

I. General Information

Date: 1/26/2021 Current Funding Round: FY2020 Funding Round 1 - Alternate MHDC Project Number: 20-077-MHCT
 Is this a competitive application under the NOFA? Yes
 This application will be used as: Initial Application Is this a Milestone? Yes
 Will this project utilize Tax Exempt Bond Financing? No

Development Name: The Cleveland
 Address: 5101-5223 Cleveland Avenue, 5100-5234 Mersington and 5201-5231 Mersington
 City: Kansas City MO Zip: 64130 County: Jackson Region: KC
 Census Tract: 78.020000 [Census Tract Lookup](#)
 Nearby Existing Address: 3800 E. 51st Street Kansas City, MO 64130

Are you eligible for an increase in basis for up to 30%? (Mark Each That Apply)
 Qualified Census Tract Difficult Development Area Workforce Housing Preservation Veterans Housing
 Set-aside Preference Service-Enriched Housing Independence Enabling Housing
 Reason for Basis Boost? Higher construction costs due to a large site and 40 buildings + a clubhouse.

School District: Kansas City 33 231 Is the site located within the city limits? Yes
 Elementary School: Benjamin Banneker Elementary Middle School: Central Middle High School: Southeast High
 Charter School: Hogan Preparatory Academy Is Charter School Free? Yes

State of Missouri Senate District: <u>9</u>	<u>Government Lookup</u>	For ALL PROJECTS, provide GPS co-ordinates
State of Missouri House District: <u>26</u>		Latitude <u>39.03341</u>
United States Congressional District: <u>5</u>		Longitude <u>-94.54084</u>

MHDC must collect expected job creation information on proposed projects. In the space below, please estimate the number of construction jobs and non-construction jobs (property management jobs) that will be created if this project as proposed is funded. Estimate the number of construction jobs created based upon the assumption that 6 jobs are created for each \$1 million of construction activity (based upon the construction contract).

	<u>Construction Jobs</u>	<u>Non-Construction Jobs</u>
Part-time permanent jobs created	<u> </u>	<u> </u>
Full-time permanent jobs created	<u>33</u>	<u>2</u>

Is the development part of an organized community development, neighborhood preservation or area revitalization plan? Yes
 If you answered "Yes" to the question above, what is the date of the adoption of the plan? 6/1/2001
 Tax Credit type to be Claimed: Acquisition/Rehab
 Is this a conversion proposal? No Previous use: N/A
 Type of planned occupancy: Family
 Type of rental structure: Standard Rental

Requests for Federal Tax Credits

Federal Housing Tax Credit Request (Annual Amt): \$482,000
(This Tax Credit request is for 9% credits.)

State Housing Tax Credit Request (Annual Amt): \$337,400
(This Tax Credit request is for 9% credits and the State LIHTC request must be equal to 70% of the Federal LIHTC request.)

Requests for Missouri Housing Trust Fund

Missouri Housing Trust Fund

Please DO NOT use this form if you are ONLY applying for Missouri Housing Trust Funds.

Affordable Housing Assistance Program Tax Credits:
 Missouri Housing Trust Fund:

MISSOURI HOUSING DEVELOPMENT COMMISSION ENCOURAGES PROPOSALS FROM MINORITY-OWNED & WOMEN-OWNED BUSINESSES.

II. Developer Information

Will this development be developed by a Missouri individual, partnership or corporation?

Yes

Entity Type **Non-Profit Corporation** (Previous participation / experience summary - required)

Developer Name: **Community Builders of Kansas City** Phone: **(816) 627-2163**

Address: **4001 Blue Parkway, Suite 301** Fax: **(816) 448-2943**

City: **Kansas City** State: **MO** Zip Code +4: **64130**

Authorized Signatory: **Emmet Pierson, Jr.** Authorized Signatory Email: **epierson@cb-kc.org**

Project Contact: **Shannon Hesterberg** Project Contact Email: **shesterberg@cb-kc.org**

Date of Formation: **June 14, 1991** MBE / WBE: **NONE**

Does the Developer or any principal of the Developer have any outstanding 8823s with any state housing finance agency, including MHDC?

No

If so, please identify the state HFA(s) that issued the 8823's.

Has the Developer or any principal of the Developer ever had an 8823 filed by any state housing finance agency which resulted in action by the IRS?

No

If so, identify the property, briefly describe the violation and the IRS action.

Has the Developer or any principal of the Developer been flagged by HUD for a violation or performance issue?

No

If so, has the flag been resolved? **Select**

If so, identify the property, briefly describe the flag, and explain how the flag was resolved, if applicable.

General Partner(s)/Member(s)

General Partner/Member Name

Phone Number

Email Address

III. Proposed Ownership Entity

Ownership Entity Name: RCG II, LLC
 Ownership Entity Type: Limited Liability Company Phone: (816) 627-2137
 Address: 4001 Blue Parkway, Suite 301 Fax: _____
 City: Kansas City State: MO Zip Code +4: 64130
 Date of Formation: March 12, 2018

Managing General Partner/Member

MGP/Mem Name: RCG II Member, LLC Phone: (816) 627-2137
 Address: 4001 Blue Parkway, Suite 301 Fax: _____
 City: Kansas City State: MO Zip Code +4: 64130
 Email Address: epierson@cb-kc.org Percentage of ownership entity interest: 100.00%
 Authorized Signatory: Emmet Pierson, Jr. Authorized Signatory Email: epierson@cb-kc.org
 Project Contact: Shannon Hesterberg Project Contact Email: shesterberg@cb-kc.org
 Project Guarantor: Community Builders of Kansas City Trust: No Name of Trust: _____

Does the Managing General Partner/Member or any principal of the Managing General Partner/Member have any outstanding 8823s with any state housing finance agency, including MHDC? No
 If so, please identify the state HFA(s) that issued the 8823's. _____

Has the Managing General Partner/Member or any principal of the Managing General Partner/Member ever had an 8823 filed by any state housing finance agency which resulted in action by the IRS? No
 If so, identify the property, briefly describe the violation and the IRS action. _____

Has the Managing General Partner/Member or any principal of the Managing General Partner/Member been flagged by HUD for a violation or performance issue? No
 If so, has the flag been resolved? Select
 If so, identify the property, briefly describe the flag, and explain how the flag was resolved, if applicable. _____

Key Principal(s)

Name: Emmet Pierson, Jr.
 Years of experience in affordable housing development: 25 Years of experience in housing development: 25
 Percentage of MGP/Member ownership interest: 0.00%

Name: Stephen Weatherford
 Years of experience in affordable housing development: 17 Years of experience in housing development: 17
 Percentage of MGP/Member ownership interest: 0.00%

Name: _____
 Years of experience in affordable housing development: _____ Years of experience in housing development: _____
 Percentage of MGP/Member ownership interest: _____

Name: _____
 Years of experience in affordable housing development: _____ Years of experience in housing development: _____
 Percentage of MGP/Member ownership interest: _____

Other General Partner/Member

IV. Development Team Information (Name, Address, Phone Number & E-Mail)

<p>a) Contractor: Street Address: 7775 Meadow View Drive City, State, Zip: City Shawnee State KS Zip Code + 4 66227 Phone / Fax: Phone (913) 451-8828 Fax Contact/Email: Ernie Straub IV estraub@straubconstruction.com Contact email address</p>	MBE or WBE <input type="text" value="NONE"/>	Employees assigned to project <input type="text" value="3"/>
<p>b) Property Manager: Street Address: 4001 Blue Parkway, Suite 301 City, State, Zip: City Kansas City State MO Zip Code + 4 64130 Phone / Fax: Phone (816) 246-9220 Fax Contact/Email: Irving Blue iblue@cb-kc.org Contact email address</p>	MBE or WBE <input type="text" value="NONE"/>	Employees assigned to project <input type="text" value="2"/>
<p>c) Consultant: Street Address: 2913 Swift City, State, Zip: City North Kansas City State MO Zip Code + 4 64116 Phone / Fax: Phone (785) 550-1683 Fax Contact/Email: Ryan Tull ryancurtistull@gmail.com Contact email address</p>	MBE or WBE <input type="text" value="NONE"/>	Employees assigned to project <input type="text" value="1"/>
<p>d) Attorney: Street Address: 2405 Grand Blvd. Suite 800 City, State, Zip: City Kansas City State MO Zip Code + 4 64108-2536 Phone / Fax: Phone (816) 221-5436 Fax Contact/Email: Allison Bergman abergman@hardwicklaw.com Contact email address</p>	MBE or WBE <input type="text" value="MBE"/>	Employees assigned to project <input type="text" value="1"/>
<p>e) Accountant: Street Address: 910 E. St. Louis Street, Suite 200 City, State, Zip: City Springfield State MO Zip Code + 4 65806 Phone / Fax: Phone (417) 865-8701 Fax Contact/Email: Kim Hamm khamm@bkd.com Contact email address</p>	MBE or WBE <input type="text" value="NONE"/>	Employees assigned to project <input type="text" value="1"/>
<p>f) Architect: Street Address: 1526 Grand Blvd. City, State, Zip: City Kansas City State MO Zip Code + 4 64108-1404 Phone / Fax: Phone Fax Contact/Email: Edward English eenglish@rosemann.com Contact email address</p>	MBE or WBE <input type="text" value="NONE"/>	Employees assigned to project <input type="text" value="2"/>
<p>g) Title Company: Street Address: 2402 North Woodbine Road City, State, Zip: City St. Joseph State MO Zip Code + 4 64506-3672 Phone / Fax: Phone (816) 364-4100 Fax Contact/Email: Angie Moeck angie@preferred-title.com Contact email address</p>	MBE or WBE <input type="text" value="WBE"/>	Employees assigned to project <input type="text" value="1"/>
<p>h) Surveyor: Street Address: 3200 S. State Route 291, Bdg. 1 City, State, Zip: City Independence State MO Zip Code + 4 64057 Phone / Fax: Phone (816) 373-4800 Fax Contact/Email: Toby Williams williams@powellcwm.com Contact email address</p>	MBE or WBE <input type="text" value="WBE"/>	Employees assigned to project <input type="text" value="2"/>
<p>i) Physical Needs Firm: Street Address: 319 N. Main, Suite 100 City, State, Zip: City Springfield State MO Zip Code + 4 65806-1203 Phone / Fax: Phone (417) 882-4208 Fax (417) 886-7173 Contact/Email: Zachary B. Smith zsmith@jps-associates.com Contact email address</p>	MBE or WBE <input type="text" value="NONE"/>	Employees assigned to project <input type="text" value="1"/>
<p>j) Environmental Firm: Street Address: 2316 Troost Avenue City, State, Zip: City Kansas City State MO Zip Code + 4 64108-2835 Phone / Fax: Phone (816) 569-5256 Fax (816) 569-5257 Contact/Email: Stephanie Isaacson stephanie@newhorizons-llc.com Contact email address</p>	MBE or WBE <input type="text" value="WBE"/>	Employees assigned to project <input type="text" value="1"/>
<p>k) Market Study Firm: Street Address: 6700 Antioch Road #450 City, State, Zip: City Merriam State KS Zip Code + 4 66204 Phone / Fax: Phone (913) 312-4612 Fax Contact/Email: Rachel Denton Rachel.Denton@novoco.com Contact email address</p>	MBE or WBE <input type="text" value="NONE"/>	Employees assigned to project <input type="text" value="1"/>

Does the developer or owner hold a direct or indirect financial interest in any development team member listed above?

All identities of interest between the developer/sponsor, directly or indirectly, with any member(s) of the development team must be disclosed. If the developer has an identity of interest with anyone from the development team, please place a "X" in the box associated with that entity.

