



City of Madison
Community Development Division
Attn: Matt Frater
Suite 300, 215 Martin Luther King, Jr. Blvd.
Madison, WI 53703-3348
RFP # 14052-2025

Affordable Rental Housing Development:
Tax Credit Developments
8/28/2025

Dear Mr. Frater,

Volker Development Inc., LSS, and Edifici, LLC are pleased to present this proposal for the consideration of gap financing to help develop a 4% LIHTC, new construction, and affordable housing community along Grand Teton Plaza, in the City of Madison.

The project's location was strategically picked and is situated near amenities such as public transportation, schools, library, jobs, childcare, parks and nearby retail, which will all complement the number of amenities that the project will provide for its residents and the surrounding community.

The proposed project looks to redevelop two older office buildings, into a well-located, sustainable, accessible, and mixed-use, affordable housing community.

Made up of a unit mix consisting of larger unit types (2 & 3 bedrooms), the project will provide supportive housing and will offer supportive services to its individuals and households with incomes at or below 30% of Dane County's area median income (AMI).

The project team consists of experienced and local experts, that are committed to transforming their community by the best possible product for the project's residents, the City, the County, for the project's neighbors, and other stakeholders.

Thank you in advance for your consideration.

We look forward to working with you on this project and others to help bring affordable housing to the City of Madison.

Please let us know if you have any questions.

Sincerely,

Travis Fauchald
Volker Development, Inc.
t.fauchald@volker.co

Dennis Hanson
LSS
dennis.hanson@lsswis.org

Gabe Fritz
Edifici, LLC
gabefritz1974@gmail.com

Application for 2025 Affordable Rental Housing Development: Tax Credit Development (AHF-TC) RFP

This application form should be used for proposals to Affordable Rental Housing Development: Tax Credit Development in the 2025 application cycle. See RFP for deadline and submission instructions.

Key Information:

| | | | |
|-----------------------------|---|----------------------------------|-----------------------------|
| Lead Applicant/Developer: | <u>Volker Development Inc.</u> | | |
| Name of Development: | <u>Volker / LSS / Edifici - Grand Teton 4%</u> | | |
| Site Address: | <u>6601 and 6525 Grand Teton Plaza Avenue</u> | Amount of Funds Requested: | <u>\$2,750,000</u> |
| Total Number of Units: | <u>110</u> | Number of Units 60% AMI or less: | <u>66</u> |
| LIHTC Application Type: | <input checked="" type="checkbox"/> 4% only <input type="checkbox"/> 4+4% <input type="checkbox"/> 9% | | |
| <hr/> | | | |
| Mailing Address: | <u>464 S Hickory St, Ste C, Fond du Lac, WI 54935</u> | | |
| Telephone: | <u>952-334-7294</u> | | |
| Admin Contact: | <u>Adam Hanson</u> | Email Address: | <u>a.hanson@volker.co</u> |
| Lead Project Contact: | <u>Travis Fauchald</u> | Email Address: | <u>t.fauchald@volker.co</u> |
| Financial Contact: | <u>Travis Fauchald</u> | Email Address: | <u>t.fauchald@volker.co</u> |
| Website: | <u>www.volker.co</u> | | |
| Legal Status of Maj. Owner: | <input checked="" type="checkbox"/> For-profit <input type="checkbox"/> Non-profit | | |
| Federal EIN: | <u>93-2833865</u> | SAM/UEI #: | <u>*</u> |
| * If seeking federal funds | | | |

AFFIRMATIVE ACTION

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file an Individual Developer Affirmative Action Plan with the Department of Civil Rights. A Model Affirmative Action Plan and instructions are available at <https://www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan/individual-developers>.

LOBBYING RESIGTRATION

Notice regarding lobbying ordinance: If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over \$10,000 (this includes grants, loans, TIF, or similar assistance), then you likely are subject to Madison's lobbying ordinance, sec. 2.40, MGO. You are required to register and report your lobbying by registering with the City Clerk's at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000.

CITY OF MADISON CONTRACTS

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained on the Community Development Division Funding Opportunities Website for this RFP. If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.

SIGNATURE OF APPLICANT

Enter Name: Travis Fauchald Date: 8/27/2025

By submitting this application, I affirm that the statements and representations are true to the best of my knowledge.

By entering your initials in this box TWF you are electronically signing your name as the submitter of the application and agree to the terms listed above.

Preferences Summary

Mark a summary selection of the RFP preferences you are committing to as part of this application, above and beyond baseline RFP requirements. You will have the opportunity to further describe your commitments in subsequent application questions.

Geographic Eligibility

- ☒ Preferred TOD Area

Unit Mix & Affordability:

- ☒ Permanent Period of Affordability
- ☒ Maximum points obtained in “Serves Lowest Income Families” category
- ☒ At least 40% of units income- and rent-restricted under 50% AMI
- ☐ 50% and 60% AMI rents modeled at no more than 90% of maximum
- ☒ Unit mix includes income- and rent-restricted units at 40% AMI level

Supportive Housing:

- ☒ Units set-aside for households with homeless experience
- ☐ Hard set-aside units for households with homeless experience
- ☒ Dedicated space onsite for provision of supportive services

Sustainability & Resilience:

- ☐ Full electrification of HVAC systems and appliances
- ☒ Points obtained for WHEDA Advanced Sustainability certification
- ☒ EPA Indoor airPLUS certification
- ☒ Photovoltaic array sized to offset 20% of building annual load or 70% common area annual load
- ☒ Building designed for future photovoltaic array expansion
- ☒ Additional energy efficiency, renewable, or decarbonization features

Design & Accessibility:

- ☒ Unique & creative use of commercial space and/or community service facility
- ☒ As many units meeting WHEDA Universal Design requirements as is feasible
- ☒ Low- or no-cost commercial space leased to a neighborhood-enhancing tenant (pre-identified)
- ☒ Creative outdoor amenities as usable open space

Development Team & Financing:

- ☒ Minimum 24% stake for emerging developers and/or ACRE graduates
- ☒ Local non-profit ownership involvement, option, or controlling interest

Overview

1. Describe the following aspects of the proposed development:

Type of Construction: ☒ New Construction

☐ Acquisition/Rehab or Preservation

Type of Project: ☒ Family

☐ Senior

Total number of units: **110**

Total number of affordable units ($\leq 60\%$ AMI): **66**

Percentage of units that are affordable ($\leq 60\%$ AMI): **60%**

Total amount of AHF requested per affordable unit: **\$41,666**

Number of units supported by Project-Based Vouchers (PBV): 0 PBV Issuing Agency: 0

2. Period of Affordability Commitment:

☒ Permanent Affordability (electing waiver of shared appreciation in long-term deferred note)

☐ 40 years – Baseline requirement

3. Provide a brief overview of the intent of your proposal. Why are you proposing this specific development? What aspects of your proposal do you consider to be unique and creative components that advance goals of the City's guiding policy documents (Section II of RFP)?

Volker Development, LSS and Edifici are proposing 110 units of affordable and workforce housing on Grand Teton Plaza, in an established but growing neighborhood. The 4% LIHTC project is proposing permanent affordable housing at 30%, 40%, 50% and 80% of Dane County's area median income.

The redevelopment project is being proposed as it is aligned with many if not all of the City's guiding principals. The project does that by being strategically located and within compliance of the existing (aside from a CUP) and future land uses and by meeting the redevelopment goals of the comprehensive plan, this diverse and experienced development team proposing supportive and mixed-income housing with a sustainable, amenitized, high quality design.

This project is unique in the sense that will go above and beyond to incorporate sustainable and renewable energy features, it offers a permanent affordability period, it will provide its residents with downpayment / homeowner assistance after renting (project owner shall enter into a binding contract with all tenants of Low-Income Housing Tax Credit (LIHTC) units as part of their initial lease agreement, which will include a provision for a rent rebate of +/- 5% that accrues for the tenant's entire term of occupancy, where the rent rebate will be paid back to the tenant should the tenant household enter into home ownership upon vacating the project within one year of exiting property. Any vesting period shall not exceed one year of continuous occupancy), all while helping assist those experiencing homelessness find high quality housing and providing tailored supportive services to those individuals and families once housed.

4. Describe how this development fills gaps or addresses barriers that are otherwise not being addressed, including through other tax credit development:

This project is able to develop income and rent-restricted at scale. Additionally, the project's proposed homeownership program (which can be modified and collaborated upon) allows for homeownership opportunities and homeownership assistance via LIHTC development. With rent-to-own concepts being desired across the multifamily landscape, but being relatively difficult to incorporate within larger 4% LIHTC projects, this homeownership assistance program within the project can provide residents with a spring board to economic upward mobility and home ownership.

5. Describe the potential financial risks associated with this development, and how you plan to proactively address those risks:

The only financial risks associated with this development are associated with obtaining gap financing to cover necessary financing, construction and soft costs associated with providing this deeply affordable housing.

The way the project is proactively addressing those risks is aligning the project's location, design features, set-asides, supportive services, it's development approach with the City and County's programs goals, objective and preferences.

Location / Geographic Eligibility

6. Address of Proposed Site: **6601 and 6525 Grand Teton Plaza**

7. In which areas on the Affordable Housing Targeted Area Map is the site located? Select all that apply.

- ☒ Preferred TOD Area
☐ Eligible Core Transit Area
☐ Preservation & Rehab Area
☐ Limited Eligibility Area

8. Neighborhood the site is located in: N/A but part of West Area Plan

9. Date Site Control Secured: March 20, 2025

10. Explain why this site was chosen. How does it align with the Program Goals and Objectives (Section III of the RFP), and how will it benefit residents living in this location?

This site was chosen to provide residents a quiet neighborhood to live in with access to amenities, transit, education, jobs employers with workforce needs, services, schools, etc. With retail and recreation in abundance and with high-frequency public transit just a short walk away, the project is looking to provide another mixed-income affordable housing project on the west side of town. This project is able to avoid any permanent residential displacement by redeveloping an older commercial office complex into a high quality, sustainable apartment community. This project will create more housing choices for residents that may be currently living in naturally occurring affordable housing, will provide home ownership rebates for residents and provides services for residents that may be of lower income or experiencing homelessness via an established supportive service partner in LSS, who is a co-owner and co-developer in the project.

11. If the site is in a Limited Eligibility Area, describe how the relevant concerns will be addressed:

N/A site is in Preferred Transit Oriented Development Area.

12. Family Proposals only; respond to the following questions on potential impact to schools:

Describe the connectivity of the site for children to get to elementary and middle schools if MMSD [Yellow Bus Service](#) is not provided. Describe the Metro Transit Route for middle and high school students.

Elementary School (Muir Elementary)

Due to the project's close proximity to Muir Elementary, there is no MMSD Yellow Bus Service available for this project. Students may walk along the sidewalk or may be driven to school by going east along Grand Teton Plaza to Yellowstone Drive and heading north to Muir Elementary.

Middle School (Gillespie Middle) and High School (Memorial High)

Middle school and high school aged students can get to school by briefly walking (.4 miles) south to the Odana at Grand Canyon bus stop (Bus - J - Route J - Direction: Westfield), where they can get on the bus for a short (3 min ride to school).

Describe the anticipated impact this development will have on the schools in the catchment area. What are the 5-year projected capacities for these schools, and are they projected to be at, above, or below capacity? Reference the MMSD 2024 Long Range Facilities [Plan](#) (pgs. 12-14) or Wisconsin Wise Data Portal

A family project directly improves enrollement numbers in the Memorial Attendance Area, an area of the City that is seeing schools operating well below capacity and seeing declining enrollment numbers now and in the near future.

A development along Grand Teton Plaza helps improve that enrollment decline by bringing new families into the area, helping fill classrooms at each level within each school.

Muir Elementary operating at 75% utilization with an anticipated decline in the next five years (9% decline), with Gillespie Middle operating at 65% utilization and expecting a 2% decline and Memorial High operating at 90% utilization but expecting a 7% decline, development with families and children of all ages will not constrain the local school system but rather assist in keeping enrollment steady.

Approximately how many elementary and middle school children do you anticipate based on your proposed unit mix: +/- 50

13. Identify the distance from the proposed site to the nearest of the following amenities. Use MMSD's [Find My School](#) as the closest school is not always assigned.

| Type of Amenity | Name of Facility | Distance from Site (in miles) |
|--|--|-------------------------------|
| Full Service Grocery Store | Gordon Food Service Store | .13 |
| Public Elementary School | Muir Elementary School | .57 |
| Public Middle School | Gillespie Middle School | .54 |
| Public High School | Memorial High School | .38 |
| Full Service Medical Clinic or Hospital | UW Health West Towne Clinic Urgent Care Clinic | .52 |
| Public Library | Alicia Ashman Library | 1.58 |
| Public Park with playground equipment or athletic facilities, or hiking/biking trail | Nautilus Point Park | .29 |
| Job-Training Facility, Community College, or Continuing Education Programs | Wisconsin Technical College System | 1.95 |
| Childcare | Einstein School | .27 |

Planning Principles & Plan Consistency

14. Current zoning of the site: SE - Suburban Employment

Generalized Future Land Use designation of the site: NMU - Neighborhood Mixed Use

15. Will the proposed development need a Zoning Map Amendment and/or a Conditional Use Permit?

☐ Zoning Map Amendment ☒ Conditional Use Permit ☐ To be determined

16. Describe the proposed project's consistency with the land use recommendations and goals and objectives of relevant Plans, including the Imagine Madison, Area Plans, the Generalized Future Land Use Map, and any other relevant Planning documents:

The proposed project is in exact alignment with the Neighborhood Mixed-Use category in the comprehensive plan. With a mix of residential units and retail space, located near a transit-corridor, the project proposes a walkable apartment community near amenities for residents to enjoy. The project's design also meets the goals of the comprehensive plan, by proposing a four story building oriented towards the street, with private off street parking tucked behind building, with underground parking, the project's site design elements encourage pedestrian and bicyclist interaction with the project's lobby and retail portion. The comprehensive plan designates this area as area for growth and development as a regional corridor and a transitioning regional activity center.

The West Area plan calls for redevelopment of underutilized sites (like this one), particularly on transit corridors, and has a mixed-use, land use vision for the site. The West Area plan also calls for concentrating the highest intensity development on major transit corridors, at activity centers, and supports the development of a wider mix of housing types, sizes and costs.

17. Briefly detail staff comments during your Pre-application meeting with City of Madison Planning and Zoning staff and at Development Assistance Team. How have you adjusted or refined your proposal in response?

The project and its use was well received, there were no notable concerns.

Staff comments at DAT (6/26/2025) and the project's initial P&Z meeting went (6/19/2025) as follows:

- 1) Staff encouraged team to look at setbacks in relation to the project's principal entrance. The project's principal entrance location and retail spaces were revised.
- 2) Staff encouraged team to revisit zoning code regarding location of surface parking lot given TOD overlay, and that parking lot needs to be behind plane of building and street, and that rotating and reorienting building may be necessary.
- 3) Mapping provided comment that MGE easements need to be removed or eliminated.
- 4) Potential for reducing parking counts.

