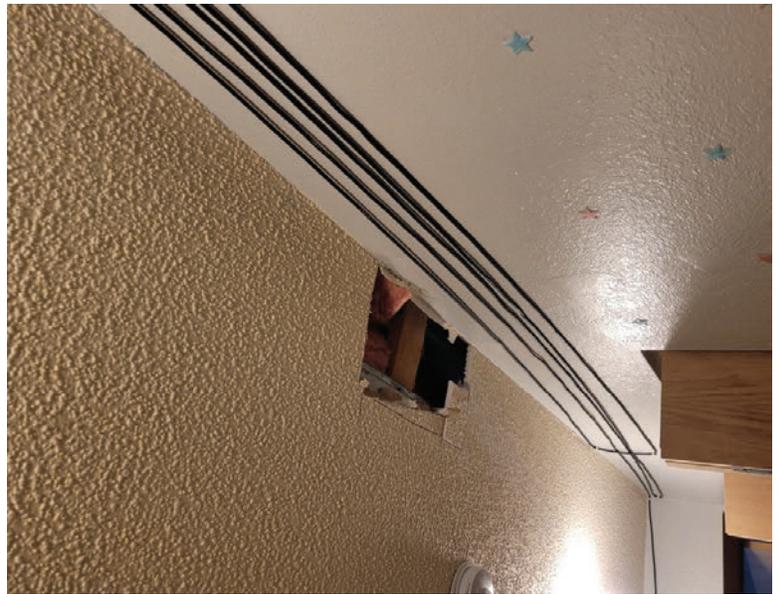
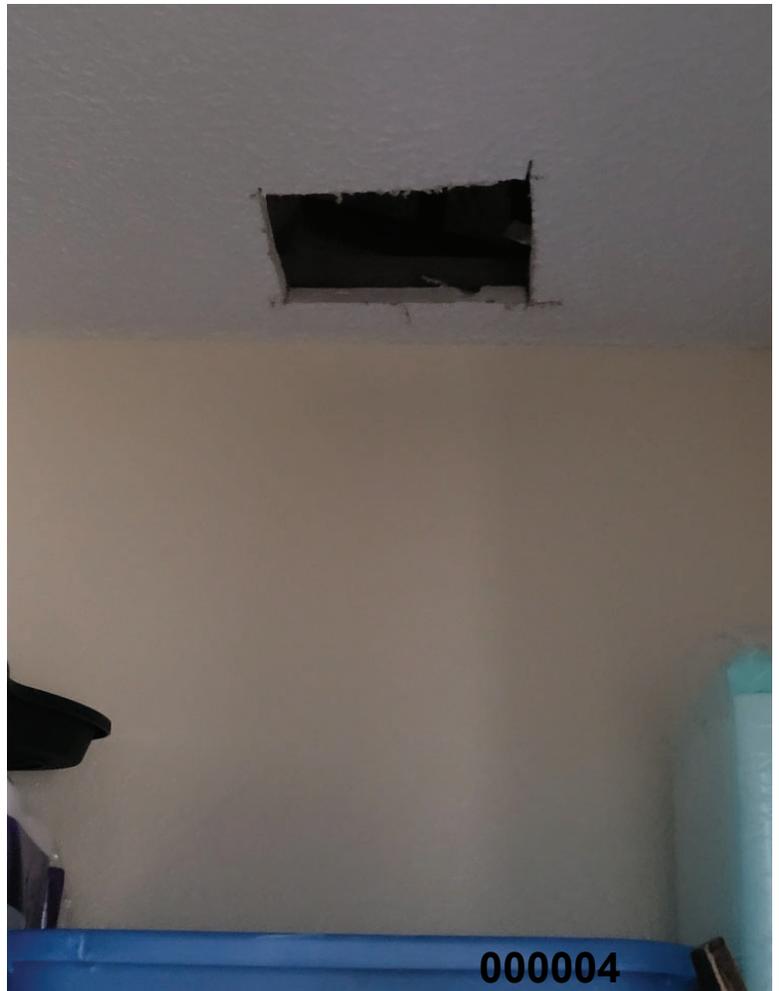