<input type="checkbox"/> Contractor	<input type="checkbox"/> Attorney	<input type="checkbox"/> Architect	<input type="checkbox"/> Property Manager	<input type="checkbox"/> Physical Needs Firm
<input type="checkbox"/> Consultant	<input type="checkbox"/> Accountant	<input type="checkbox"/> Surveyor	<input type="checkbox"/> Title Company	<input type="checkbox"/> Environmental Firm
<input type="checkbox"/> Other (Explain)	<input type="text"/>			

MHDC ENCOURAGES PARTICIPATION BY MINORITY-OWNED AND WOMEN-OWNED BUSINESSES AS PART OF THE DEVELOPMENT TEAM

V. Non-Profit Determination

Will a Non-Profit Organization be involved in the project? Yes

Name: Community Builders of Kansas City

Address: 4001 Blue Parkway, Suite 301

City: Kansas City State: MO Zip: 64130

Phone: (816) 627-2163 Fax: Email Address: shesterberg@cb-kc.org

Executive Director: Emmet Pierson, Jr.

Contact: Shannon Hesterberg Title: Director of Development

Non-Profit Status

IRC 501 (a) No IRC 501 (c) (3) Yes IRC 501 (c) (4) No IRC 905 No

Is "fostering low-income housing" listed among the purposes of the non-profit in its Articles of Incorporation? Yes List Article # 5

Non-Profit's Capacity in the Project

Developer Yes Management No Sponsor Yes General Partner Yes Contractor No

Explain the role of the non-profit sponsor in the construction, ownership and management of the development.

Community Builders of Kansas City are serving as the Developer, Managing Member of the Owner and Guarantor on the development.

CHDO Information (if applicable)

Is your Non-Profit organization a certified CHDO? With MHDC? Yes Date of MHDC Designation: 1/12/2012

With a local PJ? Yes Date of local PJ Designation: 4/14/2010

Is your CHDO Recertification Packet attached to this application? Yes

CHDO Set-Aside

For the project to qualify for **HOME Set-Aside**, the non-profit (CHDO) **MUST** have effective control during the affordability period. To have a controlling interest in the ownership entity, the non-profit organization must serve as the sole general partner, the managing general partner or the majority owner. They must materially participate in the development and operation of the project throughout its affordability period. Within the meaning of IRC Section 469 (h), "a non-profit shall be treated as materially participating in an activity **ONLY** if the non-profit is involved on a basis that is regular, continuous and substantial."

Are you requesting funds from the HOME/CHDO set-aside for this project? With MHDC? Yes

With a local PJ? No

HOME/CHDO Operation Expense Grant Request

MHDC has the option to allocate Operating Expense Grants to designated CHDO organizations that are in the process of developing a CHDO eligible project during the current funding year. Operating Expense Grant funds can only be used for reasonable and necessary costs of the operation of the CHDO organization itself (not project costs).

HOME Operating Expense Program Request (Grant)

Low Income Housing Tax Credit Set-Aside

To qualify for the **LIHTC Set-Aside**, a non-profit applicant **MUST** own (directly or indirectly) an interest in the development and materially participate in the development process and operation of the development throughout the compliance period. Non-profit organizations affiliated with for-profit entities will also be reviewed for compliance with section 42(h)(5)(C)(II). MHDC requires the signature of the Non-Profit on all Tax Credit documents and agreements.

Are you requesting Low Income Housing Tax Credits from the non-profit set-aside for this project? Yes

Vla. Site Information

Will the project receive any form of tax abatement?

Will the project be part of a Redevelopment Plan?

If the project will receive some form of tax abatement, please describe below the terms of the abatement.

Mount Cleveland Heights is currently under tax abatement. The Developer intends to seek an assignment of the current tax abatement which has 3 remaining years. Following the expiration of the current abatement, the Developer is seeking further abatement with LCRA. An estimate of \$781 per unit for full property taxes is in the underwriting since the current abatement is set to expire soon. The Developer would be willing to have savings during the 3 years of remaining abatement go into the tax escrow.

Is this a second phase development? If yes, What is the current vacancy rate on the first phase development Is there a waitlist?

Will there ever be additional phases to the development located on or adjacent to the site?

Acquisition of Existing Buildings

If this is/was a prior development, what is/was the property name:

How many buildings will be acquired for the development?

If the project contains multiple sites, are the sites contiguous?

Are all building currently under your control?

Buildings for this development have been, or will be, acquired from:

Buyer's Basis in buildings acquired for this development to be determined:

Are any of the existing buildings eligible for tax credits using one of the exceptions to the 10-Year Rule in IRC 42(d)(6)?

If yes, which exception are you claiming?

*** Please visit <http://itouchmap.com/latlong.html> if you need help determining the co-ordinates of your project.**

Site Information (Site Only, this is not for additional Buildings)

Site Identifier

Seller Information

Vlb. Building Information

Type of Project: If Rel
 Year(s) built:
 Conversion: Previous Use: _____

Types of Buildings (place an "x" in all boxes that apply to the project, and complete)

<input type="checkbox"/>	Single Family Detached Units	<input type="checkbox"/>	Number of Building
<input type="checkbox"/>	Two Story Row (Townhouse) Units	<input type="text" value="40"/>	Number of Building
<input checked="" type="checkbox"/>	Duplexes with Party Wall	<input type="checkbox"/>	Number of Building
<input type="checkbox"/>	Single Story Row Units	<input type="checkbox"/>	Number of Building
<input checked="" type="checkbox"/>	Walk Up Apartments	<input type="text" value="40"/>	Number of Building
<input type="checkbox"/>	Elevator Building	<input type="checkbox"/>	Number of Building

Unit / Sq Ft Information:

# of Residential Buildings	<input type="text" value="40"/>	# of Rehab Units	<input type="text" value="80"/>
# of Non-Residential Buildings	<input type="text" value="1"/>	# of New Units	<input type="text" value="0"/>
# of Mixed Use Buildings (Res/Commercial)	<input type="text" value="0"/>	# of Res Units	<input type="text" value="80"/>
# of Buildings (Total)	<input type="text" value="41"/>		

Handicapped Accessible Units

Studio 1 BR 2 BR 3 BR 4 BR

Parking Information

Number of total on-site parking spaces

Building Information (***Buildings Only, this is not for additional Sites***)

#	Name of Building	Address of Building
1	1	5101-5103 Cleveland
2	2	5105-5107 Cleveland

3	3	5109-5111 Cleveland
4	4	5115-5117 Cleveland
5	5	5119-5121 Cleveland
6	6	5123-5125 Cleveland
7	7	5129-5131 Cleveland
8	8	5135-5137 Cleveland
9	9	5201-5203 Cleveland
10	10	5205-5207 Cleveland
11	11	5209-5211 Cleveland
12	12	5215-5217 Cleveland
13	13	5219-5221 Cleveland
14	14	5223-5225 Cleveland
15	15	5227-5229 Cleveland
16	16	5231-5233 Cleveland
17	17	5100-5104 Mersington
18	18	5106-5108 Mersington
19	19	5110-5112 Mersington
20	20	5114-5116 Mersington
21	21	5118-5120 Mersington
22	22	5124-5126 Mersington
23	23	5128-5130 Mersington
24	24	5132-5134 Mersington
25	25	5200-5202 Mersington
26	26	5204-5206 Mersington
27	27	5208-5210 Mersington
28	28	5212-5214 Mersington
29	29	5216-5218 Mersington
30	30	5220-5222 Mersington
31	31	5224-5226 Mersington
32	32	5228-5230 Mersington
33	33	5232-5234 Mersington
34	34	5201-5203 Mersington
35	35	5205-5207 Mersington
36	36	5209-5211 Mersington
37	37	5215-5219 Mersington
38	39	5219-5221 Mersington
39	39	5225-5227 Mersington
40	40	5229-5231 Mersington

VII. Development Plan

Monthly Utility Allowances **UTILITY ALLOWANCES FOR BOTH TENANT AND OWNER MUST BE COMPLETED BELOW**

Complete the following table of allowances for utilities. Attach PHA, HUD, RD or Sec. 8 Existing Housing allowances in Exhibit 19 (Required).

Expense Item	Elec / Gas	To Be Paid By	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR
Heating	Gas	TENANT				29		
Cooking	Electric	TENANT				13		
Hot Water	Gas	TENANT				13		
Lighting	Electric	TENANT				58		
Air Conditioning	Electric	TENANT				28		
Water		OWNER				59		
Sewer		OWNER				107		
Trash		OWNER				20		
Other (Describe)		Select				0		
TOTALS:			0	0	0	327	0	0
Source of utility allowance data:		Local PHA	Kansas City, Missouri Housing Authority					
			Name of PHA					
Effective date of source information:		1/1/2020						
		(Date mm/dd/YYYY)						

The rent to be charged is one of the most important parts of the application because of the competitive process for selection of developments. The rent is also a critical factor in determining development feasibility and affordability.

In completing the rental information on this page, the sponsor should anticipate the rents that will be in effect as of the date the units will be completed and available for occupancy. Developments will be limited to the rents as approved by MHDC for a period of one year from the month the last building is placed in service. After this 1 year period, rent increases will be allowed only as approved by MHDC. The proposed rents **cannot** exceed the current (as of the date of this application) rents published by HUD.

The amount of rent to be charged is considered to be the total cash expected to be received from the tenants or any other source on behalf of the tenants.

<i>Summary of Units (will populate from worksheet below)</i>					
<u>Affordable</u>			<u>Market</u>		
Units	Rent Range		Units	Rent Range	
0 BR	_____	- _____	0 BR	_____	- _____
1 BR	_____	- _____	1 BR	_____	- _____
2 BR	_____	- _____	2 BR	_____	- _____
3 BR	72	\$520 - \$800	3 BR	8	\$928 - \$941
4 BR	_____	- _____	4 BR	_____	- _____
5 BR +	_____	- _____	5 BR +	_____	- _____
Total Monthly Gross Rent		\$64,354	Current AMI Average		% Below 60%
			60%		0%

You have indicated within the 'Rental Unit Worksheet' below that there are 72 Affordable Units & 8 Market Units in the project, for a total of 80 units.

VIIb. Development Summary

Development Name: The Cleveland
 Development Number: 20-077-MHCT

Development Information

Is this a scattered site development? No

Credit types claimed in development: New X Acq X Rehabi

All units in all building claiming same credit type(s)? Yes

Buildings Summary

40 Residential Buildings
 1 Non Residential Buildings

41 Total Buildings

Development Square Feet Summary

Residential Buildings

80,339 sq ft Low-Income Residential
 8,815 sq ft Market Rate Residential
 - sq ft Employee Residential

89,154 sq ft Total Residential
 - sq ft Commercial Space
 - sq ft Common Space

 - sq ft **Total Common and Commercial Space - Residential**

89,154 sq ft Total Building - Residential Buildings

Non Residential Buildings

- sq ft Commercial Space
 - sq ft Common Space

 - sq ft **Total Non Residential**

All Buildings

89,154 sq ft Total Residential
 - sq ft **Total Commercial Space**
 - sq ft **Total Common Space**

Residential Units Summary

Unit Type

72 units MHDC Program
 8 units Market
 - units Employee

80 units Total

Unit Designation Summary

72 units LIHTC
 6 units HOME
 0 units NHTF
 0 units Rural Development
 0 units AHAP
 0 units SA - Special Needs
 0 units SA - Vulnerable Populations

- 0 units Companion Living
- 0 units IEH
- 0 units Workforce
- 0 units Section 8
- 0 units Accessible
- 18 units Public Housing

