interpreting the Agreement or the Contract.

15. ***Entire Agreement.*** This Agreement, the Contract, and all other agreements, Schedules, Attachments, and Exhibits referred to in this Agreement and the Contract constitute the final, complete, and exclusive statement of the terms of the

agreement between the parties pertaining to the subject matter of this Agreement and the Contract, and supersede all prior and contemporaneous understandings or agreements of the parties. No party has been induced to enter into this Agreement or the Contract by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Agreement and the Contract.

# ATTACHMENT I

# REQUIRED CONTRACT FORMS

**FEDERAL LOBBYIST REQUIREMENTS**
**CERTIFICATION**

Name of Firm: Yardi Systems, Inc. Date: September 12, 2006

Address: 430 South Fairview Avenue Santa Barbara

State: CA Zip Code: 93117 Phone No. : (800) 866-1144

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Acting on behalf of the above named firm, as its Authorized Official, I make the following Certification to the Department of Housing and Urban Development (HUD) and the Community Development Commission, County of Los Angeles:

1) No Federal appropriated funds have been paid, by or on behalf of the above named firm to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of and Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification thereof, and;

2) If any funds other than Federal appropriated funds have paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the above named firm shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, and:

3) The above name firm shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreement) and that all sub-recipients shall certify and disclose accordingly.

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This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Authorized Official:

Name: Gordon Morrell Title: Executive V.P. and COO

Signature: Date: September 12, 2006

## Community Development Commission of the County of Los Angeles

## Organization Information Form

I. **FIRM/ORGANIZATION INFORMATION** Please copy and forward this document to subcontractors for them to complete as well. Contractors/Vendors are selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

**NAME OF FIRM:** Yardi Systems, Inc.

**Business Structure:** ☐ Sole Proprietorship ☐ Partnership ☒ Corporation ☐ Non-Profit ☐ Franchise ☐ Other (Please Specify)_____

**Total Number of Employees (including owners):** 679

**Race/Ethnic Composition of Firm.** Distribute the above total number of employees into the following categories:

| Race/Ethnic Composition | Owners/Partners/ Associate Partners | | Managers | | Staff | |
|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female |
| African American | | | | | 12 | 14 |
| Hispanic American | | | | | 10 | 11 |
| Asian American | 1 | | 4 | | 53 | 21 |
| Asian Pacific American | | | | | | |
| Native American | | | | | 1 | |
| Caucasian | | | 29 | | 242 | 148 |
| Other Asian | | | 8 | | 74 | 36 |

II. **MINORITY OR WOMEN-OWNED BUSINESS ENTERPRISE REPRESENTATION**

**This firm/organization:**

☒ **is a Minority Business Enterprise.**
"Minority Business Enterprise," as used in this provision means an independent business concern which is at least 51 percent owned by one or more minority group members; or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one of more minority group members; and whose management and daily operations are controlled by one or more such individuals.

☐ **is a Women Business Enterprise.**
"Women Business Enterprise," as used in this provision, means an independent business concern which is at least 51 percent owned by one or more women who are U.S. citizens; or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more women; and whose management and daily operations are controlled by one or more women.

☐ **is *not* a Minority or Women Business Enterprise.**

III. **DECLARATION**

*I declare under penalty of perjury under the laws of the state of California that the above information is true and accurate. I understand that the Commission reserves the right to audit the above information at any time and that I will notify the Commission if there are any changes in this firm's ownership from what is stated on this form.*

| Print Authorized Name | Authorized Signature | Title | Date |
|---|---|---|---|
| Gordon Morrell | | Exec. V.P. & COO | 9/12/2006 |

## VENDOR'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Yardi Systems, Inc.

Vendor's Name

430 South Fairview Avenue Santa Barbara,

Address

CA 93117

77-0049051

Internal Revenue Service Employer Identification Number

### GENERAL

The Contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America, the State of California, and all local ordinances. The Contractor further certifies that all subcontractors, suppliers, vendors and distributors with whom the Contractor has a contractual relationship are also in compliance with all applicable federal, state and local anti-discriminatory laws.

### VENDOR'S CERTIFICATION

1. The vendor has a written policy statement prohibiting discrimination in all phases of employment.

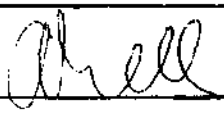
2. The vendor periodically conducts a self-analysis or utilization analysis of its work force.

3. The vendor has a system for determining if its employment practices are discriminatory against protected groups.

4. Where problem areas are identified in employment practices, the vendor has a system for taking reasonable corrective action, to include establishment of goals of timetables.

Authorized Official:

Name: Gordon Morrell Title: Executive V.P and COO

Signature:  Date: September 12,2006

# COMMUNITY DEVELOPMENT COMMISSION
# CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
# APPLICATION FOR EXEMPTION AND CERTIFICATION FORM

The Community Development Commission's (Commission) solicitation for this contract/purchase order (Request for Proposal or Invitation for Bid) is subject to the Commission's Contractor Employee Jury Service Program (Program). All bidders or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exemption from the Program requirements or 2) certify compliance. Upon review of the submitted form, the Commission will determine, in its sole discretion, whether the bidder or proposer is exempted from the Program.

| | | | |
|---|---|---|---|
| **Company Name:** | Yardi Systems, Inc. | | |
| **Company Address:** | 430 South Fairview Avenue | | |
| **City:** | Santa Barbara | **State:** CA | **Zip Code:** 93117 |
| **Telephone Number:** | (800) 866-1144 | | |
| **Solicitation For (Type of Goods or Services):** | Public Housing and Section 8 Software | | |

***If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.***

**Part I: Jury Service Program Is Not Applicable to My Business**

☐ My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of $50,000 or more in any 12-month period under one or more Commission contracts or subcontracts (this exemption is not available if the contract/purchase order itself exceeds $50,000). I understand that the exemption will be lost and I must comply with the Program if my revenues from the Commission will exceed an aggregate sum of $50,000 in any 12-month period.

☐ My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, is $500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"**Dominant in its field of operation**" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed $500,000.

"**Affiliate or subsidiary of a business dominant in its field of operation**" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

☐ My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

**OR**

**Part II - Certification of Compliance**

☒ My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

***I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.***

| | |
|---|---|
| **Print Name:** Gordon Morrell | **Title:** Executive Vice President & COO |
| **Signature:** | **Date:** September 12, 2006 |

## CERTIFICATION OF INDEPENDENT PRICE DETERMINATION & ACKNOWLEDGEMENT OF RFP RESTRICTIONS

A. By submission of this Proposal, Proposer certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other Proposer or competitor for the purpose of restricting competition.

B. List all names and telephone number of person(s) legally authorized to commit the Proposer.

| PRINT NAME | PHONE NUMBER |
|---|---|
| Anant Yardi | (800) 866-1144 x101 |
| Gordon Morrell | (800) 866-1144 x105 |
| | |

**NOTE:** Persons signing on behalf of the Proposer will be required to warrant that they are authorized to bind the Proposer and company of representation.

C. List names of all joint ventures, partners, subcontractors, or others having any right or interest in this contract or the proceeds thereof. If not applicable, state "**NONE**".

None

D. Proposer acknowledges that it has not participated as a consultant in the development, preparation, or selection process associated with this RFP. Proposer understands that if it is determined by the Community Development Commission of the County of Los Angeles (Commission)/Housing Authority of the County of Los Angeles (Housing Authority) that the Proposer **did** participate as a consultant in this RFP process, the Commission/Housing Authority shall reject this proposal.

Yardi Systems, Inc.

Print Name of Firm

| Gordon Morrell | Executive Vice President & COO |
|---|---|
| Print Name of Signer | Print Title |
| | September 12, 2006 |
| Signature | Date |

Revised 7/13/2006

# CERTIFICATION OF NO CONFLICT OF INTEREST

## CONTRACTS PROHIBITED

The Community Development Commission of the County of Los Angeles (Commission)/Housing Authority of the County of Los Angeles (Housing Authority), shall not contract with, and shall reject any proposal(s) submitted by, the persons or entities specified below, unless the Executive Director finds that special circumstances exist which justify the approval of such contract:

1. Employees of the Commission/Housing Authority for which the Commission/Housing Authority is the governing body;

2. Profit-making firms or businesses in which employees described in number 1 serve as officers, principals, partners, or major shareholders;

3. Persons who, within the immediately preceding 12 months, came within the provisions of number 1, and who:

    a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or

    b. Participated in any way in developing the contract or its service specifications; and

4. Profit-making firms or businesses in which the former employees, described in number 3, serve as officers, principals, partners, or major shareholders.

Contracts submitted to the Executive Director for approval shall be accompanied by an assurance by the submitting division that these provisions have not been violated.

| | |
|---|---|
| Yardi Systems, Inc. | Executive Vice President and COO |
| Print Proposer Name | Print Proposer Official Title |
| Official's Signature | September 12, 2006<br>Date |

Revised 7/13/2006

# CHARITABLE CONTRIBUTIONS CERTIFICATION

Yardi Systems, Inc.

Company Name

430 South Fairview Ave. Santa Barbara, CA 93117

Address

77-0049051

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

| CERTIFICATION | YES | NO |
|---|---|---|
| Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a Community Development Commission (CDC) and/or Housing Authority contract, it will timely comply with them and provide the CDC and/or Housing Authority a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed. | ( ) | (X) |

**OR**

| | YES | NO |
|---|---|---|
| Proposer of Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586. | ( ) | (X) |

Signature

September 12,2006

Date

Gordon Morrell, Executive Vice President and COO

Name and Title (please type or print)

# ATTACHMENT J

# REQUIRED CONTRACT NOTICES

# BACKGROUND AND RESOURCES:
## CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over $2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Commission and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

### RESOURCES

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, **http://caag.state.ca.us/**, contains much information helpful to regulated charitable organizations.

**1. LAWS AFFECTING NONPROFITS**

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: **http://caag.state.ca.us/charities/statutes.htm**.

**2. SUPPORT FOR NONPROFIT ORGANIZATIONS**

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management,* 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 **http://www.cnmsocal.org/**, and statewide, the *California Association of Nonprofits,* **http://www.canonprofits.org/**. Both organizations' websites offer information about how to establish and manage a charitable organization.

**The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Commission of such organizations.**

Department of the Treasury
**Internal Revenue Service**

# Notice 1015

(Rev. December 2004)

## Have You Told Your Employees About the Earned Income Credit (EIC)?

### What Is the EIC?

The EIC is a refundable tax credit for certain workers.

**What's New.** Workers cannot claim the EIC if their 2004 investment income (such as interest and dividends) is over $2,650.

### Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

**Note.** You are encouraged to notify each employee whose wages for 2004 are less than $35,458 that he or she may be eligible for the EIC.

### How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2005.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676, or from the IRS website at *www.irs.gov*.

### How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2004 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

### How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2004 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2004 and owes no tax but is eligible for a credit of $791, he or she must file a 2004 tax return to get the $791 refund.

### How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2005 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.



Cat. No. 20599I

# No shame.
# No blame.
# No names.

**Newborns can be safely given up at any Los Angeles County hospital emergency room or fire station.**

**In Los Angeles County:**

**1-877-BABY SAFE**

**1-877-222-9723**

**www.babysafela.org**

**State of California**
Gray Davis, Governor

**Health and Human Services Agency**
Grantland Johnson, Secretary

**Department of Social Services**
Rita Saenz, Director

**Los Angeles County Board of Supervisors**
Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

### What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

### How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

### What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

### Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

### Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

### Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

### What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

### What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

### Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

### A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

**Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.**

*It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.*

# Sin pena.
# Sin culpa.
# Sin peligro.

**Los recién nacidos pueden ser entregados en forma segura en la sala de emergencia de cualquier hospital o en un cuartel de bomberos del Condado de Los Angeles.**

**En el Condado de Los Angeles:**

**1-877-BABY SAFE**

**1-877-222-9723**

**www.babysafela.org**

**Estado de California**
Gray Davis, Gobernador

**Agencia de Salud y Servicios Humanos**
*(Health and Human Services Agency)*
Grantland Johnson, Secretario

**Departamento de Servicios Sociales**
*(Department of Social Services)*
Rita Saenz, Directora

**Consejo de Supervisores del Condado de Los Angeles**
Gloria Molina, Supervisora, Primer Distrito
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Knabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta iniciativa también está apoyada por First 5 LA y INFO LINE de Los Angeles.

### ¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

### ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

### ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

### ¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

### ¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

### ¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

### ¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

### ¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

### ¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

### Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

**Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.**

*Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.*

# ATTACHMENT K

# CONTRACTOR'S PROPOSAL DATED SEPTEMBER 12, 2006

YARDI VOYAGER™

Leading Provider for Compliance, Accounting, and Management Systems for Public Housing Agencies

# Housing Authority of the County of Los Angeles

## *Public Housing and Section 8 System*

Response to
Request for Proposal No. AS06-012

September 12, 2006

YARDI

United States
Canada
Europe
Asia-Pacific

September 12, 2006

Mr. Humberto Barboza Jr.
Contract Compliance Officer
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Re: Yardi Systems Response to RFP No. AS06-012

Dear Mr. Barboza:

Yardi Systems is pleased to respond to the Housing Authority of the County of Los Angeles (HACLA) RFP for a Public Housing and Section 8 System. Yardi Systems is uniquely positioned to provide the products, technological expertise, and broad implementation experience that your organization requires. Yardi Systems will bear sole and complete responsibility for all work as defined in Appendix B–Statement of Work in the RFP.

We propose our Yardi Voyager™, iAffordable, and Yardi iPHA™ products to effectively manage your portfolio of subsidized housing programs and meet all of the functionality specified in the RFP. Our proposed solution features a user-friendly interface, flexible report writing tools to support your requirements for: case management and intake, property management, project-based budgeting and accounting, voucher and portability management, and FSS and other special programs. Our solution is highly mature and stable, HUD-compliant, and will enhance operations by automating daily processes and reducing resource requirements.

We have been developing software for over 22 years and providing software specifically for Public Housing Agencies (PHAs) for over seven years. During this period, our products have gone through many significant changes to accommodate new technology and changing user and industry requirements, including the addition of comprehensive waiting list functionality. As a Yardi Systems client, HACLA would have substantial opportunity to influence our future product development direction and ensure that our products continually meet and exceed your expectations and requirements.

The following office (corporate headquarters) is the location from which we will provide services to HACLA.

Yardi Systems, Inc.
430 South Fairview Avenue
Santa Barbara, CA 93117
(800) 866-1124 (voice)
(805) 699-2047 (fax)
sales@yardi.com

YARDI

Your authorized representative regarding this proposal is:

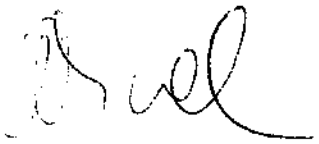
Mr. Harvey Dickerson
Sales Manager, Public Housing
8201 Corporate Drive
Landover, MD 20785
(301) 563-3322 (voice)
(805) 699-2044 (fax)
Harvey.dickerson@yardi.com

Your account manager and technical support liaison will be:

David Polk
Account Manager, Public Housing
430 South Fairview Avenue
Santa Barbara, CA 93117
(800) 866-1124 x376 (voice)
David.Polk@yardi.com

Please do not hesitate to contact us at any time should you have questions or require additional information. We thank you for the opportunity to submit this proposal.

Sincerely,



Gordon Morrell
Executive Vice President and Chief Operating Officer

Enclosure

## OUR BELIEFS AND VALUES

**INTEGRITY**
We will be honest, impartial, fair, and consistent in our actions and decisions.

**RESPECT**
We will earn respect by being respectful of others, operating in an open-minded and non-discriminatory manner that allows us to learn from each other.

**TRUST**
We will trust and maintain confidence in each other and in outside parties, while working to retain and enhance their confidence in us.

**INTELLECT AND INNOVATION**
We will value those who are eager to explore, question, challenge and be challenged. We will embrace new technology, maximizing its potential to our company and to our customers.

**CUSTOMER SERVICE**
Customer satisfaction is the critical benchmark of our success, measured by attracting new customers and retaining our existing customers.

**COMMUNITY SERVICE**
We will encourage and participate in activities that support our local and global communities.

**COMMUNICATION**
We will pride ourselves in the way we communicate and work with each other and with our customers, and will always strive to ensure clear understanding of the situations and issues that come our way.

**RESPONSIBILITY**
Each individual will take responsibility for practicing and promoting these values and beliefs in all activities.

**PERSPECTIVE**
We will view our jobs and our day-to-day workplace challenges within the larger context of our families, our community, and our lives.

**FUN**
In all of these things, we will maintain a relaxed and positive atmosphere of enjoyment of our work, our accomplishments, and each other.

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## Section A Executive Summary

Yardi Systems is excited to have the opportunity to work with the Housing Authority of the County of Los Angeles (HACLA). Your agency is exactly the type of agency that we are highly capable of working with, and want to work with, in that you present a progressive organization with sophisticated requirements and a large and multi-faceted portfolio. Our fully integrated, Web-based technology solution is uniquely positioned to meet your current and future public housing and Housing Choice Voucher software needs. Yardi Systems' core commitment to the HACLA is to provide a user-friendly, automated solution that will maximize the efficiency and productivity of your staff, while effectively meeting your compliance and other managerial requirements.

### A.1. Experience

Yardi Systems has been a dominant presence in the real estate software market for over two decades and has matured into a clear industry leader. To further solidify our commitment to the public housing industry, we purchased the Nan McKay software division in 2000, developed an integrated, Web-based management and financial software system specifically for Public Housing Agencies (PHAs), and quickly became the vendor of choice of subsidized housing agencies such as Chicago Housing Authority, Housing Authority of Portland, Sacramento Housing and Redevelopment Agency, City of Omaha Housing Authority, Yamhill Housing Authority, Contra Costa County Housing Authority, and many more. Yardi Systems has been developing software for PHAs for over six years and has been developing and supporting property, financial, and facility management software for over 20 years.

We have extensive experience in the development and delivery of Web-based systems. We intimately understand the technology and have the experienced professional staff to support a successful system deployment of our solution at HACLA.

Yardi Systems holds the distinction of being one of the only vendors in the public housing industry offering a single source, fully Web-based, enterprise-wide accounting, compliance, and management solution built with the needs of Public Housing Authorities in mind. Our Yardi Voyager™ and Yardi iPHA™ products have met all HUD project-based accounting, management, and budgeting requirements since 2001. Yardi Voyager™ is in live operation with approximately 1,300 clients (including approximately 100 PHA clients), allowing them to easily and cost-effectively deploy our software enterprise-wide. Our full-service solution operates on either SQL Server or Oracle platforms to effectively serve the most rigorous needs of organizations with a wide range of requirements and structures.

## A.2. Company History

Mr. Anant Yardi founded the company in 1984 with a mission to provide PC-based solutions for the real estate industry. The company has since grown into the largest provider of property and asset management software in North America, with an installed client base of over 15,000 clients (excluding DOS clients). For the development of the Yardi product lines, Mr. Yardi drew on his personal experience as an owner and property manager, as well as his many years of experience in systems development management at Burroughs Corporation (now Unisys).

Yardi Systems and its dedicated professionals are known as technological leaders in the industry due to major milestone events including:

- We began transitioning our software to the Windows environment in 1992 and introduced our Windows-based solution in 1995.
- We began working with relational databases in 1995, starting with Oracle and following with SQL Server and MSDE. Yardi Systems was first in the industry to introduce true client/server capability.
- We began developing an Internet solution in the mid-1990s. Yardi Voyager™, our fully Web-based system, provides real-time information via a browser and Internet connection. To ensure continued industry-leading innovations, our Internet development track remains a priority.
- We established our position in, and commitment to, the public and affordable housing markets by acquiring the Nan McKay and Associates software division in 2000. The resulting synergy has allowed us to bring emerging technologies to PHA customers for over six years.

Yardi Systems has a record of bringing new technology to the market far in advance of the competition. This ability to forecast which technologies will be adopted by the real estate industry and its niche markets has fueled the consistent growth of our company and allowed us to capture significant market share in all sectors. **Today, we are a company of nearly 700 employees operating in nine regional North American and six international offices.**

## A.3. Proposed Solution

Yardi Systems proposes our Yardi Voyager™ and Yardi iPHA™ products and modules for HACLA to address your growing mixed income and mixed subsidy portfolio. Our Web-based Yardi Voyager™ product line is in live operation with over 1,300 clients, allowing them to easily and cost effectively deploy our software anywhere they have operations.

Our seamless, fully integrated, Web-based solution will:

- Integrate property management, housing program management, financial management, maintenance operations, and reporting functions into one system with one single database.
- Provide and maintain a HUD-compliant, GAAP-compliant application system based on HUD Section 8 and Public Housing program requirements and anticipated rules and regulation changes.

- Provide central office and remote sites with real-time information, integrated accounting, and secured processing capability from anywhere users can connect to the Internet.
- Provide extensive reporting capabilities and user customization, allowing users to capture data and generate in-depth reports and analyses, while streamlining operations enterprise-wide.
- Provide instant scalability as your portfolio grows and evolves.

## A.4. Notable Features

- Yardi Systems is a technology leader that produces solutions utilizing the very latest Internet technology. This gives our clients the advantage of having real-time access to their data from remote sites and the maintenance of only one database.
- Our technology eliminates the high cost of data redundancy associated with constantly re-typing the same information again and again.
- The proposed system is easily deployed, easily modified, designed using open architecture methodologies, scalable to any size housing authority, and has fully integrated accounting/financials, property management, and compliance management.
- Unique advantages over the competition include integrated GL, AP and AR functionality developed and maintained by the public housing software provider; full drilldown to underlying source transaction detail from virtually any report or information display screen; a browser-based interface for all software modules; and fully configurable menu sets that can span software modules while maintaining role-based security access and privileges.
- Our core software functionality is designed to meet the majority of our clients' needs; however, to accommodate clients with unique or more complex requirements, we offer a wide range of user customization options that do not affect the client's ability to receive future upgrades.
- User modifications are also available, whereby users can modify standard program reports, documents, and letters. Interfacing with systems that provide solutions that are complementary to our applications allows Yardi Systems to provide an all-encompassing, comprehensive system for our clients.
- Yardi Systems received the 2006 Business of the Year Award in California's 35th Assembly District (Santa Barbara and Ventura Counties).
- Yardi Systems was awarded a federal General Services Administration (GSA) Contract effective beginning August 2004. Our GSA Contract number is: GS-35F-0731P.

## Section B Proposer's Qualifications

The following demonstrates that Yardi Systems has the experience and financial capability to perform all work as defined in Appendix B–Statement of Work in the RFP.

### B.1. Proposer's Background, Experience, and Reference

**1 The Proposer must list out how they meet the Minimum Requirement in Section 1.3.**

The following section demonstrates how Yardi Systems meets the minimum requirements set forth in Sub-Section 1.3 Proposer's Minimum Requirements.

**a. Proposer must have three (3) or more clients whose size and complexity are comparable to the scope of programs listed in the Background Information section in Appendix B–Statement of Work.**

Please see Section C Customer References and Satisfaction for a list of clients whose size and complexity are comparable to the scope of programs listed in Appendix B–Statement of Work in the RFP.

**b. Proposer must have a Planning/Project Manager assigned to the contract with at least three (3) years of experience with on-site implementation and data conversion consulting services similar to the services identified in the Appendix B–Statement of Work.**

David Polk will serve as the account manager for the HACLA project. Please see David's resume provided in response to Question 3 for details regarding his qualifications and experience.

**c. Proposer must provide names and qualifications of personnel assigned to this contract.**

Your project team will consist of five (5) key professionals from Yardi Systems.

- David Polk, Account Manager
- Bill Iliopoulis, Lead Implementer, Public Housing
- John Benson, Custom Programmer, Public Housing
- Gabrielle Ealand, Account Management Team Leader, Public Housing
- Harvey Dickerson, Sales Manager, Public Housing

Please see our response to Question 3 for resumes detailing their qualifications and experience.

**d. Proposer must provide a detailed project plan.**

Please see Appendix D Sample Implementation plan for our detailed sample project plan created in Microsoft Project.

**e. Proposer must provide on-site and off-site training plan.**

Yardi Systems offers a variety of training options including: on-site implementation training, on-site training classes, telephone and WebEx training sessions, online help and self-study, and ongoing group training classes. Yardi Systems can train executive management, end users, administrators, and corporate trainers at one or a combination of facilities to suit client needs: Yardi Systems' training facilities, on-site client offices, or another mutually convenient location. Our ideal training class is a 2-3 day class with classroom instruction and problem assignment. We find that it is more effective to hold shorter classes and schedule refresher or advanced sessions where appropriate. We develop a custom training program to meet each client's needs and timeframes.

Although we can deliver training to your entire end-user community, many agencies find it more cost effect and advantageous to use the train-the-trainer approach. In this scenario, Yardi Systems trains "power users" in each department, who in turn train their colleagues; often either "shadowed" or assisted by Yardi team members. There are many variations on this approach; we look forward to developing an appropriate methodology for your organization as part of a finalized project plan. Following is a description of the training tools available to HACLA:

**Training Plan** Yardi Systems schedules a project kick-off meeting between the assigned Yardi Account Manager, Implementer, and key client personnel. Among other important tasks, we develop a customized training plan based on the needs of the client, including users and system administrators. Initial training is comprised of onsite configuration and setup assistance/training and (after all testing and other go-live prerequisites are completed) on-site training classes.

**On-site implementation** This generally takes place at a client location (or via Web-based meetings) and focuses on project planning, database setup and configuration, procedural and workflow decisions required to fully configure the system and the agency's security profile, and rollout assistance for the go-live phase.

**On-site training classes** This is group training geared towards introducing new users to system functionality. At this point, procedures and methodologies have already been defined. Agendas and training materials are developed for each training group and implemented in a hands-on, lab environment. As much as possible, procedures and methodologies established by Yardi Systems and the client during the initial implementation phase are incorporated into lesson plans. Our Yardi Systems user guides are also part of the training documentation.

**Yardi training classes** These classes provide the knowledge and hands on practice that new users will need. Yardi Systems' regularly scheduled, standardized classes also provide continuing education to current users. Yardi Systems group training classes are held in Santa Barbara (CA), Raleigh-Durham (NC), and Toronto (Ontario).

**Online help** Context-sensitive online help is provided via Help buttons on program screens. Our online help features user-level information on the functions and features available with the system, system installation, set up information, reference information, and more. Information is organized so that users can easily and quickly drill-down for more information if desired.

**Online training** Through Client Central on our Web site (www.yardi.com), clients can access training videos, or "viewlets," on various topics related to our Yardi Voyager™ product suite. In addition, Yardi Systems partnered with Grace Hill to produce training videos for our online training center. Clients can access these training videos at any time at no additional cost. Yardi Systems also offers scheduled online training classes using WebEx and conference call technology. Clients can register for our online classes directly from the Training section of our Web site and participate in these classes from the comfort of their own offices.

**Other classes and conferences** We offer a variety of training classes throughout the year and encourage and support a national network of client user groups. We also sponsor the Yardi Advanced Solutions Conference (YASC), held three times per year, to bring together a mix of Yardi Systems' professionals, industry specialists, and clients for two days of courses focusing on practical applications of Yardi Systems software with an industry perspective.

**Our Web site** Self-help is available 24/7 via Client Central on our Web site. Client Central features include:

- Frequently Asked Questions (FAQs)
- Knowledge Base to search for answers to your software questions
- Tutorial to walk users through Accounts Receivable, Accounts Payable, and Journal Entry Reporting in Yardi Voyager™
- Yardi Systems User Forum to hold discussions and ask/answer questions about Yardi Systems software
- Client implementation plans and issues log
- Software patches
- Device drivers
- Release notes
- User manuals

**Database Management Training** Clients generally use local sources to meet training needs related to database management training for basic competency in Oracle or SQL Server database products. Yardi Systems also provides highly specialized technical training in the application of these technologies with specific reference to the Yardi Systems solution. These training courses are provided on a regularly scheduled basis and include such topics as: Database Schema Basics, SQL Server Basics, Advanced Scripting–Filters, Crystal for Financial Reports, Advanced Crystal Features, Voyager™ Menu Editor, Utilities Toolbox, Customization, and XML

**f. Proposer must show they have provided updates for HUD regulations and PIC processing by HUD deadlines.**

Our PHA staff maintain ongoing, contact with HUD and continually monitor HUD and state housing finance agency Web sites for proposed and implemented requirements and regulatory changes. If the HUD-originated change requires an additional release of our software, we provide one. Although we do not specify timeframes because of the often sporadic and sometimes retroactive nature of many HUD changes, recent HUD changes were implemented and made available far before the required effective date.

**g. Proposer must provide software which is Microsoft SQL based, MS Windows XP/2000 and/or Browser-based client.**

Our Yardi Voyager™ and Yardi iPHA™ products are developed using 3-tier Web-based, client/server technology and are compatible with either Microsoft SQL Server or Oracle database management systems.

**h. Proposer must be able to provide software and solution to support 175-250 concurrent users.**

The Yardi Voyager™ solution can support virtually an unlimited number of concurrent users. We do not anticipate any performance issues based on your requirement of 175-250 concurrent users. Yardi Systems has several clients with 200-500 concurrent users currently using our Yardi Voyager™ software.

**i. Proposer must support Terminal Emulation Software such as MS Terminal Server for remote communications.**

Because Yardi Voyager™ and Yardi iPHA™ are browser-based products, they *do not* require Terminal Emulation solutions such as MS Terminal Server for remote communications. These solutions are designed to work with any Windows-based program; many Yardi Systems clients use Terminal Emulation software such as Citrix and MSTS for remote access to their non-Yardi applications.

**j. Proposer must comply with the RFP format and requirements set forth in the Proposal Submission Requirements, Section 2.0, of this RFP when submitting its Proposal.**

Yardi Systems has complied with the RFP format and requirements set forth in Section 2.0 Proposal Submission Requirements.

**k. The proposer must agree to execute a standard Housing Authority contract if awarded a contract of which a sample is included in this package, *Appendix A--Sample Contract*.**

Yardi Systems agrees to execute a standard Housing Authority contract, with the exceptions noted in Section G Acceptance/Exceptions to Terms and Conditions in Sample Contract, if awarded a contract with HACLA.

l. **Proposer must acknowledge adherence to the Housing Authority Child Support Compliance Program. (Reference Paragraph 1.19 in this Section.)**

Yardi Systems certifies that we: 1) fully comply with all applicable State and Federal reporting requirements relating to employment recording requirements relating to employment recording for its employees and 2) comply with all lawfully served Wage and Earnings Assignment Orders and Notice of Assignment and will continue to maintain compliance during the term of any contract that may be awarded pursuant to the RFP solicitation. Yardi Systems acknowledges that failure to comply may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant contract.

m. **Proposer must certify intent to comply with the Housing Authority Jury Service Program. (Reference Paragraph 1.26 in this Section.)**

Yardi Systems certifies that we intend to comply with the Housing Authority Jury Service Program.

n. **Proposer must demonstrate acceptance of the insurance requirements.**

Yardi Systems is in compliance with the indemnification provisions detailed in Appendix A–Sample Contract. Please see Appendix C Statement of Insurance.

2 **The Proposer must provide information on the experience and background of the professional staff that will be assigned to this project. The description must include direct experience related to the requirements in Appendix B–Statement of Work.**

The Yardi Systems project team selected to deliver and support our proposed solution includes an account manager, technical support personnel, developers, custom programmers, onsite trainers, and onsite implementers. These individuals were chosen based on their broad product and industry knowledge. To serve our PHA clients, we have staff dedicated to the understanding of HUD rules and regulations. Their working experience stems from previous employment at PHAs, HUD associations, and working at Nan McKay and Associates. Ninety-five percent of the PHA team have direct prior industry experience, most often working at a PHA. On average, each member of the PHA project team has more than six years of direct housing experience and almost all have HUD-related certifications. Our training company for certifications and updates is Nan McKay and Associates. The Yardi Systems project team assigned to HACLA has the experience to perform all work in accordance with the Statement of Work. Please see our response to Question 3 for details regarding the team and their resumes.

**3 The Proposer must provide an organizational chart and list the number of staff persons, by job classification, who will be involved in the administration and implementation of the contract. Complete and attach to Exhibit A: Firm's Principal & Key Personnel Qualifications located in Appendix C–Required Proposal Exhibits. Resumes must be attached.**

The following is an organizational chart that identifies the team members (identified by job classification) that comprise our public housing department. From this department, your project team will be selected. We also provided resumes as requested in the RFP.

**Yardi Public Housing Department**
**Organizational Chart**

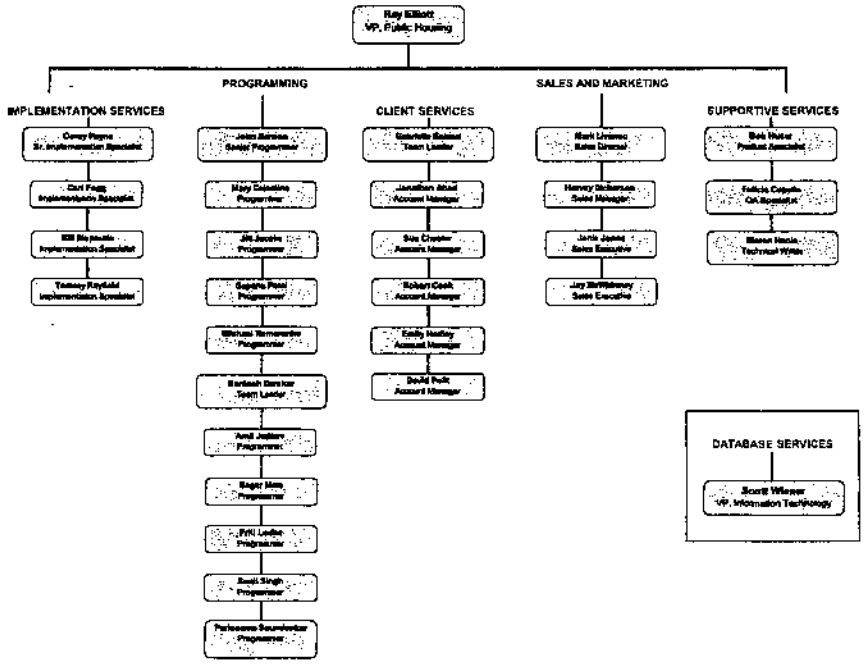


**Exhibit A Firm's Principal & Key Personnel Qualifications**

We have assembled a comprehensive and experienced team of professionals to deliver the proposed solution. The Yardi Systems team is comprised of one (1) Vice President of Public Housing (Engagement Manager), one (1) Account Manager, one (1) Lead Implementer, and one (1) Custom Programmer. The Yardi project team will be comprised of the following individuals or other employees with comparable knowledge and experience.

**Project Team Member Resumes**

**Ray Elliott, Vice President, Public Housing**

Ray Elliott has over nine years experience in the operations, management and information technology areas of the Public Housing Authority industry. He has focused heavily in the information technology area, assisting Public Housing Authorities in automation of business processes through development of software solutions. For over five years he has managed and directed software development efforts, including overall management of Developers, Implementers, Account Managers and Quality Assurance groups. He has guided these groups through the successful implementation and ongoing maintenance of Public Housing Authority clients.

**Recent, relevant experience:** Ray is responsible for making decisions on new development efforts to meet client needs as well as changes required based on modifications of HUD regulations. Ray designs and develops implementation plans and creates customized reports to meet the individual needs of clients. In addition, Ray coordinates support, quality assurance, and documentation teams for ongoing software support. Prior to working at Yardi Systems, Ray had case management experience at a Public Housing Authority, where his daily activities included: annual certifications, rent calculations, inspections, client and landlord outreach, hearings, and appeals.

**Special Skills:** Ray is proficient in the following: project planning, HUD regulations, Microsoft SQL Server, Oracle, database design, Transact SQL, Crystal Reports, Microsoft Project, Web Development, and Microsoft Office Tools.

**Education:** Ray has a Bachelor of Arts degree in Sociology from the University of California, Los Angeles.

**Bob Husar, Team Leader, Public Housing**

Bob Husar came to Yardi Systems through the purchase of the software division of Nan McKay and Associates, where he had worked since 1998 as a trainer. While with Nam McKay and Associates, Bob was responsible for implementation, training, and technical support for over 300 clients.

**Recent, relevant experience:** During his tenure at Yardi Systems, Bob was first a Technical Support Supervisor in the San Diego office, and in 2002 moved to Santa Barbara to be the Project Manager/Team Leader for Yardi Systems' Public Housing Accounts. Bob has 14 years experience in the development and management of affordable housing, including 50059 property management, grant writing, single and multi-family new construction and rehabilitation, project management and monitoring program compliance. As Project Manager, Bob directly brought seven iWait/iPHA clients live, and has managed staff who brought six additional clients live. Currently, the group is working with seven clients in various stages of implementation. In 2001, Bob taught and designed a Network Analysis/Systems Integration course at a local community college for two semesters.

**Education:** Bob has a Masters degree from State University of New York at Buffalo in Urban Planning with an emphasis in affordable housing.

**David Polk, Account Manager, Public Housing**

David Polk is an Account Manager in our Public Housing Department. He has over 10 years experience in project management and software implementation. For the last two years he has focused on managing Yardi Systems software implementations.

**Recent, relevant experience:** David has worked with several large public housing agencies, including Charlotte Housing Authority, Fairfax Housing Authority, and Sacramento Housing and Redevelopment Agency. In previous employment opportunities, David was a Project Manager for hospitality software implementations, working with the Paris Casino in Las Vegas, NV, Four Seasons Hotels and Resorts, and Starwood Lodging.

**Education:** David has a B.S. degree from California Polytechnic State University, San Luis Obispo.

**Bill Iliopoulos, Project Manager, Implementation and Training**

Bill Iliopoulos has been working with the Yardi Systems product line for over 11 years and has been with Yardi Systems for the past eight years. Throughout his employment, he has successfully implemented many clients in all sectors of the real estate industry including Public Housing, Housing Choice Voucher, and Affordable Housing.

**Recent, Relevant Experience:** Over the past three years, Bill has been committed to the successful implementation of the Chicago Housing Authority (CHA) and has led the project management and planning of new functionality that will help streamline many of CHA's processes. Bill has also been involved in the ongoing education effort for custom reporting, custom data table creation and maintenance, data table relationships, Yardi security administration, CHA process issues resolution, and test script and CRP development.

**Education:** Bill has a Bachelor's degree in Accounting from Northeastern Illinois University.

**John Benson, Senior Programmer, Public Housing**

John Benson is a Senior Programmer in our Public Housing Department. He has over 25+ years experience in the construction, operations, financial, and information technology areas of the Section 8 subsidized housing industry. Over the last 18 years he has focused on creating software solutions for housing, first as custom agency solutions, and then dedicating the last seven years to Section 8 Public Housing software.

**Recent, relevant experience:** John is currently developing updates for the Section 8 Public Housing Software for Nan McKay & Associates and Yardi Systems. In previous employment opportunities, John designed and developed the Meadow 96 software application for the Maine State Housing Authority's statewide DOE Weatherization Program. This software was showcased at several DOE National Conventions. John has over 13 years experience administering Section 8 Certificates, Moderate Rehab and Section 8 Vouchers as a housing specialist. John also developed several Moderate Rehab projects totaling 100+ units and managed the housing rehab for a city's Community Development Block Grant Program. John also administered various other housing rehab grant/loan programs and assisted other cities with their Community Development Block Grant proposals.

**Education:** John has an A.A. degree in Accounting from the Northern Maine Vocational Technical Institute, Presque Isle.