There were other minor comments regarding forthcoming processes (CSM, tree surveys, payment of impact fees, looking at fire access, stormwater) that are budgeted for and will be addressed with third party reports and further coordination down the road as the design progresses.

Otherwise, the density, use, design was very much welcomed.

There have been several follow up conversations with staff regarding their interpretation of the zoning code, and the building, its parking lot and parking counts, have been adjusted and several calls with MGE regarding easement abandonment, and the site plan has been adjusted to reflect those follow-ups.

18. Describe the response of the alder(s), neighborhood association, and/or residents at the neighborhood meeting to your proposal. Were any issues or concerns identified? How have you adjusted or refined your proposal in response?

Conversations with Alder Guequierre (6/16/2025) were very positive. He was very welcoming of the project, commended our design and commended our predevelopment efforts and planned outreach. He also was excited to hear about the variety of income and rent-restrictions and supportive service providers that were planned. He also commended our design team selections and other project closed on the East Side of town, being a member of the CDBG Committee and Planning Commission who saw and voted on a number of approvals associated with Volker's Kelly Station project.

The project team also had a meetings with the Park Towne Development Corporation (5/23/2025) who holds deed restrictions and a Declaration of Covenants, Conditions and Restrictions over a number of parcels in the area. They were approving of the project concept and project's design and preliminary elevations, allowing us to made forward and present to

the City, as the Park Towne Development Corporation and the City of Madison TOD design standards have conflicting setback requirements. The Park Towne Dev. Corp. is willing to grant the variance to permit multifamily as a use.

Per correspondence with CDD and Alder Guequierre, no neighborhood meeting is required.

19. Enter the site address(es) of the proposed development and complete rows for each site:

| | # of Units Prior to Purchase | # of Units Post-Project | # Units Occupied at Time of Purchase | # Business or Residential Tenants to be Displaced | Current # of Units Accessible | Number of Accessible Units Post- Project | Current Appraised Value (Or Estimated) | Appraised Value After Project Completion (Or Estimated) | Purchase Price |
|----------|---|----------------------------|---|--|-------------------------------------|---|---|---|-------------------|
| Address: | 6601 Grand Teton Plaza, Madison, WI 53719 | | | | | | | | |
| | 0 | 55 | 0 | 4 | 0 | 27.5 | \$957,000 | 20,625,000 | \$2,475,000 |
| Address: | 6525 Grand Teton Plaza, Madison, WI 53719 | | | | | | | | |
| | 0 | 55 | 0 | 4 | 0 | 27.5 | \$935,000 | 20,625,000 | \$2,475,000 |
| Address: | | | | | | | | | |
| | | | | | | | | | |

For units currently occupied and identified as potentially displaced above, describe relocation requirements, plan, and assistance that will be implemented:

Some permanent displacement of commercial tenants will be necessary as part of this redevelopment. The project will offer relocation services and assistance to businesses on-site currently renting office space (though many spaces are vacant and/or had plans of moving before site control was obtained), in accordance with a relocation plan that complies with Wisconsin State Statute, the Uniform Relocation Act (URA), HUD Handbook 1378, and Section 104(d) of the Housing and Community Development Act.

This assistance will involve interviewing businesses, collecting necessary information, determining eligibility, providing referrals for replacement office space, offering and processing relocation payments, collecting bids from professional moving companies, facilitating the moving process, and finally, monitoring, maintaining, and closing relocation files upon successful relocation.

A relocation specialist is currently analyzing data provided by Seller and will be estimating costs of relocation assistance benefits for each tenant, and is also estimated URA and Section 104(D) benefits.

It is expected that relocation assistance be approximately \$150,000.

The Seller (and property manager of the existing buildings) owns several other, similar office buildings with available spaces in the area that be made available to businesses on site, if awarded and can also participate in the relocation of commercial businesses leasing on site alongside the project's relocation specialist.

20. Describe the existing use of the site, and identify if a Phase I Environmental Site Assessment has been completed. Identify any environmental remediation activities planned, completed, or underway, and/or any existing conditions of environmental significance:

The existing use of the site is two office buildings.

A Phase 1 ESA is currently underway, with results being anticipated in 3-6 weeks from the time of submission. A Phase II ESA has been budgeted for in the event that any recognized environmental concerns are identified.

Unit Mix & Affordability

21. Provide the following information for your proposal. If this is a scattered site or phased proposal, list each address or phase in its own table by attaching additional pages.

| | | | | | | | | | | | |
|--------------------------------------|-------------------------|-------------------------------------|-------------------|-------------------|-------------------|--------------------|---|----------------------|-----------------------|-----------------------|----------------------|
| ADDRESS #1: | | Grand Teton Plaza Assemblage | | | | | Projected Monthly Unit Rents, Including Utilities | | | | |
| | | | | | | | Utilities included: <input checked="" type="checkbox"/> Water/Sewer <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Free Internet In-Unit <input checked="" type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other: _____ | | | | |
| | | # of Bedrooms | | | | | | | | | |
| % of Area Median Income (AMI) | Total # of units | # of Studios | # of 1 BRs | # of 2 BRs | # of 3 BRs | # of 4+ BRs | UA Studio: \$ | UA 1 BR: \$85 | UA 2 BR: \$105 | UA 3 BR: \$130 | UA 4 BR: \$ |
| | | | | | | | \$ Rent Studios | \$ Rent 1 BRs | \$ Rent 2 BRs | \$ Rent 3 BRs | \$ Rent 4 BRs |
| ≤30% | 22 | 0 | 8 | 10 | 4 | 0 | | 645 | 771 | 882 | |
| 40% | 0 | 0 | | | | 0 | | | | | |
| 50% | 22 | 0 | 8 | 9 | 5 | 0 | | 1132 | 1355 | 1557 | |
| 60% | 22 | 0 | 8 | 10 | 4 | 0 | | 1375 | 1647 | 1894 | |
| Affordable Sub-total | 66 | 0 | 24 | 29 | 13 | 0 | | | | | |
| 80% | 44 | | 14 | 20 | 10 | 0 | | 1615 | 2205 | 2569 | |
| Market* | 0 | 0 | 0 | 0 | 0 | 0 | | | | | |
| Total Units | 110 | 0 | 38 | 49 | 23 | 0 | Notes/Utility Allowance Assumptions: Energy Consumption Model (ECM) Utilities Allowance Used: <input type="checkbox"/> CDA <input type="checkbox"/> DCHA | | | | |

*40% = 31-40% AMI; 50% = 41-50% AMI; 60% = 51-60% AMI; 80% = 61-80% AMI; Market = >81% AMI.

Note: For proposals contemplating project-based vouchers (PBVs), list vouchered units under the same AMI designation that you will be representing to WHEDA. Include a comment in the Notes, e.g., Eight (8) 50% CMI units will have PBVs.

22. At what percentage of maximum LIHTC rents will rents be set for 50% and 60% AMI units? Will any other levels of income- and rent-restricted units have rents set below the maximum allowable?

At this time, it is anticipated the project's proposed 50% units will be rented at 90-100% of net max rents, based upon Dane County's area median income, as supported by a Baker Tilly market study.

The project's proposed 80% AMI units will likely be rented at a larger discount to ensure the leasing of such units and to avoid competition with rents of market rate units across different unit types.

At this time, the proposed project anticipates leasing 1 bedroom and 2 bedroom 80% AMI units at a 5-15% discount to maximum allowable rents, to ensure lease-up and avoid competition with market rate units in the area.

Property Management

23. Confirm that Applicant has read and submitted with this application a Tenant Selection Plan consistent with RFP Attachment C-1 and will submit before closing an Affirmative Marketing Plan consistent with RFP Attachment C-2.

☒ Yes, I confirm

24. Describe the proposed property management entity's experience with the unique needs of the Madison affordable housing market. If the property management entity does not have experience in the Madison market, describe experience in similar markets.

Volker's Vice President of Property Management, Mary Wangerin, has extensive, hands-on experience in the Madison affordable housing market, having successfully leased up 903 units across 11 properties in Madison and the surrounding areas. These communities included a wide range of program types such as LIHTC, workforce housing, project-based vouchers, the 811 program, HOME, supportive services, Housing Choice Vouchers, market rate, and AHP-funded units.

This work reflects more than 23 years of affordable housing expertise, with the past decade heavily focused on affordable lease-ups and rehabilitation projects prior to starting with Völker in May of 2024. Her Madison-area experience encompasses everything from initial marketing and compliance setup to full stabilization, while maintaining strong relationships with local housing authorities, service providers, and municipal partners. Outside of Madison, she has overseen successful tax credit lease-ups throughout Wisconsin, bringing more than 3,200 units online statewide in addition to her stabilized property management experience. Mary has roots in Madison, went to college in Madison and lived there for 12 years before relocating to Milwaukee.

Volker's property management teams Madison market knowledge is further enhanced by the experience of Raymond Sartler, Regional Manager. Raymond worked under the Mary Wangerin at ACC, successfully leasing and stabilizing a number of affordable housing projects in the City. He also spent extensive time at Maple Lawn Apartments, training site staff and assisting with operations as an Area Manager. His on-the-ground leasing, training, and operational oversight experience in Madison adds depth and continuity to our ability to serve the City's and project specific affordable housing needs.

This depth of experience — paired with proven results in high-demand, policy-forward markets — ensures Volker will meet and exceed the City of Madison's unique affordable housing needs with precision, compliance, and a strong and intentional resident-focused approach.

25. Describe the planned approach/relationship between the Property Manager and the Supportive Service Coordinator(s) for both lease-up and ongoing service provision and coordination. Describe how these entities will collaborate to ensure ongoing success of the development and increased resident stability, including proactively addressing concerns prior to eviction filing:

Volker and LSS look to continue their collaborative approach on another project. Though Volker and LSS will both be on-site with permanent space within feet of each other, they will have a clear division of roles responsibility during lease-up and after stabilization within the community, to ensure both groups are focused on ensuring positive outcomes for everyone.

During lease-up, coordination between LSS, PM, Development, Volker's compliance team will occur on a weekly or biweekly basis. LSS will be requesting referrals from Coordinated Entry Housing Priority List (CE) by appropriate bedroom size, will be working to contact referral, will obtain interest and schedule a potential appointment, assist in submitting application and will pass along necessary information to property management. Once property management quickly completes their screening, they will meet with applicant, work with LSS and applicant on approval or potential modifications to application, work through any appeal process if denied, and once approved will work to set up resident with lease, etc. This process and data will be shared and tracked.

At lease-signing and move-in, Volker and LSS will clearly communicate expectations, terms of the lease, payment due dates, available payment plans and grace period, available rent assistance programs or financial counseling services, but also consequences of lease violations, etc.

Thereafter, coordination amongst groups will occur on a daily basis to ensure residents are safely and comfortably housed, problems are identified and promptly addressed, tenant resources are made available to all residents, etc.. Both groups will be constantly sharing information (while abiding by all federal, local, and state laws and protections) to ensure both groups

can better track and understand things like: status of applications, timing of lease signings and notices-to-vacate, lease violations, rent payment status, safety concerns, behavior challenges, etc.

By sharing information such as intake assessments, incidents on site, payment status, collaborative approach will allow for better monitoring, intervention, problem solving and will help maintain stability throughout the community and to prevent issues but also to quickly address issues when they come up. For example, Volker's property management issues such as lease violations, missed or late rent payments, behavioral challenges will be met with proactive and informed, tailored trauma-informed care or third-party / community assistance from the LSS' supportive service provider.

LSS and Volker will be working together to get ahead of any potential issues, solve them with the residents in mind as they come up, but also care and provide resources to residents if eviction needs to occur.

26. Describe the affirmative marketing strategy to engage target populations. Have you engaged with community organizations that provide services to historically peripheralized households in development of this proposal?

Volker and LSS will proactively engage not only the target population, other groups that might not be likely to apply and also community organizations to cast the widest net possible to ensure as much engagement with the target population and historically peripheralized groups. Whether it be via referral sources, signage, websites, social media, SMS, marketing flyers, targeted emails (all in inclusive language with images), it is intended that the targeted populations be engaged a number of ways. This outreach will constantly be done (prior to and during lease-up, and when units are becoming available after stabilization) LSS and Volker will engage the community and notify local community organizations of upcoming available units, to get referrals, solicit applications and bring the target population to the top of the waiting list and into housing quickly.

Both LSS and Volker have experience working with local community organizations and resources providers that are routinely providing referrals, housing navigation services, connecting individuals and families with housing programs, etc., especially the organizations that make up Dane County's Homeless Services Consortium, the City of Madison and Dane County's Housing Authorities, etc.

27. Address the experience of the Property Manager in implementing inclusive, trauma-informed property management practices, including language access, community building, conflict resolution, and making reasonable accommodations:

Volker's property management team has a history of working with residents to accommodate vulnerable populations living on-site at their projects. With a majority of Volker's portfolio being 9% LIHTC projects with lower set-asides, Volker has 17+ projects with homeless or veteran units and with a number of projects with LSS involvement to cater to their 30% and 40% AMI residents, many of Volker's property management team members are trained in de-escalation, utilize empathetic communication strategies and are accustomed to offering flexible lease structures and payment plans to provide reasonable accommodations where possible.

On-site staff seek to build relationships with residents that transcend a typical "resident & property manager" relationship and try their best to personally engage residents to foster accountability, through personal interactions on site, the hosting of resident events, cooking of meals in a community room, and meetings to build community and to foster connectivity amongst staff, other residents and their families.

For example, as a developer and property manager owned by a disabled Veteran, with a number of veteran units throughout the portfolio with supportive services, certain PTSD triggers and stressors are acknowledged and addressed to accommodate such residents.

28. Describe staffing challenges or shortages that the Property Management company has recently experienced at the on-site level. Describe the Management's standard retention policies, and response to staffing issues as they arise:

In recent months, the property management company has faced persistent staffing challenges at the site level, particularly within maintenance roles. The ongoing labor shortage in the trades has made it difficult to attract and retain qualified maintenance personnel, which occasionally places increased pressure on existing team members and risks operational disruptions.

In response, management has proactively adopted a regional team model, allowing maintenance staff and other operational resources to be shared across multiple properties with a lead position in each area. This strategy ensures consistent coverage and a higher level of service even when individual sites face staffing shortfalls.

Beyond immediate operational adjustments, the company is committed to long-term employee retention and satisfaction. To this end, enhanced onboarding and training programs have been implemented to support skill development and career progression. Regular company-wide meetings and recognition initiatives help foster a culture of appreciation, improve communication, and ensure employees feel valued and supported.

