



C/o Waukesha County CDBG Program
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The HOME Consortium
Board of Directors Meeting
Thursday, October 16, 2014
515 W. Moreland Blvd. **Rm 355**
Waukesha, WI 53188
@ 9:00 A.M.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Approval of the Minutes from the September 10, 2014 Board Meeting
4. Public/Staff Comment – Correspondence
5. WI Partnership Fund Balance Report
6. Movin' Out Waterloo Apartments Update and Application for Additional Funds
7. Housing Inspections Update
8. Adjournment

All agenda items are potentially actionable

In accordance with the Americans with Disabilities Act, persons requiring any means of handicap accessibility for this meeting must contact Kristin Silva at 896-3370 (FAX 896-8510) at least 48 hours prior to meeting.

Minutes of the
HOME Board Meeting
September 10, 2014

Members Present: Joseph Birbaum, Ron Buchanan, Kathleen Schilling, Mark Baldwin, Christine Howard, Peter Sorce, John Kannard, Dennis Myers, Duane Paulson, Dick Schultz, Russell Kutz, Jay Schreurs

Staff: Kristin Silva, Lori Rutzinski, and Christina Brockish

Excused Absence: Glenn Stumpf, Maria Watts, Mark Hoefert

Guests: Melissa Mailloux, WFN Consulting; Kim Haines, Waukesha County Corporation Counsel; RoxAnne Witte, Jefferson County Economic Development Consortium

Members introduced themselves as this meeting was a joint meeting with CDBG.

- I. The meeting was called to order by Ron Buchanan, the Board Chair, with a quorum of the Board present at 3:22 p.m.
- II. The Board Chair led the Pledge of Allegiance.
- III. On a motion by Duane Paulson and seconded by Dennis Myers, the minutes from August 12, 2014 were unanimously approved.
- IV. There were no public comments. Kristin asked that all members sign in to their respective Board sign-in sheets.
- V. Melissa Mailloux from WFN Consulting discussed the first draft of the Analysis of Impediments to Fair Housing 2015-2019, which defines five impediments to fair housing and provides recommendations. The draft Consolidated Plan 2015-2019, and the 2015 Annual Plan were presented and discussed.

Upcoming 2014 schedule for the planning process:

| | |
|---------------------------|---|
| September 26 – October 26 | Public comment period |
| October – November | Plan revision based on public comments |
| November 5 | Final documents presented to the County |
| Early November | HOME and CDBG Board meetings for final approval |
| November 15 | Submittal to HUD of all three plans |

- VI. On a motion by Duane Paulson and seconded by Mark Baldwin, the Board approved the meeting adjourned at 5:29 p.m.

Respectfully submitted,

Ron Buchanan
Chair, HOME Board

SUMMARY OF FUND BALANCES FOR HOME CONSORTIUM

| | ESTIMATED TOTAL FUNDS AVAILABLE DURING 2014 | September, 2014 | | 2014 Year to Date | | FUNDS AVAILABLE 09/30/14 | Comments | FUNDS AVAILABLE TO COMMIT |
|--|--|--------------------|--------------------|--------------------|--------------------|--------------------------------|---------------------------------|---------------------------------|
| | | Number of Loans | Reserved Amount | Number of Loans | Reserved Amount | | | |
| Carryover from 2013: | | | | | | | | |
| Downpayment Assistance Program 2013 | \$ 78,305.40 | | | 12 | \$ 78,305.40 | \$ - | | |
| Purchase/Rehab Program 2013 | \$ 25,000.00 | | | 2 | \$ 25,000.00 | \$ - | | |
| Rehab Program 2013 | \$ 25,225.95 | | | 2 | \$ 25,225.95 | \$ - | | |
| Downpayment Assistance Program 2014 | \$ 300,000.00 | | 4 | 26 | \$ 184,799.60 | \$ 115,200.40 | | |
| Purchase/Rehab Program 2014 | \$ 175,000.00 | | | 5 | \$ 79,795.88 | \$ 95,204.12 | | |
| Rehab Program 2014 | \$ 225,000.00 | | | 2 | \$ 12,337.45 | \$ 212,662.55 | 3 loans in process | |
| County Allocations | | | | | \$ 102,915.00 | \$ - | \$102,915 remaining to be drawn | |
| CHDO Operating Funds | | | | | | | | |
| CHDO Reserve Funds | | | | | | | | |
| Movin' Out (Globe Apts., Watertown) | | | | | | | \$43,500 remaining to be drawn | |
| Family Promise | | | | | | | \$340,000 remaining to be drawn | |
| Movin' Out (Waterloo) | | | | | | | \$133,000 remaining to be drawn | |
| Hebron House | | | | | | | | |
| 2014 CHDO Reserve allocation | \$ 165,717.75 | | | | | \$ 165,717.75 | | \$ 165,717.75 |
| CHDO RESERVE BALANCE | \$ - | | | | | | | |
| Administrative Funds | | | | | | | | |
| Waukesha County Admin 2012 | \$ 23,706.44 | | | | \$ 23,706.44 | \$ - | | |
| Waukesha County Admin 2013 | \$ 69,890.20 | | | | \$ 69,890.20 | \$ - | \$40,610 remaining to be drawn | |
| Waukesha County Admin 2014 | \$ 71,000.00 | | | | \$ 71,000.00 | \$ - | \$71,000 remaining to be drawn | |
| WPHD Admin/Technical Assistance 2013 | \$ 50,000.00 | | | | \$ 50,000.00 | \$ - | | |
| WPHD Admin/Technical Assistance 2014 | \$ 35,000.00 | | | | \$ 35,000.00 | \$ - | | |
| UNALLOCATED ADMINISTRATIVE | \$ 53,305.54 | | | | | \$ 53,305.54 | | \$ 53,305.54 |
| Other Entitlement Projects | | | | | | | | |
| 2014 Unallocated Entitlement | \$ 231,474.98 | | | | | \$ 231,474.98 | | \$ 231,474.98 |
| Prior Year UNALLOCATED ENTITLEMENT | \$ 131,762.99 | | | | | \$ 131,762.99 | | \$ 131,762.99 |
| CHI - Rehab funds held by Waukesha Co. | \$ 28,581.24 | | | | | \$ 28,581.24 | | |
| TOTAL AVAILABLE | \$ 1,791,885.49 | | | | | \$ 1,033,909.57 | | \$ 582,261.26 |