**Harvey Dickerson, Public Housing Sales Manager**

Harvey Dickerson has held the title of National Sales Manager, Public Housing for three years at Yardi Systems. He has over 15 years of experience in the public housing information technology industry in the United States and Canada. Prior to that time, Harvey lead several national studies for HUD's Office of Policy Development and Research in the areas of best practices, comparative cost analysis, and PHA information systems evaluation. Harvey has been instrumental in defining the projects for the following public housing software implementations at Yardi Systems: Charlotte Housing Authority, County of Contra Costa Public Housing Authority, Omaha Public Housing Authority, Chicago Public Housing Authority, Stanislaus County Public Housing Authority, Montgomery County Public Housing Authority, and Portsmouth Public Housing Authority. Harvey earned a B.A. from University of MD, College Park and an M.A. from New School for Social Research, NYC.

## 4 List of Contracts Signed in Last Three Years.

Yardi Systems cannot provide a complete list of all clients who signed contracts with us in the last three years due to the client-privileged nature of the information requested. Yardi Systems is obligated to adhere to client confidentiality guidelines set forth in our client contracts, particularly for those clients that are privately held. The following is a representative list of public housing clients who signed contracts with Yardi Systems over the last three years.

| Yardi Systems PHA Clients |
|---|
| Sacramento Housing and Redevelopment Agency (Sacramento, CA) |
| Alameda City Housing Authority (Hayward, CA) |
| Stanislaus County Housing Authority (Modesto, CA) |
| Nevada County Housing Authority (Nevada City, CA) |
| Housing Authority of Portland (Portland, OR) |
| Yamhill County Housing Authority (McMinnville, OR) |
| Santa Fe County Housing Authority (Santa Fe, NM) |
| Tucson Community Services Section 8 (Tucson, AZ) |
| Chicago Housing Authority (Chicago, IL) |
| Burleigh County Housing Authority (Bismarck, ND) |
| Charlotte Housing Authority (Charlotte, NC) |
| Rowan County Housing Authority (Salisbury, NC) |
| Fairfax County Housing Authority (Fairfax, VA) |
| Houma-Terrebonne Parish Housing Authority (Houma, LA) |
| Kentucky Housing Corporation (Frankfort, KY) |
| Montgomery County Housing Opportunity Commission (Kensington, MD) |
| Newark Housing Authority, Section 8 (Newark, NJ) |
| City of Omaha Housing Authority (Omaha, NE) |
| Wilson Housing Authority (Wilson, NC) |
| Portsmouth Housing Authority (Portsmouth, NH) |
| Ann Arbor Housing Commission (Ann Arbor, MI) |
| Rowan County Housing Authority (Salisbury, NC) |

Please refer to the next page for a list of five clients who agree to be contacted for reference purposes.

## Prospective Proposer References

The scope of services we provided to the following five clients was the same or similar to those required to meet the Minimum Requirements stated in the RFP.

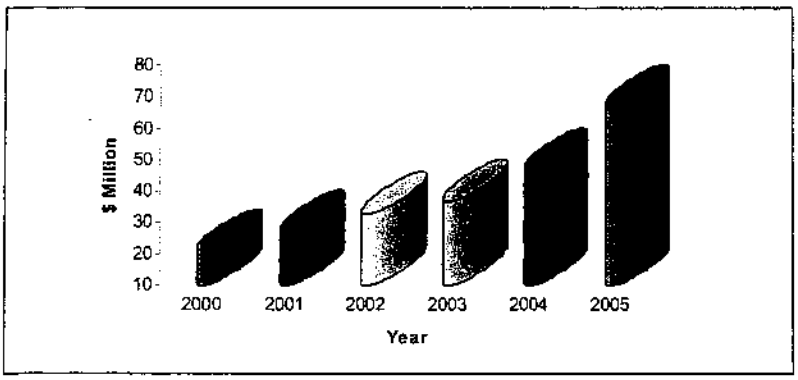
| | | | | |
|---|---|---|---|---|
| **Name of Firm**<br>Chicago Housing Authority | **Address of Firm**<br>626 West Jackson Blvd.<br>Chicago, IL 60661 | **Contact Person**<br>Jessica Porter | **Telephone #**<br>(312) 742-1757 | **Fax #**<br>(312) 641-2464 |
| **Name of Contract No.**<br>N/A | **# of Years/Term of Contract**<br>3 years/annual software license agreement | **Type of Service**<br>iWait, iPHA (HCV & PH), Work Order, Financials | **Dollar Amount**<br>This is confidential information. | |
| **Name of Firm**<br>Housing Authority of the County of Contra Costa | **Address of Firm**<br>3133 Estudillo Street<br>Martinez, CA 94553-3258 | **Contact Person**<br>Rudy Tamayo | **Telephone #**<br>(925) 372-7400 | **Fax #**<br>(925) 372-3678 |
| **Name of Contract No.**<br>N/A | **# of Years/Term of Contract**<br>4 years/annual software license agreement | **Type of Service**<br>iWait, iPHA (HCV & PH), Work Order, Financials | **Contract Amount**<br>This is confidential information. | |
| **Name of Firm**<br>Housing Authority of the County of Stanislaus | **Address of Firm**<br>1701 Robertson Road<br>Modesto, CA 95358 | **Contact Person**<br>Rich Chubon | **Telephone #**<br>(209) 557-2000 | **Fax #**<br>(209) 557-2011 |
| **Name of Contract No.**<br>N/A | **# of Years/Term of Contract**<br>3 years/annual software license agreement | **Type of Service**<br>iWait, iPHA (HCV & PH), Work Order, Financials | **Contract Amount**<br>This is confidential information. | |
| **Name of Firm**<br>City of Omaha Housing Authority | **Address of Firm**<br>540 South 27th Street NE<br>Omaha, NE 68105-1521 | **Contact Person**<br>Chris Weaver | **Telephone #**<br>(402) 444-6900 | **Fax #**<br>(402) 444-4239 |
| **Name of Contract No.**<br>N/A | **# of Years/Term of Contract**<br>4 years, annual software license agreement. | **Type of Service**<br>iWait, iPHA (HCV & PH), Work Order, Financials | **Contract Amount**<br>This is confidential information. | |
| **Name of Firm**<br>Montgomery County Housing Authority | **Address of Firm**<br>10400 Detrick Avenue<br>Kensington, MD 20895 | **Contact Person**<br>Scott Ewart | **Telephone #**<br>(301)929-6700 | **Fax #**<br>(301) 929-6755 |
| **Name of Contract No.**<br>N/A | **# of Years/Term of Contract**<br>4 years, annual software license agreement. | **Type of Service**<br>iWait, iPHA (HCV & PH), Work Order, Financials | **Contract Amount**<br>This is confidential information. | |

## 5 List Contracts Terminated in the Past Three (3) Years

Yardi Systems has experienced no PHA contract terminations.

## B.2. Financial Capability

Yardi Systems offers the security of a conventionally managed firm with a long history of revenue and market share growth and one with a long range business plan to continue product and service expansion as a privately held corporation. Yardi Systems has experienced continuous growth and profitability since inception and we carry no significant debt. We expect continued growth at a rate of 10-20% annually. Our revenue growth over the last six years is as follows:




Yardi Systems enjoys this consistent pattern of revenue growth because we have been the vendor first-to-market with technologies such as: Windows, SQL, and browser-based software. Our company has also grown in the area of application hosting services (ASP) in recent years. We have over 1,000 clients of all sizes that utilize our ASP hosting services. The consistency of our company's revenue growth is directly related to the fact that Yardi Systems software serves the needs of a wide range of clients and because our software feature sets are the most comprehensive in the market today.

Yardi Systems will provide documentation demonstrating our financial capability further in the vendor selection process.

## Section C Customer References and Satisfaction

The following is our response to HACLA's request for customer references in Section 2.9.5 of the RFP. Yardi Systems provided the proposed products to these clients and the project scope was similar for these clients.

We have found our clients to be receptive to requests for on-site visits. We will work diligently with the HACLA team to schedule conference calls and/or on-site visits with the referenced clients in accordance with your requests and evaluation schedule. Unfortunately, we cannot make binding commitments on behalf of our clients as requested.

### Customer References

| | |
|---|---|
| **Reference #** | 1 |
| **Name of Company** | Chicago Housing Authority |
| **Address** | 626 West Jackson Blvd.<br>Chicago, IL 60661 |
| **Person in Charge** | Jessica Porter |
| **Contact Information**<br><br>**(Phone, e-mail, etc.)** | (312) 742-1757 (phone)<br>jporter@thecha.org |
| **Size of Company** | Public Housing Units = 23,000<br>HCV Units = 45,000<br>Other Units = 0<br>Total Units = 68,000 |

| | List of Module | Went-Live Date | # of Concurrent Users |
|---|---|---|---|
| 1 | iWait | 2005 | 400 |
| 2 | iPHA (HCV & PH) | 2005 | 400 |
| 3 | Work Order | 2005 | 400 |
| 4 | Financials | 2005 | 400 |

| | |
|---|---|
| **Reference #** | 2 |
| **Name of Company** | Housing Authority of the County of Contra Costa |
| **Address** | 3133 Estudillo Street<br>Martinez, CA 94553-3258 |
| **Person in Charge** | Rudy Tamayo |
| **Contact Information**<br><br>**(Phone, e-mail, etc.)** | (925) 372-7400 (phone)<br>rtamayo@contracostahousing.org |
| **Size of Company** | Public Housing Units = 1,168<br>HCV Units = 6,781<br>Other Units = 295<br>Total Units = 8,244 |

| | List of Module | Went-Live Date | # of Concurrent Users |
|---|---|---|---|
| **1** | iWait | 2002 | 70 |
| **2** | iPHA (HCV & PH) | 2002 | 70 |
| **3** | Work Order | 2002 | 70 |
| **4** | Financials | 2002 | 70 |

| | |
|---|---|
| **Reference #** | 3 |
| **Name of Company** | Housing Authority of the County of Stanislaus |
| **Address** | PO Box 581918<br>Modesto, CA 95358-0033 |
| **Person in Charge** | Rich Chubon |
| **Contact Information**<br><br>**(Phone, e-mail, etc.)** | (209) 557-2007 (phone)<br>rchubon@stancoha.org |
| **Size of Company** | Public Housing Units = 647<br>HCV Units = 3,984<br>Other Units = 736<br>Total Units = 5,367 |

| | List of Module | Went-Live Date | # of Concurrent Users |
|---|---|---|---|
| **1** | iWait | 2004 | 50 |
| **2** | iPHA (HCV & PH) | 2004 | 50 |
| **3** | Work Order | 2004 | 50 |
| **4** | Financials | 2004 | 50 |

| | |
|---|---|
| **Reference #** | 4 |
| **Name of Company** | Omaha Housing Authority |
| **Address** | 540 South 27th Street NE<br>Omaha, NE 68105-1521 |
| **Person in Charge** | Chris Weaver |
| **Contact Information**<br><br>**(Phone, e-mail, etc.)** | (402) 444-6900 (phone)<br>cweaver@ohauthority.org |
| **Size of Company** | Public Housing Units = 2,813<br>HCV Units = 4,231<br>Other Units = 430<br>Total Units = 7,474 |

| | List of Module | Went-Live Date | # of Concurrent Users |
|---|---|---|---|
| **1** | iWait | 2003 | 100 |
| **2** | iPHA (HCV & PH) | 2003 | 100 |
| **3** | Work Order | 2003 | 100 |
| **4** | Financials | 2003 | 100 |

## Section D Proposer's Detailed Conversion Solution and Implementation Process on All Proposed Services

The following is a description of our understanding of the scope of work, an overview of our proposed solution and services, and the methodology we will use to meet the contract work requirements. In addition, we provided information on our preferred hardware and software configurations. Our proposed services include:

- Data Conversion
- Implementation
- Training
- Technical Support
- Customization (if required)
- Yardi ASP Hosting
- Internet Resources

### D.1. Understanding the Scope of Work

Yardi Systems has a full understanding of the scope of work detailed in Appendix B Statement of Work in the RFP. We acknowledge HACLA's two separate divisions and recommend a phased implementation of our solution for maximum business continuity. The completed Compliance Matrix in this section demonstrates how our products and services meet or exceed HACLA's general requirements, database and technical specifications, and required functionalities. Our Microsoft Project Plan in Appendix D–Sample Implementation Plan demonstrates our timeline for executing our solution for HACLA.

### D.2. Proposed Solution

Based on our understanding of your requirements, Yardi Systems proposes our Yardi Voyager™ product suite. These products and modules provide a flexible, user-friendly solution by addressing functional requirements within one powerful relational database with a single point-of-entry. Seamless integration not only eliminates duplication of effort but also dramatically increases accuracy and productivity. These products and modules meet and exceed the criteria outlined in the RFP and will allow HACLA to achieve a broad spectrum of functionality that represents the kind of unified solution your organization is clearly seeking.

**Recommended Modules:**

- Yardi iPHA™
- Yardi Voyager™ Property and Financial Management
- Yardi Voyager ™ ACH for Payables
- Yardi Voyager™ Maintenance
- Yardi Voyager™ Construction Management/Grant Management
- Yardi Voyager™ Electronic Banking
- Yardi Affordable Housing (Tax Credit and Project Based HCV)
- Yardi Conductor Report Manager
- Yardi Voyager™ iInspect Scheduling and Tracking

**Optional Modules:**

- Yardi Spreadsheet Link (YSL)
- Yardi Voyager™ Budgeting and Forecasting
- Legal Module
- Yardi Voyager™ iInspect Hand-held System
- Document Management

Following is a description of each of the products and modules recommended to HACLA based on our present understanding of your needs.

**Recommended Software Modules**

**Yardi iPHA™**

Yardi iPHA™ is based upon the navigation and technology features in Yardi Voyager™ and our expertise in the subsidized housing market to maximize staff productivity. This application instantly streamlines the housing program and resident management of:

- Conventional Low-Rent Public Housing
- Tenant based Section 8 program
- Other special state and locally subsidized programs
- Market rate or non-subsidized residential and commercial portfolios

*Design Features:*

- User-defined menu sets and displays
- Staff daily activity reports help users organize their day, organize their tasks and complete processes; they also provide management with an encompassing view of one-to-all users
- Batch processing of inspections, 50058/annual activities, application screenings, notifications, and eligibility determinations
- Powerful search engine using standard or customized screen filters
- Look-up lists to easily obtain database records and information
- Drilldown capability to quickly view underlying source and transaction level data and associated database information
- Initial data migrates through the application as the user moves through the PHA processes
- User-configurable fields/pick lists, and data entry screens that are configurable to evolving information needs
- Flexible report writing and electronic distribution options
- Electronic attachments that can link to any database record, including office documents, diagrams, pictures, and videos (optionally viewable, if desired)
- Electronic memorandums that document, date, and time-stamp user notes and off-line activities (includes future date capability for "tickler list" purposes)
- Graphically depicted agency workflows are dynamically linked to the relevant software data screens and reports to streamline user training and ease of use
- HUD compliance is ensured based on HUD Section 8 program requirements; clients receive HUD-mandated software updates promptly according to HUD information and schedules

*Key Functionality Features:*

- Applications and unlimited waiting lists
- Income targeting
- Verifications process management
- Daily activity reports and staff calendars
- Leasing management
- Post rent/HAP
- Data integrity
- Rent integrity
- Historical data
- Portability
- Automated briefing packages
- Family self-sufficiency
- Special program management
- Rent comparability
- PHAS and SEMAP reporting

**Yardi Voyager™ Property and Financial Management**

Yardi Voyager™ Property and Financial Management is an intuitive and integrated property management and accounting system. A centralized database gives management access to up-to-the-minute, portfolio-wide financial information with the click of a button. Yardi Voyager™ streamlines workflow and increases productivity enterprise wide in tangible and measurable ways. Section 8 financial functionality includes a General Ledger and Payables. The centralized database offers unprecedented convenience, faster processing time, and the ability for users to handle transactions and run real-time reports. The ™ flexible, customizable options and automated features of Yardi Voyager™ ensure that clients have the competitive edge in today's marketplace, and as importantly, allow them to provide exceptional customer service.

Design Features:

- Seamless migration of data as users moves through PHA processes
- Daily activity calendar locates date-sensitive information to organize daily tasks and scheduled events
- Context-sensitive online help system
- Unit types/amenities tracked for each unit
- User-definable fields, pick lists and screens
- User-defined menu sets display according to user and user role
- Powerful search engine using standard or customized screen filters
- Look-up lists to easily obtain database records and information
- Drilldown capability to quickly view underlying source and transaction level data and associated database information
- Flexible report writing and electronic distribution options
- Electronic attachments that can link to any database record, including office documents, diagrams, pictures, and videos (optionally viewable, if desired)

Key Functionality Features:

*General Ledger*

- Simultaneous cash and accrual accounting methods
- Multiple sets of books
- Date sensitive G/L; allows posting to any period with proper security authorization
- Budget revision tracking and budgets for multiple years
- Detailed audit trails
- Inter-company accounting
- Real-time and/or batch posting
- Unlimited line item and recurring journal entries
- HUD Chart of Accounts

*Accounts Payable*

- Comprehensive 1099 reporting
- Batch or real-time data entry
- Multiple levels of holds
- Duplicate invoice checking
- MICR check encoding
- Check registers with multiple levels of detail
- Automatic check voiding and invoice reinstatement

**Yardi Automated Clearing House (ACH) for Payables**

The Post ACH function in the Yardi iPHA™ application creates an ACH payment file. This file is then transferred to the corresponding bank that in turn triggers electronic transfer of funds.

Key Functionality Features:

- ACH payment files can adhere to the NACH format
- Manages a variety of formats
- Pre-note functionality tests the file submissions prior to transferring funds

**Yardi Voyager™ Maintenance**

Yardi Maintenance provides unprecedented levels of control. Fully integrated with Yardi Voyager™, the application helps control costs by providing work order and purchase order authorizations, expense limits, and warranty tracking.

*Key Functionality Features:*

- Work orders
- Stock and inventory
- Purchase requisitions and purchase orders
- Unit assets

**Yardi Voyager™ Construction Management/Grant Management**

Yardi Voyager™ Construction Management/Grant Management is a full-service, job-costing application to track any type of construction project or grant award. Like all Yardi Systems applications, this module has the same look and feel of our core product suite, is built with the same technology, and shares the same data warehouse.

*Key Functionality Features:*

- Job management
- Change orders
- Subcontracts
- Receivables

**Yardi Electronic Banking**

Yardi Electronic Banking is integrated with Yardi Voyager™ Property Management and enables automated cash receipt and check clearing functions. In addition to adding special options for creating customized tenant/resident statements and coupons, it gives the sophisticated cash management controls needed in today's world of fast-paced electronic commerce. This module is a valuable tool that provides user confidence and control in property management operations. System administrators find that Yardi Electronic Banking adheres to the same easy-to-use layout of all Yardi Systems products.

**Yardi Affordable Housing**

Yardi Affordable Housing ensures compliance for subsidized and tax credit properties. It is also suitable for conventional, combo, and mixed use properties.

Compliance Features:

- HUD project-based subsidies
- Tenant Rental Assistance Certification System (TRACS)
- Section 42 Low Income Housing Tax Credit (LIHTC)

Key Functionality Features:

- Tax credit residents with Tenant Based Section 8 Vouchers
- Historical income limits
- Wizard workflow for pre-certification of applicants based on project type
- Complete certification histories for residents
- Customizable recertification letters and notices
- Customizable and standard verification letters
- Consolidated receipt for Housing Authority Vouchers
- Dashboard summary of tasks for compliance
- Automatic error checking of compliance data
- Unlimited waiting lists
- Full integration with property management and accounting
- Complete audit trail of receipts by unit or resident
- Single property/unit/tenant setup for properties with both project-based Section 8 and tax credit compliance
- User/Group specific views and permissions

- Advanced security capability for limiting user access
- Drill-down display of reports and useful underlying data
- Full set of standard Yardi reports
- Custom report writing tools
- Multiple styles of resident ledgers

*Automated Features*

- Gross rent change
- Special claims
- Excess income
- Unit transfer
- Recalculation of income limits
- Adjustments to resident ledgers and general ledgers

*HUD Project-Based Section 8 Specific Features*

- Easy property, unit, and unit type setup
- Multiple HUD contracts per property
- Chronological history of multiple income limits
- Monthly posting of resident rent and HAP
- Accounts receivable in summary and detail views
- HAP receipts with deductions for property mortgage
- Full TRACS capability (includes compatibility for submitting electronic MAT files)
- Modifiable paper HAP Voucher s and special claims functions
- 50059 data entry error checking (based on 4350.3 REV 1 guidebook)

*Section 42 Tax Credit Specific Features*

- TIC data entry error checking (based on 4350.3 REV 1 guidebook)
- Multiple set-asides for projects and buildings within projects
- Separate address, BIN#, and placed-in-service date for each building
- Next Available Unit Rule implementation at project or building level
- Project mapping of unit set-asides with tracking of target and actual set-asides
- Simultaneous tracking of applicable fraction by square foot and bedroom size
- At-a-glance viewing of real-time compliance for every household in a project
- Ability to confirm effect of each TIC on project/building compliance before acceptance
- Quick-check capability to pre-qualify households for specific units

Forms and Reports:

*Compliance Forms*

- HUD 50059
- HAP Voucher
- Special claims forms
- NCSHA Best Practices Tenant Income Certification (TIC)
- State required TIC*
- State required Project Status Report (PSR)*

**Facsimile of the current HFA forms required by each state HFA*

*Compliance-Specific Reports*

- Compliance rent roll
- Gross potential rent
- Certification review
- Statistics and demographics
- Waiting list histories

Design Features:

- Use one software program for compliance, accounting, and property management.
- Stop non-compliance before a household moves in.
- View site information in real time.
- Access data quickly, reduce mistakes, simplify training, and monitor adherence to policies and procedures.
- Increase productivity when traveling or working at multiple sites.
- Avoid data entry errors through automatic error checking.
- Eliminate multiple data entry.

**Yardi Conductor Report Manager**

Yardi Conductor Report Manager is an advanced batch reporting system that enhances workflow by automating all tasks associated with the organization and distribution of reports. Yardi Conductor Report Manager allows our clients to eliminate time-consuming copying and collating and reduce delivery expenses by offering three delivery methods: email, browser, or hard copy. Yardi Conductor Report Manager manages report routing and distribution so that you will be able to re-allocate considerable savings to your bottom line.

**Yardi Voyager™ iInspect Inspection Scheduling and Tracking**

This application allows users to schedule, track, and manage any type of inspection.

Design Features:

- Tools to organize inspection tasks and processes
- Batch processing of inspections
- Powerful search engine using standard or user-customized screen filters
- Look-up lists to easily obtain database records and information
- Drilldown capability to quickly view underlying source and transaction level data and associated database information
- User-configurable fields/pick lists and data entry screens that are configurable to evolving information needs
- Electronic attachments and memorandums
- Compliance is ensured based on HUD Section 8 and Public Housing inspection requirements

Key Functionality Features:

- Schedule inspections by user-defined criteria
- Maintains inspections by unit and by client
- Maintain inspection history and respective unit history
- Assign inspections

- Detailed reports
- 50058 compliance

**Optional Software Modules:**

The following optional Yardi Voyager™ modules can be added at any time for increased functionality.

**Yardi Spreadsheet Link**

Yardi Spreadsheet Link integrates with Yardi Voyager™ Property Management and our Web-based modules. Yardi Spreadsheet Link enhances your ability to customize financial reports by providing a link between your Yardi Systems software system and Microsoft® Excel. Financial data passes directly from your Yardi Systems database to Microsoft Excel for manipulation and calculations. There is no need to know complex software programming to create customized reports.

**Yardi Voyager™ Budget and Forecasting**

Yardi Budget and Forecasting integrates with Yardi Voyager™ to create precise budget projections. With this powerful planning tool the user may create unlimited types of budget worksheets, all based on detail from actual tenant leases. Users employ data from actual transactions to create and compare projected budgets.

Key Functionality Features:

- Detailed lease-based budgets that create unlimited budget worksheets
- Lease encumbrances that are defined that affect the revenue projection
- Users can copy row and column figures from one worksheet to another, or bring in last year's figures as a basis for creating new budgets
- Budget worksheets control reporting through the "lock revision" and "copy worksheet to budget" functions
- Reports display budget worksheets, projected one-year, three-year, and five-year budgets, as well as a variety of budget-to-actual comparative reports.

**Legal Module**

Yardi Voyager™ Legal is an effective tool for efficiently managing standard legal activities in a consistent manner. This module provides an easy-to-use framework for managing legal actions as they escalate through a pre-defined set of legal processes. The legal card is a multi-purpose screen that stores a wide variety of information about legal activities. Information about non-legal scenarios that require similar activities may also be stored using legal cards.

**Yardi Voyager™ iInspect Hand-Held System**

Yardi Voyager™ iInspect Hand-Held software provides functionality to schedule, track, and manage any type of inspection and provides detailed reporting.

Design Features:

- Tools to organize inspection tasks and processes
- Batch processing of inspections
- Powerful search engine using standard or user-customized screen filters
- Look-up lists to easily obtain database records and information
- Drilldown capability to quickly view underlying source and transaction level data and associated database information
- User-configurable fields/pick lists and data entry screens that are configurable to evolving information needs
- Electronic attachments and memorandums
- User-defined inspection templates
- Compliance is ensured based on HUD Section 8 and Public Housing inspection requirements

Key Functionality Features:

- Schedule inspections by user-defined criteria
- Download of inspections into device according to user-defined criteria
- Maintains inspections by unit and by client
- Maintain user-defined room types (living room, dining room, kitchen, bath, bedroom, exterior, etc.)
- Maintain deficiency history by location within the unit
- Maintain data elements of each inspection (inspection number, type, status, annual, move-out, special, inspector, due date, number of bedrooms, actual date and time of inspection, resident information, current rent, last inspection date, etc.)
- Assigns inspections
- Identify room and area of failed item

**Document Manager**

Yardi Voyager™ allows you to manage documents scanned and saved onto your network. The Document Manager function can process documents saved with the following file extensions: tif (or tiff), gif, jpg (or jpeg), and bmp. Documents typically processed using the Document Manager procedures may include payable invoices, resident or tenant leases, and prospect applications.

## D.2. Compliance Matrix

The following compliance matrix illustrates the extent the proposed solution matches each requirement in the order listed in Appendix B–Statement of Work in the RFP. A brief description or reference to the appropriate pages within the proposal on how the solution complies with each requirement is included.

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| **GENERAL REQUIREMENTS** | | | | | |
| Technical support from 7 a.m.-5 p.m. Pacific Standard Time with off hours support available as necessary with the ability to provide remote support via VPN, Terminal Services, Citrix, or equivalent to support application as needed. | ✓ | | | | 49 |
| Supported software user groups comprised of end users and having representation from the software manufacturer involved and supporting the group. | ✓ | | | | 52 |
| Clean and successful data conversion from Dataflex to SQL and fully functional with application. | ✓ | | | | 45-49 |
| Timely updates to software. | ✓ | | | | 49 |
| Ability to perform software customization with a predefined labor rate. | ✓ | | | | 50 |
| Internet Web site support for configuration documentation, data dictionary, FAQs and knowledge base and system updates. | ✓ | | | | 51 |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| **DATABASE AND TECHNICAL SPECIFICATIONS** | | | | | |
| Ability to integrate/interface with the following system:<br>▪ Cisco VOIP telephone system, ESRI GIS system, MS SQL-based Laser Fiche Document Imaging System, PeopleSoft, hand-held devices for inspections staff, and Criss cross home ownership database<br>▪ HUD Systems integration i.e., EIV/UIV, PIC, REAC, and TRACS<br>▪ Microsoft Outlook Task Manager and Calendar<br>▪ Microsoft SQL and XML applications such as Internet-based waiting list | | | ✓ | Yardi Systems and/or the HACLA could provide these interfaces/ integrations. | |
| Delivered Web-enabled queries for staff and clients to retrieve data online. | ✓ | | | Because the system is browser-based, users can make inquiries and retrieve data from anywhere they can connect to the Internet. | 6, 7 |
| Defined reporting tool and ability to develop customized reports. | ✓ | | | Seagate Crystal™ and Adobe™ are supported tools, along with Yardi Voyager™ scripting tools. | 7 |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| Clearly defined database layouts and data dictionary with minimal data redundancy. | ✓ | | | Upon client request, we will provide the Yardi Voyager™ 6.0 Data Dictionary. | |
| Clearly defined server, workstation, and network resource needs. | ✓ | | | See included infrastructure requirements. | |
| Ability to perform data maintenance and system updates quickly with minimal to no impact on users' daily activities. | ✓ | | | | 49-50 |
| Data archiving utilities for the purpose of keeping large databases performing at optimal levels | ✓ | | | Yardi Systems encourages clients to maintain data online to support historical reporting. The database is designed for optimal performance. | |
| Real-time utilities to monitor who is logged into the database, troubleshoot errors, and monitor system performance. | ✓ | | | | |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| **REQUIRED FUNCTIONALITIES** | | | | | |
| Built-in quality control mechanism with data/referential integrity enforcement including date/time stamped audit trail logging, including history tracking on all status changes and processes. | ✓ | | | The Yardi Voyager™ system has extensive security and audit trail functionality with respect to financial and other key functions. The system's functionality can be augmented by bundled SQL tools if the client desires to implement full transaction logging for all changes to the entire database. | |
| Ability to manage all relevant functions for multiple programs as separate entities under a single installation, for example; managing multiple housing authorities. | ✓ | | | | 7 |
| Ability to add user-defined fields. | ✓ | | | User-defined fields are available on every major data object such as residents, units, etc. | 24, 29, 47, 50, 56 |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| USPS verification on all address data entry. | ✓ | | ✓ | Our solution features a Web-based interactive link to the U.S. Census Bureau that validates addresses and census tracts. We look forward to working with your agency to expand this functionality to work with available USPS databases. | |
| Individual, as well as group, security features available by system function or user/group responsibilities by module, screen, and/or specific fields where needed. | ✓ | | | | 56 |
| Built in support for Direct Deposit HAP Payments to Landlords (Section 8). | ✓ | | | | 27-29 |
| Built in support for Lockbox Rent Collection from Tenants (Public Housing). | ✓ | | | | |
| Provide ability to track concurrent program type fields for clients who are in multiple programs; for example, clients who are leased up under a Section 8 set-aside for Homeless populations. | ✓ | | | | 27 |
| Ability to pre-assign/allocate clients to staff for case management purposes. | ✓ | | | | |
| Automated 50058/50059 processed with full PIC/TRACS/MAT compatibility, including format, validation, and submission. | ✓ | | | | 27-29,24, |
| Automated forms management/development /generation/ and tracking. | ✓ | | | | |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| Workflow processing for supervisor review and approval. | ✓ | | | | |
| Full enterprise-based accounting systems/functions. Functionalities include, but are not limited to: procurement, A/P, A/R, disbursements, inventory, and fixed assets; G/L, P/R not required. Limited project accounting, maintenance/work order system. | ✓ | | | | 25, 26 |
| Online banking or Web-based drawdown that interacts with accounts receivable functions for public housing. | ✓ | | | | 27 |
| Help screens with check list options and required fields definitions. | ✓ | | | | |
| **DESIRABLE MODULES: PUBLIC HOUSING** | | | | | |
| Tenant Accounts Receivable (tracking and reporting). | ✓ | | | | 25 |
| Suitability/Eligibility. Workflow and Progress Tracking | ✓ | | | | 24,25, |
| Maintenance Work Order and Inventory Management (multiple remote sites) | ✓ | | | | 26 |
| Fixed Asset Management | ✓ | | | | |
| Procurement | ✓ | | | | 26 |
| Grants Management | ✓ | | | | 27 |
| Resident Initiatives Tracking and Case Management | ✓ | | | | |
| Property/Unit Management | ✓ | | | | 24, 25, 27 |
| PHAS Compliance Tracking and Reporting | ✓ | | | | 25 |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| 50058 processing and submission | ✓ | | | | 24 |
| Multi-family 50059 processing and HAP voucher submission | ✓ | | | | 28 |
| **DESIRABLE MODULES: ASSISTED HOUSING** | | | | | |
| Voucher Management and Tracking–Intake through Lease through termination | ✓ | | | | 27-29 |
| Portability management (voucher and /billing/financial) | ✓ | | | | 27-29 |
| Intake/lease up processing | ✓ | | | | 27-29 |
| Rent Reasonableness | ✓ | | | | 27-29 |
| Accounts receivable (for tenant, owner, and portability billing) | ✓ | | | | 27-29 |
| Moderate Rehab/Project Based Processing | ✓ | | | | 27-29 |
| Certificate-Based Program Processing (HOPWA, Shelter Plus Care, etc,). | ✓ | | | | 27-29 |
| HAP/1099/Direct Deposit Processing | ✓ | | | | 27-29 |
| SEMAP Compliance Tracking and Reporting in single module | ✓ | | | | 27-29 |
| Affordable Housing Monitoring | ✓ | | | | 27-29 |
| Contract Compliance Monitoring for Bond and HOME Programs | ✓ | | | | 27-29 |
| New Construction Administration | ✓ | | | | 27 |
| 50058 processing–auto-generated with minimal data entry where possible | ✓ | | | | 27-29 |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| Re-examination processing and tracking–interim and annual, including all support activities such as EIV, UIV, 3rd Party Verification, etc. | ✓ | | | | 27-29 |
| Financial Tracking of administrative and HAP expenditures and revenues from multiple sources. | ✓ | | | | 27-29 |
| **DESIRABLE MODULES: COMMON MODULES** | | | | | |
| Full 3rd Party Verification of Income Tracking modeled according to HUD recommended hierarchy. | ✓ | | | | |
| Fraud Prevention Tracking including Credit Review and Criminal Background Checks. | ✓ | | | Our solution interfaces with many popular online credit checks services such as SafeRent, First American Registry, Credit Retriever, and Rent Grow. We look forward to working with your agency to develop additional interfaces to meet your specific business requirements in this area. | |
| Quality Control functions, including random sampling for audit purposes. | ✓ | | | | |
| FSS (including Escrow, 5-year plans, and process tracking). | ✓ | | | | 25, 58 |
| Waiting list (for multiple section 8, special programs, and public housing applicants—both general and site based. | ✓ | | | | 24-25 |

| Requirement | Comply | Not Comply | Other | Description | Reference Page in Proposal |
|---|---|---|---|---|---|
| Interim and Annual Re-Examination Processing. | ✓ | | | | |
| Third-Party Income Verification Tracking | ✓ | | | | 25 |
| Inspections for Public Housing and Section 8 (with hand-held capability) | ✓ | | | | 31 |
| Forms/Workflow management and tracking | ✓ | | | | 24, 25 |
| Built-in reporting systems for workflow, case management, and executive decision-making | ✓ | | | | 23-31 |
| Project base Management and Reporting | ✓ | | | | 5, 27, 28 |
| System Reports (please list all available reports by modules). | ✓ | | | | Please see enclosed Public Housing Sample Report Book. |
| Ability to print report electronically, such as printing and storing files in PDF format for document imaging purposes | ✓ | | | | 24 |

## D.3. Preferred Hardware and Software Configurations

Yardi Systems provides two options for deploying our software: self-hosted and Yardi-hosted (ASP). Each option has its own software and hardware requirements. Our self-hosted option involves the client hosting our software and third-party software (e.g., Crystal Reports, Adobe Acrobat, Microsoft Office suite) at the client site. With this option, the client must provide the necessary hardware for system implementation and manage the operation of the hardware and software systems. With the Yardi-hosted (ASP) option, the required hardware and software are hosted at a Yardi Systems data center. Yardi Systems is your system administrator, saving you the expense of hardware, third-party software licenses, and staff resources. Please see Appendix E Yardi ASP Hosting Service for more information.

Please refer to the following tables for our recommended and minimum hardware and software configurations for both deployment options. Hardware requirements are easily scalable to address clients of different sizes. Our IT staff is available to work with clients to determine their exact needs.

### SELF-HOSTED REQUIREMENTS

#### Microsoft SQL or Oracle Database Server Specifications

| | |
|---|---|
| **Operating system** | Microsoft Windows 2003 Server, SP1 or later (recommended)<br>Microsoft Windows 2000 Server, SP4 or later (minimum) |
| **CPU** | Dual Pentium 4, 3 GHz or faster (recommended)<br>Single Pentium 4, 1 GHz or faster (minimum) |
| **Free hard drive space** | 80 GB (recommended), RAID 5 or RAID 1+0 configuration<br>20 GB (minimum) |
| **RAM** | 4 GB (recommended), 2 GB (minimum) |
| **Database software** | Microsoft SQL Server 2000, SP4 or later<br>or Oracle version 9i or later<br>Yardi Voyager™ Workstation Administrative Tools 6.0 |

#### Report/Conductor Server

| | |
|---|---|
| **Operating system** | Microsoft Windows 2003 Server, SP1 or later (recommended)<br>Microsoft Windows 2000 Server, SP4 or later (minimum) |
| **CPU** | Pentium 4, 3 GHz or faster (recommended)<br>Pentium 4, 1 GHz or faster (minimum) |
| **Free hard drive space** | 40 GB (recommended), 10 GB (minimum) |
| **RAM** | 2 GB (recommended), 512 MB (minimum) |
| **Software** | Yardi Conductor with report management components; Yardi Voyager™ Workstation Administrative Tools 6.0; MAPI Compliant e-mail application; Adobe Acrobat 6.0 or later; Microsoft Office 2000 or later |

## Web Server Specifications

| | |
|---|---|
| **Operating system** | Microsoft Windows 2003 Server, SP1 or later (recommended)<br>Microsoft Windows 2000 Server, SP4 or later (minimum) |
| **Communications protocol** | TCP/IP |
| **CPU** | Dual Pentium 4, 3 GHz or faster (recommended)<br>Single Pentium 4, 1 GHz or faster (minimum) |
| **Free hard drive space** | 40 GB (recommended), 10 GB (minimum) |
| **RAM** | 4 GB (recommended), 1 GB (minimum) |
| **Web software** | Microsoft Internet Information Services (IIS), version 6.0 or later for Windows Server 2003; version 5.0 for Windows Server 2000;<br>Microsoft .NET Framework 1.1 or later (included in Windows 2003 server; required for Windows 2000 Server);<br>SSL- Secure Sockets Layer (recommended); Web server security certificate (recommended); I/P address or domain name for Internet access |
| **Software/ Data components** | Yardi Voyager™ 6.0; Yardi Voyager™ Workstation Administrative Tools 6.0 (optional); Microsoft Data Access Components, version 2.8 or later |
| **Browser software** | Microsoft Internet Explorer 6.0 or later, with SP1 or later, and all current Microsoft Windows security updates |

## Client Workstation Specifications

| | |
|---|---|
| **Operating system** | Microsoft Windows XP, SP2 or later (recommended)<br>Microsoft Windows 2000 Professional (minimum) |
| **Processor** | Pentium 4, 1 GHz or faster (recommended)<br>Pentium III, 500 MHz (minimum) |
| **Free hard drive space** | 10 GB (recommended), 2 GB (minimum) |
| **RAM** | 1 GB (recommended), 128 MB (minimum) |
| **Internet connection** | LAN-based or broadband (recommended) |
| **Screen resolution** | 1024 x 768 or higher (recommended)<br>800 x 600 (minimum) |
| **Printer** | Laser or inkjet, compatible with Microsoft Internet Explorer 6.0 |
| **Browser software** | Microsoft Internet Explorer 6.0 or later, SP1 or later, and all current Microsoft Windows security updates (for Windows XP, SP2 recommended) |
| **Software** | Adobe Acrobat Reader 6.0 or later (with SVG viewer for brochures); Microsoft Office 2000 or later (recommended); Yardi Voyager™ Workstation Administrative Tools 6.0 (required only on administrative workstations); Microsoft .NET Framework 1.1 or later (recommended; required for Yardi Document Manager module) |

The recommendations above are for Yardi Software Version 6.X. As newer versions are introduced, hardware requirements may change. Because server hardware and memory requirements fluctuate greatly (depending on network applications, hard disk size, and many other issues), your computer consultant will be the best source to review your needs and advise in these areas.