VIII. Development Budget - Rehab Construction

CONTRACTOR'S/MORTGAGOR'S COST BREAKDOWN

	Total Construction \$	4% Adjusted Basis	9% Adjusted Basis	Fed Historic Adjusted Basis
1) Earthwork	\$27,500		\$27,500	
2) Site Utilities	\$25,500		\$25,500	
3) Roads & Walks	\$14,302		\$14,302	
4) Off Site Work			\$0	
5) Concrete	\$39,600		\$39,600	
6) Masonry			\$0	
7) Structural Metals			\$0	
8) Rough Carpentry	\$133,430		\$133,430	
9) Finish Carpentry	\$219,600		\$219,600	
10) Cabinets	\$340,000		\$340,000	
11) Waterproofing			\$0	
12) Insulation	\$70,200		\$70,200	
13) Roofing Systems	\$400,000		\$400,000	
14) Siding	\$267,200		\$267,200	
15) Gutters & Downspouts	\$93,000		\$93,000	
16) Doors & Hardware	\$275,800		\$275,800	
17) Windows	\$100,000		\$100,000	
18) Drywall	\$29,000		\$29,000	
19) Flooring	\$341,000		\$341,000	
20) Carpet	\$126,400		\$126,400	
21) Painting	\$320,000		\$320,000	
22) Signage	\$14,500		\$14,500	
23) Bathroom & Closet Accessories	\$47,800		\$47,800	
24) Appliances	\$177,500		\$177,500	
25) Window Coverings	\$38,292		\$38,292	
26) Plumbing	\$385,000		\$385,000	
27) Fire Sprinklers			\$0	
28) HVAC	\$418,155		\$418,155	
29) Electrical	\$315,000		\$315,000	
30) Fire Alarm Systems	\$0		\$0	
31) Special Equipment			\$0	
32) Landscaping	\$16,500		\$16,500	
33) MHDC Approved Impact Fees			\$0	
34) Accessory Bldg	\$526,000		\$0	
35) Demolition (interior rehab)	\$59,000		\$0	
36) Demolition (land make ready)		N/A	N/A	
37) Sheet Metal			\$0	
Bonding	\$35,035		\$35,035	
Permits	\$43,000		\$43,000	
Construction Subtotal	\$4,898,314	\$0	\$4,313,314	\$0
General Requirements	\$293,899		\$293,899	
Subtotal	\$5,192,213	\$0	\$4,607,213	\$0
Builder's Overhead	\$103,844		\$103,844	
Builder's Profit	\$259,611		\$259,611	
Total Construction	\$5,555,668	\$0	\$4,970,668	\$0

VIII. Development Budget

TOTAL DEVELOPMENT COSTS					
Itemized Cost	Total Development \$	4% Acquisition Adjusted Basis	4% Adjusted Basis	9% Adjusted Basis	Fed Historic Adjusted Basis
1) Site Work	\$67,302	N/A	\$0	\$67,302	\$0
2) Off-Site Improvement	\$0	N/A	N/A	N/A	\$0
3) Building Demolition	\$0	N/A	N/A	N/A	\$0
4) Interior Demolition	\$59,000	N/A	\$0	\$0	\$0
5) New Construction	\$0	N/A	\$0	\$0	\$0
6) Rehabilitation	\$4,167,977	N/A	\$0	\$4,167,977	\$0
7) Accessory Building	\$526,000	N/A	\$0	\$0	\$0
8) Bonding	\$35,035	N/A	\$0	\$35,035	\$0
9) Permits	\$43,000	N/A	\$0	\$43,000	\$0
10) General Requirements	\$293,899	N/A	\$0	\$293,899	\$0
11) Builder's Overhead	\$103,844	N/A	\$0	\$103,844	\$0
12) Builder's Profit	\$259,611	N/A	\$0	\$259,611	\$0
13) Total Construction Contract Cost (1-12)	\$5,555,668	\$0	\$0	\$4,970,668	\$0
14) Paid by owner-Construction Costs (Describe)		N/A			
14a)		N/A			
14b)		N/A			
15) Total Construction Cost (13-14)	\$5,555,668	\$0	\$0	\$4,970,668	\$0
16) Architect & Engineering Fee-Design	\$140,000	N/A		\$140,000	
17) Architect Fee - Supervision	\$50,000	N/A		\$50,000	
18) Soils Report	\$5,000	N/A		\$5,000	
19) Survey	\$20,000	N/A		\$20,000	
20) Engineering	\$24,460	N/A		\$24,460	
21) Total for all Improvements (lines 15-20)	\$5,795,128	\$0	\$0	\$5,210,128	\$0
22) Construction Loan Interest	\$156,234	N/A		\$124,988	
23) Construction Period R.E.Taxes	\$1,000	N/A		\$1,000	
24) Construction Period Insurance	\$20,000	N/A		\$20,000	
25) MHDC Rental Production Application Fee	\$750	N/A	N/A	N/A	N/A
26) MHDC Construction Loan Fee	\$21,000	N/A		\$21,000	
27) Other Construction Loan Fee	\$43,100	N/A		\$43,100	
28) MHDC Construction Inspection Fee	\$13,500	N/A		\$13,500	
29) Other Construction Inspection Fee		N/A			
30) MHDC Permanent Financing Fee	\$21,000	N/A	N/A	N/A	N/A
31) Other Permanent Financing Fee		N/A	N/A	N/A	N/A
32) Environmental Study	\$21,180	N/A		\$21,180	
33) Market Study	\$5,500	N/A		\$5,500	
34) Appraisal	\$6,500	N/A		\$6,500	
35) Title Recording & Disbursing (Construction Loan)	\$35,000	N/A		\$26,250	
36) Title Recording & Disbursing (Permanent Loan)		N/A	N/A	N/A	
37) Legal (Construction)	\$80,000	N/A		\$80,000	
38) Legal (Permanent)	\$10,000	N/A	N/A	N/A	
39) Organization (Legal/Fees)	\$10,000	N/A	N/A	N/A	
40) Cost Certification	\$20,000	N/A		\$20,000	
41) Accountant's Fee		N/A			
42) Prepaid MIP (Risk Share only)		N/A	N/A	N/A	
43) Contingency	\$355,523	N/A		\$337,747	
44) Environmental Abatement		N/A			
45) Historic Credit Fees		N/A			
46) Relocation	\$130,260	N/A			
47) FF & E	\$50,000	N/A		\$50,000	N/A
48) Other:(Describe) MHDC Construction Cost Ar	\$5,000	N/A		\$5,000	
49) Other:(Describe)		N/A			
50) Other:(Describe)		N/A			
51) Other:(Describe)		N/A			
52) Other:(Describe)		N/A			
53) Replacement Cost w/o Acq (lines 21-52)	\$6,800,675	\$0	\$0	\$5,985,893	\$0
54) Legal Acquisition & Recording			N/A	N/A	N/A
55) Acquisition Cost of Buildings	\$3,964,509	\$3,964,509	N/A	N/A	N/A
56) Other Acquisition Related Costs	\$0		N/A	N/A	N/A
57) Land	\$440,501	N/A	N/A	N/A	N/A
58) Acquisition Cost (lines 54-57)	\$4,405,010	\$3,964,509	\$0	\$0	\$0
59) Total Replacement Cost (lines 53-57)	\$11,205,685	\$3,964,509	\$0	\$5,985,893	\$0
60) Consultant's Fee (Before Completion)	\$10,000			\$10,000	
61) Consultant's Fee (At/After Completion)	\$75,000			\$75,000	
62) Developer's Fee (Before Completion)	\$215,466			\$215,466	
63) Developer's Fee (At/After Completion)	\$640,879			\$640,879	
64) Tax Credit Allocation Fee (7%)	\$33,740	N/A	N/A	N/A	N/A
65) Tax Credit Monitoring Fee	\$21,600	N/A	N/A	N/A	N/A
66) AHAP Application & Reservation Fee		N/A	N/A	N/A	N/A
67) Other:(Describe) City County Fees	\$10,000				
68) Other:(Describe)					
69) Other:(Describe) Environmental - third party	\$2,000				
70) Other:(Describe)					
71) Other:(Describe)					
72) Bond Related Costs (see Tab XII)	\$0	N/A			
73) Syndication Costs (see Tab IX)	\$40,000	N/A	N/A	N/A	N/A
74) Lease-up/Marketing (From FIN-117)	\$5,000	N/A	N/A	N/A	N/A
75) Operating Reserve (cash escrow)	\$296,370	N/A	N/A	N/A	N/A
76) Replacement Reserve (cash escrow)	\$48,000	N/A	N/A	N/A	N/A
77) Other Escrow(s):		N/A	N/A	N/A	N/A
78) Other Escrow(s):		N/A	N/A	N/A	N/A
79) Other Escrow(s):		N/A	N/A	N/A	N/A
80) Other Escrow(s):		N/A	N/A	N/A	N/A
81) Other Escrow(s):		N/A	N/A	N/A	N/A
82) Total Development Costs (lines 59-82)	\$12,603,740	\$3,964,509	\$0	\$6,927,238	\$0
Less federal grants which finance development costs	(N/A)	(N/A)	()	()	()
Less federal subsidies which finance development costs	(N/A)	(N/A)	()	()	()
Less Historic Tax Credit (Residential Portion Only)	()	()	()	()	()
Subtotal Eligible Basis	\$3,964,509	\$0	\$0	\$6,927,238	\$0
QCT, DDA or State Designated Increase (30%)	N/A	\$0	\$0	\$2,078,171	
Total Eligible Basis	\$3,964,509	\$0	\$0	\$9,005,409	
Multiplied by the Applicable Fraction	100.00%	100.00%	100.00%	100.00%	
Total Qualified Basis	\$3,964,509	\$0	\$0	\$9,005,409	\$0
Multiplied by the Applicable Percentage	4.00%	4.00%	9.00%		
MAXIMUM ELIGIBLE TAX CREDIT AMOUNT	\$158,580	\$0	\$0	\$810,487	
TOTAL ELIGIBLE TAX CREDIT AMOUNT (ACQUISITION CREDITS + 4% CREDITS + 9% CREDITS)				\$969,067	

IX. Tax Credit Addendum

Partnership Name: RCG II, LLC MHDC Project Number: 20-077-MHCT
 Developer's (Sponsor) Name: Community Builders of Kansas City

General Information

Application Type: Initial
 Type of LIHTC Requested: Acquisition/Rehab
 Subsidy Choices for TC Requested: Without Federal Subsidies
 If awarded State LIHTC, will the credits be claimed using the Pilot Program of the Accelerated Redemption model as described in the 2020 QAP? (If selecting the Accelerated Redemption model, the LOI must reflect this selection.) Yes
 Is this request for a tax-exempt bond financed development that is requesting approval of an amount of tax credit outside of the state tax credit authority? No
 Select one of the following set-aside options: 40/60

Land Use Restrictions are in place for a minimum of 30 years. After the initial 15-year Compliance Period, unless extended by an Additional Compliance Period, as designated below, a request with all required documentation may be submitted to MHDC to present a qualified contract. MHDC has 1 year to present the qualified contract. If MHDC is unable to present a qualified contract, the LURA is released. If the owner designates an Additional Compliance Period that is less than fifteen (15) taxable years, the Owner shall continue to comply with the occupancy requirements at all times during the remaining term of the Extended Use Period. The Extended Use Period begins on the first day of the compliance period and ends fifteen years after the close of the initial Compliance Period, unless the Additional Compliance Period is greater than fifteen years. All single family home developments and developments receiving historic credits are required to waive the right to opt out at the end of the 15 year Compliance Period.

Does the owner choose the right to opt-out at the end of the 15 year "Compliance Period"? No
 If "No", the owner chooses to extend the "Compliance Period" by 15 years beyond the 15 year "Compliance Period." This is called the "Additional Compliance Period."

Total Eligible Tax Credit Amount:	<u>\$969,067</u>
Federal Credits Requested from MHDC:	<u>\$482,000</u>
State Credits Requested from MHDC:	<u>\$337,400</u>

Syndication Information

Is the federal or state LIHTC investor's percent of ownership is less than 99.98%? (If yes, please explain the reason below) No

Low Income Housing Tax Credits

	Annual Credit Amount	Price In Cents	Ownership Percentage	Total Proceeds
Expected net proceeds from Federal Housing Tax Credits:	<u>\$482,000</u>	<u>0.890</u>	<u>99.99%</u>	<u>\$4,289,371</u>
Expected net proceeds from State Housing Tax Credits:	<u>\$337,400</u>	<u>0.670</u>	<u>100.00%</u>	<u>\$2,260,580</u>

Historic Tax Credits

Are you using a master lease structure? No

	Annual Credit Amount	Price In Cents	Ownership Percentage	Total Proceeds
Expected net proceeds from Federal Historic Rehab Tax Credits:				
Expected net proceeds from State Historic Rehab Tax Credits:				

Syndication Cost Paid by Development

Description	Amount
1.) <u>Legal/Accounting Fees</u>	<u>\$40,000</u>
2.)	
3.)	
4.)	
Total Syndication Costs	<u>\$40,000</u>

Note: investor due diligence, fund bridge loan fees and interest are not allowable development costs.