NOTES

- Total funds available during 2014, includes funds carried over from prior years, 2014 estimated allocation and program income received during 2014
- These are amounts of funds reserved during the month. For downpayment, these means that the banks have reserved the funds for particular home buyers. For the rehab program, it means that an application has been approved and reserved for particular home owners.
- These are amounts of funds reserved since the beginning of the year. For downpayment, these means that the banks have reserved the funds for particular home buyers. For the rehab program, it means that applications have been approved and reserved for particular home owners.
- These are amounts available to fund new applications for funding such as CHDO and Development Projects.
- These are amounts of funds reserved since the beginning of the year. For downpayment, these means that the banks have reserved the funds for particular home buyers. For the rehab program, it means that applications have been approved and reserved for particular home owners.

HOME Consortium

Program Income Received 2013-2014

| | 2013 | 2014 as of 9/30/14 |
|--|----------------------|-----------------------|
| Repayments received by project/program: | | |
| ADDI | | \$ 2,019.84 |
| DPA | \$ 26,322.40 | \$ 27,000.00 |
| Rehab | \$ 176,585.52 | \$ 54,571.54 |
| Housing Development | | |
| Historic Prairieville | \$ 8,662.03 | \$ 5,330.48 |
| Highlands South | \$ 13,964.37 | \$ 13,964.37 |
| 85 Oconomowoc | \$ 23,719.00 | |
| | | |
| TOTAL | \$ 249,253.32 | \$ 102,886.23 |

When Program Income is received it is added to the Unallocated Entitlement funding shown on the Fund Balance Report, until those funds are allocated to projects or programs.

Since the start of the HOME Consortium in 1998, Program Income of \$2,385,012.49 has been received.

HOME CONSORTIUM APPLICATION

APPLICANT

Applicant's Legal Name: Movin' Out, Inc.

Address: 600 Williamson Street, Madison, WI

Is the organization a CHDO? Yes

Contact Name: Dave Porterfield Title: Real Estate Developer

Telephone: (608) 251-4446 ext. 8 FAX (608) 819-0623

E-Mail: dp@movin-out.org

Federal Identification Number: 39-1833482 Date incorporated 04 / 01 / 96

PROJECT SCOPE

Project Title: Monroe Street Apartments

Project Address: 217 N. Monroe Street, Waterloo, WI 53594

County: Jefferson

Funds Requested: \$ \$340,000 (committed) requesting an additional \$100,000 = \$440,000
total

Number of HOME units: 11 Amount of HOME per unit: \$ 30,909.09
(committed) plus an additional \$9,090.90 = \$40,000 per HOME unit or \$18,334 per affordable
unit in project

Project Type (Check One): Home Buyer Assistance New Construction (For Sale)

New Construction (Rental) Acquisition/Rehabilitation (For Sale)

Acquisition/Rehabilitation (Rental) Rental Rehabilitation Refinance

Other (describe) _____

Population to be served (Check all applicable): Family Elderly Special Needs

Describe the general scope of the project:

This project is being carried out by Movin' Out in partnership with Mirus Partners, Inc.. It will develop 24 new two and three bedroom affordable rental apartments in an infill site located in downtown Waterloo, Wisconsin on a site located at 217 N. Monroe Street which fronts on the Mauneha River. The Project Movin' Out will develop includes 11 Home funded units as part of this larger project. A total of 6 units (25% of the total units) will be targeted as supportive housing units with the balance marketed as workforce housing for working families in Waterloo. Movin' Out is working with Jefferson County and the State of Wisconsin Family Care agency for this area, Southwest Family Care Alliance. Movin' Out will, in conjunction with Southwest Family Care Alliance, will identify income eligible households that include household members

who have permanent disabilities and are served by the Family Care program. The Movin' Out HOME Project will consist of 6 two bedroom units and 6 three bedroom units.

How does the project fit into the priorities set forth in the 2010-2014 Consolidated Plan?