We strongly recommend one computer dedicated to running a Web server. If the server will be running additional applications, the specifications should be increased accordingly.

System requirements presented herein are accurate and reliable to the best of our knowledge and belief, but are not guaranteed to be so, and they are subject to change without notice. Nothing herein is to be construed as recommending any practice or any product in violation of any patent or in violation of any law or regulation. It is the user's responsibility to determine the suitability of any equipment and/or procedure for a specific purpose and to use such equipment and/or procedures as may be necessary.

## YARDI-HOSTED (ASP) REQUIREMENTS

### ASP Client Workstation Specifications

| | |
|---|---|
| **Operating system** | Microsoft Windows XP, SP2 or later (recommended)<br>Microsoft Windows 2000 Professional (minimum) |
| **Processor** | Pentium 4, 1 GHz or faster (recommended)<br>Pentium III, 500 MHz (minimum) |
| **Free hard drive space** | 10 GB (recommended), 2 GB (minimum) |
| **RAM** | 1 GB (recommended), 128 MB (minimum) |
| **Internet connection** | LAN-based or broadband (recommended) |
| **Screen resolution** | 1024 x 768 or higher (recommended)<br>800 x 600 (minimum) |
| **Printer** | Laser or inkjet, compatible with Microsoft Internet Explorer 6.0 |
| **Browser software** | Microsoft Internet Explorer 6.0 or later, SP1 or later, and all current Microsoft Windows security updates (for Windows XP, SP2 recommended) |
| **Software** | Adobe Acrobat Reader 6.0 or later (with SVG viewer for brochures); Microsoft Office 2000 or later (recommended); Yardi Voyager™ Workstation Administrative Tools 6.0 (required only on administrative workstations); Microsoft .NET Framework 1.1 or later (recommended; required for Yardi Document Manager module) |

## D.2. Scope of Services

Upon delivery of the software solution, our key objective is to provide client support services that will maximize HACLA's efficiency and productivity. Our comprehensive customer support services include implementation, data conversion, training, documentation, custom programming, custom report writing, ongoing software maintenance and technical support, and more.

### D.4.1 Implementation

Yardi Systems customizes implementation plans to our client needs. Successful implementation and rollout for a project of this size and complexity will require in-depth planning, diligent execution and testing, and a dedicated team from both HACLA and Yardi Systems. Team responsibilities will be generally as follows:

Housing Authority Responsibilities:

- Procedural and process documentation
- Data setup
- Data conversion validation
- Pilot project testing and data and process validation
- Active participation in all aspects of the implementation process

Yardi Systems Responsibilities:

- Workflow and process analysis guidance
- Project planning guidance and assistance
- Data setup guidance and assistance
- Data conversion
- Implementation team and end-user training
- Pilot project guidance and oversight
- Active participation in all aspects of the implementation process
- Active participation in all aspects of the implementation process

After execution of a final agreement with HACLA, the first task will be to outline a fully customized and detailed plan for the implementation of the proposed solution. During the implementation process, we are flexible to working with our clients at our location, their location, and via the telephone and the Internet. We also are experienced and willing to work with third-party consultants. In the course of a normal implementation, a combination of all services offered (from in-person contact to telephone communication) is employed. In addition, interface with our development staff is common, and available to clients deploying new product modules or clients requesting customization to the system.

Your Account Manager will help guide you through the implementation on a daily basis. You should consider this individual as the single point of contact for your implementation. Among other things, your Implementer is responsible for:

- Providing on-site guidance and direction for your implementation plan.
- Providing on-site training of your staff at various stages of your implementation.

Implementation of Yardi software begins with a kick-off meeting, attended by both Housing Authority representatives and a Yardi Account Manager and Yardi Implementer. The purpose of the kick-off meeting is to make sure we have a clear understanding of the way HACLA performs its housing and management operations, to clearly define HACLA's implementation priorities, and to develop a detailed, customized implementation plan. The detailed plan will clearly define tasks, responsibilities, and target dates for the implementation of Yardi software. Please see Appendix D–Sample Implementation Plan.

Once priorities have been defined, the implementation will be divided into phases, with each phase including three stages: Sample, Pilot, and Go-Live. Phases allow us to implement different modules and/or departments in manageable portions. Typically, Phase I addresses waiting list, public housing, Section 8, and basic finance, with subsequent phases addressing maintenance and work orders, purchasing, grant management/contracts. In each phase, the following stages are executed:

**Sample** Yardi Systems trains HACLA's implementation team on the software, helps configure the software, and prepares for the Pilot Phase.

**Pilot** HACLA, with Yardi Systems assistance, develops documentation on how to use Yardi applications to perform operations. This phase includes training, security set up, testing the data conversion, and planning for go-live.

**Go-live** Yardi Systems performs the final data conversion, HACLA performs post conversion tasks to get the database ready for live processing, and determines the checks and balances necessary to verify proper operation of the software.

### D.4.2 Data Conversion

Yardi Systems is confident that we can successfully migrate historical and master record data from your legacy systems. Our recent data conversion experiences at Chicago Housing Authority, Charlotte Housing Authority, and Fairfax Redevelopment and Housing Authority have provided us with firsthand knowledge of the County's two current database environments. Yardi Systems has the tools and expertise to ensure the successful data population of your Yardi database.

A key factor in our previous successes with data conversion has been the use of planned, iterative cycles of data population. For example, we suggest a minimum of three cycles of data population: Sample, Pilot, and Go Live. Each cycle incorporates increasingly larger datasets as we test and validate the imported data in separate test environments. This staggered approach is critical for an agency the size of HACLA where the database sizes will be especially large, particularly in the Section 8 component.

A second factor contributing to our success has been the development of our 50058 data conversion tool based on the MTCS file format. This is a "vendor neutral" approach to data population of key landlord, tenant, and other data that virtually any agency currently transmitting to HUD can provide to Yardi Systems.

During a standard conversion, the following base database elements will be converted (details to be defined during implementation kick-off):

- Waiting lists and applicants
- Projects and properties
- Unit information
- Tenant information
- Landlord/vendor information
- Financial balances brought forward

Yardi Systems is highly experienced with conversion of all types of data, including both transactional, master record, and other data. Frequently the client environment has necessitated merging of data from multiple data sources, as is the case in this Housing Authority project. We have a wide array of automation tools to support the process, as well as proven methodology that assures high degrees of success and timeliness. Moreover, our dedicated project team has specific experience in working with HACLA's two legacy systems. The project team will be supplemented by the larger PHA support team and the Yardi Database Services Department, as necessary.

To properly and efficiently convert existing data for use with the proposed system, a joint effort between the HACLA staff and Yardi Systems will be required.

Yardi Systems' data conversion team will:

- Define which existing fields in the Yardi database can be used and which additional tables are needed to accept the data from existing systems.
- Define the import data file structures with input for the HACLA staff utilizing current Yardi Systems import file layout structures.
- Define the data architecture and conversion document that details all aspects of the electronic data conversion.
- Configure the Yardi Systems software to accept the imported data using our configuration and one-to-many functionality within our software.
- Develop the conversion software (scripts) to import the data from ASCII files provided by HACLA.
- Develop the necessary data import procedures.
- Import the ASCII files into the Yardi Voyager™ database.
- Perform limited data verification/validation.

HACLA's data conversion team, with guidance from Yardi Systems as necessary, will:

- Assist in defining what database elements (as described above) will be extracted and the detailed definition of each data element extract
- Assist in defining where each database element should be displayed in the Yardi software (i.e. property data, tenant data)
- Assist in developing the data architecture and conversion document
- Extract the data from the existing software system
- Provide the data via ASCII files to Yardi Systems
- Ensure that the data extracted from your system has undergone a proper data washing and the data has been validated and is correct
- Provide the data conversion hardware (if required) for the importing of the data.
- Provide feedback for any discrepancies in the converted data based on the data architecture and conversion document and the existing systems

Early in the project, the designated configuration teams and technical staff will perform the following pre-conversion activities:

- Field and table definition in the legacy system mapped to Yardi Systems
- Preparation/identification of the source data for conversion via extraction routines
- Custom (user-defined) field creation and definition in the Yardi Systems test database (for Properties, Vendors, Residents, Applicants, etc.)
- Creation of any non-standard import scripts required for data population of items not captured in standard import tools (defined further below)

The following is a recommended approach for the actual data conversion stage(s) of the implementation:

- Data is extracted (based on the data architecture and conversion document) from the legacy system
- Data undergoes data cleansing as necessary, by the HACLA staff.
- Import data files are prepared as ASCII files. (Note: Specific file layouts will have been previously defined/provided by Yardi Systems)
- Data is imported into Yardi Systems database and verified by Yardi Systems Database Services
- The converted Yardi Systems database is sent to the HACLA's IT and other staff for testing and full validation and signed off as complete

The converted data will be imported by Yardi Systems into a previously defined database that contains, minimally, a newly developed chart of accounts, system set-up parameters and options, customized fields, and user-defined sub screens.

This general process is repeated a minimum of three times, as follows. Phase I will be a sample data conversion which provides for an initial analysis of a limited set of converted records. Phase II, is the pilot data conversion and includes a representative sample of the HCV tenant data and/or a public housing property. Data issues identified during this phase (a conference room or other pilot test methodology) must be completely resolved prior to proceeding to Phase III, the go live data conversion. All data will be converted and brought online in a timely manner to support live processing.

The following is a brief overview of the three major categories of tools we use to support and streamline the data migration process.

**Yardi 50058 MTCS Data Conversion Tool**

The Yardi 50058 conversion tool takes the flat files that HACLA submits to HUD for Public Housing and Section 8 participants and populates a large portion of the database. HACLA has the option of using their actual 50058 submission files or manually changing the files prior to submitting them to Yardi Systems. To ensure quality data, Yardi Systems will also run the flat files against a 50058 validation tool that will check and report back on errors. If the error rate is high, the usual course of action is to not use the 50058 import and to enter data manually; this method provides a level of automatic data validation.

**Data imported using the 50058 Conversion Tool:**

| Table(s) | Description |
|---|---|
| Property | Creates properties including HUD property codes. |
| Unit | Creates unit records that are tied to the appropriate property including the information related to units, entrance numbers, and building number. |
| Family Detail Information Tables (H8 Summ) | Imports key eligibility information including family members, income, asset, and expense information. |
| 50058 (H8 Summ) | Creates 50058s including the amounts required to run the post rent and HAP functions that generates rent charges and landlord housing assistance payments (HAP payments require that landlord information be imported separately). |

Setup data not imported on a default basis and *usually* requires manual entry:

- Housing authority identification information
- Payment standards
- Localities
- Income limits
- Utility allowance schedules
- Funding Increments and vouchers
- Public housing only: maximum rent, flat rents
- Census tract
- Caseworkers

Unit/tenant specific information that is usually entered manually or imported electronically with a custom script:

- Unit census tract
- Unit building type
- Unit locality
- Resident's caseworker (can be assigned en masse based on criteria)

**Yardi Property Management Master File Conversion**

Yardi Systems provides standard scripts for import of the following key property management master files:

- Properties
- Units
- Tenants
- Vendors (used in conjunction with the 50058 import)
- General ledger chart of accounts
- Charge codes
- Lease charges (not used for HUD 50058 properties)

**Yardi Transaction Import**

Yardi Voyager™ has standard SQL scripts that enable the following transactions to be imported into the database provided setup information has been entered into the database. These scripts are standard only and may require customization for more complex scenarios.

- Journal entries
- Payable Transaction
- Resident Charges
- Receipts.

Please see Appendix F– Data Migration Plan. This plan relates specifically to a Unidata environment migration and is based on our successful experience at an agency of similar size and complexity as HACLA.

### D.4.3 Training

Please see our response to Question 1d in Section B.1 for a description of our training services.

### D.4.4 Technical Support

Each Yardi Systems client is assigned an account manager and support team based on the client's specific industry segment. We have technical support offices in Santa Barbara, CA (corporate headquarters), Durham (NC), and Toronto (Canada). Our standard support plan typically includes a block of support hours with technical support specialists accessible via a toll-free hotline, e-mail, or fax from 6:00 a.m. to 4:00 p.m. PST. Off hour or extended support can be arranged on an ongoing or as-needed basis, although the majority of our clients find that our standard plan addresses their needs. In all types of support, we work with clients to accommodate their needs.

Our Yardi-hosted (ASP) clients are supported by expert, highly trained IT staff who provide 24/7 coverage at our world-class ASP data centers. They perform application server support, database server maintenance, general maintenance of the ASP network, and answer questions pertaining to service and connectivity. In addition, self-help is available for all clients 24/7 at Client Central on our Web site (www.yardi.com) via our Knowledge Base and FAQs pages.

### D.4.5 Software Maintenance

Yardi Systems Development staff works closely with our Quality Assurance staff to release software updates three times a year; major upgrades are generally released annually. Our product enhancements are substantially driven by client requests through ongoing feedback received during daily interaction with our client base and user groups. Requests and suggestions are logged into a central database and reviewed regularly by our development staff and design team for inclusion in future software releases and upgrades. Many requests are also reviewed by our focus group at its annual meeting and prioritized for development. Our clients can influence product development by attending these meetings and voting on the priority of new developments.

Updates and enhancements are published on Client Central on our Web site (www.yardi.com) and delivered electronically to clients by their account managers via e-mail or our secure FTP site. Upgrades are easily installed within minutes; Yardi Systems account managers and client support personnel are able to answer any questions regarding upgrade installations. We update our documentation with each annual release of our software.

Our PHA staff maintain ongoing, direct contact with HUD and continually monitor HUD and state housing finance agency Web sites for proposed and implemented requirements and regulatory changes. If the HUD-originated change requires an additional release of our software, we provide one. Although we do not specify timeframes because of the often sporadic and sometimes retroactive nature of many HUD changes, recent HUD changes were implemented and made available far before the required effective date.

### D.4.6 Customization

The capabilities of our core software features and functionality have been designed to meet the majority of our clients' needs. However, to ensure that we can accommodate clients with special requirements or more complex property management needs, we also offer a wide range of customization options. Together, Yardi Systems and HACLA will determine the extent of your customization needs during pre-implementation meetings. Yardi Systems provides several tools to support user customization, including: one-to-many tables and custom buttons, menu layout editors, and user-defined fields. These tools are provided via our Customization Toolkit (included with the annual license fee).

Designated Housing Authority staff can learn to use our software tools and utilities as they assist with the implementation processes. Yardi Systems also offers training sessions to complement that knowledge. These types of user customizations are stored outside the core executable code and are not affected by new releases or updates. If the customization is determined to be of general benefit to our client base, Yardi Systems may elect to include the functionality in a future software update to our client base at no additional charge. The fee for software customization is $200-$250 per hour, depending on the requirements.

### D.4.7 Documentation

We deliver user documentation in print format and PDF format on CD-ROM. Printed manuals are delivered with our software; clients can also download our manuals in PDF format directly from Client Central on our Web site (www.yardi.com). Manuals are updated on an annual basis in conjunction with our major software releases.

### D.4.8 Yardi ASP Hosting

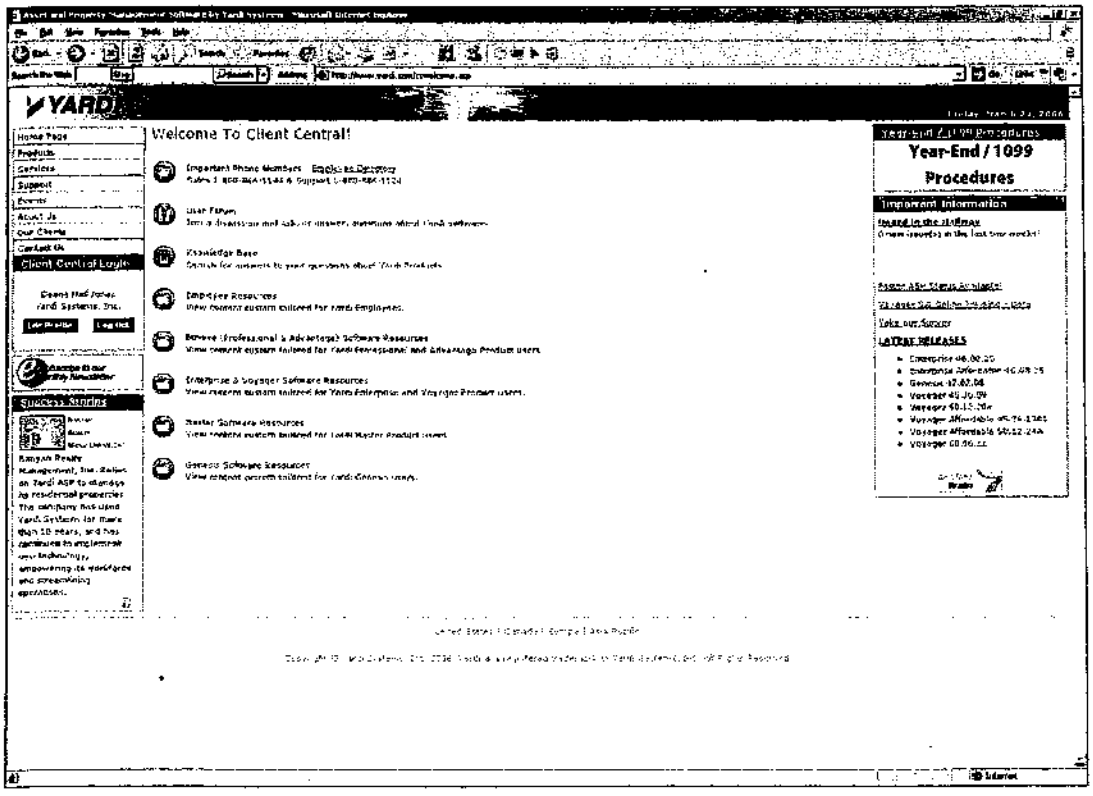
Yardi Systems offers application hosting services as an Application Service Provider (ASP). With this option, Yardi Systems provides application software, server hardware, network operating systems, back-end database software, and all the necessary technical support staff to administer the hardware and software systems, leaving our clients free to concentrate on their core business operations. Yardi ASP is a cost-effective alternative to self-hosting in terms of equipment and staffing requirements. For more information regarding our ASP hosting service, please see Appendix E Yardi ASP Hosting Service.

### D.4.10 Client Central

In addition to our standard technical support services, ongoing self-help is available 24/7 through Client Central on our Web site at www.yardi.com.

Client Central features include:

- Frequently Asked Questions (FAQs)
- Knowledge Base to search for answers to your software questions
- Tutorial to walk users through Accounts Receivable, Accounts Payable, and Journal Entry Reporting in Yardi Voyager™
- Yardi Systems User Forum to hold discussions and ask/answer questions about Yardi Systems software
- Client implementation plans and issues logs
- Software patches
- Device drivers
- Release notes
- User manuals



### D.4.9 User Groups

To give our users the greatest possible support and to facilitate the exchange of information, Yardi Systems encourages the development of active local user groups. Input from our user community is of paramount importance in helping us continue to build state-of the-art products that are feature-rich and cost effective. User groups are independent, client-run organizations. An independent national Yardi PHA User Group is now active.

The Contra Costa County Housing Authority, a Yardi Systems client, also coordinates a PHA user group. The user group is organized on Yahoo as *iphausergroup* at http://groups.yahoo.com. In addition, there are general user groups located throughout the U.S.; please see the complete list at http://www.yardi.com/usergroups.asp.

### D.4.10 Microsoft Project Plan

Please see Appendix D Sample Implementation Plan for details of the Yardi Systems project plan for implementing the proposed solution at HACLA.

## Section E Quality Control and Escalation Plan

The following section is our comprehensive Quality Control and Escalation Plan. We will utilize this plan to ensure that the required services are provided as specified and as scheduled. The plan includes an identified monitoring system covering all services and methods for identifying and preventing deficiencies in the quality and timelines of services. The following factors are addressed:

- Activities to be monitored
- Monitoring methods to be used
- Frequency of monitoring
- Title of personnel responsible to monitor and report results
- Escalation path if results are unsatisfactory

Quality control involves monitoring specific project results to determine if they comply with relevant quality standards and identifying ways to eliminate causes of unsatisfactory results. Yardi Systems' Quality Assurance (QA) department is instrumental in the success of our software solutions.

Project status meetings will be held monthly to provide a transparent method of assessing progress in the following areas:

- General direction
- Review of problems and issues (if any)
- Benchmark completions
- Review of deliverables
- Risk assessment
- New findings and insights (if any)

Weekly meetings between the Yardi Systems Project Manager and HACLA's Project Manager, with monthly status reports to the project teams will ensure that responsible parties are on track with deliverables and that any issues may be proactively addressed. In terms of quality control related to product performance, Yardi Systems has the following methodology in place.

### Inspection System

Yardi Systems' inspection system for assuring all services outlined in the RFP includes, but is not limited to: transaction response time (information retrieval, information update, ad hoc queries, standard and ad hoc reports, and complex queries and reports), demand batch processing initiation, and application trouble.

### Weekly Routine Maintenance Operations

Application servers and Web servers are rebooted on a rotating basis to ensure that each server is rebooted once every other day at a minimum: the rotating basis ensures that at least half of the servers are online and available while the other servers reboot. Database servers are rebooted on a weekly basis. Yardi Systems staff monitors service packs and hotfixes from all vendors of software and hardware used in the ASP environment. In order to achieve service level goals for disk space utilization, we utilize customized tools to monitor and track performance-related statistics including disk space, CPU, and memory utilization. Crucial statistics are

monitored real-time, while disk space information is compiled weekly. Alarms are in place to notify the Yardi Systems team when acceptable pre-defined parameters for performance (as per service levels) are exceeded. The notification system involves wireless alerts to the appropriate staff members. Norton Anti Virus (Corporate Edition) integrated with an IDS (Intrusion Detection System) runs in the background to provide real-time virus protection. As an additional failsafe to ensure high availability, the staff performs a testing routine each Sunday night to validate system availability.

**Scheduled Hours of Operational Down Time**

Yardi Systems conducts scheduled maintenance on client environments from 2:00 a.m. Eastern time to 6:00 a.m. Eastern Time on Sunday mornings. In addition, Yardi Systems conducts daily backups of the client environments between the hours of 3:00 a.m. and 5:00 a.m. Eastern Time; these backups are electronic and stored alternately at the Network Operating Center and the Yardi Systems home office. Copies of client production databases are available for retrieval by clients from Yardi Systems' FTP site. Any downtime experienced outside these timeframes, without the prior notification and written consent of the client, will be counted against system availability.

**Methodology**

Following is an outline of our methodology for identifying and preventing deficiencies in product quality before the level of performance becomes unacceptable.

**Development generates builds of our various software products.**

- All builds are made through a central point for quality control of content and numbering.
- Builds are sent to Quality Assurance for qualification and release after passing an automated regression test.

**Quality Assurance qualifies builds through a combination of testing methods.**

- Automated testing runs scripts either in AUTOTESTER or VERMONT HIGHTEST to qualify the basic integrity of the key functions of the software.
- Unit testing validates the specific areas of the program that have been modified from the previous builds.
    - Each change in the program is tracked based on an item number corresponding to the change made.
    - All changes are qualified in all appropriate database platforms.
    - Updated release notes are written for each item number.
    - A compiled list of updates, including the menu path, is organized into program sections and made available for each release given to our clients.
    - New features of the program are documented.
- Functional testing is performed by QA on an ongoing basis and by organized teams of support technicians at specific points in the release process.
    - Manual testing scripts are used for functions not covered by automated tests.

    - Scripts are used regularly in the qualifying process.
    - Expanded QA testing is performed at specific points in the release process. Teams of support technicians run through workflow cycles to simulate the user's environment.
- Performance testing is accomplished through the combined efforts of the Quality Assurance, Development, IT and Client Services Departments to ensure that performance does not degrade as users, functions and database size increase.
- Special project testing includes:
    - Working with programmers, Client Services and clients to develop, test, and implement various specialized programs.
    - Installation package testing on every release or point release in which changes are made for creating or updating databases
    - Optional package testing and monitoring for consistency of format and naming.
    - Installation testing on every point release and release on all levels of the program.
    - Master CD testing of every program prior to product delivery for all program levels.

**Quality Assurance documents the success or failure of all tests.**

- A test matrix is kept of all tests run which identifies version and results (pass, failed with comment, failed).
- Any test that does not pass results in a defect record in Yardi Systems' Trouble database.
- Defects are assigned to a programmer and given a priority.
- Resolution is tracked as follows:
    - Trouble item is opened
    - Trouble item is fixed and checked into the source code control system VSS
    - Fix is included in a build of the software
    - QA verifies the fix

**Records**

Yardi Systems keeps a record of all tests conducted, identifying version and results (pass, failed with comment, failed). Any test that does not pass results in a defect record in our Trouble database. The date a problem is identified, a description of the problem, the programmer assigned to correct the problem, and priority in terms of corrective action are all recorded.

**Unusual Occurrences**

Our data centers have multiple connections to the Internet. Guarding against single point of failure we have different carriers bringing the Internet to us. Because bringing consistent power to our machines is critical, we use battery backups for any momentary lapse in power, in addition to a fully automatic fail over standby generator. Servers are scheduled for maintenance each Sunday starting at 11:00 p.m. until 2:00 a.m. Monday morning. This maintenance window allows for data backup and any tuning or maintenance necessary to ensure maximum performance for the week ahead.

## Backup and Disaster Recovery Plan

Yardi Systems' backup and disaster recovery plan ensures the protection of each client's data. Our Yardi ASP hosting service is built on state-of-the-art data centers. To achieve our goal of full redundancy and minimized risk, we intentionally partner with three unique data centers. Our disaster recovery plan mandates that each SQL Server database server has a standby server at the DR site along with the appropriate number of Citrix servers. These servers are designated as the DR servers and will only be used for such use.

## Confidentiality of Client Information

Yardi Systems controls the servers and the applications, giving security you can count on. Your data is behind a sophisticated Cisco firewall along with password protection allowing only users you authorize to access your data. Also, for another layer of security your data is backed up nightly and moved off site for extra protection.

## Security Layers

| Layer | Optional | Feature | Description |
|---|---|---|---|
| 1 | Standard | Cisco Pix Firewalls | Controls the type of information coming and going through the servers. |
| 2 | Optional (for non Web-based systems) | 128-Bit Encryption | Uses the Citrix ICA Protocol adaptor. |
| 3 | Standard | NT Active Directory Login Security | Grants access to the Windows environment with limited desktop, file and drive access. Clients only have access to client-specific applications; folder permissions are limited to and based on the company. |
| 4 | Standard | RDBMS Authentication | Database access is limited to name-encrypted databases related to individual clients. |
| 5 | Standard | User-Defined Access | Security is based on user-defined access to program features. |
| 6 | Standard | User-Defined Timeouts | User sessions will be disconnected from Yardi Systems ASP servers after 30 minutes of inactivity to minimize possible misuse of connected workstations left unattended. |
| 7 | Optional | Secure Sockets Layer | Certificates (either Yardi-provided or third-party vendor-provided) employed for network encryption and authentication along with public key and private key encryption techniques between browser and server. |
| 8 | Optional | Point-to-Point Virtual Private Networks | Ensures that only authorized users can access the network and that the data cannot be intercepted. |

## Section F Detailed Demonstration Plan and Demonstration

### F.1 Demonstration Agenda

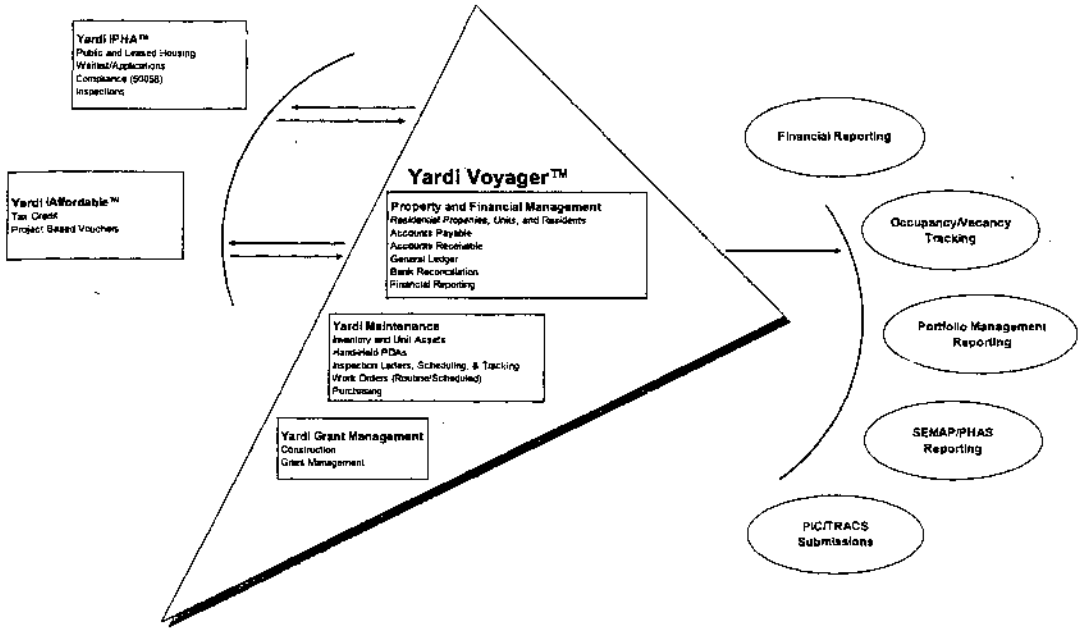
The following is an agenda for a software demonstration for HACLA. The demonstration is for a single day, but can be expanded, as required.

| Time | Topic | Details |
|---|---|---|
| 8:30 a.m. | Executive Overview | Corporate overview of Yardi Systems, our mission statement, and our history |
| 9:00 a.m. | Log-On; System Navigation | Menu sets<br>User-defined work flows<br>Daily activity reports<br>Filters<br>Drill-down |
| 9:15 a.m. | Applications, Waiting List, and Determining Eligibility (Public Housing & Section 8)<br><br>Yardi Systems Application:<br><br>Voyager iPHA™ | Waiting lists management<br>Applications<br>Family detail<br>Verifications<br>Voucher issuance<br>Automated briefings<br>Reports |
| 10:15 a.m. | Break | |
| 10:30 a.m. | Section 8 Program Management<br>Yardi Systems Application:<br>Voyager iPHA™ | Lease-up/move-in<br>Units/Section 8 landlords/ACH<br>Inspection data<br>50058s and MTCS submissions<br>Portability<br>Rent comparability<br>SEMAP |
| 11:30 a.m. | Public Housing Program Management<br>Yardi Systems Application:<br>Voyager iPHA™ | Lease-up/move-In<br>Units<br>Inspection data<br>50058s and MTCS submissions<br>PHAs |

| Time | Topic | Details |
|---|---|---|
| 12:15 p.m. | Lunch | |
| 1:00 p.m. | Housing Management (all programs)<br>Yardi Systems Application:<br>Voyager iPHA™ | Annual activities<br>Memos and attachments<br>FSS<br>Historical data<br>Reports<br>Post HAP/rent |
| 1:45 p.m. | Financial Management<br>Yardi Systems Applications:<br>Voyager Financials<br>Yardi Spreadsheet Link<br>Budgeting & Forecasting | Tenant accounting<br>G/L, receipts and payables<br>Budgets<br>Reports |
| 2:15 p.m. | Break | |
| 3:00 p.m. | Hand-held Inspections<br>Yardi Systems Application:<br>iInspect | Scheduling and assigning inspections<br>Conducting hand-held inspections<br>Reports |

## F.2. Data Flow Chart

The following is a data flow chart detailing how information flows between the products and modules comprising the proposed solution.



## Section G Acceptance/Exceptions to Terms and Conditions in Sample Contract

Yardi Systems accepts the terms and conditions stated in Appendix A–Sample Contract in the RFP with the exception of Section 39, Copyright and Section 40, Notices. We reserve the right to discuss these term and conditions HACLA.

We included our sample software license agreements and service level agreement Appendix A Sample Software License Agreement and Appendix B Sample Service Level Agreement respectively for your review.

## Section H Acceptance of Indemnification and Insurance Requirements

Yardi Systems accepts the indemnification and insurance requirements as stated in paragraphs 10 and 11 of Appendix A–Sample Contract in the RFP.

## Section I Required Forms

This section contains the following forms, signed and dated where applicable:

- Federal Lobbyist Requirements Certification
- Business Contracting Opportunity Program
- Vendor's Equal Employment Opportunity (EEO) Certification
- Application for Exception and Certification Form for the Housing Authority's Jury Service Program
- Certification of Independent Price Determination & Acknowledgement of RFP Restrictions
- Certification of No Conflict of Interest
- Acceptance to comply with the Charitable Contributions Certification
- W-9 Request for Taxpayer Identification Number and Certification
- Vendor Application

**FEDERAL LOBBYIST REQUIREMENTS**
**CERTIFICATION**

Name of Firm: Yardi Systems, Inc. Date: September 12, 2006

Address: 430 South Fairview Avenue Santa Barbara

State: CA Zip Code: 93117 Phone No. : (800) 866-1144

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Acting on behalf of the above named firm, as its Authorized Official, I make the following Certification to the Department of Housing and Urban Development (HUD) and the Community Development Commission, County of Los Angeles:

1) No Federal appropriated funds have been paid, by or on behalf of the above named firm to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of and Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification thereof, and;

2) If any funds other than Federal appropriated funds have paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the above named firm shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, and:

3) The above name firm shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreement) and that all sub-recipients shall certify and disclose accordingly.

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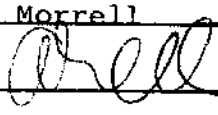
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Authorized Official:

Name: Gordon Morrell Title: Executive V.P. and COO

Signature:  Date: September 12, 2006

## Community Development Commission of the County of Los Angeles

## Organization Information Form

I. **FIRM/ORGANIZATION INFORMATION** Please copy and forward this document to subcontractors for them to complete as well. Contractors/Vendors are selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

**NAME OF FIRM:** Yardi Systems, Inc.

**Business Structure:** ☐ Sole Proprietorship ☐ Partnership ☑ Corporation ☐ Non-Profit ☐ Franchise ☐ Other (Please Specify)_____

**Total Number of Employees (including owners):** 679

**Race/Ethnic Composition of Firm.** Distribute the above total number of employees into the following categories:

| Race/Ethnic Composition | Owners/Partners/ Associate Partners | | Managers | | Staff | |
|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female |
| African American | | | | | 12 | 14 |
| Hispanic American | | | | | 10 | 11 |
| Asian American | 1 | | 4 | | 53 | 21 |
| Asian Pacific American | | | | | | |
| Native American | | | | | 1 | |
| Caucasian | | | 29 | | 242 | 148 |
| Other Asian | | | 8 | | 74 | 36 |

II. **MINORITY OR WOMEN-OWNED BUSINESS ENTERPRISE REPRESENTATION**

**This firm/organization:**

☑ **is a Minority Business Enterprise.**
"Minority Business Enterprise," as used in this provision means an independent business concern which is at least 51 percent owned by one or more minority group members; or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one of more minority group members; and whose management and daily operations are controlled by one or more such individuals.

☐ **is a Women Business Enterprise.**
"Women Business Enterprise," as used in this provision, means an independent business concern which is at least 51 percent owned by one or more women who are U.S. citizens; or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more women; and whose management and daily operations are controlled by one or more women.

☐ **is *not* a Minority or Women Business Enterprise.**

III. **DECLARATION**

*I declare under penalty of perjury under the laws of the state of California that the above information is true and accurate. I understand that the Commission reserves the right to audit the above information at any time and that I will notify the Commission if there are any changes in this firm's ownership from what is stated on this form.*

| Print Authorized Name | Authorized Signature | Title | Date |
|---|---|---|---|
| Gordon Morrell | | Exec. V.P. & COO | 9/12/2006 |

## VENDOR'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Yardi Systems, Inc.

Vendor's Name

430 South Fairview Avenue Santa Barbara,

Address

CA 93117

77-0049051

Internal Revenue Service Employer Identification Number

### GENERAL

The Contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America, the State of California, and all local ordinances. The Contractor further certifies that all subcontractors, suppliers, vendors and distributors with whom the Contractor has a contractual relationship are also in compliance with all applicable federal, state and local anti-discriminatory laws.

### VENDOR'S CERTIFICATION

1. The vendor has a written policy statement prohibiting discrimination in all phases of employment.

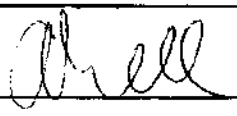
2. The vendor periodically conducts a self-analysis or utilization analysis of its work force.

3. The vendor has a system for determining if its employment practices are discriminatory against protected groups.

4. Where problem areas are identified in employment practices, the vendor has a system for taking reasonable corrective action, to include establishment of goals of timetables.

Authorized Official:

Name: Gordon Morrell Title: Executive V.P and COO

Signature:  Date: September 12,2006

# COMMUNITY DEVELOPMENT COMMISSION
# CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
# APPLICATION FOR EXEMPTION AND CERTIFICATION FORM

The Community Development Commission's (Commission) solicitation for this contract/purchase order (Request for Proposal or Invitation for Bid) is subject to the Commission's Contractor Employee Jury Service Program (Program). All bidders or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exemption from the Program requirements or 2) certify compliance. Upon review of the submitted form, the Commission will determine, in its sole discretion, whether the bidder or proposer is exempted from the Program.

| | | | |
|---|---|---|---|
| **Company Name:** Yardi Systems, Inc. | | | |
| **Company Address:** 430 South Fairview Avenue | | | |
| **City:** Santa Barbara | **State:** CA | **Zip Code:** 93117 | |
| **Telephone Number:** (800) 866-1144 | | | |
| **Solicitation For (Type of Goods or Services):** Public Housing and Section 8 Software | | | |

***If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.***

**Part I: Jury Service Program is Not Applicable to My Business**

☐ My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of $50,000 or more in any 12-month period under one or more Commission contracts or subcontracts (this exemption is not available if the contract/purchase order itself exceeds $50,000). I understand that the exemption will be lost and I must comply with the Program if my revenues from the Commission will exceed an aggregate sum of $50,000 in any 12-month period.

☐ My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, is $500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"**Dominant in its field of operation**" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed $500,000.

"**Affiliate or subsidiary of a business dominant in its field of operation**" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

☐ My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

**OR**

**Part II - Certification of Compliance**

☒ My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

***I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.***

| | |
|---|---|
| **Print Name:** Gordon Morrell | **Title:** Executive Vice President & COO |
| **Signature:** | **Date:** September 12, 2006 |

# CERTIFICATION OF INDEPENDENT PRICE DETERMINATION & ACKNOWLEDGEMENT OF RFP RESTRICTIONS

A. By submission of this Proposal, Proposer certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other Proposer or competitor for the purpose of restricting competition.

B. List all names and telephone number of person(s) legally authorized to commit the Proposer.

| PRINT NAME | PHONE NUMBER |
|---|---|
| Anant Yardi | (800) 866-1144 x101 |
| Gordon Morrell | (800) 866-1144 x105 |
| | |

**NOTE:** Persons signing on behalf of the Proposer will be required to warrant that they are authorized to bind the Proposer and company of representation.

C. List names of all joint ventures, partners, subcontractors, or others having any right or interest in this contract or the proceeds thereof. If not applicable, state "**NONE**".

None

D. Proposer acknowledges that it has not participated as a consultant in the development, preparation, or selection process associated with this RFP. Proposer understands that if it is determined by the Community Development Commission of the County of Los Angeles (Commission)/Housing Authority of the County of Los Angeles (Housing Authority) that the Proposer **did** participate as a consultant in this RFP process, the Commission/Housing Authority shall reject this proposal.

Yardi Systems, Inc.