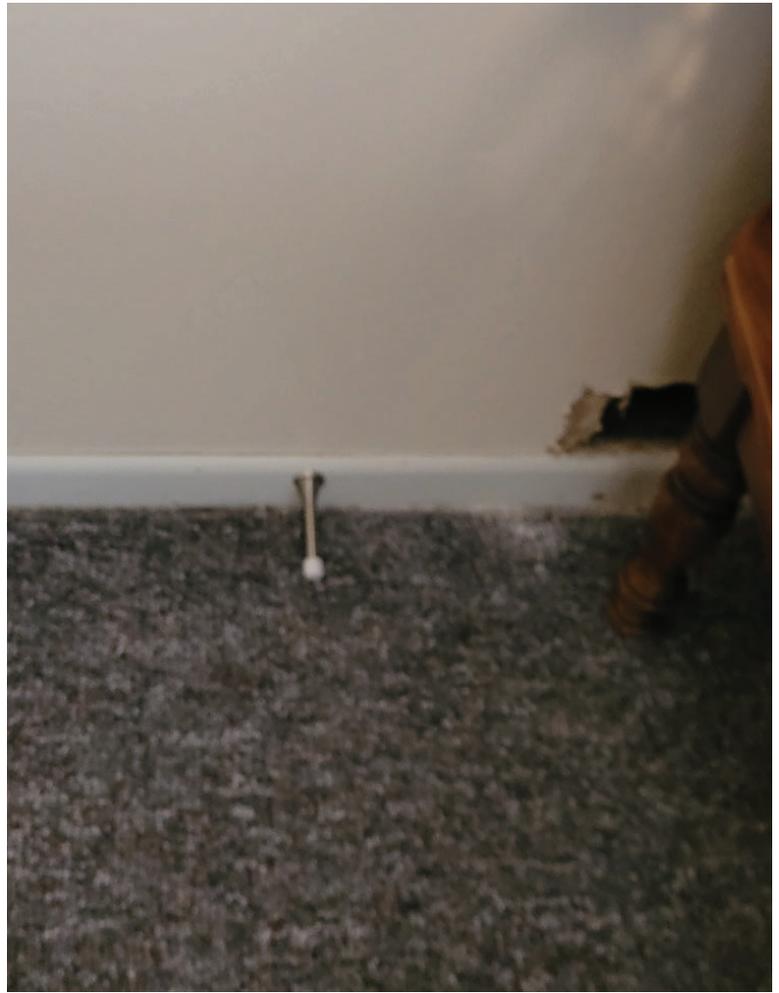
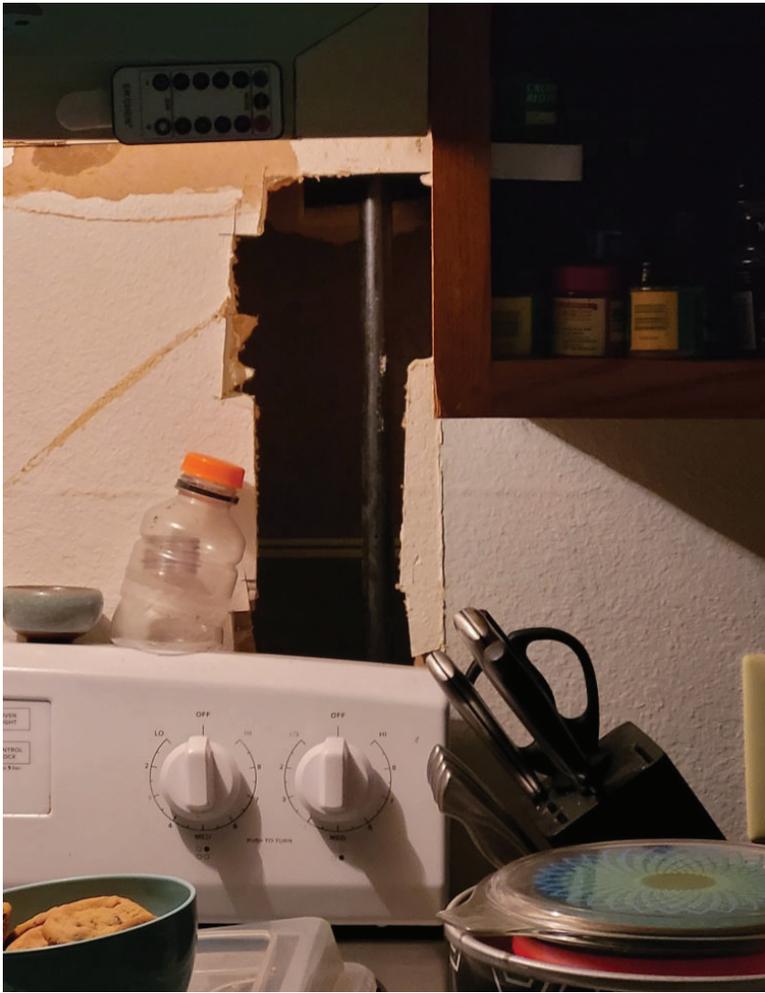