The proposed project addresses a number of priorities identified in the Consolidated Plan including increasing the supply of housing that is both affordable and accessible to very low-income people with disabilities. Additionally the project, located in Waterloo within Jefferson County provides this in a community that has been underserved in this fashion by the HOME program. In consultation with local social service providers it is evident that there is strong demand and need for these housing units. The project also integrates these units within a project that provides housing at a range of rents to produce a highly integrated rental housing community furthering fair housing objectives.

SITING AND DESIGN

Please submit design information with the application, such as a scaled site plan, and building elevation and floor plan drawings to document the design characteristics of the proposed development.

Do you have site control? Yes No

Option Accepted Offer Fee Simple Other: _____

Does the project have local zoning approval? Yes No

When will the project get underway? 11 / 01 /14 When will it be completed?

10 / 01 /15

Describe the site in terms of its accessibility to social, recreational, educational, commercial, health facilities and services, and other municipal facilities and services, or any other advantageous aspects of the site:

The site is located in downtown Waterloo on a site currently owned by the City of Waterloo. It is located within walking distance to all required services. The site is currently a vacant lot which the City has purchased and prepared for redevelopment. The City has agreed to sell the site to the project for \$1.00.

Describe any adverse conditions this site may face, including any environmental issues, proximity to existing or proposed freeways, flooding issues, or proximity to odors or pollution from industrial issues:

The site is cleared and has no environmental issues. It is located in the central business district adjacent to the Maunasha River.

Describe some of the design features of the project:

The project will include 24 two and three bedroom units in a two story, elevator building. Underground parking for 24 vehicles will be included.

Common-area amenities will include a community room, a business center with computer/copy/fax machine and internet access, playground area, and tenant storage.

Individual units will include a kitchen with range, refrigerator, dishwasher, microwave oven and garbage disposal. In addition, each unit will have an in-unit washer/dryer and a balcony. Units will be carpeted in bedrooms and living rooms and with vinyl flooring in kitchens and bathrooms.

PROJECT TARGETING/ AFFORDABILITY

Please list the pertinent information for each unit type in your project:

| Targeting | Number of Households (Units) | Income Targeting | Number of Households (Units) | Number of Members in Household | Maximum Household Income |
|--------------------|------------------------------|------------------------------|------------------------------|--------------------------------|--------------------------|
| Elderly | | < 30% of Area Median Income | 6 | 2 | 16,800 |
| Supportive Housing | 6 | 30-50% of Area Median Income | 5 | | 28,000 - 31,500 |
| Family | | 50-80% of Area Median Income | | | |
| Proposed HOME | 11 | > 80% of Area Median Income | | | |
| None of These | | | | | |
| Total | 11 | Total | 11 | | |

Describe the affordability period for the proposed affordable units:

The project will have a 20 year period of affordability for HOME Program purposes and a 30 year period of affordability under the LIHTC Program requirements

LEVERAGE

Describe the percentage of requested HOME Consortium funds to the project's total funding:

The total project budget is \$4.31 million dollars. The average cost per unit is \$179,500. The Movin' Out HOME funded portion of the project (11 units) has an estimated cost of \$1,975,000. We are requesting an additional \$100,000 from the previous award of \$340,000. The combined request and award represents 22% of the total cost for the HOME units and 10% of the overall project cost.

How will the requested funds be returned to the HOME Consortium as program income?

- More than 50% returned within 5 years of award
- More than 50% returned within 15 years of award
- Less than 100% returned within 15 years of award
- Balloon payment at or after 15 years of award
- Residual receipts after expenses
- No return of funds
- X Other, please describe: Movin ' Out is requesting that the HOME funding be provided at 0% interest and as the HOME regulations now require be lent directly to the project. The HOME Consortium will be repaid the HOME funding at the end of the loan term (year 30). Final payment will coincide with the expiration of the recorded Land Use Restriction Agreement that will require the project to maintain affordability via restricted rents through year 30.

STRENGTH OF APPLICANT

PROJECT BUDGET

Please provide a Capital Budget clearly identifying all sources of funding. You may use the following budget format or supply your own. For rental projects, please provide an operating pro forma.

Status Codes: C= Committed R= Requested (also include the relevant date)

Description Codes:

- | | | |
|------------------------|----------------------------|---------------------------|
| A. Permanent Financing | G. State Housing Loans | M. CDBG |
| B. Conventional Loans | H. State and Local Grants | N. McKinney Act |
| C. Federal Tax Credits | I. Foundation Grant | O. FHLB AHP Funds |
| D. State Tax Credits | J. Other Grant | P. Project Based (Sec. 8) |
| E. Non-LIHTC Equity | K. Other Loan | Q. Other HUD |
| F. Other Subsidies | L. Preservation Tax Credit | R. FHA |

PERMANENT SOURCES: Chris please check the budget

| Source of Funds | Amount | Desc. Code | Status Code / Date | Rate (%) | Annual Debt Service | Soft Debt? (Y/N) |
|----------------------|---------------------|------------|--------------------|----------|---------------------|------------------|
| LIHTC Equity | \$ 2,705,830 | C | Committed | | | NA |
| First Mortgage | \$ 614,839 | A | pending | 5.90% | \$43,762 | N |
| Deferred Devel. Fee | \$ 171,552 | K | Committed | | | NA |
| City TIF | \$ 150,000 | K | Committed | | | NA |
| FHLB AHP | \$ 228,000 | O | Committed | | | Y |
| HOME Funds | \$ 440,000 | Q | Comm/Pend | 0% | | Y |
| TOTAL SOURCES | \$ 4,310,221 | | | | | |