Print Name of Firm

| | |
|---|---|
| Gordon Morrell | Executive Vice President & COO |
| Print Name of Signer | Print Title |
| | September 12, 2006 |
| Signature | Date |

Revised 7/13/2006

# CERTIFICATION OF NO CONFLICT OF INTEREST

## CONTRACTS PROHIBITED

The Community Development Commission of the County of Los Angeles (Commission)/Housing Authority of the County of Los Angeles (Housing Authority), shall not contract with, and shall reject any proposal(s) submitted by, the persons or entities specified below, unless the Executive Director finds that special circumstances exist which justify the approval of such contract:

1. Employees of the Commission/Housing Authority for which the Commission/Housing Authority is the governing body;

2. Profit-making firms or businesses in which employees described in number 1 serve as officers, principals, partners, or major shareholders;

3. Persons who, within the immediately preceding 12 months, came within the provisions of number 1, and who:

    a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or

    b. Participated in any way in developing the contract or its service specifications; and

4. Profit-making firms or businesses in which the former employees, described in number 3, serve as officers, principals, partners, or major shareholders.

Contracts submitted to the Executive Director for approval shall be accompanied by an assurance by the submitting division that these provisions have not been violated.

| | |
|---|---|
| Yardi Systems, Inc. | Executive Vice President and COO |
| Print Proposer Name | Print Proposer Official Title |
| Official's Signature | September 12, 2006<br>Date |

Revised 7/13/2006

# CHARITABLE CONTRIBUTIONS CERTIFICATION

Yardi Systems, Inc.

Company Name

430 South Fairview Ave. Santa Barbara, CA 93117

Address

77-0049051

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

| CERTIFICATION | YES | NO |
|---|---|---|
| Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a Community Development Commission (CDC) and/or Housing Authority contract, it will timely comply with them and provide the CDC and/or Housing Authority a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed. | ( ) | (X) |

**OR**

| | YES | NO |
|---|---|---|
| Proposer of Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586. | ( ) | (X) |

Signature

September 12,2006

Date

Gordon Morrell, Executive Vice President and COO

Name and Title (please type or print)

Community Development Commission of the County of Los Angeles

## Vendor Application

**Please complete the information as completely as possible with a separate application for each company and return with the Organization Information Form and W-9 to:**

Community Development Commission
Attn: Central Services Vendor List
2 Coral Circle • Monterey Park, CA 91755-7425
Phone: (323) 890-7339 • Fax: (323) 890-8578

| FOR OFFICE USE ONLY |
|---|
| Received: |
| Vendor Number: |
| Date: |
| Updated By: |

☐ **New Applicant** ☒ **Update of Company's Information**

Name of Company: Yardi Systems, Inc.

Contact Person: Harvey Dickerson

Company Address: 430 South Fairview Ave. Santa Barbara, CA 93117
(P.O. Box will not be accepted) Street City State Zip + 4

Billing Address/Remit To: _____
(if different from above) Street City State Zip + 4

Phone Number (800) 866-1144 Fax Number (805) 699-2044 Email: harvey.dickerson@yardi.com

☐ Federal I.D. No. ☐ Social Security No. ☐ Federal Non-Profit No. (Attach copy of IRS Section 501(c)(3) Non-Profit letter)

Please print Federal I.D., Social Security or Federal Non-Profit No: 77-0049051

**TYPE OF OWNERSHIP (check all applicable)**

☐ Sole Proprietorship ☐ Partnership ☒ Corporation ☐ Non-Profit ☐ Franchise ☐ Limited Liability Company

☐ Other _____

**TYPE OF BUSINESS (check all applicable)**

☒ Manufacturer ☐ Distributor ☐ Construction Contractor ☐ Consultant ☐ Broker/Agent ☒ Vendor

☐ Other _____

**PRODUCTS/SERVICES PROVIDED**

Please review the attached Vendor Commodity Codes List and select the codes, which apply to the type(s) of product(s) and/or service(s) provided by your company.

| CODE | PRODUCT/SERVICE | CODE | PRODUCT/SERVICE |
|---|---|---|---|
| SU 009 | Computer Software | | |
| PR 011 | Computer Training | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

**THE INFORMATION PROVIDED IS HEREBY TRUE AND ACCURATE BASED ON FACTS AVAILABLE AS OF THIS DATE.**

Signature _____ Title Executive V.P. & COO Date 9/12/2006

(Application is NOT valid unless signed and dated)

Rev. 7/6/06

Form **W-9**
(Rev. November 2005)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

**Give form to the requester. Do not send to the IRS.**

Print or type See Specific Instructions on page 2

Name (as shown on your income tax return)
Yardi Systems, Inc.

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☒ Corporation ☐ Partnership ☐ Other ▶ ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.)
430 South Fairview Ave.

Requester's name and address (optional)

City, state, and ZIP code
Santa Barbara, CA 93117

List account number(s) here (optional)

**Part I** **Taxpayer Identification Number (TIN)** 77-0049051

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

**Social security number**
| | | | | | | | | |

**or**

**Employer identification number**
| 7 | 7 | 0 | 0 | 4 | 9 | 0 | 5 | 1 |

**Part II** **Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

**Sign Here** Signature of U.S. person ▶ [signature] Date ▶ September 12, 2006

## Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

• The U.S. grantor or other owner of a grantor trust and not the trust, and

• The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

***Example.*** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

# Specific Instructions

## Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

**Other entities.** Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

**Note.** You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

## Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

**Exempt payees.** Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

| IF the payment is for . . . | THEN the payment is exempt for . . . |
|---|---|
| Interest and dividend payments | All exempt recipients except for 9 |
| Broker transactions | Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker |
| Barter exchange transactions and patronage dividends | Exempt recipients 1 through 5 |
| Payments over $600 required to be reported and direct sales over $5,000 | Generally, exempt recipients 1 through 7 |

See Form 1099-MISC, Miscellaneous Income, and its instructions.

However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.socialsecurity.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

**Signature requirements.** Complete the certification as indicated in 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## What Name and Number To Give the Requester

| For this type of account: | Give name and SSN of: |
|---|---|
| 1. Individual | The individual |
| 2. Two or more individuals (joint account) | The actual owner of the account or, if combined funds, the first individual on the account [1] |
| 3. Custodian account of a minor (Uniform Gift to Minors Act) | The minor [2] |
| 4. a. The usual revocable savings trust (grantor is also trustee) | The grantor-trustee [1] |
| b. So-called trust account that is not a legal or valid trust under state law | The actual owner [1] |
| 5. Sole proprietorship or single-owner LLC | The owner [3] |
| **For this type of account:** | **Give name and EIN of:** |
| 6. Sole proprietorship or single-owner LLC | The owner [3] |
| 7. A valid trust, estate, or pension trust | Legal entity [4] |
| 8. Corporate or LLC electing corporate status on Form 8832 | The corporation |
| 9. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization |
| 10. Partnership or multi-member LLC | The partnership |
| 11. A broker or registered nominee | The broker or nominee |
| 12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity |

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

## Section J Last Page of Proposal

Yardi Systems will provide 100% of the work for this project. There are no other joint ventures, partners, sub-consultants, or others having any right or interest in the contract or proceeds thereof.

**By:**
Gordon Morrell, Chief Operating Officer
**Date:** September 12, 2006
**Address:** 430 South Fairview Avenue
**City:** Santa Barbara
**Telephone:** (805) 699-2040 x 105

## Appendix A Sample Software License Agreements

The following are our sample software license agreements for a self-hosted and a Yardi-hosted (ASP) deployment option respectively. A license agreement between Yardi Systems and HACLA is required for the use of all Yardi Systems software.

## SOFTWARE LICENSE AND SERVICE AGREEMENT

### SPECIFIC TERMS

1. ***Grant of License.*** Licensor, Yardi Systems, Inc., 819 Reddick Avenue, Santa Barbara, California hereby grants to Client,

**<CLIENT NAME>**

and Client accepts from and Licensor, pursuant to the terms and conditions of this Software Licensed and Service Agreement ("Agreement"), a non-exclusive license to Use each Licensed Program (as such terms are hereinafter defined) as set forth in this Agreement (including any schedules, exhibits or appendixes) ("License"). Notwithstanding any other provision of this Agreement, the License granted under this Agreement shall include the right to permit access to the Licensed Program on Client's one central server (home office) location to any user affiliated with Client who has access to the central server, provided that such access to the Licensed Program shall be subject to the terms and restrictions applicable to Client's Use of the Licensed Program.

2. ***Standard Terms and Conditions.*** The standard terms and conditions for this Agreement are attached hereto and made a part of this Agreement.

3. ***Fees.*** On the terms and subject to the limitations set forth in this Agreement, including the attached Schedules, Client shall pay Licensor the fees specified in Schedule A. Fees shall be payable as set forth in Schedule A.

4. ***Software Implementation and Training.*** On the terms and subject to the limitations set forth in this Agreement, including the attached Schedules, Licensor shall implement and provide appropriate training for the Licensed Programs specified in Schedule A for the fees set forth in Schedule A.

5. ***Support and Upgrades.*** On the terms and subject to the limitations set forth in this Agreement, and subject to annual renewal, Licensor shall provide telephone support and program upgrades to Client as specified below.

6. ***Product Development.*** On the terms and subject to the limitations set forth in this Agreement, Licensor shall provide custom programming to Client as specified below. Included are all upgrades to the Licensed Programs.

7. ***Effective Date.*** The Effective Date of this Agreement shall be two (2) weeks from the date of the last signature below.

**CLIENT:** **<CLIENT NAME>**

By:_____
(Name) (Date)

_____
(Printed Name)

Its: _____
(Title)

**LICENSOR:** **YARDI SYSTEMS, INC.**

By:_____
(Name) (Date)

_____
(Printed Name)

Its: _____
(Title)

**SCHEDULE A**

**SCHEDULE OF FEES**

**License fees specific to client contract would be listed here.**

**SCHEDULE B**

**LICENSED PROGRAMS**

**License fees specific to client contract would be listed here.**

**SUPPORT AND UPGRADES**

1. **Client Service.** It is the goal of Licensor to provide effective and timely product support for its Licensed Programs subject to the terms and conditions of this Agreement.

2. **Client Contacts.** In order to facilitate achievement of Licensor's service goals, Client agrees to appoint a single point of contact ("SPOC") for software installation, support and maintenance. Client may change the identity of the SPOC upon advance written notice to Licensor.

3. **Licensor's Contacts.** Licensor shall appoint an account manager to Client's account. Licensor may change the identity of the account managers from time to time and Client's file shall be available to Licensor's entire technical support team to provide coverage and back-up for the account manager.

4. **Product Support Services.** Licensor shall provide technical support and maintenance for the Licensed Programs through its account managers and technical staff to Client's SPOC for day to day operational inquiries by Client through telephone, fax, or e-mail contacts. Product support does not include on-site installation, implementation, training, or testing of the Licensed Programs, nor does it include any data conversion. These services, if ordered, are specified on Schedule A. Support service will use commercially reasonable efforts to address and solve Client's issues but cannot guarantee satisfaction in every case.

5. **Total Hours Included.** The total amount of support time included in the annual fee in this Agreement is specified in Schedule A. The annual periods covered by this Agreement shall begin on the Effective Date of this Agreement and shall not include unused support time from prior years. If additional hours of technical support are needed by the Client during each annual period, additional hours may be purchased at the prevailing rates charged by Licensor for technical support at the time the hours are needed.

6. **Support hours.** Licensor's hours for support service are between 6:00 A.M. and 4:00 P.M. (Pacific Time) Monday through Friday (excluding holidays).

7. **Priority.** Licensor shall have the right to prioritize Client's support requests according to the severity of the impact of the software problem on the Client. Generally, Licensor will prioritize support requests in the following order:

Client Impact: Service Priority Goals

Priority 1: Business halted

Priority 2: Business impacted

Priority 3: Non-critical service requests

8. **Software upgrades.** Licensor shall provide to Client, and Client shall install, current versions of the Licensed Programs, which may include corrections, enhancement, and improvements. Licensor shall not be required to provide support services or old versions of the Licensed Programs.

9. **Standard term.** Support provided under Schedule A shall be subject to all of the Standard Terms of this Agreement and the timely payment of all fees required by Client to Licensor under said Agreement. Support services may be suspended if any payments due by Client to Licensor are in arrears for more than thirty (30) days.

10. **Obsolescence.** Licensor reserves the right to cease providing support services for Licensed Program (a) three (3) years from the last date Licensor ceases to license the Licensed Program, or (b) five (5) years from the Effective Date, whichever is later. Licensor agrees to notify Client when Licensor ceases such service.

**IMPLEMENTATION/TRAINING**

1. **Delivery.** Licensor shall ship via common carrier one copy of the Licensed Programs to the Client's location designated in the Specific Terms within ten (10) days of the Effective Date of this Agreement.

2. **Implementation.** Client shall provide, at the location designated in the Specific Terms, the computer equipment on which the Licensed Programs are to be installed. Client agrees that such computer equipment shall be installed and fully operational before beginning installation of the Licensed Programs and that this functionality is the responsibility of Client. The Licensed Programs shall be installed only at the location specified in the Specific Terms. Client shall grant Licensor access to the site and the computer equipment as determined by Licensor and for the period of time required for implementation and/or training and shall give Licensor priority use of such computer equipment during those periods.

Database and network administration will be the responsibility of the Client.

3. **Data Conversion.** Electronic data conversion is available on a pre-scheduled basis. Client will be billed for electronic conversion services, if ordered, at the rate stated on Schedule A. Data Preparation and post conversion 'clean-up' is inherent in any data conversion. Additional costs associated with your conversion are billable against your support hours. Unless otherwise agreed, Client shall be solely responsible for data conversion, data entry and verification of data.

4. **Testing.** Client shall have ninety (90) days (the "Testing Period"), commencing upon the Effective Date of this Agreement, to test the Licensed Programs for substantial compliance with the specifications set forth in the Licensed Program manuals and documentation ("Licensed Program Documentation"). During this Testing Period, Client shall immediately provide notice to Licensor of any failure of the Licensed Program to substantially comply with the Licensed Program Documentation. Upon receipt of such notice, Licensor shall use its commercially reasonable efforts to remedy the failure and install a fix within thirty (30) days. At any time during the first ninety (90) days after the Effective Date of the Agreement, Client may elect to return the Licensed Programs and cancel this Agreement, in which event, Licensor will refund to Client all amounts paid by Client to Licensor pursuant to this Agreement less reasonable costs for initial set-up, implementation, training and support of the Licensed Programs.

5. **Acceptance.** Acceptance shall occur (a) upon Client's delivery of notice to Licensor that the Licensed Programs substantially comply with the specifications set forth in the Licensed Program Documentation, or (b) if Client does not provide notice of a failure of the Licensed Program prior to the close of the Testing Period, then upon the close of the Testing Period.

6. **Location.** Implementation and training may take place at Client's location or via telephone. Client may request on-site implementation or training and Licensor shall provide its' commercially reasonable to accommodate Client's requests. Client will be billed at the rate stated in Schedule A.

7. **On-site.** On-site work (defined as work provided in person by Licensor) will be billed at the rate stated in Schedule A, with a minimum of 8 hours per visit. Client agrees to pay all reasonable expenses, including, but not limited to travel to and from the site, lodging, meals, etc.

**PRODUCT DEVELOPMENT**

1. Licensor provides Custom Programming Services (as hereinafter defined) to its clients. The fees for such Custom Programming Services, if ordered, are set forth in Schedule A. Agreement to perform Custom Programming Services is at Licensor's discretion.

2. Custom Programming Services will include, but are not limited to, development of custom computer programs and installation, training, and maintenance with respect to such custom computer programs. Client assumes responsibility for the creation of financial reports and the creation of custom reports and data elements.

3. Client shall be responsible for initiating any requests for Custom Programming Services by providing written notice to Licensor of the desired services. Licensor will advise Client of Licensor's availability and schedule for performing the Custom Programming Services. All Custom Programming Services will be subject to Client's written acceptance of (i) Licensor's schedule for meeting Client's request for Custom Programming Services and (ii) Licensor's fees for such services.

**STANDARD TERMS**

1. ***Definitions.*** The following terms are defined for the purposes of this Agreement as follows:

a. "License Fee" means those fees, as specified in the Specific Terms and attached Schedules, paid for the Use of the Licensed Program.

b. "Licensed Program" means each computer software program enumerated in Schedule A attached to this Agreement.

c. "Use" means (i) copying any portion of any Licensed Program only into Client's computer for processing, (ii) consulting any Licensed Program in printed form in support of this processing, and (iii) copying for archival or emergency restart purposes. "Use" shall not include service, maintenance or modifications by anyone other than Licensor.

d. "Designated User" means any user logging onto the Yardi system at any time. Each Designated User should have a unique name and password.

2. ***Term and Termination.***

a. **Term.** This Agreement will commence on the Effective Date and shall remain in full force so long as Client has timely paid (i) the initial

License Fee and (ii) any and all other fees due and payable under this Agreement or future invoices based on work Yardi has completed for Client.

b. **Termination for Convenience.** Client may terminate this Agreement without cause and for its convenience upon providing to Yardi ninety (90) calendar days prior written notice thereof. Upon such termination, Client shall immediately pay any and all fees owing to Yardi that have not been paid as of the time of termination. In the event that Client terminates this Agreement pursuant to this section, Client shall not be entitled to a refund of all or any portion of any fees paid to Yardi prior to the date of such termination by Client.

c. **Termination for Cause.** This Agreement and any Software License granted under it may be terminated by either party upon written notice to the other party if the other party materially breaches any of its terms and conditions and fails to cure such breach within seven (7) days of the date of written notice of the breach, or if the breach cannot be reasonably cured within seven (7) days, fails to initiate cure within said seven (7) days and fails to continuously and diligently work to cure said breach until the breach is cured. If the Agreement is terminated pursuant to this Section 2.c, termination shall be effective upon delivery of the specified notice. Within five (5) days after Licensor has terminated the License because of Client's default, Client will certify, in writing, to Licensor, that the original and all copies, in whole or in part, in any form, including partial copies and modifications, of the terminated Licensed Program or Programs have been returned to Licensor or have been destroyed, and that the Licensed Programs are no longer in Use. Notwithstanding any other provision of this Agreement, Licensor shall have the right to terminate this License immediately if (i) Client makes any assignment of its business for the benefit of creditors; (ii) a receiver, trustee in bankruptcy, or similar officer is appointed to take charge of all or part of Client's property; (iii) Client files a petition in bankruptcy, or an involuntary petition in bankruptcy is filed against it that is not dismissed within sixty (60) days; or (iv) Client is adjudged a bankrupt, provided, however, that Client may assume this Agreement and continue to Use the Licensed Programs hereunder in accordance with the provisions of 11 U.S.C. 365(b).

d. **Survival.** Licensor shall not be obligated to provide continuing service and support under this Agreement unless Client is fully current on all payment obligations hereunder. In the event of a termination of this Agreement by Licensor due to material breach of its terms by Client, Licensor shall have the right to repossess all Licensed Programs and modifications of them and related materials. Client's obligations under and the provisions of sections 3, 4, 5, 6, and 10 shall survive any termination of this Agreement.

### *3. Licenses; Restrictions.*

a. **Nonexclusive License.** Subject to all the terms and conditions of this Agreement, Licensor hereby grants to Client a nonexclusive license to Use the Licensed Program at the location specified in the Specific Terms during the term of this Agreement. This Agreement does not give Client a license or right to distribute or sell the Licensed Programs or any modification of it , to make modifications of it except as authorized by Licensor, or to Use the Licensed Programs or any portion of it for assistance in the preparation for sale or distribution of any computer program. This Agreement does not grant a license or right to Use the Licensed Program on any computer or computer system other than those owned by Client or in Client's possession and control, or authorized by Client to serve as an application host. Client further agrees to establish data for Use with the Licensed Programs in not more than one central (home office) location.

b. **Restrictions.** Client may not rent, lease, sell, sublicense, transfer, time share, modify, reproduce, distribute, publish or publicly display the Licensed Programs. Client may not Use the Licensed Programs for any purpose other than that stipulated herein. Client may not reverse engineer, decompile or otherwise attempt to discover the source code for the Licensed Programs unless permitted by mandatory law. Client may not permit any person or entity to breach the restrictions included in this section.

### *4. Confidentiality.*

a. **Definition of Confidential Information.** "Confidential Information" as used in this Agreement shall mean any and all technical and non-technical information including: the Client Data, patent, copyright, trade secret, proprietary information, techniques, sketches, drawings, statistical and/or probabilistic mathematical models, mathematical calculations and/or simulations, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, data, software source documents, object code, source code, and formula related to the current, future and proposed products and services of each of the parties, and includes, without limitation, each party's respective information concerning research, experimental work, development, design details and specifications, engineering, financial information,

procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans and information. "Confidential Information" also includes proprietary or confidential information of any third party who may disclose such information to either party in the course of the other party's business. The terms of this Agreement shall be deemed Confidential Information.

b. **Nondisclosure and Nonuse Obligation.** Each party (the "Receiving Party") agrees that it will not use, disseminate, or in any way disclose any Confidential Information of the other party (the "Disclosing Party"), to any person, firm or business, except that the Receiving Party may use the Disclosing Party's Confidential Information to the extent necessary to perform its obligations or exercise its rights and License under this Agreement. The Receiving Party agrees that it shall treat all Confidential Information of the Disclosing Party with the same degree of care as the Receiving Party accords to its own Confidential Information, but in no case less than reasonable care. The Receiving Party agrees that it shall disclose Confidential Information of the other party only to those of its employees and contractors who need to know such information, and the Receiving Party certifies that such employees and contractors have previously agreed, either as a condition to employment or in order to obtain the Confidential Information of the Disclosing Party, to be bound by terms and conditions applicable to the Receiving Party under this Agreement. The Receiving Party may not make disclosure of Confidential Information to its employees and contractors for the purpose of enabling them to service, maintain or modify the Licensed Program except to the extent necessary to coordinate and implement such service, maintenance and modification by Licensor. The Receiving Party shall immediately give notice to the Disclosing Party of any unauthorized use or disclosure of Disclosing Party's Confidential Information. The Receiving Party agrees to assist the Disclosing Party in remedying any such unauthorized Use or disclosure of Disclosing Party's Confidential Information.

c. **Exclusions from Nondisclosure and Nonuse Obligations.** The obligations under Section 4.b ("Nondisclosure and Nonuse Obligations") of the Receiving Party, with respect to any portion of the Confidential Information of the Disclosing Party, shall not apply to such portion that such Receiving Party can document: (a) was in the public domain at or subsequent to the time such portion was communicated to the Receiving Party by the Disclosing Party through no fault of the Receiving Party, (b) was rightfully in the Receiving Party's possession free of any obligation of confidence at or subsequent to the time such portion was communicated to the Receiving Party by the Disclosing Party, (c) was developed by employees or agents of such Receiving Party independently of and without reference to any information communicated to the Receiving Party by the Disclosing Party, or (d) was communicated by the Disclosing Party to an unaffiliated third party free of any obligation of confidence. A disclosure by the Receiving Party of Confidential Information of the Disclosing Party, either (a) in response to a valid order by a court or other governmental body, (b) otherwise required by law, or (c) necessary to establish the rights of either party under this Agreement, shall not be considered to be a breach of this Agreement by the Receiving Party or a waiver of confidentiality for other purposes; provided, however, the Receiving Party shall provide prompt prior written notice thereof to the Disclosing Party to enable the Disclosing Party to seek a protective order or otherwise prevent such disclosure.

d. **Ownership and Return of Confidential Information and Other Materials.** All Confidential Information of the Disclosing Party, and any Derivatives (as hereinafter defined) thereof whether created by the Disclosing Party or the Receiving Party, shall remain the property of the Disclosing Party, and no license or other rights to the Disclosing Party's Confidential Information or Derivatives is granted or implied hereby, except as expressly set forth in this Agreement. For purposes of this Agreement, "Derivatives" shall mean: (a) for copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; (b) for patentable or patented material, any improvement thereon; and (c) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected under copyright, patent and/or trade secret laws. All materials (including, without limitation, documents, drawings, statistical and/or probabilistic mathematical models, mathematical calculations and/or simulations, apparatus, sketches, designs, lists and all other tangible media of expression) furnished by the Disclosing Party to the Receiving Party shall remain the property of the Disclosing Party. At the Disclosing Party's request and no later than five (5) business days after such request, the Receiving Party shall promptly destroy or deliver to the Disclosing Party, at the Disclosing Party's option, (a) all materials furnished to the Receiving Party, (b) all tangible media of expression in such Receiving Party's possession or control to the extent that such tangible media incorporate any

of the Disclosing Party's Confidential Information, and (c) written certification of the Receiving Party's compliance with such obligations under this sentence.

e. **Disclosure of Third Party Information.** Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

**5. *Copies.***

a. Client may make copies of the Licensed Programs and documentation needed for backup or archival purposes, provided, however, that no more copies will be in existence at one time, other than those needed for daily operation and archival purposes, without the prior written consent of Licensor. Client further agrees that any copies of the Licensed Programs remain the property of Licensor. This section does not affect copies of Client's data.

b. Client agrees to reproduce the following notice on all copies of the Licensed Program in any form:

*This computer program is a proprietary trade secret of Yardi Systems, Inc. Possession and use of this program must conform strictly to the license agreement between user and Licensor, and receipt or possession does not convey any rights to divulge, reproduce, or allow others to use this program without Licensor's specific written authorization.*

*Copyright 2003, by Yardi Systems, Inc. All rights reserved.*

**6. *Security.*** Client agrees not to provide or otherwise make available any Licensed Programs in any form to anyone other than employees or consultants of the Client who are obligated to maintain in confidence third party trade secrets and know-how, licensed or otherwise, in the possession of Client, without prior written consent of an officer of Licensor. Client agrees to advise all employees having access to the Licensed Program of the proprietary and confidential nature of the Licensed Program.

**7. *License; Support; Upgrade Fees.***

a. As compensation for the License granted by this Agreement, Client shall pay to Licensor the fees stated in the Specific Terms. The Fees are payable as specified in Schedule A and failure of Client to timely pay the Fees due, if any, shall be deemed a default by Client under the terms of this Agreement. Failure of Client to pay any fees pursuant to this Agreement shall relieve Licensor of any and all further obligations to Client.

b. The License Fee specified in the Specific Terms is exclusive of any tariff, duty, or tax, however designated, levied or based, including, without limitation, any sales or use taxes in any state and local privilege or excise taxes based on gross revenue, on (i) either this Agreement, the Licensed Program and/or Client's Use of it, or (ii) any materials or supplies agreed to be furnished by Licensor under this Agreement. Client agrees to pay and be responsible for any and all of those taxes and levies (exclusive, however, of taxes based on the Licensor's net income). Licensor shall have the right, but shall have no obligation, to pay any of those taxes or levies directly, in which event Client shall reimburse Licensor, on demand, the amount so paid by Licensor. In no event does the exercise or non-exercise by Licensor of the foregoing right relieve Client of its obligations under this Agreement or impose any liability whatsoever on Licensor.

**8. *Title.*** Licensor retains title to and ownership of the Licensed Programs and all portions of them at all times. Licensor shall defend, indemnify and hold Client harmless against all liability to third parties arising from the alleged violation of any third parties' trade secrets, proprietary information, trademark, copyright, patent rights or intellectual property rights in connection with the grant of this License for the Licensed Program under this Agreement.

**9. *Limited Warranty.***

a. During the term of the Agreement, Licensor warrants that the License Programs will perform as specified in the Licensed Program Documentation (user manuals) regarding the Licensed Programs identified in Schedule A. Licensor does not warrant that the Licensed Programs will meet the requirements and expectations of Client. At any time during the first ninety (90) days after the Effective Date of the Agreement, Client may elect to return the Licensed Programs and cancel this Agreement, in which event, Licensor will refund to Client all amounts paid by Client to Licensor pursuant to this Agreement less reasonable costs for initial set-up, implementation, training and support of the Licensed Programs.

**EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, LICENSOR DISCLAIMS ALL WARRANTIES WITH REGARD TO THE SOFTWARE LICENSED UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ALL WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY AND**

**FITNESS FOR A PARTICULAR PURPOSE. REGARDLESS OF ANY OTHER PROVISION OF THIS AGREEMENT, LICENSOR ADDITIONALLY DISCLAIMS ALL OBLIGATIONS AND LIABILITIES ON THE PART OF LICENSOR FOR DAMAGES, INCLUDING, BUT NOT LIMITED TO, SPECIAL, INDIRECT, AND CONSEQUENTIAL DAMAGES, ATTORNEYS' AND EXPERTS' FEES, AND COURT COSTS (EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF THESE DAMAGES), ARISING FROM OR IN CONNECTION WITH THE USE OF THE LICENSED PROGRAM LICENSED UNDER THIS AGREEMENT. SOME STATES DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS AND LIMITS CERTAIN RIGHTS. YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE.**

***10. Assignment and Sublicensing.***

a. Except for the Permitted Exceptions (as hereinafter defined) specified in Section 10.b., Client shall not (either directly or indirectly) sell, transfer, sublicense, assign in whole or in part, convey, pledge, or otherwise dispose of this Agreement, the Licensed Program, or any right, duty, or license granted under this Agreement, without first obtaining Licensor's express written consent, which may be refused in the sole and absolute discretion of Licensor. Excluding the Permitted Exceptions, any attempted assignment made without the prior express written consent of Licensor is null and void and is a material breach of this Agreement.

b. Provided that Client is not in default in any of Client's obligations under this Agreement and subject to compliance with the conditions precedent as set forth in this section, Client may transfer or assign the Licensed Programs without Licensor's consent to its parent or any wholly owned subsidiary, or in connection with any merger, acquisition, or reorganization involving Client. Any transfer or assignment shall be subject to the following conditions: (i) Client or its successor continues in the same type of business that Client was conducting at the time this Agreement was made and (ii) Client or the successor entity of which Client's business becomes a constituent part, and any subsidiary to which the Licensed Program is transferred, provides to Licensor a written ratification and assumption of this Agreement, concurrently with any transfer or assignment of the Licensed Programs, in a form satisfactory to Licensor. In the case of a transfer to a wholly owned subsidiary, Client shall remain fully and unconditionally obligated under the terms of this Agreement.

***11. Remedies.***

a. The parties acknowledge and agree that, if Client breaches any of its obligations under Sections 2, 3, 4, 6, or 10 of the Standard Terms of this Agreement, Licensor would incur irreparable harm and damage that could not be fully compensated with monetary damages. Accordingly, if Client breaches any provision of sections 2, 3, 4, 6, or 10 of the Standard Terms of this Agreement, Licensor, in addition to monetary damages, shall be entitled to specific performance of Client's obligations under those sections and injunctive relief against any further violations of those sections.

b. Licensor's sole obligation with respect to a breach by Licensor of any representation, warranty, or obligation under this Agreement is to correct that breach.

c. The parties to this Agreement understand and agree that fees to be received by Licensor under this Agreement are based solely on the value of the right to Use the Licensed Programs granted to Client and that it is impractical and extremely difficult to fix the actual damages, if any, that may result from any failure in connection with its intended Use. It is therefore further agreed that if any liabilities are imposed on Licensor for any reason whatsoever, including, but not limited to, any liabilities resulting from Licensor's inability to correct any breach of this Agreement, the maximum aggregate amounts payable by Licensor for all liabilities under this Agreement will not exceed the aggregate amount of fees received by Licensor one (1) year prior to the breach under Section 7 for the portion of the Licensed Program giving rise to that liability.

***12. Independent Contractor Status.*** Nothing in this Agreement is intended or to be construed to make Licensor and Client partners or joint venturers, or to make the employees, agents, or representatives of one of the parties into employees, agents, or representatives of the other party. The relationship of Licensor and Client to each other shall at all times be that of an independent contractor. No party to this Agreement shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other party or to bind the other party to any contract, agreement, or undertaking with any third party.

13. ***Governing Law.*** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed and determined by California law, including any laws that direct the application of the law of another jurisdiction. Any dispute that arises under or relates to this Agreement (whether contract, tort, or both) shall be resolved only in a court of competent jurisdiction in the County of Santa Barbara, State of California, and the parties expressly waive any right they may otherwise have to cause any such action or proceeding to be brought or tried elsewhere.

14. ***Binding Effect.*** This Agreement is binding on and inures to the benefit of the Licensor and its successors, assigns, and legal representatives. This Agreement is binding on and personal to Client.

15. ***Notices.*** Any notice required or permitted under this Agreement will be deemed given on delivery to the party to whom it is intended at its address of record. The record addresses of the parties are set forth in the Specific Terms. Either party may change its record address by giving written notice of such change to the other party.

16. ***Waiver of Breach.*** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by this Agreement will be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy will be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor will any waiver constitute a continuing waiver unless the writing so specifies.

17. ***Mediation.***

(a) In the event of any disputes between Licensor and Client arising out of or connected with this Agreement which the parties are unable to resolve through direct negotiation, either party may serve upon the other at its principal place of business a request for mediation. Neither party may file an action against the other in any court unless and until the party seeking to file such an action has first requested a mediation hearing and made a good faith effort to complete the mediation process provided in this Agreement.

(b) The party requesting mediation shall arrange for a neutral, independent person with experience in dispute mediations to act as mediator. The mediation shall be held not less than ten (10) or more than twenty (20) days from the date the party requesting mediation gives notice of the request for mediation to the other party. The mediation shall be held at Santa Barbara, California. The cost of mediation shall be borne by the parties equally.

(c) The parties shall maintain the mediation proceedings in confidence and shall not disclose to third persons the statements made therein by the other parties or the mediator. The provisions of California Evidence Code Sections 1115 - 1128 shall apply to the mediation proceedings.

(d) At least five (5) days before the date of the mediation, each party shall provide the mediator with a statement of its position and copies of all supporting documents. Each party shall send to the mediation a person who has authority to bind the party. If the dispute involves third parties, such as Client's customers they shall also be asked to participate in the mediation, but their presence shall not be necessary for the mediation to proceed.

(e) If a party has participated in good faith in a mediation and is dissatisfied with the outcome, that party may then invoke all legal rights and remedies available to the party at law or in equity.

18. ***Attorney Fees and Costs.*** In any litigation or other legal proceedings by which one (1) party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney fees, together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

19. ***Severability.*** If any provision of this Agreement contravenes any law or valid regulation of any regulatory agency or self-regulatory body having jurisdiction over either party, or if any provision is otherwise held invalid or unenforceable by a court or other body of competent jurisdiction, then each such provision shall be automatically terminated and performance of that provision by both parties waived. However, if that provision is reasonably considered by either party to be an essential element of this Agreement, and the parties are unable to agree on an alternative provision within ninety (90) days after the invalidation of the provision in question, this Agreement may be terminated in its entirety at the option of the party reasonably considering the contravening provision to be an essential element of this Agreement. That termination shall be effective when that party gives notice of that termination to the other party.

20. ***Headings.*** The captions of the sections of this Agreement are inserted for

convenience only and are not intended to be a part of this Agreement.

21. ***Client's Needs.*** Licensor wants Client to be confident that the Licensed Program will suit Client's needs. Client must make this determination. By executing this Agreement, Client acknowledges that Client has been given adequate opportunity to investigate and understand the Licensed Program software and that Client approves the terms of this Agreement, including these Standard Terms and each of the attached Schedules or Exhibits.

22. ***Entire Agreement.*** This Agreement and all other agreements, Schedules, and Exhibits referred to in this Agreement constitute the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersede all prior and contemporaneous understandings or agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Agreement.

Revision 110703

# YARDI SYSTEMS, INC.
# APPLICATION HOSTING AND SOFTWARE LICENSE AGREEMENT

This Application Hosting and Software License Agreement (the "Agreement") is entered into by and between Yardi Systems, Inc., a California corporation ("Yardi"), with its principal office at 819 Reddick Avenue, Santa Barbara, California 93103 and

**<Client name>**

**BACKGROUND**

Yardi has developed certain software for real property and asset management services. Client desires to license certain of Yardi's software via access to a designated Yardi Site (as hereinafter defined) pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

## AGREEMENT

**1. Grant of License.**

a. Yardi hereby grants to Client and Client accepts from Yardi, subject to the terms and conditions of this Agreement, a non-exclusive license ("Software License") to access and Use (as defined below) each program ("Licensed Program") as set forth in this Agreement (including any schedules or exhibits).

**2. Definitions.**

a. "Client Data" means Client's data that Client provides to Yardi in connection with Client's Use (as defined below) of the Licensed Program under this Agreement.

b. "Effective Date" means two (2) weeks from the date of the last signature of parties as set forth below.

c. "Force Majeure Event" means any event beyond the reasonable control of the party affected by such event, including without limitation fire, storm, weather, earthquake, explosion, casualty, strike, war, riot, civil disturbance, act of God, acts or omission of any third party, any state or national law, decree or ordinance, or any executive or judicial order, which event causes a party to delay or fail to perform under this Agreement.

d. "License Fee" means those fees, as enumerated in the attached schedule, paid for the Use (as defined below) of the Licensed Program.

e. "Licensed Program" means each computer software program specified in the schedule attached to this Agreement.

f. "Password" means the unique password assigned by Client to a "Designated User" as more fully described in section 7 ("Designated Users and Passwords").

g. "Site" means Yardi's sites on the Worldwide Web, or such other URL as Yardi may designate from time-to-time upon written notice to Client.

h. "Use" means (i) copying any portion of any Licensed Program only into Client's computer for processing, (ii) consulting any Licensed Program in printed form in support of this processing, and (iii) copying for archival or emergency restart purposes. "Use" shall not include service, maintenance or modification by anyone other than Licensor.

i. "Designated User" means any user logging onto the Yardi system at any time. Each Designated User should have a unique name and password.

**3. Licenses; Restrictions; Access to Site.**

a. **Licenses.** The Software License granted by Yardi to Client under the terms of this Agreement shall be a non-exclusive, non-assignable, non-transferable, limited license (without right to sublicense) to Use the Licensed Program via access to the Site, solely for Client's internal business purposes.

b. **Restrictions.** Client may only exercise the Software License granted under this Agreement through its Designated Users. Client may not rent, lease, sell, sublicense, transfer, time share, modify, reproduce, distribute, publish or publicly display the Licensed Programs. Client may not use the Licensed Programs for any purpose other than that stipulated herein. Client may not reverse engineer, decompile or otherwise attempt to discover the source code for the Licensed Programs. Client may not permit any person or entity to breach the restrictions included in this section.

c. **Access to the Site.** Yardi will use commercially reasonable efforts to make the Site and the Licensed Programs accessible by Client's Designated Users 24-hours per day, seven (7) days per week, excluding down time for maintenance and repair. Yardi will provide advance notice to Client for scheduled down time for repair or maintenance and Yardi will use commercially reasonable efforts to timely provide notice to Client for unplanned down time for repair or maintenance.

