LANSING HOUSING
COMMISSION

August 8, 2005

RECEIVED
AUG 0 8 2005

Low Income Housing Tax Credit Administrator,

We are submitting our application for low income housing tax credits at the 4% level to use in conjunction with MSHDA Tax Exempt Financing. We submitted our application for MSHDA Tax Exempt Financing through the TEAM advantage program in December 2004. Our application has been through the underwriting process and is being submitted at the August Board Meeting for final approval.

Unfortunately, we did not know that we had to submit a separate application for tax credits until last week. We assumed that the one application cover both areas since we were told that we automatically get 4% credit with the TEAM Advantage program. As a result, we are asking if you could please rush this application through the process. We are hoping to close and begin construction in October 2005.

Thank you so much for your help with this matter. Please contact me at 517.487.6550 if you need further information.

Sincerely,

Chris Stuchell
Executive Director
LANSING HOUSING COMMISSION

Michigan State Housing Development Authority

2005

Combined Application and Addenda for Rental Housing Programs

PROJECT NAME: Oliver Gardens

Check the box of all programs you are applying for:

☒ Low Income Housing Tax Credit Program – Addendum I (P.20)
Amount of Annual Tax Credit Requested*: 130,549

*If applying for additional credit, list additional amount only

☐ HOME Team Advantage – Addendum IV

☐ Special Needs Rental – Addendum III

☐ Taxable Bond Direct Loan – Addendum IV

☐ TEAM Tax-Exempt Direct Loan (50 or more units) – Addendum IV

☐ Modified Pass-through Tax-exempt Loan – Addendum V

☐ Section 236 Preservation Program – Addendum VII

☐ Section 202 Preservation Program – Addendum VII

Have you applied for or do you intend to apply for any MSHDA financing other than those marked above?

☒ Yes ☐ No

If Yes, which ones? Team Tax-Exempt Direct Loan

SECTION I – PROJECT IDENTIFICATION

PART A. PRIMARY CONTACT PERSON:

Name Chris Stuchell Title Executive Director
Organization Lansing Housing Commission
Street Address 310 Seymour Street
City Lansing State MI Zip 48933
Telephone # with Area Code 517-487-6550 Fax # with Area Code 517-487-6977
E-Mail Address: chriss@lanshc.org

PART B. PROJECT LOCATION

Project Name Oliver Gardens
Street Address 3117 South MLK Boulevard
City Lansing Township _____ County _____ State MI Zip 48910
Will this project be located in the city/village limits? ☒ Yes ☐ No

PART C. TYPE OF CONSTRUCTION (Check applicable category)

☒ New construction
☐ Acquisition and rehabilitation
NOTE For Projects Applying For Tax Credits: If this project consists of both new construction and acquisition/rehab, copy pages 17-20, break out acquisition/rehab costs, and complete two sets of project costs, one for acquisition/rehab and one for new construction.

SECTION II - SITE INFORMATION

PART A. TYPE OF DEVELOPMENT (Check all applicable)

☒ Multi-family Residential Rental	☐ Single Family	☐ Cooperative
☐ Transitional Housing	☐ Congregate Care	☐ Other, Describe:

PART B. TYPE OF UNITS (Check all applicable)

☒ Apartment	☐ Duplex	☐ Single Room Occupancy
☐ Townhome	☐ Semi-detached	☐ Detached Single Family
☐ Manufactured Home/Trailer Park		☐ Other, Describe:
Permanently Affixed? ☒ Yes ☐ No		

1. **Lease/Purchase:** Will the tenant have the option of buying the townhome or detached single family unit? (Attach as Exhibit 7) ☐ Yes ☒ No

PART C. LOCATION CHARACTERISTICS OF PROJECT

1. Location Data: (Can be obtained from local city or township office)

Is the project located in a Qualified Census Tract? (See Tab J)	☐ Yes	☒ No
*Census Tract # 26	County: Ingham	
State Senate District # 23	State House District # 68	Congressional District # 8

*** To search the internet for the census tract number, go to:**

1. **http://www.ffiec.gov**
2. **Geocoding/MappingSystem**

2. Political Jurisdiction: City/Township of Lansing
   Name and Title of CEO of Jurisdiction Mayor Tony Benavides
   Address City Hall 9th Floor 124 W. Michigan Ave.
   City Lansing State MI Zip 48933

3. Is the project to be located in an **eligible distressed area**? ☐ Yes ☒ No
   If Yes, list that area here: _____ (See Tab H)

4. Is the project to be located in an **Empowerment Zone, Enterprise Community** or **Renewal Community**?
   ☐ Yes ☒ No If Yes, list that area here: _____ (See Tab L)

5. Will the project be located within the boundaries of a **Renaissance Zone**? (See Tab M)
   ☐ Yes ☒ No If Yes, list that area here: _____ (Attach as Exhibit 18)

6. Land Control Type:
   ☒ Titleholder
   ☐ Option to Purchase - Expiry Date: _____
   ☐ Land Contract Vendee
   ☐ Long-term Lease - Expiry Date: _____
   ☐ Other
   Describe: _____

7. **Community Revitalization Plan:** Is the project located in a qualified census tract for which a community revitalization plan is in place? ☐ Yes ☒ No
   Can it be demonstrated that the proposed development contributes to the revitalization plan? ☐ Yes ☒ No
   (See Exhibit 20)

8. Developments with more than one building:
   ☒ Buildings are/will be on same tract of land.
   ☐ Buildings are/will not be on same tract of land, but will be financed pursuant to common plan.

PART D. SPACE USAGE

Land Area:	Square Feet: 162, 175	Acres: 3.72
# of Floors in Tallest Building: 1	☐ Elevator	☒ Non-Elevator
Number of Buildings which have Tax Credit Units: 6	Number of Buildings which do not have Tax Credit Units: 0/part of one bldg. has community space (Community Building/Accessory Building)	

Complete the following:

	Number of Units	Square Footage
Commercial Space*		0
Total Common Use Space **		450
Employee-Occupied/Manager's Unit ***	0	
Total # of LIHTC Units	30	21,420
Market Rate Units	0	
TOTAL:	30	21,870

FOR HOME FUNDING:		
Of the Units listed above, how many are:	Number of Units	Square Footage
HOME:	2	1,428
MSHDA:	30	21,420
Assisted:		

* Commercial space includes: store space, restaurant, etc.
** Common use space includes: clubhouse, leasing office, hallways, lobby, community building etc., which are used by the tenants for no charge.
(list employee occupied units separately in the space provided.)
*** Must be a full time employee at this development.

PART E. TENANT INFORMATION

Complete the following:	# of Designated Units	% of Total Units
1. Family		
2. Elderly	30	100%
3. Special Needs (Designated type below)		
a)		
b)		
c)		
4. Owner Occupied		
5. Employee Occupied		
6. Undesignated		
Total:	**30**	**100%**

NOTE: Buildings of four or fewer units may not be occupied by the owner or a party in interest of the owner.

PART F. SUPPORT SERVICES (Informational only, but mandatory to complete.)

Will any of the following support services be provided?

Meals	☒ Yes
Medical Transportation	☒ Yes
On-site Day Care	☐ Yes
On-site Counselors such as:	
Home Ownership and Repair	☐ Yes
Budget Counseling	☐ Yes
Resume Preparation	☐ Yes
Substance Abuse Counseling	☐ Yes
High School or College Completion	☐ Yes
Disability Service Advising	☒ Yes
Exercise or Aerobic Classes	☒ Yes
Swimming Classes	☐ Yes
On-site or Visiting Nurse	☒ Yes

Name of service provider: Tri-County Office of Aging and Community Mental Health Authority

Services will be:
☐ mandatory. (If mandatory, services must be included in rent.)
☒ optional.

Services will be provided:
☒ free or cost is included as part of rent.
☐ at a cost to the tenant, not included as part of rent.

SECTION III - OWNERSHIP / MANAGEMENT / DEVELOPMENT INFORMATION

PART A. SPONSOR INFORMATION (General Partner/Developer)

1. Legal Name of Sponsor LHC Nonprofit Development Corp. Taxpayer ID20-0442051
Street Address 310 Seymour Street
City Lansing State MI Zip 48933
Contact Person Chris Stuchell
Telephone # with Area Code 517-487-6550 Fax # with Area Code 517-487-6977
E-Mail Address: chriss@lanshc.org

PART B. OWNER INFORMATION (Limited Partnership)

1. Legal Name of Owner Oliver Gardens LLC Taxpayer ID
Street Address 310 Seymour Street
City Lansing State MI Zip 48933
Contact Person Chris Stuchell
Telephone # with Area Code 517-487-6550 Fax # with Area Code 517-487-6977
E-Mail Address: chriss@lanshc.org

FOR TAX CREDIT PROJECTS: Informational letters and documents requiring signatures will be sent to the contact person listed under Owner Information. Please make sure the name, street address, telephone number, and e-mail address are correct.

2. Type of Owner: (Check all that apply.)

☐ General Partnership	☐ Limited Partnership	☐ Individual
☐ Corporation	☐ Local Unit of Government	☒ Limited Dividend Housing Association Limited Partnership:
☒ Nonprofit	☐ CHDO:	☐ Joint Venture
☐ Other, Describe:		

3. Legal Status of Limited Partnership:

☒ Currently Exists.	Tax Year:	From: January 1	To: December 31
☐ To Be Formed.	Estimated Date:		
Accounting Method of Partnership:	☐ Cash	☐ Accrual	

4. Complete the following:

List Individuals/Organizations which Comprise the Ownership Entity	501(c)(3) or (4) or Wholly Owned Subsidiary	Soc. Sec. or Taxpayer ID	% of Ownership
LHC Non-Profit Development Corp.	X		99%
Chris Stuchell		386621793	1%

Voluntary Information for Government Monitoring Purposes:
The following information is requested by the Michigan State Housing Development Authority for statistical purposes and relates to the majority/controlling interest in the general partner(s) of the proposed development. Furnishing this information is optional. If you do not wish to furnish the following information, please initial below.

APPLICANT: I do not wish to furnish this information. (initials) _____

RACE/NATIONAL ORIGIN:

☐ Hispanic	☐ Asian or Pacific Islander	☐ Black
☐ Am. Indian or Alaskan Native	☐ Multiracial	☒ White

GENDER: ☐ Female ☒ Male

PART C. PARTICIPATION BY NONPROFIT ORGANIZATIONS

1. Will there be material participation in the project by a nonprofit organization?
   ☒ Yes.
   ☐ No.

2. Will there be participation in the project ownership by a nonprofit organization?
   ☒ Yes. Percent of Ownership 99% (To receive nonprofit points, there must be more than 50% Nonprofit, General Partner ownership)
   ☐ No.

3. Will the nonprofit form a subsidiary entity, which will be a general partner?
   ☒ Yes. Name Oliver Gardens LLC
   ☐ No.

4. Nonprofit Organization:
   Name LHC Nonprofit Development Corporation
   Taxpayer ID _____
   Street Address 310 Seymour Street
   City Lansing State MI Zip 48933
   Contact Person Chris Stuchell
   Telephone # with Area Code 517-487-6550 Fax # with Area Code 517-487-6977

5. Describe:
   a. The nonprofit's purpose/mission: Development of Affordable housing in the City of Lansing and surrounding communities

   b. Describe the housing activities this nonprofit has been involved in and for how long:
      Fill in Nonprofit Experience Form on Page 27 and Include it as Exhibit 13.

   c. The number of employees and volunteers: _____

   d. Name of the locality and boundaries of the locality served by the organization:
      City of Lansing and Ingham County

   e. The number of years the nonprofit has been in existence: 2

6. Describe the material participation of the nonprofit in this project
The nonprofit is the general partner in this project

7. Indicate the capacity in which the nonprofit organization will participate in the project. Check all that apply:

☒ Developer	☒ General Partner	☐ Management Company
☒ Sponsoring Organization	☐ Social Service Provider	
☐ Other, Describe:		

PART D. DEVELOPMENT TEAM

1. Management Entity:
Firm Name Lansing Housing Commission Related Entity X Yes ☐ No
Taxpayer Identification Number 38-2801459
Street Address 310 Seymour Street
City Lansing State MI Zip 48933
Telephone # with Area Code 517-487-6550 Fax # with Area Code 517-487-6977

Voluntary Information for Government Monitoring Purposes:
The following information is requested by the Michigan State Housing Development Authority for statistical purposes and relates to the majority/controlling interest in the general partner(s) of the proposed development. Furnishing this information is optional. If you do not wish to furnish the following information, please initial below.