Syndicator Information

LIHTC Federal Syndicator:
 Name of Fund: TBD
 Name of Syndicator: Raymond James Tax Credit Fund
 Address: 880 Carillon Parkway
 City: St. Petersburg State: FL Zip: 33716
 Phone: (727) 567-4803 Fax: Email: James.Dunlon@raymondjames.com
 Contact: James Dunlon

LIHTC State Syndicator:
 Name of Fund: TBD
 Name of Syndicator: Sugar Creek Capital
 Address: 17 W Lockwood Ave.
 City: Webster Groves State: MO Zip: 63119
 Phone: (314) 229-2860 Fax: Email: Snixon@sugarcreekcapital.com
 Contact: Scott Nixon

Historic Federal Syndicator:
 Name of Fund:
 Name of Syndicator:
 Address:
 City: State: MO Zip:
 Phone: Fax: Email:
 Contact:

Historic State Syndicator:
 Name of Fund:
 Name of Syndicator:
 Address:
 City: State: MO Zip:
 Phone: Fax: Email:
 Contact:

Gross Rent Floor Election

In accordance with Revenue Procedure 94-57, the Internal Revenue Service (IRS) will treat the gross rent floor in I.R.C. 42(g)(2)(A) as taking effect on the date the commission initially allocates tax credits to the development by carryover or determination letter (42m letter). However, the IRS will treat the gross rent floor as taking effect on the building's place-in-service date **if** the owner designates the placed-in-service date instead and **so informs the commission in writing prior to the placed-in-service date of the first building in the development.** For a definition of placed-in-service, please review IRS Notice 88-116.

The undersigned owner(s) hereby make the following election with respect to the Gross Rent Floor Effective Date for each building in the development designated below:

On the Date of Initial Allocation

* If the proposed development is tax-exempt bond financed (as defined by the IRC), the IRS will treat the Gross Rent Floor as taking effect on the date the Commission initially issues a determination letter unless the owner designates that the place-in-service date should be used.

X. Annual Operating Expense Budget

It is important to fully complete the payroll information. This information will be used to populate all payroll fields within the Operating Budget.

<u>Employee Type</u>		<u>Hourly/Salary Employee Information</u>						<u>Contract Information</u>	<u>Total Payroll Information</u>
Type Of Employee(s)		# Emp	Full Part Time	Number of Hours Worked per Week	Average Hourly Wage	Benefits & Taxes as % of Pay	Total Yearly Pay w/Benefits	Total Yearly Amount of Contract	Total Yearly Payroll Hourly/Salary + Contract
Example	Hourly/Contract	2	Full & Part	40	\$10.25	10.00%	\$23,452	\$5,000	\$28,452
Property Manager	Hourly	1	Full	40	\$20.00	10.00%	\$45,760	\$0	\$45,760
Office	Select		Select		\$0.00	0.00%			
Leasing	Hourly	1	Part	8	\$15.00	10.00%	\$6,864		\$6,864
Maintenance	Hourly	1	Full	40	\$20.00	10.00%	\$45,760	\$0	\$45,760
Janitorial/Cleaning	Hourly	1	Part	25	\$13.00	10.00%	\$18,590		\$18,590
Grounds	Contract		Part		N/A	N/A	N/A	\$24,000	\$24,000
Security	Contract		Part		N/A	N/A	N/A	\$12,000	\$12,000

Administrative

Audit Expenses (Accounting)	#6350	\$8,000	Advertising & Marketing	#6210	\$2,500
Legal Expenses (Project)	#6340	\$4,000	Leased Furniture	#6340	\$0
Management Fees	#6320	\$39,360	Property Manager and Leasing Salaries	#6330	\$45,760
Fee per Unit	\$41		Administrative Rent Free Unit	#6331	\$0
Office Salaries	#6310	\$6,864	Office Expenses, Supplies & Postage	#6311	\$3,300
Office or Model Apartment Rent	#6312		Telephone	#6360	\$6,000
Bad Debts	#6370	\$6,000	Conventions & Meetings	#6203	\$2,000
Management Consultants	#6204	\$0			
Other Renting Expenses (Explain Below)	#6250	\$450	Miscellaneous Administrative Expenses (Explain Below)	#6390	\$1,000
Tenant background checks, 3rd party compliance			Software and banking fees, postage		
			Total Administrative Expenses		\$125,234

Utilities

Electricity	#6450	\$6,000	Water	#6451	\$72,000
Sewer	#6453	\$72,000	Gas	#6452	\$3,000
			Cable T.V. / Internet Access	#6454	\$10,000
			Total Utilities Expenses		\$163,000

Operating & Maintenance (O & M)

Elevator Maintenance	#6520	\$0	O & M Rent Free Unit	#6521	
Exterminating	#6515	\$6,000	Pool (Supplies, Maintenance, Contracts)	#6520	
Salaries - Less Contracts (Maintenance/Janitorial/Grounds)	#6510	\$64,350	Vacant Unit Prep (Carpets, Painting, etc.)	#6580	\$10,000
Tools & Equipment	#6571	\$2,000	Security Rent Free Unit	#6531	
Snow Removal (Supplies, Contracts)	#6548	\$7,500	Heating/Cooling repair Contracts	#6546	\$5,000
Garbage and Trash	#6525	\$26,000	O & M Supplies (not listed in other O & M line items)	#6515	\$10,000
Security Salaries and Contracts	#6530	\$12,000	O & M Contracts	#6520	\$24,000
Miscellaneous Operating & Maintenance Expense (Explain Below)	#6590		Grounds	\$24,000	
			Janitorial/Cleaning	\$0	
			Decorating		
			Repairs (not including Heating/Cooling)	\$0	
			Total Maintenance Expenses		\$166,850

Fixed

Real Estate Taxes	#6710	\$20,000	Other Tax Assessments (describe below)	#6790	
* The application indicates it will receive some form of tax abatement.					
Property & Liability Insurance	#6720	\$40,000	MIP Insurance	#6850	
Fidelity Bond	#6721	\$250	Health Insurance	#6723	\$6,500
Other (Explain Below)		\$5,000			
Resident Services, Activities			Workers Comp	#6722	\$2,250
			Total Fixed Expenses		\$74,000

Total Number of Units Planned

80

Total Annual Operating Expenses

Per Unit
\$6,614

Total
\$529,084

Annual Replacement Reserve Contribution

(\$300 PUPA)

\$24,000

Total Annual Operating Expenses & Reserve Payments

\$6,914

\$553,084

XI. Proposed Sources of Funds

Construction Financing / Bridge Loans / Equity proceeds during construction (DO NOT include deferred developer's fee)

Lender / Source	Amount	Interest Rate	Term (Months)
MHDC Fund Balance	\$2,100,000	2.750%	18
Enter Non MHDC Construction Funding Below:			
Tax Credit Equity Paid During Construction	\$1,300,351	N/A	N/A
UMB Bank Bridge Loan	\$4,310,000	3.750%	18
HAKC Subordinated Loan	\$1,260,000		
HEDFC Subordinated Loan	\$1,425,000		
Construction period reserves/cash	\$375,000		
MHDC HOME	\$725,000	1.000%	18
TOTAL	\$11,495,351		

Permanent Financing (Select order of lien position)

Lender/Source	Position	Amount	Interest Rate	Amort. Period (Months)	Loan Term (Months)	Debt Type	Annual Debt Service
MHDC Fund Balance	1st	\$2,100,000	3.000%	360	240	Hard	\$106,244.22
MHDC HOME	2nd	\$725,000	0.000%	360	240	Soft	\$24,166.67
MHDC Select	Select					N/A	\$0.00
MHDC Select	Select					N/A	\$0.00
MHDC Select	Select					N/A	\$0.00
	Select					N/A	\$0.00
Construction Period Cash	Select	\$75,000				N/A	\$0.00
Property Reserves	Select	\$300,000				N/A	\$0.00
HAKC Loan	2nd	\$1,260,000	1.000%	480	480	Soft	\$38,231.83
HEDFC Loan	3rd	\$1,425,000	1.000%	480	480	Soft	\$43,238.38

You have requested multiple funding sources from MHDC, please correct.

You have entered a source with a 0% or 'blank' interest rate. Please check to make sure this is correct. Please select the lien position of all sources above.

Missouri Housing Trust Fund

Please **DO NOT** use this form if you are **ONLY** applying for Missouri Housing Trust Funds.

AHAP Credit amount \$0 / 0.55 = \$0 (AHAP donation)

Will the AHAP donation be provided to the development as a loan or grant?

(If provided as a loan, complete the financing information below)

	Amount	Interest Rate	Amort. Period (Months)	Loan Term (Months)	Annual Debt Service
AHAP Donation	\$0				\$0.00
Missouri Housing Trust Fund	\$0	Grant	Grant	Grant	\$0.00

Sources Recap

Source	Amount
Permanent Financing Proceeds	\$5,885,000
Federal LIHTC Equity Proceeds	\$4,289,371
State LIHTC Equity Proceeds	\$2,260,580
Federal Historic TC Equity Proceeds	\$0
State Historic TC Equity Proceeds	\$0
AHAP Donation Loan/Grant	\$0
Missouri Housing Trust Fund Proceeds	\$0
General Partner Equity	\$100
Deferred Developer's Fee	\$168,689
Total Sources:	\$12,603,740

XII. Tax-Exempt Bond Financing

Will this project be financed with tax-exempt bonds?

Select one of the following set-aside options:

Will you be using Draw-Down bonds?

Type of Bonds	Amount	Interest Rate	Term (Months)	<u>Costs of Issuance Paid by Borrower</u>	
Series A Tax Exempt Bonds	<input type="text"/>	<input type="text"/>	<input type="text"/>	Due Diligence Fee	<input type="text"/>
Series B Tax Exempt Bonds	<input type="text"/>	<input type="text"/>	<input type="text"/>	Lender Legal	<input type="text"/>
Taxable Bond Issuance	<input type="text"/>	<input type="text"/>	<input type="text"/>	Loan Origination	<input type="text"/>
Total TE Bond Issuance	<u>\$0</u>			Loan Commitment Fee	<input type="text"/>
				Lender Inspection	<input type="text"/>
Project Replacement Costs plus Developer Fee			<u>\$0</u>	Issuer Fee	<input type="text"/>
% of Projects Costs financed with TE Bond Proceeds			<u>0.00%</u>	Issuer Counsel	<input type="text"/>
				Bond Counsel	<input type="text"/>
				Co-Bond Counsel	<input type="text"/>
				Trustee Fee	<input type="text"/>
				Trustee Counsel	<input type="text"/>
				Borrower Counsel (Bond Portion)	<input type="text"/>
				Financial Advisor/consultant Fee	<input type="text"/>
				Underwriter's Fee	<input type="text"/>
				Transaction Expenses	<input type="text"/>
				Other Bond Related Expenses	<input type="text"/>
				Total Bond Expenses	<u>\$0</u>

Who will issue the bonds? Name:
 Address:
 City: State: Zip:
 Phone: Fax: Email:
 Contact:

Are you requesting Risk Share?

Has the issuer applied to DED for Private Activity Bond Allocation?

Has the tax-exempt bond authority been allocated by the Missouri Department of Economic Development?

Will the tax-exempt bonds be credit enhanced?

How will the bonds be credit-enhanced?

Who will credit enhance the bonds? Name:
 Address:
 City: State: Zip:
 Phone: Fax: Email:
 Contact:

What is the name of the bond underwriter? Name:
 Address:
 City: State: Zip:
 Phone: Fax: Email:
 Contact:

What is the name of the bond counsel? Name:
 Address:
 City: State: Zip:
 Phone: Fax: Email:
 Contact:

XIII. Existing or Expected Subsidies or Regulatory Requirements

Does your development plan include acquisition of units with existing subsidies or regulatory requirements?

Will the existing subsidies restrict the tax credits to the 4% credit?

Is the development in a QCT? If yes, will the subsidy affect the QCT boost?

Please describe the existing subsidy or regulatory requirement below.