Together, these efforts represent a comprehensive approach to addressing staffing shortages—balancing short-term operational needs with a strategic focus on employee engagement and retention to maintain a stable, motivated workforce.

29. What percentage of on-site staff turnover has the PM experienced in 2024? +/- 40%

Supportive Housing

30. Confirm that Applicant has read and submitted with this application a Supportive Services Plan developed jointly with the Support Service Coordinator(s) and Property Manager
☒ Yes, I confirm
31. Confirm that a letter from the Supportive Service Provider(s) affirming the services they intend to provide to residents of the supportive housing units, the cost of those services, and how the structure of financial support is attached to this application.
☒ Yes, I confirm
32. Is the Applicant willing to commit to obtaining points in the WHEDA MFA for these units in the Supportive Housing category (Appendix S and/or T units)?
- ☐ Yes
 ☒ No
 ☐ No, but will commit to a City hard set-aside for a portion of the units
- If yes, number of units: Percent of Supportive Housing Units:
33. Describe the supportive services agency's experience providing services in Madison to the target population. If applicable, list other similar projects the support services agency is involved with:

Lutheran Social Services (LSS) has a proven track record of delivering supportive services in Madison, helping residents achieve stability and independence. LSS serves diverse populations, including those experiencing homelessness, older adults, veterans, and people with disabilities. Our collaborative, person-centered approach connects residents to vital resources and develops long-term housing success.

In Madison and the Dane County area, LSS provides services at the following properties:

| | | | |
|---|-------------------------|---|-----------------|
| - | The Canyons | Lincoln Avenue Capital | Madison, WI |
| - | Life at the Derby | Lincoln Avenue Capital | Madison, WI |
| - | Sky Ridge | Northpointe | Sun Prairie, WI |
| - | Broadway Lofts | Northpointe | Monona, WI |
| - | CC Lane | Northpointe | Oregon, WI |
| - | RISE | Wisconsin Housing Preservation Corp. (WHPC) | Madison, WI |
| - | Valor on Washington | Gorman and Co. | Madison, WI |
| - | Carbon | Gorman and Co. | Madison, WI |
| - | Generations | Gorman and Co. | Madison, WI |
| - | Landsby Ridge | Gorman and Co. | Fitchburg, WI |
| - | Prairie Creek | Northpointe | McFarland, WI |
| - | Klassik | Northpointe | Verona, WI |
| - | University Park Commons | JT Klein | Madison, WI |
| - | Autumn Ridge | JT Klein | Madison, WI |

34. Describe briefly the Developer's experience with developing integrated supportive housing, including number of projects, number of units, and location:

Volker Development Inc. has incorporated supportive services in 31 of the 61 total projects completed or awarded to date, nearly half of Volker's currently owned properties.

Of the projects that have designated supportive housing units (16 of the 31 projects with an incorporated supportive service program), the supportive housing units make up on average 22% of total units of each project. Of the 16 projects that have designated supportive housing units, 12 are located in WI, the other 4 projects are located in UT, IN, OR and MN.

Both co-developers, LSS and Edifici, LLC (Gabe Fritz) come to this project with decades of development experience in deeply affordable housing as well. See LSS and Edifici Development Experience supplements.

35. Provide the number of Integrated Supportive Housing Units proposed:

| Total # of Homeless Supportive Housing Units (CE Referral) | Total # of Veteran Supportive Housing Units | Total # of Homeless Veteran Supportive Housing Units | Total # of Disabled/Other Supportive Housing Units | Minimum # of Supportive Housing Units |
|---|---|--|--|---------------------------------------|
| 22 | | [] | | 22 |

36. Describe the target population(s) for Supportive Housing units, including both homeless and any other categories:

Individuals and families experiencing homelessness, those that are at risk of experiencing homelessness and those with lived experience of homelessness (having a history of housing instability or in shelters / temporary housing).

37. Due to the transient nature of homelessness, there may be challenges when connecting with households referred from Coordinated Entry (contact information changes, brief stay in institutional setting, etc). Describe how the property

management entity will work with the supportive services agency to proactively address challenges and ensure that units set aside for households with homeless experience will be filled.

Proactive communication and connection maintenance with homeless individuals and households referred through Coordinated Entry will be done a number of ways.

On the front end, Volker and LSS will be transparent with referral agencies to communicate information needed, application processing timelines, etc. to set upfront expectations and a standard practice that can be followed to proactively address challenges that exist when leasing to homeless individuals and families.

Thereafter, when engaging prospective residents, the team will be: 1) creative and flexible as it relates to communication, appointment scheduling, extending or modifying office hours, provide off-site application assistance or off-site information collection, and will 2) provide equal determination when following up, logging of information into a shared system and internal status updates to dual track process.

Volker and LSS plan to provide written and electronic contact information to applicant and referral agency that will include phone numbers, email, physical addresses, referral contact information, and will maintain a number of communication channels (through referral agencies, SMS, Email, written correspondence, phone call, etc.).

This consistent approach will provide routine, will ensure the next step is always known, will clear up responsibility and accountability and will minimize gaps and headaches when obtaining and engaging referrals and completing and processing applications.

38. Describe how the property management entity will coordinate with the supportive service agency to ensure referrals from Coordinated Entry are able to be filled, even if households referred are above 30% AMI:

Volker alongside LSS, seeks to be clear and transparent with referral providers on upcoming available units, their set-asides and associated income restrictions. Volker will continue to order and communicate rent projections and estimates for the forthcoming year to better plan upcoming income restrictions.

That said, Volker's PM team and LSS will have an understanding of available rental assistance in the community that can be made available for renters. That understanding and the relationships / connections made will allow for rental subsidies, resources, vouchers, state or local rental assistance to be brought to the resident table, in an attempt to assist resident with payment assistance, prevent cost-burdening a referral to bring a potential 30% AMI resident into a 60% AMI unit.

That said, there are several ways avoid a quick denial due to being over-income. With this project being income averaged, there is some flexibility within Section 42 of the IRS code, WHEDA, Volker and the LIHTC investor's rules and compliance procedures to re-assign unit designations and AMI tiers.

Project specific bi-weekly calls will occur to collaborate on issues like these with LSS and Volker's property management, asset management, development, and compliance team (and likely a third party compliance specialist).

Volker and LSS may also be able to check for other openings in area and refer that referral to another project with an available unit (due to their footprint and involvement on sheer number of other LIHTC projects in the area).

39. Identify the partnership(s) that the Applicant has fostered with the supportive service agency(ies) supporting this application, and describe the alignment between ideals of the development team and the agency(ies). Describe the shared philosophy in approaching operation of this development:

The partnership between LSS and Volker is an established one. Volker and LSS have been working together to provide housing and supportive services to homeless individuals and their families in Wisconsin for more than 10 years. Volker and LSS looks to continue their collaborative approach on another project.

LSS empowers people to live their best lives, whose vision is (to build) healthy communities filled with people using their God-given gifts to serve, and whose mission is to act compassionately, serve humbly and lead courageously.

Volker's mission is (to provide) high-quality affordable housing to better places and people. Volker is a vertically integrated organization looking to make a real difference in the lives of our residents and the communities they live in.

These philosophies can be seen in the proposed project: choosing to provide safe, high quality housing to those who need it most. Once housed, Volker, LSS and the project are providing services to our residents, to enhance their lives and in doing so, provide grace, assistance and flexibility. Once on their feet, with peace of mind, support and in a place they are proud to call home, the project provides the resources and opportunity for upward economic mobility.

40. Briefly describe the type (e.g., assessment and referral, on-site intensive case management, etc.) and level of supportive services that will be provided to residents of the proposed project:

LSS will be providing a number of supportive services to residents over the course of the project.

Early on, services will be come in the form of requesting referrals, gauging interest of potential applicants, assistance gathering information and completing applications.

After an approved application is processed, LSS will complete intake assessments, outline available resources to resident, develop a case management and service plan that is individual / family specific, and continue engage and link residents to programs that support their independence and well-being. These services may come as referrals to mental health help, addiction and recovery services, employment help, financial literacy and budgeting, coordination of services for those with physical disabilities, etc.

LSS' Service Coordinator will maintain a recurring newsletter to inform residents of the services and schedule of programming each month. LSS will also act as a barrier and resource to residents outside of property management, to identify issues, assist residents in overcoming barriers as identified, etc.

More than \$4,500 per supportive housing unit, \$100,000, will be paid annually to LSS (with annual escalations) to support .8 full time supportive service providers, who will be working 32 hours per week on-site with options for virtual counseling and assistance if needed.

41. How is the development paying for the supportive services committed to the project?

☒ Operating Expense ☐ Deferred Developer Fee or Cash Flow ☒ Services Reserve ☐ Other

Describe:

The proposed supportive services on site conducted by LSS will be directly paid by Volker as part of the project's direct operating expenses (above the line) starting at \$100,000 annually with annual escalations.

Additionally, as part of the project's financing, a \$150,000 supportive housing reserve will be created, reserved for ongoing, annual supportive service expenses, to ensure adequate compensation and ongoing support for LSS that is independent of project's financial performance, in the event there are more services needed in a given year, etc..

In combination, the project will be contributing more than \$4,500 of supportive service assistance per 30% AMI unit, demonstrating it the project's commitment to adequately fund and aid LSS's supportive service staff but also to assist, aid and lift up it's targeted populations.

42. Amount of annual funding allocated to Supportive Service Coordination as a guaranteed commitment: \$100,000

Amount per unit of supportive housing: \$4,521.20

Support services FTE equivalent dedicated to this development: .8 FTE

If the caseload is anticipated to be greater than 12 families or 20 individuals per 1.0 FTE (below HUD recommended case management ratios), briefly detail how adequate and timely services will be provided/coordinated:

This is what the supportive service reserve is intended for. If needed, ongoing supportive service expenses can be increased to accommodate project and resident needs. With a reserve established, Volker and LSS are positioned to provide the necessary services without being constrained by costs.

If ongoing needs exceed the current allocation, supportive service expenses can be adjusted based on project performance and resident needs. Volker remains committed to ensuring that resident and community needs are met.

To maximize service delivery without increasing costs, Volker's property management team—experienced in working with vulnerable populations can take non-clinical or administrative tasks from LSS, allows supportive service specialists to focus on high-impact functions without incurring additional costs. Volker and LSS can also continue to engage other community-based organizations, nonprofits, and faith-based groups that offer free or grant-funded services such as job training, financial counseling, and wellness programming. These partnerships could enhance resident support without impacting the project budget.

Lastly, through Volker and LSS's partnership on multiple properties, we can leverage shared staffing models or coordinated service delivery to distribute costs and increase efficiency. This includes shared supportive service coordinators and rotating specialized providers.

Through these strategies—combined with the flexibility of supportive service reserve and the partnership with LSS—Volker ensures that residents receive the support they need while maintaining a responsible budget.

43. Is the Applicant requesting a portion of the AHF Award be used to fund a capitalized support service and/or operating reserve?

☒ Yes ☐ No

44. Will WHEDA require this development to fund a capitalized support service and/or operating reserve as a condition of financing/credit award?

☐ Yes ☒ No

Sustainability & Resilience

45. Will the proposed development claim points in the WHEDA MFA for Stretch or Advanced goals in this category?

☐ Yes ☒ No

46. Check all applicable Energy Efficiency & Sustainability third-party certifications that will be sought.

| Program | | | |
|--|--|---|--|
| Wisconsin Green Built | <input type="checkbox"/> Gold Standard | <input checked="" type="checkbox"/> Gold Plus | <input type="checkbox"/> Gold Zero Energy |
| Enterprise 2020 Green Communities | <input type="checkbox"/> Criteria | <input type="checkbox"/> Certification | <input type="checkbox"/> Certification Plus 5.4b Criterion |
| ENERGY STAR Multifamily New Construction | <input type="checkbox"/> Equivalency | <input type="checkbox"/> Certification | |
| EPA AirPLUS | <input type="checkbox"/> Equivalency | <input checked="" type="checkbox"/> Certification | |
| LEED® | <input type="checkbox"/> LEED Silver | <input type="checkbox"/> LEED Gold/Platinum | <input type="checkbox"/> LEED Zero Energy |
| Passive House (PHIUS) | <input type="checkbox"/> | <input type="checkbox"/> PHIUS Core | <input type="checkbox"/> PHIUS Zero |
| WELL | <input type="checkbox"/> | | |
| Other: | <input type="checkbox"/> | | |

47. Briefly describe your organization's approach to developing projects that incorporate extraordinary sustainability, energy efficiency, decarbonization/electrification, and/or green building design. List any third-party certifications or awards achieved on projects developed in the past five years:

Volker seeks to incorporate as many renewable and energy efficient features to the extent possible, and is accustomed to obtaining green building certifications.

These effort include electrifications of all systems on site, high performance insulation and windows to minimize heating and cooling consumption, energy efficient appliances, LED lighting fixtures and HVAC systems to reduce energy demand, low flow fixtures to reduce water use, green roofs, solar systems, locally sourced materials, natural ventilation, etc.

Of the projects that have been completed or awarded in the last five years, the following third party certifications have been committed to or obtained:

2 have been Earth Advantage certified
 3 will be Department of Energy Net Zero Ready Home (ZERH) certified
 6 have been or will be Enterprise Green Communities (EGC) certified
 2 have been Wisconsin Green Built Homes Standard certified
 1 will be National Green Building Standard (NGBS) certified
 3 will be LEED Silver certified

48. Confirm that the Focus on Energy Energy Design Assistance Initial Application or Express EDA submittal confirmation page has been submitted with this application.

☒ Yes, I confirm

49. If applicable, describe below any other renewable energy systems to be included in the development:

- Locally sourced materials (where applicable), with preference for recycled materials if possible.
- All electric, ENERGY STAR appliances
- ECM motors in HVAC system
- Very large Solar (PV) system on roof, consisting of 800+ panels,
- Water-conserving fixtures in all units and in common areas
- ION meters in all units and in common areas (to monitor water consumption, detect leaks and generate automated work orders to stop water loss)
- LED light fixtures with reduced lighting power and light controls by occupancy sensors in garage and common areas
- Infrastructure to incentivize biking mobility and car share services
- EV parking stalls and EV ready parking stalls
- MagicPak HVAC units
- High efficiency heat pumps and water heaters
- Enhanced window glazing, window frames, insulation

50. Size of solar array commitment (in Kw): **168**

Percentage of total building annual load to be offset via solar: **80%**

Percentage of common area annual load to be offset via solar: **55%**

Describe, if necessary:

See solar panel layout (approx. 375 panels) that has been planned as part of site plan and building design.