APPLICANT: I do not wish to furnish this information. (initials) _____

RACE/NATIONAL ORIGIN:

☐ Hispanic	☐ Asian or Pacific Islander	☐ Black
☐ Am. Indian or Alaskan Native	☐ Multiracial	☐ White

GENDER: ☐ Female ☐ Male

2. Project Attorney:
Mallory, Cunningham, Lapka and Scott Related Entity ☐ Yes ☒ No
Street Address 605 South Capitol Ave.
City Lansing State MI Zip 48933
Contact Person Tom Lapka
Telephone # with Area Code 517-482-0222 Fax # with Area Code 517-482-9019

3. Project Accountant:
In-House Related Entity ☐ Yes ☐ No
Street Address
City State Zip
Contact Person Rick Koffarnus
Telephone # with Area Code 517-487-6550 Fax # with Area Code 517-487-6977

4. Consultant:
Firm Name _____ Related Entity ☐ Yes ☐ No
Street Address _____
City _____ State _____ Zip _____
Contact Person _____
Telephone # with Area Code _____ Fax # with Area Code _____

5. Builder/Contractor:
Firm Name LD Docsa and Associates
Related Entity ☐ Yes ☒ No
Street Address 1605 King Highway
City Kalamazoo State MI Zip 49001
Contact Person Scott Devoll
Telephone # with Area Code 269.349.7675 Fax # with Area Code 269.349.2511

6. Architect: Childs Architects Related Entity ☐ Yes ☒ No
Street Address 521 W. Colfax Ave.
City South Bend State IN Zip 46601
Contact Person James Childs
Telephone # with Area Code 574-288-2052 Fax # with Area Code 574-288-2550

7. Engineer:
Firm Name _____ Related Entity ☐ Yes ☐ No
Street Address _____
City _____ State _____ Zip _____
Contact Person _____
Telephone # with Area Code _____ Fax # with Area Code _____

8. Other (Describe): Consultant
Firm Name Protogenia Group Related Entity ☐ Yes ☒ No
Street Address 11673 Hidden Spring Trail
City DeWitt State MI Zip 48820
Contact Person Amy Hovey
Telephone # with Area Code 517-668-0099 Fax # with Area _____

SECTION IV - UTILITY / RENT INFORMATION

PART A. UTILITY ALLOWANCES

The utilities have been calculated using:

☐ Attached Appendix (Tab V)	☐ Rural Housing Service	☐ Utility Company Estimates
☒ Local PHA	☐ Other: (please specify)	

Type (Gas, Oil, etc.)	Paid by	Allowance by bedroom size				
		0 bdr	1 bdr	2 bdr	3 bdr	4 bdr
Heating	☒ Owner ☐ Tenant	$	$ 38	$	$	$
Cooking	☒ Owner ☐ Tenant	$	$ 5	$	$	$
Lighting	☒ Owner ☐ Tenant	$	$ 30	$	$	$
Hot Water	☒ Owner ☐ Tenant	$	$ 17	$	$	$
Sewer	☒ Owner ☐ Tenant	$	$ 20	$	$	$
Trash	☒ Owner ☐ Tenant	$	$ 12	$	$	$
Air Con.	☐ Owner ☐ Tenant	$	$	$	$	$
Total Utility Allowance by Bedroom (include only tenant paid utilities)		$	$ 122	$	$	$

PART B. PROJECT INCOME

ANY CHANGES TO A LIHTC PROJECT THAT REQUIRE A RE-SCORING OR RE-EVALUATION OF THE APPLICATION, **IN WHICH THE SCORE FALLS BELOW THE CATEGORY MINIMUM THRESHOLD IN WHICH THEY WERE FUNDED,** WILL NOT BE ALLOWED FROM TIME OF INITIAL APPLICATION TO PLACED-IN-SERVICE.

1. **Housing Units.**
   Total number of low-income housing units: ___20___ Employee Units: ___0___

   On the chart below, list employee occupied unit(s) separately.

DISTRIBUTION OF RENTS

# Bed-rooms	# Bath-rooms	# Units	# of Units Reserved for Special Needs Tenants	Per Unit Square Footage	Base Rent Per Unit (Not Including Utilities)	Amount of per unit Subsidy for Special Needs Units	Utility Allowance (Include only tenant paid utilities)	Gross Rent (Includes Utilities)	% of AMGI
1	1	30	0	714	521	643		643	30
TOTAL:		30							

Total Monthly Income for Low-Income Housing Units (Base Rent, Total for all units):	**$19,290**
Total number of 2 bedroom or larger units that will be reserved for families with children:	

If applying for Tax Credit, the owner will sign a covenant running with the land agreeing to serve tenants with incomes at or below the minimum set-aside requirements and with rents based on 30% of applicable incomes as follows:

Low Income Tenant Targeting

Number of Units	% of Total Units	Income Levels
30	100	30 % of Area Median
		___% of Area Median
		___% of Area Median
		___% of Area Median
		___% of Area Median
		Market-Rate Units
		Manager/Employee Units*
	100%	**TOTAL**

*Managers units are NOT to be included in percentage calculations.

NOTE: For projects applying under the Preservation Holdback:

- 10% of the LIHTC units in a development must have income and rents set at 40% of median income (inclusive of existing units) – a deep subsidy contract for a minimum of 5 years will satisfy this requirement.

  AND

- 10% of the LIHTC units in a development must have income and rents set at 30% of median income (inclusive of existing units) – a deep subsidy contract for a minimum of 5 years will satisfy this requirement.

2. **Market Rate Units.** Total number of market rate units:_____

Number of Bedrooms	Number of Bathrooms	Number of Units	Per Unit Square Footage	Base Rent (not Including Utilities)	Utility Allowance	Gross Rent
Total Units:			**Total Monthly Income for Market Rate Units:**			**$**

Total Monthly Income for Low-Income Housing Units (Base Rent, from previous page)	$15,630
Total Monthly Income for Market Rate Units (Base Rent)	$ 0
Total Monthly Rental Income =	$15,630
Monthly Non-rental Income (Tenant Generated)	$
Monthly Garage/Carport Income	$
Monthly Miscellaneous Income (Non-tenant Generated)	$
Monthly Income From Rental Subsidies (e.g. Section 8/RHS) Type: project based sec 8	$19,290
Monthly Gross Potential Income (GPI) =	$19,290
	X 12
Total Annual Gross Potential Income	$231,480
Less Vacancy Allowance (5 % x Annual GPI)	$11,574
Annual Effective Gross Income (EGI)	$219,906

3. Projected annual percentage increase in income: 2 %

4. Describe the projected monthly non-rental income sources and amounts:
   None

5. Describe the sources and amounts of other/miscellaneous income:
   None

6. Total number of parking spaces to be available to tenants: 60

7. Will the project have garages and/or carports? (If there is an additional cost to the tenant, the cost of the garages and/or carports cannot be included in eligible basis for Tax Credit purposes. See Page 17 of this application.)
   ☐ Yes. The garages/carports are: ☐ included as part of rent.
   ☐ an additional cost to tenant.
   ☒ No.

8. Will the project have a pool? (If there is an additional cost to the tenant, the cost of the pool cannot be included in eligible basis. See Page 17 of this application.)
   ☐ Yes. Use of the pool is: ☐ included as part of rent.
   ☐ an additional cost to tenant.
   ☒ No.

9. Will the project have laundry facilities? (If there is an additional cost to the tenant, the cost of the laundry facilities (washers and dryers) cannot be included in eligible basis. See Page 17 of this application.)
   ☒ Yes. The laundry facilities are: ☒ included as part of rent.
   ☐ an additional cost to tenant.
   ☐ No.
   Are the washers and dryers leased? ☐Yes. ☒No.

10. If this project is located in a Qualified Census Tract, does it have a community services facility designed to serve primarily individuals whose income is 60% or less of area median income? (See note at bottom of page 21 of this application) ☐ Yes. ☒ No.

PART C. RENTAL ASSISTANCE

1. Do or will any units receive rental assistance (other than Section 8 certificate and/or voucher holders)?
   ☒ Yes. Indicate type of rental assistance:

   ☐ Section 8 Moderate Rehabilitation

   ☒ Section 8 Project Based Assistance

   ☐ RHS Rental Assistance

   ☐ State Assistance

   ☐ Other: _____

   Number of units receiving assistance: 30

   Number of years in rental assistance contract: 1

   ☐ No.

2. When will the rental subsidy contract expire? 12 months after leasing, annual renewal required

SECTION V - PROJECT SCHEDULE

	Actual Date	Anticipated Completion Date
SITE		
Acquisition of Land	6/30/2003	
Acquisition of Building(s)*		
Zoning Approval	10/13/03	
All Site Utilities in Place		
Tax Abatement	Guaranteed byState law	
CONSTRUCTION FINANCING		
Firm Loan Approval(s)	8/15/2005	
Closing and Disbursement of Funds	9/30/2005	
PERMANENT FINANCING		
Firm Approval of Loan(s)	8/15/2005	
Closing and Disbursement	9/30/2005	
GRANTS/SUBSIDIES		
Firm Approval(s)	See attached grant letter	
Closing and Disbursement		
OWNERSHIP ENTITY FORMATION		
Articles of Incorporation/Certificate and Agreement of Partnership		
NONPROFIT STATUS		
IRS Approval of Nonprofit Status	09/30/04	
CONSTRUCTION/REHABILITATION		
Building Permit Issued	09/15/05	
Final Plans and Specifications	03/21/05	
Construction Start	10/01/05	
50% Completion	3/31/06	
Construction Completion	8/10/06	
LEASE-UP		
Begin Lease-up	6/01/06	
Substantial Rent-up	9/01/06	
Placed in Service Date	8/30/06	
Certificate of Occupancy Issued	7/31/06	
Completion of Project Audit by CPA	12/31/06	

*For an occupied building, the placed in service date is the date of the acquisition. Therefore, acquisition credit cannot be allocated to an occupied building in a year following the year in which the building was purchased. For new construction and rehabilitation, credit cannot be allocated to any building in a year after the building is placed in service.

SECTION VI - DEVELOPMENT FINANCING

IF APPLYING FOR TAX CREDIT, THE OWNER MUST SUBMIT EVIDENCE THAT APPLICATIONS HAVE BEEN SUBMITTED FOR ALL FINANCING SOURCES.

PART A. SUBSIDIES AND GRANTS

1. Will the project receive local governmental support in the form of tax abatement?
   (Attach as Exhibit 15)
   ☒ Yes. Name of governmental unit: City of Lansing
   ☐ No.

2. Will the project receive local subsidies or any type of local governmental financial support?
   ☒ Yes. Describe and indicate the amount: $770
   ☐ No.

Complete the following: (List all Federal, State and Local Funding)

Funding	Funding Amount	Source	% of Total Cost
Tax-exempt Financing	$		%
	$		%
	$		%
HOME Program	$170,000	City of Lansing	4.4%
	$		
Other: (Describe) CDBG	$550,000	City of Lansing	14.1%
TOTAL	**$720,000**		**18.5%**

3. If **federal funding** is to be used in connection with the project, describe its use:
   ☒ Primary Loan
   ☐ Operating Subsidy
   ☐ Acquisition

4. Will any grants be used in connection with the project?
   ☐ Yes. Complete the following:

AMOUNT	SOURCE

   ☒ No.

5. Will any forgivable loans be used in connection with the project?

☒ Yes. Complete the following:

AMOUNT	SOURCE
284,000	Lansing Housing Commission - Capital Fund
147,000	Lansing Housing Commission-equity
216,000	Lansing Housing Commission-RHF

☐ No.

6. Will the project receive CDBG funding?

☒ Yes. A. Amount: $550,000

B. Describe any programmatic income and rent restrictions:
100 % of units @ 60 % of median income.

C. Is this a grant or loan? _____

D. Indicate source of funds: City of Lansing

☐ No.