USES:

| | |
|----------------------------|------------------|
| Contingency | |
| Financing Costs | 165,000 |
| Developer/Consulting Fees | 487,000 |
| Soft Costs (inc. reserves) | 426,541 |
| Other | |
| Total Uses | 3,733,833 |

INTERIM SOURCES:

- Construction Loan
 Bridge Loan
 Other: _____

| Source | Amount | Rate (%) | Fee (%) |
|------------------------|-------------|----------|---------|
| IFF construction loan | \$563,503 | 6% | 1.00% |
| BMO Harris const. loan | \$2,000,000 | 6% | 1% |

Please describe below and provide written documentation of commitments from other funding sources and any other partnerships for this project.

Please see attached Option to Purchase with City of Waterloo documenting the sale of the site for \$1.00.

The FHLBC AHP application for \$228,000 and TIF request to the City of Waterloo for \$120,000 have been committed and the WHEDA Tax Credits have been awarded. We have a firm commitment of all financing and are ready to close in early November pending the approval of this request.

EXPERIENCE / CAPACITY

Please provide your most recent audited financial statements.

Attached

Please describe the organization's housing development experience:

Please see attached documentation that provides information about Movin' out, and Horizon Development & Construction.

Movin' Out has over 17 years of experience in providing housing solutions to households that include a family member with a permanent disability. Movin' Out and Mirus Partners, Inc. have extensive experience in developing and managing rental housing as well as operating other HOME funded housing activities such as home ownership and housing rehab programs on a statewide basis. Dave Porterfield, Movin' Out's Real Estate Developer has 27 years of affordable housing development experience and has been involved in developing over 700 units of affordable rental housing in Wisconsin utilizing combinations of housing subsidies including

HOME program funding, Low Income Housing Tax Credits, private equity and debt financing. He is familiar with managing the development process including obtaining all required financing, zoning, brown-field redevelopment, oversight of construction and marketing of affordable housing projects.

Movin' Out, in partnership with Mirus Partners have the necessary capacity to plan, develop and operate the proposed project as evidenced by their respective and collective experience.

Please list relevant staff experience/qualifications and provide resumes:

Please see attached

Please describe any partnerships for this project:

Movin' Out will be part of the ownership structure of the LLC created to develop and own the project.

Will the project create any challenges for the organization? If so, how will these be overcome?

None

RESIDENTIAL RENTAL AND OWNERSHIP PROJECTS

Briefly describe the following:

Activities to bring the project to housing and code standards:

The project will be new construction and will meet all required building and zoning requirements

Improvements (and numbers of units) to make the housing accessible:

The project will meet or exceed all required accessibility requirements

Ways to assure the long term affordability of the project:

All HOME funded units will be subject to a land use restriction agreement per the LIHTC and HOME program.

RESIDENTIAL RENTAL PROJECTS Chris please check the unit table below

Provide the following information about specific units in a RENTAL project:

For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20 percent of the units must be occupied by families with incomes that do not exceed 50 percent of the HUD-adjusted median.

| Rental Project | | | | |
|-----------------|------------------|-------------------|---------------------|-------------------------|
| Number of Units | Income Category | Monthly Unit Rent | Includes Utilities? | Amount of HOME Per Unit |
| 6 - 2 bedroom | Below 30% CMI | \$375 | sewer/water | \$40,000 |
| 5 - 3 bedroom | 30.1% -- 50% CMI | \$675 | sewer/water | \$40,000 |
| | 30.1% -- 50% CMI | | | |
| | 50.1% -- 60% CMI | | | |
| | 60.1% -- 80% CMI | | | |

Describe briefly your tenant selection criteria and process.

This project will reserve 6 of the 24 units in the project for tenants identified by Movin' Out. If Movin' Out cannot identify tenants within 30 days of a vacancy the property manager may fill the unit with another qualified tenant however when that unit becomes available again Movin' Out again has the ability to refer tenants for that unit.

Movin' Out will affirmatively market the project to its target population of people with permanent disabilities. We will work with state and county agencies and their contracted service providers as well as with families and individuals to identify potential households for occupancy of these HOME assisted units. Movin' Out will assess individuals for their potential for becoming successful tenants at Monroe Street Apartments. Movin' Out provides comprehensive housing counseling designed to assist people with disabilities to develop and attain long-range housing plans. We assist with household budgeting, credit evaluation, identification of potential housing resources (for example down payment assistance for home owners and access to rental assistance or affordable rental housing units like the Monroe Street Apartments for renters). For those who are interested and who appear to be qualified under the selection policies utilized by the property manager for Monroe Street Apartments Movin' Out will refer prospective tenants to the property manager.

The Monroe Street Apartments will operate with written criteria, also known as a Resident Selection Policy. The criteria will be established in accordance with the Fair Housing law and Low Income Housing Tax Credit (LIHTC) program. The criteria will include income, rental history, credit history and criminal history and is visibly displayed with the Fair Housing poster and income guidelines in the office. The Managing Agent and the on-site staff will perform the screening and selection process in accordance with the regulations and guidelines of the governing program for the property. The prospective residents must provide detailed information as proof of eligibility for occupancy in the rental community.

