



## MEMORANDUM

DATE: September 22, 2021

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

FROM: John A. Hundt, Housing Development Manager *JAH*

SUBJECT: Round 14 Gap Financing Program – Notice of Intent to Apply Ranking Projections

Attached are the initial rankings for the Notice of Intent stage of MSHDA's Gap Financing Program for Round 14. As shown in the attached rankings, almost \$24.4 million in gap funding was requested from 20 proposals submitted under this 14<sup>th</sup> Round of the Gap Financing Program.

The attached Notice of Intent to Apply Projections Worksheet includes two tables:

- **Table #1** is based on the applicant's initial projections.
- **Table #2** reflects projections by MSHDA staff that were based on correcting errors or making different assumptions that will need to be considered as an applicant chooses to continue processing or not.

Eighteen of the 20 proposals are being invited to the Application Submission Phase, and all eighteen are currently within the funding allocation available. All applicants choosing to continue to compete for the \$30 million must submit a complete Application Submission Phase package to the Authority by December 16, 2021.

Applicants should be aware that development costs are expected to change as MSHDA processes the application based on the Application package to be submitted to MSHDA by the December 16, 2021, deadline. Rankings could change considerably between now and the end of the Application submission process based on changes to things like sources and uses, market study results, and Capital Needs Assessment outcomes. Therefore, although we currently have enough funding to support each proposal gap funding requests may change as processing continues and bring the competition for the funding back into play.

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

Attachment

Table #1

Round 14 NOFA Pipeline - Notice of Intent to Apply Rankings - "Sponsor Projections"										
Proposals / Location / Sponsors				Proforma Data				Ranking Factors		Units
HDO	Project Name	City	Sponsor Contact	Projected	Projected Tax	Total Gap Funds	Existing	Net Gap	MSHDA	Total
				Permanent Tax Exempt Loan	Exempt Construction Loan			Needed	Reserves	
Karen	5800 LDHA LP	Detroit	Hubbard Farms Apartments LDHA LP	\$3,498,373	\$6,055,730	\$450,000	\$0	12.86%	\$11,250	40
JT	Clawson Manor	Clawson	CSI Support and Development Services	\$19,409,759	\$21,548,109	\$3,800,000	\$0	19.58%	\$15,139	251
JT	Division Ave. Apartments	Wyoming	Dwelling Place of Grand Rapids NPHC	\$7,772,492	\$7,772,492	\$600,000	\$0	7.72%	\$7,229	83
Ryan	Grandmont Rosedale Collaborative I	Detroit	Grandmont Rosedale Development Corpo	\$2,837,820	\$11,000,000	\$245,000	\$0	8.63%	\$5,833	42
Ryan	Horizon Point & Reitz Park Village (4%)	Manistee	Hollander Development Corporation	\$4,823,174	\$4,000,000	\$580,000	\$580,000	0.00%	\$0	97
Ryan	Hubbard Farms Apartments	Detroit	Hubbard Farms Apartments LDHA LP	\$3,154,686	\$7,140,000	\$300,000	\$0	9.51%	\$5,000	60
JT	Lake Huron Woods Phase 2 - Cottages (4%)	Fort Gratiot Townshij	Presbyterian Villages of Michigan	\$7,008,662	\$7,008,662	\$1,250,000	\$0	17.84%	\$31,250	40
JT	Richfield Apartments	Flint	TCS Property Management	\$13,256,600	\$20,903,906	\$1,590,792	\$0	12.00%	\$11,697	136
Charles	Lakewood	Holland Charter Tow	Scott Geerlings	\$21,692,244	\$21,692,244	\$3,600,000	\$0	16.60%	\$18,947	190
Karen	Manchester Place I	Highland Park	RAD Conversion Specialists, LLC	\$6,291,616	\$12,470,371	\$1,147,478	\$52,247	17.41%	\$7,606	144
Karen	Manchester Place II	Highland Park	RAD Conversion Specialists, LLC	\$3,288,942	\$4,342,000	\$1,147,478	\$123,087	31.15%	\$18,293	56
Ryan	Merrill Place II	Detroit	Merrill Development, LLC	\$4,269,171	\$4,269,171	\$637,000	\$0	14.92%	\$23,593	27
Karen	MidVilla Apartments	Middleville	Nate Heyboer	\$13,546,018	\$20,750,000	\$2,550,000	\$0	18.82%	\$17,586	145
Karen	Mystic View	Pullman	MHT Housing, Inc.	\$3,234,484	\$3,142,800	\$646,897	\$0	20.00%	\$16,172	40
Charles	Perdue Place (4%)	Pontiac	Community Housing Network, Inc.	\$2,561,312	\$6,000,000	\$500,000	\$0	19.52%	\$19,231	26
Ryan	Rosien Towers	Saginaw	RAD Conversion Specialists, LLC	\$2,305,772	\$8,600,000	\$450,000	\$0	19.52%	\$4,091	110
Karen	Southwest Properites	Detroit	MHT Housing, Inc.	\$4,586,742	\$6,928,171	\$992,684	\$0	21.64%	\$9,024	110
Karen	Trumbull Crossing	Detroit	Trumbull Crossing Detroit 2020 LDHA LP	\$14,995,901	\$15,506,201	\$2,852,450	\$1,502,450	9.00%	\$5,510	245
Ryan	Union at Silver Station	Kentwood	Kyle Bach	\$17,026,571	\$17,026,571	\$142,170	\$0	0.83%	\$935	152
Charles	Walter French (4%)	Lansing	1900 Cedar Development, LLC	\$1,598,369	\$3,711,665	\$904,061	\$0	56.56%	\$37,669	24
<b>Totals =</b>				<b>\$157,158,708</b>	<b>\$209,868,093</b>	<b>\$24,386,010</b>	<b>\$2,257,784</b>			<b>2,018</b>
<b>Gap Funding Avialable =</b>						<b>\$30,000,000</b>				