**4. Term and Termination.**

a. **Term.** This Agreement will commence on the Effective Date and shall remain in full force so long as Client has timely paid (i) the initial License Fee and (ii) any and all other fees due and payable under this Agreement or future invoices based on work Yardi has completed for Client.

b. **Termination for Convenience.** Client may terminate this Agreement without cause and for its convenience upon providing to Yardi ninety (90) calendar days prior written notice thereof. Upon such termination, Client shall immediately pay any and all fees owing to Yardi that have not been paid as of the time of termination. In

the event that Client terminates this Agreement pursuant to this section, Client shall not be entitled to a refund of all or any portion of any fees paid to Yardi prior to the date of such termination by Client.

c. **Termination for Cause.** This Agreement and any Software License granted under it may be terminated by either party upon written notice to the other party if the other party materially breaches any of its terms and conditions and fails to cure such breach within seven (7) days of the date of written notice of the breach, or if the breach cannot be reasonably cured within seven (7) days, fails to initiate cure within said seven (7) days and fails to continuously and diligently work to cure said breach until the breach is cured. If the Agreement is terminated pursuant to this Section 4.c, termination shall be effective upon delivery of the specified notice. Yardi shall have the right to terminate this Agreement immediately if (i) Client makes any assignment of its business for the benefit of creditors; (ii) a receiver, trustee in bankruptcy, or similar officer is appointed to take charge of all or part of Client's property; (iii) Client files a petition in bankruptcy, or an involuntary petition in bankruptcy filed against it that is not dismissed within sixty (60) days; or (iv) Client is adjudged bankrupt, provided, however, that Client may assume this Agreement and continue to Use the Licensed Programs hereunder in accordance with the provisions of 11 U.S.C. 365(b).

d. **Effect of Termination.**

d.1 **Termination of Licenses.** Immediately upon the effective date of the termination or expiration of this Agreement for any reason except as otherwise provided in this Agreement, the Software License granted in this Agreement will terminate and Client's ability to access the Licensed Program via the Site or otherwise will be disabled.

d.2 **Return of Confidential Information.** Upon termination of this Agreement, each party shall return to the other party such other party's Confidential Information (as hereinafter defined) or destroy such Confidential Information, provided that Yardi may retain all of Client's Confidential Information and Client Data until such time as all fees owing to Yardi have been paid, and each party shall cause an officer of such party to certify in writing that it has performed the foregoing obligation.

e. **Survival.** Client's obligations under the provisions of this Section 4, and of Sections 5 ("License Fees"), 9.b ("Limited Liability for Hackers Getting at Client Data"), 10 ("Confidentiality"), 11 ("Warranties"), 12 ("Ownership"), 14 ("Assignment and Sublicensing") and 17 ("General Provisions"), shall survive any termination or expiration of this Agreement.

**5. License Fees.**

a. **Fees.** Client agrees to pay Yardi the fees set forth in Schedule A in accordance with the payment terms set forth in the Schedule A.

b. **Failure to Pay Fees When Due.** Failure of Client to timely pay any fees due shall be deemed a default by Client under the terms of this Agreement. Client acknowledges and agrees that if Client fails to pay any License Fee or any other fee due Yardi when such fees are due, Yardi may block Client's access to the Site and the Licensed Programs. In addition, sums past due shall accrue interest from the date due until paid at the rate of one and one-half (1-1/2%) percent per month or the maximum rate allowed under applicable law, which ever is less.

c. **Taxes.** The License Fees specified in the Schedules are exclusive of any tariff, duty, or tax, however designated, levied or based, including, without limitation, any sales or use taxes in any state and local privilege or excise taxes based on gross revenue, on (i) either this Agreement, the Licensed Programs and/or Client's Use of it, or (ii) any materials or supplies agreed to be furnished by Yardi under this Agreement. Client agrees to pay and be responsible for any and all of those applicable taxes and levies (exclusive, however, of taxes based on the Yardi's net income). Yardi shall have the right, but shall have no obligation, to pay any of those taxes or levies directly, in which event Client shall reimburse Yardi, on demand, the amount so paid by Yardi. In no event does the exercise or non-exercise by Yardi of the foregoing right relieve Client of its obligations under this Agreement or impose any liability whatsoever on Yardi.

**6. Implementation and Training.**

a. **Third Party Software and Hardware Requirements.** Client is solely responsible for purchasing, installing and maintaining, at its cost and expense, any third party software and hardware which is necessary for Client to access the Site and Use the Licensed Programs.

b. **Location.** Implementation and training may take place at Client's location or via telephone. Client may request on-site implementation or training and Yardi shall provide commercially reasonable efforts to accommodate Client's requests. Client will be billed at the rate stated in Schedule A for implementation and training.

c. **On-Site.** On-site work (defined as work provided in person by Yardi) will be billed at the rate stated in Schedule A, with a minimum of 8 hours per visit. Client agrees to pay all reasonable expenses, including, but not limited to, travel to and from the site, lodging, meals, etc.

d. **Data Conversion.** Electronic data conversion is available on a pre-scheduled basis. Client will be billed for electronic conversion services, if ordered, at the rate stated on Schedule A. Data Preparation and post conversion 'clean-up' is inherent in any data conversion. Additional costs associated with your conversion are billable against your support hours. Unless otherwise agreed, Client shall be solely responsible for data conversion, data entry and verification of data.

e. **Testing.** Client shall have ninety (90) days (the "Testing Period"), commencing upon the Effective Date of this Agreement, to test the Licensed Programs for substantial compliance with the specifications set forth in the Licensed Program Documentation. Upon receipt of such notice, Licensor shall use its commercially reasonable efforts to remedy the failure and install a fix within (30) days. At any time during the first ninety (90) days after the Effective Date of the Agreement, Client may elect to return the Licensed Programs and cancel this Agreement, in which event, Licensor will refund to Client all amounts paid by Client to Licensor pursuant to this Agreement less reasonable costs for initial set-up, implementation, training and support of the Licensed Programs.

f. **Program manuals and documentation** ("Licensed Program Documentation"). During this Testing Period, Client shall immediately provide notice to Licensor of any failure of the Licensed Program to substantially comply with the Licensed Program Documentation. Upon receipt of such notice, Licensor shall use commercially reasonable efforts to remedy the failure and install a fix within thirty (30) days.

7. **Users and Passwords.**

a. **Designated Users.** Client agrees that its exercise of the Software License granted to Client in Section 3 ("Licenses and Restrictions") shall only be through its employees and contractors (the "Designated Users"). Client acknowledges and agrees that it may assign Passwords to a limited number of Designated Users. The agreed upon number of Designated users is set forth in the attached Schedule A.

b. **Changes in the Designated Users.** Client may, from time to time during the term of this Agreement replace one (1) Designated User with another employee or contractor of Client and such other employee or contractor shall be a Designated User for purposes of this Agreement. Client acknowledges and agrees that the Designated User being replaced will not be entitled to access the Licensed Programs or the Site. A change in Citrix Designated Users will be subject to a one-time fee based on current market rate at the time of request for change.

c. **Additional Designated Users.** Client may, upon at least ten (10) business days prior written notice and subject to the payment of any additional License Fees to Yardi, increase the number of employees and contractors authorized as Designated Users. Upon payment of the additional License Fees, Yardi will increase the number of Designated Users authorized to access the Licensed Programs and the Site.

d. **Assignment of Passwords.** Client's Single Point of Contact (as hereinafter defined) will be a Designated User, will designate the other Designated Users, and will provide each of such other Designated Users with a Password. Each Password shall be personal to the applicable Designated User, and may not be used by anyone other than such Designated User. Each Password may only be used on one (1) computer at any given time. Client shall be responsible for maintaining the security for the Passwords and will be responsible for all uses of any Password, whether such use is authorized or unauthorized.

e. **Obligations of Client with Respect to Designated Users.** Client shall inform each Designated User of the restrictions set forth in this Agreement and Client shall enforce such restrictions. Client agrees to require each Client contractor who is a Designated User to enter into a written agreement with Client pursuant to which the contractor agrees to be bound by the terms of this Agreement. Client shall enforce such agreements and (i) shall notify Yardi of any breach of such agreement and shall enforce the agreement in accordance with instructions received from Yardi and (ii) Yardi shall be designated as an intended third party beneficiary of such agreement, with the right to enforce such agreement. Client acknowledges that each time a Designated User logs onto the Site to access and Use the Licensed Program, the Designated User will from time to time be presented with a splash screen welcoming the Designated User and requesting that the Designated User enter his/her personal Password. If the Designated User enters a valid Password, the Designated User will be presented with a second splash screen requiring that the Designated User acknowledge that its Use of the Licensed Programs is subject to the terms of this Agreement.

8. **Support and Upgrades.**

a. **Client Service.** It is the goal of Yardi to provide effective and timely product support for its Licensed Programs subject to the terms and conditions of this Agreement.

b. **Client Contacts.** In order to facilitate achievement of Yardi's service goals, Client agrees to appoint a single point of contact ("SPOC") for support and maintenance. Client may change the identity of the SPOC upon advance written notice to Yardi.

c. **Yardi's Contacts.** Yardi shall appoint an account manager to Client's account. Yardi may change the identity of the account managers from time to time and Client's file shall be available to Yardi's entire technical support team to provide coverage and back-up for the account manager.

d. **Product Support Services.** Yardi shall provide technical support and maintenance for the Licensed Programs through its account managers and technical staff to Client's SPOC for day to day operational inquiries by Client through telephone, fax, or e-mail contacts. Product support does not include on-site installation, implementation, training, or testing of the Licensed Programs, nor does it include any data conversion. These services, if ordered, are specified on Schedule A. Support service will use commercially reasonable efforts to address and solve Client's issues but cannot guarantee satisfaction in every case.

e. **Total Hours Included.** The total amount of support time included in the fees in this Agreement is specified in Schedule A. Any annual periods covered by this agreement shall begin on the Effective Date of this Agreement and shall not include unused support time from prior years. If additional hours of technical support are needed by the Client during each annual period, additional hours may be purchased at the prevailing rates charged by Yardi for technical support at the time the hours are needed.

f. **Support Hours.** Yardi's hours for support service are between 6:00 A.M. and 4:00 P.M. (Pacific Time) Monday through Friday (excluding holidays).

g. **Priority.** Yardi shall have the right to prioritize Client's support requests according to the severity of the impact of the software problem on the Client. Generally, Yardi will prioritize support requests in the following order:

Client Impact: Service Priority Goals

Priority 1: Business halted

Priority 2: Business impacted

Priority 3: Non-critical service requests

h. **Software Upgrades.** Yardi shall provide to Client current versions of the Licensed Programs, which may include corrections, enhancement, and improvements. Yardi shall not be required to provide support services for older versions of the Licensed Programs.

i. **Standard Term.** Support provided under Schedule A shall be subject to all of the terms of this Agreement and the timely payment of all fees required by Client to Yardi under said agreement. Support services may be suspended if any payments due by Client to Yardi are in arrears for more than thirty (30) days.

j. **Obsolescence.** Yardi reserves the right to cease providing support services for Licensed Programs (a) three (3) years from the last date Yardi ceases to license the Licensed Programs, or (b) five (5) years from the Effective Date of this Agreement, whichever is later. Licensor agrees to notify Client when Licensor ceases such service.

**9. Client Data.**

a. **Storage of Client Data.** Subject to Force Majeure Events, Yardi agrees to store all Client Data provided to Yardi by Client as a part of Client's Use of the Licensed Programs on Yardi's server and on one (1) back-up server. Client hereby grants to Yardi a non-exclusive license, during the term of this Agreement, to reproduce Client Data on Yardi's server and back-up server for the sole and exclusive purpose of enabling Client to use such Client Data in connection with Client's Use of the Licensed Programs. Data is transferred nightly from the primary server to the backup server. Yardi shall not be responsible or liable to Client if the backup of the Client Data fails as a result of a Force Majeure Event. Notwithstanding the foregoing, if any Client Data is lost for any reason, Yardi agrees to use commercially reasonable efforts to attempt to recover such Client Data and Yardi will cooperate with Client to enable Client to identify the lost Client Data.

b. **Limited Liability for Hackers Getting at Client Data.** Yardi agrees to use (i) firewalls and other technology generally used in the trade to attempt to prevent unauthorized access to its computer systems storing Client Data and (ii) available encryption technology generally used in the trade to secure the transmission of Client Data to Client to attempt to prevent unauthorized access during transmission. Notwithstanding the foregoing, Yardi shall not be liable to Client in the event that (i) its use of firewall and other technology fails to prevent a third party from being able to "hack" into Yardi's servers to access Client Data or (ii) its use of such encryption does not prevent a third party from being able to "hack" into such transmissions. Yardi shall not be liable to Client for a third party's access to the transmission of Client Data to or from Yardi. Nothing in this section shall constitute a representation or warranty by Yardi that the storage or transmission of Client Data will not be accessible by a third party.

**10. Confidentiality.**

a. **Definition of Confidential Information.** "Confidential Information" as used in this Agreement shall mean any and all technical and non-technical information including: the Client Data, patent, copyright, trade secret, proprietary information, techniques, sketches, drawings, statistical and/or probabilistic mathematical models, mathematical calculations and/or simulations, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, data, software source documents, object code, source code, and formula related to the current, future and proposed products and services of each of the parties, and includes, without limitation, each party's respective information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans and information. "Confidential Information" also includes proprietary or confidential information of any third party who may disclose such information to either party in the course of the other party's business. The terms of this Agreement shall be deemed Confidential Information.

b. **Nondisclosure and Nonuse Obligation.** Each party (the "Receiving Party") agrees that it will not use, disseminate, or in any way disclose any Confidential Information of the other party (the "Disclosing Party"), to any person, firm or business, except that the Receiving Party may use the Disclosing Party's Confidential Information to the extent necessary to perform its obligations or exercise its rights and Software Licenses under this Agreement. The Receiving Party agrees that it shall treat all Confidential Information of the Disclosing Party with the same degree of care as the Receiving Party accords to its own Confidential Information, but in no case less than reasonable care. The Receiving Party agrees that it shall disclose Confidential Information of the other party only to those of its employees and contractors who need to know such information, and the Receiving Party certifies that such employees and contractors have previously agreed, either as a condition to employment or in order to obtain the Confidential Information of the Disclosing Party, to be bound by terms and conditions applicable to the Receiving Party under this Agreement. The Receiving Party may not make disclosure of Confidential Information to its employees and contractors for the purpose of enabling them to service, maintain or modify the Licensed Program except to the extent necessary to coordinate and implement such service, maintenance and modification by Licensor. The Receiving Party shall immediately give notice to the Disclosing Party of any unauthorized use or disclosure of Disclosing Party's Confidential Information. The Receiving Party agrees to assist the Disclosing Party in remedying any such unauthorized Use or disclosure of Disclosing Party's Confidential Information.

c. **Exclusions from Nondisclosure and Nonuse Obligations.** The obligations under Section 10.b ("Nondisclosure and Nonuse Obligations") of the Receiving Party, with respect to any portion of the Confidential Information of the Disclosing Party, shall not apply to such portion that such Receiving Party can document: (a) was in the public domain at or subsequent to the time such portion was communicated to the Receiving Party by the Disclosing Party through no fault of the Receiving Party, (b) was rightfully in the Receiving Party's possession free of any obligation of confidence at or subsequent to the time such portion was communicated to the Receiving Party by the Disclosing Party, (c) was developed by employees or agents of such Receiving Party independently of and without reference to any information communicated to the Receiving Party by the Disclosing Party, or (d) was communicated by the Disclosing Party to an unaffiliated third party free of any obligation of confidence. A dis-

closure by the Receiving Party of Confidential Information of the Disclosing Party, either (a) in response to a valid order by a court or other governmental body, (b) otherwise required by law, or (c) necessary to establish the rights of either party under this Agreement, shall not be considered to be a breach of this Agreement by the Receiving Party or a waiver of confidentiality for other purposes; provided, however, the Receiving Party shall provide prompt prior written notice thereof to the Disclosing Party to enable the Disclosing Party to seek a protective order or otherwise prevent such disclosure.

d. **Ownership and Return of Confidential Information and Other Materials.** All Confidential Information of the Disclosing Party, and any Derivatives (as hereinafter defined) thereof whether created by the Disclosing Party or the Receiving Party, shall remain the property of the Disclosing Party, and no license or other rights to the Disclosing Party's Confidential Information or Derivatives is granted or implied hereby, except as expressly set forth in this Agreement. For purposes of this Agreement, "Derivatives" shall mean: (a) for copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; (b) for patentable or patented material, any improvement thereon; and (c) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected under copyright, patent and/or trade secret laws. All materials (including, without limitation, documents, drawings, statistical and/or probabilistic mathematical models, mathematical calculations and/or simulations, apparatus, sketches, designs, lists and all other tangible media of expression) furnished by the Disclosing Party to the Receiving Party shall remain the property of the Disclosing Party. At the Disclosing Party's request and no later than five (5) business days after such request, the Receiving Party shall promptly destroy or deliver to the Disclosing Party, at the Disclosing Party's option, (a) all materials furnished to the Receiving Party, (b) all tangible media of expression in such Receiving Party's possession or control to the extent that such tangible media incorporate any of the Disclosing Party's Confidential Information, and (c) written certification of the Receiving Party's compliance with such obligations under this sentence.

e. **Disclosure of Third Party Information.** Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

**11. Warranties.**

a. **Limited Warranty.** During the term of the Agreement, Yardi warrants that the Licensed Programs will perform as specified in the Licensed Program Documentation for each of the Licensed Programs identified in Schedule A. Yardi does not warrant that the Licensed Programs will meet the requirements and expectations of Client.

b. **Remedy for Breach of Limited Warranty.** In the event of a breach of the foregoing warranty, Yardi agrees to use commercially reasonable efforts to modify the Licensed Programs so that they conform to the foregoing warranty. If such modification is not commercially reasonable, then Yardi may terminate this Agreement. In the event of such termination, Yardi will refund to Client all fees paid by Client to Yardi within the prior year. THE FOREGOING REMEDY SHALL BE CLIENT'S SOLE REMEDY IN THE EVENT OF A BREACH OF THE WARRANTY SET FORTH IN SECTION 11.a.

c. **Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, YARDI DISCLAIMS ALL WARRANTIES WITH REGARD TO THE SOFTWARE LICENSED UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. REGARDLESS OF ANY OTHER PROVISION OF THIS AGREEMENT, YARDI ADDITIONALLY DISCLAIMS ALL OBLIGATIONS AND LIABILITIES ON THE PART OF YARDI FOR DAMAGES, INCLUDING, BUT NOT LIMITED TO, SPECIAL, INDIRECT, AND CONSEQUENTIAL DAMAGES, ATTORNEYS' AND EXPERTS' FEES, AND COURT COSTS (EVEN IF YARDI HAS BEEN ADVISED OF THE POSSIBILITY OF THESE DAMAGES), ARISING FROM OR IN CONNECTION WITH THE USE OF THE SOFTWARE LICENSED UNDER THIS AGREEMENT. SOME STATES DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS AND LIMITS CERTAIN RIGHTS. YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE.**

d. **Disclaimer of Internet performance.** Yardi does not and cannot control the flow of data to or from Yardi via the internet. Such flow depends in large part on the performance of internet services provided or controlled by third parties. At times, actions or inactions of such third parties can impair or disrupt Client's connection to the internet. Yardi will use commercially reasonable efforts as it deems appropriate to remedy and avoid such events but cannot guarantee that such events will not occur. Accordingly, Yardi disclaims any and all liability resulting from or relating to such events.

e. **Limitation of damages. IN ADDITION TO THE LIMITATIONS OTHERWISE SET FORTH IN THIS AGREEMENT, CLIENT AGREES THAT IN THE EVENT OF ANY CLAIM OR CAUSE OF ACTION BY CLIENT ARISING OUT OF OR CONNECTED WITH THIS AGREEMENT OR THE SERVICES, THE MAXIMUM AMOUNT OF YARDI'S LIABILITY TO CLIENT, REGARDLESS OF THE AMOUNT OF LOSS CLIENT MAY HAVE SUFFERED, SHALL BE THE AMOUNT OF FEES PAID BY CLIENT TO YARDI WITHIN THE PRIOR YEAR.**

**12. Ownership.**

a. **Yardi's Ownership.** Client agrees that Yardi is and shall remain the sole and exclusive owner of all right, title and interest in and to the Licensed Programs and to all intellectual property rights in the foregoing. The only rights Client obtains in the Licensed Programs are the Software Licenses granted to Client in this Agreement.

b. **Indemnification.** Yardi agrees to defend Client against any third party claims, actions or demands alleging that Yardi's or Client's Use of the Licensed Programs in accordance with the terms of this Agreement infringes on a third party's trade secrets, proprietary information, trademark, copyright, patent rights or

intellectual property rights.

c. **Client's Ownership.** Client is and shall remain the owner of all right, title and interest in and to the Client Data, subject to the License granted to Yardi herein for use of said Data.

13. **Product Development.**

a. **Custom Programming.** Yardi provides Custom Programming Services (as hereinafter defined) to its clients. The fees for such Custom Programming Services, if ordered, are set forth in Schedule A. Agreement to perform Custom Programming Services is at Yardi's discretion. 16.6

b. **Scope.** Custom Programming Services will include, but are not limited to, development of custom computer programs and installation, training, and maintenance with respect to such custom computer programs. Client assumes responsibility for the creation of financial reports and the creation of custom reports and data elements.

c. **Terms.** Client shall be responsible for initiating any requests for Custom Programming Services by providing written notice to Yardi of the desired services. Yardi will advise Client of Yardi's availability and schedule for performing the Custom Programming Services. All Custom Programming Services will be subject to Client's written acceptance of (i) Yardi's schedule for meeting Client's request for Custom Programming Services and (ii) Yardi's fees for such services.

14. **Assignment and Sublicensing.**

a. **Limitation On Assignment And Sublicensing.** Except for the Permitted Exceptions specified in Section 14.b, Client shall not (either directly or indirectly) sell, transfer, sublicense, assign in whole or in part, convey, pledge, or otherwise dispose of this Agreement, the Licensed Program, or any right, duty, or license granted under this Agreement, without first obtaining Yardi's express written consent, which may be refused in the sole and absolute discretion of Yardi. Excluding the Permitted Exceptions, any attempted assignment made without the prior express written consent of Yardi is null and void and is a material breach of this Agreement.

b. **Permitted Exceptions.** Provided that Client is not in default in any of Client's obligations under this Agreement and subject to compliance with the conditions precedent as set forth in this section, Client may transfer or assign the Licensed Programs without Yardi's consent to a wholly owned subsidiary, or in connection with any merger, acquisition, or reorganization involving Client. Any transfer or assignment shall be subject to the following conditions: (i) Client or its successor continues in the same type of business that Client was conducting at the time this Agreement was made and (ii) Client or the successor entity of which Client's business becomes a constituent part, and any subsidiary to which the Licensed Program is transferred, provides to Yardi a written ratification and assumption of this Agreement, concurrently with any transfer or assignment of the Licensed Programs, in a form satisfactory to Yardi. In the case of a transfer to a wholly owned subsidiary, Client shall remain fully and unconditionally obligated under the terms of this Agreement.

15. **Outsourcing.**

a. **Server Location.** Yardi reserves the right to use servers and other equipment needed to provide the services contemplated by this Agreement either at its facilities or at the facilities of independent server providers. Yardi may change the location of the servers and other equipment needed to provide the services hereunder at any time during the term of this Agreement provided that any such change of location shall not affect Yardi's obligations under this Agreement and shall not interrupt Client's access to its Client Data and the Licensed Programs.

16. **Mediation.**

a. In the event of any disputes between Yardi and Client arising out of or connected with this Agreement which the parties are unable to resolve through direct negotiation, either party may serve upon the other at its principal place of business a request for mediation. Neither party may file an action against the other in any court or initiate any arbitration proceeding unless and until the party seeking to file such an action or initiate such an arbitration has first requested a mediation hearing and made a good faith effort to complete the mediation process provided in this Agreement.

b. The party requesting mediation shall arrange for a neutral, independent person with experience in dispute mediations to act as mediator. The mediation shall be held not less than ten (10) or more than twenty (20) days from the date the party requesting mediation gives notice of the request for mediation to the other party. The mediation shall be held at Santa Barbara, California. The cost of mediation shall be borne by the parties equally.

c. The parties shall maintain the mediation proceedings in confidence and shall not disclose to third persons the statements made therein by the other parties or the mediator. The provisions of California Evidence Code Sections 1115 - 1128 shall apply to the mediation proceedings.

d. At least five (5) days before the date of the mediation, each party shall provide the mediator with a statement of its position and copies of all supporting documents. Each party shall send to the mediation a person who has authority to bind the party. If the dispute involves third parties, such as Client's customers, they shall also be asked to participate in the mediation, but their presence shall be not be necessary for the mediation to proceed.

e. If a party has participated in good faith in a mediation and is dissatisfied with the outcome, that party may then invoke all legal rights and remedies available to the party at law or in equity.

17. **General Provisions.**

a. **Independent Contractor Status.** Nothing in this Agreement is intended or to be construed to make Yardi and Client partners or joint venturers, or to make the employees, agents, or representatives of one of the parties into employees, agents, or representatives of the other party. The relationship of Yardi and Client to each other shall at all times be that of an independent contractor. No party to this Agreement shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other party or to bind the other party to any contract, agree-

ment, or undertaking with any third party.

b. **Governing Law; Venue.** This Agreement, and any dispute arising from the relationship between the parties to this Agreement shall be governed and determined by California law, without regard to conflict of laws principles. Any dispute that arises under or relates to this Agreement (whether contract, tort, or both) shall be resolved only in a court of competent jurisdiction in the County of Santa Barbara, State of California, and the parties expressly waive any right they may otherwise have to cause any such action or proceeding to be brought or tried elsewhere.

c. **Injunctive Relief.** Notwithstanding sections 16 and 17b. of this Agreement, the parties acknowledge and agree that, if Client breaches any of its obligations under sections 3, 4, 7, 10 or 14 of this Agreement, Yardi would incur irreparable harm and damage that could not be fully compensated with monetary damages. Accordingly, if Client breaches any provision of sections 3, 4, 7, 10 or 14 of this Agreement, Yardi, in addition to monetary damages, shall be entitled to specific performance or Client's obligations under those section and injunctive relief against any further violations of those sections.

d. **Binding Effect.** This Agreement is binding on and inures to the benefit of Yardi and its successors, assigns, and legal representatives. This Agreement is binding on and personal to Client.

e. **Notices.** Any notice required or permitted under this Agreement will be deemed given on delivery to the party to whom it is intended at its address of record. The record addresses of the parties are set forth at the beginning of this Agreement. Either party may change its record address by giving written notice of such change to the other party.

f. **Waiver of Breach.** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by this Agreement will be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy will be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor will any waiver constitute a continuing waiver unless the writing so specifies.

g. **Attorney Fees and Costs.** In any litigation or other legal proceedings by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney fees, together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

h. **Severability.** If any provision of this Agreement contravenes any law or valid regulation of any regulatory agency or self-regulatory body having jurisdiction over either party, or if any provision is otherwise held invalid or unenforceable by a court or other body of competent jurisdiction, then each such provision shall be automatically terminated and performance of that provision by both parties waived. However, if that provision is reasonably considered by either party to be an essential element of this Agreement, and the parties are unable to agree on an alternative provision within ninety (90) days after the invalidation of the provision in question, this Agreement may be terminated in its entirety at the option of the party reasonably considering the contravening provision to be an essential element of this Agreement. That termination shall be effective when that party gives notice of that termination to the other party.

i. **Headings.** The captions of the sections of this Agreement are inserted for convenience only and are not intended to be a part of this Agreement.

j. **Entire Agreement.** This Agreement, the Schedules and all other agreements referred to in this Agreement constitute the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersede all prior and contemporaneous understandings or agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Agreement.

k. **Client's Needs.** Yardi wants Client to be confident that the Licensed Program will suit Client's needs. Client must make this determination. By executing this Agreement, Client acknowledges that Client has been given adequate opportunity to investigate and understand the Licensed Programs and that Client approves the terms of this Agreement and each of the attached Schedules.

**CLIENT:** **<CLIENT NAME>**

By:_____
(Name) (Date)

_____
(Printed Name)

Its: _____
(Title)

**LICENSOR:** **YARDI SYSTEMS, INC.**

By:_____
(Name) (Date)

_____
(Printed Name)

Its: _____
(Title)

Revision 110703

**SCHEDULE A**

**SCHEDULE OF FEES**

*Hosting and services fees specific to client contract would be listed here.*

**SCHEDULE B**

**LICENSED PROGRAMS**

*Details regarding feature sets and functionality specific to client contract would be listed here.*

## Appendix B Service Level Agreement

The following is a sample service level agreement detailing service and performance goals.

**SCHEDULE B**

**Service Level Agreement**

During the term of the overall Application Hosting and Software License Agreement, and subject to the terms of the Agreement, Yardi will meet the following Service Levels.

**SECTION I – Performance Goals**

**Site Availability**

The measurement of overall Site Availability is a cumulative measure of the total availability of the following components:

Network Availability (WAN (ISP Access) and LAN layers)

Operating Systems (Servers, including dedicated Development servers, Storage devices, Switches, Local Balancers, Routers and Firewalls)

Application Availability (Enterprise and Voyager applications)

**Scheduled Hours of Operational Down Time (relative to Network & Operating Systems)**

Yardi will conduct their scheduled maintenance from 11:00 PM Pacific time to 3:00 AM Pacific time on Sunday mornings. In addition, Yardi will conduct daily database backups between the hours of 12:00 AM and 2:00 AM Pacific time; these backups will be electronic and stored at alternate Network Operating Centers (NOCs). A copy of Client's production database will be available for retrieval by Client from Yardi's secure FTP site. Any down time experienced outside these time frames, without the prior notification and written consent of client, will be counted against system availability.

**Service Level** – Yardi's goal is to deliver at least 99. 5 percent site availability at an infrastructure level, which includes all network and hardware configurations of the Yardi domain. This equates to a maximum of 45 minutes of unscheduled downtime per week.

**Measurement** -- Availability is measured by taking the potential scheduled uptime for the month (24 hrs x # of days in month – agreed, scheduled downtime) minus any experienced, unscheduled downtime divided by the potential scheduled uptime for the month. An example of this calculation for a month with 31 days and 3.25 hours of experienced, unscheduled downtime would be:

$$[(31 \times 24) - (31 \times 2) - (4 \times 4)] - 3.25 \,/\, [(31 \times 24) - (31 \times 2) - (4 \times 4)] = 99.5\%$$

**Measurement Period** -- Monthly with 12 month rolling history

**Application Availability**

**Service Level** -- Yardi's goal is that the Managed Software will be available 99.5% for the percentage of scheduled uptime for the level of service. Yardi's goal is that the software components will also be available 99.5 percent of scheduled up time and considered part of application availability.

**Measurement** -- Availability is to be measured by taking the potential scheduled uptime for the month (24 hrs x # of days in month – approved, scheduled downtime) minus any experienced, unscheduled downtime divided by the potential scheduled uptime for the month. An example of this calculation for a month with 31 days and 3.25 hours of experienced, unscheduled downtime would be:

$$[(31 \times 24) - (31 \times 2) - (4 \times 4)] - 3.25 \,/\, [(31 \times 24) - (31 \times 2) - (4 \times 4)] = 99.5\%$$

**Measurement Period**---Monthly with 12 month rolling history

**Application Performance**

***End to End Response***

**Service Level** --Yardi's overall goal relative to Application Response from an end-to-end perspective is for a consistent response time of less than 6 seconds. However, this is **not** a contractual, service level obligation because of the network and other factors outside Yardi's span of control.

***Application Response***

**Service Level** -- Yardi's goal is that the elapsed time for a packet sent from Yardi's application layer servers to the Yardi network entry/egress routers and back will be less than 3 seconds.

**Procedural Response**

**Service Level** -- Yardi's goal is that 99% of all cases will be answered within the time frames defined for each level, as per Table A-1 below. Initial responses to severity 1, 2 and 3 level issues properly submitted to the Yardi technical staff regarding covered problems with the managed services will occur within the following times applicable to the Service Level. This is the time lapse between when a call is received and assignment of trouble ticket is made to the appropriate support team.

**Table A-1** Problem Report/Support Response Service Level

| Severity Level | Service Level | Business Hours | Off-Hours |
|---|---|---|---|
| Level 1 | Business Critical | 15 minutes | 1 hour |
| Level 2 | Business Critical w/exception | 1 hour | 2 hour |
| Level 3 | Non Business Critical | 4 hours | Next Business Day |

**Measurement**—Total # of cases from Level 1 meeting time frame standard severity level divided by total number of cases equals total %.
**Escalation Service Level** – Yardi's goal is that the initial responses to severity 1,2 and 3 issues be properly identified and escalated in accordance with Yardi's escalation procedures. (See Table A-2).

***Definition of Severity Levels***

**Severity Level 1** -- Production system is completely unavailable or is inoperable, or is affected such that critical business processes are completely unavailable or inoperable.

**Severity Level 2** -- Production system is available, but non-critical business processes and multiple users are substantially impacted, or are affected such that critical business processes are unavailable or inoperable.

**Severity Level 3** -- Production system is available, but a single user or non-critical business processes are adversely impacted, or the test or development systems functions, but multiple users are impacted.

**Table A-2** Escalation Service Level Options

| Severity | Notification Within | Client Notification | Yardi Notification |
|---|---|---|---|
| Level 1 | 30 minutes | Client to define | VP – IT of Applications |
| | 2 hours | Client to define | COO / CEO |
| Level 2 | 4 hours | Client to define | VP – IT or Applications |
| | 8 hours | Client to define | COO / CEO |
| Level 3 | 1 business day | Client to define | VP – IT or Applications |

**Measurement** – Sum of each case multiplied by the allowed response time for the case divided by the sum of each case multiplied by the actual response time for the case. A manual process will be used to collect the information to be used to measure this SLA.

**Measurement Period** – Monthly with 12 month rolling history

**Table A-3 Summary of SLA Performance Goals**

| *Service* | *SLA* | *Metric* | *Yardi Goals* |
|---|---|---|---|
| **Site Availability** | Network Availability | Network Uptime | 99.5% |
| | • LAN<br>• WAN (ISP access) | | |
| | Operating Systems | System Uptime | 99.5% |
| | • Servers<br>• Storage Devices<br>• Switches<br>• Load Balancers<br>• Routers<br>• Firewalls | | |
| | Application Availability | Application Uptime | 99.5% |
| | • Enterprise<br>• Voyager | | |
| **Application Performance** | End to End response | End User to/from Application at Yardi | < 6 sec. (this is a goal only) |
| | Application response | Internal, Onsite response time at Yardi NOC | < 3 sec. |

**SECTION III – Sub-contractor Maintenance Agreements**

**Service Level** – Yardi will ensure that the maintenance agreements for all hardware, software, communication systems, and data center peripherals with its subcontractors will be kept current. Yardi will also ensure that the maintenance agreements are such that they will be able to support all Service level commitments / response times.

**Testing**

1. **Functionality Testing** – Yardi will perform functionality testing on all releases of software and forward the test results to Client in the form of release notes, upon request.
2. **Exception Testing** – Yardi will provide Client ample amount of time to test all releases before moving to production.
3. **Security Testing** – Yardi will provide Client with a report showing the intrusion detection testing results on an annual basis, upon request.

**General Notes**

Achievement of the Application Availability Service Level is dependent upon proper configuration of all network systems and the availability of the underlying relevant application and infrastructure components receiving or delivering information to and from the Managed Services at levels equal to or greater than the Application Availability Service Level.

The parties will review and appropriately adjust the Service Levels on an annual basis to reflect response times and service levels consistent with industry practice for similar functionality and services. Any such adjusted Service Levels shall be incorporated into this Agreement upon their creation, and shall supersede and replace any previous version of such Service Levels.

## Appendix C Statement of Insurance

The following is a copy of our Certificate of Liability Insurance describing our coverage in the following areas:

- Worker's Compensation
- Comprehensive General Liability
- Automobile Liability
- Professional Liability (Errors and Omissions)

Yardi Systems will provide insurance coverage naming HACLA as an additional insured upon being chosen as the winning vendor.

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 10/28/2005

PRODUCER (559)222-7722 FAX (559)222-1724
Eyman-Parker Insurance Brokers Inc
License #0C91990
P O Box 3947
Fresno, CA 93650

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Yardi Systems, Inc.
DBA: The Jaske Trust dba
430 S. Fairview Avenue
Goleta, CA 93117

| INSURERS AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A: Chubb Ins Group | |
| INSURER B: Hartford Ins | |
| INSURER C: Indian Harbor Ins Co | |
| INSURER D: | |
| INSURER E: | |

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | ADD'L INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS | |
|---|---|---|---|---|---|---|---|
| A | | GENERAL LIABILITY<br>[X] COMMERCIAL GENERAL LIABILITY<br>[ ] CLAIMS MADE [X] OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>[ ] POLICY [ ] PRO-JECT [ ] LOC | 35763486 | 07/01/2005 | 07/01/2006 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG | $ 1,000,000<br>$ Incl in oc<br>$ 10,000<br>$ 1,000,000<br>$ 2,000,000<br>$ 2,000,000 |
| B | | AUTOMOBILE LIABILITY<br>[X] ANY AUTO<br>[ ] ALL OWNED AUTOS<br>[ ] SCHEDULED AUTOS<br>[ ] HIRED AUTOS<br>[ ] NON-OWNED AUTOS | 30UEGIG9326 | 07/01/2005 | 07/01/2006 | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident) | $ 1,000,000<br>$<br>$<br>$ |
| | | GARAGE LIABILITY<br>[ ] ANY AUTO | | | | AUTO ONLY - EA ACCIDENT<br>OTHER THAN AUTO ONLY: EA ACC<br>AGG | $<br>$<br>$ |
| | | EXCESS/UMBRELLA LIABILITY<br>[ ] OCCUR [ ] CLAIMS MADE<br>[ ] DEDUCTIBLE<br>[ ] RETENTION $ | | | | EACH OCCURRENCE<br>AGGREGATE | $<br>$<br>$<br>$<br>$ |
| | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?<br>If yes, describe under SPECIAL PROVISIONS below | | | | WC STATU-TORY LIMITS / OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | $<br>$<br>$ |
| C | | OTHER<br>Professional Liability | MPP0019556 | 10/22/2005 | 10/22/2006 | General Aggregate $1,000,000<br>Each Occurrence $1,000,000 | |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Ten (10) day notice of Cancellation IF Cancelled for non-payment of premium.