51. Indicate sustainable design features and equipment included in the proposed development that will help to reduce fossil fuel consumption, achieve decarbonization, and improve air quality:

| Sustainability Design Features & Equipment | YES | Comments |
|--|-------------------------------------|---|
| a. Air-source or ground source heat pumps | <input checked="" type="checkbox"/> | Air Source Heat Pump |
| b. Full electrification of all appliances and HVAC systems | <input type="checkbox"/> | All appliances will be electric and ENERGY STAR |
| c. Electric or heat-pump water heaters | <input type="checkbox"/> | |
| d. Electric stoves | <input checked="" type="checkbox"/> | |
| e. Installed EV charging station(s) | <input checked="" type="checkbox"/> | |
| f. Battery storage | <input checked="" type="checkbox"/> | Connected to Solar system |
| g. Other: | <input type="checkbox"/> | |
| h. Other: | <input type="checkbox"/> | |

52. Parking:

| | |
|--------------------------------------|-----|
| Total number of parking stalls: | 93 |
| i. Underground/Wrapped/Podium stalls | 66 |
| ii. Surface stalls | 27 |
| Parking ratio | .85 |

| | |
|-------------------------------------|---|
| Monthly parking cost | \$100 |
| Will parking cost vary by AMI level | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

Design & Accessibility

53. What type of required onsite play space will the development have?

☐ Indoor ☒ Outdoor ☐ Both

54. Describe other interior common area amenities that will be available to tenants and guests (e.g., community room(s), lounges on individual floors, additional play spaces, exercise room, business center, etc.):

Rooftop clubroom with kitchenette, Bike parking, storage lockers throughout building for residents, community room with kitchenette, package and mail room, exercise room on-site property management suites, secure underground parking, supportive service provider office space within building.

55. Describe other exterior amenities that will be available to tenants and guests (e.g., community gardens, patio, green space, etc.):

Rooftop terrace and lounge, Bicycle bike station(s), guest bike storage, community garden, playground and child play area, patios and/or balconies in all units, outdoor grilling stations, outdoor patio with outdoor games and multiple seating areas, gardens, landscaping and green space will be abundant through plaza as well.

56. For proposals with first floor commercial space, has a use and/or tenant of the space been pre-identified?

☒ Yes ☒ No

If yes, identify the use and describe whether this space will be low/no-cost and/or "neighborhood-serving":

First floor commercial space will be provided to LSS at no-cost to provide space for service provider to provide services, meet with residents, etc..

57. Does the proposed project meet the minimum requirements described in the RFP that at least half of the total units be Type A units or convertible to Type A units?

☒ Yes

☐ No

58. Does the proposed project exceed WHEDA's minimum accessibility design standards?

☒ Yes

☐ No

59. Does the proposed project go above and beyond WHEDA's Universal Design requirements in any way? Describe:

The proposed project elects to go above and beyond WHEDA's minimum accessibility design standards and the requirements of this RFP to maximize the amount of accessible features throughout the project's design. These include but are not limited to the following:

Common Area Accessibility Features:

- 50% of the total units designed to meet WHEDA Universal Design Requirements
- Automatic Door Openers at main accessible entrances, including entrance from accessible parking areas
- Accessible signage for all common rooms and dwelling unit entries
- Accessible bathrooms adjacent to public gathering areas and common rooms

50% of units will include following Accessibility Features:

- Circular or T-shaped turning space
- Curbless roll-in type shower compartment
- All closet doors shall have a clear floor space of 30" x 52"
- Bottom edge of mirror at all accessible floor level bathroom sinks/vanities to be 40" maximum above the floor
- All interior doors intended for user passage shall comply with Section 1103.5, which includes maneuvering clearances, thresholds, clear width, level hardware, etc.
- Garbage disposal switch, range hood controls, and electrical receptacles shall meet the requirements of Section 309
- Provide minimum one accessible work surface that meets all requirements of Section 1103.12.3
- Entrance doors to the unit shall comply with Section 404
- Where operable windows are provided, provide at least one window in each sleeping, living, and dining space complying with all of Section 309
- Carpet shall have 1/2" maximum pile and meet all requirements of Section 302.2
- All unit light and fan switches shall comply with Section 309

Development Team & Financing

60. Describe the Development Team's experience with the unique needs of the Madison affordable housing market. If the any development entity does not have experience in the Madison market, describe experience in similar markets:

Volker Development Inc. has recently closed and has started construction on a relatively complex affordable housing project in the City of Madison. Alongside Cordon Housing, Volker is able to obtain gap financing from The City's 2024 Affordable Housing Fund, Dane County's Affordable Housing Development Fund, Dane Workforce Housing Fund II, obtain several grants and obtain both construction, permanent financing, and low-income housing tax credits from WHEDA. This mixed-income redevelopment (that will clean up a contaminated site) will provide 76-units of rent- and income-restricted housing (at a variety of income levels) with multiple supportive services providers and with preferences for Veterans and their families who may be experiencing homelessness or may be disabled.

That said, the Kelly Station project is Volker's first development in the City of Madison and in Dane County. Volker does have affordable development experience in similar sized, larger, and equally challenging markets across the country. Volker recently successfully partnered and closed on an urban infill project with financing from the City of Philadelphia and PHFA, and recently partnered with the City of Cleveland, Cuyahoga County and the local housing authority to obtain vouchers and layer multiple pieces of subordinate financing on a senior redevelopment project. Additionally, whether it is the complex zoning code and entitlement hurdles provided by the City of Cleveland, the infrastructure and insurance challenges provided by the City of Oklahoma City, the construction costs challenges by developing in Colorado Springs, low rents and environmental challenges in the City of Fargo, management challenges in the City of Milwaukee, funding gaps in the City of Green Bay or the shortage of developable land in Grand Rapid's qualified census tracts, Volker has consistently found ways to creatively and effectively develop the affordable housing that is needed and desired by each municipality.

Volker is strategically partnering with Lutheran Social Services (LSS), who has served as a development partner on three communities in Madison and five in Dane County. Additionally LSS serves as property manager for three LIHTC developments in Madison as well as a scattered site development for the Madison CDA. LSS has been heavily involved in procuring general contractors related to two of the properties they manage in Madison, and has served alongside our development partners on the others.

Edifici LLC (Gabe Fritz) also have tons of experience providing and preserving affordable housing at scale in a large city (Louisville, KY). Gabe has 20+ years of non-profit affordable housing development experience with The Housing Partnership and a number of years under his belt serving the community as the Director of the Office of Housing & Community Development for the Louisville Metro Government. Gabe is also involved as a board member in my community, and in the past has been on the Care Advisory Board at University of Louisville Hospital and also on the board of: Vital Neighborhoods Group at Metro United Way, Friends of the Library, YouthBuild Louisville, The Center for Neighborhoods, and several other organizations. Currently Gabe is on the boards of a local CHDO – River City Housing, Habitat for Humanity of Metro Louisville, and St. John Center, which is homeless day shelter that just opened a new, 80 bed LIHTC permanent supportive housing center called Sheehan Landing. This innovative, state of the art facility has extensive, 24-7, 365 days per year security and access to wrap around services on site, including counseling, healthcare, and job training. Gabe brings a wealth of experience and background in public servitude, supportive housing, and complicated LIHTC development to help round out the development team.

61. Confirm that the Developer Experience attachment to this application addresses the following information. If it does not, briefly describe experience developing multifamily housing for low-income households in the text box:

- a. Experience obtaining and implementing Low Income Housing Tax Credits; including number, type, and location of proposed and completed LIHTC projects and units developed.
- b. Experience obtaining and implementing any other federal, state, city, and other financing resources, including number, type, and location of proposed and completed projects and units.
- c. Leadership/key development team staff qualifications.
- d. Years the organization has been in existence.
- e. Financial capacity of the organization to secure financing and complete the proposed project.

☒ Yes, I confirm

☐ No, See text box

Please limit responses to two pages if completed within this application as opposed to attachment. Do not duplicate information here and attached.

See attached for Development Experience.

62. Identify all key roles in your project development team, including any co-developers, property management agent, supportive services provider(s), architect, general contractor, legal counsel, and any other key consultants, if known.

| Contact Person | Company | Role in Development | E-mail | Phone |
|-----------------|---|-----------------------------|---------------------------------|--------------|
| Travis Fauchald | Volker Development Inc. | Lead-developer | t.fauchald@volker.co | 952-334-7294 |
| Dennis Hanson | LSS | Co-developer | dennis.hanson@lsswis.org | |
| Gabe Fritz | Edifici LLC | Co-developer | gabefritz1974@gmail.com | 502.938.2803 |
| Mary Wangerin | Volker Legacy Holdings Inc. (dba Volker Management) | Property Management Agent | m.wangerin@volker.co | 920.638.6653 |
| Leah Gubin | LSS | Supportive Service Provider | leah.gubin@lsswis.org | 920.312.4835 |
| Kevin Burow | Knothe & Bruce Architects | Architect | kburow@knothebruce.com | 608.270.8125 |
| Alison Gorham | McShane Construction Company | General Contractor | agorham@mcshane.com | 608.577.0600 |
| | | Civil Engineer | | |
| Michael Turney | Sunpeak | Solar Consultants | michael.turney@sunpeakpower.com | 608.733.6798 |
| Bill Cummings | Reinhart | Legal Counsel | wcummings@reinhardtllaw.com | 414.298.8330 |

63. For the following development team roles, please identify the number and/or percentage of women and persons of color employed by that company or organization as well as the total employees for each firm.

| Company | Role in Development | BIPOC | | Women | | Total Employees |
|---|---------------------|-------|------|-------|-----|-----------------|
| | | # | % | # | % | # |
| Volker Development Inc. | Developer | 0 | 0% | 4 | 27% | 15 |
| LSS | Co-Developer | 159 | 19% | 671 | 81% | 828 |
| Edifici LLC | Co-Developer | 1 | 100% | 0 | 0 | 1 |
| McShane Construction Company | General Contractor | 27 | 16% | 38 | 23% | 165 |
| Volker Legacy Holdings Inc. (dba Volker Management) | Property Manager | 12 | 18% | 31 | 46% | 68 |
| Knothe & Bruce Architects | Architect | 4 | 12% | 11 | 32% | 34 |
| LSS | Service Provider | 159 | 19% | 671 | 81% | 828 |

64. Describe the project's organizational structure. Please attach an organizational chart detailing the roles of the applicant, all partnerships, ownership and controlling interest percentages of each entity.

See attached org chart and subsequent MOUs between Volker, LSS and Edifici LLC describing roles and responsibilities, sharing of economics, etc.

The project will be owned by an to-be-formed, SPE, limited liability company that will consist of a LIHTC Investor and a Managing Member. The Managing Member will be controlled by its development partners: LSS, Edifici LLC and Volker. This entity will have full, complete and exclusive discretion to manage and control the project.

Ownership and controlling interests of the project will go as follows:

LSS - 5%

Edifici, LLC - 24%

Volker - 71%

65. Does this proposal have a non-profit lead applicant or codeveloper?

☒ Yes

☐ No

If yes, describe the purpose and mission of the organization as it relates to this proposal:

Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (LSS) is a non-profit who's purpose and mission is to act compassionately, serve humbly and lead courageously. LSS empowers people to live their best lives: whether that is providing a path to recovery from addiction or mental illness, providing assistance to obtain independence and a life that is truly their own and providing assistance that helps families thrive (via supportive services), LSS seeks to further their mission by developing housing that is safe and affordable with access to their own supportive services program.

LSS brings LIHTC and WHEDA development and tons of supportive service experience as well as the ability to secure soft funds to better ensure award and ultimate success of the development for the project's residents. LSS' developer partners and future residents will benefit with LSS' involvement to help achieve LSS' vision of creating healthy communities filled with people using their God-given gifts to serve.

If yes, describe the non-profit role in the development, such as if the non-profit will have a controlling interest, Right of First Refusal, or General Partner Purchase Option. Describe briefly the compensation structure for non-profit developer, including percentage of the developer fee allocated. Describe how the non-profit will be involved in long-term ownership:

LSS is involved in the project as co-owner and co-developer who will be involved on every piece of the transaction (design, planning, financing, involved during construction, lease-up, property management, ongoing supportive services, asset management, disposition, etc.). LSS will be involved every step of the way, providing input and recommendations, all but for paying for pre-development costs, providing guarantees or indemnifications, participating in capital calls, etc.

LSS will have an interest in both the project's developer fee (10%), project cash flows (5%) and a stake project's managing member, which results in a long-term interest ownership structure (5%). LSS will be paid a participation fee at closing (\$50,000) and will be paid a \$5,000 annual asset management fee from cash flows.

66. Is this proposal led or co-led by an emerging developer and/or ACRE grad as a development partner, codeveloper, employee, or internship opportunity?

☒ Yes

☐ No

If yes, describe the role in the development, such as if they will have a controlling interest, Right of First Refusal, or General Partner Purchase Option. Describe briefly the compensation structure, including percentage of the developer fee allocated. Describe the involvement in long-term ownership:

This proposal is co-led by an BIPOC, emerging developer, Edifici, LLC which is an entity controlled and owned by Gabe Fritz.

Edifici LLC will be provided an interest in both the project's developer fee (24%), project cash flows (24%) and a stake project's managing member, which results in a long-term interest in the project's ownership structure (24%).

67. Describe the development team's experience in engaging with Black, Indigenous, Latinx, and/or other historically peripheralized (historically least likely to apply) populations in informing development proposals:

At the corporate and development level, Volker has a history of partnering and collaborating with Black, Indigenous, and People of Color (BIPOC) developers to foster equity and to help tackle the barriers to entry that exist to in the LIHTC development industry. Of Volker's projects awarded, developed and currently owned to date, nearly 1 in 4 projects have a strategic development partnership with a member or organization of a historically peripheralized group that brings them into an ownership role and provides a share of the developer fee.

For example, Volker's last 9% awarded project (July 2025) in Michigan was in partnership with both: Equity First Community Development, LLC (BIPOC development group) and Little River Development, Inc. (a tribal development group). Additionally, two of the last three closed project were in partnership with BIPOC developers (Kelly Station, in Madison, with Cordon Housing and 2640 East Lehigh, in Philadelphia, with Timber, LLC).

After the development partnership is formed, at the project level, the development team seeks to 1) obtain and incorporate feedback and input from all potential stakeholders (whether they be local BIPOC-led nonprofits, neighborhood groups, community leaders, and advocacy organizations), and when possible 2) incorporate minority owned and/or women-owned businesses as part of the project team, to help support minority-owned and to help address historical disparities and promote a more equitable business environment.

For this development, Volker is partnering with a Edifici LLC. Edifici LLC is led by Gabe Fritz who has decades of affordable housing experience, has a proven track record having been part of multiple 9% projects. This partnership is helping bring a range of perspectives to the table, ensuring the final outcome is equitable, inclusive, and responsive to the priorities of all communities involved.

