



February 24, 2017

**Cornerstone Charter Academy
Monthly Construction Progress Report
Reporting Period: January, 2017**

Prepared For:

Public Financing Authority Taxable Education Revenue Bonds
Series 2016A and Series 2016B
Dated March 3, 2016

The attached pay application is the final one for the project, with all punch items completed, contingency credited to the Owner, and retainage released to the contractor. The project was completed on schedule. Award of final CO will require all seeding to grow to acceptable level in the spring.

Description	As stated in Appendix A	Status as of 1/31/17
4-Story Renovation Schedule	Completed	TCO – 8/3/16, Substantial Completion 8/3/2016
Gymnasium Schedule	December 2016	TCO and Substantial Completion 12/22/16
Construction Contract GMP	\$7,357,167	\$7,464,093.00
Change Orders - Approved	Change orders 1,2,3,4,5,6,7,8,9	\$106,926.00
Pending Change Orders	None	Note: \$108,000 for LED light fixtures will be offset by Duke Energy rebate program.
Construction Contingency	See CO#9 – Contingency has been credited to Owner	

Attachments:

Project Schedule; Contractor Pay Application #12; Change order # 9 Dated 1/24/17

For Cornerstone Charter Academy:

Peter F. Marsh
Vice President
Workplace Strategies Inc.
501 North Liberty Street
Winston-Salem, NC 27101



January 26, 2017

Mr. Rick Ball
Bradley & Ball Architects
5921-H West Friendly Ave.
Greensboro, NC 27410

Re: Cornerstone Charter Academy
Landmark Builders Project #PS0115228
January Pay Application #12

Dear Mr. Ball:

Please find enclosed one copy of our AIA Application and Certificate for Payment #12 in the amount of **\$468,038.40** for the period through January 31, 2017 in regards to the Cornerstone Charter Academy project located in Greensboro, North Carolina. Payment is due on February 10, 2017.

Please contact me should you have any questions regarding the attached.

Sincerely,

LANDMARK BUILDERS

Kim Givens
Project Coordinator

Enclosures

cc: File
Accounting

NORTH CAROLINA

CONTRACTOR'S FINAL RELEASE AND LIEN WAIVER

GUILFORD COUNTY

CONTRACTOR: **LANDMARK BUILDERS OF THE TRIAD, INC.**

OWNER: **CORNERSTONE CHARTER ACADEMY**

PROJECT AND PROPERTY DESCRIPTION: Cornerstone Charter Academy Phase I & Gym Addition
7800 Airport Center Drive, Greensboro, NC

EFFECTIVE DATE: Period Ending January 31, 2017

Contractor, to induce Owner to pay the sum of \$ 468,038.40, which amount is agreed by each of said parties to constitute the full amount due and owing to Contractor for all labor, materials and/or services provided by Contractor on the Project,

HEREBY WAIVES AND RELEASES all claims, demands, debts and causes of action at law, in equity, under contract, in tort or otherwise, that Contractor has or may have against Owner or its Lender for labor, materials or services provided by Contractor on the Project prior to the effective date of this Final Release and Lien Waiver. Use of the term "Owner" shall be deemed to mean and refer to the Owner and its parent, affiliates, agents, representatives, employees, directors, lenders, and all those acting on their behalf.

FURTHERMORE, Contractor, for itself and any person or entity with which it has contracted for any portion of the labor or materials supplied pursuant to the undersigned's subcontract referenced above or claiming under or through the undersigned, WAIVES, RELEASES AND DISCHARGES all liens, statutory or otherwise, whether on funds owed to any person or against the property where the Project is located, all security interests, and all guarantees or bonds securing payment for labor, materials, supplies, equipment, services or other work provided by Contractor or anyone claiming under or through Contractor on the Project prior to the date of this Final Release and Lien Waiver.

This Final Release and Lien Waiver is given in consideration for and is conditional upon actual payment of the above-referenced amount, which shall be a full and complete satisfaction of any and all claims by Contractor for its work on the Project.

This Final Release and Lien Waiver protects and inures to the benefit of Owner, its partners, parents, affiliates, officers, directors, employees, guarantors, sureties, title insurers, lenders, successors and assigns.