CERTIFICATE HOLDER

To Insured for Informational Purposes

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
James Parker III/MRH


©ACORD CORPORATION 1988

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 10/28/2005

PRODUCER (559)222-7722 FAX (559)222-1724
Eyman-Parker Insurance Brokers Inc
License #0C91990
P O Box 3947
Fresno, CA 93650

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Yardi Systems, Inc.
DBA: The Jaske Trust
430 S. Fairview Avenue
Goleta, CA 93117

| INSURERS AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A: American Home Assurance | |
| INSURER B: | |
| INSURER C: | |
| INSURER D: | |
| INSURER E: | |

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | ADD'L INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS | |
|---|---|---|---|---|---|---|---|
| | | GENERAL LIABILITY | | | | EACH OCCURRENCE | $ |
| | | COMMERCIAL GENERAL LIABILITY | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ |
| | | CLAIMS MADE OCCUR | | | | MED EXP (Any one person) | $ |
| | | | | | | PERSONAL & ADV INJURY | $ |
| | | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | GENERAL AGGREGATE | $ |
| | | POLICY PRO-JECT LOC | | | | PRODUCTS - COMP/OP AGG | $ |
| | | AUTOMOBILE LIABILITY | | | | COMBINED SINGLE LIMIT (Ea accident) | $ |
| | | ANY AUTO | | | | | |
| | | ALL OWNED AUTOS | | | | BODILY INJURY (Per person) | $ |
| | | SCHEDULED AUTOS | | | | | |
| | | HIRED AUTOS | | | | BODILY INJURY (Per accident) | $ |
| | | NON-OWNED AUTOS | | | | | |
| | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | GARAGE LIABILITY | | | | AUTO ONLY - EA ACCIDENT | $ |
| | | ANY AUTO | | | | OTHER THAN AUTO ONLY: EA ACC | $ |
| | | | | | | AGG | $ |
| | | EXCESS/UMBRELLA LIABILITY | | | | EACH OCCURRENCE | $ |
| | | OCCUR CLAIMS MADE | | | | AGGREGATE | $ |
| | | | | | | | $ |
| | | DEDUCTIBLE | | | | | $ |
| | | RETENTION $ | | | | | $ |
| A | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | 9277067 (AOS) | 10/15/2005 | 10/15/2006 | X WC STATU-TORY LIMITS OTH-ER | |
| | | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? | | | | E.L. EACH ACCIDENT | $ 1,000,000 |
| | | If yes, describe under SPECIAL PROVISIONS below | | | | E.L. DISEASE - EA EMPLOYEE | $ 1,000,000 |
| | | | | | | E.L. DISEASE - POLICY LIMIT | $ 1,000,000 |
| | | OTHER | | | | Ten (10) day notice of Cancellation IF Cancelled for non-payment of premium. | |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

**CERTIFICATE HOLDER**

To: Insured for Informational Purposes

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
James Parker III/MRH

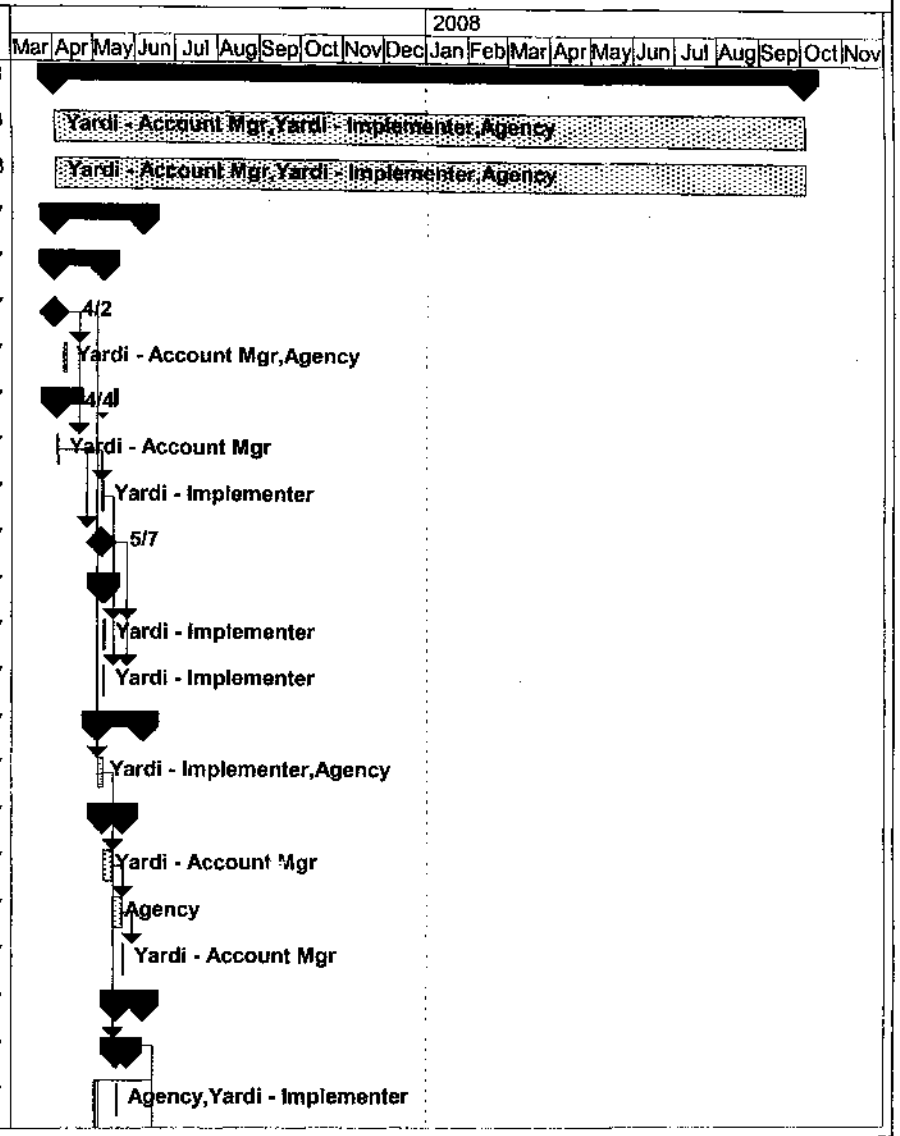
ACORD 25 (2001/08) ©ACORD CORPORATION 1988

## Appendix D Sample Implementation Plan

The following is a sample implementation plan created in Microsoft Project for implementing our Yardi Voyager™ and Yardi iPHA™ software. Implementation, data conversion, in-house training for end users, technical training, report training, and more are detailed therein; the sample plan is intentionally broad; a customized plan will be developed for HACLA if Yardi Systems is selected to provide housing management software.

# Housing Authority of the County of Los Angeles
# Yard Software Implementation
# 1/31/07

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 1 | **General Project Management** | **Mon 4/2/07** | **Fri 10/3/08** |
| 2 | Weekly Project Team Meeting - 1/2 day | Mon 4/2/07 | Fri 10/3/08 |
| 3 | Monthly Executive Meeting - 1/2 day | Mon 4/2/07 | Fri 10/3/08 |
| 4 | **Deployment Planning** | **Mon 4/2/07** | **Wed 6/6/07** |
| 5 | **Pre-Implementation** | **Mon 4/2/07** | **Tue 5/8/07** |
| 6 | Account Transfer to Client Services | Mon 4/2/07 | Mon 4/2/07 |
| 7 | Operating Environment Analysis | Mon 4/9/07 | Tue 4/10/07 |
| 8 | **Software Installation and Database Creation** | **Wed 4/4/07** | **Mon 5/7/07** |
| 9 | Send software CD | Wed 4/4/07 | Wed 4/4/07 |
| 10 | Install software modules on client's Server | Mon 5/7/07 | Mon 5/7/07 |
| 11 | Install sample database on client's server | Mon 5/7/07 | Mon 5/7/07 |
| 12 | **Test installation of software** | **Tue 5/8/07** | **Tue 5/8/07** |
| 13 | Ensure database tables are up-to-date | Tue 5/8/07 | Tue 5/8/07 |
| 14 | Ensure software dll fields are up-to-date | Tue 5/8/07 | Tue 5/8/07 |
| 15 | **Implementation Planning** | **Fri 5/4/07** | **Wed 6/6/07** |
| 16 | Kick Off Meeting | Fri 5/4/07 | Mon 5/7/07 |
| 17 | **Project Plan Development** | **Tue 5/8/07** | **Tue 5/22/07** |
| 18 | Draft plan provided by Yardi | Tue 5/8/07 | Mon 5/14/07 |
| 19 | Plan reviewed and updated by client | Tue 5/15/07 | Mon 5/21/07 |
| 20 | Final plan submitted | Tue 5/22/07 | Tue 5/22/07 |
| 21 | **Initial System Overview - Key staff only** | **Fri 5/18/07** | **Wed 6/6/07** |
| 22 | **Review with ITS department** | **Fri 5/18/07** | **Fri 5/25/07** |
| 23 | Review of file directories | Fri 5/18/07 | Fri 5/18/07 |

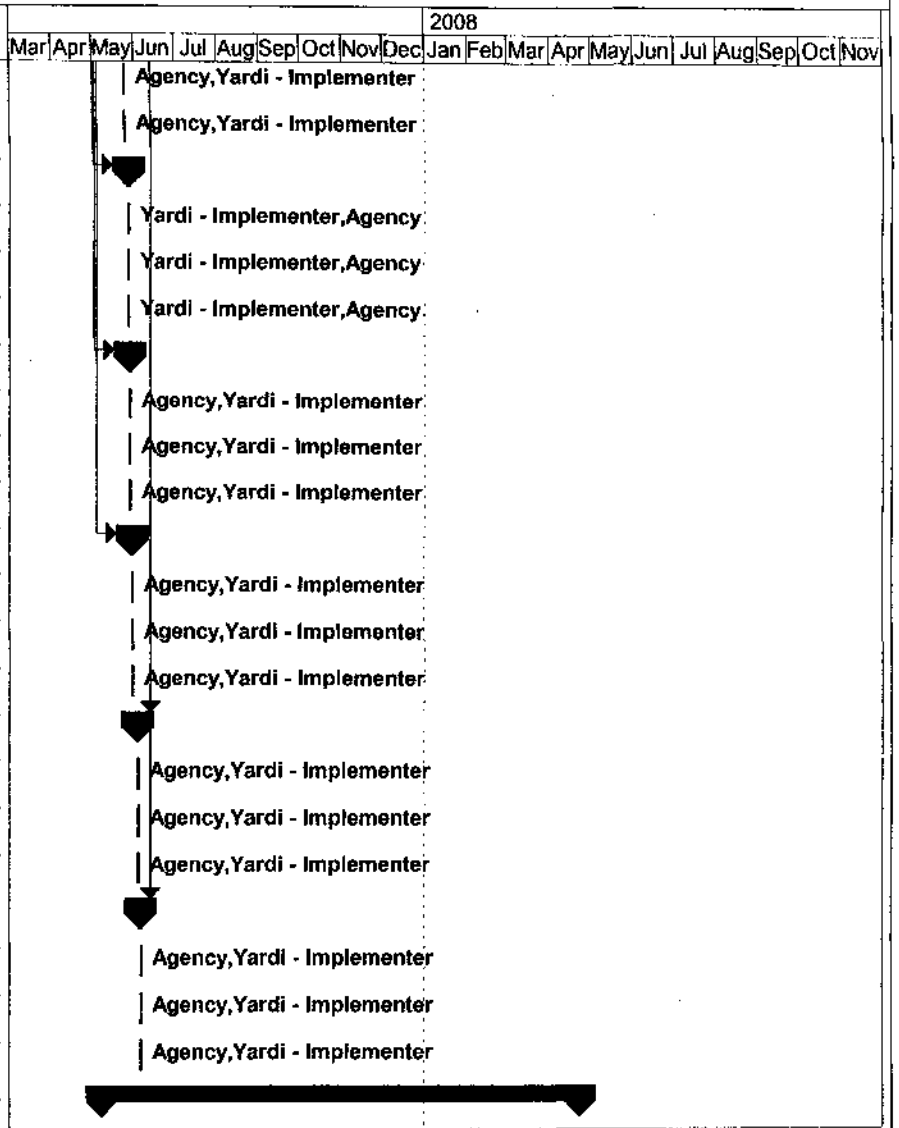



Project: Yardi Implementation
Date: Mon 2/26/07

Task | Progress | Summary
Split | Milestone | Deadline

# Housing Authority of the County of Los Angeles
# Yard Software Implementation
# 1/31/07

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 24 | Review of form and field security | Fri 5/25/07 | Fri 5/25/07 |
| 25 | Review of report interfaces | Fri 5/25/07 | Fri 5/25/07 |
| 26 | **Review with Waiting List department** | **Mon 5/28/07** | **Mon 5/28/07** |
| 27 | Review of screens | Mon 5/28/07 | Mon 5/28/07 |
| 28 | Review of processes | Mon 5/28/07 | Mon 5/28/07 |
| 29 | Review of reports | Mon 5/28/07 | Mon 5/28/07 |
| 30 | **Review with Section 8 department** | **Tue 5/29/07** | **Tue 5/29/07** |
| 31 | Review of screens | Tue 5/29/07 | Tue 5/29/07 |
| 32 | Review of processes | Tue 5/29/07 | Tue 5/29/07 |
| 33 | Review of reports | Tue 5/29/07 | Tue 5/29/07 |
| 34 | **Review with Public Housing department** | **Thu 5/31/07** | **Thu 5/31/07** |
| 35 | Review of screens | Thu 5/31/07 | Thu 5/31/07 |
| 36 | Review of processes | Thu 5/31/07 | Thu 5/31/07 |
| 37 | Review of reports | Thu 5/31/07 | Thu 5/31/07 |
| 38 | **Review with Finance department** | **Mon 6/4/07** | **Mon 6/4/07** |
| 39 | Review of screens | Mon 6/4/07 | Mon 6/4/07 |
| 40 | Review of processes | Mon 6/4/07 | Mon 6/4/07 |
| 41 | Review of reports | Mon 6/4/07 | Mon 6/4/07 |
| 42 | **Review with Work Order department** | **Wed 6/6/07** | **Wed 6/6/07** |
| 43 | Review of screens | Wed 6/6/07 | Wed 6/6/07 |
| 44 | Review of processes | Wed 6/6/07 | Wed 6/6/07 |
| 45 | Review of reports | Wed 6/6/07 | Wed 6/6/07 |
| 46 | **Configuration** | **Wed 5/9/07** | **Wed 4/23/08** |

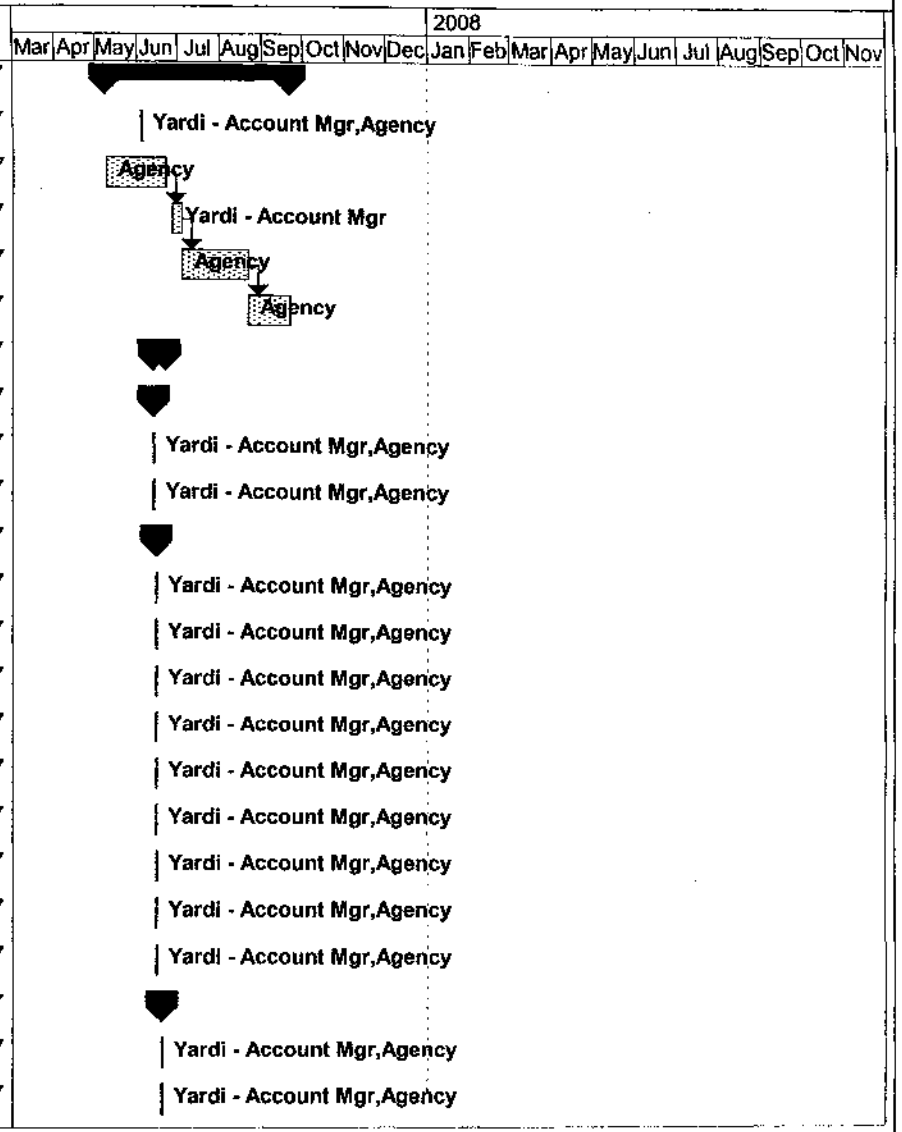



Project: Yardi Implementation
Date: Mon 2/26/07

Task | Progress | Summary
Split | Milestone | Deadline

# Housing Authority of the County of Los Angeles
# Yard Software Implementation
# 1/31/07

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 47 | **Chart of Account Development** | **Wed 5/9/07** | **Fri 9/21/07** |
| 48 | Review of Yardi accounting functionality | Mon 6/4/07 | Mon 6/4/07 |
| 49 | Development of draft Chart of Accounts | Wed 5/9/07 | Thu 6/21/07 |
| 50 | Review of draft Chart of Accounts | Wed 6/27/07 | Tue 7/3/07 |
| 51 | Revision of Chart of Accounts | Wed 7/4/07 | Tue 8/21/07 |
| 52 | Enter/Upload Chart of Accounts | Wed 8/22/07 | Fri 9/21/07 |
| 53 | **Review iPHA Table setup** | **Wed 6/13/07** | **Thu 6/21/07** |
| 54 | **Wait List Processing** | **Wed 6/13/07** | **Wed 6/13/07** |
| 55 | Income Limits | Wed 6/13/07 | Wed 6/13/07 |
| 56 | Preferences | Wed 6/13/07 | Wed 6/13/07 |
| 57 | **Utility Allowance Setup** | **Fri 6/15/07** | **Fri 6/15/07** |
| 58 | Localities | Fri 6/15/07 | Fri 6/15/07 |
| 59 | Building Types | Fri 6/15/07 | Fri 6/15/07 |
| 60 | Utilities/Services | Fri 6/15/07 | Fri 6/15/07 |
| 61 | Schedules | Fri 6/15/07 | Fri 6/15/07 |
| 62 | Census Tracts | Fri 6/15/07 | Fri 6/15/07 |
| 63 | Payment Standards | Fri 6/15/07 | Fri 6/15/07 |
| 64 | Flat Rents | Fri 6/15/07 | Fri 6/15/07 |
| 65 | Max Rents | Fri 6/15/07 | Fri 6/15/07 |
| 66 | Vendor Setup | Fri 6/15/07 | Fri 6/15/07 |
| 67 | **FSS Client Tracking** | **Tue 6/19/07** | **Tue 6/19/07** |
| 68 | Goals | Tue 6/19/07 | Tue 6/19/07 |
| 69 | Services | Tue 6/19/07 | Tue 6/19/07 |




Project: Yardi Implementation
Date: Mon 2/26/07

Task | Progress | Summary
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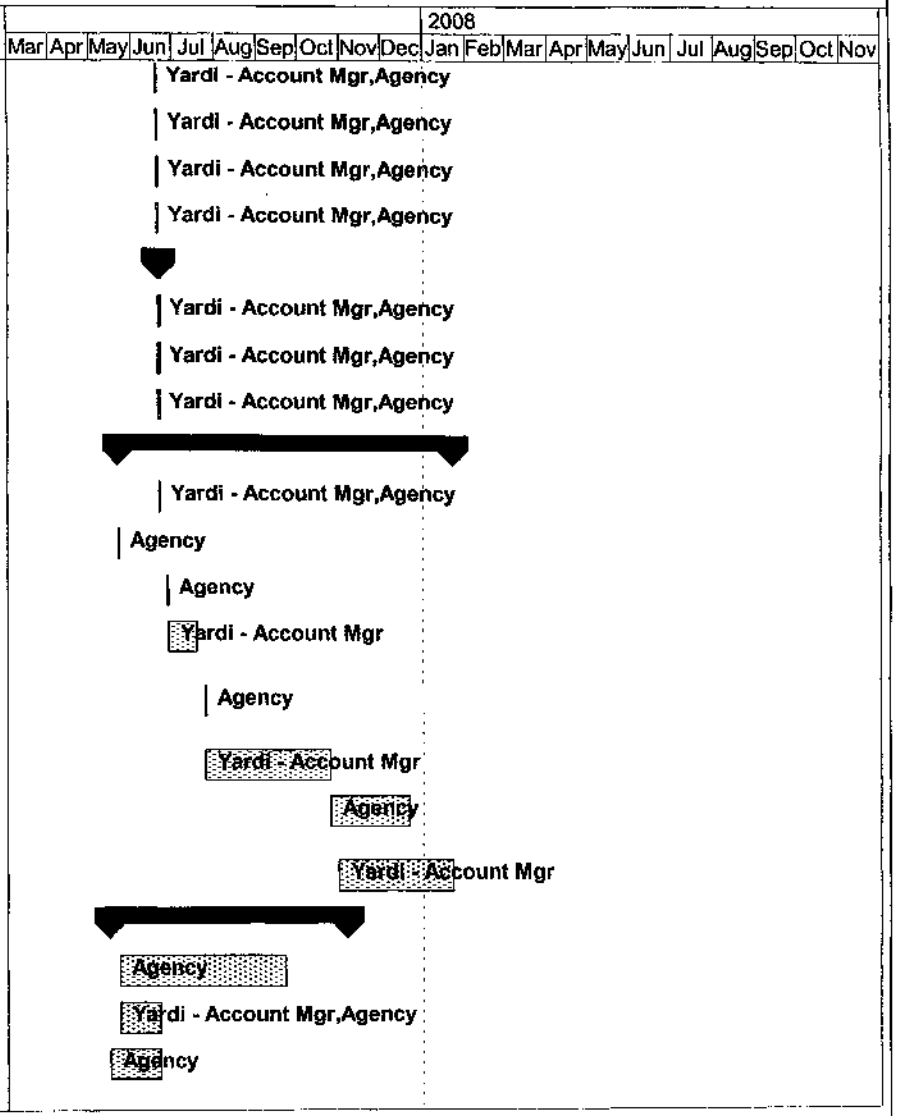
# Housing Authority of the County of Los Angeles
# Yard Software Implementation
# 1/31/07

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 70 | Providers | Tue 6/19/07 | Tue 6/19/07 |
| 71 | Questions | Tue 6/19/07 | Tue 6/19/07 |
| 72 | Interview Templates | Tue 6/19/07 | Tue 6/19/07 |
| 73 | Rent Comparability | Tue 6/19/07 | Tue 6/19/07 |
| 74 | **PHAS Setup** | **Wed 6/20/07** | **Thu 6/21/07** |
| 75 | Map HACLA Chart to HUD Chart | Wed 6/20/07 | Thu 6/21/07 |
| 76 | Map HACLA Unit Status to HUD Status | Wed 6/20/07 | Thu 6/21/07 |
| 77 | Map HACLA Work Order Status to HUD Status | Wed 6/20/07 | Thu 6/21/07 |
| 78 | **Custom report development** | **Tue 5/22/07** | **Tue 1/22/08** |
| 79 | Review Reporting Requirements | Thu 6/21/07 | Thu 6/21/07 |
| 80 | Provide listing of default reports | Tue 5/22/07 | Tue 5/22/07 |
| 81 | Provide Yardi a list of agency critical reports | Wed 6/27/07 | Wed 6/27/07 |
| 82 | Identify scope of work and cost for providing agency critical reports | Thu 6/28/07 | Wed 7/18/07 |
| 83 | Approve scope of work and cost for agency critical reports | Wed 7/25/07 | Wed 7/25/07 |
| 84 | Create and provide agency critical reports | Wed 7/25/07 | Wed 10/24/07 |
| 85 | Review custom reports and provide feedback of changes | Thu 10/25/07 | Fri 12/21/07 |
| 86 | Implement changes and provide completed reports | Wed 10/31/07 | Tue 1/22/08 |
| 87 | **Creation of procedures documentation** | **Wed 5/16/07** | **Tue 11/6/07** |
| 88 | Establish and document coding conventions | Wed 5/23/07 | Fri 9/21/07 |
| 89 | Review general software processes | Wed 5/23/07 | Thu 6/21/07 |
| 90 | Establish and document agency specific processes and policy decisions | Wed 5/16/07 | Thu 6/21/07 |




Project: Yardi Implementation
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Task | Progress | Summary
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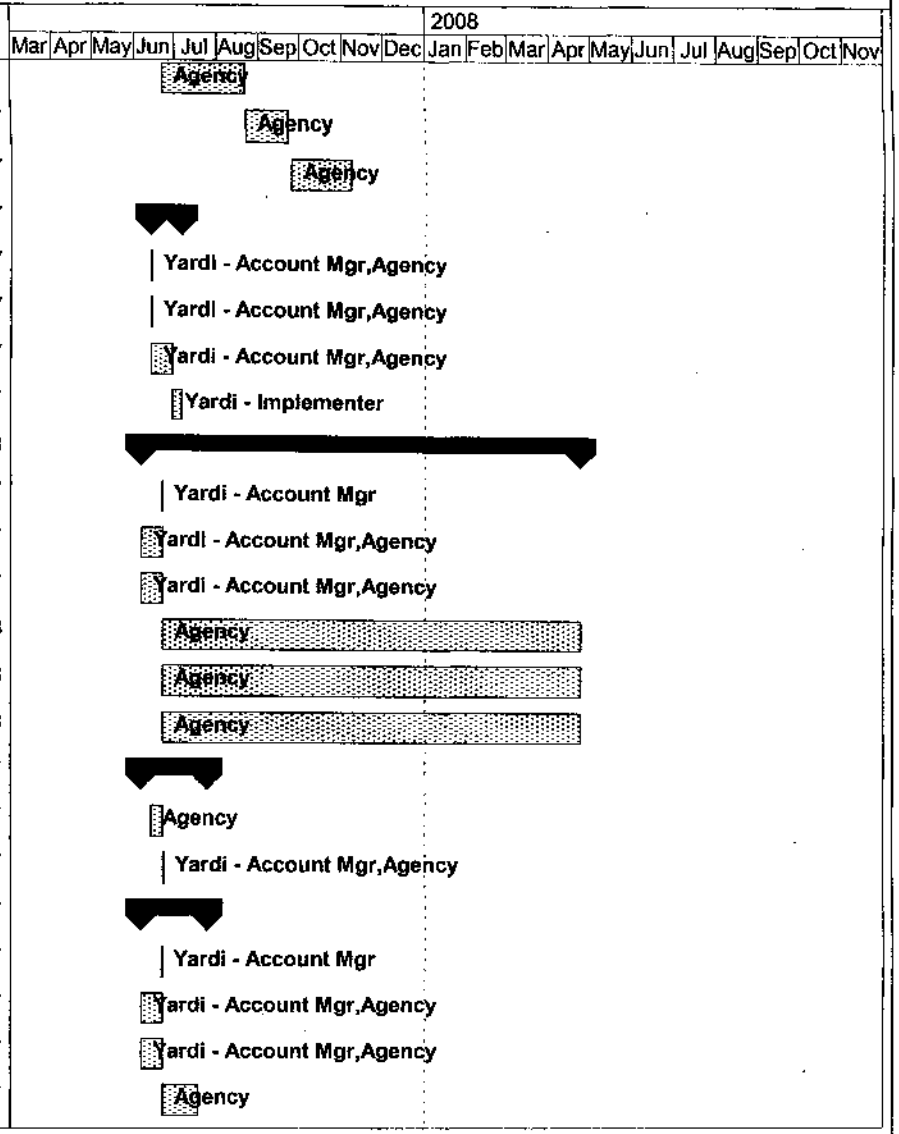
# Housing Authority of the County of Los Angeles
# Yard Software Implementation
# 1/31/07

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 91 | Creation of procedures documentation | Fri 6/22/07 | Tue 8/21/07 |
| 92 | Review of procedures documentation | Wed 8/22/07 | Fri 9/21/07 |
| 93 | Revise procedures documentation based on review | Mon 9/24/07 | Tue 11/6/07 |
| 94 | **Customization Options** | **Wed 6/13/07** | **Thu 7/5/07** |
| 95 | Review User-Defined Field Definitions | Wed 6/13/07 | Wed 6/13/07 |
| 96 | Review One to Many tables | Wed 6/13/07 | Wed 6/13/07 |
| 97 | Identify Configuration of User-Defined Fields | Wed 6/13/07 | Thu 6/28/07 |
| 98 | Configure Database Based on User-Defined Fields | Fri 6/29/07 | Thu 7/5/07 |
| 99 | **Overall Security Plan** | **Wed 6/6/07** | **Wed 4/23/08** |
| 100 | Provide list of security items | Thu 6/21/07 | Thu 6/21/07 |
| 101 | Review Security functionality | Wed 6/6/07 | Thu 6/21/07 |
| 102 | Review Account Security | Wed 6/6/07 | Thu 6/21/07 |
| 103 | Define Groups | Fri 6/22/07 | Wed 4/23/08 |
| 104 | Define Users | Fri 6/22/07 | Wed 4/23/08 |
| 105 | Establish, Review and Approve Security Setup | Fri 6/22/07 | Wed 4/23/08 |
| 106 | **Phase I - Wait List** | **Wed 6/6/07** | **Tue 7/24/07** |
| 107 | Setup and Configure Waiting List | Wed 6/13/07 | Thu 6/21/07 |
| 108 | Confirm Waiting List Setup and Configuration | Fri 6/22/07 | Fri 6/22/07 |
| 109 | **Waiting List Security Plan** | **Wed 6/6/07** | **Tue 7/24/07** |
| 110 | Provide list of security items | Thu 6/21/07 | Thu 6/21/07 |
| 111 | Review Security functionality | Wed 6/6/07 | Thu 6/21/07 |
| 112 | Review Account Security | Wed 6/6/07 | Thu 6/21/07 |
| 113 | Define Groups | Fri 6/22/07 | Tue 7/17/07 |

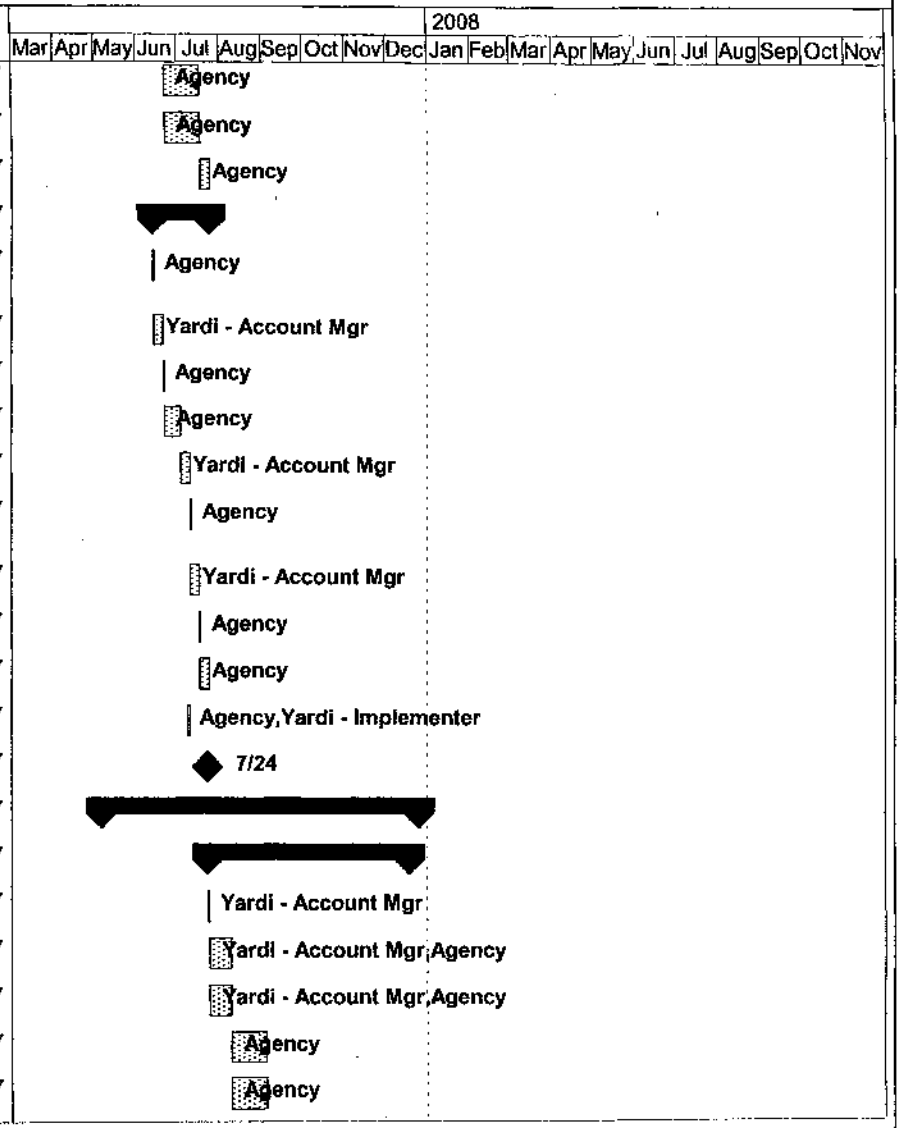



Project: Yardi Implementation
Date: Mon 2/26/07

Task | Progress | Summary
Split | Milestone | Deadline

# Housing Authority of the County of Los Angeles
# Yard Software Implementation
# 1/31/07

| ID | Task Name | Start | Finish |
|---|---|---|---|
| 114 | Define Users | Fri 6/22/07 | Tue 7/17/07 |
| 115 | Establish, Review and Approve Security Setup | Fri 6/22/07 | Tue 7/17/07 |
| 116 | Finalize and Implement security | Wed 7/18/07 | Tue 7/24/07 |
| 117 | **Data Conversion** | **Wed 6/13/07** | **Tue 7/24/07** |
| 118 | Provide Yardi with sample client waiting list data for conversion | Wed 6/13/07 | Wed 6/13/07 |
| 119 | Conversion of sample data | Thu 6/14/07 | Wed 6/20/07 |
| 120 | Load of sample data on client's server | Thu 6/21/07 | Thu 6/21/07 |
| 121 | Review converted data and provide feedback | Fri 6/22/07 | Tue 7/3/07 |
| 122 | Modify conversion utility based on feedback | Wed 7/4/07 | Tue 7/10/07 |
| 123 | Provide Yardi with live client waiting list data for conversion | Wed 7/11/07 | Wed 7/11/07 |
| 124 | Conversion of live data | Wed 7/11/07 | Tue 7/17/07 |
| 125 | Load of live data on client's server | Wed 7/18/07 | Wed 7/18/07 |
| 126 | Review converted data and provide feedback | Wed 7/18/07 | Tue 7/24/07 |
| 127 | On-site Training for Waiting List Team | Mon 7/9/07 | Tue 7/10/07 |
| 128 | Begin live processing of waiting list | Tue 7/24/07 | Tue 7/24/07 |
| 129 | **Phase II - HCV, HQS Inspections** | **Mon 5/7/07** | **Tue 12/25/07** |
| 130 | **HCV, Inspections Security Plan** | **Tue 7/24/07** | **Tue 12/18/07** |
| 131 | Provide list of security items | Tue 7/24/07 | Tue 7/24/07 |
| 132 | Review Security functionality | Wed 7/25/07 | Thu 8/9/07 |
| 133 | Review Account Security | Wed 7/25/07 | Thu 8/9/07 |
| 134 | Define Groups | Fri 8/10/07 | Tue 9/4/07 |
| 135 | Define Users | Fri 8/10/07 | Tue 9/4/07 |




Project: Yardi Implementation
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Task | Progress | Summary
Split | Milestone | Deadline

# Housing Authority of the County of Los Angeles
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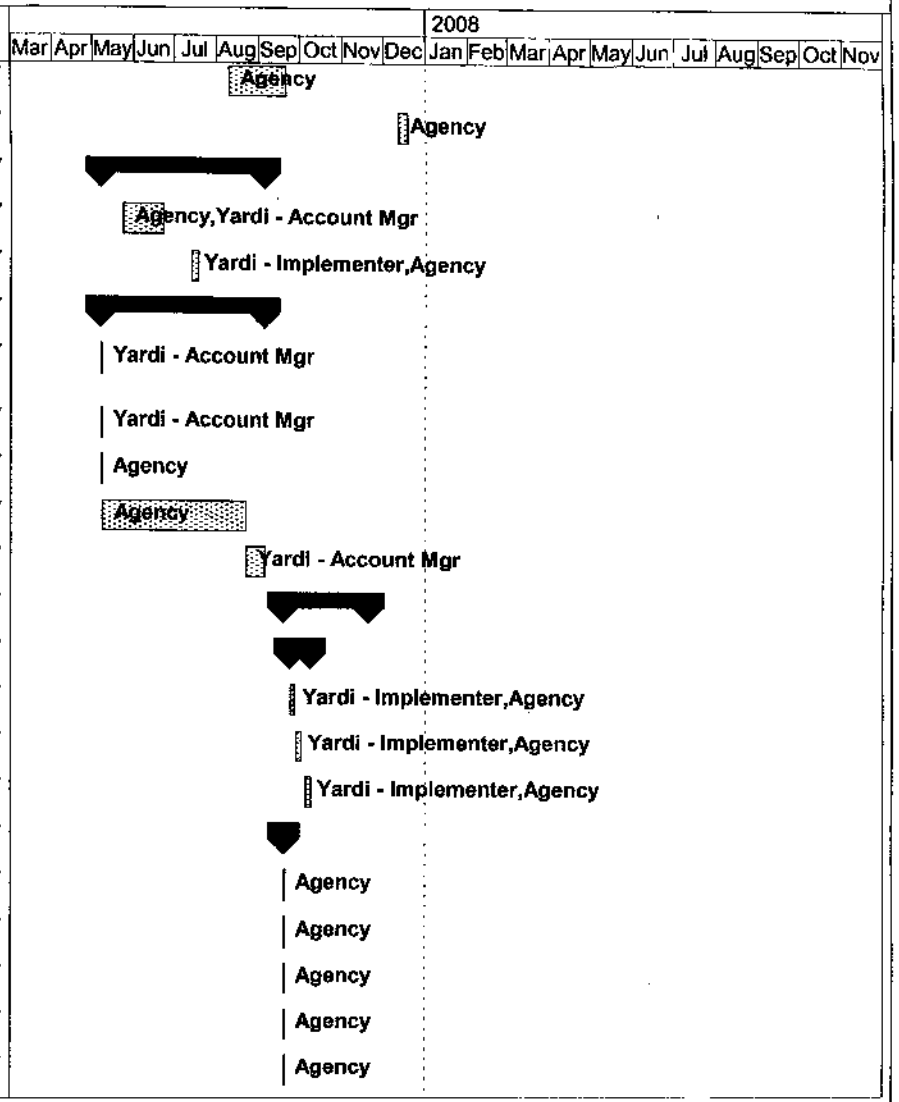
| ID | Task Name | Start | Finish |
|---|---|---|---|
| 136 | Establish, Review and Approve Security Setup | Fri 8/10/07 | Thu 9/20/07 |
| 137 | Finalize and implement security | Wed 12/12/07 | Tue 12/18/07 |
| 138 | **Sample HCV Conversion** | **Mon 5/7/07** | **Tue 9/4/07** |
| 139 | Review and Establish Settings in Account & Options | Wed 5/23/07 | Thu 6/21/07 |
| 140 | On-site Training | Fri 7/13/07 | Tue 7/17/07 |
| 141 | **Data Conversion** | **Mon 5/7/07** | **Tue 9/4/07** |
| 142 | Provide Yardi with sample client data for conversion | Mon 5/7/07 | Mon 5/7/07 |
| 143 | Conversion of sample data | Mon 5/7/07 | Mon 5/7/07 |
| 144 | Load of sample data on client's server | Mon 5/7/07 | Mon 5/7/07 |
| 145 | Review converted data and provide feedback | Tue 5/8/07 | Tue 8/21/07 |
| 146 | Modify conversion utility based on feedback | Wed 8/22/07 | Tue 9/4/07 |
| 147 | **Pilot Testing - HCV, Inspections** | **Wed 9/19/07** | **Tue 11/20/07** |
| 148 | **On-site Training** | **Mon 9/24/07** | **Mon 10/8/07** |
| 149 | HCV Case Management | Mon 9/24/07 | Wed 9/26/07 |
| 150 | Inspecitons | Fri 9/28/07 | Mon 10/1/07 |
| 151 | FSS | Fri 10/5/07 | Mon 10/8/07 |
| 152 | **Data Conversion Files Provided** | **Wed 9/19/07** | **Wed 9/19/07** |
| 153 | Chart of accounts | Wed 9/19/07 | Wed 9/19/07 |
| 154 | 50058 Files for Sample Properties/Residents | Wed 9/19/07 | Wed 9/19/07 |
| 155 | Vendor information | Wed 9/19/07 | Wed 9/19/07 |
| 156 | Vendor balances | Wed 9/19/07 | Wed 9/19/07 |
| 157 | Tenant information | Wed 9/19/07 | Wed 9/19/07 |