68. Indicate acceptance of the standard loan terms for this proposal as described in Section V of the RFP.

☒ Yes, I confirm

69. Applicants requesting alternative loan terms and/or wishing to provide additional information regarding financing structure, detail below (including description and justification of the request):

N/A

70. What other major sources of soft funding are being sought for the proposed development (e.g., TIF, Dane County AHDF, Federal Home Loan Bank Affordable Housing Program, Dane Workforce Housing Fund, Housing Trust Funds, etc.)? List the funds, and provide status of those funds/anticipated commitment dates:

N/A - solely City AHF funds are being requested as gap filler.

71. Describe any terms of anticipated funding sources that are incongruent with this RFP:

N/A

72. For each development partner with any ownership interest in any project currently underway or completed, list the following information and provide a current status for the team member and/or any related entity, as applicable:

1. List any foreclosure, default, or bankruptcy within the past ten years.
2. List any litigation completed, pending, or underway in relation to any financing or construction project within the past five years.
3. List any Chronic Nuisance Abatement or Nuisance Case notifications issued by Madison Police Department and/or Building Inspection in the past five years
4. List any unresolved Building Inspection citations resulting in a Municipal Court Complaint in the past five years
5. List any litigation in the past five years with the City of Madison, including but not limited to Federal, State, or Municipal Court proceedings
6. List any litigation in the past five years in the State of Wisconsin, including but not limited to Federal, State, or Municipal Court proceedings

Volker Development Inc (and affiliated entities):

Items 1-5: None.

Item 6: Certain routine litigation incidental to business involving Volker within the last five (5) years includes the following:

1. Valerie Thomas et al vs. New Village I, LLC et al, Milwaukee County Case Number 2023CV009339 (Filed December 15, 2023) includes Volker Legacy Holdings Inc. as a defendant and involves a slip and fall personal injury claim at the New Village Apartment Complex in Milwaukee, Wisconsin. The matter has been tendered to the insurance carrier who is providing a defense. The dispute has been resolved pursuant to settlement and dismissal pending.

2. Reher, Leslie-Ann et al v. Commonwealth Companies, Inc. et al., US District Court for the Western District of Wisconsin Case No. 3:2024cv00201 (Filed March 28, 2024) includes Volker Development Inc. and Volker Legacy Holdings Inc. as defendants and involves fair housing claims relating to the management of the Cambria Commons apartment complex in Wisconsin Dells, Wisconsin. The matter has been tendered to the insurance carrier. Dismissal is pending.

3. Gloria Malone vs. Commonwealth Development Corporation of America, Housing Enterprise Insurance Company, Inc., CMC Properties LLC, Volker Legacy Holdings, Inc. Milwaukee County Case Number 2025CV001564 (Filed February 20, 2025) includes Volker Legacy Holdings Inc. as a defendant and involves a slip and fall personal injury claim at the Prince Hall Apartment Complex in Milwaukee, Wisconsin. The matter has been tendered to the insurance carrier who is providing a defense.

LSS:

Items 1-4: None.

Items 5-6: See attached for LSS Agency Disclosures.

Edifici:

Items 1-6: None.

Timeline

73. List the estimated/target completion dates, or actual completion dates where applicable, associated with the following activities. Reference Attachment A of the RFP for deadlines by which these activities must be completed.

| Activity/Benchmark | Estimated Date of Completion |
|--|------------------------------|
| Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT) | 6/9/2025 |
| 1 st Development Assistance Team Meeting | 6/26/2025 |
| 1 st Neighborhood Meeting | N/A |
| Submission of Land Use Application | 11/3/2025 |
| Plan Commission Consideration | 12/15/2025 |
| Urban Design Commission Consideration, if applicable | N/A |
| Initial Project Concept Application to WHEDA | 12/6/2025 |
| Full LIHTC Application to WHEDA | March or May 2026 |
| Anticipated WHEDA Award/Commitment | May or June 2026 |
| Complete Equity & Debt Financing | June 2026 |
| Acquisition/Real Estate Closing | September 2026 |
| Rehab or New Construction Bid Publishing | July 2026 |
| New Construction/Rehab Start | September 2026 |
| Begin Lease-Up/Marketing | October 2027 |
| New Construction/Rehab Completion/ Certificates(s) of Occupancy Obtained | April 2028 |
| Complete Substantial Lease-Up | November 2028 |
| Request Final AHF Draw | November 2028 |

Item 16 – Question 2

Additional Disclosures/Certifications

The Agency is subject to various complaints and legal actions in the normal course of business. We are a large organization with 800 employees, serving nearly 30,000 individuals each year.

Below are open/pending matters. We intend to vigorously defend all pending matters as we believe they have no merit. Although such matters are subject to many uncertainties and the ultimate exposure cannot be ascertained, management does not believe the final outcome of these actions will have a material adverse effect on the consolidated financial position or results of operations of the Agency. Any other legal or administrative matters during this time period have not resulted in a final determination of liability on behalf of LSS.

| Date Complaint Filed | Where Filed | Description | Parties | Current Status |
|----------------------|--|--|----------------------------|--|
| 3/2022 | Office of Fair Housing and Equal Opportunity- HUD | Alleged fair housing discrimination | Applicant JW vs. LSS | Open. Applicant did not meet program requirements resulting in an application denial. We believe this case has no merit, and we continue to be represented by an attorney paid for by our insurance coverage. |
| 7/2023 | Wisconsin DWD | Housing complaint – comfort vs. service animal | VHRP Client CH vs LSS | Closed State/LSS settled. |
| 9/2023 | Wisconsin ERD | Alleged retaliation and constructive discharge per Health Care Worker Protection Act | Former employee KM vs. LSS | Open. Initial determination by ERD for constructive discharge finding of no probable cause and claim dismissal on 7/2/2024. Notified of appeal. Initial determination by ERD for retaliation claim was finding of probable cause on 7/2/2024 -pending hearing. We believe these cases have no merit. |
| 12/2023 | Wisconsin Civil Rights Compliance Office | Alleged discrimination in services | Former client LR vs. LSS | Open. Provided written response 2/2024 and awaiting reply. |
| 4/2024 | U.S. District Court- Eastern District of Wisconsin | Alleged employment discrimination | Former employee CD vs. LSS | Open. Our response will be a motion to dismiss as we believe this case has no merit. |
| 6/4/2024 | Wisconsin Department of Agriculture, | Housing complaint – Maintenance neglect/fellow tenant dispute | LSS vs. Tenant | Closed Maintenance issue repaired. LSS investigated Tenant issue. |

| Date Complaint Filed | Where Filed | Description | Parties | Current Status |
|----------------------|--|---|-----------------|--|
| | Trade and Consumer Protection | | | |
| 9/11/2024 | Wisconsin Department of Agriculture, Trade and Consumer Protection | Housing Complaint- Retaliatory Eviction | LSS vs. Tenant. | Closed LSS was found to follow appropriate HUD regulations regarding eviction. |
| 10/28/2024 | Wisconsin Housing and Economic Development Authority | Housing Complaint – Property Maintenance Concerns | LSS vs Tenant | Closed LSS was found to have addressed housing concerns in a timely manner and in accordance with HUD regulations. |
| 12/2/2024 | Wisconsin DWD | Housing Complaint – Wrongful Eviction | LSS vs Tenant | Closed LSS was found to have followed all appropriate laws regarding processing tenant eviction. |
| 1/22/2025 | Wisconsin DWD | Housing Complaint – Retaliatory Notices | LSS vs Tenant | Closed LSS was found to have issued notices appropriately and with merit. |
| 1/22/2025 | Wisconsin Department of Agriculture, Trade and Consumer Protection | Housing Complaint – Improper Rent increase | LSS vs Tenant | Closed LSS was found to have appropriately processed the tenant’s annual recertification. |
| 5/15/2025 | Wisconsin DWD | Housing Complaint – Placement on Housing Waitlist | LSS vs Tenant | Closed LSS was found to have followed regulations regarding waitlist and tenancy concerns. |
| | | | | |

Acronym Key:

Housing and Urban Development (HUD)

Wisconsin Department of Workforce Development (DWD)

Wisconsin Equal Rights Division (ERD)

References

74. Please list at least three municipal/financing references who can speak to work on similar developments completed by your team:

| Name | Relationship | Email Address | Phone |
|--------------|---|---------------------------------|----------------|
| Chris Murray | LIHTC Investor - Redstone Equity Partners | chris.murray@redstoneequity.com | 212-225-8299 |
| Dyann Benson | Municipal Reference - City of Fond Du Lac | dbenson@fdl.wi.gov | (920) 322-3440 |
| Ryan Hughes | Lender - First Business Bank | rhughes@firstbusiness.bank | 608-232-5759 |

APPLICANT & PROJECT NAME:

Volker & LSS & Edifici - Grand Teton

1. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

| Source | Amount | Non-Amortizing (Y/N) | Rate (%) | Term (Years) | Amort. Period (Years) | Annual Debt Service | Financing Approval Antcipated (Mo/Yr) |
|---|---------------|----------------------|----------|--------------|-----------------------|---------------------|---------------------------------------|
| Permanent Loan-Lender Name: | | | | | | | |
| CRBT - TE Construction to Perm Loan | \$ 18,768,000 | No | 5.95% | 23 | 40 | \$1,161,597 | 11/2025 |
| Subordinate Loan 1-Lender Name: | | | | | | | |
| Subordinate Loan 2-Lender Name: | | | | | | | |
| Tax Exempt Loan-Bond Issuer: | | | | | | | |
| City Request (AHF, HOME, TIF) | | | | | | | |
| City AHF Request | \$ 2,750,000 | Yes | 2.75% | 16 | 30 | \$0 | 11/2025 |
| Subordinate TIF Loan-Lender Name: | | | | | | | |
| AHP Loan (List FHLB): | | | | | | | |
| Dane County AHDF: | | | | | | | |
| Other-Specify Lender/Grantor: | | | | | | | |
| Other-Specify Lender/Grantor: | | | | | | | |
| Tax Credit Equity | \$ 14,711,338 | | | | | | |
| Historic Tax Credit Equity (Fed and/or State) | | | | | | | |
| Deferred Developer Fees | \$ 4,794,159 | | | | | | |
| Owner Investment | \$ 100 | | | | | | |
| Other-Specify: | | | | | | | |
| Solar Tax Credit Equity | \$ 61,119 | | | | | | |
| Total Sources | \$ 41,084,716 | | | | | | |

Do you plan on submitting an application for TIF?

No

| Construction Financing | | | |
|-------------------------------------|---------------|-------|---------------|
| Source of Funds | Amount | Rate | Term (Months) |
| Construction Loan 1-Lender Name: | | | |
| CRBT - TE Construction to Perm Loan | \$ 18,768,000 | 5.95% | 276 |
| Construction Loan 2-Lender Name: | | | |
| CRBT - Bridge Loan | \$ 10,815,239 | 7.00% | 42 |
| Construction Loan 3-Lender Name: | | | |
| Construction Loan 4-Lender Name: | | | |
| Bridge Loan-Lender Name: | | | |
| Housing Tax Credit Equity: | | | |
| LIHTC Equity | \$ 2,206,701 | | |
| Historic Tax Credit Equity: | | | |

| | | | |
|--------------------------|-----------|-------------------|--|
| | | | |
| Other-Specify: | | | |
| AHF and Owner Investment | \$ | 2,750,100 | |
| Total | \$ | 34,540,040 | |

Estimated pricing on sale of Federal Tax Credits:

\$0.815

Estimated pricing on sale of State Tax Credits:

(if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT:

Volker & LSS & Edifici - Grand Teton

2. PROJECT EXPENSES

Enter the proposed project expenses

| Acquisition Costs | Amount |
|---|--------------|
| Land | \$2,475,000 |
| Existing Buildings/Improvements | \$0 |
| Other (List) | |
| | \$0 |
| Construction: | |
| Construction/Rehab Costs | \$22,318,180 |
| E - Equipment & Furnishings | \$0 |
| F - Special Construction & Demolition | \$540,000 |
| Accessory Buildings | \$0 |
| Personal Property/FF&E | \$100,000 |
| Site Work Costs (on-site & off-site) | \$0 |
| Landscaping | \$0 |
| Contractor Fees: | |
| General Requirements | \$1,115,909 |
| Construction Overhead | \$446,365 |
| Construction Profit | \$669,545 |
| Construction Supervision | \$0 |
| Contingency Funds: | |
| Construction Contingency | \$1,250,000 |
| Other Contingency | \$0 |
| Construction Period Expenses/Soft Costs: | |
| Construction Loan Origination Fee | \$108,152 |
| Construction Loan Credit Enhancement/LOC | \$250,000 |
| Cost of Bond Issuance | \$262,680 |
| Bridge Loan Fees and Expenses | \$0 |
| Construction Loan Interest | \$1,882,584 |
| Construction Loan Origination Fee | \$0 |
| Construction Period Real Estate Taxes | \$75,000 |
| Title and Recording | \$176,000 |
| Builder's Risk/Property Insurance | \$250,000 |
| Temporary Relocation Assistance | \$0 |
| Permanent Relocation Assistance | \$150,000 |
| Other Interim/Construction Costs (list) | |
| Soft Cost Contingency | \$150,000 |
| Permanent Financing Expenses: | |
| Permanent Loan Origination Fee | \$998,400 |
| Credit Enhancement | \$0 |
| Other Permanent Loan Fees | \$0 |
| Legal Fees - Real Estate | \$0 |

<---

If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

| |
|--|
| |
| |
| |

Total Cost:

\$0

| | |
|--|-------------|
| Architectural & Engineering: | |
| Architect - Design | \$415,000 |
| Architect - Supervision | \$75,000 |
| Engineering | \$77,500 |
| Survey | \$25,000 |
| Other Architect/Engineering (list) | |
| Plan and Cost Review | \$10,000 |
| Syndication Fees & Expenses: | |
| Organizational Fees | \$125,000 |
| Other Syndication Costs (list) | |
| | \$0 |
| Capitalized Reserves: | |
| Operating Reserve | \$996,137 |
| Replacement Reserve | \$0 |
| Lease-Up Reserve | \$0 |
| Debt Service Reserve | \$0 |
| Capital Needs Reserve | \$0 |
| Other Reserves | \$225,000 |
| Escrows | \$0 |
| Other Capitalized Reserves (list) | |
| | \$0 |
| Reports, Studies & Related Work: | |
| Appraisal | \$15,000 |
| Market Study | \$15,000 |
| Environmental Reports | \$50,000 |
| Capital Needs Assessment Report | \$0 |
| Other (list) | |
| Special Materials Testing | \$25,000 |
| Other Soft Costs: | |
| Tax Credit Fees - Application | \$2,500 |
| Tax Credit Fees - Compliance | \$5,500 |
| Tax Credit Fees - Allocation | \$90,263 |
| Permits & impact fees - water, sewer, etc. | \$200,000 |
| Cost Certification/Accounting fees | \$15,000 |
| Lease-Up Period Marketing | \$0 |
| Title Insurance and Recording | \$0 |
| Capital Needs Assessment (rehab only) | \$0 |
| Legal | \$0 |
| Other (list) | |
| | \$0 |
| Developer Earned Fees & Expenses: | |
| Developer's Fee | \$5,500,000 |
| Developer Overhead | \$0 |
| Consultant Fees | \$0 |
| Other fees (list) | |

| | |
|--------------|--------------|
| | \$0 |
| Total Costs: | \$41,084,716 |
| | |