7. Does this project have an RHS 538 Loan Guarantee? ☐ Yes ☒ No

8. Are any of the buildings in the project the subject of non-qualified non-recourse financing ?

☐ Yes. Amount of Financing: _____ Explain: _____

☒ No.

PART B. SOURCES OF FUNDS

1. EXISTING FINANCING: (For projects involving acquisition and the assumption of existing mortgage(s), provide the information requested below for each existing loan or grant.)

LOAN #1:
Mortgagor: _____
Lien Holder: _____
Address: _____
Lien Position: _____ Term Remaining: _____
Original Principal:$ _____ Current Principal:$_____
Annual Percentage Interest Rate: _____% Original Term: _____
Date of Last Payment: _____ Monthly Payment:$_____
Assumption of Existing Loan?

☐ Yes. Date of Assumption: _____

☒ No.

LOAN #2:
Mortgagor: _____
Lien Holder: _____
Address: _____
Lien Position: _____ Term Remaining: _____
Original Principal:$ _____ Current Principal:$_____
Annual Percentage Interest Rate: _____% Original Term: _____
Date of Last Payment: _____ Monthly Payment:$_____
Assumption of Existing Loan?

☐ Yes. Date of Assumption: _____

☒ No.

2. **CONSTRUCTION FINANCING** – Please include all sources of funds that will be used for construction or rehabilitation.

Source Name	Type of Source *								Funding Amount	Annual Debt Service	Interest Rate	Term in Years	Amort Period	Type Financing*						
	Taxable Bond	CDBG	Conventional	RHS	HOME	Owner Equity	Tax Exempt	Other *** (Explanation Required)						BMIR	Balloon	Credit Enhancement	Deferred	Forgivable	Loan Amort	Owner Equity	Other ****
MSHDA							X		2,400,090	Interest only	5.5	2								
LHC						x			147,000											
City of Lansing		X							550,000											
LHC - Capital									284,000											
City of Lansing					X				170,000											
LHC Non Profit						X			100											
LHC-RHF									216,000											
									3,767,190											

3. **PERMANENT FINANCING** – Do not include syndication proceeds.

Source Name	Type of Source *								Funding Amount	Annual Debt Service	Interest Rate	Term in Years	Amort Period	Type Financing*								Yes or No **
	Taxable Bond	CDBG	Conventional	RHS	HOME	Owner Equity	Tax Exempt	Other *** (Explanation Required)						BMIR	Balloon	Credit Enhancemen	Deferred	Forgivable	Grant	Loan Amort	Owner	Other ****	
MSHDA	X								1,775,482		5.5	35										
LHC						x			147,000													
LHC - Capital						X			284,000													
City of Lansing		X							550,000													
City of Lansing					X				170,000													
LHC Non Profit						X			100													
LHC-RFF									216,000													
LHC Dev Fees								X	265,498													
TOTAL									3,142,582													

*Choose only one category per source.
**Financing used for Acquisition Only
***Explain type of source: _____

**** If applying for Tax Credit, will any of these funds be repaid with proceeds from the sale of the Tax Credit?

☐ Yes ☒ No.

SECTION VII - PROJECT COSTS

In Column 1, list total costs. In Column 2, list the per unit cost. If applying for Tax Credit, the following instructions also apply: In Columns 3 and 4, list the amounts (or appropriate portion thereof) from Column 1 if they are includible in basis and the 4% credit is applicable. In Column 5, list the actual costs from Column 1 which are includible in basis for the 9% credit. (For example, if the project is federally subsidized and therefore eligible for 4% credit, all eligible basis costs should be in Columns 3 and 4.)

For projects applying for Tax Credits, if the project consists of both new construction and acquisition rehab, costs must be shown separately.	**Column 1**	**Column 2**	**Columns 3 & 4 Eligible Basis - 4% Credit LIHTC Projects Only**		**Column 5 Eligible Basis 9% Credit LIHTC Only**
	TDC	**Per Unit Cost**	**Acquisition**	**Rehabilitation /New Construction**	**Rehabilitation /New Construction**
LAND					
Land Purchase	525,000	17,500			
Closing/Title & Recording					
Real Estate Expenses					
Other Land Related Expenses/Impact Fees*	25,000	833			
SUBTOTAL	550,000	18,333			
BUILDING ACQUISITION					
Existing Structures					
Demolition (Exterior)					
Other, Describe:	150,000	5,000		150,000	
SUBTOTAL	150,000	5,000		150,000	
SITE WORK					
On Site*	585,000	19,500		585,000	
Off Site Improvement*					
Other: **(Describe)**					
SUBTOTAL	585,000	19,500		585,000	
NEW CONSTRUCTION/REHAB					
New Structures (**See below)	1,796,000	59,867		1,796,000	
Rehabilitation (**See below)					
Garages/Carports[1]					
Laundry Facilities[1]					
Accessory Building					
Pool[1]					
General Requirements[2]	225,000	7,500		225,000	
Builder Overhead[2]	40,000	1,333		40,000	
Builder Profit[2]	137,000	4,567		137,000	
Construction Contingency					
Other: **(Describe)**					
SUBTOTAL	2,198,000	73,267		2,198,000	

***For LIHTC projects, refer to Tab X for IRS guidance regarding inclusion of these items in eligible basis.**

****Costs for commercial space cannot be included in eligible basis.**

For projects applying for Tax Credits, if the project consists of both new construction and acquisition rehab, costs must be shown separately.	Column 1	Column 2	Columns 3 & 4 Eligible Basis - 4% Credit LIHTC Projects Only		Column 5 Eligible Basis 9% Credit LIHTC Only
	TDC	Per Unit Cost	Acquisition	Rehabilitation /New Construction	Rehabilitation /New Construction
PROFESSIONAL FEES					
Design Architect*	25,000	833		25,000	
Supervisory Architect	78,800	2,627		49,830	
Real Estate Attorney*	18,000	600		18,000	
Engineer/Survey*	33,000	1,100		33,000	
Tap Fees/Soil Borings*					
Permits & Fees	28,000	933		28,000	CDBG 28,990
Other, Describe:					
SUBTOTAL	182,800	6,093		~~182,800~~ 153,830	
INTERIM CONSTRUCTION COSTS					
Hazard Insurance	10,000	333		10,000	
Liability Insurance	20,000	666		20,000	
Interest*	59,777	1,993		59,777	
Loan Origination Fee*	35,510	1,184		35,510	
Loan Enhancement					
Title & Recording	6,000	200		6,000	
Legal Fees					
Taxes					
Other, Describe:					
SUBTOTAL	131,287	4,376		131,287	
PERMANENT FINANCING					
Bond Premium	21,000	700			
Credit Report					
Loan Origination Fee					
Loan Credit Enhancement					
Title & Recording					
Legal Fees					
Taxes					
Other: **(Describe)**					
SUBTOTAL	21,000	700			

***For LIHTC projects, refer to Tab X for IRS guidance regarding inclusion of these items in eligible basis.**

For projects applying for Tax Credits, if the project consists of both new construction and acquisition rehab, costs must be shown separately.	Column 1	Column 2	Columns 3 & 4 Eligible Basis - 4% Credit LIHTC Projects Only		Column 5 Eligible Basis 9% Credit LIHTC Only
	TDC	Per Unit Cost	Acquisition	Rehabilitation /New Construction	Rehabilitation /New Construction
OTHER COSTS					
Feasibility Study*					
Market Study*	6,000	200		6,000	
Environmental Study*	4,149	138		4,149	
Tax Credit Fees[3] +553	8,883 ~~8,330~~	283			
Compliance Fees[4]	9,000	300			
Marketing/Rent-up					
Cost Certification	5,000	166		5,000	
Bridge Loan Exp. (During Construction)					
Other: **(Describe) Furniture**	5,000	166		5,000	
SUBTOTAL +553	38,082 ~~37,470~~	1,249		20,149	
SYNDICATION COSTS					
Organizational	30,000	1,000			
Bridge Loan					
Tax Opinion	10,000	333			
PV Adjustment					
Other: **(Describe)**					
SUBTOTAL	40,000	1,333			
DEVELOPER					
Developer Overhead[2] *					
Developer Fee[2]	602,029	20,068		602,029	
(					
S	602,029	20,068		602,029	
I					
F	44,387	1,480			
C	73,576	2,453			
F					
C					
S					
T	117,963	3,932		~~3,869,285~~	SALE 2010 12160

* **IRS guidance regarding inclusion of these items in eligible basis.**

SEE NEXT PAGE

For projects applying for Tax Credits, if the project consists of both new construction and acquisition rehab, costs must be shown separately.	Column 1	Column 2	Columns 3 & 4 Eligible Basis - 4% Credit LIHTC Projects Only		Column 5 Eligible Basis 9% Credit LIHTC Only
	TDC	Per Unit Cost	Acquisition	Rehabilitation /New Construction	Rehabilitation /New Construction
TOTAL (From Page 19) +553	~~4,615,558~~	153,852		~~3,867,085~~	
Complete only if applying for Tax Credit: **LESS:**					
Grant Proceeds					
Amount of Federal Historic Credit[5]					
Amount of Non-Qualified Non-Recourse Financing					
Amount of Excess Portion of Higher Quality Units[6]					
TOTAL ELIGIBLE BASIS				~~3,867,085~~	
x 130% - Qualified Census Tract[7]					
x APPLICABLE FRACTION[8]				99% 100%	
TOTAL QUALIFIED BASIS				3,828,414	
x APPLICABLE PERCENTAGE (4% OR 9%) CREDIT				.0341	
TOTAL ANNUAL TAX CREDIT REQUESTED				130,549	

FUNDING GAP CALCULATION	
Total Development Cost	4,615,558
Less Syndication Costs	
Less Total Sources Based on Documentation	3,407,980
FUNDING GAP	$1,207,578

EQUITY CALCULATION	
Total Eligible Annual Credit 4% plus 9%	$130,549
X Equity % Value	.925
	X 10
Ten Year $ Value of Credit	$1,207,578

☐ **Federal and/or State Historic Credit and/or Brownfield Credit** $_____ X $.85 = $_____Amount of Historic Equity + $_____LIHTC Equity = $_____ Total Equity or adjusted 10 yr credit value.
Funding Gap $_____ - $_____ Federal and State Historic Equity = $_____ New Funding Gap.

☐ The 10 yr credit value of $_____ is **less** than the funding gap $_____. Up to a maximum of 70% of the developer's fee plus overhead $_____X 70% = $_____ may be used to cover remaining funding gap. The remaining funding gap $_____ (funding gap minus 10 yr credit value) **CAN/CANNOT** be covered by 70% of the developer's fee plus overhead.

☐ The 10yr credit value of $_____ Is **greater** than the funding gap $_____. Therefore, the Annual Credit Amount is reduced to (funding gap divided by equity value divided by 10) $_____ with a 10 yr credit value of $_____.

☐ **Tax-exempt financing** $_____ divided by aggregate basis (eligible basis + land) $_____ = _____% (must be at least 50% to qualify for non-competitive tax credit).

Cost Per Unit $ 151,895 (Final Adjusted TDC divided by number of units) **Cannot Exceed HUD 221(d)(3) limits (Tab I).**
If per unit cost is higher than $90,000, the form on Page I-39 to calculate excess unit cost must be completed.
(This policy does not apply to developments processed under Corporation for Supportive Housing/MSHDA.)

Hard Construction costs for Rehab $_____ ÷ Total Units ___ = Rehab Cost Per Unit $_____
(Must Be $5,000 Per Unit / $10,000 Per Unit For Projects Applying For Credit Under The Preservation Holdback).

NOTE:

*[1] If there is a charge over and above rent for garages and carports, pool, use of community building or laundry facilities, the cost cannot be included in basis and the costs must be listed separately.

[2] Fees cannot be included in cost of structures and are limited as follows:

* - Consultant Fees (excluding "consultants" normally used in the development process, such as market analysts, environmental consultants, etc) - must be included in and paid from the developer fee.