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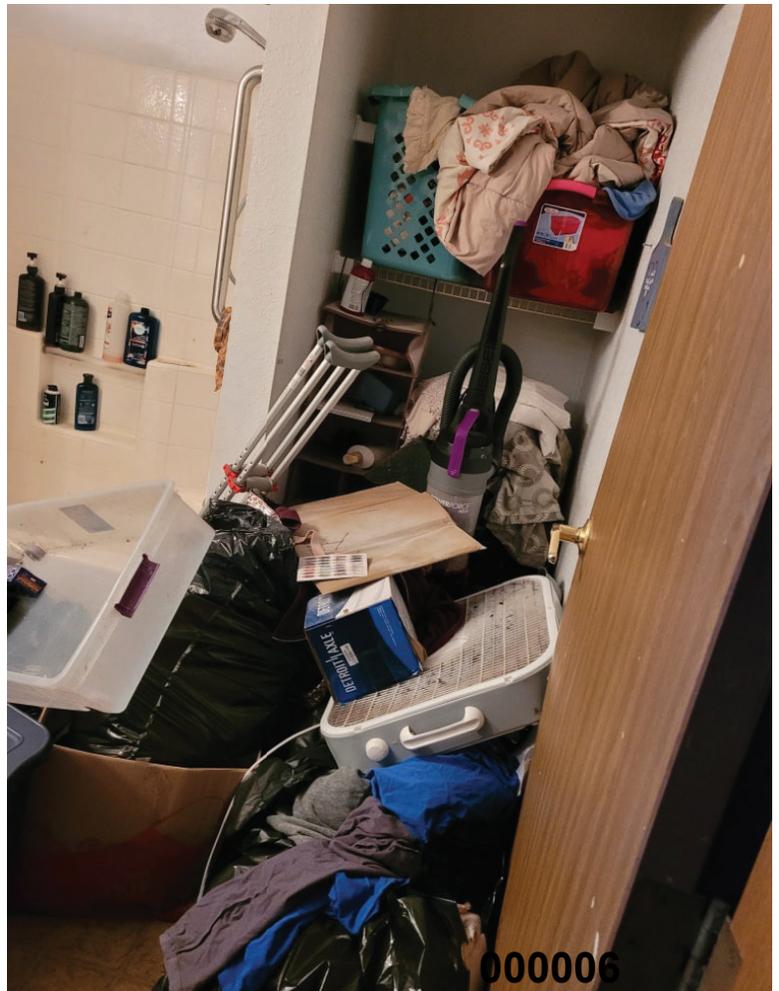
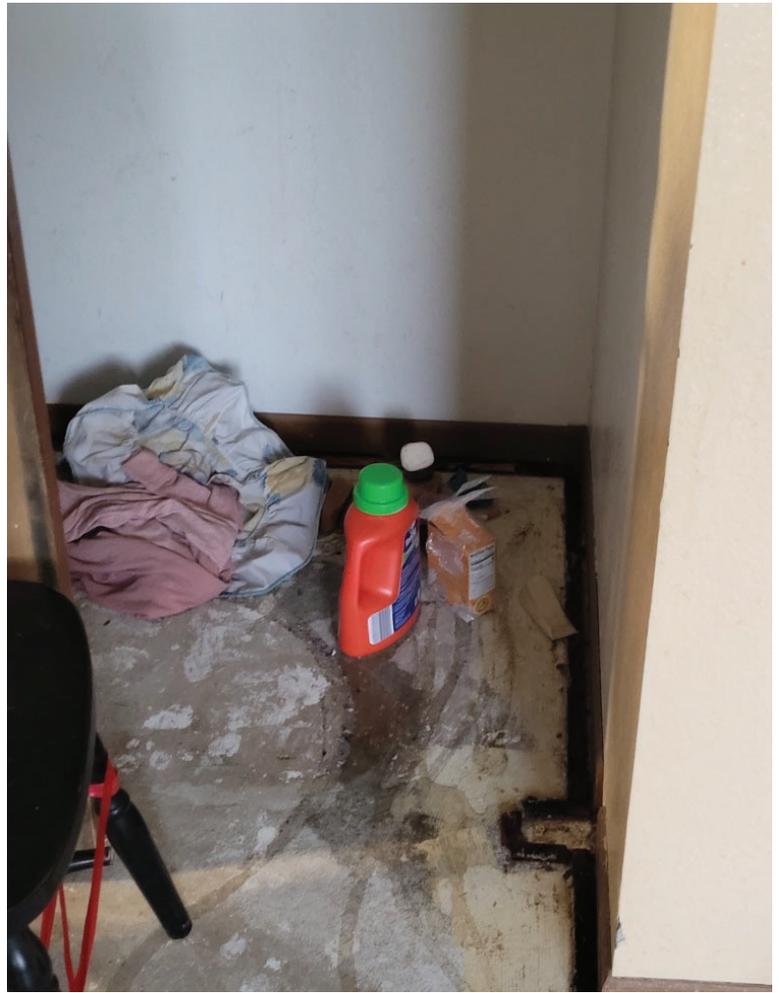