APPLICANT: **Vuker & LSS & Edith - Grand Teton**

3. PROJECT PROCFORMA

Enter total Revenue and Expense information for the proposed project for a 30 year period.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 | Year 16 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Gross Income | 2,062,069 | 2,124,520 | 2,167,016 | 2,210,356 | 2,254,563 | 2,299,656 | 2,345,646 | 2,392,561 | 2,440,412 | 2,489,220 | 2,539,084 | 2,589,798 | 2,641,580 | 2,694,412 | 2,748,300 | 2,803,289 |
| Less Vacancy/Blad Debt | 104,143 | 106,228 | 108,351 | 110,518 | 112,728 | 114,983 | 117,282 | 119,628 | 122,021 | 124,461 | 126,950 | 129,489 | 132,078 | 134,721 | 137,415 | 140,163 |
| Income from Non-Residential Use* | 182,940 | 186,199 | 189,523 | 192,913 | 196,371 | 199,899 | 203,497 | 207,167 | 210,910 | 214,728 | 218,623 | 222,596 | 226,647 | 230,780 | 235,000 | 239,319 |
| Total Revenue | 2,141,865 | 2,194,490 | 2,238,188 | 2,277,752 | 2,318,207 | 2,359,564 | 2,401,866 | 2,444,910 | 2,489,301 | 2,534,969 | 2,581,657 | 2,629,397 | 2,678,195 | 2,728,081 | 2,778,695 | 2,829,351 |
| Expenses: | | | | | | | | | | | | | | | | |
| Office Expenses and Phone | 22,000 | 22,660 | 23,340 | 24,040 | 24,761 | 25,504 | 26,269 | 27,057 | 27,869 | 28,705 | 29,565 | 30,453 | 31,367 | 32,308 | 33,277 | 34,275 |
| Real Estate Taxes | 203,300 | 209,605 | 216,980 | 223,370 | 229,781 | 236,212 | 242,664 | 249,138 | 255,634 | 262,152 | 268,692 | 275,253 | 281,835 | 288,438 | 295,062 | 301,706 |
| Advertising, Accounting, Legal Fees | 14,000 | 14,420 | 14,850 | 15,290 | 15,737 | 16,193 | 16,711 | 17,218 | 17,735 | 18,267 | 18,815 | 19,379 | 19,951 | 20,531 | 21,119 | 21,717 |
| Payroll, Payroll Taxes and Benefits | 143,000 | 147,290 | 151,709 | 156,260 | 160,948 | 165,776 | 170,748 | 175,872 | 181,148 | 186,583 | 192,183 | 197,955 | 203,898 | 210,000 | 216,300 | 222,789 |
| Property Insurance | 60,500 | 62,315 | 64,184 | 66,110 | 68,093 | 70,136 | 72,240 | 74,407 | 76,640 | 78,939 | 81,307 | 83,746 | 86,259 | 88,846 | 91,512 | 94,257 |
| Mt. Repairs and Mt. Contracts | 71,500 | 73,045 | 75,854 | 78,130 | 80,474 | 82,888 | 85,375 | 87,936 | 90,574 | 93,291 | 96,090 | 98,973 | 101,942 | 105,000 | 108,150 | 111,395 |
| Utilities (gas/electric/fuel/water/sewer) | 44,000 | 45,320 | 46,680 | 48,080 | 49,522 | 51,008 | 52,538 | 54,114 | 55,738 | 57,410 | 59,132 | 60,906 | 62,733 | 64,615 | 66,554 | 68,551 |
| Property Mgmt | 106,076 | 109,876 | 113,172 | 116,568 | 120,065 | 123,667 | 127,377 | 131,198 | 135,134 | 139,188 | 143,363 | 147,664 | 152,094 | 156,657 | 161,357 | 166,198 |
| Operating Reserve Pmt | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 |
| Redevelopment Reserve Pmt | 99,667 | 102,451 | 105,235 | 108,019 | 111,851 | 115,713 | 119,605 | 123,527 | 127,479 | 131,461 | 135,473 | 139,515 | 143,587 | 147,689 | 151,821 | 155,983 |
| Support Services | | | | | | | | | | | | | | | | |
| Other (List) | | | | | | | | | | | | | | | | |
| Total Operating Expenses | 797,643 | 821,572 | 846,220 | 871,606 | 897,794 | 924,687 | 952,428 | 981,000 | 1,010,430 | 1,040,743 | 1,071,966 | 1,104,125 | 1,137,248 | 1,171,366 | 1,206,507 | 1,242,702 |
| Net Operating Income | 1,344,222 | 1,372,918 | 1,391,968 | 1,406,146 | 1,420,413 | 1,439,877 | 1,459,438 | 1,473,910 | 1,488,871 | 1,518,744 | 1,538,691 | 1,558,702 | 1,578,819 | 1,599,005 | 1,619,374 | 1,639,649 |
| Debt Service | | | | | | | | | | | | | | | | |
| First Mortgage | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 |
| Second Mortgage | | | | | | | | | | | | | | | | |
| Other (List) | | | | | | | | | | | | | | | | |
| Total Debt Service | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 |
| Total Annual Cash Expenses | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 |
| Total Net Operating Income | 311,982 | 340,678 | 359,728 | 373,906 | 388,173 | 407,637 | 427,198 | 446,970 | 466,940 | 487,104 | 507,451 | 527,982 | 548,699 | 569,600 | 590,734 | 612,007 |
| Debt Service Reserve | | | | | | | | | | | | | | | | |
| Deferred Developer Fee | | | | | | | | | | | | | | | | |
| Cash Flow | | | | | | | | | | | | | | | | |
| A/HF City Interest Loan | | | | | | | | | | | | | | | | |

*Including commercial tenants, laundry facilities, vending machines, parking spaces, storage spaces or application fees.

APPLICANT:

3. PROJECT PROCFORMA (cont.)

Enter total Revenue and Expense information for the proposed project for a 30 year period.

| | Year 17 | Year 18 | Year 19 | Year 20 | Year 21 | Year 22 | Year 23 | Year 24 | Year 25 | Year 26 | Year 27 | Year 28 | Year 29 | Year 30 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Gross Income | 2,859,331 | 2,916,510 | 2,974,648 | 3,034,340 | 3,095,032 | 3,156,933 | 3,220,072 | 3,284,473 | 3,350,162 | 3,417,169 | 3,485,509 | 3,555,219 | 3,626,324 | 3,698,890 |
| Less Vacancy/Blad Debt | 142,967 | 145,826 | 148,742 | 151,717 | 154,752 | 157,847 | 161,004 | 164,224 | 167,508 | 170,858 | 174,275 | 177,761 | 181,316 | 184,943 |
| Income from Non-Residential Use* | 223,882 | 228,155 | 232,718 | 237,373 | 242,120 | 246,963 | 251,902 | 256,940 | 262,079 | 267,320 | 272,667 | 278,120 | 283,682 | 289,356 |
| Total Revenue | 2,940,247 | 2,998,839 | 3,056,624 | 3,120,001 | 3,187,914 | 3,260,042 | 3,336,979 | 3,418,473 | 3,504,149 | 3,594,366 | 3,689,351 | 3,789,259 | 3,894,322 | 3,995,389 |
| Expenses: | | | | | | | | | | | | | | |
| Office Expenses and Phone | 35,304 | 36,363 | 37,454 | 38,577 | 39,734 | 40,926 | 42,154 | 43,419 | 44,721 | 46,063 | 47,445 | 48,868 | 50,334 | 51,844 |
| Real Estate Taxes | 338,559 | 346,354 | 354,445 | 362,888 | 371,744 | 380,970 | 390,536 | 400,504 | 410,944 | 421,828 | 433,130 | 444,924 | 457,286 | 470,201 |
| Advertising, Accounting, Legal Fees | 22,469 | 23,140 | 23,834 | 24,549 | 25,286 | 26,044 | 26,825 | 27,630 | 28,469 | 29,313 | 30,182 | 31,086 | 32,019 | 32,982 |
| Payroll, Payroll Taxes and Benefits | 229,473 | 236,357 | 243,448 | 250,751 | 258,274 | 266,022 | 274,003 | 282,223 | 290,690 | 299,410 | 308,383 | 317,614 | 327,114 | 336,899 |
| Property Insurance | 97,085 | 99,997 | 102,997 | 106,087 | 109,270 | 112,548 | 115,924 | 119,402 | 122,984 | 126,674 | 130,474 | 134,388 | 138,420 | 142,572 |
| Mt. Repairs and Mt. Contracts | 114,737 | 118,179 | 121,724 | 125,376 | 129,137 | 133,011 | 137,001 | 141,111 | 145,345 | 149,705 | 154,196 | 158,822 | 163,587 | 168,494 |
| Utilities (gas/electric/fuel/water/sewer) | 70,607 | 72,725 | 74,907 | 77,154 | 79,469 | 81,853 | 84,309 | 86,838 | 89,443 | 92,126 | 94,890 | 97,737 | 100,669 | 103,689 |
| Property Mgmt | 171,183 | 176,310 | 181,659 | 187,057 | 192,669 | 198,445 | 204,402 | 210,534 | 216,850 | 223,356 | 230,059 | 236,968 | 244,087 | 251,389 |
| Operating Reserve Pmt | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 |
| Redevelopment Reserve Pmt | 99,667 | 102,451 | 105,235 | 108,019 | 111,851 | 115,713 | 119,605 | 123,527 | 127,479 | 131,461 | 135,473 | 139,515 | 143,587 | 147,689 |
| Support Services | | | | | | | | | | | | | | |
| Other (List) | | | | | | | | | | | | | | |
| Total Expenses | 1,279,983 | 1,318,382 | 1,357,934 | 1,398,672 | 1,440,632 | 1,483,851 | 1,528,367 | 1,574,218 | 1,621,444 | 1,670,087 | 1,720,190 | 1,771,796 | 1,824,950 | 1,879,098 |
| Net Operating Income | 1,660,264 | 1,680,457 | 1,700,890 | 1,721,329 | 1,741,769 | 1,762,191 | 1,782,603 | 1,803,255 | 1,824,149 | 1,845,281 | 1,866,663 | 1,888,463 | 1,910,692 | 1,933,291 |
| Debt Service | | | | | | | | | | | | | | |
| First Mortgage | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 |
| Second Mortgage | | | | | | | | | | | | | | |
| Other (List) | | | | | | | | | | | | | | |
| Total Debt Service | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 |
| Total Annual Cash Expenses | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 |
| Total Net Operating Income | 498,667 | 518,860 | 539,293 | 559,732 | 580,172 | 600,604 | 621,036 | 641,534 | 662,092 | 682,684 | 703,311 | 723,974 | 744,675 | 765,414 |
| Debt Service Reserve | | | | | | | | | | | | | | |
| Deferred Developer Fee | | | | | | | | | | | | | | |
| Cash Flow | | | | | | | | | | | | | | |
| A/HF City Interest Loan | | | | | | | | | | | | | | |

*Including laundry facilities, vending machines, parking spaces, storage spaces or application fees.



Development Teams Experience and Capacity

1. Development Experience

Louie Lange III is the majority owner of Volker Development Inc. Louie previously founded The Commonwealth Companies in 2001 as a suite of vertically integrated real estate development, design, construction, and property management companies. Between 2001 and 2023 Commonwealth developed more than 100 affordable housing communities across the United States. In 2023, Louie decided to sell his Commonwealth interests and reestablish his own company in the work that he is passionate about, though he retained 100% ownership interests to all projects developed prior to 2019. He then formed Volker Development Inc. Despite that sale, Louie has retained ownership of his completed properties and owns 52 projects, totaling 2554 rental units, of which 2,454 are LIHTC units, within 13 states. A majority of Volker's portfolio and development experience consist of WHEDA projects, with 29 projects currently owned throughout the state of Wisconsin.

Currently, Volker Development has 6 projects with a total of two hundred 292 units under construction and 3 awarded projects with a total of one hundred 154 units, that are working towards closing. These projects are in Delaware, Pennsylvania Ohio, Colorado, Michigan and Wisconsin, so upon completion, Volker Development will have projects in 16 states. The 61 total LIHTC projects are a mix of high-density new construction projects but also consist of townhomes, cottages, walk-ups, acq. / rehabs, adaptive re-use and historic tax credit projects, etc.

All of Volker's projects have all been awarded federal 4% or 9% LIHTC that have been paired with awards of local soft funds and gap financing products. For example, 28 projects have utilized HOME funds, 11 have utilized AHP funds, and many others have utilized CDBG, local HTFs, SLIHTC, Energy and 45L Credits, TIF, WHEDA and IHCD subordinated financing, a variety of City and County loans and grants, etc.

Integrated Supportive Housing Experience: 21 of the completed developments have integrated support housing units.

Green Building Certifications: 32 of the completed developments have green building certifications including Wisconsin Green Built Homes, Enterprise Green Communities, Earth Advantage, Green Building, Green Communities and NGBS-emerald.

Joint Ventures: 33 of the completed projects are joint ventures.

A list of properties developed, their financing types, set-asides, locations, project types, etc., can be provided upon request.

2. Development Team Experience

Louie A. Lange III, CEO - With Völker, Louie continues the legacy of growing the firm that started in his basement almost 25 years ago. He remains focused on maximizing positive outcomes for all stakeholders. A former officer in the United States Marine Corps, Louie was the founder of The Commonwealth Companies in 2001. As a Principal, Louie is responsible for the development of over 100 affordable housing



communities with 5,000+ units in 20+states. Völker currently owns, develops and operates more than 55 affordable communities in 15 states: exceeding 2,600 units with a capitalization of \$500M.

Adam Hanson, President of Operations – Adam is responsible for overall management of operations and resources for Völker. He Collaborates with executive leadership to set the operating plan meant to achieve short- and long-term strategic objectives and directly oversees the Finance and Asset Management functions of the operating entities. Adam earned his bachelor’s degree in finance from the University of Wisconsin Milwaukee and his MBA from Marquette University.

David Ritchay, Chief Development Officer- David’s whole career has been in affordable housing. He has 20 years of development and asset management experience with broad application in most aspects of the industry. Prior to Völker, David was President of a nationally recognized development company and before that, Executive Vice President of a nonprofit housing organization that was a founding member of the Housing Partnership Network.

Lance Mueller, General Counsel- Lance earned his Bachelor of Business Administration in Management Information Systems from the University of Wisconsin Milwaukee and his law degree from the University of Wisconsin Law School. He has more than 21 years of corporate legal experience including work as a trial lawyer and partner in a well-respected nationwide practice handling business and commercial matters.