If an applicant is ineligible, or eligible but unacceptable, he or she will be advised as to the reasons for ineligibility or unacceptability, and the reasons shall be stated on the application and kept on file. A prospective applicant rejected because of credit will be provided with the source of the report as required by the Fair Credit Reporting Act.

Application Processing Procedures. Upon receipt of a request from an applicant for a unit, the Business Manager is instructed to take the following action:

1. The applicant is given a written listing of rental information for the subject property including rental rates, security deposit requirements, credit check fees, if any, income, family size and composition requirements. The applicant is given a copy of the rental application and Resident Selection Policy with instructions that it must be returned with all of the requested information fully completed. Applications are then reviewed on a first-come-first-served basis according to the chronological order of each categorized waiting list for assignment of an available unit.
2. The Business Manager shall notify the applicant within seven (7) days of receipt of the initial application of specific additional information needed to complete the eligibility review.
3. The applicant's present landlord, listed credit references and sources of income, along with assets, are verified using forms prescribed by the governing programs.
4. Upon receipt of written verification of income source(s) and amounts and confirming previous residential history, credit references, criminal history; we will make a determination as to the applicant's acceptability. No individual will be allowed to move into a project who has given false statements on the application.
5. If the decision is affirmative, the applicant will be so notified and will be advised as to the date they can move in. If the prospect is not approved, they will be notified of the reasons why they were denied. The Resident Selection Policy is posted at the leasing office and is subject to review by any prospect.
6. Canceled and/or rejected applications are retained in the property's rental files for a period of three (3) years to facilitate any reviews or examinations which may be required at a future date.
7. If there is no available unit, the applicant is placed on the property waiting list in order of date and time that the application is received.

Eligibility Requirements. Eligibility requirements regarding family size and needs as they relate to unit size are as follows:

1. The number of occupants must be in accordance with occupancy standards set by the Owner/Agent based upon local codes and ordinances.
2. The Owner/Agent may change the occupancy limit during the lease term if changes in laws, ordinances or regulations make such change necessary. The maximum occupancy limit will depend on local ordinances and regulations and the square footage of usable sleeping areas, as defined by codes and suggested by HUD. Notwithstanding the above, Owner/Agent shall have the right to make reasonable accommodations for individuals with disabilities and may adjust occupancy limits to further the goal of reasonable accommodation.

3. Generally, to be eligible for occupancy, an applicant must meet the criteria listed in the Resident Selection Policy
4. To be determined eligible, prospective residents must be capable of independent living, be able to provide for their own sustenance and possess the legal age and capacity to enter into a lease agreement.
5. For the purpose of definition, the property manager will consider a family those individuals related by blood or joined by operation of law (marriage). Specifically, a family is considered to be any adult residing with another person under age 18.

Resident Recertification Procedure. A recertification of the resident's eligibility will be accomplished annually. A notice will be given to the resident at least seventy-five (75) days prior to the recertification date. If the resident has not visited the on-site office and given the appropriate information to the staff by thirty (30) days prior to the recertification date, another attempt will be made to notify the resident of the urgency of the situation via certified mail advising what will take place if the information is not received. All properties are provided with a Low Income Housing Tax Credit (LIHTC) Manual which thoroughly explains the operation and requirements of the certification process. Additionally, the staff attends training and meetings at which time additional instruction is given in the management requirements for the various low income housing programs.

Does the project include plans to provide supportive services to residents or links to appropriate services? If yes, please describe.

Yes, Movin' Out will work with the area Family Care and County agencies to ensure community based supportive services are provided to tenants in the project. (Please see attached MOU from Southwest Family Care Alliance indicating they will provide supportive services to the project). Additionally the supportive units will also be marketed to income eligible military veterans. Movin' Out has established a MOU with the Jefferson County Veterans Services Office and the Federal VA who will make referrals and provide needed supportive services. The supportive units will be leased on a first come, first served basis to both populations.

ADDITIONAL QUESTIONS FOR ALL PROJECTS

What percent of the housing units in your project are family (not elderly) rental units affordable to families making less than 50% of the area median income?

For the overall project (24 units) 58% of all units will be set-aside for households with incomes at or below 50% CMI. For the HOME funded unit portion of the project 100% will be restricted to households with incomes at or below 50% CMI.

Are any of the units in your project public housing replacement units through an agreement with the local Housing Authority?

No

Is your project a mixed use development (example: housing and commercial)?

No.

Will your project incorporate the Star Home Program requirements or another documented energy savings program that provides guaranteed EPA Energy Star Certification of the finished housing units?

The project will include all Energy Star rated appliances and will achieve Wisconsin Green Built Homes Certification.

What percent of the proposed units are designed to be fully handicap accessible as defined in Federal and State guidelines?

At a minimum 5% of the overall project (24 units) will be designed to required federal accessibility standards.

Every dollar of HOME funds used must be matched with at least 25 cents from nonfederal sources, which may include donated materials or labor, the value of donated property, proceeds from bond financing, and other resources. Please describe how your project will meet the minimum 25% federal match requirement:

HOME match will be provided through the value of the site - which is currently estimated to have a value of \$ 120,000 (see attached appraisal).