000004



PIN-HOLE LEAK IN CEILING  
STILL DRIPPING WATER.



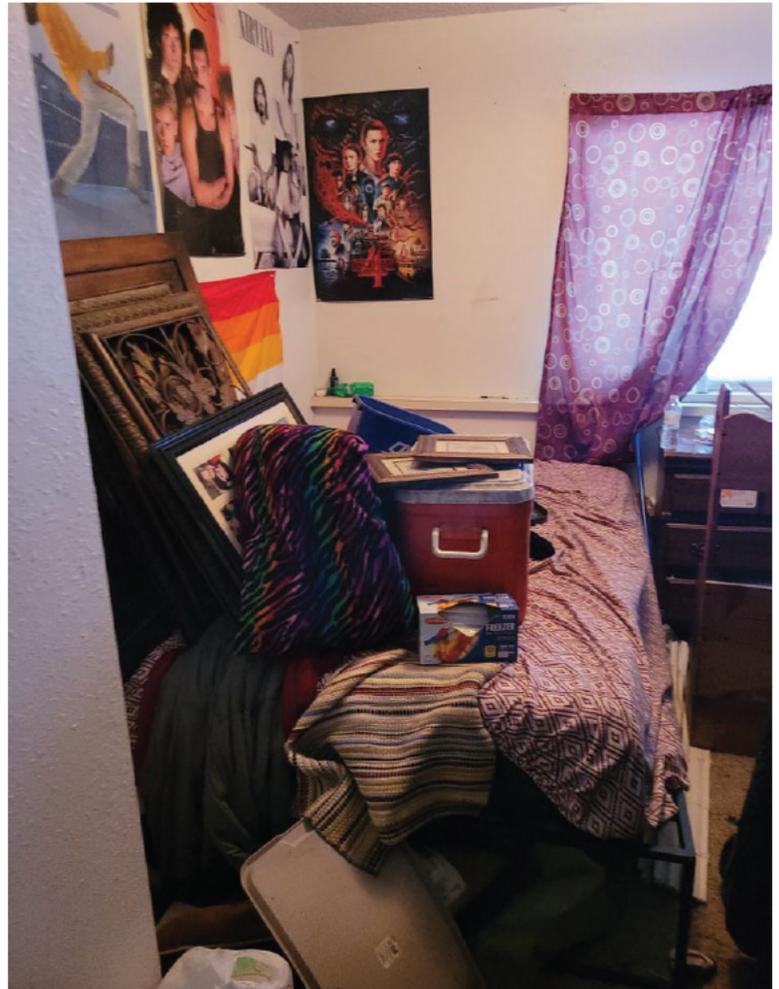
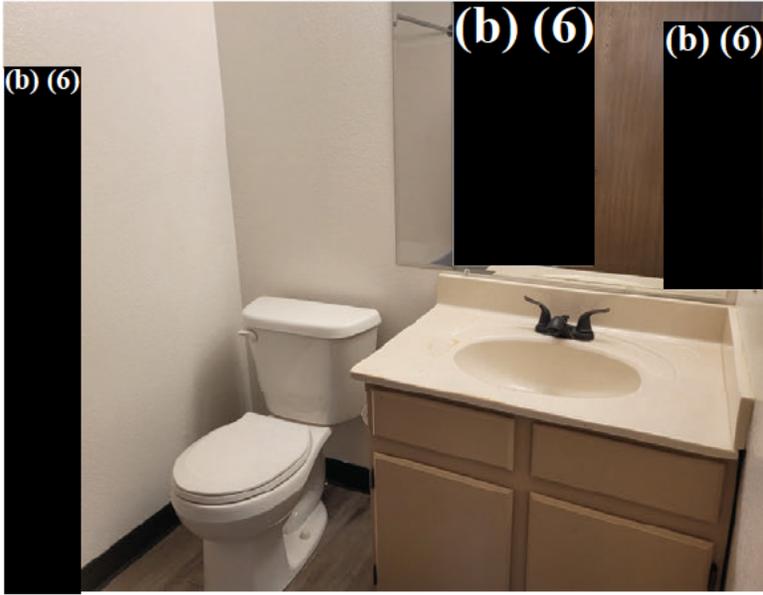