Mary Wangerin – VP of Property Management- Mary’s focus is on strategic management and meticulous maintenance, ensuring optimal performance across the property's lifecycle. She builds cohesive teams, fosters collaboration across departments, and cultivates work environments grounded in core values.

Ashley Kumbier, VP of Finance- Ashley is responsible for managing and accounting and finance functions for Volker and its portfolio of properties. Effectively communicating financial information with investors, lenders and other interested parties and assisting them as needed. Ashley is a CPA with over 15 years of experience. She obtained her undergraduate degree in accounting and Master of Accountancy from UW-Madison.

Travis Fauchald, Managing Director of Development – Travis manages all aspects of the development process and works with local stakeholders, municipalities, state agencies, financing parties and members of the design team to create sustainable, high quality and accessible homes. Travis started working in Affordable Housing Development in January of 2020.

Darlene Metz, Senior Development Manager – Darlene assists Developers with a variety of real estate activities. Darlene plays a key role in all phases of the development process, from due diligence and feasibility through closing. Travis started working in Affordable Housing Development in August of 2017.

3. Financial Capacity

Volker has the financial capacity to secure financing and complete the proposed project, after successfully developing several hundred million dollars’ worth of affordable housing projects. Financial statements and financial references can be provided upon request to demonstrate this.

LSS Development Experience

LSS owns and manages more than 30 subsidized communities, totaling more than 425 units. Offered in cooperation with the U.S. Department of Housing and Urban Development (HUD), our developments provide safe, decent and affordable housing for older adults, and persons with developmental disabilities, chronic mental illness, or physical disabilities. LSS also offers HUD Property Management Services on a contract basis.

As an owner and contracted management agent we take full responsibility for the lease, management, financial reporting and regulatory compliance of our communities. In addition to professional property management and a skilled in-house maintenance team we offer [Service Coordination](#) at several of our [communities](#). LSS believes that subsidized housing should not equate to sub-standard housing.

The Low Income Housing Tax Credit Program highlights LSS' commitment to remove barriers by providing quality, affordable rental housing. LSS' development partners bring the experience and resources necessary to rejuvenate existing buildings as well as develop new apartments and mixed use spaces. LSS brings development and supportive service experience as well as the ability to secure soft funds to better ensure award and ultimate success of the development. LSS' developer partners benefit along with us as we work together to achieve our vision of creating healthy communities filled with people using their God-given gifts to serve.

LSS has successfully partnered with established developers to increase the affordable housing stock through participation in the Low Income Housing Tax Credit (LIHTC) programs administered by the Wisconsin Housing and Economic Development Authority (WHEDA). LSS has also been awarded a number of WHEDA 9% and 4% SLIHTC awards over the last 15 years.

These partnerships serve to further LSS' commitment to provide quality, affordable rental housing that promotes a good quality of life for the residents. LSS' development partners bring the experience and staffing necessary to rejuvenate existing buildings as well as to develop new apartments and mixed use spaces.

In evaluating partnership opportunities LSS seeks to provide the following:

- Coordination of services that promote the well-being of children, families, persons with disabilities, and veterans
- Organization of outreach opportunities and site based presentations geared toward the residents of the development
- Coordination and referral for persons with disabilities, including supportive services designed to maintain the individual's ability to live independently
- Assistance in marketing the units in an effort to ensure access and availability to those most in need
- Deliverance of Empowerment Activities as designated for Federal Home Loan Bank (FHLB) awards

The above has been accomplished between LSS and development partners through a variety of efforts including: Non-profit set aside LIHTC applications with LSS as a development partner, General set aside LIHTC applications with LSS as a development partner, LSS working with developers in a Service Provision/Coordination arrangement without joining as a development partner

LSS has successfully partnered in the above capacities with the following developers: Herman and Kittle Properties, TW Sather Company, Gorman and Company, Commonwealth Development, Crown Court Properties

See links for Active Developments:

https://www.lsswis.org/service/housing-and-residential/affordable-housing/?parent_id=88

See link for LSS' properties owned:

<https://www.lsswis.org/our-story/affordable-housing/>

Edifici, LLC (Gabe Fritz) – **Madison AHF Write Up**

I have worked in the affordable housing industry for the last 24 years. My professional journey began as a neighborhood Revitalization Coordinator and later Project Manager at a not-for-profit 501C3 organization, and then as the Development and Marketing Director at a privately held, for-profit single-family construction and development company. I then returned to work as a Director at that same nonprofit organization before I was approached by the mayor's Office to serve as the Director of the Office of Housing and Community Development for Louisville Metro Government. I then transitioned into the role of Director of Development for a regional for-profit affordable housing and property management company based in Lexington, KY. Just this past fall, I rejoined the original nonprofit where I began my career as VP, COO. Over the course of the last two decades I have worked on myriad development projects, including historic adaptive reuse renovations of commercial and industrial buildings into affordable multifamily housing through the use of state and federal Historic tax Credits, and adaptive reuse projects which have transformed vacant hospitals, schools and warehouses into affordable housing opportunities for families and seniors. I have also worked on the recapitalization of existing assets using various funding mechanisms, including the 9% LIHTC and RD loan programs. I also have experience with both greenfield and brownfield new construction development across the region.

During my work at the City of Louisville, I managed the office that administered and managed the investment pool and loan portfolio for all HUD formula funding for the MSA, including HOME, CDBG, HOPWA, etc. Our department also created a new revolving loan product that subsidized thousands of units of affordable housing across the city. I am also very involved as a board member in my community, and in the past have been on the Care Advisory Board at University of Louisville Hospital, Vital Neighborhoods Group at Metro United Way, Friends of the Library, YouthBuild Louisville, The Center for Neighborhoods, and several other organizations. Currently I am on the boards of a local CHDO – River City Housing, Habitat for Humanity of Metro Louisville, and St. John Center, which is homeless day shelter that just opened a new, 80 bed LIHTC permanent supportive housing center called Sheehan Landing. This innovative, state of the art facility has extensive, 24-7, 365 days per year security and access to wrap around services on site, including counseling, healthcare, and job training. I was recruited to the board to bring LIHTC development experience and capacity for this project. From this Board service, I have learned a great deal about supportive service delivery and structuring successful partnerships. These are experiences that I can bring as an Emerging Developer to the ownership and management of LIHTC communities that provide on-site supportive services.

Throughout the scores of projects, thousands of units, and hundreds of millions of dollars of investment associated with this work across my career, I had never had the opportunity to serve in any sort of capacity related to partnership or ownership of a project. But that has always been my long-term goal and intention. I began a single member company a few years ago to pursue this career aspiration, but due to the nature of my day jobs, I needed to work outside the SE region. I am currently a co-developer and co-managing member for a MSHDA-funded LIHTC development in Grand Rapids called the Lexington School, which was the historic renovation and adaptive re-use of a school into senior housing. My involvement in the Lexington School development is as a MSHDA-approved Emerging Developer, for which the project was awarded points. Lexington School has created 39 units of housing, and the project is currently leasing up towards stabilization now. I was absolutely thrilled to be a part of the project and I will be involved with the operation and management of that property for the next 15 years.

As the sole member of Edifici, my long-term goals include the development of affordable housing opportunities for seniors and families throughout the Great Lakes region, including Wisconsin, Michigan and Minnesota. The Ridgeway, Fair Oaks and Grand Teton projects will allow me to increase my experience by working alongside Volker Development, while benefiting from their ability to provide necessary financial guarantees and affordable housing development, and long-term ownership experience. I have extensive experience in the affordable housing development industry from pre-development through lease up and stabilization, as well as long term asset management and work supportive social service agencies that serve residents. I am anxious to pursue additional development opportunities in the Great Lakes region with Volker as an Emerging Developer and beyond. I bring a unique and valuable skillset to the table, from design to construction to management. I am excited about the opportunity to partner with Volker on these projects and look forward to continued success in the creation of affordable housing for those that need it the most.

Best,

Edifici, LLC
Gabe Fritz – Sole Member and Owner

Experience:

2021 Low Income Housing Tax Credit Award – MI State Housing Development Authority
Co-Developer (*Emerging Developer*) – w/ Commonwealth Development
Lexington School Apartments – Grand Rapids, MI
Category/Set Aside: Open – Urban/Elderly, Year of Credit: 2022, 39 Units
Project Type: Historic Renovation and Adaptive Reuse of a vacant school building utilizing LIHTC, Historic Tax Credits
Current Status: Construction complete, currently in lease stabilization period.



Property Management Team Experience and Capacity

1. Property Management Experience

Volker Legacy Holdings, Inc. (previously known as Commonwealth Management Corporation,)), has been managing affordable tax credit housing developments since 2002. As a 2025 WHEDA Certified Property Management Agent, Volker has experience managing several project types (New Construction Apartments, Townhomes, Cottages, Acq. / Rehabs, Adaptive Re-use and Historic projects, etc.) that come with many different financing sources (HOME, TIF, AHP, CDBG, State Low Income Housing Tax Credits and State-Specific Subordinate Financing, State and Federal Historical Tax Credits, etc.). While complex, Volker's large property management team (68 employees) has successfully managed not only the needs and desires of their residents, but the reporting, compliance, requirements that come with each project.

Volker is currently managing 38 developments, totaling one thousand eight hundred thirty-six (1836) units, with three (3) projects with a total of one hundred sixty-six (166) units (all LIHTC) under construction. Upon construction completion of these projects, Volker Legacy Holdings, Inc., will manage projects in eight (8) states, Wisconsin, South Carolina, Oklahoma, Indiana, Colorado, Georgia, Wyoming and Pennsylvania, with the majority of the projects (27) located in Wisconsin. Serving families, seniors, Veterans, disabled individuals, those experiencing homelessness, often alongside supportive service providers (24 projects), Volker has continued to successfully serve its residents at a variety of set-asides, income- and rent-restrictions and a diversity of tenant-specific needs.

A list of properties managed, financing types, set-asides, locations, project types, etc., can be provided upon request.

2. Property Management Team Qualifications

- Louie A. Lange III, President of Volker Legacy Holdings, Inc. - twenty-three (23) years of LIHTC property management experience.
- Mary Wangerin, Vice President of Property Management - over twenty (20) years of affordable housing property management experience, overseeing many LIHTC projects in Madison, but also with experience projects with HUD, HOME, Market Rate Units and Supportive Services. She holds certifications such as COS, HCCP, and a Wisconsin State Real Estate License.
- Ally Kaser- Compliance Manager – over ten (10) years of LIHTC experience and holds HCCP, COS, NPCC, BOS certifications.
- Derrick Herbert – Director of Asset Management – over thirty (30) years of experience in finance, accounting, and real estate asset management, including more than eleven (11) years in affordable housing.

3. Financial Capacity

Volker Legacy Holdings Inc., also has an interest in the ownership of several thousand LIHTC units with a value worth more than several hundred million dollars. Volker has the financial capacity to secure financing, complete and manage the project. Annual and YTD Financial statements can be provided upon request.

2025 Affordable Rental Housing Development-Tax Credit RFP

Supplemental Application Questions

Volker Development Grand Teton

Response Submission Due Date: September 26, 2025 @ NOON

Instructions to Applicants:

Please respond briefly and succinctly to the questions below, in-line, unless otherwise specified (e.g. if additional documentation is requested), with a maximum 1/3 page response per question. Use this Word document to record your answers and return this completed document to cddapplications@cityofmadison.com with cc: to mfrater@cityofmadison.com. Please refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

Questions:

A. Geographic Eligibility/Proposed Site

1. No additional questions.

B. Planning Principles & Consistency

1. Describe the feedback received by the proposal at the Development Assistance Team (DAT) meeting (only if not included in your original application).
 - i. See original application for feedback received at Development Assistance Team (DAT) meeting which occurred on 6/26/2025.
2. Provide an overview of the feedback and comments received by this proposal at your neighborhood meeting, if one was required (only if not included in your original application).
 - i. According to an email from Matt Frater on 8/22/2025, CDD will be waiving the requirement of a neighborhood meeting for this proposal after conversations with Alder Guequierre.

C. Unit Mix & Affordability

1. Identify which source is used in your Utility Allowance calculations.
 - i. The Utility Allowance calculations assumed in the application are preliminary estimates provided by Plummer and Associates and are based on the Energy Consumption Model (ECM) in accordance with IRS regulation §1.42-10. The ECM approach uses actual engineering and building science data and design information to estimate utility consumption for each unit type and size, incorporating factors such as building construction, mechanical systems, appliances, occupancy, and

local climate conditions. The model relies on recognized engineering methodologies (e.g., ASHRAE standards) rather than tenant surveys or HUD-published schedules. This utility allowance will be refined and finalized upon the completion of construction documents, the final selection of green and sustainable elements, etc.

D. Property Management

1. What % FTE will onsite property management be at the property?

- i. It is anticipated that one full-time property management staff member will be staffed at the property. This position will be a Property Manager that will work 40 hours per week on-site.
- ii. A full-time Leasing Agent will also be working full-time during lease-up but will only be temporary and will roll off property once lease-up and stabilization has been completed.

2. Which hours do you anticipate onsite property manager will be available at the property?

- i. 9 am to 5 pm (CT) Monday through Friday.

3. What % FTE and hours do you anticipate maintenance staff will be on-site?

- i. It is anticipated that 1 full-time maintenance staff member will be staffed at the property. These positions will include a Maintenance Supervisor that will work 40 hours per week on-site. This Maintenance Supervisor will also be on call, available outside of normal business hours and will be residing near the site, if a maintenance request is urgent and/or something needs attending to.
- ii. This Maintenance Supervisor can be assisted by Volker's roving / floating maintenance staff or maintenance staff members at other projects in the area if needed.

4. Confirm your acceptance of language in the Draft Loan Agreement (on RFP website) that limits rent increases on lease renewals to no more than 2% annually.

- i. Confirmed. Please use this as acceptance of 8(e) of AHF-TC LOAN AGREEMENT - 2025 SAMPLE, as posted on RFP website, regarding limitations of rent increases on lease renewals.

5. Confirm your acceptance of language that limits non-renewals of rental agreements only to cases of serious lease violations, or a repeated pattern of minor violations.

- i. Confirmed. Please use this response as understanding that non-renewals of rental agreements will be limited to cases of serious lease violations or a repeated pattern of minor violations.

6. Describe your experience in operating the proposed Homeownership Assistance Program as described, and please provide additional details on operation of the program.