- Developer Fees:

- **Developer fee for projects subject to state volume cap:**
  The combined total of the developer fee, developer overhead, and any consultant fees will be limited to 15%, not to exceed $1,000,000. This is calculated as 15% of the total development cost minus developer fee, developer overhead, and consultant fees. **If an existing project is split into two or more projects, the aggregate developer fee for all projects cannot exceed $1,000,000.**
- **Developer fee for projects not subject to state volume cap:**
  - For projects consisting of 49 units or fewer and receiving an allocation of housing tax credit by virtue of being financed with tax-exempt bonds, the combined total of the developer fee, developer overhead, and any consultant fees will be limited to 20% of the total development cost excluding developer fee, developer overhead, and consultant fees, not to exceed $2,000,000.
  - For projects consisting of 50 to 150 units and receiving an allocation of housing tax credit by virtue of being financed by tax-exempt bonds, the combined total of the developer fee, developer overhead, and any consultant fees will be limited to 15% of the total development cost excluding developer fee, developer overhead, and consultant fees, not to exceed $2,000,000.
  - **If an existing project is split into two or more projects, the aggregate developer fee for all projects cannot exceed $2,000,000.**
- **Developer fee for projects applying under the Preservation Holdback:**
  For projects of 49 units or fewer, the combined total of the developer fee, developer overhead, and any consultant fees will be limited to 15% of the total development cost, not to exceed $1,000,000. For projects of 50 units or more, the combined total of the developer fee, developer overhead, and any consultant fees will be limited to 10% of the total acquisition costs and 15% of the total rehabilitation costs, not to exceed $1,000,000. Excess fees will be deducted from total development costs and eligible basis. **If an existing project is split into two or more projects, the aggregate developer fee for all projects cannot exceed $1,000,000.**

* - For projects involving acquisition and rehabilitation, an amount equal to at least 5% of the acquisition cost of the land and building must be allocated to acquisition for purposes of attribution to the developer fee.

- General Requirements - 6% of construction contract, exclusive of builder profit, builder overhead, and general requirements.
- Builder Overhead - 2% of construction contract, exclusive of builder profit and builder overhead.
- Builder Profit - 6% of construction contract, exclusive of builder profit.
- Projects of 49 units or less may aggregate general requirements, builder overhead, and builder profit to a maximum of 20% of the construction contract.
- Construction Manager/Consultant fee when not included in the construction contract – Maximum of $50,000.
- Underwriting standards apply to TDC and excess fees will be deducted from TDC when performing the gap calculation.

*[3] Fees are computed by multiplying the annual tax credit reserved/requested by 6% plus application fee(s), **and cannot be included in basis.**

*[4] Fees are computed by multiplying $300 by number of tax credit units , **and cannot be included in basis**.

[5] Federal Historic Credit is subtracted from eligible basis, State Historic Credit and Brownfield Credit are not.

*[6] See Page I-43 for an explanation of how to calculate excess unit cost.

*[7] Applicable only to qualified census tracts as determined by the Department of Housing and Urban Development; projects with HOME funds loaned below the AFR that qualify for the 9% credit because 40% of the units will be reserved for tenants at 50% of area median do not qualify.

*[8] Applicable fraction equals the lesser of the percentage of low income units or total percentage of low income square footage.

*Pertains to Low Income Housing Tax Credit only.

NOTE: Certain costs of a building used as a community service facility that is located in a qualified census tract and that is designed to serve primarily individuals whose income is 60% or less of area median income may be included in eligible basis, provided that the costs included in basis does not exceed 10% of the total eligible basis in the building.

SECTION VIII - ANNUAL PROJECT EXPENSE INFORMATION

PART A. ADMINISTRATION	Unit Costs	Project Costs
Accounting		
Advertising		
Legal		
Leased Equipment		
Management	391	11,730
Management Salaries & Payroll Taxes		
Model Apartment Rent		
Office Supplies/Postage		
Telephone		
Annual Compliance Fees		
Other: **general admin**	167	5,000
Total Administrative Costs	558	16,730

PART B. OPERATING		
Fuel (Heat/Water)	425	12,750
Electricity	130	3,900
Water/Sewer	300	9,000
Gas		
Trash Removal		
Security		
Cable TV		
Other: **(Describe)**		
Total Operating Expenses	855	25,650

PART C. MAINTENANCE		
Elevator		
Extermination		
Grounds		
Repairs		
Maintenance Salaries/Payroll Taxes		
Maintenance Supplies		
Pool		
Snow Removal		
Cleaning & Decorating		
Other: **general maintenance**	811	24,320
Total Maintenance Expenses	811	24,320

PART D. FIXED		
Real Estate Taxes		
Payment in Lieu of Taxes	648	19,426
Other Tax Assessment		
Insurance	267	8,000
Other: **(Describe)**		
Total Fixed Expenses	915	27,426

TOTAL PROJECT EXPENSES:	94,126
PART E. ANNUAL REPLACEMENT RESERVES	7,500
PART F. ANNUAL DEBT SERVICE	107,528

SECTION IX - SOURCES AND USES STATEMENT

Complete the following: (Name all sources and amounts here. Make sure they match permanent financing amounts on Page 16.)

NAME ALL SOURCES	Amount
First Mortgage, Name: MSHDA	$ 1,775,482
Second Mortgage, Name:	$
Limited Partner Capital Contribution, Name: National Equity Fund	$ 1,207,578
General Partner Capital Contribution, Name: LHC Nonprofit Development Corp.	$ 100
Grant, Describe:	$
Grant, Describe: LHC	$ 147,000
Other, Describe: LHC Capital Fund	$ 284,000
Other, Describe: City Of Lansing	$ 720,000
Other, Describe: LHC-RHF	$ 216,000
Other, Describe: deferred developer fee	$ 265,498
Other, Describe:	$
***TOTAL**	**$4,615,558**

NAME ALL USES	Amount
Acquisition	$ 550,000
New Construction/Rehab	$2,804,425
Soft Costs	$ 259,854
Financing Costs	$ 131,287
Reserves	$ 117,963
Developer Proceeds	$ 602,029
Other, Describe: relocation costs	$ 150,000
Other, Describe:	$
Other, Describe:	$
Other, Describe:	$
Other, Describe:	$
***TOTAL**	**$ 4,615,558**

***TOTALS should equal one another and also match the total development cost shown on Page 20.**

SUBSTITUTIONS FOR THIS PAGE WILL NOT BE ACCEPTED

SECTION X - PROJECT PRO-FORMA

MUST BE CARRIED OUT TO MINIMUM AFFORDABILITY PERIOD OR FIFTEEN YEARS.

Projected Annual Percentage Increase in Income: 2_____%*
Projected Annual Percentage Increase in Expenses 3_____%*
Projected Annual Vacancy Rate Percentage: 5_____%*
Projected Annual Percentage Increase in Replacement Reserves: 3_____%*

*See tab O for MSHDA standards

	Year 1	Year 2	Year 3	Year 4	Year 5
Rental Income	231,480	236,110	240,832	245,648	250,561
Non-rental Income					
Total Income**	231,480	236,110	240,832	245,648	250,561
Less Vacancy Amount	11,574	11,805	12,042	12,282	12,528
Effective Gross Income	219,906	224,304	228,790	233,366	238,033
Less Operating Expenses***	94,126	96,950	99,858	102,854	105,940
Net Income	125,780	127,354	128,932	130,512	132,094
Less Debt Service	(107,528)	(107,528)	(107,528)	(107,528)	(107,528)
Less Replacement Reserve	7500	7500	7500	7500	7500
Cash Flow	10,752	12,326	13,904	15,484	17,066

	Year 6	Year 7	Year 8	Year 9	Year 10
Rental Income	255,573	260,684	265,898	271,216	276,640
Non-rental Income					
Total Income**	255,573	260,684	265,898	271,216	276,640
Less Vacancy Amount	12,779	13,034	13,295	13,561	13,832
Effective Gross Income	242,794	247,650	252,603	257,655	262,808
Less Operating Expenses***	(109,118)	(112,391)	(115,763)	(119,236)	(122,813)
Net Income	133,676	135,259	136,840	138,419	139,995
Less Debt Service	(107,528)	(107,528)	(107,528)	(107,528)	(107,528)
Less Replacement Reserve	7500	7500	7500	7500	7500
Cash Flow	18,648	20,231	21,812	23,391	24,967

	Year 11	Year 12	Year 13	Year 14	Year 15
Rental Income	282,173	287,816	293,573	299,444	305,433
Non-rental Income					
Total Income**	282,173	287,816	293,573	299,444	305,433
Less Vacancy Amount	14,109	14,391	14,679	14,972	15,272
Effective Gross Income	268,064	273,425	278,894	284,472	290,161
Less Operating Expenses***	(126,497)	(130,292)	(134,201)	(138,227)	(142,374)
Net Income	141,567	143,133	144,693	146,245	147,787
Less Debt Service	(107,528)	(107,528)	(107,528)	(107,528)	(107,528)
Less Replacement Reserve	7500	7500	7500	7500	7500
Cash Flow	26,539	28,105	29,665	31,217	32,759

** Should match the total annual gross potential income on Page 11.
*** Should match the total project expenses on Page 22.

OWNER/GENERAL PARTNER EXPERIENCE

This page must be included as Exhibit 11a

1.	Owner/General Partner Name:	
2.	Is the owner/general partner shown in #1 above listed In Item #4 on Page 5 of this application? ☐ Yes ☐ No If you answered "No", explain the relationship between the owner shown on this exhibit to the owner on Page 5 of the application:	
3.	Complete the chart below. If applying for Tax Credits, failure to fully complete this chart or clearly define the relationship between the owner(s) shown above to the information presented on Page 5 of this application will result in loss of points.	

Name of Project Owned	City and State	Number of Units	Date of Ownership (mm/dd/yy)		Date Last Placed in Service (mm/dd/yy)	Type of Financing
			Begin	End		
EXAMPLE: ABC Apts.	Lansing, MI	12	03/01/91	10/14/98	05/01/93	MSHDA

MANAGEMENT EXPERIENCE

This page must be included as Exhibit 11b

1.	Management Entity:	
2.	Is the management entity identified above the same as shown on Page 7 of this application? ☐ Yes ☐ No If you answered "No", explain the relationship between the management entity shown on this exhibit to the management entity in the application:	
3.	Complete the chart below. If applying for Tax Credits, failure to fully complete this chart or clearly define the relationship between the management entity identified here and on Page 7 of this application will result in loss of points.	

Name of Project Managed	City and State	Number of Units	Date* of Management (mm/dd/yy)		Type of Financing	Identify the Projects that are LIHTC**
			Begin	End		
EXAMPLE: XYZ Project	Ann Arbor, MI	33	04/05/92	05/03/99	Conventional with tax credit	LIHTC

* Must be the date rent-up began, not date of the start of construction.
** Tax Credit points will only be given to management of LIHTC projects.

NONPROFIT EXPERIENCE

This page must be included as Exhibit 13

1.	Nonprofit Name:	
2.	Is the nonprofit entity identified above the same as shown on Page 6 of this application? ☐ Yes ☐ No If you answered "No", explain the relationship between the nonprofit entity shown on this exhibit to the nonprofit entity in the application:	
3.	Complete the chart below. If applying for Tax Credits, failure to fully complete this chart or clearly define the relationship between the nonprofit entity identified here and on Page 6 of this application will result in loss of points.	

Name of Project	City and State	Number of Units	Date of Nonprofit Involvement (mm/dd/yy)		Type of Involvement
			Begin	End	
EXAMPLE: XYZ Project	Ann Arbor, MI	33	04/05/92	06/04/02	Rehabilitated 5 houses with city money.