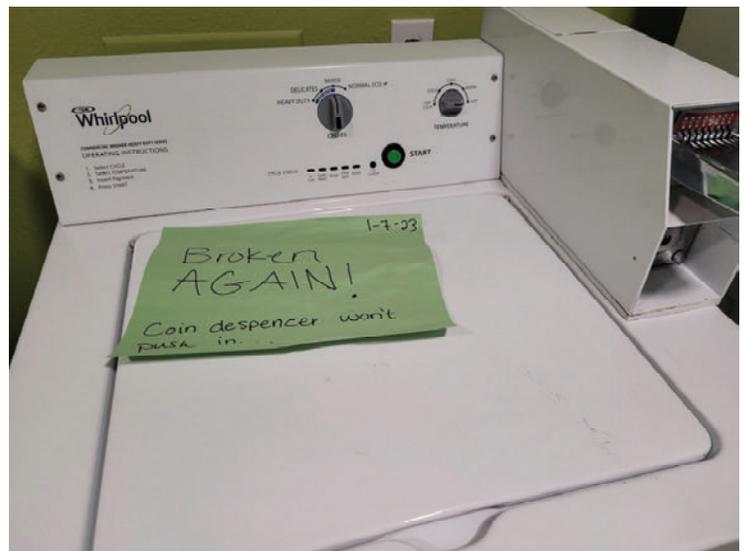


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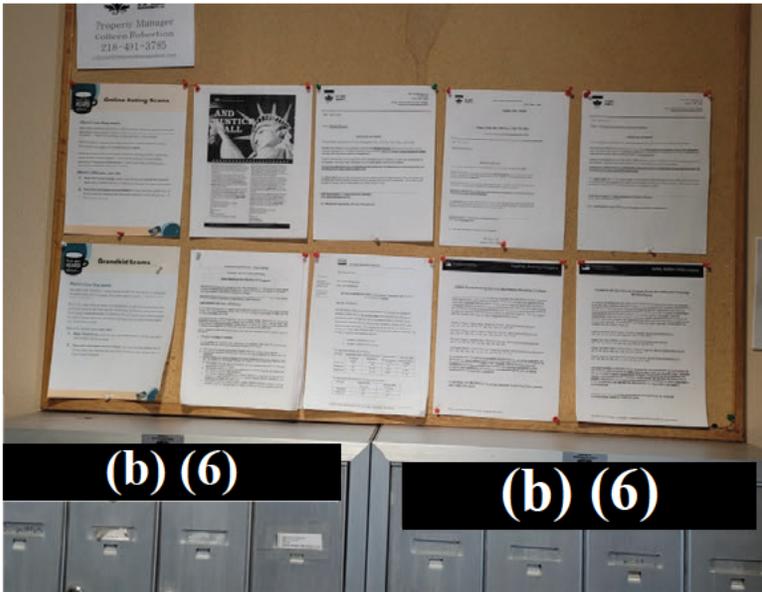
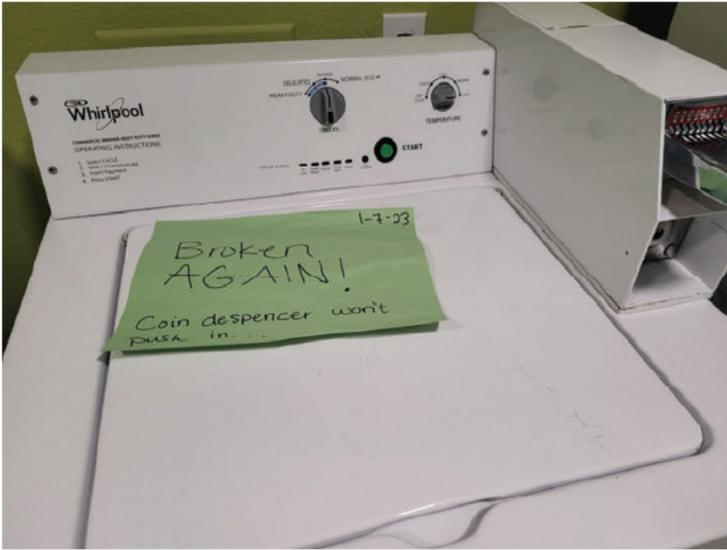


