



MEMORANDUM

November 22, 2016

TO: All Interested Parties of MSHDA's Gap Financing Program

FROM: John A. Hundt, Housing Development Manager

SUBJECT: Sixth Round Gap Financing Program – Initial Threshold Assessment Rankings

Initial Threshold Assessment Rankings: The attached spreadsheet represents the initial threshold phase rankings of proposals remaining in the Gap Financing Program. Each proposal was ranked based on the combination of the evaluation criteria identified within the Gap Financing Program. The criteria included the percentage of gap funding to hard debt, the amount of gap funding per unit and the projected permanent Tax-Exempt loan. The aggregate gap funding needs of the top nine shaded proposals make up almost \$20 million of the \$23.6 million made available. The next proposal's need exceeds the remaining almost \$3.7 million available. Therefore, only those nine transactions are being invited to the Commitment Phase of the lending process.

Thirteen transactions originally submitted applications under this funding round, but only eleven proposals submitted packages during the Threshold Phase. The sponsors of the other two proposals withdrew their application for one reason or another, while one other proposal was not accepted at this time. Final ranking will occur during the Commitment Phase.

If you have any questions please contact John Hundt at (517) 241-7207.

Attachment

* = Accelerated Proposals

Table 1

Proposals / Location / Sponsors			Proforma Data				Ranking Factors			Deficit	Units
Project Name	Location	Sponsor Contact	Projected Permanent Tax Exempt Loan	Projected Tax Exempt Construction Loan	Total Gap Funds Needed	Existing Reserves	Overall Gap to Hard Debt Ratio	Net Gap Funding to Hard Debt Ratio	MSHDA Projected Per Unit Gap Funding	Additional Gap Unaccounted For	Total Units
Burton Place *	Burton	JRC Burton Preservation LDHA, LLC	\$13,900,953	\$0	\$0	\$0	0.00%	0.00%	\$0		200
Adams Park *	Grand Rapids	Adams Park Housing Corporation	\$2,319,725	\$6,931,573	\$0	\$0	0.00%	0.00%	\$0		188
Village Center *	Detroit	JRC Burton Preservation LDHA, LLC	\$13,440,916	\$0	\$569,679	\$0	4.24%	4.24%	\$2,243		254
Bethany Villas I & II	Troy	Villa Housing Association, Inc. & Bethany Villa Housing Association, Inc.	\$11,467,322	\$17,737,800	\$4,307,590	\$0	37.56%	37.56%	\$18,099		238
Ambrose Ridge *	Grand Rapids	MHT Housing, Inc	\$4,047,362	\$5,852,279	\$1,592,548	\$0	39.35%	39.35%	\$18,959		84
Gardenview Estates Phase 5A/	Detroit	Norstar Development USA, LP	\$2,386,580	\$10,239,274	\$986,254	\$0	41.32%	41.32%	\$10,168		97
Saginaw Westchester Village	Saginaw	Saginaw Westchester Village, Inc.	\$7,047,752	\$11,134,653	\$2,954,514	\$0	41.92%	41.92%	\$16,787		176
Kamper and Stevens *	Detroit	Kamper and Stevens LDHA LLC	\$8,247,890	\$12,360,042	\$3,515,090	\$0	42.62%	42.62%	\$21,304		165
The Village at Rosy Mound	Grand Haven	RW Properties I LLC	\$12,842,126	\$0	\$5,998,362	\$0	46.71%	46.71%	\$51,710		116
University Meadows	Detroit	Develop Detroit, Inc.	\$6,850,005	\$12,184,525	\$6,026,293	\$182,563	87.98%	85.31%	\$42,969		136

Totals =	\$82,550,631	\$76,440,146	\$25,950,330	\$182,563	\$0	1,654
Shaded Totals =	\$75,700,626	\$64,255,621	\$19,924,037	\$0	\$0	1,518
Gap Funding Available =			\$23,608,141			
Balance Available =			\$3,684,104			

Round 6 Proposals Withdrawn or not Accepted											
Proposals / Location / Sponsors			Proforma Data				Ranking Factors			Deficit	Units
Project Name	Location	Sponsor Contact	Projected Permanent Tax Exempt Loan	Projected Tax Exempt Construction Loan	Total Funds Needed	Existing Reserves	Overall Gap to Hard Debt Ratio	Net Gap Funding to Hard Debt Ratio	MSHDA Projected Per Unit Gap Funding	Additional Gap Unaccounted For	Total Units
Clio Woods	Flint	21st Century Communities, Inc.	\$1,941,237	\$2,411,813	\$697,871	\$0	35.95%	35.95%	\$8,308		84
Ashton Ridge Apartments	Jackson	Eagle Point Development, LLC	\$5,160,231	\$6,519,821	\$3,066,608	\$0	59.43%	59.43%	\$21,296		144
Marwood Apartments	Detroit	Develop Detroit, Inc.	\$7,828,695	\$9,781,726	\$4,229,415	\$0	54.02%	54.02%	\$38,802		109