This Final Release and Lien Waiver is binding on Contractor's successors, assigns, delegees, and those in privity with Contractor. Contractor certifies and testifies that all employees, laborers, suppliers and subcontractors employed by Contractor and its subcontractors and suppliers in connection with the Project have been fully paid (or will be fully paid out of the proceeds of this final payment) and that all bills and debts, including

taxes, due on the above-referenced effective date for labor, services, materials, supplies, equipment or utilities furnished in connection with the Project have been fully paid, and that no obligations, legal, equitable or otherwise, are owed by Contractor or its subcontractors and suppliers for work on the Project prior to the above-referenced effective date.

Contractor agrees to indemnify against and hold harmless Owner from any and all liens, losses, damages or expenses, including attorneys' fees, incurred by Owner after the effective date arising by reason of any claim by any person that Contractor and its subcontractors or suppliers have not paid debts incurred in connection with the Project.

Contractor has fully reviewed the terms and conditions of this Final Release and Lien Waiver, is fully informed with respect to its legal effect, and has voluntarily chosen to accept and execute it.

IN WITNESS WHEREOF, the undersigned, by its duly authorized agent, hereby executes this Final Release and Lien Waiver as of the date above written.

CONTRACTOR:

LANDMARK BUILDERS OF THE TRIAD, INC.

By: _____

Pete Smith

Title: _____

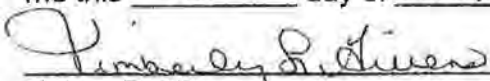
Project Manager

NORTH CAROLINA

Forsyth

COUNTY

Sworn to and subscribed before
me this 26th day of January



Notary Public

My Commission Expires: 8/22/19



APPLICATION AND CERTIFICATE FOR PAYMENT AIA DOCUMENT G702 (Instructions on reverse side) PAGE ONE OF PAGES

TO OWNER: Cornerstone Charter Academy
2535 New Garden East
Greensboro, NC 27455

PROJECT: Cornerstone Charter Academy
7800 Airport Center Drive
Greensboro, NC 27455

APPLICATION NO.: PS0115228-000 Distribution to:
PERIOD TO: 1/31/2017 ☐ OWNER
PROJECT NOS.: PS0115228 ☐ ARCHITECT
☐ CONTRACTOR
CONTRACT DATE: ☐
INVOICE ID: 20959

FROM CONTRACTOR: Landmark Builders
3520 Triad Court
Winston-Salem, NC 27107

VIA ARCHITECT:

CONTRACT FOR: Landmark Builders of the Triad, Inc.

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM\$ 7,357,167.00

2. Net change by Change Orders\$ 106,926.00

3. CONTRACT SUM TO DATE (Line 1 + 2)\$ 7,464,093.00

4. TOTAL COMPLETED & STORED TO DATE\$ 7,464,093.00
(Column G on G703)

5. RETAINAGE:

a. 0.00 % of Completed Work\$ 0.00
(Columns D + E on G703)

b. 0.00 % of Stored Material\$ 0.00
(Column F on G703)

Total Retainage (Line 5a + 5b or
Total in Column I of G703)\$ 0.00

6. TOTAL EARNED LESS RETAINAGE\$ 7,464,093.00
(Line 4 less Line 5 Total)

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT
(Line 6 from prior Certificate)\$ 6,996,054.60

8. CURRENT PAYMENT DUE\$ 468,038.40

9. BALANCE TO FINISH, INCLUDING RETAINAGE
(Line 3 less Line 6)\$ 0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	283,986.00	
Total approved this Month	36,405.00	-213,465.00
TOTALS	320,391.00	-213,465.00
NET CHANGES by Change Order	106,926.00	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Landmark Builders

By: [Signature] Date: January 26, 2017

State of: Pete Smith, Project Manager
County of: North Carolina
Subscribed and sworn to before
me this 26th day of January, 2017

Notary Public: [Signature]
My Commission expires: August 22, 2019



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED\$ 468,038.40

(Attach explanation if amount certified differs from the amount applied for. Initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT: BRADLEY & BAIL ARCH.

By: [Signature] Date: 1/26/17

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

See Instructions on reverse side.