NOTE: The following is only available to Community Housing Development Organizations (CHDOs)

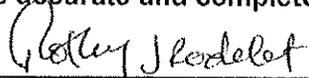
CHDO OPERATING

On the table below, break down the administrative/operational expenses you will incur in the course of initiating, operating, managing and monitoring proposed activities. For each item marked with an asterisk provide more detail on additional pages.

| CATEGORY | HOME | OTHER SOURCES | TOTAL |
|------------------|------|---------------|-------|
| Personnel | | | |
| Travel | | | |
| Equipment* | | | |
| Office Rent | | | |
| Utilities | | | |
| Supplies | | | |
| Training | | | |
| Audit (required) | | | |
| Contractual* | | | |
| Other* | | | |
| TOTALS | | | |

AUTHORIZATION

On behalf of Movin' Out, Inc (Applicant), I submit this application for funding to the HOME Consortium. To the best of my knowledge all information contained herein is accurate and complete as stated.

 Executive Director

Signature

Title

Tim Radelet
Print Name

September 25, 2014
Date

RENTAL HOUSING DEVELOPMENT BUDGET

white space indicates data entry

PROJECT: **Monroe Street Apartments**
 NUMBER OF UNITS: **24** TOTAL COST PER UNIT: **179,593**

| ITEM | COST | % TOTAL | Depractable | Amortize | Non-Depr. | Historic RTC | LIHTC 4% | LIHTC 8% |
|--------------------------------------|------------------|----------------|------------------|---------------|----------------|------------------|------------------|------------------|
| ACQUISITION | | | | | | | | |
| Build Acquisition | | 0.00% | 0 | | | | 0 | |
| Land Acquisition | 1 | 0.00% | | | 1 | | | |
| SITE IMPROVEMENTS | | | | | | | | |
| Demolition | | 0.00% | 0 | | | 0 | 0 | 0 |
| On-Site Imp. | | 0.00% | 0 | | | | 0 | 0 |
| Off-Site Imp. | 0 | 0.00% | | | 0 | | | |
| CONSTRUCTION | | | | | | | | |
| Rehabilitation | | 0.00% | 0 | | | 0 | 0 | 0 |
| New Construction | 3,000,000 | 69.60% | 3,000,000 | | | | 3,000,000 | 3,000,000 |
| Contingency | 150,000 | 3.48% | 150,000 | | | 150,000 | 150,000 | 150,000 |
| Tap & Impact Fees | 65,000 | 1.51% | 65,000 | | | 65,000 | 65,000 | 65,000 |
| Garages | 0 | 0.00% | 0 | | | 0 | 0 | 0 |
| Furnishings | 20,000 | 0.46% | 20,000 | | | | 20,000 | 20,000 |
| Contractor Fees | | 0.00% | 0 | | | 0 | 0 | 0 |
| PROFESSIONAL FEES | | | | | | | | |
| Survey | 6,000 | 0.14% | 6,000 | | | 6,000 | 6,000 | 6,000 |
| Architect & Engineer | 72,000 | 1.67% | 72,000 | | | 72,000 | 72,000 | 72,000 |
| Real Estate Attorney | 60,000 | 1.39% | 60,000 | | | 60,000 | 60,000 | 60,000 |
| Consultant | 0 | 0.00% | 0 | | | 0 | 0 | 0 |
| Tax Opinion | | 0.00% | | | 0 | | | |
| Developer Fee | 562,000 | 13.04% | 562,000 | | | 562,000 | 562,000 | 562,000 |
| Market Study | 6,500 | 0.15% | 6,500 | | | 6,500 | 6,500 | 6,500 |
| Environmental & Soils | 5,500 | 0.13% | 5,500 | | | 5,500 | 5,500 | 5,500 |
| Cost Certification & Accounting Fees | 10,000 | 0.23% | 10,000 | | | 10,000 | 10,000 | 10,000 |
| Capital Needs Assess. | | 0.00% | 0 | | | 0 | 0 | 0 |
| CONSTRUCTION FINANCE | | | | | | | | |
| Constr. Loan Interest | 90,000 | 2.09% | 90,000 | | | 90,000 | 90,000 | 90,000 |
| Constr. Loan Fee | 35,000 | 0.81% | 35,000 | | | 35,000 | 35,000 | 35,000 |
| Constr. Insurance | 14,000 | 0.32% | 14,000 | | | 14,000 | 14,000 | 14,000 |
| Appraisal | 4,250 | 0.10% | 4,250 | | | 4,250 | 4,250 | 4,250 |
| Title and Recording | 12,500 | 0.29% | 12,500 | | | 12,500 | 12,500 | 12,500 |
| | | 0.00% | 0 | | | 0 | 0 | 0 |
| PERMANENT FINANCE | | | | | | | | |
| Perm. Loan Fee | 6,148 | 0.14% | | 6,148 | | | | |
| Perm. Origination | 0 | 0.00% | | 0 | | | | |
| Title and Recording | 0 | 0.00% | | 0 | | | | |
| Other | | 0.00% | | 0 | | | | |
| SOFT COSTS | | | | | | | | |
| Tax Credit Appl. Fee | 31,372 | 0.73% | | | 31,372 | | | |
| Tax Credit Mon. Fee | | 0.00% | | | 0 | | | |
| Marketing Expense | 5,000 | 0.12% | | 5,000 | | | | |
| Organizational Exp. | | 0.00% | | 0 | | | | |
| Constr. Insurance | 0 | 0.00% | 0 | | | 0 | 0 | 0 |
| Property Taxes | 2,000 | 0.05% | 2,000 | | | 2,000 | 2,000 | 2,000 |
| Syndication Expense | 45,000 | 1.04% | | | 45,000 | | | |
| Rentup Expense | 40,000 | 0.93% | | | 40,000 | | | |
| Lender Legal | 15,000 | 0.36% | 15,000 | | | | 15,000 | 15,000 |
| Ineligible Interest | | 0.00% | | | | | | |
| RESERVES | | | | | | | | |
| Rentup Reserve | | 0.00% | | | 0 | | | |
| Operating Reserve (6.0 mos) | 62,950 | 1.23% | | | 62,950 | | | |
| | 0 | 0.00% | | | 0 | | | |
| DEVELOPMENT COST | 4,310,221 | 100.00% | 4,129,750 | 11,148 | 169,323 | 1,094,750 | 4,129,750 | 4,129,750 |