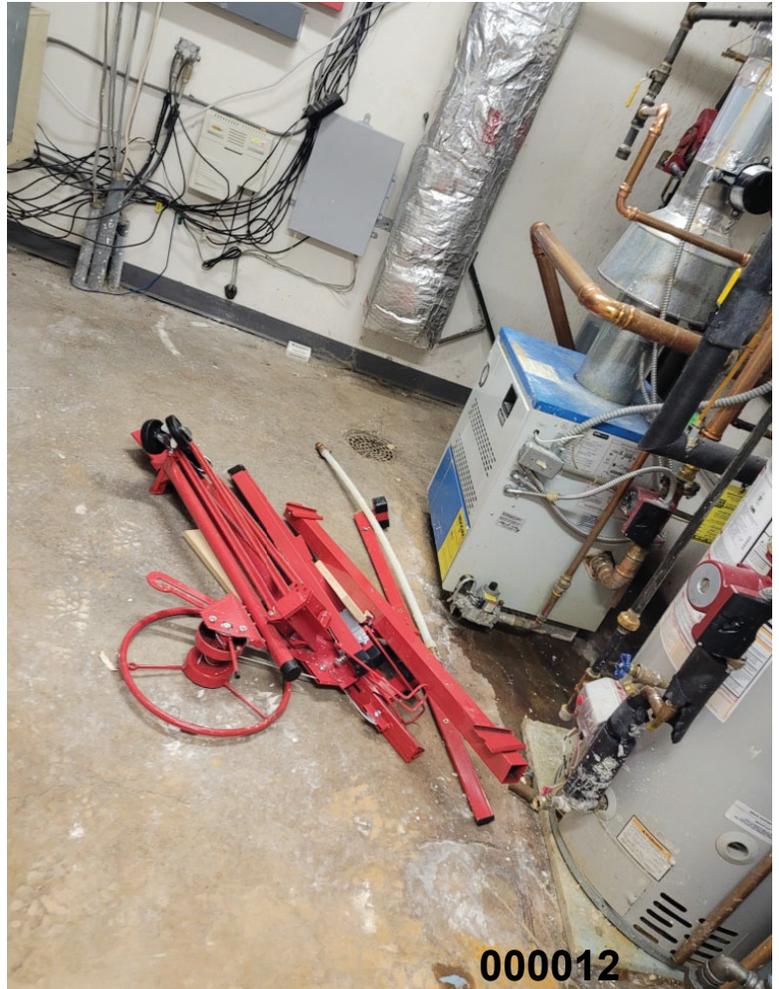
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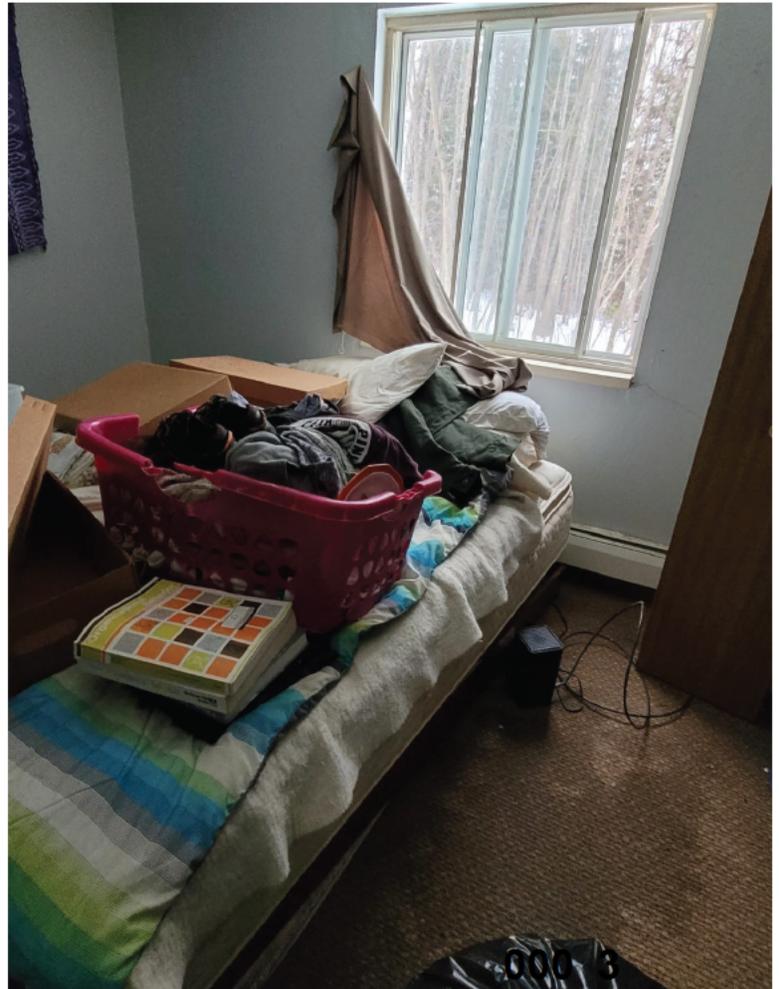
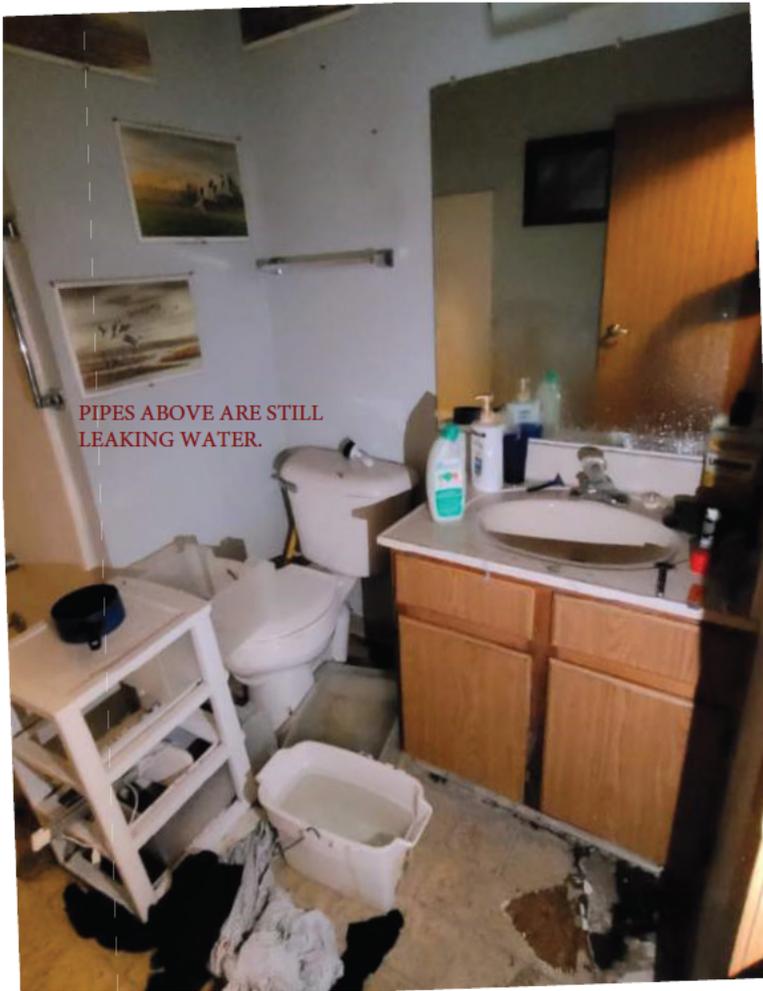