PAGE 2 OF 3 PAGES

APPLICATION AND CERTIFICATE FOR PAYMENT,
containing Contractor's signed Certification, is attached.
In tabulations below, amounts are stated to the nearest dollar.
Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO.: P50115228-0012
APPLICATION DATE: 01/26/17
PERIOD TO: 01/31/17
ARCHITECT'S PROJECT NO.: P50115228

A	B	C	D	E	F	G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D+E+F)	%(G ÷ C)	BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE) RATE)
			FROM PREVIOUS APPLICATION (D ÷ E)	THIS PERIOD					
1	General Conditions	510,470.00	510,470.00	-	-	510,470.00	100.00%	-	-
2	Permits	19,367.00	9,370.00	9,997.00	-	19,367.00	100.00%	-	-
3	Pre-Construction Services	25,000.00	25,000.00	-	-	25,000.00	100.00%	-	-
4	Demolition	258,561.00	258,561.00	-	-	258,561.00	100.00%	-	-
5	Site Work	507,707.00	507,707.00	-	-	507,707.00	100.00%	-	-
6	Concrete	130,167.00	130,167.00	-	-	130,167.00	100.00%	-	-
7	Masonry	781,167.00	781,167.00	-	-	781,167.00	100.00%	-	-
8	Steel	203,359.00	203,359.00	-	-	203,359.00	100.00%	-	-
9	Carpentry	38,052.00	38,052.00	-	-	38,052.00	100.00%	-	-
10	Millwork	427,205.00	373,396.00	53,809.00	-	427,205.00	100.00%	-	-
11	Caulking	22,300.00	22,300.00	-	-	22,300.00	100.00%	-	-
12	Dampproofing	15,000.00	15,000.00	-	-	15,000.00	100.00%	-	-
13	Fireproofing	99,999.00	99,999.00	-	-	99,999.00	100.00%	-	-
14	Roofing	134,360.00	134,360.00	-	-	134,360.00	100.00%	-	-
15	Doors & Hardware	194,070.00	194,070.00	-	-	194,070.00	100.00%	-	-
16	Windows & Glass	41,150.00	41,150.00	-	-	41,150.00	100.00%	-	-
17	Overhead & Specialty Doors/Dock Equipment	3,480.00	3,480.00	-	-	3,480.00	100.00%	-	-
18	Drywall, Metal Studs & Acoustical Ceilings	518,177.00	518,177.00	-	-	518,177.00	100.00%	-	-
19	Floor Covering	356,540.00	333,680.00	22,860.00	-	356,540.00	100.00%	-	-
20	Paint & Wallcovering	93,400.00	93,400.00	-	-	93,400.00	100.00%	-	-

CONTINUATION SHEET

See Instructions on reverse side.

PAGE 3 OF 3 PAGES

APPLICATION AND CERTIFICATE FOR PAYMENT,
containing Contractor's signed Certification, is attached.
In tabulations below, amounts are stated to the nearest dollar.
Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO.: PS0115228-0012
APPLICATION DATE: 01/26/17
PERIOD TO: 01/31/17
ARCHITECT'S PROJECT NO.: PS0115228

ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D+E+F)		BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE) RATE
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD			% (G ÷ C)		
21	Toilet Partitions, Accessories & Specialties	95,837.00	95,837.00	-	-	95,837.00	100.00%	-	-
22	Gym Equipment	133,752.00	111,800.00	21,952.00	-	133,752.00	100.00%	-	-
23	Canopies	11,200.00	11,200.00	-	-	11,200.00	100.00%	-	-
24	Plumbing	420,240.00	420,240.00	-	-	420,240.00	100.00%	-	-
25	HVAC	995,050.00	995,050.00	-	-	995,050.00	100.00%	-	-
26	Fire Protection	131,022.00	131,022.00	-	-	131,022.00	100.00%	-	-
27	Electrical	577,250.00	577,250.00	-	-	577,250.00	100.00%	-	-
28	Taxes, Bonds, & Insurance	178,755.00	178,755.00	-	-	178,755.00	100.00%	-	-
29	Contractor's Fee (3.25%)	220,244.00	216,788.00	3,456.00	-	220,244.00	100.00%	-	-
30	Contingency	214,286.00	77,890.00	136,396.00	-	214,286.00	100.00%	-	-
31	Change Order #1	92,381.00	92,381.00	-	-	92,381.00	100.00%	-	-
32	Change Order #2	32,734.00	32,734.00	-	-	32,734.00	100.00%	-	-
33	Change Order #3	67,340.00	67,340.00	-	-	67,340.00	100.00%	-	-
34	Change Order #4	5,012.00	5,012.00	-	-	5,012.00	100.00%	-	-
35	Change Order #5	33,782.00	33,782.00	-	-	33,782.00	100.00%	-	-
36	Change Order #6	32,477.00	18,119.00	14,358.00	-	32,477.00	100.00%	-	-
37	Change Order #7	20,260.00	6,203.00	14,057.00	-	20,260.00	100.00%	-	-
38	Change Order #8	36,405.00	-	36,405.00	-	36,405.00	100.00%	-	-
39	Change Order #9	(213,465.00)	-	(213,465.00)	-	(213,465.00)	100.00%	-	-
	TOTAL VALUE	7,464,093.00	7,364,268.00	99,825.00	-	7,464,093.00	100.00%	-	-