PRO FORMA (page 1 of 5)
RENT AND EXPENSE ASSUMPTIONS

Moore Street Apartments

| Unit Type | # Units | Mo. Rent | Ann. Rent | |
|-----------------|---------|----------|-----------|--------|
| 2 bedroom (60%) | 5 | 375.00 | 21,000 | |
| 2 bedroom (50%) | 2 | 625.00 | 15,000 | 6 |
| 2 bedroom (60%) | 0 | 675.00 | 42,000 | 25.00% |
| 2 bedroom (40%) | 2 | 750.00 | 18,000 | |
| 3 bedroom (50%) | 2 | 675.00 | 42,000 | |
| 3 bedroom (60%) | 2 | 750.00 | 18,000 | |
| | 0 | 0.00 | 0 | |
| | 0 | 0.00 | 0 | |
| | 0 | 0.00 | 0 | |
| | 0 | 0.00 | 0 | |
| | 0 | 0.00 | 0 | |
| | 0 | 0.00 | 0 | |
| TOTAL | 24 | | 175,200 | |

COMMERCIAL RENTS

| Description | Leasehold SF | 55\$/SF/Year | Annual Rent | |
|----------------------------|--------------|--------------|-------------|--|
| | 0 | 0.00 | 0 | |
| | 0 | 0.00 | 0 | |
| | 0 | 0.00 | 0 | |
| Total Commercial | 0 | 0 | 0 | |
| Tenant Contributions | 0 | 55\$/SF/Year | 0 | |
| Tenant Contributions | 0 | 0.00 | 0 | |
| Tenant Contributions | 0 | 0.00 | 0 | |
| TOTAL TENANT CONTRIBUTIONS | 0 | 0 | 0 | |

| | |
|--------------------------------------|---------|
| TOTAL INCOME | |
| Residential Income | 175,200 |
| Commercial Income | 0 |
| Garage Income (25/Space - 12 stalls) | 0 |
| Other Income | 2,380 |
| TOTAL INCOME | 178,080 |

| OPERATING EXPENSES | TOTAL | Per Unit | Percent of EGI |
|-----------------------------------|---------|----------|----------------|
| Management Fee | 5,900 | 413 | 6.0% |
| Advertising/Market | 2,000 | 50 | 0 |
| Legal | 0 | 0 | 0 |
| Administrative | 20,400 | 450 | 0 |
| Utilities | 18,000 | 750 | 0 |
| Tax | 1,000 | 79 | 0 |
| Maintenance/Repairs | 22,000 | 917 | 0 |
| Grounds | 3,000 | 125 | 0 |
| Rent Estate Property Tax | 18,000 | 750 | 0 |
| Insurance | 9,500 | 396 | 0 |
| Other | 1,200 | 50 | 0 |
| Total Operating Expenses | 125,000 | 4,413 | 59.47% |
| Reserve/Reserve | 7,200 | 300 | 0 |
| Other | 0 | 0 | 0 |
| Total Operating Exp. and Reserves | 132,200 | 4,713 | 63.51% |

324000

| RESIDENTIAL ASSUMPTIONS | Percent |
|-------------------------|---------|
| Rent Inc./Year | 3.00% |
| Op. Cost Inc./Year | 3.00% |
| Reserves Inc./Year | 0.00% |
| Yr. 1 | 7% |
| Yr. 2 | 7% |
| Yr. 3 & Future | 7% |

| COMMERCIAL ASSUMPTIONS | Percent |
|------------------------|---------|
| Rent Inc./Year | 0.00% |
| Op. Cost Inc./Year | 0.00% |
| Reserves Inc./Year | 0.00% |
| Yr. 1 | 0% |
| Yr. 2 | 0% |
| Yr. 3 & Future | 0% |
| Other Income Increase | 3% |
| Weighted Op. Exp. | 3% |

