



DATE: January 30, 2020

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

FROM: John A. Hundt, Housing Development Manager

SUBJECT: Round 11 HOME/MRF Gap Financing Program – **Updated** Application Submission Phase Ranking Projections

Attached are the **updated** rankings for the Application Submission stage of MSHDA's HOME/MRF Gap Financing Program for Round 11. The Application Submission Rankings Worksheet includes three tables:

- **Table #1** is made up of the proposals with soft to hard debt ratios greater than 20% and are therefore competing for the \$10.5 million in gap funds made available for Round 11. Projections indicated that there is enough funding to complete all seven of the remaining transactions only. Please be advised that although development costs are not expected to change significantly going forward, it is anticipated that there will be no upward modifications of planned gap financing award amounts following these rankings. In addition, proposals may not be altered in any fashion that would improve its ranking, with the exception of achieving a soft to hard debt ratio of less than 20%.

Only those proposals ranked the highest, and whose aggregate total gap funding does not exceed the amount of the almost \$10.5 million in gap funding available will be awarded gap funding in the competitive funding round.

- **Table #2** is made up of the proposals that have a soft to hard debt ratio of 20% or less. As long as these proposals are able to maintain the ratio of 20% or less, they will be funded outside of the Gap Funding Program allocation. Please be advised, that no additional MSHDA gap funding will be offered to the proposals listed in this table that puts them above a 20% soft to hard debt ratio in this funding round.
- **Table #3** is made up of the lone proposal under the HOME CHDO Set-Aside.

This notification should not be construed as a financing commitment of any kind by the Authority. Commitment gap funding needs and final awards will be determined as the Authority completes its underwriting reviews.

If you have any questions regarding the above or about the ranking worksheet, please contact John Hundt at (517) 241-7207.

Attachment

Table #1

Proposals / Location / Sponsors			Proforma Data				Ranking Factors			Units
Project Name	City	Sponsor Contact	Projected	Projected Tax	Total Gap Funds	Existing	Overall Gap to	Net Gap	MSHDA	Total
			Permanent Tax Exempt Loan	Exempt Construction Loan				Needed	Reserves	
Mt. Vernon Park	Lansing	Lansing Housing Commission	\$9,086,785	\$14,558,685	\$1,881,584		20.71%	20.71%	\$13,440	140
Pine Ridge Apartments	Marquette	Marquette Housing Commission	\$4,702,849	\$9,221,229	\$980,000		20.84%	20.84%	\$7,000	140
Lake Superior Village	Marquette	Marquette Housing Commission	\$7,167,269	\$12,737,994	\$1,513,128		21.11%	21.11%	\$12,933	117
Greenbriar	Greenville	Hope Network Housing Development	\$2,413,921	\$3,203,171	\$511,235		21.18%	21.18%	\$12,781	40
Brentwood	Belding	Hope Network Housing Development	\$2,858,026	\$3,719,758	\$650,000		22.74%	22.74%	\$13,000	50
Union Suites at Michael	Wyoming	Nick Lovelace	\$9,876,940	\$9,876,940	\$2,617,900		26.51%	26.51%	\$25,920	101
Attwood Gardens	Wayne	Wallick-Hendy Development, LLC	\$5,968,126	\$7,987,556	\$1,761,785		29.52%	29.52%	\$17,618	100

Totals =	\$42,073,916	\$61,305,333	\$9,915,632							688
Shaded Totals =	\$42,073,916	\$61,305,333	\$9,915,632							688
Available Gap Funding Sources =			\$10,708,933							
Remaining Balance =			\$793,301							

Table #2

Proposals / Location / Sponsors			Proforma Data				Ranking Factors			Units
Project Name	City	Sponsor Contact	Projected	Projected Tax	Total Gap Funds	Existing	Overall Gap to	Net Gap	MSHDA	Total
			Permanent Tax Exempt Loan	Exempt Construction Loan				Needed	Reserves	
Edgewood Village	East Lansing	Edgewood Housing Partners, LP	\$14,930,203	\$14,930,203	\$2,218,625		14.86%	14.86%	\$16,434	135
440 Burdick	Kalamazoo	PS Equities Inc.	\$5,258,539	\$9,625,076	\$977,656		18.59%	18.59%	\$12,070	81
Cliffview	Rochester Hills	Higgins Group, LLC	\$7,382,725	\$7,382,725	\$1,400,000		18.96%	18.96%	\$11,111	126
825 Portage	Kalamazoo	PS Equities Inc.	\$7,302,618	\$10,050,249	\$1,419,744		19.44%	19.44%	\$14,197	100
Apartments at 28 West Phase 2	Wyoming	Magnus Capital Partners	\$18,947,849	\$18,947,849	\$3,739,747		19.74%	19.74%	\$19,683	190
12191 Felch Street	Holland	Magnus Capital Partners	\$13,508,558	\$13,508,558	\$2,700,000		19.99%	19.99%	\$23,684	114
530 Rose Street	Kalamazoo	PS Equities Inc.	\$5,301,455	\$6,997,836	\$1,059,760		19.99%	19.99%	\$16,559	64
Apple Ridge Apartments II	Kalamazoo	MHT Housing, Inc.	\$3,318,330	\$3,893,765	\$663,334		19.99%	19.99%	\$11,845	56
Carriage Place	Pontiac	Pontiac Housing Commission	\$10,358,820	\$19,504,087	\$2,070,728		19.99%	19.99%	\$8,849	234
Field St. /St. Paul Manor II	Detroit	Church of Messiah Housing	\$3,561,088	\$3,864,154	\$711,862		19.99%	19.99%	\$8,277	86
LaJoya Gardens	Detroit	Southwest Detroit Business Association, Inc.	\$1,468,571	\$4,266,081	\$293,690		20.00%	20.00%	\$10,489	28
Hartland Senior Living	Hartland	PIRHL Developers, LLC	\$30,089,633	\$30,089,633	\$6,017,626		20.00%	20.00%	\$41,217	146
Pine Oak	Wyoming	Craftsmen Development, LLC	\$5,101,572	\$5,468,176	\$2,422,500	\$1,402,013	47.49%	20.00%	\$8,035	127

Totals =	\$126,529,961	\$148,528,392	\$25,695,272							1,487
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Table #3

Proposals / Location / Sponsors			Proforma Data				Ranking Factors			Units
Project Name	City	Sponsor Contact	Projected	Projected Tax	Total Gap Funds	Existing	Overall Gap to	Net Gap	MSHDA	Total
			Permanent Tax Exempt Loan	Exempt Construction Loan				Needed	Reserves	
Savannah-Wilshire	Detroit	Savannah-Wilshire LDHA, LP	\$1,597,566	\$4,000,649	\$1,274,901		79.80%	79.80%	\$31,873	40

Totals =	\$1,597,566	\$4,000,649	\$1,274,901							40
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