EXHIBIT C

FORM OF PROJECT FUND
REQUISITION CERTIFICATE

Request No. 12

Date: January 26, 2017

PROJECT FUND REQUISITION CERTIFICATE

TO: U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE (THE "TRUSTEE"), UNDER THE INDENTURE OF TRUST, DATED AS OF MARCH 1, 2016, BETWEEN PUBLIC FINANCE AUTHORITY (THE "ISSUER") AND THE TRUSTEE, AND THE LOAN AGREEMENT, DATED AS OF MARCH 1, 2016 (THE "LOAN AGREEMENT"), BETWEEN THE ISSUER AND THE BORROWER (AS DEFINED THEREIN).

The undersigned Authorized Representative of the Borrower hereby requests that the following amounts be transferred to the following payees for the following Costs of the Project (as defined in the Loan Agreement) (the "Costs")

<u>Payee</u>	<u>Amount</u>	<u>Description</u>	<u>Wiring Instructions</u>
Landmark Builders of the Triad, Inc.	<u>\$468,038.40</u>		

The undersigned Authorized Representative of the Borrower hereby states and certifies that:

(i) these Costs of the Project were properly incurred in acquiring constructing, improving or equipping the Project;

(ii) these Costs of the Project are valid costs under the Act;

(iii) no part of these Costs has been included in any other Requisition Certificate previously filed with the Trustee under the provisions of the Indenture or reimbursed to the Borrower from Series 2016 Bond Proceeds;

(iv) no Event of Default currently exists (or with the passage of time, will exist) under the Borrower Documents. [and]

(v) [with respect to the final disbursement: the Project were completed on _____, and have been acquired, constructed/renovated and equipped by the Borrower in substantial compliance with the plans and specifications relating thereto.]

CORNERSTONE CHARTER ACADEMY: A
CHALLENGE FOUNDATION ACADEMY,
INC.

Cornerstone Charter Academy: CFA
Scot Conklin
Vice President - Board of Directors

By 
Authorized Representative

Name: PETER F. MARSH

Title: OWNER'S REPRESENTATIVE

The Architect (as defined in the Loan Agreement) certifies that it has reviewed and agrees with the representations of the Borrower set forth in clauses (i), (iii) [and (v)] above.

BRADLEY & BAIL ARCH.

By 

Name: RICARDO T. BAIL

Title: VICE. PRES. - ARCA



January 24, 2017

Mr. Rick Ball
Bradley & Ball Architects
5921-H West Friendly Ave.
Greensboro, NC 27410

Re: Cornerstone Charter Academy
Landmark Builders Project #PS0115228
AIA Contract Change Order #9

Dear Mr. Ball:

Please find attached our AIA Contract Change Order #9 for the above referenced project. Please sign and forward to Owner for execution.

Thank you for your prompt attention to this request. Contact me should you have any questions.

Sincerely,

LANDMARK BUILDERS

A handwritten signature in black ink, appearing to read 'Kim Givens', is written over the printed name.

