



MEMORANDUM

DATE: February 20, 2015

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

FROM: John A. Hundt, Housing Development Manager

SUBJECT: Fourth Round - Gap Financing Program – Threshold Assessment Rankings

Threshold Assessment Rankings: The attached spreadsheet represents the threshold phase rankings of the 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 seven transactions remaining at the end of this funding round made up nearly \$23 million in requests, almost \$5 million more than was originally made available. However, due to a reallocation of some MSHDA funding sources, we are now making additional funding available in order to meet the projected \$22,758,142 in gap funding needs identified on the spreadsheet of the seven transactions. Therefore all seven remaining proposals have been invited to the Commitment Phase for processing.

Ten transactions originally submitted applications under this funding round. Eight proposals submitted packages during the Threshold Phase, but only seven proposals remain. The sponsors of the other three proposals either withdrew their application or the proposals were not acceptable for one reason or another. Final ranking will occur during the Commitment Phase.

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

Attachment

Round 4 NOFA Pipeline - Threshold Assessment Rankings

Proposals / Location / Sponsors			Proforma Data					Ranking Factors		Units
Project Name	Location	Sponsor Contact	Projected Permanent Tax Exempt Loan	Projected Tax Exempt Construction Loan	Total Gap Funds Projected	Existing Reserves	Overall Gap to Hard Debt Ratio	Net Gap Funding to Hard Debt Ratio	Projected Per Unit Gap Funding	Total Units
Marsh Pointe	Haslett	Jeffrey Gates	\$4,312,014	\$4,635,406	\$1,640,626	\$409,371	38.05%	28.55%	\$11,401	108
Marsh Ridge I & II	Grand Rapids	Craftsmen Development LLC	\$5,920,244	\$6,268,000	\$3,200,000	\$330,616	54.05%	48.47%	\$19,129	150
Village Manor	Sturgis	Gleason Amboy	\$4,790,514	\$7,127,135	\$3,004,622	\$658,384	62.72%	48.98%	\$19,231	122
Bracken Woods Apartments	Midland	Lockwood Development LLC	\$4,653,751	\$5,169,485	\$2,472,603	\$38,193	53.13%	52.31%	\$23,408	104
Water Street Flats	Ypsilanti	Herman & Kittle Properties	\$4,801,788	\$6,544,800	\$2,553,507	\$0	53.18%	53.18%	\$31,919	80
Riverfront *	Lansing	First Housing	\$14,489,324	\$15,504,063	\$7,732,784	\$0	53.37%	53.37%	\$27,816	278
Otsego Apartments *	Jackson	First Housing	\$3,435,138	\$4,942,592	\$2,154,000	\$0	62.70%	62.70%	\$28,342	76
Overall Totals =			\$42,402,773	\$50,191,481	\$22,758,142	\$1,436,564				918

* Level One Proposals