



MEMORANDUM

March 21, 2017

TO: All interested parties of the MSHDA's Gap Financing Program

FROM: John A. Hundt
Housing Development Manager

SUBJECT: Round 6 Gap Financing Program – Preliminary Assessment Projections

Preliminary Assessment Projections: The attached Preliminary Assessment Projections Worksheet shows that we had over \$13.5 million in gap funding requests between eight proposals submitted under the 7th Round of the Gap Financing Program. Seven of the proposals have been invited to the Threshold Phase, although only those proposals in the shaded area fit within the funding available at this time. The sponsors of the unshaded proposals will need to decide if they will be able to get their MSHDA gap funding needs to a level where their proposal is ranked as one of the highest, and whose aggregate total MSHDA gap funding does not exceed the \$9 million of funding available under this NOFA. All applicants choosing to continue to compete for the \$9 million must submit a complete Threshold Review Phase package to the Authority by May 15, 2017.

Applicants should be aware that development costs are expected to change as the HDO processes the application based on the Threshold package to be submitted. Rankings could change considerably between now and the end of the Threshold process based on changes in sources and uses, market study results, CNA outcomes, and decisions you as the sponsor make. So although a proposal may not currently rank at the top, the sponsor will have the opportunity to turn the outcome around.

The competitive Threshold ranking will occur during the Threshold Review Phase of our underwriting process based on the criteria identified in the Gap Funding Program notice, and will be posted at that time. Final ranking will occur during the Commitment Phase.

If you have any questions regarding the above or about Preliminary Assessment Projections please contact John Hundt at (517) 241-7207.

Attachment