HUD Program
Program Description

R.D. Program
Program Description

AHAP Program
Program Description

Other Program
Program Description

Kansas City Housing Authority has 18 units set aside as part of the existing Mount Cleveland Heights. These units will remain as part of the renovated project, The Cleveland, which will include Mount Cleveland Heights (70 units) and Mount Cleveland Townhomes (10 units).

Project Based Rental Assistance Information

Do you expect to receive or are you currently receiving any rental subsidies for this development?

PLEASE INCLUDE A COPY OF THE CONTRACT FOR ALL CURRENT RENTAL ASSISTANCE PROGRAMS (EXCEPT SECTION 8 VOUCHERS)

If you expect to receive or are receiving rental subsidies for this project, please indicated with an "X" the type of subsidy expected:

<input type="checkbox"/> Section 8 Project Based Vouchers	<input type="checkbox"/> RD Rental Assistance
Voucher Provider: <input type="text"/>	<input type="checkbox"/> 236 Decoupling (Attach copy of 236 contract showing remaining term)
<input type="checkbox"/> Section 8 Project Based Assistance	<input checked="" type="checkbox"/> Other: <input type="text" value="18 PHA Units"/>
Contract Expiration Date: <input type="text"/>	Subsidy Provider: <input type="text" value="Housing Authority of Kansas City"/>
Renewal Option: <input type="text"/>	
Date of Last Renewal: <input type="text"/>	
Date of RCS: <input type="text"/>	
# of units expected to receive assistance: <input type="text"/>	

		Minimum Amount	Maximum Amount
Rents for existing units receiving rental assistance:	0 Bdrm	<input type="text"/>	<input type="text"/>
	1 Bdrm	<input type="text"/>	<input type="text"/>
	2 Bdrm	<input type="text"/>	<input type="text"/>
	3 Bdrm	\$751	\$762
	4 Bdrm	<input type="text"/>	<input type="text"/>
Proposed rents for units that will receive rental assistance:	0 Bdrm	<input type="text"/>	<input type="text"/>
	1 Bdrm	<input type="text"/>	<input type="text"/>
	2 Bdrm	<input type="text"/>	<input type="text"/>
	3 Bdrm	\$789	\$800
	4 Bdrm	<input type="text"/>	<input type="text"/>

Does your development plan seek to preserve federally-assisted low-income housing which would otherwise convert to market rate?

Does your development plan seek to convert assisted low-income housing to market rate?

Describe any other subsidy or assistance:

Does your development have any Land Use Restriction Agreements (LURA) or Use Agreement currently placed upon it?

If "Yes", please describe:

Existing LIHTC LURA MHDC to be replaced by a new 30-year LIHTC LURA with MHDC.

Existing HAKC Regulatory Agreement - to continue

Existing HEDFC Regulatory Agreement - to continue

XIV. Relocation Information

(This section applies to all Rehab projects.)

Relocation is the moving of residential or commercial tenants from their original leased space.

Will your development plans require any tenants to move temporarily?

Will your development plans require any tenants to move permanently?

Will your development plans require any tenants to move off site?

Has a General Information Notice (GIN) been sent to the tenants?

(applicable to HOME-financed developments only)

After rehabilitation will rents be increased above what they currently are?

If you answered yes to any of the above questions, you must also submit a relocation plan. Developments utilizing HOME funds or other federal sources must follow URA guidelines. Developments utilizing other types of financing must provide relocation assistance for any residential or commercial occupant permanently displaced according to the guidelines of Missouri's statute 523.205.

Was the Universal Relocation Act (URA) used to formulate the relocation plan?

Will you contract with a consultant to provide relocation assistance to the tenants?

If yes, please identify the consultant and indicate whether there is an identity of interest with any member of the development team.

Development Resource Partners, LLC (Laurie Wilson). There is no indentity of interest with any member of the dev't team.

Is there an identity of interest between the developer and the relocation company?

If yes, please identify the relocation company and describe the developer and the relocation company are related.

Please describe your methodology behind relocation costs listed in the Development Budget, tab IX.

The general plan involves permanent temporary internal moves within the project and limited offsite temporary moves if necessary.

The plan includes planning and coordination services and factors in all LIHTC and URA regulations. \$1,625/unit.

Permanent relocation is between units within the site. No permanent displacement is anticipated.

For all rehab projects, you must include in this application the most current rent roll for the project detailing family name, unit address, number in household, rental assistance (if any), and gross annual income.

If the project will be using HOME funds or if any occupant is being permanently displaced, please provide MHDC with a copy of the General Information Notice that was sent to the tenants.

You must have written proof that each tenant did receive the notice.

If the project will be using HOME funds, you must include as exhibit 16 a signed "Acceptance of MHDC Relocation Policy" found at the web-s

Please visit [_MHDC Relocation Guidelines](#)

for a full description of MHDC's relocation guidelines, forms and a checklist of documentation needed throughout the life of the application process.

XV. Housing Priorities / Preferences

Housing Priorities

Non-Profit Involvement Priority

1. Do you wish to be considered under the Non-Profit Priority as described in the QAP?
 Yes No
2. Will the organization "materially participate" in the development as defined in Section 469(h) of the Internal Revenue Code?
 Yes No

HOME CHDO Priority

1. Do you wish to be considered under the HOME CHDO Priority as described in the QAP?
 Yes No

Special Needs / Vulnerable Population Priority (Set-aside Preference)

1. Do you wish to be considered under the Special Needs / Vulnerable Population Priority as described in the QAP?
 Yes No
Which Population will you be supporting through the Set-Aside?
 Special Needs Vulnerable Population
How many Set-aside Units will the development contain?
How many Non-Set-aside Units will the development contain?
Percent of Set-aside Units is equal to: N/A

Service-Enriched Housing Priority

1. Do you wish to be considered under the Service-Enriched Housing Priority as described in the QAP?
 Yes No
2. What population will be served? All residents, families
3. Who will provide services to the identified population? Horizon Housing Foundation
4. Please explain their experience with the identified population:
HHF has 15 yrs of experience delivering & coordinating services to affordable family & seniors properties. The agency will bring these services to the Cleveland: youth & mentoring opportunities, education supplies & resources, health/wellness, community social events, computer and internet access, along with other services (food assistance & transportation)

Preservation Priority

1. Do you wish to be considered under the Preservation Priority as described in the QAP?
 Yes No
2. How does your development qualify for the Preservation Priority?
The property had a MO LIHTC allocation in 1997, so prior to 1999 and is beyond the initial 15 year compliance period.
The property has 18 reserved as KCHA PHA units, including rental assistance for those 18 units.

Independence Enabling Housing Units

(You must also select and complete the Special Needs Priority section above)

1. Do you wish to be considered under the Independence Enabling Housing (IEH) Units Priority as described in the QAP and Developer's Guide?
 Yes No
How many Companion Units will the development contain?
How many IEH Units will the development contain?

Veterans Housing Priority

(You must also select and complete the Service-Enriched Housing Priority Section Above)

1. Do you wish to be considered under the Veteran Housing Priority as described in the QAP and Developer's Guide?
 Yes No

Workforce Priority

1. Do you wish to be considered under the Workforce Priority as described in the QAP?
 Yes No

How many Workforce Units will the development contain?

How many non-Workforce Units will the development contain?

Percent of Workforce Units is equal to: N/A

Opportunity Area

1. Do you wish to be considered under the MHDC defined area of High Opportunity as described in the QAP?

Yes No

2. How does your development qualify for the High Opportunity Priority?

Opportunity Zones

1. Do you wish to be considered under the MHDC defined Opportunity Zone as described in the QAP?

Yes No

CDBG-DR

1. Do you wish to be considered under the CDBG-DR Priority?

Yes No

Housing Preferences

MBE/WBE Preference Priority

1. Do you wish to be considered under the MBE/WBE Initiative?

Yes No

Which preference are you applying under?

Answer 'x' to one or more of the items below that represent which Preference(s) you are applying for:

- MBE/WBE participation that exceeds significantly participation goals of 10% for MBE and 5% for WBE for both hard and soft costs.
- A MBE/WBE Developer, a Developer group that includes a MBE/WBE and/or a Developer Mentor/Protégé relationship.

XVa. Set-Aside Preference

Identified Population

What is the Identified Population? (Select all that apply)

- Developmentally Disabled Homeless, including survivors of domestic violence and sex trafficking
 Mentally Ill Physically, Emotionally or Mentally Impaired Youth aging out of foster care

Property Type: **Acquisition/Reh:** Total Number of Units: **80** Set Aside Units: **0** IEH Units: **0**

Provide local data to support the need for services (i.e. Point-in-Time Count numbers, Veterans, disabled numbers high)

Is this development a later phase or rehabilitation of an existing site?

Is a Lead Referral Agency (LRA) currently in place along with services?

How will LRA responsibilities expand for the proposed development?

Lead Referral Agency

1. Lead Referral Agency (LRA):

Primary Contact: Phone:

Email Address:

2. Approximately what percentage of clients currently serviced by the LRA are:

(When added together, the following percentages may not equal 100%)

- Chronically homeless Disabled Elderly Ex-offenders
 Homeless Severely mentally ill Substance abuse
 Unaccompanied minors Veterans Youth aging out of foster care
 Survivors of domestic violence, stalking, or sex trafficking

3. How many years has the LRA worked with the target population?

4. List the mission of the LRA:

What are the proposed positive impacts for residents related to the following Special Needs features:

(Check all that apply and describe the action steps and how you will know the actions are successful)

- Housing Stability
 Increased Income and/or Employment
 Physical and/or Mental Health
 Quality of Life
 Social and Community Connections

5. Is the agency an LRA on other MHDC approved set-aside preference (Formally Special Needs Housing) developments?

List all MHDC approved developments the primary service provider is the primary provider on:

6. Has the LRA been funded with federal and/or state housing funds?

List source of funding and most recent award years:

7. Has rental assistance been secured in the form of a written commitment for set-aside units?

What is the source of rental assistance:

Has rental assistance been secured for all set aside units?

How many units has rental assistance been secured for?

How long is the rental assistance available to the tenant? _____

How frequently must tenants recertify for the rental assistance? _____

What happens if tenant no longer qualifies for rental assistance program? _____

List the eligibility requirements, including income, for the rental assistance program:

List the service requirements for the tenant to maintain rental assistance:

Under what circumstances can the rental assistance be terminated by the assistance provider:

How will residents of set aside units afford rent without rental assistance?

8. Demonstrate the LRA's ability to collaborate with other community providers:

Services Provided:

1. What services will be offered to set-aside tenants?

Type: **Housing Stability**

Service	Frequency	Details	Service Provider

Type: **Increased Income and/or Employment**

Service	Frequency	Details	Service Provider

Type: **Physical and/or Mental Health**

Service	Frequency	Details	Service Provider

Type: **Quality of Life**

Service	Frequency	Details	Service Provider

Type: **Social and Community Connections**

Service	Frequency	Details	Service Provider

2. How will the residents of set aside units be informed of the services at entry to development?

3. How will the residents of set aside units be informed of the services throughout their residency?

4. How will the residents of set aside units access services?

5. Will there be a service coordinator office on-site?

How many hours per week?

6. Will the service coordinator work on more than one set-aside preference site?

Explain how responsibilities will be split between sites and the number of hours dedicated to each site:

7. Where will the services be provided?

8. Are fees charged to residents for any services provided?

Describe the fee structure:

9. Are services including case management required for tenant to maintain housing?

Explain what happens if services and/or case management are refused:

10. Does LRA use a housing first model in referring residents for set aside units?

11. Does LRA work with the local Coordinated Entry System to prioritize referrals for set aside units?

XVb. Service Enriched / Veterans Housing Priority

Identified Population

What is the identified population? (Select all that apply)

Children of tenants
 Elderly households
 Formerly homeless individuals and families
 Individuals with physical and/or developmental disabilities
 Individuals diagnosed with mental illness
 Individuals with children
 Other: _____

Property Type: **Family** Total Number of Units: **80**

Provide local data to support the need for services (i.e. Point-in-Time Count numbers, Veterans, disabled numbers high)

Current mix of HHs is large families, 3+ persons per households in 80 3BR TH units, 33% at 30% AMI, 44% at 50% AMI

Is this development a later phase or rehabilitation of an existing site? Yes

Is a Service Coordinator currently in place along with services? No

How will Service Coordinator responsibilities expand for the proposed development?