ADDENDUM
I

APPLICATION

FOR

LOW INCOME HOUSING

TAX CREDIT

2005/2006 HOUSING TAX CREDIT

APPLICATION FILING REQUIREMENTS

FUNDING ROUND	APPLICATION DUE DATE	CHECK ONE
SPRING 2005	APRIL 15, 2005	☐
FALL 2005	SEPTEMBER 15, 2005	☐
SPRING 2006	MARCH 15, 2006	☐
FALL 2006	SEPTEMBER 15, 2006	☐

Applications will be considered under the following Holdbacks: (Check One)

☐ Special Needs
☐ 1-24 Units
☐ Preservation Holdback
☐ *Cool Cities Holdback (See Tab W, LIHTC Policy Bulletin #19)
☐ *Increase in basis of up to 5%
☒ **Tax-Exempt

General:
☐ Elderly
☐ Non-Profit
☐ Distressed
☐ Rural-49 units or less (See Tab GG)
☐ Undesignated

*Not subject to funding rounds, and only available until August 15
**Not subject to funding rounds, and may be applied for at any time

The Authority will consider applications in each holdback and for general projects separately. **Applications selecting more than one category will not be accepted by the Authority and will be returned to the Sponsor.**

All applications must be accompanied by a check or money order in an amount equal to $35 for each proposed low-income unit, with a $1,500 maximum. No one sponsor will be allowed to submit more than five applications in each funding round. Sponsors that submit more than three applications in a funding round must pay an amount equal to $50 for each low-income unit, with a $2,000 maximum. This fee is non-refundable and must be paid in each funding round in which a project seeks to be scored and evaluated. A fee of $100 will be assessed each time a check is returned to the Authority for insufficient funds.

Applications may be sent via delivery service (e.g., post, overnight, courier), or dropped off in person, but must be received in the Authority's Lansing office no later than 5:00pm on the application due date. **Applications received after the due date or time will be returned to the applicant.**

The Primary Application (Pages 1 – 27), Housing Tax Credit Addendum (Pages I-1 through I-45) and all exhibits MUST be submitted in a three-ring binder. **All exhibits must be tabbed in accordance with the list on pages I-3 through I-7 of this addendum, indexed, and placed at the end of the addendum – *not within the body of the addendum.***

Primary Applications and Housing Tax Credit Addenda submitted on computer-generated forms MUST exactly replicate the pages in the application and/or addenda including correct page numbers.

Failure to submit a complete application, addendum and required documentation in accordance with instructions will result in a determination that the proposed project is ineligible for credit, and the application will be returned without being ranked or scored. **Faxed applications will not be accepted.**

In the event of any conflict or discrepancy between the application filing requirements as stated in the Combined Application, the Exhibit Checklist, or Addendum I with the application filing requirements as stated in the Qualified Allocation Plan, the requirements of the QAP shall control.

Housing Tax Credit
Program Statement

The Housing Tax Credit program is an investment vehicle created by the federal Tax Reform Act of 1986, which is intended to increase and preserve affordable rental housing by replacing earlier tax incentives (such as accelerated depreciation) with a credit directly applicable against taxable income. This program permits investors in affordable rental housing corporations, banking institutions, and individuals to claim a credit against their tax liability annually for a period of 10 years.

The maximum tax credit a project may receive is based on a percentage of the portion of rental housing (whether the housing is newly constructed or rehabilitated) that the owner agrees to maintain as both rent and income restricted for a period of at least 18 years. At a minimum, either 20% of the units must be for residents whose incomes do not exceed 50% of area median income or 40% of the units must be for residents whose incomes do not exceed 60% of the area median income (as determined and adjusted annually by HUD). The rents on the units must also be restricted. A credit equal to roughly 9% of the qualified basis of construction or rehabilitation costs is available to developments not utilizing federal or tax-exempt financing. A credit roughly equal to 4% of the qualified basis is applicable where federal or tax-exempt financing is utilized and, in certain cases, for acquisition costs associated with rehabilitation.

Michigan's annual credit authority is approximately $18 million. The process used by MSHDA to evaluate applications and allocate credit is described in the Qualified Allocation Plan, which is located under Tab B of this packet. Briefly, a Primary Application and the Housing Tax Credit Addendum, including detailed financial information and various supporting documentation, must be submitted to MSHDA for review and evaluation. The process involves four stages - reservation, allocation, commitment, and placed in service. The final determination of how much credit will actually be awarded is made once the work has been completed.

MISCELLANEOUS QUESTIONS

1. Annual amount of Tax Credit requested: 129.046

2. Is this application being submitted for additional credit? ☐ Yes ☒ No
   If yes, how much credit has been reserved from the first application? _____

3. Has a Low Income Housing Tax Credit application been submitted for this project in a previous funding round?
   ☒ Yes. Date(s) of submission: 07/03, 03/04 & 07/04
   ☐ No.

4. Is this a second or third phase of a project which received tax credit for an earlier phase? (For new construction, sponsors may only apply for one phase per year if the combined total number of units is more than 150.)
   ☐ Yes. Status of earlier phase(s) _____
   ☒ No.

5. Have any of the sponsors involved in this project received tax credit reservations in Michigan for the current year?
   ☐ Yes. List the project names and amounts of the tax credit reservations received below:
   _____ $_____
   _____ $_____
   _____ $_____
   ☒ No.

6. Have any of the sponsors submitted other tax credit applications in Michigan for this funding round?
   ☐ Yes. List project names: _____
   (Sponsors are limited to 20% of the annual credit available per calendar year.)
   ☒ No.

TYPE OF LOW INCOME HOUSING TAX CREDIT REQUESTED
(Check applicable category)

- ☐ New construction without federal subsidies
- ☒ New construction with federal subsidies
- ☐ Rehabilitation only without federal subsidies
- ☐ Rehabilitation only with federal subsidies
- ☐ Acquisition and rehabilitation without federal subsidies
- ☐ Acquisition and rehabilitation with federal subsidies

MINIMUM SET-ASIDE ELECTION (Check one only)

☒ At least 20% of the residential rental units in the project will be income restricted and rent restricted to serve individuals and families whose income is no greater than 50% of area median income, adjusted for family size (**20/50**). (If this set-aside is elected, **ALL** tax credit units in the project must be income and rent restricted at no greater than 50% of area median).

☐ At least 40% of the residential rental units in the project will be income restricted and rent restricted to serve individuals and families whose income is no greater than 60% of area median, adjusted for family size (**40/60**).

LONGEST LOW INCOME USE (Complete the following)

The owner will sign a covenant running with the land agreeing to serve qualified low income tenants in the percentage outlined above for 15 years in addition to the minimum required 15 years, for a total of 30 years.

FEDERAL SUBSIDIES

The owner is electing to:

- ☐ Include the federal funds in eligible basis and request 30% present value (4%) credit.
- ☐ Exclude the federal funds from eligible basis and request 70% present value (9%) credit.
- ☐ Federal funds - 40% of the units in each building will be rented to families whose incomes do not exceed 50% of the area gross median income to qualify for the 70% present value (9%) credit. (HOME and NAHASDA)
- ☒ Federal funds will be loaned at or above the AFR to qualify for the 70% present value (9%) credit.

MICHIGAN-MADE PRODUCTS

List the Michigan-made products you expect to use in the construction of your project, and provide verification as Exhibit 26:

N/A	

ACQUISITION/REHABILITATION INFORMATION

For projects involving rehabilitation, the hard construction cost of the buildings must not be less than $5,000 per unit, $10,000 per unit if applying under the Preservation Holdback.

1. Has the project ever operated under a different name? ☐ Yes ☐ No
   List previous name(s) of project: _____
   _____

2. Rehabilitation projects (Check only one)

   ☐ Project will create new low income units through rehabilitation of units that have not been available for at least 1 year.

NOTE: Acquisition Credit will only be allocated to projects which meet one of the two preservation categories described below:

   ☐ Project will preserve already existing low income units which are within 2 years of any permitted prepayment or equivalent loss of low income use restrictions **AND** will remain low income for the longer of the initial tax credit period or the length of the mortgage.

   ☐ Project will preserve already existing low income units which show a significant need for repair in order to achieve or maintain habitability.

3. Project is substantially functionally obsolete or will provide modifications or betterments consistent with new code requirements or the Authority's design requirements.
   ☐ Yes ☐ No

4. Existing subsidies involving acquisition/rehab (Check all applicable)

   ☐ 221(d)(3) Below Market Interest Rate ☐ RHS
   ☐ Section 236 ☐ 202
   ☐ Section 8 (Project based) ☐ HUD Financed or Insured
   ☐ The Project Will Retain Federal Assistance ☐ Other

5. Is the project in a compliance period for a previous tax credit allocation? (Received credit within the last fifteen years) ☐ Yes ☐ No
   If Yes, the project does not qualify for acquisition credit.

6. Number of buildings to be rehabilitated: _____

7. Total number of units to be rehabilitated: _____

8. How many units are currently occupied? _____

9. If the units are occupied, how many are occupied by tax credit eligible tenants? _____
   How many are occupied by market-rate tenants? _____

10. If any units are unoccupied, how long have they been vacant? _____

11. Has rehabilitation work greater than 25% of the adjusted project basis been performed during the 10 years prior to its acquisition by the owner?
☐ Yes. Dates: _____, _____, _____
☐ No.

12. The total number of buildings to be acquired is: _____

13. Number of buildings currently under control is: _____

14. Will the buildings be acquired from a related party? ☐ Yes ☐ No

15. Actual or projected acquisition date: _____

16. Date project was last placed in service: _____

17. Date of last substantial improvements: _____

18. If less than 10 years since last placed in service, is the project eligible for a waiver from the Secretary of the U.S. Department of Treasury?
☐ Yes. Date request submitted: _____
Actual/projected date of approval: _____
Attach copy of approval of waiver as **Exhibit 22**
☐ No

19. Does the buyer's basis equal the seller's basis? ☐ Yes ☐ No

20. Are any of the buildings owner-occupied single family dwellings?
☐ Yes.
☐ No.

21. Were/are any of the buildings:
Purchased from a decedent's estate?
☐ Yes.
☐ No.

22. Purchased from a nonprofit or government; or Tax Exempt?
☐ Yes.
☐ No.

23. Acquired through gift/non-purchase?
☐ Yes.
☐ No.

24. Preserves Low Income Housing from market rate?
☐ Yes.
☐ No.

25. Qualified PIS/Sub-Rehab Date: _____

26. Approval for asset transfer required from HUD?
☐ Yes. Dates obtained: _____
☐ No.

27. Approval for asset transfer required from RHS?
☐ Yes. Dates obtained: _____
☐ No.
(Must have submitted the application for transfer of physical assets prior to submission of application for tax credit.)

28. Complete the following:

Address of Buildings	Placed in Service Date by the Previous Owner	Actual/Proposed Date of Acquisition by Applicant	Number of Years Between Placed in Service and Acquisition

SYNDICATION INFORMATION

1. Type of offering:

☐ Public Placement ☒Private Placement ☐Owner Keeping Credit

2. Name: National Equity Fund
   Street Address 120 Riverside Plaza
   City Chicago State IL Zip 60602
   Contact Person Macy Kisilinsky
   Telephone # with Area Code 412-370-2382 Fax # with Area Code 312-360-0185
   E-Mail Address: mkisilinsky@nefinc.org

3. Investors:

☐ Individuals ☐ Corporations ☒Other

4. Amount of Federal Historic Tax Credit: $

5. Estimated proceeds to project from Federal Historic Rehabilitation Tax Credit:

6. Amount of State Historic Tax Credit: $

7. Estimated proceeds to project from State Historic Rehabilitation Tax Credit:

8. Amount of Brownfield Credit: $ $320,970

9. Estimated gross proceeds to project from Brownfield Credit:
   $176,700

10. Estimated gross proceeds to project from Low Income Housing Tax Credit:
    1,193,682

11. Estimated net proceeds to project from Low Income Housing Tax Credit:
    1,193,682

12. If there is a difference between gross and net proceeds, indicated in questions ten and eleven above, identify the page numbers in the partnership agreement where these amounts appear:

13. Amount of syndication expenses incurred by the sponsor (excluding bridge loan costs):
    $40,000

14. Schedule of equity pay-ins to project:

Year # or Estimated Date	Amount
	$
	$
	$

15. Estimated Amount of annual tax credit the syndicator will receive: 129,046

16. Indicate the page number from the limited partnership agreement/syndication document that references this amount: _____

17. Indicate the equity contribution per dollar of annual tax credit: .925

18. Indicate the page number from the limited partnership agreement/syndication document that references this amount: 1

19. Type of Syndication Commitment:
- ☐ Limited Partnership Agreement
  Partnership Name: _____
- ☐ Notarized Letter(s) from Individual Investor(s)
  List investor name(s)
  _____
  _____
  _____
- ☒ Letter of Commitment from Syndicator
- ☐ Other, Describe: _____

20. Describe any special conditions, contingencies, etc. affecting the syndication.
_____
_____

DETERMINING QUALIFIED BASIS ON A BUILDING-BY-BUILDING BASIS

Be sure to include number of units per building. Qualified basis must be determined on a building-by-building basis. List clubhouse(s) or community building(s) last, and DO NOT include an eligible or qualified basis for the clubhouse(s) or community building(s). BUT DO distribute the eligible and qualified basis of these buildings evenly among all residential buildings. Also, the market rate units must be evenly distributed among bedroom types and buildings, except for elderly projects. Make extra copies of this form if necessary.