Project: Yardi Implementation
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Task | Progress | Summary
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# Housing Authority of the County of Los Angeles
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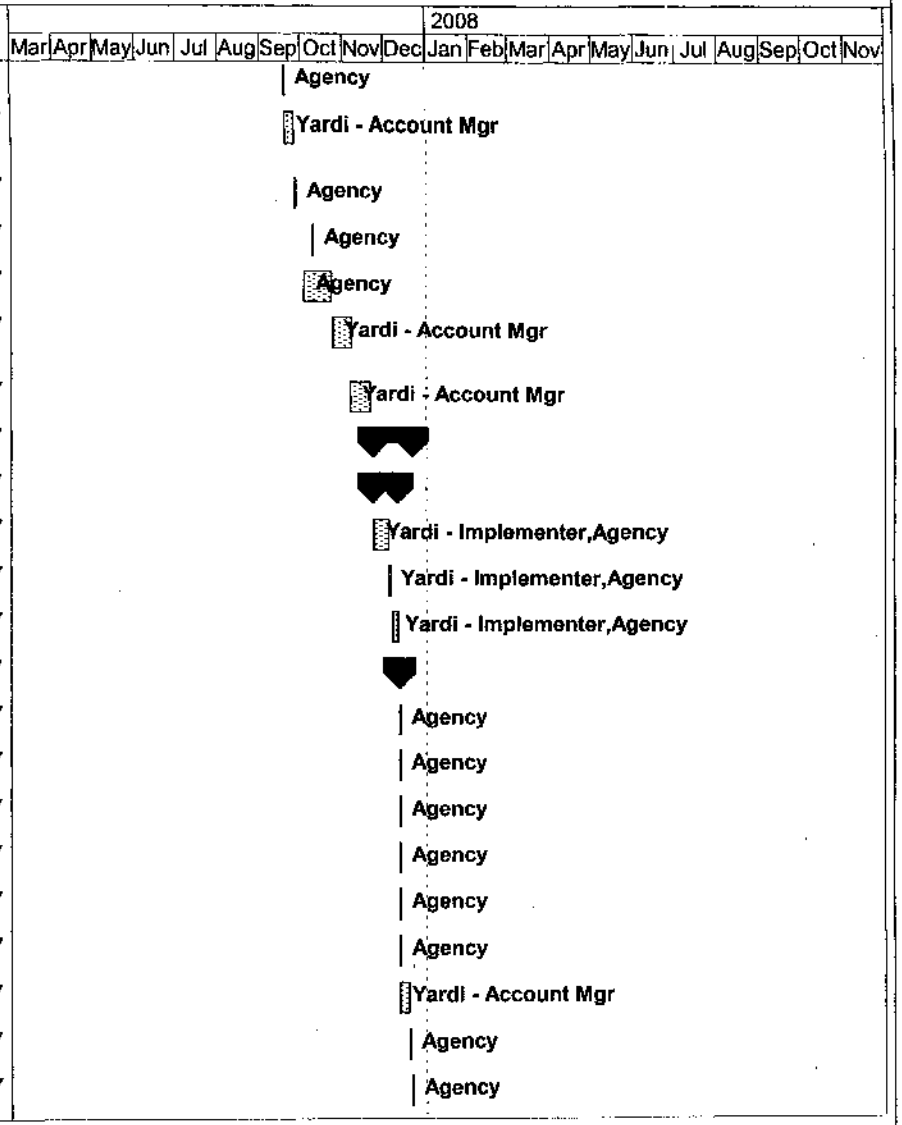
| ID | Task Name | Start | Finish |
|---|---|---|---|
| 158 | Inspection Baselines | Wed 9/19/07 | Wed 9/19/07 |
| 159 | Conversion of unit/vendor/tenant balances data for pilot project | Wed 9/19/07 | Tue 9/25/07 |
| 160 | Load of Pilot data on client's server | Wed 9/26/07 | Wed 9/26/07 |
| 161 | Post Rent/HAP | Tue 10/9/07 | Tue 10/9/07 |
| 162 | Review converted data and provide feedback | Wed 10/3/07 | Mon 10/22/07 |
| 163 | Resolve outstanding issues related to data conversion | Wed 10/24/07 | Tue 11/6/07 |
| 164 | Modify conversion utility based on feedback | Tue 11/6/07 | Tue 11/20/07 |
| 165 | **Final Conversion - HCV, Inspections** | **Fri 11/23/07** | **Fri 12/21/07** |
| 166 | **On-site Training** | **Fri 11/23/07** | **Mon 12/10/07** |
| 167 | HCV Case Management | Fri 11/23/07 | Mon 12/3/07 |
| 168 | Inspections | Tue 12/4/07 | Wed 12/5/07 |
| 169 | FSS | Fri 12/7/07 | Mon 12/10/07 |
| 170 | **Data Conversion Files Provided** | **Wed 12/12/07** | **Wed 12/12/07** |
| 171 | Chart of accounts | Wed 12/12/07 | Wed 12/12/07 |
| 172 | 50058 Files for all Properties/Residents | Wed 12/12/07 | Wed 12/12/07 |
| 173 | Vendor information | Wed 12/12/07 | Wed 12/12/07 |
| 174 | Vendor balances | Wed 12/12/07 | Wed 12/12/07 |
| 175 | Tenant information | Wed 12/12/07 | Wed 12/12/07 |
| 176 | Inspection Baselines | Wed 12/12/07 | Wed 12/12/07 |
| 177 | Conversion of unit/vendor/tenant balances | Wed 12/12/07 | Tue 12/18/07 |
| 178 | Load of Pilot data on client's server | Wed 12/19/07 | Wed 12/19/07 |
| 179 | Post Rent/HAP | Fri 12/21/07 | Fri 12/21/07 |




Project: Yardi Implementation
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Task | Progress | Summary
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# Housing Authority of the County of Los Angeles
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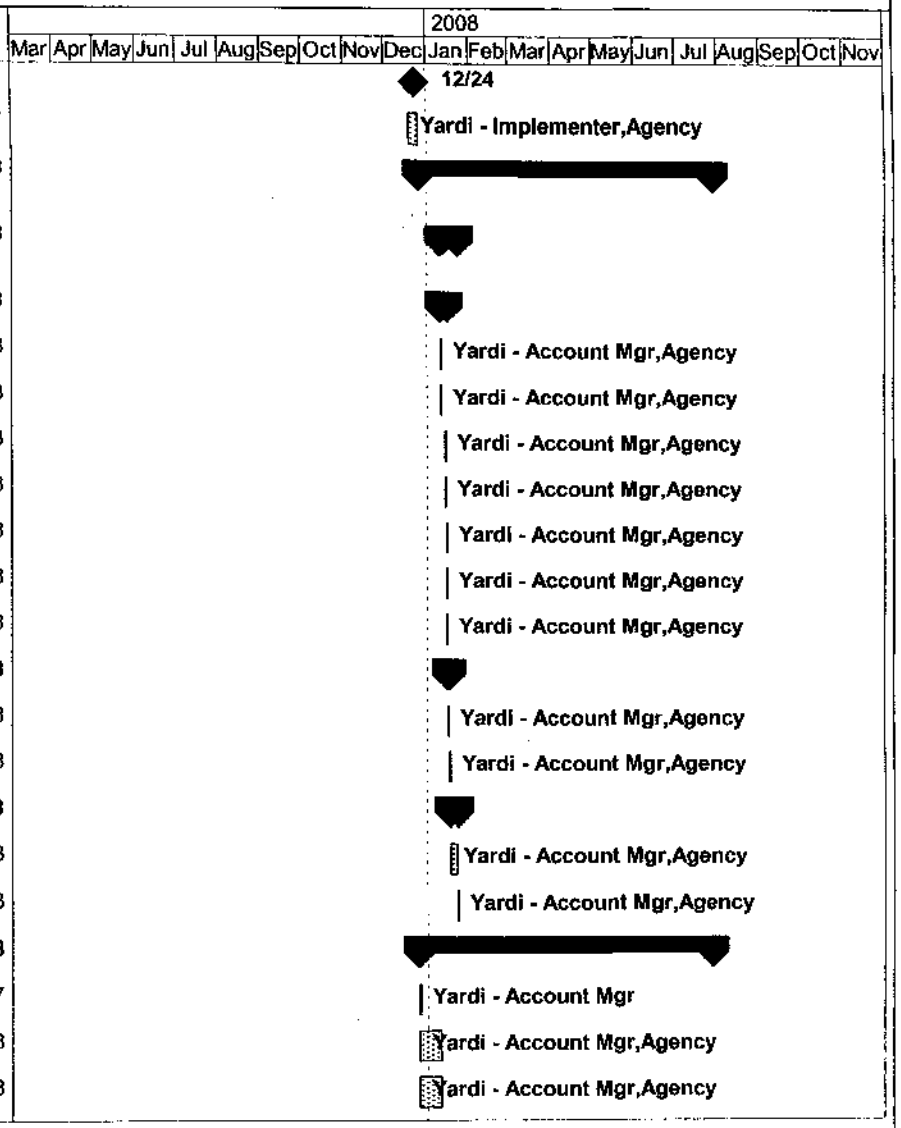
| ID | Task Name | Start | Finish |
|---|---|---|---|
| 180 | Begin Live Processing of HCV | Mon 12/24/07 | Mon 12/24/07 |
| 181 | Monitor month end processes | Wed 12/19/07 | Tue 12/25/07 |
| 182 | **Phase III - PH , Maintenance, REAC Inspections, Affordable** | **Wed 12/26/07** | **Mon 7/28/08** |
| 183 | **Review PH , Maintenance, REAC Inspections, Affordable Table Setup** | **Fri 1/11/08** | **Wed 1/23/08** |
| 184 | **Work Order** | **Fri 1/11/08** | **Tue 1/15/08** |
| 185 | Work Order Status | Fri 1/11/08 | Fri 1/11/08 |
| 186 | Work Order Labor Setup | Fri 1/11/08 | Fri 1/11/08 |
| 187 | User-Defined Field Setup | Mon 1/14/08 | Mon 1/14/08 |
| 188 | Inventory | Mon 1/14/08 | Mon 1/14/08 |
| 189 | Stock Items | Tue 1/15/08 | Tue 1/15/08 |
| 190 | Templates | Tue 1/15/08 | Tue 1/15/08 |
| 191 | Reoccurring Work Orders | Tue 1/15/08 | Tue 1/15/08 |
| 192 | **Inspections** | **Wed 1/16/08** | **Thu 1/17/08** |
| 193 | Templates | Wed 1/16/08 | Wed 1/16/08 |
| 194 | User-Defiled Field Setup | Thu 1/17/08 | Thu 1/17/08 |
| 195 | **Affordable** | **Fri 1/18/08** | **Wed 1/23/08** |
| 196 | Setup Accounts and Options | Fri 1/18/08 | Tue 1/22/08 |
| 197 | User-Defined Field Setup | Wed 1/23/08 | Wed 1/23/08 |
| 198 | **Maintenance, Inspections, Affordable Security Plan** | **Wed 12/26/07** | **Mon 7/28/08** |
| 199 | Provide list of security items | Wed 12/26/07 | Wed 12/26/07 |
| 200 | Review Security functionality | Wed 12/26/07 | Thu 1/10/08 |
| 201 | Review Account Security | Wed 12/26/07 | Thu 1/10/08 |

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# Housing Authority of the County of Los Angeles
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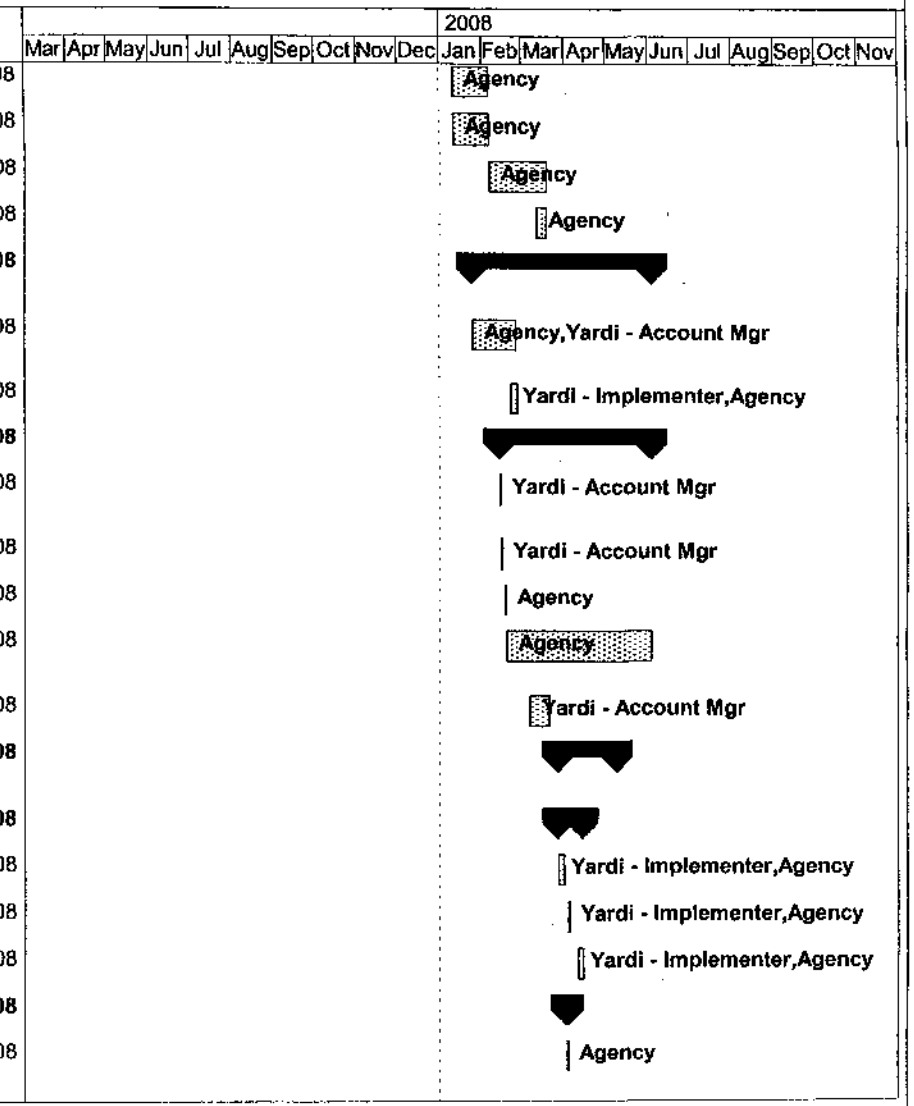
| ID | Task Name | Start | Finish |
|---|---|---|---|
| 202 | Define Groups | Fri 1/11/08 | Tue 2/5/08 |
| 203 | Define Users | Fri 1/11/08 | Tue 2/5/08 |
| 204 | Establish, Review and Approve Security Setup | Wed 2/6/08 | Tue 3/18/08 |
| 205 | Finalize and implement security | Wed 3/12/08 | Tue 3/18/08 |
| 206 | **Sample Work Order, Inspections, Affordable Conversion** | **Fri 1/25/08** | **Tue 6/3/08** |
| 207 | Review and Establish Settings in Account & Options | Fri 1/25/08 | Mon 2/25/08 |
| 208 | On-site Training | Fri 2/22/08 | Tue 2/26/08 |
| 209 | **Data Conversion** | **Thu 2/14/08** | **Tue 6/3/08** |
| 210 | Provide Yardi with sample client data for conversion | Thu 2/14/08 | Thu 2/14/08 |
| 211 | Conversion of sample data | Fri 2/15/08 | Fri 2/15/08 |
| 212 | Load of sample data on client's server | Mon 2/18/08 | Mon 2/18/08 |
| 213 | Review converted data and provide feedback | Tue 2/19/08 | Tue 6/3/08 |
| 214 | Modify conversion utility based on feedback | Fri 3/7/08 | Thu 3/20/08 |
| 215 | **Pilot Testing - Work Order, Inspections, Affordable** | **Fri 3/28/08** | **Fri 5/9/08** |
| 216 | **On-site Training** | **Fri 3/28/08** | **Mon 4/14/08** |
| 217 | Work Order | Fri 3/28/08 | Mon 3/31/08 |
| 218 | Inspections | Fri 4/4/08 | Fri 4/4/08 |
| 219 | Affordable | Fri 4/11/08 | Mon 4/14/08 |
| 220 | **Data Conversion Files Provided** | **Thu 4/3/08** | **Thu 4/3/08** |
| 221 | 50059 Files for Sample Properties/Residents | Thu 4/3/08 | Thu 4/3/08 |




Project: Yardi Implementation
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Task | Progress | Summary
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# Housing Authority of the County of Los Angeles
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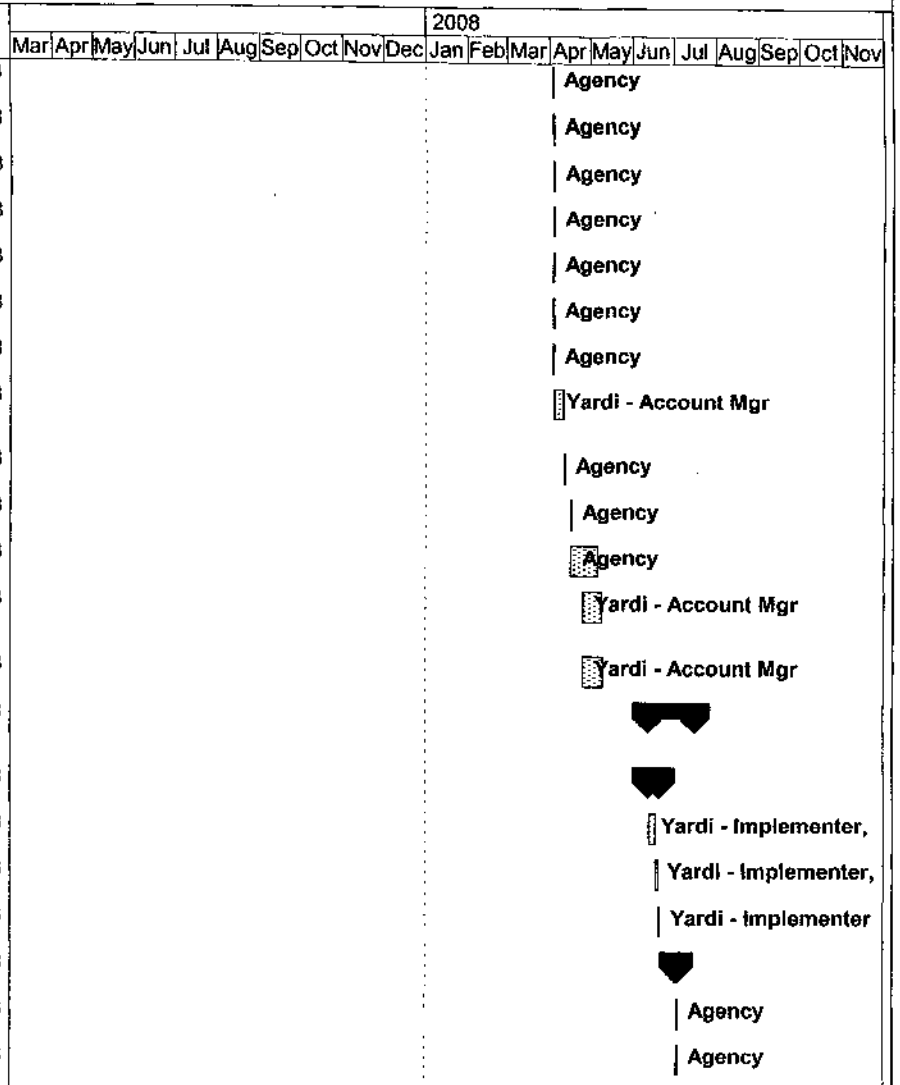
| ID | Task Name | Start | Finish |
|---|---|---|---|
| 222 | Tenant information | Thu 4/3/08 | Thu 4/3/08 |
| 223 | Tenant balances | Thu 4/3/08 | Thu 4/3/08 |
| 224 | Security deposits | Thu 4/3/08 | Thu 4/3/08 |
| 225 | Pre-paid rent charges | Thu 4/3/08 | Thu 4/3/08 |
| 226 | Monies owed/in arrears | Thu 4/3/08 | Thu 4/3/08 |
| 227 | Work Order History | Thu 4/3/08 | Thu 4/3/08 |
| 228 | Stock & Inventory | Thu 4/3/08 | Thu 4/3/08 |
| 229 | Conversion of unit/tenant balances data for pilot project | Fri 4/4/08 | Thu 4/10/08 |
| 230 | Load of Pilot data on client's server | Fri 4/11/08 | Fri 4/11/08 |
| 231 | Affordable Post Rent/HAP | Wed 4/16/08 | Wed 4/16/08 |
| 232 | Review converted data and provide feedback | Wed 4/16/08 | Mon 5/5/08 |
| 233 | Resolve outstanding issues related to data conversion | Fri 4/25/08 | Thu 5/8/08 |
| 234 | Modify conversion utility based on feedback | Fri 4/25/08 | Fri 5/9/08 |
| 235 | **Final Conversion -PH, Work Order, Inspections, Affordable** | **Fri 6/13/08** | **Wed 7/16/08** |
| 236 | **On-site Training** | **Fri 6/13/08** | **Fri 6/20/08** |
| 237 | Affordable Housing | Fri 6/13/08 | Tue 6/17/08 |
| 238 | Work Order/Maintenance | Wed 6/18/08 | Thu 6/19/08 |
| 239 | Inspections | Fri 6/20/08 | Fri 6/20/08 |
| 240 | **Data Conversion Files Provided** | **Thu 7/3/08** | **Thu 7/3/08** |
| 241 | 50059 Files for all Properties/Residents | Thu 7/3/08 | Thu 7/3/08 |
| 242 | Vendor information | Thu 7/3/08 | Thu 7/3/08 |

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Task | Progress | Summary
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# Housing Authority of the County of Los Angeles
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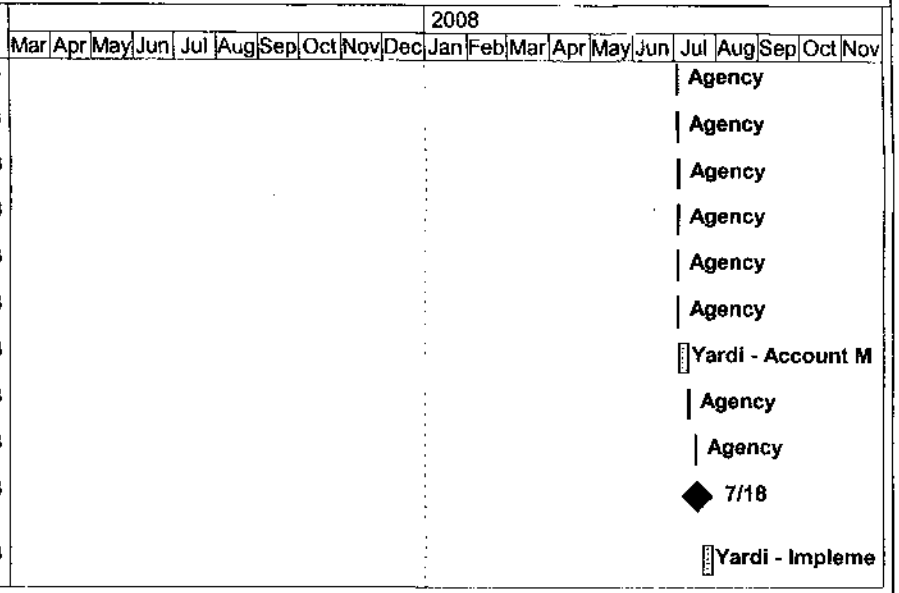
| ID | Task Name | Start | Finish |
|---|---|---|---|
| 243 | Vendor balances | Thu 7/3/08 | Thu 7/3/08 |
| 244 | Tenant information | Thu 7/3/08 | Thu 7/3/08 |
| 245 | Tenant balances | Thu 7/3/08 | Thu 7/3/08 |
| 246 | Security deposits | Thu 7/3/08 | Thu 7/3/08 |
| 247 | Pre-paid rent charges | Thu 7/3/08 | Thu 7/3/08 |
| 248 | Monies owed/in arrears | Thu 7/3/08 | Thu 7/3/08 |
| 249 | Conversion of unit/vendor/tenant balances | Fri 7/4/08 | Thu 7/10/08 |
| 250 | Load of Pilot data on client's server | Fri 7/11/08 | Fri 7/11/08 |
| 251 | Affordable Post Rent/HAP | Wed 7/16/08 | Wed 7/16/08 |
| 252 | Begin Live Processing PH, Work Order, Inspections, Affordable | Fri 7/18/08 | Fri 7/18/08 |
| 253 | Monitor month end processes | Tue 7/22/08 | Mon 7/28/08 |




Project: Yardi Implementation
Date: Mon 2/26/07

Task | Progress | Summary
Split | Milestone | Deadline

## Appendix E Data Migration Plan

The following is a draft of the *Housing Authority of the County of Los Angeles Data Migration Plan*. This plan relates specifically to a migration from ECS, and is based on our experience at an agency of similar size and complexity as HACLA.

# DRAFT DATA POPULATION AND DATA VALIDATION PLAN

## OVERVIEW

The purpose of this plan is to document the scope and approach of the data population and data validation plan for the HACLA.

This document covers a number of areas which are organized as follows:

**Section 1** discusses the scope of data population (for both current and historical data). Included within this section are:

- The data population methods that will be used during data population (Section 1.1)
- A list of all data elements that will be mapped from the HACLA source systems into Yardi, as they will appear within the Data Validation Template (Section 1.2)

**Section 2** provides the approach being followed for loading data into Yardi. The following topics are covered in this section:

- A discussion of the source systems from which data will be extracted (Section 2.1)
- Data mapping between HACLA source systems and Yardi using data load coversheets (Section 2.2)
- Script execution procedures describing the various steps involved in extracting data from source systems, importing data into Yardi and identifying errors in the process (Section 2.

**Section 3** describes a strategy for data reconciliation and verification which includes the following:

- Data validation approaches for consideration by HACLA (Section 3.1)
- A description of the data validation template that has been created for HACLA's optional use (Section3.2)

**Additional Documentation:**

The following additional files will be created to assist HACLA with the data population and validation. These files are to be provided as attachments to this document.

- **Data Population Project Plan - .mpp** – This plan lays out in detail the data elements that will be populated along with the steps required to populate each.

- **Data Validation Template - .xls** – This template will facilitate the recording and monitoring of data validation activities to be undertaken by the HACLA. The template lists out all the data elements to be validated. The template also provides worksheets for validating data for each wave of go-live.

- **Data Load Cover Sheets -.doc** – These documents provide the mapping of data elements between Yardi and the source systems, identify the name and format of the files required for import into Yardi, and the method of data population to be used.

## SECTION 1. SCOPE OF DATA POPULATION

### 1.1 Methods of Data Population:

The following are descriptions of the various methods by which data will be populated in Yardi:

- **Manual** – Certain data elements will be populated manually using the Yardi interface. We determine that data be manually populated if the data is limited and entered once in one place (for example, Income Limits, Utility Allowance schedules). Data may also be manually entered if the data is not currently in a system or cannot be converted (for example, 50059s).

- **Import Scripts** – The Yardi system includes an import engine that allows user to import data from comma separated value (CSV) files using Yardi scripting files. Standard and custom scripts can be used to import data easily into the Yardi database.

- **50058 MTCS Data Conversion Tool** – The Yardi 50058 conversion tool uses the flat files the Housing Authority submits to HUD for Public Housing and Section 8 participants. Using this tool, properties, units, tenants and 50058 data are automatically created based on the 50058 file.

- **Import Trans/Import Trial Balance** – The Yardi import engine enables users to import transactions and general ledger trial balances from a CSV file through the Yardi Enterprise program. The transactions that may be imported include journal entries, payables, HACLA charges and receipts.

### 1.2 General List of Data Elements

The following table provides a general list of data elements and the method of data population for each. The third column indicates whether the data element will be included in the initial data load. (e.g. some data elements are not currently tracked in HACLA's source systems; therefore, will not be included in the initial data load, but will be tracked in Yardi on a go-forward basis).

| Data Element | Method of Population | Included in Initial Load? (Y/N) |
|---|---|---|
| **Initial Setup** | | |
| HACLA chart of Accounts | Import | Yes |
| HACLA charge Codes | Manual | Yes |
| Accounts and Options | Manual | Yes |
| Program Defaults and Options | Manual | Yes |
| Income Limits | Manual | Yes |
| Utility Schedules | Manual | Yes |
| Payment Standards | Manual | Yes |
| Flat Rents | Manual | Yes |
| Max Rents | Manual | Yes |
| FSS | Manual | Yes |

| Data Element | Method of Population | Included in Initial Load? (Y/N) |
|---|---|---|
| **Vendor Data** | | |
| Vendors/Landlords | Import | Yes |
| Vendor Additional/User Defined | Import | |
| | | |
| **HACLA Vendor Custom Tables** | | |
| Alternate Vendor Code | Import | Yes |
| Other Vendor Address | Import | Yes |
| Vendor Profile | Import | TBD by HACLA |
| | | |
| **HACLA (HCV) Vendor Custom Tables** | | |
| Owner Portfolio | N/A | TBD by HACLA |
| New Landlord | N/A | TBD by HACLA |
| Debarred Info | N/A | TBD by HACLA |
| | | |
| **Property Data** | | |
| Properties/Programs | Import | Yes |
| HACLA Property Inventories | Import | Yes |
| Property Control | Import | Yes |
| Property PHA Program Info | Import | Yes |
| Property Lists | Import | Yes |
| | | |
| **HACLA Property Custom Tables** | | |
| HACLA Building Attributes | Import | TBD by HACLA |
| Demolition Tracking (if applicable) | Import | TBD by HACLA |
| GL Account Info | Import | TBD by HACLA |
| Private Manager (if applicable) | Import | TBD by HACLA |
| | | |
| **HACLAC Property Custom Tables** | | |
| ACC Info | N/A | TBD by HACLA |
| | | |
| **Unit Data** | | |
| Unit Types | Manual | Yes |
| Units | Import/50058 Load | Yes |
| HACLA Unit Inventories | Import | Yes |
| Unit PHA Program Info | Import | Yes |
| Unit Additional/User Defined | Import | TBD by Public Housing/HCV Depts |
| | | |
| **HACLA Unit Custom Tables** | | |
| Unit Accessibility | Import | TBD by HACLA |
| Unit Status | Import | TBD by HACLA |
| | | |
| | | |
| | | |
| | | |
| **HCV Unit Custom Tables** | | |
| Lead Info | N/A | TBD by HCV Dept |
| DNL Info | N/A | TBD by HCV Dept |

| Data Element | Method of Population | Included in Initial Load? (Y/N) |
|---|---|---|
| Rent Tracker | N/A | TBD by HCV Dept |
| Census Tract (No Front End) | N/A | Yes |
| | | |
| **Tenant Data** | | |
| Tenants/Participants | 50058 Load | Yes |
| 50058 Records | 50058 Load | Yes |
| 50058 Master Record | Update Script | Yes |
| Tenant Additional/User Defined | Import | TBD by HACLA |
| Tenant Memos | Import | TBD by HACLA |
| | | |
| **HACLA Tenant Custom Tables** | | |
| Community Area Screening | Import | TBD by HACLA |
| Identification | Import | TBD by HACLA |
| Legal – For Cause | Import | TBD by HACLA |
| Legal – For Rent | Import | TBD by HACLA |
| Legal – One Strike | Import | TBD by HACLA |
| Offers | Import | TBD by HACLA |
| Additional Applicant Info | Import | TBD by HACLA |
| Public Housing History | Import | TBD by HACLA |
| Reasonable Accommodations | Import | TBD by HACLA |
| References | Import | TBD by HACLA |
| Public Housing to HCV Referral | Import | TBD by HACLA |
| Relocation | Import | TBD by HACLA |
| | | |
| | | |
| Utility Accounts | Import | TBD by HACLA |
| Earned Income Disallowance (HACLA, HACLAC) | Import | TBD by HACLA/HACLAC |
| Emergency Contacts (HACLA, HACLAC) | Import | TBD by HACLA/HACLAC |
| | | |
| **Waiting List Data** | | |
| Preferences | Manual | Yes |
| Waiting List Configurations | Manual | Yes |
| Applicants | Import | Yes |
| | | |
| **Finance Data** | | |
| HACLA charges for Security Deposits | Import | Yes |
| Receipts for Security Deposits | Import | Yes |
| Tenant Open charges/Balances | Import | Yes |
| Tenant Repayment Agreements (Lease charges) | Import | Yes |
| Vendor Open Payables | N/A | Yes |
| GL Budget | N/A/Import | TBD by HACLA Finance Dept |
| GL Balance Forward | Import | TBD by HACLA Finance Dept |
| Bank Accounts (Banks) | Import | Yes |
| Bank Accounts (Bankxref) | Import | Yes |

| Data Element | Method of Population | Included in Initial Load? (Y/N) |
|---|---|---|
| Bank Check Setup | Manual | Yes |
| yCheck Installations (For Check Writing) | Manual | Yes |
| | | |
| **Inspections Data** | | |
| Inspection Templates | Manual | Yes |
| Inspection Records | Import | Yes |
| PDA Program Installation | Manual | Yes |
| | | |
| **Maintenance Data** | | |
| Work Order Headers | Import | Yes |
| Stock | N/A | TBD by HACLA |
| Inventory | N/A | TBD by HACLA |
| Unit Assets | N/A | TBD by HACLA |
| Employees | Import | TBD by Public Housing/HCV Depts |
| | | |
| **HACLA Work Order Custom Tables** | | |
| WO Deferred | N/A | TBD by HACLA |
| | | |
| **HACLA Employee Custom Tables** | | |
| Employee Info | N/A | TBD by HACLA |
| | | |
| **Security Data** | | |
| Groups | Manual | Yes |
| Menus | Manual | Yes |
| Permissions | Manual | Yes |
| Custom Tables | Manual | Yes |
| User ID's | Manual | Yes |
| | | |
| **50059 Data** | | |
| All Records | Manual | Yes |
| | | |
| **Historical Data** | | |
| TBD BY HACLA | TBD | TBD by HACLA |

## SECTION 2. APPROACH FOR DATA POPULATION

### 2.1. Source Systems

The HACLA is converting data from two primary legacy systems. ISSI is used primarily for Public Housing waiting lists, lease management, HUD compliance, tenant accounting, work order tracking and inspections. ECS is used primarily for Housing Choice Voucher HUD compliance, tenant accounting and inspections tracking.

### 2.2. Steps for Script Execution include:

Following are the steps to be followed for script execution:

1. Creation of Data Load Cover Sheets templates by Yardi.
2. Completion of Data Load Cover Sheets which include mapping source system tables to Yardi by the HACLA.
3. Creation of extracts from the source systems in a CSV file format by the HACLA.
4. Delivery of data in CSV file format to Yardi for import.
5. Creation of import scripts to import data into Yardi.
6. Import of data into Yardi.
7. Identification and documentation on Data Load Cover sheets of errors through review of record counts.
8. Validation of data by the HACLA.

### 2.3. Data Load Cover Sheets

The Data Load Cover Sheets provide a tool for documenting data mapping, script execution procedures, and the process for error identification.

Following is a description of the elements in the Data Load Cover Sheets and responsibilities for completing the sheet:

**General**

- File Name – The HACLA will provide the CSV containing the data for import with this Yardi supplied file name. The file name is required by Yardi as the import script references this file name for import. The data file is provided by the HACLA.
- Date File Created – This is the date the CSV file was created by the HACLA.
- File Created By – The name of the HACLA employee/contractor that created the file.
- File Data Type – The type of file required from the HACLA for import.
- Type of Data Load – Additional explanation of the data load to be provided by Yardi Systems.
- Records in File – The number of records included in the CSV file for data import. This is provided by the HACLA.

**Yardi Load Information**

- Yardi Table(s) – This is the table or tables the data will be imported into. This information is provided by Yardi Systems.
- Yardi TXT Import File – This is the name of the import text file that will be used to import the data.
- Date File Loaded – The date the data is loaded into Yardi.
- Records Loaded into Yardi – This is the number of records loaded into Yardi.Unless there are errors, this will match the number of records included in the file for data import provided by HACLA above.

- Import Log Attachment – The import log will display the number of records successfully loaded as well as any errors.

**Mapping Source System to Yardi**

- Yardi [Table].[Field] where rows inserted – This is the Yardi table and column where data is being imported. This is provided by Yardi Systems.
- Import Data Type – This is the data type supported by the column where data is being imported. This is provided by Yardi Systems.
- Feeding System – This is the source system of the data. This is provided by the HACLA.
- [Table].[Field] – This is the source table and column where data is being extracted for import into Yardi. This is provided by the HACLA.

**Acceptable Values for Import of Data**

- Data Field – This is the column name in Yardi.
- Field Values – These are the allowable field values.
- Value Description - This is further explanation of the field values.

**Additional Yardi Update Scripts**

- Script – In some cases, additional scripts must be run before or after an import is completed. If this applies, this contains either the script name or the file name containing the script. This is provided by Yardi Systems.
- Purpose – This describes instructions as well as the purpose of the script. This is provided by Yardi Systems.
- Date Run/Records Updated – The date the script was run and the results of running the script will be entered here. This is provided by Yardi Systems.

## 3.1 Possible Validation Approaches

The following are approaches the HACLA may consider as part of their detailed data validation plan for each of the data elements:

- Compare reports from the source system to reports from Yardi
- Use Microsoft Access database to compare data tables from the source system to data tables in Yardi through exception reports
- Compare total counts of a data element in the source system to total counts of a data element in Yardi
- Use of test scripts during CRP and DVS testing
- Spot checking records between the source system and Yardi

## 3.2 Data Validation Template:

A data validation template has been prepared for the HACLA. This template can be used by the HACLA as a tool to track and monitor data validation as well as document the data validation method that will be used by the HACLA for each general element.

For each general data element, the type of import and associated Data Load Cover Sheet is listed for reference. Rows on each tab contain the development/program name, a space to enter the date of validation and the name of the person that validated the data.

There are nine tabs that have been created for tracking and monitoring data validation. The tabs include:

| Worksheet Name | Description |
|---|---|
| Validation Methods | This tab contains all of the general data elements and a blank column in which the HACLA can document their choice(s) of data validation. |
| DVS | This tab contains the list of all developments and data elements to be validated for Data Validation and Security Testing. |
| CRP | This tab contains the list of all developments and data elements to be validated for Conference Room Pilot. |
| HACLA Wave 1 | This tab contains the list of all developments to be included in Wave 1 one go-live and data elements to be validated for go-live. |
| HACLA Wave 2 | This tab contains the list of all developments to be included in Wave 2 one go-live and data elements to be validated for go-live. |
| HACLA Wave 3 | This tab contains the list of all developments to be included in Wave 3 one go-live and data elements to be validated for go-live. |
| HACLA Wave 4 TBD | If required. |

## Appendix F Yardi ASP Hosting Service

The following is a white paper detailing the benefits, infrastructure, security, redundancy, scalability, centralized processing, and client requirements of our Yardi ASP Hosting Service.

WHITEPAPER

# Yardi ASP Hosting Services

## Providing Value through Hardware and Support Savings


Why ASP? 2

Yardi ASP: Turnkey Property Management 2

Yardi's Growth as an ASP Provider 3

Infrastructure 3

Security 5

Sarbanes-Oxley 6

Redundancy 7

Scalability 8

Centralized Processing 9

Client Requirements 9


YARDI

## WHY ASP?

The Application Service Provider (ASP) model has evolved because it offers significant advantages over traditional approaches to software utilization: low-cost entry, rapid implementation and deployment, elimination of the IT infrastructure needed to operate and maintain applications, elimination of the cost attached to implementing and maintaining site security, economical distribution of applications and upgrades across an entire organization, and economies of scale all make ASP a more cost-effective (and, hence, more desirable) solution than owning, operating, and maintaining an application outright.