HHF will be new to the property.

Services Provided:

1. What services will be offered to Residents? (Please give us at least one per category)

Type: **Housing Stability**

Service	Frequency	Details	Service Provider
Community Building	Daily	Computer Room with High Speed Internet	Horizon Housing Foundation
Health & Wellness	Ongoing	Routine access to affordable, accessible healthcare	Swope Health Services
Food Assistance	Monthly	Fresh Produce as a priority-Dev'r supplements budget	KC Food Hub
Utility Assisance	As Needed	Offered during quarterly classes, available all year	Catholic Charities
Rent Assistance	As Needed	Offered during quarterly classes, available all year	Catholic Charities

Type: **Increased Income and/or Employment**

Service	Frequency	Details	Service Provider
Educational/Mentoring	Weekly/Monthly	Securing school supplies and other ed. resources	Horizon Housing Foundation
Educational/Mentoring	Weekly/Monthly	Youth Education/Mentoring/Scholarships	Beta Lamda Educational Institute
Community Building	Daily	Computer Room with High Speed Internet	Developer/Mgt.
Food Assistance	Monthly	Fresh Produce as a priority-Dev'r supplements budget	KC Food Hub
Employment Support	Quarterly	OnSite classes - resume, interview, budget, credit, etc.	Catholic Charities

Type: **Physical and/or Mental Health**

Service	Frequency	Details	Service Provider
Health & Wellness	Quarterly	Coordinating access to affordable healthcare	Horizon Housing Foundation
Health & Wellness	Quarterly	Routine access to affordable, accessible healthcare	Swope Health Services
Community Building	Daily	Fitness Room/Meeting Room/Event Space	Developer/Mgt.
Food Assistance	Monthly	Fresh Produce as a priority-Dev'r supplements budget	KC Food Hub

Type: **Quality of Life**

Service	Frequency	Details	Service Provider
Social Events	Weekly/Monthly	Organizing community social events	Horizon Housing Foundation
Community Building	Daily	Fitness Room/Meeting Room/Event Space	Developer/Mgt.

Type: **Social and Community Connections**

Service	Frequency	Details	Service Provider
Socials Events	Weekly/Monthly	Organizing community social events	Horizon Housing Foundation
Community Building	Daily	Fitness Room/Meeting Room/Event Space	Developer/Mgt.

Educational/Mentoring

Weekly

Youth Education/Mentoring/Scholarships

Beta Lamda Educational Institute

2. How will the residents be informed of the services at entry to development?
3. How will the residents be informed of the services throughout their residency?
4. Will services be offered on-site?
 Where will the services be provided?
 How will transportation be addressed for off-site services?
5. Are fees charged to residents for any services provided?
 Describe the fee structure:
6. Are services including case management required for tenant to maintain housing?
 Explain what happens if services and/or case management are refused:

Service Coordinator:

1. Will a Service Coordinator office be on-site?
2. Will the Service Coordinator work on more than one service enriched site?
 Explain how the responsibilities will be split between the sites and the number of hours dedicated to each site:
3. How will the Service Coordinator salary be paid?
4. Will the Property Manager act as Service Coordinator in addition to managing the property?
 How many hours per week will be dedicated to services coordination?
 Describe management's experience with service coordination of the services to be offered for the target population:
5. Will the Service Coordinator be hired by property management?
6. Will the service coordinator be an employee of a community service provider?
7. Approximately what percentage of clients are served by the Primary Provider:
 (When added together, the following percentages may not equal 100%)
- | | | | |
|--|---|--|--|
| <input type="text" value="10"/> Chronically homeless | <input type="text" value="10"/> Disabled | <input type="text" value="50"/> Elderly | <input type="text" value=""/> Ex-offenders |
| <input type="text" value="10"/> Homeless | <input type="text" value=""/> Severely mentally ill | <input type="text" value="10"/> Substance abuse | |
| <input type="text" value=""/> Unaccompanied minors | <input type="text" value=""/> Veterans | <input type="text" value="10"/> Youth aging out of foster care | |
| <input type="text" value=""/> Survivors of domestic violence, stalking, or sex trafficking | | | |
- How many years has the primary service provider worked with the target population?
- List the mission statement of the primary service provider:
- What are the proposed positive impacts for residents related to the following Service Enriched features?
 (Check all that apply and describe the action steps and how you will know the actions are successful)
- | | | |
|-------------------------------------|------------------------------------|---|
| <input checked="" type="checkbox"/> | Housing Stability | <input type="text" value="Longer residential tenure, rising incomes, annual assessment"/> |
| <input checked="" type="checkbox"/> | Increased Income and/or Employment | <input type="text" value="Better education/access to college & job opportunities, annual assessment"/> |
| <input checked="" type="checkbox"/> | Physical and/or Mental Health | <input type="text" value="Better nutritional and health outcomes, track provider data"/> |
| <input checked="" type="checkbox"/> | Quality of Life | <input type="text" value="Better nutritional & health outcomes, building social capital, track provider data"/> |
| <input checked="" type="checkbox"/> | Social and Community Connections | <input type="text" value="Building/improving social capital & economic prospects, track attendance #s"/> |
8. Is the primary service provider a primary provider on any other MHDC approved service enriched development?
- List all MHDC approved developments the primary service provider is the primary provider on:

9. Describe how the Primary Service Provider or Service Coordinator will collaborate with other community providers:

HHF will coordinate with Beta Lambda, Swope Health Services, KC Food Hub, Catholic Charities

XVb. Economic Impact

1. Does the application wish to be considered for points associated with the "Economic Development" scoring category as defined in the QAP in Phase III of scoring?
- Yes Please refer to the QAP, Developer's Guide and FIN-125 (Application Checklist) for a description of the specific documents and information that must be included as exhibits within the application to qualify for these points.
- No
2. Describe proposed services that will be performed and/or proposed products that will be provided by Missourians:
- The Owner, Developer, Architect, Property Management Co., Relocation Specialist, Consultant, Title Co., Engineers, FF&E, Accountant, Physical Needs, Environmental are Missouri based businesses. The General Contractor and Appraiser both have MO offices.
The project is part of large ongoing redevelopment plan \$150MM to day with \$100+ million in development, led by Community Builders.
3. Number of employees in Missouri if the developer has existing operations in Missouri
4. What is the percentage and amount of Hard and soft costs expected to be paid to Missouri-based firms, vendors and /or suppliers?
- | | | | |
|-----------------------|--|-----------------------|--|
| Percentage (Hard): | <input type="text" value="65%"/> | Percentage (Soft): | <input type="text" value="75%"/> |
| Dollar Amount (Hard): | <input type="text" value="\$3,791,743"/> | Dollar Amount (Soft): | <input type="text" value="\$1,767,173"/> |
5. Number of Months from Closing to Completion Months
6. What is the projected Missouri savings in Medicaid expenses if the project is recommended and approved for funding:
- The project is not seniors or technically permanent supportive housing. However the project is service enriched and there are 18 PHA unit Research has shown that the national cost of providing no housing intervention for a homeless individual can reach up to \$56,000 annually. The cost of providing perm. supportive housing to an individual is \$15,881.15 annually. The 18 unit save MO money on public services.

XVI. Local Government Information

It is VERY important than MHDC receives the correct data concerning Elected Officials. Please confirm your elected officials by visiting the web site at the right.

Government Lookup

Mayor/Chief Elected Official:	<u>Quinton Lucas</u>	Title:	<u>Mayor</u>
Mailing Address:	<u>414 E. 12th Street, 29th Floor</u>		
City:	<u>Kansas City</u> , MO	Zip Code + 4:	<u>64106-2702</u>
Telephone:	<u>(816) 513-3500</u>	Congressional District #	<u>5</u>
Senator:	<u>Vacant Seat</u>	State Senate District #	<u>9</u>
Mailing Address:	<u>Missouri State Capitol</u> Rm. # <u>434</u>		
City:	<u>Jefferson City</u> , MO	Zip Code + 4:	<u>65102-0000</u>
Telephone:	<u>(573) 751-3158</u>		
Representative:	<u>Ashley Bland Manlove</u>	State House District #	<u>26</u>
Mailing Address:	<u>Missouri State Capitol</u> Rm. # <u>101-I</u>		
City:	<u>Jefferson City</u> , MO	Zip Code + 4:	<u>65102-0000</u>
Telephone:	<u>(573) 751-2124</u>		
Executive Director of Local Housing Authority:	<u>Edwin Lowndes</u>		
Mailing Address:	<u>920 Main Street, Suite 701</u>		
City:	<u>Kansas City</u> , MO	Zip Code + 4:	<u>64105-2017</u>
Telephone:	<u>(816) 968-4100</u>		
E-Mail:	<u>ELowndes@hakc.org</u>		
Superintendent of Schools:	<u>Dr. Mark Bedell</u>		
Name of School District:	<u>Kansas City 33</u>	School District No. #	<u>231</u>
Mailing Address:	<u>2901 Troost</u>		
City:	<u>Kansas City</u> , MO	Zip Code + 4:	<u>64109-1538</u>
Telephone:	<u>(816) 418-7000</u>		
Councilman/Alderman	<u>Ryana Parks-Shaw</u>	Title:	<u>Councilwoman</u>
Mailing Address:	<u>414 E. 12th Street, 22nd Floor</u>		
City:	<u>Kansas City</u> , MO	Zip Code + 4:	<u>64106-2702</u>
Telephone:	<u>(816) 513-6521</u>		
Councilman/Alderman	<u>Lee Barnes, Jr.</u>	Title:	<u>Councilman</u>
Mailing Address:	<u>414 E. 12th Street, 22nd Floor</u>		
City:	<u>Kansas City</u> , MO	Zip Code + 4:	<u>64106-2702</u>
Telephone:	<u>(816) 513-6519</u>		

XVII. Development Schedule

For each activity in the chart below, enter the month and year that the activity was accomplished, or for future events, the month and year when that activity is expected to be accomplished. If an activity does not apply to your development, leave it blank.

<u>Construction Loan Closing</u>	6	/	2021
<u>Construction Commencement</u>	6	/	2021
<u>Placed in Service</u>	1	/	2022
<u>Lease-Up Start (Marketing)</u>	6	/	2021
<u>Permanent Loan Closing</u>	6	/	2021
<u>Full Lease-Up</u>	6	/	2022

Other Income

Will the Project have non-rental Income?

No

Income Type:	Quantity	Unit	Amount per Month	Estimated Occupancy	Non-rent Income	Total Estimated	
						Monthly Gross at 100% Occupancy	Annual Gross at 100% Occupancy
Income Type:	Select		\$ - per month	93 % Occupancy	\$ -	\$ -	\$ -
Income Type:	Select	Select			\$ -	\$ -	\$ -
Income Type:	Select	Select			\$ -	\$ -	\$ -
Income Type:	Select	Select			\$ -	\$ -	\$ -
Income Type:	Select	Select			\$ -	\$ -	\$ -
Income Type:	Select	Select			\$ -	\$ -	\$ -
Total Estimated non-rental Income					\$ -	\$ -	\$ -

XVIII. MHDC Form #2013

#2013 Stage: Initial Application Date: 1/26/2021 MHDC Project #: 20-077-MHCT
Project Name: The Cleveland Type of Development: Family
Address: 5101-5223 Cleveland Avenue, 5100-5234 Mersington and 5201-5231 Mersir County: Jackson
City: Kansas City MO Zip: 64130 Type of Project: Acquisition/Rehab
Developer: Community Builders of Kansas City Rental Structure: Standard Rental

Cumulative Property Information If leasehold, show cumulative annual ground rent:
Total Site Area Purchased: 45.70 Site Area of Purposed Development: 45.70 Price: \$7,856,825

Project Information
Single Family [] Duplex [X] Townhouse [] Rowhouse (Single Story) [] Multi-Story/Walkup [] Multi-Story/Elevator []
Year(s) Built: 1999(70 units) 2005 (10 units) # of Bldgs.: 40 # of Res. Bldgs.: 40 # of Units: 80 # Units per Acre: 1.75
Community Space in Separate Bld # of Stories: # of Elevator Bldgs.: # of Elevator(s): # of Parking Spaces: 160
Gross Floor Area: 89,154 Sq. Ft. Net Rentable Residential Area: 89,154 Sq. Ft. Net Rentable Commercial Area:

MHDC Financing [X] MHDC Fund Balance [X] HOME [] CHDO [] Tax-Exempt Bonds [] Insured Loan
Amount % Rate Amort Term
Construction Loan: \$2,100,000 2.750% 18
Permanent Loan \$2,100,000 3.000% 360 240
Permanent Loan \$0 0.000% 0 0
HOME/CHDO Operation Grant \$0
Tax Credit Funding
Federal LIHTC Credit: \$482,000
State LIHTC Credit: \$337,400
AHAP Credit: \$0
Federal Historic Credit: \$0
State Historic Credit: \$0

Unit, Rent and Income Information

Table with 9 columns: # Bed Room(s), # Bath Room(s), # of Units, # of Affordable Units, Living Area (Sq. Ft.), Type of Assistance, Tenant Paid Utilities, Unit Rent (Month), Total Monthly Unit Rent. Contains 16 rows of unit data and 16 rows of empty space.