		UNITS PER BUILDING				SQUARE FEET PER BUILDING					
Bldg #	Addresses (Street, city, zip code)	# of LIHTC Units	# of Market Units	# of Manager/ Employee Units (Common Space)	Total # of Units in Project	Square Footage Of LIHTC Units	Square Footage of Market Units	Sq Foot of Mgr/Emp Units (Common Space)	Total Square Footage in Project	Qualified Basis	PIS** Date mm/dd/yy
1	3117 S Martin Luther King , Lansing 48910	6	6	0	30	714	N/A		4,284	$754,659	08/30/06
2	3117 S Martin Luther King Lansing 48910	6	6	0	30	714	N/A		4,284	$754,659	08/30/06
3	3117 S Martin Luther King Lansing 48910	6	6	0	30	714	N/A		4,284	$754,659	08/30/06
4	3117 S Martin Luther King Lansing 48910	6	6	0	30	714	N/A		4,284	$754,659	08/30/06
5	3117 S Martin Luther King Lansing 48910	6	6	0	30	714	N/A		4,284	$754,659	08/30/06

***TOTALS SHOULD MATCH THOSE ON CHART AT TOP OF PAGE 3 OF PRIMARY APPLICATION**

**New Construction: The PIS date must include mm/dd/yy. The PIS date entered above must be no earlier than the date stated on the temporary or permanent Certificate of Occupancy for the building.

**Rehabilitation: -Occupied units require a statement from the local government, a CPA or an architect identifying the mm/dd/yy of Placed in Service for each building.

- OR-

-Vacant units require the final Certificates of Occupancy issued by the municipality. The PIS date must be no earlier than the date stated on the

temporary or permanent Certificate of Occupancy for the bu[illegible]g.

NOTE: If the date used for PIS is the date of the temporary Certificate of Occupancy, include the temporary Certificate of Occupancy in the appropriate exhibit.

The PIS date shown on this page will be used as the PIS date on the 8609.

SCORING SUMMARY

COMPLETION & SUBMISSION OF THIS SCORING SUMMARY IS MANDATORY

Any changes to a project that require a re-scoring or re-evaluation in which the score falls below the minimum threshold of the category in which it was funded will not be allowed from the time of initial application until the project is placed in service.

Shaded areas are for MSHDA use only.

Project Name: **Oliver Garden**		
City/Twp: **Lansing**		
County: **Ingham**		
Category (check one)		**Funding Round:**
1. General		
A. Elderly	☐	**Self Score:**
B. Nonprofit	☐	**141**
C. Distressed	☐	**Threshold Score:**
D. Rural	☐	
E. Undesignated	☐	**Final Score Awarded:**
2. Preservation Holdback	☐	
3. Small Projects Holdback	☐	**Lottery Number:**
4. Special Needs Holdback	☐	
5. Cool Cities Holdback	☐	
6. Tax Exempt	☒	

Selection Criteria	Possible Points	Self Score	Awarded
A. Project Location	**63 Points Total**		
1. Housing Needs Characteristics			
a. Census Tract Needs Score (From www.michigan.gov/mshda)[1] Census tract(s) #: _____	20	0	____
b. County Needs Score (From Tab N of Combined Application)	10	0	____
c. Location in Principal City (From Tab S of Combined Application)	5	5	____
2. Locality/Neighborhood			
Points will be awarded to projects that are located in any of the following designated areas. Applicants will receive 1 point for each designation up to a maximum of 5 points total.	5	0	____
▪ Empowerment Zone (See Tab L) ☐			
▪ Enterprise Community (See Tab L) ☐			
▪ Renaissance Zone (See Tab M) ☐			
▪ Core Community (See Tab Y) ☐			
▪ County in which a total of fewer than 100 units have been allocated tax credits (See Tab G) ☐			
▪ Cool Cities Neighborhood (See Tab FF) ☐			
▪ Renewal Community (See Tab L) ☐			
▪ Federally recognized American Indian reservations ☐			
Documentation must be provided, including census tract numbers where applicable.			

1 The Needs Score can be obtained by using MSHDA's web site or, if you do not have Internet access, by calling the LIHTC office. The Census Tract Needs Score index may be found at <www.michigan.gov/mshda>. Under the box labeled "spotlight" is a link to the Combined Application for Rental Housing Programs. The link for the census tract needs score index is located with the Combined Application. If a project is located in multiple census tracts with different scores, add the scores for each individual tract and divide by the total number of census tracts.

Selection Criteria	Possible Points	Self Score	Awarded
3. Walkable Community Features Points will be awarded to projects for each of the following features: a. Sidewalks adjacent to multi-family buildings (or throughout scattered-site projects) that connect to sidewalks in surrounding area	1	1	____
b. Pedestrian street crossing within five hundred feet of any residential structure that is part of the project	1	1	____
c. Public transportation stop within five hundred feet of any residential structure that is part of the project	1	1	____
d. Commercial zone within one-quarter mile	1	1	____
e. Public park within one-quarter mile	1	1	____
f. Within one-tenth mile of government-recognized historic building/district	1	0	____
g. Property adjacent to public street with maximum speed limit of 25 mph	1	1	____
h. Property adjacent to public street with designated bicycle lane Local maps highlighting the project location and features of the surrounding area must be included with an application claiming any of the above points. Maps must be legible and to scale, and specific distances to local features must be indicated. (Submit as Exhibit 10)	1	0	____
4. Sewer and Water Lines Points will be awarded to new construction projects that utilize **existing** sewer and water lines. Verification from the municipality and/or local utility company verifying the existence of water and sewer lines to the project must be submitted. (Submit as part of Exhibit 4)	5	5	____

Selection Criteria	Possible Points	Self Score	Awarded
5. Community Revitalization For projects in a location where a community revitalization plan is in place and a sponsor can demonstrate that the proposed development contributes to the plan, points will be awarded to:			
a. Projects utilizing existing housing	5	0	____
b. Projects located in a qualified census tract or on tribal land	5	0	____
Projects may receive points under both (a) and (b).			

B. Project Financing	20 Points Total		
1. Tax Abatement A project application that submits evidence of local support in the form of tax abatement may receive points according to the chart below. These points will not be available to acquisition and/or rehabilitation projects for which tax abatement has previously been in place. To receive any points for tax abatement, any project specific tax abatement ordinance or area-wide tax abatement ordinance with a qualifying resolution submitted with an application must meet Authority requirements and must state the length of time the PILOT will be in effect. Projects located in the City of Detroit must submit the project specific tax abatement resolution or a copy of the Detroit tax abatement ordinance, and a letter from the City of Detroit stating that the project is eligible for tax abatement. If location in a Renaissance Zone is presented as evidence of tax abatement, the project must document that tax abatement will be effective for at least 15 years from the date of application. **Points will be awarded under the highest applicable category, not under multiple categories.**	10	5	____

Tax Abatement Categories	Elderly Project	Family, Handicapped, Transitional, and/or Homeless Project
Letter of support from local municipality	**1 Point**	**2 Points**
Letter from municipality stating that the PILOT ordinance will be in effect for 15 years or more, it is on the approving board's agenda, and the date that the PILOT is expected to be approved	**3 Points**	**4 Points**
Project-specific tax abatement ordinance in place for at least 15 years	**5 Points**	**10 Points**

Selection Criteria	Possible Points	Self Score	Awarded
2. Federal, State, or Local Funding Projects utilizing financing or contributions from federal, state, or local sources (exclusive of Fannie Mae and Freddie Mac) where the credit is needed to make a project feasible or to serve very low income families (e.g., HOME, CDBG, etc.) may receive from 2 to 10 points. Evidence of the financing (including amount, terms, and interest rate), dated within 30 days of the application submission, must be submitted with the application. To obtain points for CIP or AHP financing, a commitment letter from the FHLB must be submitted. Points will be awarded only for long-term permanent financing. **Loan guarantees do not qualify for points.** (Refer to Section VI(A)(2) on page 14 of Primary Application)	10	10	____

Funding Categories	CIP	MSHDA, HOME, RHS, AHP, HUD, CDBG, State/Federal Historic Tax Credits
Projects utilizing federal, state or local permanent financing for **10 - 40% of total costs**	**2 Points**	**5 Points**
Projects utilizing federal, state, or local permanent financing for **more than 40% of total costs**	**5 Points**	**10 Points**

Amount of total development cost: $4,556,845		
Type of Financing	Amount of Financing	% of TDC
1.MSHDA Tax Exempt	$ 1,756,883	39%
2.HOME	$170,000	4%
3.CDBG	$55,000	1%
4.SBT Credit	$176,700	4%

Selection Criteria	Possible Points	Self Score	Awarded
C. Project Characteristics	**105 Points Total**		
1. Reservation for Families with Children / Community Space for Elderly Projects Family projects that reserve at least 10% of the two or more bedroom units* for households with children will receive 5 points. These points are not available to projects serving the elderly. (Refer to Section IV(B)(1) on page 10 of Primary Application) Reserved units: _____ Total 2+ bedroom units*: _____ Percentage: _____ – or – Projects serving the elderly that qualify for the elderly set-aside will receive 5 points for providing community space for use by tenants. To receive points, the community room must, at a minimum, be sized at 15 square feet (net usable floor space) per residential unit. It may be used for activities such as dining, crafts, exercise, medical clinic, socializing, or any other activity or use that may benefit elderly tenants. This space is envisioned as one room or contiguous space, and does not include common space such as hallways, offices, or lobbies. A drawing identifying square footage must be submitted for <u>all</u> community space. (See Exhibit 23) Total residential units*: _____ Minimum square footage: _____ (Res. units X 15) Community space provided: _____ *Including market-rate units, but excluding management units	5	____	____
2. Economic Integration Projects that promote economic integration by serving market rate tenants in at least 20% of residential units (exclusive of management units) will receive 5 points. Market rate units must be evenly distributed among bedroom types and buildings, except in elderly projects. Total residential units*: _____ Number of market rate units: _____ Percentage of market rate units: _____ *Including market-rate units, but excluding management units	5	____	____

Selection Criteria	Possible Points	Self Score	Awarded
3. Low Income Targeting Preference points will be awarded to projects according to the table below insofar as the owner also agrees to restrict rents for those tenants to 30% of the applicable imputed household income for the applicable bedroom size. **Both income and rents for scoring purposes will be based on statewide median income. No points will be awarded for units serving tenants at income and rent levels higher than 50% of statewide median (in no event can credit be awarded to units where income and rent levels exceed 60% of area median).** The lower rent targeting must be evenly distributed among bedroom types except for developments earning points for Special Needs Targeting below. Also, the market rate units must be evenly distributed among bedroom types and buildings, except for elderly projects. (See calculation instructions and conversion worksheet on page I-23 of Addendum I)	50	50	____

Points Matrix

Percent of Low Income Units to Total Units	Percent of Statewide Median Income						
	50	**45**	**40**	**35**	**30**	**25**	**20**
50	25	27.5	30	32.5	35	37.5	40
45	22.5	25	27.5	30	32.5	35	37.5
40	20	22.5	25	27.5	30	32.5	35
35	17.5	20	22.5	25	27.5	30	32.5
30	15	17.5	20	22.5	25	27.5	30
25	12.5	15	17.5	20	22.5	25	27.5
20	10	12.5	15	17.5	20	22.5	25
15	7.5	10	12.5	15	17.5	20	22.5
10	5	7.5	10	12.5	15	17.5	20
5	2.5	5	7.5	10	12.5	15	17.5

Percentages falling between those outlined in the table will be rounded downward. Each point increment will be used only once in the calculation of total points.