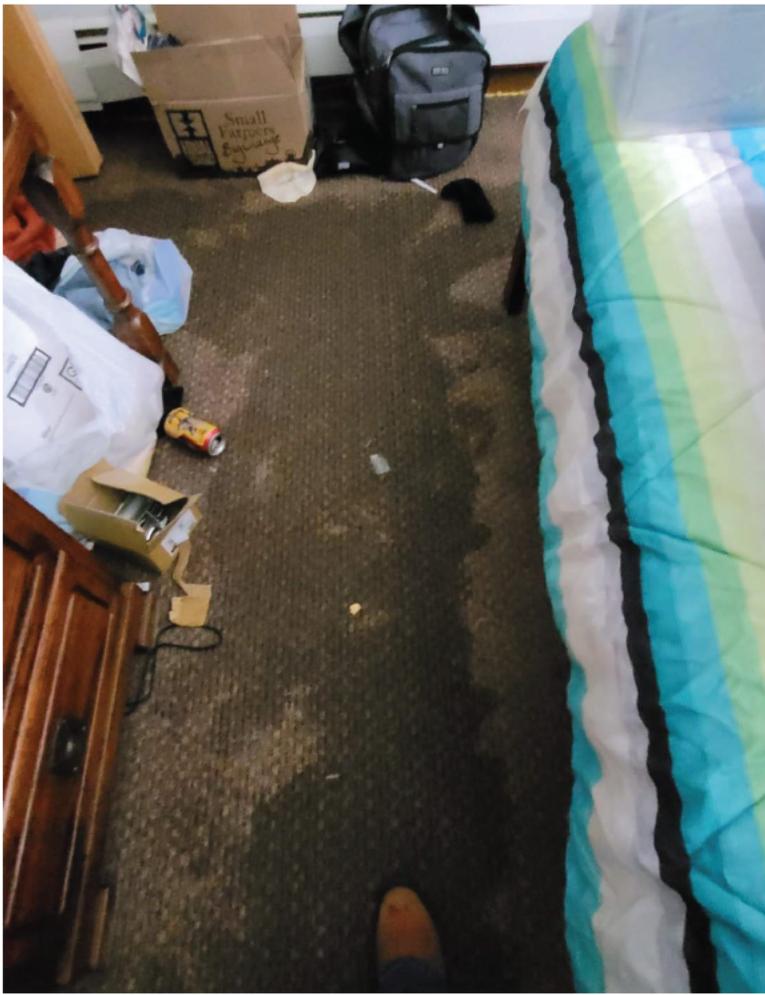


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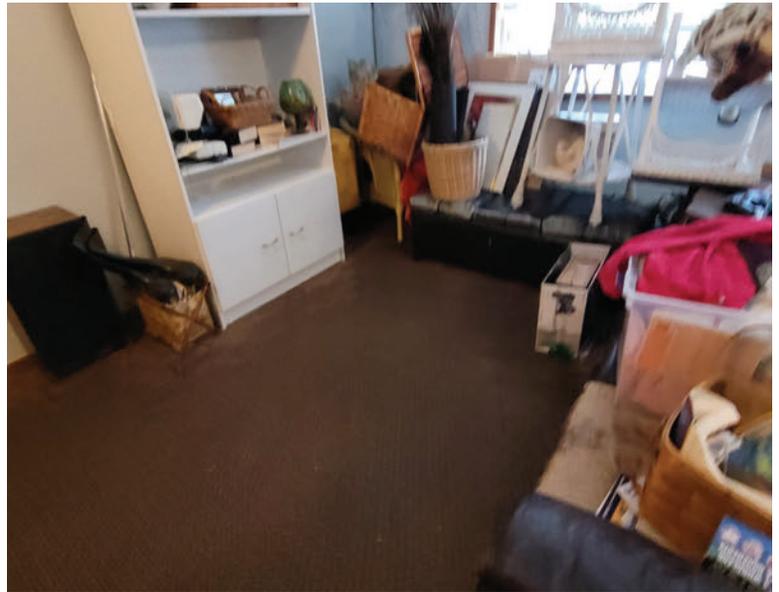








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000016

Carlson, Diann - RD, MN

From: (b) (6)  
Sent: Tuesday, January 24, 2023 11:52 AM  
To: Carlson, Diann - RD, MN  
Subject: [External Email]Fwd: Move out form B6

**[Internal Email]**  
If this message comes from an unexpected sender or references a vague/unexpected topic,  
Use caution before clicking links or opening attachments.  
Please send any concerns or suspicious messages to: Spam.Abuse@usda.gov

Cheyenne Mcentee

Begin forwarded message

From: (b) (6)  
Date: December 29, 2022 at 2:35:29 PM CST  
To: (b) (6)  
Subject: Move out form B6





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5



6



7

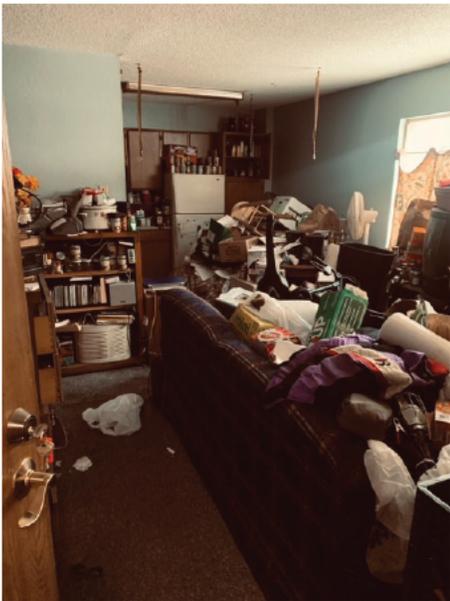
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9



(b) (6)

10



000019





January 26, 2023

*Sent Via Email*

**Rural Development**

Midwest Region  
Field Operations Division  
Multifamily Housing

Rural Housing Service  
1400 Independence  
Ave SW  
Washington, DC 20250

Birchwood of Grand Marais LP  
Attn: Ms. Lilean Sedlacek  
7556 Kingsley Road  
Kingsley, MI 49649

Re: Physical Inspection of Birchwood Apartments

Dear Ms. Sedlacek,

A representative from our office recently completed a physical inspection at the above referenced property. During our visit, we noted several deficiencies that rise to the level considered a summary level “**finding**”. As a result, you must provide to our office, **within 10-days**, a written plan to cure these findings. Additionally, we noted several concerns that require your attention, you will need to provide within 30-days a written plan of action as to how you have or will address these concerns.

The items we noted included the following:

**Findings:**

1. **Substantial water damage to ceilings, walls, flooring, and personal property in over 1/3 of the units.** *Our office has not received any documentation of an insurance claim being filed for the water damage. If one has not been made, please contact your insurance provider immediately.*
2. **Vacant & Uninhabitable units need to be cleaned and made rent ready.** Units contain prior tenant’s personal belongings. Need to work with management to ensure they are following State laws when dealing with abandoned property.