Totals 80 72 Total Estimated Monthly Rental Income \$64,354
Other Income \$0
Total Number of Low HOME Units: 2 Total Estimated Monthly Gross Income at 100% Occupancy \$64,354
Total Number of High HOME Units: 4 Total Estimated Annual (12 Month) Gross Income at 100% Occupancy \$772,248

XIX. MHDC Form #2013

Estimate of Replacement Costs

1) Site Work	\$67,302
2) Off-Site Improvement	\$0
3) Building Demolition	\$0
4) Interior Demolition	\$59,000
5) New Construction	\$0
6) Rehabilitation	\$4,167,977
7) Accessory Building	\$526,000
8) Bonding	\$35,035
9) Permits	\$43,000
10) General Requirements	\$293,899
11) Builder's Overhead	\$103,844
12) Builder's Profit	\$259,611
13) Total Construction Costs (lines 1-12)	\$5,555,668
14) Paid by owner - Construction Costs	
14a) _____	\$0
14b) _____	\$0
15) Total Construction Costs (lines 13-14)	\$5,555,668
16) Architect's & Engineering Fee (Design)	\$140,000
17) Architect's Fee (Supervision)	\$50,000
18) Soil Report	\$5,000
19) Survey	\$20,000
20) Engineering	\$24,460
21) Total For All Improvements (lines 15-20)	\$5,795,128
22) Construction Loan Interest	\$156,234
23) Construction Period R. E. Taxes	\$1,000
24) Construction Period Insurance	\$20,000
25) MHDC Rental Production Application Fee	\$750
26) MHDC Construction Loan Fee	\$21,000
27) Other Construction Loan Fee	\$43,100
28) MHDC Construction Inspection Fee	\$13,500
29) Other Construction Inspection Fee	\$0
30) MHDC Permanent Financing Fee	\$21,000
31) Other Permanent Financing Fee	\$0
32) Environmental Study	\$21,180
33) Market Study	\$5,500
34) Appraisal	\$6,500
35) Title, Recording & Disbursing (Construction Loan)	\$35,000
36) Title, Recording & Disbursing (Permanent Loan)	\$0
37) Legal Costs (Construction)	\$80,000
38) Legal Costs (Permanent)	\$10,000
39) Organization (Legal/Fees)	\$10,000
40) Cost Certification	\$20,000
41) Accountant's Fee	\$0
42) Prepaid MIP (Risk Share only)	\$0
43) Contingency	\$355,523
44) Environmental Abatement	\$0
45) Historic Credit Fees	\$0
46) Relocation	\$130,260
47) FF & E	\$50,000
48) Other: (Describe) MHDC Construction Cost Analysis	\$5,000
49) Other: (Describe) _____	\$0
50) Other: (Describe) _____	\$0
51) Other: (Describe) _____	\$0
52) Other: (Describe) _____	\$0
53) Replacement Cost w/o Acq (lines 21-52)	\$6,800,675
54) Legal Acquisition & Recording	\$0
55) Acquisition Cost of Buildings	\$3,964,509
56) Other Acquisition Related Costs	\$0
57) Land	\$440,501
58) Total Acquisition Cost (lines 54-57)	\$4,405,010
59) Total Replacement Cost (lines 53-57)	\$11,205,685
60) Consultant's Fee (Before Completion)	\$10,000
61) Consultant's Fee (At/After Completion)	\$75,000
62) Developer's Fee (Before Completion)	\$215,466
63) Developer's Fee (At/After Completion)	\$640,879
64) Tax Credit Allocation Fee (7%)	\$33,740
65) Tax Credit Monitoring Fee	\$21,600
66) AHAP Application & Reservation Fee	\$0
67) Other:(Describe) City County Fees	\$10,000
68) Other:(Describe) _____	\$0
69) Other:(Describe) Environmental - third party	\$2,000
70) Other:(Describe) _____	\$0
71) Other:(Describe) _____	\$0
72) Bond Related Costs (see Tab XIII)	\$0
73) Syndication Costs (see Tab X)	\$40,000
74) Lease-up/Marketing (from FIN-117, cash reserve)	\$5,000
75) Operating Reserve (cash escrow)	\$296,370
76) Replacement Reserve (cash escrow)	\$48,000
77) Other Escrow(s): _____	\$0
78) Other Escrow(s): _____	\$0
79) Other Escrow(s): _____	\$0
80) Other Escrow(s): _____	\$0
81) Other Escrow(s): _____	\$0
82) Total Development Cost (lines 59-81)	\$12,603,740

Estimate of Annual Expenses

1) Conventions & Meetings	#6203	\$2,000
2) Management Consultants	#6204	\$0
3) Advertising & Marketing	#6210	\$2,500
4) Other Renting Expenses	#6250	\$450
5) Office Salaries	#6310	\$6,864
6) Office Expenses, Supplies & Postage	#6311	\$3,300
7) Office or Model Apt. Rent	#6312	\$0
8) Leased Furniture	#6313	\$0
9) Management Fees	#6320	\$39,360
10) Manager or Superintendent Salaries	#6330	\$45,760
11) Administrative Rent Free Unit	#6331	\$0
12) Legal Expenses (Project)	#6340	\$4,000
13) Audit Expenses (Accounting)	#6350	\$8,000
14) Telephone	#6360	\$6,000
15) Bad Debts	#6370	\$6,000
16) Misc. Administrative Expenses	#6390	\$1,000
17) Total Administrative Expenses	#62637	\$125,234
18) Electricity	#6450	\$6,000
19) Water	#6451	\$72,000
20) Gas	#6452	\$3,000
21) Sewer	#6453	\$72,000
22) Cable T.V. / Internet Access	#6454	\$10,000
23) Total Utilities Expenses	#6400T	\$163,000
23) O & M Payroll	#6510	\$64,350
24) O & M Supplies	#6515	\$10,000
25) O & M Contracts	#6520	\$24,000
26) O & M Rent Free Unit	#6521	\$0
27) Garbage & Trash	#6525	\$26,000
28) Security Payroll / Contract	#6530	\$12,000
29) Security Rent Free Unit	#6531	\$0
30) Heating & Cooling Repair Contract	#6546	\$5,000
31) Snow Removal (Supplies & Contracts)	#6548	\$7,500
32) O & M Tools & Equipment	#6571	\$2,000
33) Pool (Supplies, Maintenance & Contracts)	#6520	\$0
34) Exterminating	#6515	\$6,000
35) Elevator Maintenance	#6520	\$0
36) Vacant Unit Prep (Carpets, Painting, Etc.)	#6580	\$10,000
37) Misc. Operating & Maintenance Exp.	#6590	\$0
38) Total Operating & Maint Expenses	#6500T	\$166,850
39) Real Estate Taxes	#6710	\$20,000
40) Property & Liability Insurance	#6720	\$40,000
41) Health Insurance	#6723	\$6,500
42) Workers Comp	#6722	\$2,250
43) MIP Insurance	#6850	\$0
44) Fidelity Bond	#6721	\$250
45) Other Tax Assessments		\$0
46) Other: (Describe) _____		\$5,000
47) Total Fixed Expenses		\$74,000
48) Replacement Reserves		\$24,000
49) Total Expenses		\$553,084
50) No. of Units		80
51) Expenses per Unit		\$6,914

Annual Income Computations

1) Estimated Project Gross Income	\$772,248
2) Occupancy (93% family or 95% elderly)	93%
3) Effective Gross Income (line 1 X line 2)	\$718,191
4) Total Project Expenses	\$553,084
5) Net Income to Project (line 3 - line 4)	\$165,107
6) MHDC Debt Service	\$106,244
7) Other Hard Debt Service	\$0
8) Total Hard Debt Service	\$106,244
9) Cash Flow (line 5 - line 8)	\$58,862
10) Debt Service Coverage (hard debt)	1.55

XIX. MHDC Form #2013

Debt Service Information

Lien Position	Source	Amount of Loan	Interest Rate	Amort Period (Years)	Term Period (Years)	Annual P & I	Soft/Hard Debt	% Dist From Cash Flow
1st	MHDC	\$2,100,000	3.000%	30	20	\$106,244	Hard	N/A
2nd	MHDC	\$725,000	0.000%	30	20	\$0	Soft	
Select	Construction Period Cash	\$75,000	0.000%	0	0	\$0	N/A	N/A
Select	Property Reserves	\$300,000	0.000%	0	0	\$0	N/A	N/A
2nd	HAKC Loan	\$1,260,000	1.000%	40	40	\$0	Soft	
3rd	HEDFC Loan	\$1,425,000	1.000%	40	40	\$0	Soft	
							N/A	

Tax Credit Proceeds

	Annual Credit Amount	Years	Price	Owner %	Total Proceeds
Proceeds from Federal T.C.	\$482,000	X 10	X 0.890	X 99.99%	= \$4,289,371
Proceeds from State T.C.	\$337,400	X 10	X 0.670	X 100.00%	= \$2,260,580
Proceeds from Historic Federal T.C.	\$0	X 1	X 0.000	X 0.00%	= \$0
Proceeds from Historic State T.C.	\$0	X 1	X 0.000	X 0.00%	= \$0

Total Sources ("X" Indicates if MHDC HOME Funds are used)

1. MHDC	<input type="checkbox"/>	\$2,100,000
2. MHDC	<input checked="" type="checkbox"/>	\$725,000
3.	<input type="checkbox"/>	\$0
4.	<input type="checkbox"/>	\$0
5.	<input type="checkbox"/>	\$0
6.	<input type="checkbox"/>	\$0
7. Construction Period Cash	<input type="checkbox"/>	\$75,000
8. Property Reserves	<input type="checkbox"/>	\$300,000
9. HAKC Loan	<input type="checkbox"/>	\$1,260,000
10. HEDFC Loan	<input type="checkbox"/>	\$1,425,000
11. Total LIHTC Equity		\$6,549,951
12. Total Historic T.C. Equity		\$0
13. Total AHAP T.C. Donation		\$0
14. Trust Fund		\$0
15. General Partner Equity		\$100
16. Deferred Developer's Fee		\$168,689
17. Total Sources		\$12,603,740

Construction Period Funding Gap

1. Costs (Line 82)	+	\$12,603,740
2. MHDC Construction Loan Proceeds	-	\$2,100,000
3. Other Construction Loan Proceeds	-	\$8,095,000
4. Tax Credit Equity Paid During Construction	-	\$1,300,351
5. Dev Fee Paid After Construction Complete	-	\$640,879
6. Consultant Fee Paid After Construction Complete	-	\$75,000
7. Operating Reserve (escrow)	-	\$296,370
8. Replacement Reserve (escrow)	-	\$48,000
9. Other (describe):	-	
10. Total Construction Period Funding Gap	=	\$48,140

MHDC Comments:

1 Utility allowance for HOME units based on HUD Utility Model

2

3

4

5

6

7

8

9

10

The undersigned applicant(s) hereby each certify that, to the best of my/our knowledge, all of the information in this application and all supporting documentation is correct, complete and accurate. I/We further recognize and accept the obligation to notify MHDC immediately if I/we become aware of any subsequent events or information which would change any statements or representations previously submitted to MHDC.