How To Calculate Low Income Targeting Points Using The Statewide Median Income (SMI)

STATEWIDE MEDIAN INCOME GROSS RENT LIMITS

THIS IS AN EXAMPLE ONLY, IT DOES NOT CONTAIN CURRENT LIMITS
PLEASE SEE TAB E FOR CURRENT LIMITS

SMI	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
50%	$504	$540	$648	$748	$835	$921
45%	$453	$486	$583	$673	$751	$829
40%	$403	$432	$518	$599	$668	$737
35%	$352	$378	$453	$524	$584	$645
30%	$302	$324	$388	$449	$501	$552
25%	$252	$270	$324	$374	$417	$460
20%	$201	$216	$259	$299	$334	$368

Follow the instructions below to complete the Conversion Worksheet on page I-25:

1. In columns *A, B,* and *C* of the Conversion Worksheet, copy the number of bedrooms, number of units, and AMGI from page 10 of the Primary Application.

2. In column *D* of the Conversion Worksheet enter the rent limit(s) from Tab E of the Primary Application for Rental Housing Packet. Note: Use maximum gross rents by bedroom size shown on the right hand side of the page for the applicable county.

3. Compare the gross rent limit for each unit size in column *D* with the gross rents for the same bedroom size listed in the chart above. Enter the applicable SMI % in column *E*. If for example, on page 10 of the Primary Application you have identified a 1 BR unit with a gross rent of $225 -- which is 30% of the AMGI, compare the $225 for the 1 BR unit to the chart above. Note: Since the 1 BR rent can go up to $270 and remain at 25% of the SMI, a rent of $225 falls within the 25% range of SMI. Consequently, you would enter 25% in column E.

4. In column *F* enter the SMI percentages from column E equaling *50% SMI or lower.*

5. In column *G* enter the total number of units that fall within a given SMI % regardless of their bedroom sizes. For example, if columns B and E indicate two 1BRs at 50% AMGI and two 2BRs at 50% AMGI, add the one and two bedrooms. Consequently, column G would reflect 4 units at 50%.

6. To calculate column *H,* divide the total number of units (exclusive of managers units) by each line item in column G. For example, if the project has a total of 8 units and column G shows 4 units, divide column G, 4 units at 50%, by 8, the total number of units. Column H, therefore, represents the percent of low income tenants to total units, or in this example column H is 50%.

7. To determine the points received in Column *I,* compare columns F and H to the matrix on previous page (I-22).

EXAMPLE
Using 2001 data

CONVERSION WORKSHEET

Use to calculate low income targeting points

COUNTY: Huron County

TOTAL NUMBER OF UNITS: 55
(Exclusive of management units)

FROM PAGE 10 OF PRIMARY APPLICATION			FROM TAB E	USE CHART TAB E
# of Bedrooms -A-	**# of Units -B-**	**AMGI % -C-**	**Gross Rent Limit for AMGI % -D-**	**SMI % -E-**
1	12	50%	400	40%
2	12	50%	480	40%
3	3	50%	555	40%
4	1	50%	618	40%
1	12	60%	480	45%
2	12	60%	576	45%
3	2	60%	666	45%
4	1	60%	742	45%

SMI % (List SMI %(s) shown in E; exclude over 50%) **-F-**	**Total # of Units in Each SMI % -G-**	**SMI's Unit %** (G / Total # of Units) **-H-**	USE CHART PAGE I-22 **# of Low Income Tenant Points -I-**
40%	28	50%	30
45%	27	49%	25
		Total Points:	55
		Total Points Awarded:	**50**

CONVERSION WORKSHEET

Use to calculate low income targeting points

COUNTY: _____Ingham_____ **TOTAL NUMBER OF UNITS:** _____30_____
(Exclusive of management units)

FROM PAGE 10 OF PRIMARY APPLICATION			FROM TAB E	USE CHART TAB E
# of Bedrooms -A-	**# of Units -B-**	**AMGI % -C-**	**Gross Rent Limit for AMGI % -D-**	**SMI % -E-**
1	15	30%	$521	50%
1	15	30%	$521	50%

SMI % (List SMI %(s) shown in E; exclude over 50%) **-F-**	**Total # of Units in Each SMI % -G-**	**SMI's Unit %** (G / Total # of Units) **-H-**	USE CHART PAGE I-22 **# of Low Income Tenant Points -I-**
50%	30	50%	25
50%	30	50%	25
		Total Points:	50
		Total Points Awarded:	**50**

Selection Criteria	Possible Points	Self Score	Awarded
4. Special Needs Targeting Points will be awarded to experienced organizations* that agree to commit 10% or more of a development's units to serving persons with special needs who receive substantial support services. (Applicants must submit the exhibits listed on page 9 of Addendum III in order to receive points under this section) *Experienced organizations must have demonstrated and documented: ☐ At least 5 years' experience developing, owning, or managing Low Income Housing Tax Credit properties ☐ At least 5 years' experience providing special needs services ☐ No outstanding/unresolved compliance issues ☐ No instances of credit being returned to the Authority ☐ Qualification for nonprofit participation points under Section D(6) of this Scoring Summary if organization is nonprofit	5	0	____
5. Extended Low Income Use Projects that agree to extend the period of low income use beyond the 15-year compliance period will receive 1 point for each full additional year up to a maximum of 30 points for 30 additional years. For projects applying under the Preservation Holdback, a minimum of 30 years' low-income use is required. (Refer to page I-9 of Addendum I)	30	15	____
6. Lease/Purchase Projects that agree to transfer 100 percent of the housing tax credit units ownership at the end of the initial 15-year compliance period from the initial ownership entity of the project to tenant ownership will receive 3 points. These points will be available only for single family, townhouse or duplex units. To qualify for the points, the owner must provide a detailed proposal for eventual tenant ownership. (Refer to Section II(B)(1) on page 1 of Primary Application) (See Tab W, LIHTC Policy #16 for qualifications) Projects receiving these points are not eligible for extended low-income use points above [C(5)] without Authority approved deed restrictions or land trusts.	3	0	____

Selection Criteria	Possible Points	Self Score	Awarded
7. Michigan Products Projects that can demonstrate the use of products and goods that are manufactured by Michigan-based corporations in the proposed development will receive two points. (Submit verification as Exhibit 26)	2	0	____
8. High-speed Internet Rehabilitation projects can earn 5 points by giving each unit the ability to access the internet via a high-speed connection. This may be accomplished by wiring each unit with at least one Category 5 network wall socket or by installing a wireless Local Area Network server and providing each unit with at least one wireless LAN card. To receive points under this section, developers will be required to provide certification from the architect that all units will be equipped for high-speed internet capability. (Submit certification from architect as Exhibit 25)	5	5	____

D. Sponsor/Management Agent Characteristics	25 Points Total (positive)		
1. Previous Experience of General Partner/LLC Previous successful participation by a general partner or member of a limited liability company in the proposed development utilizing the LIHTC or other programs producing low-income housing will receive the following points under the highest applicable category, not under multiple categories. (Applicants must complete form on page 25 of primary application outlining previous experience in order to receive points under this section. Submit form as Exhibit 11a)	10	10	____

Project Size, Placed in Service Yrs	Property outside Michigan	Property in Michigan
6 units or fewer, > 3 years	1 Points	2 Point
> 6 units, 1 to 3 years	3 Points	5 Points
> 6 units, > 3 years	7 Points	10 Points

Selection Criteria	Possible Points	Self Score	Awarded
2. Previous Experience of Management Agent Previous successful participation by a management agent in managing low-income housing tax credit projects, with at least three years of experience. Points will be awarded only if the date in which management began such project(s) is included in the application, and will be awarded under the highest applicable category, not under multiple categories. (Applicants must complete form on page 26 of primary application outlining previous experience in order to receive points under this section. Submit form as Exhibit 11b)	5	5	____
3. Poor Previous Participation of Sponsor Poor previous participation on the part of the owner, sponsor, developer, or any related party will be penalized in the form of negative points. This includes, but is not limited to, failure to utilize a Commitment or Allocation of credit, failure to meet requirements necessary to obtain a Carryover Allocation after notification has been provided to the Authority that the requirements would be met, inability to complete a previous project within three years of first submission, foreclosure or granting of a deed in lieu of foreclosure, failure to submit Owner's Certification and monitoring information, repeated failure to submit required documentation in a timely manner, or serious and repeated violation of program requirements as determined by the Authority. *Negative points will be imposed on sponsors for three years following the instance of poor participation.*	-20	0	____
4. Poor Previous Participation of Management Agent Poor previous participation on the part of the management agent will be penalized in the form of negative points. This may include, but is not limited to, failure to provide correct information on monitoring reports, failure to verify and/or calculate tenant income and rents in accordance with federal regulations, or serious and repeated violation of program requirements as determined by the Authority. *Negative points will be imposed on management for two years following the instance of poor participation.*	-10	0	____

Project Size, Placed in Service Yrs	Property in Michigan	Property outside Michigan
6 units or fewer, > 3 years	**1 Point**	**1 Point**
> 6 units, > 3 years	**5 Points**	**3 Points**

Selection Criteria	Possible Points	Self Score	Awarded
5. Affirmative Fair Housing Marketing Plan The Fair Housing Act prohibits discrimination in the sale, rental, financing, or other services related to housing on the basis of race, color, religion, sex, handicap, familial status, or national origin. Under the act, the Authority has a duty to administer programs that affirmatively advance fair housing. To assist the Authority in this duty, applications that include a formal Affirmative Fair Housing Marketing Plan may be eligible to receive points. This plan is designed to assure that persons who are members of racial or ethnic groups (who would not otherwise apply for occupancy in a housing project because of existing neighborhood racial or ethnic patterns, site locations, or other factors) are made aware of the available housing, feel welcome to apply for the housing, and have the opportunity to rent the housing. To receive points, refer to Tab P and attach evidence as Exhibit 12.	5	5	____

Selection Criteria	Possible Points	Self Score	Awarded
6. Nonprofit Participation Projects involving nonprofit ownership will receive 5 points if **all** of the following criteria are met: ▪ The nonprofit must be a 501(c)(3) or 501(c)(4) entity. ▪ The nonprofit must be a local, community-based organization with representation on its governing board from the local community in which the project is to be located, or representatives of the population it serves. ▪ The nonprofit must be organized in the State of Michigan, and must be in good standing. ▪ The nonprofit must not be affiliated with or controlled by any for-profit organization. ▪ No individuals or entities involved with or related to any potential for-profit participant in the development may be involved with or related to the creation or management of the nonprofit. ▪ The nonprofit must have been engaged in the business of fostering low-income housing in its geographic area of operation, or fostering housing for the population it serves, for a minimum of one year. ▪ The nonprofit must have more than a 50% general partner interest in the proposed project, have a concomitant interest in the developer fee, and must be the managing general partner of the project. ▪ The nonprofit must be actively involved with the local community in which the project is located. If there is more than one nonprofit owner, the owner with more than 50% ownership must provide the required information. Nonprofit Name _____ % ownership _____ _____ _____ _____ _____ **Documentation Checklist (mark all included with application)** ☐ Documentation of federal 501(c)(3) or (4) status ☐ Certified Articles of Incorporation* ☐ Copy of by-laws ☐ List of board of directors, if applicable (including address of each board member) ☐ Executed agreement between the sponsor and the non-profit if the project is a joint venture ☐ Description of the non-profit's previous experience in housing (use form on page 27 of the Primary Application) ☐ Current Certificate of Good Standing* ☐ Map outlining service area of non-profit, including specific location(s) and name(s) of affiliated or proposed developments ☐ Narrative describing the non-profit's involvement in the local community ☐ Proof of CHDO approval (if applicable)	5	5	____

Selection Criteria	Possible Points	Self Score	Awarded
E. Readiness to Proceed	**25 Points Total**		
1. Complete Readiness to Proceed Bonus points for projects creating additional low income units may be awarded for a project's Readiness to Proceed evidenced by submission at application stage of <u>all</u> of the following: ☐ Firm commitment of all federal, state, and local financing or contributions which will apply to the project and are dated within 30 days of application submission[2] ☐ Firm commitment for permanent financing, dated within 30 days of application submission, which is accepted by the sponsor[3] ☐ Firm commitment for construction financing, dated within 30 days of application submission, which is accepted by the sponsor. ☐ All necessary local approvals ☐ For projects needing tax abatement to achieve financial feasibility, the project specific tax abatement ordinance or an area-wide tax abatement ordinance with a qualifying resolution which meet Authority requirements[4,5] ☐ Evidence from the municipality of final site plan approval[6] ☐ Evidence from the municipality of proper zoning[7] ☐ Formation of ownership entity[8] Projects receiving points under this category will be required to proceed to closing and disbursement of the construction loan or equity syndication proceeds and, within 120 days of the issuance of the Reservation by the Authority, to provide the Authority with copies of the following: ▪ Final executed partnership agreement if syndication has occurred ▪ Record of the disbursement of the equity or construction loan ▪ Recorded notice of commencement (or evidence that the notice has been received for recording) unless on tribal land ▪ Recorded deed to the property (or evidence that the deed has been received for recording) or long-term lease on tribal land ▪ All building permits necessary to begin construction, or a letter from the municipality stating that the permits will be issued upon payment of fees ▪ Appraisal and capital needs assessment for rehabilitation projects	25	0	____

* Dated within 30 days of application date

2 For CIP financing, a commitment letter from the FHLB. For Authority financing, a copy of the Mortgage Loan Feasibility Resolution.