Table #2

Round 14 NOFA Pipeline - Notice of Intent to Apply Rankings - "MSHDA Projections"										
Proposals / Location / Sponsors				Proforma Data				Ranking Factors		Units
HDO	Project Name	City	Sponsor Contact	Projected	Projected Tax	Total Gap Funds	Existing	Net Gap	MSHDA	Total
				Permanent Tax Exempt Loan	Exempt Construction Loan			Needed	Reserves	
Karen	Manchester Place II	Highland Park	RAD Conversion Specialists, LLC	\$4,047,388	\$4,342,000	\$0	\$123,087	-3.04%	-\$2,198	56
Ryan	Horizon Point & Reitz Park Village (4%)	Manistee	Hollander Development Corporation	\$5,024,252	\$6,407,375	\$650,156	\$532,050	2.35%	\$1,218	97
Karen	Manchester Place I	Highland Park	RAD Conversion Specialists, LLC	\$8,824,565	\$12,470,371	\$720,000	\$52,247	5.57%	\$4,637	144
Karen	Trumbull Crossing	Detroit	Trumbull Crossing Detroit 2020 LDHA LP	\$14,856,492	\$15,403,002	\$2,927,490	\$1,284,343	9.06%	\$6,707	245
Ryan	Hubbard Farms Apartments	Detroit	Hubbard Farms Apartments LDHA LP	\$3,196,912	\$7,141,000	\$383,330	\$0	9.99%	\$6,389	60
JT	Lake Huron Woods Phase 2 - Cottages (4%)	Fort Gratiot Townshij	Presbyterian Villages of Michigan	\$8,102,951	\$8,102,951	\$813,000	\$0	10.03%	\$20,325	40
Ryan	Grandmont Rosedale Collaborative I	Detroit	Grandmont Rosedale Development Corpo	\$2,655,577	\$7,800,000	\$275,874	\$0	10.39%	\$6,568	42
Karen	5800 LDHA LP	Detroit	Hubbard Farms Apartments LDHA LP	\$3,645,177	\$6,079,291	\$486,752	\$0	11.35%	\$12,169	40
Ryan	Merrill Place II	Detroit	Merrill Development, LLC	\$4,185,034	\$5,168,854	\$625,000	\$0	14.93%	\$23,148	27
Ryan	Union at Silver Station	Kentwood	Kyle Bach	\$14,561,446	\$14,561,446	\$2,175,673	\$0	14.94%	\$14,314	152
JT	Clawson Manor	Clawson	CSI Support and Development Services	\$21,115,199	\$22,632,497	\$4,134,000	\$0	17.58%	\$16,470	251
Karen	Mystic View	Pullman	MHT Housing, Inc.	\$3,215,767	\$3,215,767	\$646,897	\$0	18.12%	\$16,172	40
Charles	Perdue Place (4%)	Pontiac	Community Housing Network, Inc.	\$2,456,549	\$6,000,000	\$471,926	\$0	19.21%	\$18,151	26
Charles	Lakewood	Holland Charter Tow	Scott Geerlings	\$20,932,614	\$20,932,614	\$4,100,948	\$0	19.59%	\$21,584	190
Ryan	Rosien Towers	Saginaw	RAD Conversion Specialists, LLC	\$2,281,496	\$8,239,241	\$494,101	\$0	19.66%	\$4,492	110
Karen	Southwest Properites	Detroit	MHT Housing, Inc.	\$3,800,800	\$6,799,308	\$1,841,942	\$0	20.00%	\$16,745	110
JT	Division Ave. Apartments	Wyoming	Dwelling Place of Grand Rapids NPHC	\$7,271,024	\$9,213,667	\$1,454,205	\$0	20.00%	\$17,521	83
Charles	Walter French (4%)	Lansing	1900 Cedar Development, LLC	\$1,643,459	\$3,711,665	\$904,061	\$0	53.01%	\$37,669	24
<b>Totals =</b>				<b>\$131,816,702</b>	<b>\$168,221,049</b>	<b>\$23,105,355</b>	<b>\$1,991,727</b>			<b>1,737</b>
<b>Available Gap Funding Sources =</b>						<b>\$30,000,000</b>				
<b>Remaining Balance =</b>						<b>\$6,894,645</b>				