Keep in mind, that we will need a written response within 10-days as to how these have been or will be resolved.

**Concerns:**

1. Work orders not completed in a timely manner.
2. MINC transmissions not being completed in a timely manner (e.g., tenant certifications expired, status of units not coded correctly).
3. Caretaker does not have keys to all units.
4. Caretaker does not have keys to access washer/dryer coin receptacles.
5. Bulletin boards must be checked to ensure required Rural Development posters/forms are displayed.
6. Prior management contact information displayed on bulletin board in building .

7. Exterior sign has prior management name and contact information.
8. Washing machines and/or dryers need to be serviced.
9. Building (b) (6) maintenance room door needs to be repaired.
10. Building (b) (6) maintenance room door needs a handle on the inside.
11. Water backflow device, in Building (b) (6) maintenance room, has not been tested since September 24,2020.

Please remember, these concerns require your response within 30-days. If necessary, you may incorporate any costs associated with the repairs into the annual capital budget for the property.

If you have questions, please contact me at [Cheryl.halvorson@usda.gov](mailto:Cheryl.halvorson@usda.gov) or Dian Carlson at 218-305-3593 [diann.carlson@usda.gov](mailto:diann.carlson@usda.gov).

Sincerely,

*Cheryl L Halvorson*

Cheryl L. Halvorson

Acting Team Lead

MW Region, Team 6, Field Operations Division

Multifamily Housing, Rural Development

United States Department of Agriculture

Phone: (715) 345-7665 | Cell: (715) 701-3239

[www.rd.usda.gov](http://www.rd.usda.gov)

000022



Date: January 25, 2023  
To: Eric Siebens, Midwest Regional Director  
Cheryl Halvorson, Midwest Acting Team Lead – Team 6  
From: Diann Carlson, Loan Specialist  
Re: Physical Inspection of Birchwood Apts.,

Rural Development

Midwest Region  
Field Operations Division  
Multifamily Housing

Rural Housing Service  
1400 Independence  
Ave SW  
Washington, DC 20250

On January 24, 2023, I inspected Birchwood Apartments in Grand Marais, MN. These are my comments per unit/common areas:

- Unit (b) (6)
  - Water damage:
    - Kitchen/bathroom walls
    - Kitchen/bathroom ceilings
    - Closets
    - Flooring
    - Prior water damage repairs done poorly
  - Closet doors not sanded/stained or hung up.
  - Bathroom vent in bad condition – insulation/sheetrock falling out it.
- Unit (b) (6)
  - Water damage
    - Bathroom ceiling
  - Thermostat doesn't work properly
  - No cold water
  - Stove doesn't work properly
- Unit (b) (6)
  - No water damage in unit.
  - Most personal items removed from unit.
    - Per caretaker, tenant stated he might be moving
- Unit (b) (6)
  - Water damage:
    - Kitchen/bathroom ceilings
    - Closet
    - Carpet
- Unit (b) (6)
  - Water damage:
    - Kitchen/living room/bathroom ceilings
    - Kitchen/living room/bathroom walls
    - Kitchen/living room/bathroom carpet/flooring
    - Water still leaking from bathroom ceiling due to pin-hole leak
  - Black matter noticeable on floors/walls – unsure what it is

- Unit (b) (6) – Vacant
  - Move-in ready
- Unit (b) (6) - Vacant
  - Water damage:
    - Kitchen/living room/bathroom ceilings
    - Kitchen/living room/bathroom walls
    - Kitchen/living room/bathroom carpet/flooring
  - Personal belongings still in unit
- Unit (b) (6)
  - Water damage:
    - Kitchen/living room/bathroom ceilings
    - Kitchen/living room/bathroom walls
    - Kitchen/living room/bathroom carpet/flooring
- Unit (b) (6)
  - Water damage:
    - Kitchen ceiling
    - Kitchen wall
    - Prior water damage on bathroom ceiling repaired poorly
  - Black matter noticeable on bathroom ceiling – unsure what it is
- Unit (b) (6) – Vacant
  - Unable to access unit – key broke off in dead bolt. However, caretaker provided pictures.
  - Based on pictures, unit doesn't appear to have any water damage.
  - Personal belongings still in unit.
- Unit (b) (6) – Vacant
  - Move-in ready with some minor repairs
    - Wall trim around countertop was installed poorly
    - Bedroom closet doors need to be sanded/stained and hung
    - Smoke detector needs to be installed

General Concerns:

- Work orders not completed in a timely manner
- MINC transmissions not being completed in a timely manner (e.g., tenant certifications expired, status of units not coded correctly).
- Caretaker does not have keys to all units.
- Caretaker does not have keys to access washer/dryer coin receptacles.
- Bulletin boards must be checked to ensure required Rural Development posters/forms are displayed.
- Prior management contact information displayed on bulletin board in building (b) (6).
- Exterior sign has prior management name and contact information.
- Washing machines and/or dryers need to be serviced.
- Building (b) (6) maintenance room door needs to be repaired.
- Building (b) (6) maintenance room door needs a handle on the inside.

USDA is an equal opportunity provider, employer, and lender.

**000024**

- Water backflow device, in Building [REDACTED] maintenance room, has not been tested since September 24,2020.

There may be additional findings/concerns that were not detected at time of inspection.