The undersigned applicant(s) hereby certify that the foregoing figures and the statements contained herein, submitted to obtain a capital advance or mortgage loan under the State Housing Act of Missouri, Chapter 215 R.S.Mo. 1994, are true and correct to the best of my/our knowledge and belief. I/We further state that I/we have applied for a mortgage loan and/or tax credits and have provided the above information, and certified that it is true, and have fully authorized MHDC to verify said information through credit reports, deposit verifications, reference checks and through any other means they determine necessary.

The applicant(s) hereby certify that should I/we receive HOME funds as any part of my/our funding award, I/we agree to comply with 24 CFR 135 ("Section 3"), and agree to give, to the greatest extent feasible and consistent with existing Federal, State and local laws and regulations, job training, employment, contracting and other economic opportunities to Section 3 residents and Section 3 business concerns. The applicant(s) further certify that if MHDC approves and executes a conditional reservation for HOME funds for this application, I/we will submit a Section 3 plan to demonstrate the ability and willingness to train and employ Section 3 residents and contract with Section 3 business concerns to the greatest extent feasible for economic opportunities that may be generated in connection with the HOME-assisted project.

The undersigned applicant(s) hereby certify that housing assisted with National Housing Trust Fund ("NHTF") funds will comply with NHTF requirements in accordance with 24 CFR parts 91 and 93 (the "Interim Rule") and also as set forth in the MHDC NHTF Allocation Plan, as either or both may be amended from time to time.

The undersigned applicant(s) hereby each certify that I/we have read and agree to abide by the MHDC "Standards of Conduct" which requires that, if an Interested Party (as such term is defined in the Standards of Conduct) which has submitted a proposal, application, bid or response to a solicitation, request, notice or invitation to do so, for a competitive matter pending before the Commission desires to communicate with a commissioner or employee after the published response deadline for the purpose of lobbying the Interested Party's proposal, application, bid or response, the Interested Party (including anyone acting at its direction or on its behalf) may do so only by complying with the disclosure policy set forth in the Standards of Conduct

The policy set forth in the Standards of Conduct stipulates that the Interested Party must file a written notice of the communication within 24 hours of the time the communication with the commissioner or employee occurred. The written notice must include a written description of any oral communication from the Interested Party to the commissioner or employee, and the written notice will include copies of any written or recorded materials provided to the commissioner or employee. The Interested Party understands that, within 24 hours of MHDC's receipt of the filing the written notice of communication from the Interested Party, MHDC will deliver, either in person, by facsimile, or electronic mail or through overnight courier, a copy of the notice (including any attachments) to each and every other party whose proposal, application, bid or response competes with the Interested Party's proposal, application, bid or response. Failure to file the notice with MHDC shall result in the disqualification of the Interested Party's proposal, application, bid or response.

Furthermore, the period consisting of seven days prior to a scheduled Commission decision on a competitive matter shall be deemed the "Quiet Period." During this Quiet Period, interested parties shall refrain from initiating contact with commissioners to lobby their proposal, application, bid or response. Failure to honor the Quiet Period shall result in the disqualification of the Interested Party's proposal, application, bid or response."

The undersigned applicant(s) hereby authorize MHDC to verify information through credit reports, deposit verifications, reference checks and any other means they may determine necessary.

THIS SPACE IS INTENTIONALLY BLANK

The undersigned applicant(s) hereby each certify that I/we have been informed of the Tax Credit Accountability Act (SB 1099) which was passed on 5/11/04. I/we further acknowledge that MHDC may promulgate rules and procedures to implement the provisions of the Tax Credit Accountability Act. Under the provisions of this act all developers must complete all necessary forms and reporting requirements necessary for MHDC, as the administering agent for the LIHTC, to comply with the provisions of the act. All developers must complete Missouri Department of Revenue (MDOR) Form 8821 (Rev. 11-03), Missouri Department of Revenue Authorization For Release of Confidential Information, as a consideration for the allocation of LIHTC. An executed MDOR Form 8821 must be included as part of all tax credit applications.

The developer further acknowledges that after state LIHTC's have been authorized, records pertaining to the tax credit application shall be open unless closed pursuant to law under the Sunshine Law.

The developer recognizes that MHDC as the Administering agency is required to verify with the MDOR and the Missouri Department of Insurance (MDOI) that the applicant does not owe any state tax liability. Tax Credit recipients are required to report information confirming the address of the property, its fair market value, the actual labor cost of construction, the completion date of the project and the actual number of jobs created to the administering agency (MHDC) by June 30th of each year for three years after issuance of the tax credits, beginning no sooner than 12 months after final allocation.

The developer has been informed of the penalties for tax credit recipients that fail to meet the reporting requirements. The penalties for failure to report equal a percentage of the overall tax credits issued up to the total amount of tax credits. The penalties for fraud in the application process results in a penalty equal to the amount of tax credits issued. Failure to comply with any and all aspects and requirements of the Code of Conduct and of SB 1099 will cause forfeiture of all rights of sponsor/developer to participate in all MHDC Programs.

The undersigned applicant(s) are responsible for ensuring that the development consists or will consist of a qualified low-income building (or buildings) as defined in the Internal Revenue Code section 42(c)(2) and will satisfy all applicable requirements of the federal tax law in the acquisition, rehabilitation, or construction and operation of the development to receive the housing tax credit.

The undersigned applicant(s) are responsible for all calculations and figures relating to the determination of the eligible basis of the building(s). I/we understand and agree that the amount of the tax credit is allocated by reference to the figures that I/we submit as to eligible and qualified basis. I/we understand that the actual amount of tax credit may vary somewhat from the amount initially reserved or committed due to (a) the determination by the Missouri Housing Development Commission (MHDC) as to the amount of tax credit necessary for the financial feasibility of the development and its viability as a qualified low-income housing development; (b) revisions in the calculations of eligible and qualified basis as finally determined; and (c) fluctuations in the prevailing tax credit percentage.

The undersigned applicant(s) understand and agree that MHDC makes no representations or warranties regarding the financial feasibility of the development and makes no independent investigation as to the eligible and qualified basis and that any and all tax credit awards and tax credit amounts are solely based on representations made by me/us. I/we therefore agree to hold harmless and indemnify MHDC and the individual directors, employees, members, officers and agents of MHDC in the event that I/we, or anyone acting on my/our behalf at my/our request, or by and through me/us incurs any loss in conjunction with the development, diminution of the tax credit, loss of the tax credit, recapture of part or all of the tax credit or failure to allocate the tax credit requested in my/our application.

The undersigned applicant(s) understand and agree that my/our application for a housing tax credit, all attachments hereto, and all correspondence relating to my/our application in particular, or the tax credit in general, are subject to a disclosure request and I/we expressly consent to such disclosure. I/we further understand and agree that any and all correspondence to me/us from MHDC or other MHDC-generated documents relating to my/our application are subject to a request for disclosure and I/we expressly consent to such disclosure. I/we agree to hold harmless MHDC and the individual directors, employees, members, officers and agents of MHDC against all losses, costs, damages, expenses and liability of whatsoever nature or kind (including, but not limited to, attorneys' fees, litigation and court costs) directly resulting from or arising out of the release of all information pertaining to my/our application pursuant to a disclosure request. The undersigned applicant(s) understand that any misrepresentations in this application or supporting documentation may result in a withdrawal of tax credits by MHDC, my (and related parties) being barred from future program participation and notification to the Internal Revenue Service.

The undersigned applicant(s) certify that all Federal, State, and local subsidies have been disclosed and revealed.

The undersigned applicant(s) hereby certify that the foregoing figures and the statements contained herein, submitted to obtain tax credit allocations pursuant to the I.R.S., section 42 and the State Housing Act of Missouri, Chapter 215 R.S. Mo. 1994, are true and correct to the best of my/our knowledge and belief. I/We further state in that I/We have applied for tax credits and have provided the above information, and certified that it is true, and have fully authorized MHDC to verify said information through credit reports, deposit verifications, reference checks, and through any other means MHDC determines necessary.

You have requested the following funding from MHDC

MHDC Rental Housing Production Funds:	\$0	Federal Housing Tax Credits:	\$482,000
HOME/CHDO Operating Expense Program Reques	\$0		
Missouri Housing Trust Fund:	\$0		

Signatures

<u>Community Builders of Kansas City</u> Development Firm Name	<hr/> Authorized Signature	<u>Emmet Pierson, Jr., President/CEO</u> Printed Name & Title of Signatory	<hr/> Date (mm/dd/yyyy)
<u>TBD (Community Builders of Kansas City)</u> Managing General Partner	<hr/> Authorized Signature	<u>Emmet Pierson, Jr., President/CEO</u> Printed Name & Title of Signatory	<hr/> Date (mm/dd/yyyy)
<u>Other General Partner</u>	<hr/> Authorized Signature	<u>Printed Name & Title of Signatory</u>	<hr/> Date (mm/dd/yyyy)

The Cleveland

20-077-MHCT

15 Year Cash-Flow Analysis (Income 2% Annual Increase - Expenses 3% Annual Increase - Replacement Reserves 3% Annual Increase)

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15
Total Potential Rent Income	\$772,248	\$787,693	\$803,447	\$819,516	\$835,906	\$852,624	\$869,677	\$887,070	\$904,812	\$922,908	\$941,366	\$960,193	\$979,397	\$998,985	#####
Other Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Potential Income	\$772,248	\$787,693	\$803,447	\$819,516	\$835,906	\$852,624	\$869,677	\$887,070	\$904,812	\$922,908	\$941,366	\$960,193	\$979,397	\$998,985	#####
Vacancy Allowance	\$54,057	\$55,139	\$56,241	\$57,366	\$58,513	\$59,684	\$60,877	\$62,095	\$63,337	\$64,604	\$65,896	\$67,214	\$68,558	\$69,929	\$71,328
Effective Income	\$718,191	\$732,554	\$747,206	\$762,150	\$777,393	\$792,940	\$808,799	\$824,975	\$841,475	\$858,304	\$875,470	\$892,980	\$910,839	\$929,056	\$947,637
Operating Expenses	\$529,084	\$544,957	\$561,305	\$578,144	\$595,489	\$613,353	\$631,754	\$650,707	\$670,228	\$690,335	\$711,045	\$732,376	\$754,347	\$776,978	\$800,287
Replacement Reserves	\$24,000	\$24,720	\$25,462	\$26,225	\$27,012	\$27,823	\$28,657	\$29,517	\$30,402	\$31,315	\$32,254	\$33,222	\$34,218	\$35,245	\$36,302
Net Operating Income	\$165,107	\$162,878	\$160,439	\$157,780	\$154,892	\$151,765	\$148,388	\$144,752	\$140,845	\$136,655	\$132,172	\$127,382	\$122,274	\$116,834	\$111,048
Less Debt Service	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244	\$106,244
DCR	1.55	1.53	1.51	1.49	1.46	1.43	1.40	1.36	1.33	1.29	1.24	1.20	1.15	1.10	1.05
Cash Flow	\$58,862	\$56,634	\$54,195	\$51,536	\$48,648	\$45,520	\$42,144	\$38,508	\$34,600	\$30,411	\$25,928	\$21,138	\$16,030	\$10,589	\$4,804

Uses of Cash Flow

Description	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15
1. RJ Asset Mgt. Fee	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219	\$5,376	\$5,537	\$5,703	\$5,874	\$6,050
2. Deferred Developer Fee	\$117,862	\$50,827													
3.															
4.															
5.															
Distributable Cash Flow	-\$63,000	\$1,687	\$49,951	\$47,165	\$44,145	\$40,883	\$37,368	\$33,588	\$29,533	\$25,192	\$20,552	\$15,601	\$10,327	\$4,715	-\$1,246

Deferred Dev Fee: \$168,689