In fact, according to a number of industry experts, the future lies with moving away from installed software to hosted, or "on-demand," products. Yardi Systems is among the industry leaders shaping this future by developing new products from the ground up specifically for delivery as services, and by hosting many of its legacy products. In brief, the ASP value proposition is that outsourced application delivery is almost always better, faster, and cheaper than the self-hosted alternative.

## YARDI ASP: TURNKEY PROPERTY MANAGEMENT

Yardi ASP Hosting offers clients a single, convenient, cost-effective solution for accessing the latest property management technology. Clients benefit from the power and performance of Yardi's state-of-the-art technology without the burden of having to establish and maintain the IT infrastructure, support services, and security necessary to keep their system operating at peak efficiency. This all-inclusive approach to residential and commercial property management lets Yardi provide, host, and maintain the system, so clients can focus their energy where it counts—on their business.

Among the key features of Yardi ASP Hosting are:

**Benefits**

- Minimum up-front cost
- Rapid implementation and deployment
- Easy start-up
- 24/7 accessibility from virtually anywhere
- Real-time, centralized processing linking remote sites so clients get up-to-the-minute reporting for all properties in their portfolio
- Protection against outdated technology
- Expert technical/support staff
- Scalability: add more users/modules, as needed
- Lower overall cost to implement and maintain system hardware and software

**Security**

- 128-bit encryption over the Internet
- Multiple firewalls
- On-premises security personnel

- Continuous video surveillance
- Biometric screening to enter/exit Yardi ASP Data Centers

**Redundancy and Uptime**

- Nightly backups and off-site transfer of all data
- Battery backups and a fully automatic fail-over standby generator to ensure uninterrupted performance in the event of a power failure
- Seismically braced server racks
- State-of-the-art fire suppression system
- Weekly server maintenance
- Round-the-clock monitoring of server operation

## YARDI'S GROWTH AS AN ASP PROVIDER

Yardi began offering ASP services in February 2001, when it hosted 20 corporate clients. By October 2002, this number had grown to 228 clients. By December 2003, the number of clients hosted by Yardi ASP had almost doubled to 400 clients. And as of February 2006, Yardi ASP Hosting provides its state-of-the-art services to 850 corporate clients.

## INFRASTRUCTURE

### IT Staff

Crucial to the success of Yardi ASP Hosting is its expert IT staff. Currently, the IT team is composed of twenty-eight (28) highly trained professionals. Eight (8) staff members provide round-the-clock coverage, on a rotating basis, of Yardi's world-class ASP Data Centers. On-duty staff members are available 24/7, via Yardi's ASP Hotline, so that clients are never left "to fend for themselves" should they need technical assistance. On-duty IT staff perform application server support, database server maintenance, and general maintenance of the ASP network, as well as Level 1 support (initial client contact) outside normal business hours (6 a.m. to 6 p.m. daily).

### Hardware and Software

Yardi ASP Hosting uses Dell™ hardware in combination with Cisco PIX® Firewalls, hardware load balancing, Microsoft® IIS (Internet Information Services), Citrix MetaFrame®, the power of Windows® Server 2003, and Microsoft SQL 2000 or Oracle® 9 server databases to provide comprehensive, cost-effective solutions to its clients. In addition, all system hardware and software runs in parallel, providing a high-availability environment that lets clients have round-the-clock access to their data. This redundant system architecture ensures uninterrupted service, so that even in the event of a server failure, clients have transparent access to their data.

All a client needs to access the full power of Yardi's industry-leading Voyager™ or Enterprise™ software is an Internet connection and a PC equipped with Microsoft Internet Explorer. By simplifying access to the latest property management technology, clients with limited IT resources or complex operational needs can benefit from the efficiencies that come with Yardi ASP Hosting.

**Routine Maintenance**

Application servers and Web servers are rebooted on a rotating basis to ensure that each server is rebooted at least once every other day. Rebooting the servers in this manner ensures that at least half of the total servers at a given data center are always online and available while the other servers are rebooting. Database and Conductor servers are rebooted on a weekly basis.

Yardi ASP Hosting staff monitors service packs and hot fixes from all vendors whose software and hardware are used in the application hosting environment. The procedure for implementing these patches is as follows:

1 Validate the patch by implementing it in a test environment

2 Implement the patch in a limited Beta environment (requires approval by Yardi ASP management)

3 Apply the patch, on a rotating basis, to a production environment (requires approval by Yardi ASP management)

In order to meet service level goals, the Yardi ASP Hosting staff uses specialized tools to track performance-related statistics including memory utilization, CPU, and disk space. When acceptable parameters for performance (as defined in the Service Level Agreement) are exceeded, a system alarm notifies the appropriate ASP staff member(s) with a wireless alert. As an additional failsafe to ensure high system availability, the Yardi ASP staff performs a weekly testing routine to validate system accessibility.

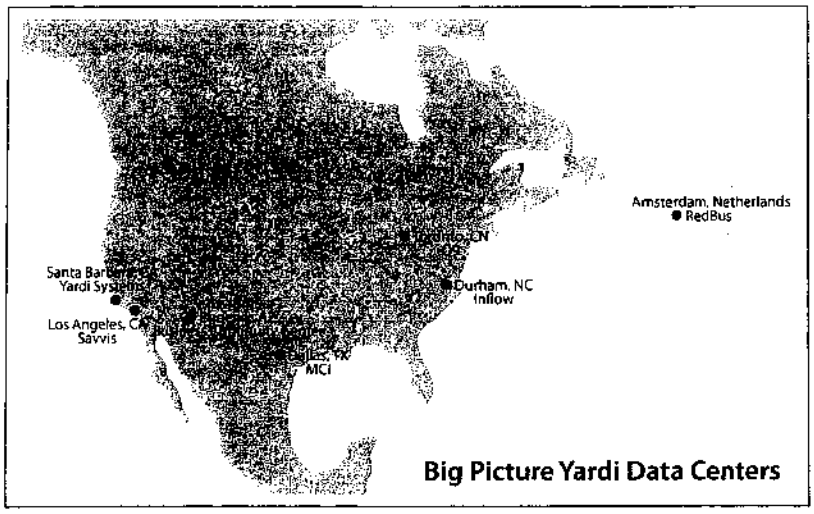
**Service Level Goals**

To ensure the highest system performance possible, Yardi ASP Hosting operates under the following service level benchmarks:

| Service | Service Level Agreement | Metric | Goal |
|---|---|---|---|
| **Site Availability** | Network Availability<br>▪ LAN<br>▪ WAN (ISP Access) | Network Uptime | 99.5% |
| | Operating Systems<br>▪ Servers<br>▪ Storage Devices<br>▪ Switches<br>▪ Load Balancers<br>▪ Routers<br>▪ Firewalls | System Uptime | 99.5% |
| | Application Availability<br>▪ Enterprise<br>▪ Voyager | Application Uptime | 99.5% |

### Partners

Yardi ASP Hosting is built on world-class data centers. To achieve full redundancy and minimize risk, Yardi has partnered with carefully selected network providers to establish multiple sites to host, maintain, and back up client data. Geographically dispersed, these data centers are connected to each other over the Internet using a secure Virtual Private Network (VPN).




The system architecture implemented by Yardi ASP Hosting ensures maximum protection of client information. Data stored at any one of our "active" centers (Savvis in Los Angeles, CA; MCI in Dallas, TX; Inflow in Durham, NC; Q9 Networks in Toronto, CN; and RedBus in Amsterdam, NL) is replicated automatically at a dedicated "standby" data center (Inflow in Phoenix, AZ) upon initial set up. Accordingly, any addition or removal of designated users at any active data center is replicated at the standby data center. Thus, should data at one of the active sites get corrupted or destroyed, it can be readily restored by transferring a copy from the standby site over the network.

## SECURITY

Yardi ASP Hosting provides the highest level of security for its clients. Site security at data centers includes on-premises security personnel, continuous video surveillance, biometric screening of all persons entering or exiting the premises, seismically braced server racks, state-of-the-art fire suppression systems, and round-the-clock monitoring of server operations. In addition, Yardi also employs third-party security experts to perform yearly penetration testing of the system.

Stringent security has been implemented around a six-layer model:

Layer 1

Multiple Firewalls – control the type of information that is transmitted and received by data center servers.

Layer 2

Secure Socket Layer (SSL) – uses 128-bit encryption to protect data anytime it is sent over the Internet.

Layer 3

NT Active Directory Security – ensures that clients only have access to their specific applications; folder access is based on company-defined permissions.

Layer 4

Microsoft SQL Server 2000 Authentication and Database Name Encryption – any attempt to log into the SQL server is authenticated before it is allowed. In addition, every database name is encrypted to ensure client anonymity.

Layer 5

User-Defined, Machine-Specific Access – a designated user can authorize who can access program features and reports, as well as define the length of "idle" timeouts, from within the program. The user can also specify which machines/PCs can access the program.

Layer 6

User-Defined Password Expiration – an authorized user can control how often system passwords must be changed to conform to internal protocol.

## SARBANES-OXLEY

For those clients who require tighter controls, Yardi has implemented multiple processes to ensure the integrity of client data. Many of these processes aid clients in fulfilling the stated objective of the Sarbanes-Oxley Act, "to, among other purposes, protect investors by improving the accuracy and reliability of corporate disclosures made pursuant to the securities laws."

Every Yardi ASP-hosted data center has, at a minimum, the following controls in place to provide site security:

- On-premises security personnel
- Continuous video surveillance
- Screening of all persons entering/exiting the premises

Additional internal Yardi controls available to Sarbanes-Oxley-obligated clients include:

- Biometric screening to enter/exit Yardi ASP Data Centers
- Written client approval required to implement any change to the client production environment
- Monthly meetings between the client and Yardi ASP Hosting to review server performance in handling client data, as well as ongoing/future client needs
- Stringent controls governing user access to client data
- Segregation of Yardi ASP personnel job functions to ensure data integrity
- Yearly SAS 70 Type II Service Auditor's Report
- Co-location of client data at a SAS 70 Type II-audited facility

An additional fee may apply for certain levels of data protection.

## REDUNDANCY

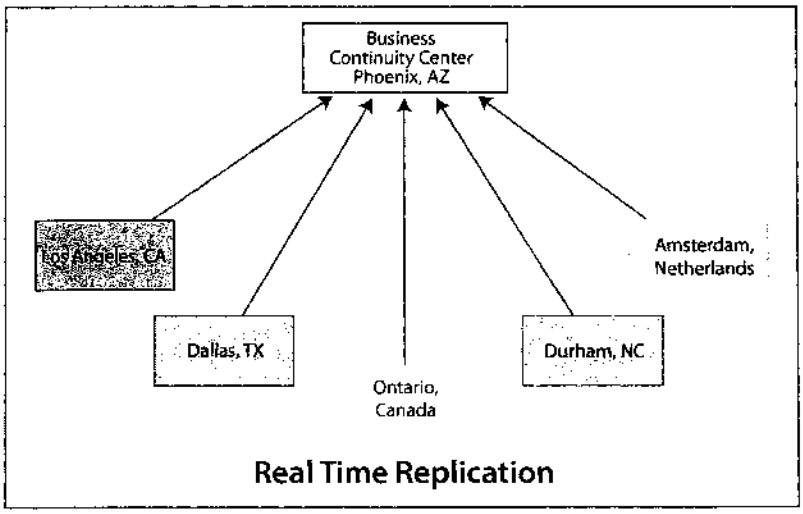
### System Backups

Yardi ASP Hosting is designed around a system architecture that includes multiple levels of redundancy to ensure maximum protection of client data. Client programs and linked files are stored on RAID 5 (Oracle platforms) or RAID 10 (SQL platforms) disk arrays. Every hosted client database is replicated on a separate hard drive, which is, in turn, replicated on a separate server. Within each data center, there are multiple independent network "clusters" that provide another level of redundancy by removing any single point of failure. In addition, all client databases and their log files (transaction logs) are copied to a separate backup server. Log files are backed up at 15-minute intervals, so that database transactions can be readily recovered to a specific point in time if the original log files are unavailable.

Furthermore, all client data is backed up nightly to a secure, on-site FTP server accessible to a designated user for each client. As an added precaution, Yardi strongly recommends that clients regularly download and archive their database backups from this client-accessible server. Nightly backups of client data are stored on the FTP server for two (2) weeks, after which they are deleted to make room for new backups. If necessary, clients may purchase longer periods of storage on the server.

### Business Continuity Plan: Hosted

Every SQL or Oracle database server has a standby server, along with the appropriate number of Web and Citrix servers, residing at a secure location, geographically separate from the hosted site. These standby servers are designated as "recovery servers" and are used only for that purpose, as in the case of a catastrophic failure affecting an entire data center. Client files are backed up to these servers nightly, as well as transactional level updates in real time, providing real-time failover protection of client data. All data transferred between a data center and recovery server is moved across the Internet using a secure Virtual Private Network (VPN) connection.



Yardi initiates recovery after access to the client's hosted site has been unavailable for six (6) hours. It will have each client's database restored within forty-eight (48) hours, and will notify each client as their database becomes available. These recovery periods can be adjusted to meet specific client needs for an additional service fee.

**Business Continuity Plan: Non-Hosted**

Non-hosted clients can also benefit from Yardi ASP Hosting's Business Continuity Plan. For a separate fee, non-hosted clients can receive the same protection for their data as hosted clients receive. The non-hosted version of the plan offers clients the following benefits:

- Clients can determine how often they want to send data to Yardi to be backed up—real time, daily, weekly, or on-demand (e.g., in the event of a disaster)
- Clients can remotely test their data at a Yardi data center up to four (4) times a year
- Clients can choose how many data center servers are in "hot standby" mode (i.e., loaded with a current version of client data and ready to go online immediately), as well as how many additional servers can be configured for client use and brought online in an agreed-upon amount of time.

**Site and Network Redundancy**

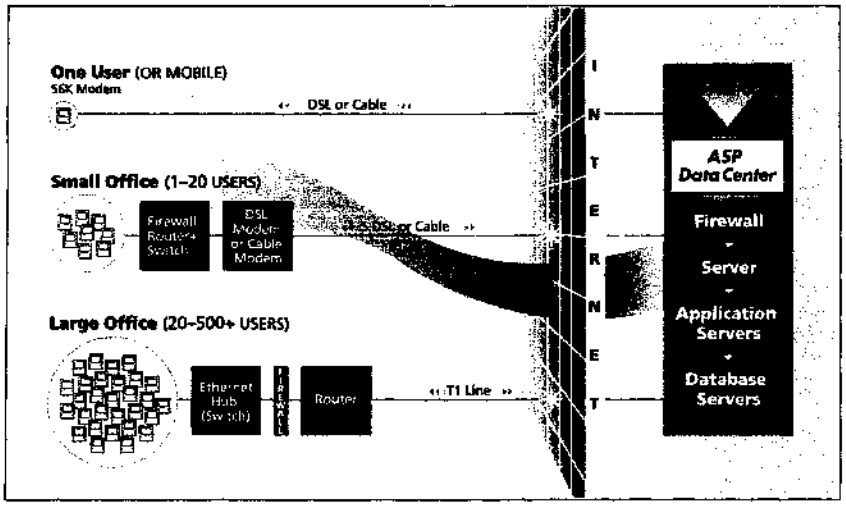
Each data center is also equipped with backup generators to ensure an uninterrupted power supply (UPS) for the site in the event of a catastrophic power failure. Similarly, every data center has redundant heating, ventilation, and air conditioning (HVAC) to ensure that the controlled server environment essential for optimal system performance is not compromised by hardware failure. In addition, Yardi ASP Hosting uses multiple ISPs for each of its data centers to ensure uninterrupted Internet access in the event that any single provider's network becomes compromised.

Collectively, these precautionary measures equate to uninterrupted business continuity for Yardi-hosted clients, enabling them to focus their energy where it counts—on maximizing the productivity and profitability of their business.

## SCALABILITY

**Growing with the Client**

One of the key benefits of Yardi ASP Hosting is the ease with which it allows clients to increase their processing capacity as their business grows. New users/modules can be added quickly as demands increase, and Yardi's data centers maintain excess capacity at all times, so that no matter how rapidly our clients grow, there are always enough servers on the Yardi ASP Hosting network to readily meet their needs. Conversely, should clients ever have to scale back their operations, they can do so without having to suffer the loss of investments made in unused software and hardware.




## CENTRALIZED PROCESSING

Another major benefit of Yardi ASP Hosting is its centralized database and real-time processing. The seamless integration of client database information with Yardi's state-of-the-art property management and financial reporting applications provides the ideal solution for a mobile/distributed workforce. Remote sites can be linked and provided with up-to-the-minute reporting and real-time transaction posting for an entire portfolio. In effect, Yardi ASP Hosting lets clients run their business as if all their offices were under one roof, resulting in increased efficiency and profitability.

## CLIENT REQUIREMENTS

Following are the recommended hardware specifications for hosted clients:

- Operating System - Windows 2000 or Windows XP
- Processor - Intel® Pentium® or AMD Athlon™, 200 MHz or greater and 32 MB RAM
- Available Hard Drive Space - 100 MB of disk space
- Network - Connection to Internet

Note: Yardi applications use 800 x 600 resolution. Accordingly, Yardi ASP Hosting recommends that clients set the resolution on their Windows desktop to 1024 x 768 or higher, so that the local Windows task bar is accessible during the client's Yardi ASP session.

**Yardi Systems, Inc. ▪ 430 South Fairview Avenue, Goleta, CA 93117 ▪ 800.866.1124**

YARDI
www.yardi.com

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# ATTACHMENT L

# FLEXSAFE ESCROW AGREEMENT

**To be attached**

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# FLEXSAFE ESCROW AGREEMENT

Account Number _____

This agreement ("Agreement") is effective _____, 2003 between DSI Technology Escrow Services, Inc. ("DSI") and Yardi Systems, Inc. ("Depositor"), who collectively may be referred to in this Agreement as the parties ("Parties") and who are more fully identified in Exhibit A.

A. Depositor and Depositor's client have entered or will enter into a license agreement, development agreement, and/or other agreement regarding certain proprietary technology of Depositor (referred to in this Agreement as "the License Agreement").

B. Depositor desires to avoid disclosure of its proprietary technology except under certain limited circumstances.

C. Depositor desires to establish an escrow with DSI to provide for the retention, administration and controlled access of the proprietary technology materials of Depositor.

D. The parties desire this Agreement to be supplementary to the License Agreement pursuant to 11 United States [Bankruptcy] Code, Section 365(n).

## ARTICLE 1 -- **DEPOSITS**

1.1 Obligation to Make Deposit. Upon the signing of this Agreement by the parties, Depositor shall deliver to DSI the proprietary technology and other materials ("Deposit Materials") to be deposited under this Agreement.

1.2 Identification of Tangible Media. Prior to the delivery of the Deposit Materials to DSI, Depositor shall conspicuously label for identification each document, magnetic tape, disk, or other tangible media upon which the Deposit Materials are written or stored. Additionally, Depositor shall complete Exhibit B to this Agreement by listing each such tangible media by the item label description, the type of media and the quantity. Exhibit B shall be signed by Depositor and delivered to DSI with the Deposit Materials. Unless and until Depositor makes the initial deposit with DSI, DSI shall have no obligation with respect to this Agreement, except the obligation to notify Depositor regarding the status of the account as required in Section 3.2.

1.3 Deposit Inspection. When DSI receives the Deposit Materials and Exhibit B, DSI will conduct a deposit inspection by visually matching the labeling of the tangible media containing the Deposit Materials to the item descriptions and quantity listed on Exhibit B.

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1.4 Acceptance of Deposit. At completion of the deposit inspection, if DSI determines that the labeling of the tangible media matches the item descriptions and quantity on Exhibit B, DSI will date and sign Exhibit B and mail a copy thereof to Depositor. If DSI determines that the labeling does not match the item descriptions or quantity on Exhibit B, DSI will (a) note the discrepancies in writing on Exhibit B; (b) date and sign Exhibit B with the exceptions noted; and (c) mail a copy of Exhibit B to Depositor. DSI's acceptance of the deposit occurs upon the signing of Exhibit B by DSI.

1.5 Depositor's Representations. Depositor represents as follows:

a. Depositor lawfully possesses all of the Deposit Materials deposited with DSI;

b. With respect to all of the Deposit Materials, Depositor has the right and authority to grant to DSI the rights as provided in this Agreement; and

c. The Deposit Materials are not subject to any lien or other encumbrance.

d. The Deposit Materials are readable and useable in their current form or, if any portion of the Deposit Materials is encrypted, the decryption tools and decryption keys have also been deposited.

1.6 Deposit Updates. Updates to the Deposit Materials may be added to the existing deposit. All deposit updates shall be listed on a new Exhibit B and Depositor shall sign the new Exhibit B. Each Exhibit B will be held and maintained separately within the escrow account. An independent record will be created which will document the activity for each Exhibit B. The processing of all deposit updates shall be in accordance with Sections 1.2 through 1.5. All references in this Agreement to the Deposit Materials shall include the initial Deposit Materials and any updates.

1.7 Removal of Deposit Materials. The Deposit Materials may be removed and/or exchanged only on written instructions signed by Depositor or as otherwise provided in this Agreement.

## ARTICLE 2 -- **FLEXSAFE ENROLLMENTS**

2.1 FlexSAFE Beneficiary. As used in this Agreement ("FlexSAFE Beneficiary") shall mean one or more FlexSAFE Beneficiaries depending on Depositor Enrollment(s), in accordance with Section 2.2.

2.2 FlexSAFE Enrollment(s). Depositor may enroll one or more beneficiaries under this Agreement. Depositor will execute and submit to DSI a FlexSAFE Beneficiary Enrollment document, referenced in this Agreement as Exhibit T, listing each beneficiary to be enrolled as a FlexSAFE Beneficiary under the Agreement. Upon DSI's acceptance of Exhibit T and any additional Exhibit T thereto, DSI will issue an enrollment letter and a copy of this Agreement to the FlexSAFE Beneficiary.

2.3 Other Third Parties. DSI shall have no obligation to any other third party except a FlexSAFE Beneficiary accepted by DSI. DSI and Depositor shall have the right to modify or cancel the Agreement without the consent of any third party.

ARTICLE 3 -- **CONFIDENTIALITY AND RECORD KEEPING**

3.1 Confidentiality. DSI shall maintain the Deposit Materials in a secure, environmentally safe, locked facility which is accessible only to authorized representatives of DSI. DSI shall have the obligation to reasonably protect the confidentiality of the Deposit Materials. Except as provided in this Agreement, DSI shall not disclose the content of this Agreement to any third party and shall not disclose, transfer, make available, or use the Deposit Materials. If DSI receives a subpoena or any other order from a court or other judicial tribunal pertaining to the disclosure or release of the Deposit Materials, DSI will immediately notify Depositor unless prohibited by law. It shall be the responsibility of Depositor to challenge any such order; however, DSI does not waive its rights to present its position with respect to any such order. DSI will not be required to disobey any order from a court or other judicial tribunal. (See Section 8.5 for notices of requested orders.)

3.2 Status Reports. DSI will issue to Depositor and FlexSAFE Beneficiary a report profiling the account history at least semi-annually. DSI may provide copies of the account history upon request. Depositor will notify DSI if the account history is not to be provided to FlexSAFE Beneficiary.

3.3 Audit Rights. During the term of this Agreement, Depositor shall have the right to inspect the written records of DSI pertaining to this Agreement. Any inspection shall be held during normal business hours and following reasonable prior notice.

ARTICLE 4 -- **GRANT OF RIGHTS TO DSI**

4.1 Title to Media. Depositor hereby transfers to DSI the title to the media upon which the proprietary technology and materials are written or stored. However, this transfer does not include the ownership of the proprietary technology and materials contained on the media such as any copyright, trade secret, patent or other intellectual property rights.

4.2 Right to Make Copies. DSI shall have the right to make copies of the Deposit Materials as reasonably necessary to perform this Agreement. DSI shall copy all copyright, nondisclosure, and other proprietary notices and titles contained on the Deposit Materials onto any copies made by DSI. With all Deposit Materials submitted to DSI, Depositor shall provide any and all instructions as may be necessary to duplicate the Deposit Materials including but not limited to the hardware and/or software needed.

4.3 Right to Transfer Upon Release. Depositor hereby grants to DSI the right to transfer the Deposit Materials to FlexSAFE Beneficiary upon any release of the Deposit Materials for use by FlexSAFE Beneficiary in accordance with Section 5.4. Except upon such a release or as otherwise provided in this Agreement, DSI shall not transfer the Deposit Materials.

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ARTICLE 5 -- **RELEASE OF DEPOSIT**

5.1 Release of Deposit Upon Depositor's Instruction. Upon receipt by DSI of written instruction(s) directly from Depositor, Depositor's trustee in bankruptcy, or a court of competent jurisdiction, DSI will release a copy of the Deposit Materials to the FlexSAFE Beneficiary identified in the instruction(s). However, DSI is entitled to receive any fees due DSI before making the release. Any copying expense in excess of $300 will be chargeable to FlexSAFE Beneficiary. This Agreement will terminate upon the release of the Deposit Materials held by DSI.

5.2 Filing for Release of Deposit by FlexSAFE Beneficiary.

a. Upon notice to DSI by FlexSAFE Beneficiary of the occurrence of a release condition as defined in Section 5.3, DSI shall provide Depositor with a copy of FlexSAFE Beneficiary's notice by commercial express mail. From the date DSI mails the notice requesting release of the Deposit Materials, Depositor shall have 30 days to deliver to DSI contrary instructions ("Contrary Instructions").

Contrary Instructions shall mean the written representation by Depositor that a Release Condition has not occurred or has been cured. Upon receipt of Contrary Instructions, DSI shall send a copy of the Contrary Instructions to FlexSAFE Beneficiary by commercial express mail. Additionally, DSI shall notify both Depositor and FlexSAFE Beneficiary that there is a dispute to be resolved pursuant to Section 8.3. Subject to Section 6.3, DSI will continue to store the Deposit Materials without release pending (a) joint instructions from Depositor and FlexSAFE Beneficiary; (b) dispute resolution pursuant to Section 8.3; or (c) order of a court.

b. If no Contrary Instructions are given to DSI, Depositor agrees that DSI shall deliver a copy of the Deposit Materials to the FlexSAFE Beneficiary who provides DSI with all of the following:

1. Copy of the current License Agreement between Depositor and FlexSAFE Beneficiary;

2. Written demand that a copy of the Deposit Materials be released and delivered to FlexSAFE Beneficiary;

3. Written notice that the copy of the Deposit Materials being released to FlexSAFE Beneficiary only be used as permitted under the License Agreement;

4. Specific delivery instructions along with any fees due DSI; and

5. Written notice that the release of the copy of the Deposit Materials is pursuant to 11 United States Code Section 365(n) or other applicable federal or state bankruptcy, insolvency, reorganization or liquidation statute.

5.3 Release Conditions. As used in this Agreement, "Release Condition" shall mean the existence of any one or more of the following circumstances, uncorrected for more than 30 days:

a. Entry of an order for relief under Title 11 of the United States Code;

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b. The making by Depositor of a general assignment for the benefit of creditors;

c. The appointment of a general receiver or trustee in bankruptcy of Depositor's business or property; or

d. Action by Depositor under any state or federal insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation.

5.4 Right to Use Following Release. Unless otherwise provided in the License Agreement; upon release of the Deposit Materials in accordance with this Article 5, FlexSAFE Beneficiary shall have the right to use the Deposit Materials for the sole purpose of continuing the benefits afforded to FlexSAFE Beneficiary by the License Agreement. FlexSAFE Beneficiary shall be obligated to maintain the confidentiality of the released Deposit Materials.

## ARTICLE 6 -- **TERM AND TERMINATION**

6.1 Term of Agreement. The initial term of this Agreement is for a period of one year. Thereafter, this Agreement shall automatically renew from year-to-year unless (a) Depositor instructs DSI in writing that the Agreement is terminated; or (b) DSI instructs Depositor and FlexSAFE Beneficiary in writing that the Agreement is terminated for nonpayment in accordance with Section 6.3 or by resignation in accordance with Section 6.4. If the Deposit Materials are subject to another escrow agreement with DSI, DSI reserves the right, after the initial one year term, to adjust the anniversary date of this Agreement to match the then prevailing anniversary date of such other escrow arrangements.

6.2 Term of FlexSAFE Enrollment. Upon receipt by DSI of Depositor's executed Exhibit T, the FlexSAFE Beneficiary will be enrolled for an initial term of one year, unless this Agreement terminates earlier, causing the FlexSAFE Beneficiary enrollment to terminate. Subsequent enrollment terms may be adjusted to the anniversary date of this Agreement and shall automatically renew from year-to-year unless (a) Depositor instructs DSI in writing to terminate the FlexSAFE Beneficiary enrollment; (b) FlexSAFE Beneficiary instructs DSI in writing to terminate the FlexSAFE Beneficiary; or (c) the enrollment is terminated by DSI for nonpayment in accordance with Section 6.3.

6.3 Termination for Nonpayment. In the event of the nonpayment of fees owed to DSI, DSI shall provide written notice of delinquency to all parties to this Agreement. Unless Depositor has instructed DSI to terminate FlexSAFE Beneficiary pursuant to subsection 6.2(a), Depositor or FlexSAFE Beneficiary shall have the right to make the payment to DSI to cure the default. If the past due payment is not received in full by DSI within one month of the date of such notice, then DSI shall have the right to terminate this Agreement at any time thereafter by sending written notice of termination to all parties. DSI shall have no obligation to take any action under this Agreement so long as any payment due to DSI remains unpaid.

6.4 Termination by Resignation. DSI reserves the right to terminate this Agreement, for any reason, by providing Depositor with 60-days' written notice of its intent to terminate this Agreement. Within the 60-day period, the Depositor may provide DSI with written instructions authorizing DSI to forward the Deposit Materials to another escrow company and/or agent or other designated recipient. If DSI does not receive said

written instructions within 60 days of the date of DSI's written termination notice, then DSI shall destroy, return or otherwise deliver the Deposit Materials in accordance with Section 6.5.

6.5 Disposition of Deposit Materials Upon Termination. Subject to the foregoing termination provisions, and upon termination of this Agreement, DSI shall destroy, return, or otherwise deliver the Deposit Materials in accordance with Depositor's instructions. If there are no instructions, DSI may, at its sole discretion, destroy the Deposit Materials or return them to Depositor. DSI shall have no obligation to destroy or return the Deposit Materials if the Deposit Materials are subject to another escrow agreement with DSI or have been released to the FlexSAFE Beneficiary in accordance with Section 5.3.

6.6 Survival of Terms Following Termination. Upon termination of this Agreement, the following provisions of this Agreement shall survive:

a. Depositor's Representations (Section 1.5);

b. The obligations of confidentiality with respect to the Deposit Materials;

c. The rights granted in the sections entitled Right to Transfer Upon Release (Section 4.3) and Right to Use Following Release (Section 5.4), if a release of the Deposit Materials has occurred prior to termination;

d. The obligation to pay DSI any fees and expenses due;

e. The provisions of Article 8; and

f. Any provisions in this Agreement which specifically state they survive the termination of this Agreement.

## ARTICLE 7 -- **DSI'S FEES**

7.1 Fee Schedule. DSI is entitled to be paid its standard fees and expenses applicable to the services provided. DSI shall notify the party responsible for payment of DSI's fees at least 60 days prior to any increase in fees. For any service not listed on DSI's standard fee schedule, DSI will provide a quote prior to rendering the service, if requested.

7.2 Payment Terms. DSI shall not be required to perform any service unless the payment for such service and any outstanding balances owed to DSI are paid in full. Fees are due upon receipt of a signed contract or receipt of the Deposit Materials whichever is earliest.

## ARTICLE 8 -- **LIABILITY AND DISPUTES**

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8.1 Right to Rely on Instructions. DSI may act in reliance upon any instruction, instrument, or signature reasonably believed by DSI to be genuine. DSI may assume that any employee of Depositor or FlexSAFE Beneficiary who gives any written notice, request, or instruction has the authority to do so. DSI will not be required to inquire into the truth or evaluate the merit of any statement or representation contained in any notice or document. DSI shall not be responsible for failure to act as a result of causes beyond the reasonable control of DSI.

8.2 Indemnification. Depositor agrees to indemnify, defend and hold harmless DSI from any and all claims, actions, damages, arbitration fees and expenses, costs, attorney's fees and other liabilities ("Liabilities") incurred by DSI relating in any way to this escrow arrangement unless such Liabilities were caused solely by the negligence or willful misconduct of DSI.

8.3 Dispute Resolution. Any dispute relating to or arising from this Agreement shall be resolved by arbitration under the Commercial Rules of the American Arbitration Association. Three arbitrators shall be selected. The Depositor and FlexSAFE Beneficiary shall each select one arbitrator and the two chosen arbitrators shall select the third arbitrator, or failing agreement on the selection of the third arbitrator, the American Arbitration Association shall select the third arbitrator. However, if DSI is a party to the arbitration, DSI shall select the third arbitrator. Unless otherwise agreed by Depositor and FlexSAFE Beneficiary, arbitration will take place in San Diego, California, U.S.A. Any court having jurisdiction over the matter may enter judgment on the award of the arbitrator(s). Service of a petition to confirm the arbitration award may be made by First Class mail or by commercial express mail, to the attorney for the party or, if unrepresented, to the party at the last known business address.

8.4 Controlling Law. This Agreement is to be governed and construed in accordance with the laws of the State of California, without regard to its conflict of law provisions.

8.5 Notice of Requested Order. If any party intends to obtain an order from the arbitrator or any court of competent jurisdiction which may direct DSI to take, or refrain from taking any action, that party shall:

a. Give DSI at least two business days' prior notice of the hearing;

b. Include in any such order that, as a precondition to DSI's obligation, DSI be paid in full for any past due fees and be paid for the reasonable value of the services to be rendered pursuant to such order; and

c. Ensure that DSI not be required to deliver the original (as opposed to a copy) of the Deposit Materials if DSI may need to retain the original in its possession to fulfill any of its other duties.

## ARTICLE 9 -- **GENERAL PROVISIONS**

9.1 Entire Agreement. This Agreement, which includes Exhibits described herein, embodies the entire understanding between the parties with respect to its subject matter and supersedes all previous communications, representations or understandings, either oral or written. DSI is not a party to the License Agreement between Depositor and FlexSAFE Beneficiary and has no knowledge of any of the terms or provisions of any such License Agreement. DSI's only obligations to Depositor or FlexSAFE Beneficiary are

as set forth in this Agreement. No amendment or modification of this Agreement shall be valid or binding unless signed by both parties hereto, except Exhibit A need not be signed by either party.

9.2 Notices. All notices, invoices, payments, deposits and other documents and communications shall be given to the parties at the addresses specified in Exhibit A. It shall be the responsibility of the parties to notify each other as provided in this Section in the event of a change of address. The parties shall have the right to rely on the last known address of the other parties. Unless otherwise provided in this Agreement, all documents and communications may be delivered by First Class mail.

9.3 Severability. In the event any provision of this Agreement is found to be invalid, voidable or unenforceable, the parties agree that unless it materially affects the entire intent and purpose of this Agreement, such invalidity, voidability or unenforceability shall affect neither the validity of this Agreement nor the remaining provisions herein, and the provision in question shall be deemed to be replaced with a valid and enforceable provision most closely reflecting the intent and purpose of the original provision.

9.4 Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties. However, DSI shall have no obligation in performing this Agreement to recognize any successor or assign of Depositor unless DSI receives clear, authoritative and conclusive written evidence of the change of parties.

9.5 Regulations. Depositor is responsible for and warrants compliance with all applicable laws, rules and regulations, including but not limited to customs laws, import, export, and re-export laws and government regulations of any country from or to which the Deposit Materials may be delivered in accordance with the provisions of this Agreement.

| | |
|---|---|
| Yardi Systems, Inc.<br>Depositor | DSI Technology Escrow Services, Inc. |
| By: Gordon Morrell | By: _____ |
| Name:_____ | Name:_____ |
| Title: Executive VP, C.O.O. | Title:_____ |
| Date: October 1, 2001 | Date:_____ |

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**EXHIBIT A**

## DESIGNATED CONTACT

Account Number _____

Notices, deposit material returns and communications to Depositor should be addressed to:

Company Name: Yardi Systems, Inc.
Address: 819 Reddick Ave.
Santa Barbara, CA 93103
Designated Contact: Gordon Morrell
Telephone: 805-966-3373 x105
Facsimile: 805-966-7026
**E-Mail: gordon@yardi.com**

Invoices to Depositor should be addressed to:

Yardi Systems, Inc.
819Reddick Ave.
Santa Barbara, CA 93103

Contact: Marie Watson

**P.O.#, if required**:_____

Requests from Depositor to change the designated contact should be given in writing by the designated contact or an authorized employee.

Contracts, Deposit Materials and notices to DSI should be addressed to:

DSI Technology Escrow Services, Inc.
Contract Administration
9265 Sky Park Court, Suite 202
San Diego, CA 92123

Telephone: (858) 499-1600
Facsimile: (858) 694-1919
E-Mail: ca@dsiescrow.com

Invoice inquiries and fee remittances to DSI should be addressed to:

DSI Technology Escrow Services, Inc.
PO Box 45156
San Francisco, CA 94145-0156

(858) 499-1636
(858) 499-1637

Date:_____

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**EXHIBIT B**

**DESCRIPTION OF DEPOSIT MATERIALS**

Depositor Company Name: Yardi Systems, Inc.

Account Number _____

Product Name: Yardi Enterprise _Version _____
*(Product Name will appear as Exhibit B Name on Account History report)*

**DEPOSIT MATERIAL DESCRIPTION:**

| Quantity | Media Type & Size | Label Description of Each Separate Item |
|---|---|---|
| _____ | Disk 3.5" or ____ | |
| _____ | DAT tape ____mm | |
| _____ | CD-ROM | |
| _____ | Data cartridge tape ____ | |
| _____ | TK 70 or ____ tape | |
| _____ | Magnetic tape ____ | |
| _____ | Documentation | |
| _____ | Other _____ | |

**PRODUCT DESCRIPTION:**
Environment _____

**DEPOSIT MATERIAL INFORMATION:**
Is the media or are any of the files encrypted? Yes / No If yes, please include any passwords and the decryption tools.
Encryption tool name_____ Version _____
Hardware required _____
Software required _____
Other required information_____

I certify for **Depositor** that the above described Deposit Materials have been transmitted to DSI:

Signature _____
Print Name _____
Date _____

**DSI** has inspected and accepted the above materials *(any exceptions are noted above)*:

Signature _____
Print Name _____
Date Accepted _____
Exhibit B# _____

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Send materials to: DSI, 9265 Sky Park Ct., Suite 202, San Diego, CA 92123 (858) 499-1600

**EXHIBIT T**

**FLEXSAFE BENEFICIARY ENROLLMENT**

Account Number _____

Pursuant to the FlexSAFE Escrow Agreement ("Agreement"), Depositor hereby enrolls the following as a FlexSAFE Beneficiary:

Notices and communications to FlexSAFE Beneficiary should be addressed to:

Company Name:_____
Address:_____
_____
_____
Designated Contact:_____
Telephone:_____
Facsimile:_____
E-Mail: _____

Invoices to FlexSAFE Beneficiary should be addressed to:

_____
_____
_____
_____
Contact: _____
_____
**P.O.#, if required**:_____

_____
Depositor

By: _____

Name:_____

Title:_____

Date:_____

DSI Technology Escrow Services, Inc.

By: _____

Name:_____

Title:_____

Date:_____

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