3 For RHS projects, the 1944-51 (multifamily housing obligation fund analysis) or a letter signed by an official of RHS which commits funds to the project; for conventional construction and permanent financing, letters of commitment from the lender which are accepted by the sponsor, or signed mortgage documents. For Authority financing, a copy of the Mortgage Loan Feasibility Resolution.

4 For projects located in the City of Detroit, the project specific tax abatement resolution, or the Detroit tax abatement ordinance and a letter from the City of Detroit stating that the project is eligible for tax abatement.

5 Projects not relying on tax abatement for financial feasibility must indicate tax expenses in the Application.

6 For rehabilitation projects, a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.

7 For rehabilitation projects a letter from the municipality must be submitted, stating that the zoning is compatible with the proposed use of the buildings.

8 Documentation submitted to the Department of Labor and Economic Growth's Bureau of Commercial Services, and certification dated within 30 days of submission.

Selection Criteria	Possible Points	Self Score	Awarded
2. Partial Readiness to Proceed If a project does not qualify for complete readiness to proceed, it may receive points for each of the following. **A project that receives points in the preceding section for complete readiness to proceed will <u>not</u> be awarded additional points for these items**:			
a. Firm commitment for construction financing that is dated within 30 days of application submission and is accepted by the sponsor (for Authority financing, a copy of the Mortgage Loan Feasibility Resolution). (Attach as Exhibit 9a)	5	0	____
b. Evidence from the municipality that the proposed site is already properly zoned for the intended use.[9] (Attach as Exhibit 3)	5	5	____
c. Evidence from the municipality that the proposed site has received site plan approval.[10] (Attach as Exhibit 16)	5	5	____

F. Preservation Developments	20 Points Total		
Preservation developments will receive points for the following:			
1. Less than 10% increase in rent over previous levels following rehabilitation.	10	0	____
2. Preserving existing project-based tenant subsidies.	10	0	____

9 These points will be available for rehabilitation projects only if a letter from the municipality is submitted with the application stating that the zoning is compatible with the proposed use of the building(s).

10 These points will be available for rehabilitation projects only upon submission at application of a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.

QUICK REFERENCE SHEET	Possible Points	Self Score	Awarded
A. Project Location			
1. Housing Needs Characteristics			
a. Census Tract Needs Score	20	0	
b. County Needs Score	10	0	
c. Location in Central City	5	5	
2. Locality/Neighborhood	5	0	
3. Walkable Community Features			
a. Sidewalks	1	1	
b. Pedestrian Street Crossing	1	1	
c. Public Transportation	1	1	
d. Commercial Zone	1	1	
e. Public Park	1	1	
f. Historic Building/District	1	0	
g. Low Speed Limit	1	1	
h. Bicycle Lane	1	0	
4. Sewer and Water Lines	5	5	
5. Community Revitalization			
a. Existing Housing	5	0	
b. Qualified Census Tract or tribal land	5	0	
B. Project Financing			
1. Tax Abatement	10	10	
2. Federal, State, or Local Funding	10	10	
C. Project Characteristics			
1. Families with Children / Community Space	5	0	
2. Economic Integration	5	0	
3. Low Income Targeting	50	50	
4. Special Needs Targeting	5	0	
5. Extended Low Income Use	30	15	
6. Ownership Option	3	0	
7. Michigan Products	2	0	
8. High-speed Internet	5	5	
D. Sponsor Characteristics			
1. Previous Experience of General Partner/LLC	10	10	
2. Previous Experience of Management Agent	5	5	
3. Poor Previous Participation of Sponsor	-20		
4. Poor Previous Participation of Management Agent	-10		
5. Affirmative Fair Housing Marketing Plan	5	5	
6. Nonprofit Participation	5	5	
E. Readiness to Proceed			
1. Complete Readiness to Proceed	25		
2. Partial Readiness to Proceed			
a. Construction Financing Commitment	5		
b. Proper Zoning	5	5	
c. Site Plan Approval	5	5	
F. Preservation Developments			
1. Less than 10% increase in rent	10		
2. Preserving existing project-based tenant subsidies	10		

GRAND TOTAL	141	

AGENCY POLICY ON CIVIL RIGHTS COMPLIANCE:

The owner/developer/borrower and any of its employees, agents or sub-contractors in doing business with the Michigan State Housing Development Authority (the "Authority") understands and agrees that it is the total responsibility of the owner to adhere to and comply with all Federal Civil Rights legislation along with any required related codes and laws. Should the Authority not specify any specific requirements, such as design, it is none the less the owners responsibility to be aware of and comply with all non-discrimination provisions relating to race, color, religion, sex, handicap, familial status, national origin and any other classes protected in the State of Michigan. This includes design requirements for construction or rehabilitation, Equal Opportunity in regard to marketing and tenant selection and reasonable accommodation and modification for those tenants covered under such laws.

Dated: 08/08/2005

Name of Project: Oliver Gardens

Owner: _____

By: Chris Stuchell

Its: Owner

INTERNAL REVENUE SERVICE
TECHNICAL ADVICE MEMORANDA
CERTIFICATION

We acknowledge that we are familiar with recently issued Internal Revenue Service Private Letter Rulings 200043015, 200043016, 200043017, 200044004, and 200044005, and that we have discussed the substance of these rulings with our Certified Public Accountant. We also acknowledge that these Private Letter Rulings may have an impact on the project's eligible basis, and the amount of credit that may be allocated to the project.

Dated: 08/08/05

Name of Project: Oliver Gardens

Owner: _____

By: Chris Stuchell

Its: Owner

CERTIFICATION TO APPLICATION - MANDATORY

The undersigned is responsible for ensuring that the project consists or will consist of a qualified low income building or buildings as defined in Section 42 of the Internal Revenue Code of 1986, as amended, and will satisfy all applicable requirements of federal tax law in the acquisition, rehabilitation, or construction and operation of the project to receive the low income housing tax credit.

The undersigned is responsible for all calculations and figures relating to the determination of the eligible basis and qualified basis for any building or buildings and understands and agrees that the amount of credit reserved, committed, or allocated hereunder has been calculated pursuant to the representations made herein, and further, that all representations contained herein, whether with respect to costs or any other item, are considered material to the application.

The undersigned, on behalf of the ownership entity that will be the owner of the project agrees that, prior to the issuance of IRS forms 8609, the Owner will sign IRS form 8821, Tax Information Authorization, authorizing the Internal Revenue Service to provide the Michigan State Housing Development Authority with information pertaining to this project.

The undersigned agrees that the Michigan Sate Housing Development Authority will at all times be held harmless against any losses, costs, damages, expenses, or liabilities whatsoever, of any kind, including but not limited to attorney fees, litigation costs, amounts paid in settlement, or any loss of whatsoever nature directly or indirectly resulting from, arising out of, or related to consideration, approval, disapproval, or acceptance of this request for tax credit.

The Michigan State Housing Development Authority offers no advice, opinion, or guarantee that the applicant or the proposed project will ultimately qualify for or receive low income housing tax credit.

Any Reservation or Commitment received as a result of filing this application shall not bind the Michigan State Housing Development Authority to issue a low income housing tax credit allocation.

An application fee in the amount of $ 1050.00 is enclosed. This fee represents the sum of:

- ☒ $35 for each proposed low income unit, with a maximum of $1,500, if this is the **first, second or third** application you are submitting for this funding round.
- ☐ $50 for each proposed low income unit, with a maximum of $2,000, if this is the **fourth or higher** application you are submitting for this funding round.

Dated: 08/08/05

Name of Project: Oliver Gardens

Owner: _____

By: Chris Stuchell

Its: Owner

SPONSOR CERTIFICATION - MANDATORY

This certification must be signed by each sponsor of the project. If there is more than one sponsor, this page must be duplicated.

The undersigned hereby certifies that neither I, nor any company with whom I am affiliated, is currently banned or involved in litigation with any other state credit allocating agency as of this date.

Company: Lansing Housing Commission

By: _____
(Signature)

Date: August 8, 2005

Name: Chris Stuchell
(Typed)

It's: Executive Director
(Title)

A SPONSOR THAT IS BANNED FROM PARTICIPATION IN THE TAX CREDIT PROGRAM IN ANOTHER STATE WILL BE BANNED FROM SUBMITTING AN APPLICATION FOR THE SAME PERIOD OF TIME. INVOLVEMENT IN LITIGATION WILL NOT AUTOMATICALLY RESULT IN A RETURNED APPLICATION, BUT THE AUTHORITY WILL REVIEW THE FACTS AND CIRCUMSTANCES SURROUNDING THE LITIGATION.

The undersigned hereby certifies that I, or a company with whom I am affiliated, is involved in litigation with another allocating agency at the time of submission of this application. The details of the litigation are outlined below.

_____

_____

_____

_____

_____

_____

_____

Company: _____

By: _____
(Signature)

Date: _____

Name: _____
(Typed)

It's: _____
(Title)

WAIVER OF RIGHT TO EXTENDED USE PERIOD TERMINATION - MANDATORY

In accordance with Michigan's Qualified Allocation Plan, the Applicant hereby waives the right to termination of the extended use period provided by Section 42(h)(6)(E)(i)(II) of the Internal Revenue Code.

Section 42(h)(6) of the Internal Revenue Code provides:

(6) BUILDINGS ELIGIBLE FOR CREDIT ONLY IF MINIMUM LONG-TERM COMMITMENT TO LOW-INCOME HOUSING.---

(A) IN GENERAL.---No credit shall be allowed by reason of this section with respect to any building for the taxable year unless an extended low-income housing commitment is in effect as of the end of such taxable year.

(E) EXCEPTIONS IF FORECLOSURE OR IF NO BUYER WILLING TO MAINTAIN LOW-INCOME STATUS.---

(i) IN GENERAL.---The extended use period for any building shall terminate---

(I) on the date the building is acquired by foreclosure (or instrument in lieu of foreclosure) unless the Secretary determines that such acquisition is part of an arrangement with the taxpayer a purpose of which is to terminate such period, or

(II) on the last day of the period specified in subparagraph (I) if the housing credit agency is unable to present during such period a qualified contract for the acquisition of the low-income portion of the building by any person who will continue to operate such portion as a qualified low-income building. Subclause (II) shall not apply to the extent more stringent requirements are provided in the agreement or in State law.

Should a buyer be sought for a low-income housing development in the fourteenth year of the compliance period, the Applicant acknowledges that the Michigan State Housing Development Authority will not be obligated to find a buyer for the property. Furthermore, the extended use period will not terminate if a buyer cannot be found.

This waiver must be signed by the owner or an authorized agent thereof.

Signature

Chris Stuchell
Printed Name

Executive Director
Title

Lansing Housing Commission
Organization