TAX & APPRECIATION BENEFITS

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Monroe Street Apartments

| LIHTC | Acquisition and Rehab. | Tax Exempt Bond | Rehab./New No Acq. |
|-----------------------------|---------------------------|--------------------|-----------------------|
| Rehab./New Construction | 4,129,760 | 4,129,760 | 4,129,760 |
| - % Commercial | 0 | 0 | 0 |
| - RTC (Housing only) | 0 | 0 | 0 |
| - Grants | 228,000 | 228,000 | 228,000 |
| = Rehab/Const Basis | 3,901,760 | 3,901,760 | 3,901,750 |
| x Credit Rate | 7.89% | 3.28% | 7.69% |
| x Bonus Area | 130% | 116% | 130% |
| = Annual Rehab/Const Credit | 384,988 | 145,828 | 384,988 |
| Acquisition | 0 | 0 | |
| x Credit Rate | 3.25% | 3.25% | |
| = Annual Acq. Credit | 0 | 0 | |
| Annual Credit | 384,988 | 145,828 | 384,988 |
| x % Low Income | 92% | 92% | 92% |
| Amount of Credit/Year | 352,878 | 133,668 | 352,878 |

| | |
|---------------------------|------------------|
| Annual LIHTC (AWARD) | 303,715 |
| 10 Year LIHTC Credit | 3,037,150 |
| Equity | 2,705,101 |
| x % Ownership | 99.99% |
| Partnership Equity | 2,705,830 |
| TOTAL EQUITY LIHTC | 2,705,830 |

SOURCES OF FUNDS

Monroe Street Apartments

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PROJECT ASSUMPTIONS

| | |
|--------------------------|--------|
| % Commercial | 0.00% |
| Anticipated Year of Sale | 0 |
| Cap Rate at Sale | 10.00% |
| Cost of Sale | 0% |
| Tax Rate at Sale | 35% |

HISTORIC REHAB. ASSUMPTIONS

| | |
|-------------------------------------|--------|
| Historic Rehabilitation 1=yes, 0=no | 0 |
| Historic RTG Equity Rate | \$0.00 |

LIHTC ASSUMPTIONS

| | |
|---|-----|
| Project Type (1=acq/rehab, 2=land, 3=new const) | 3 |
| LIHTC Occupancy Percentage | 92% |
| Blg. Acquisition Elgbl 1=yes, 0=no | 3 |

| | |
|------------------------------|-------|
| LIHTC 4% Rate | 3.25% |
| LIHTC 9% Rate | 7.52% |
| LIHTC Bonus Area 1=yes, 0=no | 0 |

Nov-11

INVESTMENT ASSUMPTIONS

| | |
|---|--------|
| Investor Tax Rate | 35% |
| Investor Ownership | 99.99% |
| Basis for Equity (1=Sale Rate, 2=IRR, 3=3Anst.) | 1 |
| 1. LIHTG Sale Rate | \$0.89 |
| 2. Expected Internal Rate of Return (IRR) | 0.00% |
| 3. Equity Investment Committed | \$0 |

EQUITY ATTRACTED

| | |
|---|-------------|
| Equity Attracted Based on Sale Rate | \$2,705,830 |
| Equity Attracted Based on IRR | \$0 |
| Equity Attracted Based on Dollar Amount | \$0 |

DEBT ATTRACTION CALCULATION

| | Requirements | Loan Amt. |
|---|--------------|-----------|
| Debt Coverage Ratio | 1.20 | \$614,839 |
| Loan to Value Ratio | 0% | \$0 |
| Capitalization Rate | 0.00% | |
| Stabilized NOI | \$52,514 | |
| Fair Market Value | \$0 | |
| Loan Amount, 1=\$Amt., 2=DCR, 3=DCR and LVR | 2 | |
| Bank Loan Committed | \$0 | |
| Loan Amount Based on DCR | \$614,839 | |
| Loan Amount Based on DCR and LVR | \$0 | |

PROPOSED PERMANENT FINANCING

| | Amount | Rate | Amortization | Term | Pymts. Begin | Source |
|----------------------|------------------|-------|--------------|------|--------------|---------------------------|
| BANK | \$14,839 | 3.50% | 30 | 17 | | IFF |
| Amortizing Loan | 0 | 0.00% | 0 | 0 | | |
| Amortizing Loan | 0 | 3.00% | 0 | 0 | | |
| Interest Only Loan | 0 | 3.00% | 30 | 4 | | |
| Interest Only Loan | 0 | 0.00% | 0 | 0 | | |
| Deferred Loan | 0 | 0.00% | 0 | 0 | 1 | |
| Deferred Loan | 0 | 0.00% | 0 | 0 | 1 | |
| Developer Loan | 0 | 0.00% | 0 | 0 | 1 | |
| HOME LOAN | 440,000 | 3.00% | 0 | 0 | 40.00% | 1/2 of CF Movin' Out/HOME |
| TOTAL LOANS | 1,054,839 | | | | | |
| Grant - TIP | 150,000 | | | | | City of Waterloo |
| AHP | 228,000 | | | | | Movin' Out |
| TOTAL GRANTS | 378,000 | | | | | |
| EQUITY | 2,705,830 | | | | | |
| TOTAL SOURCES | 4,138,869 | | | | | |

| | |
|-----------------|-----------|
| TOTAL DEV. COST | 4,310,221 |
| TOTAL SOURCES | 4,138,869 |
| DEFERRED FEE | 171,352 |

10 53h