Kim Givens
Project Coordinator

Enclosures

cc: File
Accounting

CHANGE ORDER

OWNER
ARCHITECT
CONTRACTOR
FIELD
OTHER

AIA DOCUMENT G701

PROJECT: Cornerstone Charter Academy
(Name and address) 7800 Airport Center Drive
Greensboro, NC 27409

TO CONTRACTOR: Landmark Builders of the Triad
(Name and address) 3520 Triad Court
Winston-Salem, NC 27107

CHANGE ORDER
NUMBER: 009
DATE: 1/24/17

ARCHITECT'S PROJECT NO:
CONTRACT DATE: 2/5/16
CONTRACT FOR: General
Construction

The Contract is changed as follows:

See Landmark Builders' Contract Change Order #9 document herein for full description of change order.

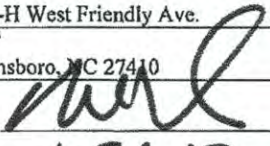
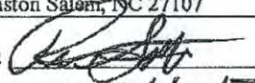

Not valid until signed by the Owner, Architect, and Contractor.

The original (Contract Sum) (Guaranteed Maximum Price) was	\$7,357,167.00
Net change by previously authorized Change Orders	\$320,391.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$7,677,558.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (<u>Unchanged</u>) by this Change Order in the amount of	<\$213,465.00>
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be	\$7,464,093.00

The Contract Time will be (~~increased~~) (~~decreased~~) (unchanged) by Zero (0) days.
The Date of Substantial Completion of the date of the Change Order therefore is

- Phase I (Existing Building Renovation) 8-29-16
- Phase II (Gym Addition) 12-19-16
- Phase III (Ball Fields) 8-29-16

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

Bradley & Ball Architects ARCHITECT	Landmark Builders of the Triad CONTRACTOR	Cornerstone Charter Academy OWNER
5921-H West Friendly Ave. Address	3520 Triad Court Address	2535 New Garden Rd. East Address
Greensboro, NC 27410	Winston Salem, NC 27107	Greensboro, NC 27455
BY: 	BY: 	BY: 
DATE: 1-26-17	DATE: 1-24-17	DATE: 1/26/17



LANDMARK

We Build Confidence.

Date Created: 1/24/2017

Last Modified: 01/24/2017 9:23 AM

3520 TRIAD COURT, WINSTON-SALEM, NC 27107

TELEPHONE: (336) 784-2000 FAX: (336) 784-2014

CONTRACT CHANGE ORDER #: 009

Version 2014.0103

OWNER: Cornerstone Charter Academy
2535 New Garden Road East
Greensboro, NC 27455

PROJECT #: 0115228

PROJECT NAME: Cornerstone Charter Academy

FOR: Scot Conklin

LANDMARK BUILDERS IS DIRECTED TO MAKE THE FOLLOWING CHANGES TO THE CONTRACT:

Description of Changes	Amount
<u>PCO #: 055p</u> <u>For: Adjusted Contract Amount</u>	
Adjust final contract amount.	(\$284,620.00)
Final Construction Cost (Base Contract) = \$6,849,924	
Base Contract Fee (3.25%) = \$222,623	
Final Construction Cost Plus 3.25% Fee = \$7,072,547	
Total Value of Change Orders #1-8 = \$320,391	
Estimated Total Construction Cost plus Fee = \$7,392,938	
Current Contract Amount Through CO #8 = \$7,677,558	
Contract Amount Remaining = \$284,620	
25% Split Savings = \$71,155	
Final Contract Amount = \$7,464,093	
Final Savings to Owner = \$213,465	
Contract amount may be adjusted in the future for any additional change order requests.	
Labor Burden, Insurance & Taxes	\$0.00
Overhead & Profit	\$71,155.00

CONTRACT TIME WILL
REMAIN UNCHANGED

ORIGINAL CONTRACT AMOUNT:	\$7,357,167
PREVIOUS AUTHORIZED CHANGE ORDERS:	\$320,391
CONTRACT AMOUNT PRIOR TO THIS CHANGE ORDER:	\$7,677,558
CONTRACT WILL BE DECREASED BY:	(\$213,465)
REVISED CONTRACT AMOUNT:	\$7,464,093

OWNER APPROVAL

LANDMARK BUILDERS APPROVAL

COMPANY Cornerstone Charter Academy: CFA

SIGNATURE

Pete Smith, Project Manager - Electronic Signature

SIGNATURE

DATE OF ACCEPTANCE 1/26/17

DATE OF ACCEPTANCE