- i. There are complications with providing lease to own programs within LIHTC development. In the proposed homeownership program (this project would be Volker's first) all units will automatically enter into a binding agreement at the time of lease-up that outlines their participation in the program and their potential benefits by such participation. Each tenant household accrues a rent rebate equal to 5% of their monthly rent for the entire term of tenancy. Upon vacating the unit, if the household purchases a home within 12 months of their exit date and notifies Volker with adequate proof and documentation of purchase, the accrued rebate is paid from out to the household in a lump sum. Tenants must have occupied the LIHTC unit for at least 12 continuous months to qualify. The rebate is intended to support costs associated with purchasing a home, including down payment, closing costs, or related expenses. This program can help offer voluntary, forced savings, assistance to homeownership and rewards stable tenancy and encourages long-term housing goals. Owner shall administer the program, track accruals, provide statements of accrued rent rebates and make payments when eligible households purchase homes within the one-year eligibility window.
- ii. A portion of the resident's rent will not be divvied up or set aside to fund this reserve, it is simply a benefit and program that can help benefit residents by living at the project.

7. In your proposed Homeownership Assistance Program, what happens to the balance of the reserve if not used immediately for a home purchase and the tenant otherwise vacates the property?

- i. The eligibility window to utilize and claim such rebate will be 12 months. After the 12 months window closed, the rebate is no longer eligible to be claimed. The reserve will remain held with owner (in a cash equivalent, interest bearing account) for the next eligible resident.

8. Please further contextualize the annual turnover rate of 40% for onsite staff in 2024. Is this turnover rate typical when compared to industry standards? What are your standard operating procedures for covering onsite staffing in event of a vacancy?

- i. Property Management staff turnover is generally higher than other turnover rates seen in other industries. According to the National Apartment Association (NAA) and other industry reports, the general multifamily property management industry average for staff turnover is around 33% to 36%. This figure is higher when considering affordable housing projects.

Over the last two years, there has been a drastic change in the makeup, structure and members of Volker's property management team. There have been increases in pay rates, increasing interaction with corporate staff and company leadership, revising recruiting techniques, increasing company wide-recognition of employees and their alignment with core values, revising the hiring, onboarding and training procedures aimed at employee retention.

This can be shown in both improvements in Property Management turnover, as in 2023 was it 48.7% was reduced to 40% in 2024 and as of 9/26/2025, YTD property management staff turnover is just 27%. These improvements can also be shown across Volker's managed portfolio, where occupancy is nearly 3% higher, year over year, across 40+ properties and more than 2,000 units.

Lastly, with Volker's large WI property management portfolio of projects, there are a large number of floating / roving staff members capable of filling an onsite vacancy.

When an upcoming (permanent) vacancy of an onsite staff member becomes known, there are several different meetings coordinated by one of Volker's Wisconsin Regional Property Managers who oversee multiple projects. 1) Information and upcoming tasks are described and shared to the replacing staff member that is pulled from list of team members who are able and willing to cover vacancies, travel is coordinated if lengthy, access, security and information is shared, etc. 2) potential vendors are identified to assist and/or supplement replacement staff (for example: general contractor to help with unit turns or maintenance issues, temp agencies specializing in property management, etc.) 3) frequent touch points and meetings are established with applicable staff members to ensure residents do not experience in change in care and quality of services 4) job posting is created with HR 5) onboarding is completed.

E. Supportive Housing Units

1. **Clarify the answer to question 35. Is it your intent that all 22 supportive housing units will be made available for referral from CE, with no units reserved for HUD-VASH or otherwise set-aside for other targeted populations?**

- i. Confirming the intent is to have all 22 supportive housing units will be made available for referrals from CE, with no units reserved for HUD-VASH.
- 2. **Question 36 describes the target population including those “at-risk” and “with lived experience” of homelessness. As asked above, please confirm acknowledgement that these units are intended to be set-aside for households currently experiencing homelessness via referral from CE, and may be inclusive of either households enrolled in a rapid re-housing program or those that are eligible to be referred for enrollment into a rapid re-housing program.**
 - i. Confirming that the supportive housing units as mentioned above are to be set-aside for households currently experiencing homelessness via referral from CE and may be inclusive of either households enrolled in a rapid re-housing program or those that are eligible to be referred for enrollment into a rapid re-housing program.

F. Sustainability & Resilience

- 1. **The City requires awardees to continue working with Focus on Energy’s New Construction Energy Design Assistance throughout the building design process as described in Attachment A. The City will incorporate commitments into the term sheet.**
 - a. **Please attach the Preliminary or Final Bundle Requirements Document (BRD). If for some reason a Preliminary BRD is not yet available, provide an update on the status.**
 - i. The project has been approved by Focus on Energy express Energy Design Assistance (eEDA), a program manager has been assigned materials have been provided. The project is awaiting approval by a Focus On Energy Administrator. The project is awaiting the Bundle Requirements Document (BRD).
 - b. **What percentage of projected Energy Use Intensity (EUI) savings calculated over baseline energy code is anticipated?**
 - i. 30% The project commits to obtaining a 30% EUI savings over baseline energy code.
 - c. **What is the highest feasible Bundle Level to which this project can commit?**
 - i. TBD, likely Bundle 2.

G. Design & Accessibility

- 1. No additional questions.

H. Development Team & Financing

1. Please resubmit a budget workbook that shows the correct terms in the proforma for the City's Cash Flow Note (30-year amortization period, 16-year term).

i. See below and attached for updated budget workbook.

2. Please describe your assumptions for ongoing operating expenses, which are listed as ~40% of ongoing revenues. Are you confident in being able to provide quality management at this cost based on past developments?

i. Operating assumptions are based off of: 1) current supportive service rates, 2) staffing plans and expected administrative expenses from property management team, 3) expected water and sewer consumption estimates based off unit mix and tenancy from qualified third parties, 4) high level quotes from insurance and trash providers, 5) property tax comps in City, 6) internal senior expense comps from internal portfolio.

These expenses are supported by recent appraisals and other third-party reports for projects in area and are consistent with underwriting from WHEDA and other financing parties.

Being the property manager of record, having control over property management expenses, and due to Volker's size, scale and balance sheet strength, there is the capacity to absorb fluctuations in costs without compromising management quality or resident experience

APPLICANT & PROJECT NAME: Volker & LSS & Edifical - Grand Teton

1. CAPITAL BUDGET
Enter ALL proposed project funding sources.

FUNDING SOURCES

| Source | Amount | Non- Amortizing (Y/N) | Rate (%) | Term (Years) | Amort. Period (Years) | Annual Debt Service | Financing Approval Anticipated (Mo/Yr) |
|---|---------------|-----------------------------|----------|--------------|-----------------------------|------------------------|---|
| Permanent Loan-Lender Name: | | | | | | | |
| CRBT - TE Construction to Perm Loan | \$ 18,768,000 | No | 5.95% | 23 | 40 | \$1,161,597 | 11/2025 |
| Subordinate Loan 1-Lender Name: | | | | | | | |
| Subordinate Loan 2-Lender Name: | | | | | | | |
| Tax Exempt Loan-Bond Issuer: | | | | | | | |
| City Request (AHF, HOME, TIF) | | | | | | | |
| City AHF Request | \$ 2,750,000 | Yes | 2.75% | 16 | 30 | \$0 | 11/2025 |
| Subordinate TIF Loan-Lender Name: | | | | | | | |
| AHP Loan (List FHLB): | | | | | | | |
| Dane County AHDF: | | | | | | | |
| Other-Specify Lender/Grantor: | | | | | | | |
| Other-Specify Lender/Grantor: | | | | | | | |
| Tax Credit Equity | \$ 14,711,338 | | | | | | |
| Historic Tax Credit Equity (Fed and/or State) | | | | | | | |
| Deferred Developer Fees | \$ 4,794,159 | | | | | | |
| Owner Investment | \$ 100 | | | | | | |
| Other-Specify: | | | | | | | |
| Solar Tax Credit Equity | \$ 61,119 | | | | | | |
| Total Sources | \$ 41,084,716 | | | | | | |

Do you plan on submitting an application for TIF? No

| Construction Financing | | | |
|-------------------------------------|---------------|-------|---------------|
| Source of Funds | Amount | Rate | Term (Months) |
| Construction Loan 1-Lender Name: | | | |
| CRBT - TE Construction to Perm Loan | \$ 18,768,000 | 5.95% | 276 |
| Construction Loan 2-Lender Name: | | | |
| CRBT - Bridge Loan | \$ 10,815,239 | 7.00% | 42 |
| Construction Loan 3-Lender Name: | | | |
| Construction Loan 4-Lender Name: | | | |
| Bridge Loan-Lender Name: | | | |
| Housing Tax Credit Equity: | | | |
| LIHTC Equity | \$ 2,206,701 | | |
| Historic Tax Credit Equity: | | | |
| Other-Specify: | | | |
| AHF and Owner Investment | \$ 2,750,100 | | |
| Total | \$ 34,540,040 | | |

Estimated pricing on sale of Federal Tax Credits: \$ 0.815

Estimated pricing on sale of State Tax Credits: (if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT: Volker & LSS & Edifici - Grand Teton

2. PROJECT EXPENSES

Enter the proposed project expenses

| Acquisition Costs | Amount |
|--|--------------|
| Land | \$2,475,000 |
| Existing Buildings/Improvements | \$0 |
| Other (List) | |
| | \$0 |
| Construction: | |
| Construction/Rehab Costs | \$22,318,180 |
| E - Equipment & Furnishings | \$0 |
| F - Special Construction & Demolition | \$540,000 |
| Accessory Buildings | \$0 |
| Personal Property/FF&E | \$100,000 |
| Site Work Costs (on-site & off-site) | \$0 |
| Landscaping | \$0 |
| Contractor Fees: | |
| General Requirements | \$1,115,909 |
| Construction Overhead | \$446,365 |
| Construction Profit | \$669,545 |
| Construction Supervision | \$0 |
| Contingency Funds: | |
| Construction Contingency | \$1,250,000 |
| Other Contingency | \$0 |
| Construction Period Expenses/Soft Costs: | |
| Construction Loan Origination Fee | \$108,152 |
| Construction Loan Credit Enhancement/LOC | \$250,000 |
| Cost of Bond Issuance | \$262,680 |
| Bridge Loan Fees and Expenses | \$0 |
| Construction Loan Interest | \$1,882,584 |
| Construction Loan Origination Fee | \$0 |
| Construction Period Real Estate Taxes | \$75,000 |
| Title and Recording | \$176,000 |
| Builder's Risk/Property Insurance | \$250,000 |
| Temporary Relocation Assistance | \$0 |
| Permanent Relocation Assistance | \$150,000 |
| Other Interim/Construction Costs (list) | |
| Soft Cost Contingency | \$150,000 |
| Permanent Financing Expenses: | |
| Permanent Loan Origination Fee | \$998,400 |
| Credit Enhancement | \$0 |
| Other Permanent Loan Fees | \$0 |
| Legal Fees - Real Estate | \$0 |
| Architectural & Engineering: | |
| Architect - Design | \$415,000 |
| Architect - Supervision | \$75,000 |
| Engineering | \$77,500 |
| Survey | \$25,000 |
| Other Architect/Engineering (list) | |
| Plan and Cost Review | \$10,000 |
| Syndication Fees & Expenses: | |
| Organizational Fees | \$125,000 |
| Other Syndication Costs (list) | |
| | \$0 |
| Capitalized Reserves: | |
| Operating Reserve | \$996,137 |
| Replacement Reserve | \$0 |
| Lease-Up Reserve | \$0 |
| Debt Service Reserve | \$0 |
| Capital Needs Reserve | \$0 |
| Other Reserves | \$225,000 |
| Escrows | \$0 |
| Other Capitalized Reserves (list) | |
| | \$0 |
| Reports, Studies & Related Work: | |
| Appraisal | \$15,000 |
| Market Study | \$15,000 |
| Environmental Reports | \$50,000 |
| Capital Needs Assessment Report | \$0 |
| Other (list) | |
| Special Materials Testing | \$25,000 |
| Other Soft Costs: | |
| Tax Credit Fees - Application | \$2,500 |
| Tax Credit Fees - Compliance | \$5,500 |
| Tax Credit Fees - Allocation | \$90,263 |
| Permits & impact fees - water, sewer, etc. | \$200,000 |
| Cost Certification/Accounting fees | \$15,000 |
| Lease-Up Period Marketing | \$0 |
| Title Insurance and Recording | \$0 |
| Capital Needs Assessment (rehab only) | \$0 |
| Legal | \$0 |
| Other (list) | |
| | \$0 |
| Developer Earned Fees & Expenses: | |
| Developer's Fee | \$5,500,000 |
| Developer Overhead | \$0 |
| Consultant Fees | \$0 |
| Other fees (list) | |
| | \$0 |
| Total Costs: | \$41,084,716 |

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If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

Total Cost: \$0

APPLICANT: **Volkor & LSS & Edifici - Grand Teton**

3. PROJECT PROCFORMA

Enter total Revenue and Expense information for the proposed project for a 30 year period.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 | Year 16 | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|
| Gross Income | 2,082,000 | 2,124,520 | 2,167,016 | 2,210,356 | 2,254,563 | 2,299,656 | 2,345,640 | 2,392,501 | 2,440,122 | 2,488,220 | 2,536,084 | 2,583,786 | 2,631,580 | 2,684,412 | 2,748,300 | 2,803,280 | Gross Income |
| Less Vacancy/Bad Debt | 104,143 | 106,226 | 108,351 | 110,518 | 112,728 | 114,983 | 117,282 | 119,628 | 122,021 | 124,461 | 126,950 | 129,486 | 132,078 | 134,721 | 137,415 | 140,163 | Less Vacancy/Bad Debt |
| Income from Non-Residential Use* | 182,940 | 186,199 | 189,523 | 192,913 | 196,371 | 199,899 | 203,447 | 207,017 | 210,610 | 214,228 | 217,863 | 221,516 | 225,187 | 228,866 | 232,554 | 236,252 | Income from Non-Residential Use* |
| Total Revenue | 2,141,855 | 2,194,498 | 2,228,188 | 2,277,752 | 2,318,207 | 2,364,571 | 2,411,862 | 2,460,090 | 2,509,301 | 2,559,487 | 2,610,677 | 2,662,891 | 2,716,146 | 2,770,472 | 2,825,881 | 2,882,399 | Total Revenue |
| Expenses: | | | | | | | | | | | | | | | | | Expenses: |
| Office Expenses and Phone | 22,000 | 22,660 | 23,340 | 24,040 | 24,761 | 25,504 | 26,269 | 27,057 | 27,869 | 28,705 | 29,566 | 30,453 | 31,367 | 32,308 | 33,277 | 34,275 | Office Expenses and Phone |
| Real Estate Taxes | 203,300 | 209,605 | 216,980 | 224,370 | 231,881 | 239,512 | 247,269 | 255,157 | 263,180 | 271,341 | 279,643 | 288,090 | 296,686 | 305,435 | 314,341 | 323,408 | Real Estate Taxes |
| Advertising, Accounting, Legal Fees | 14,000 | 14,420 | 14,850 | 15,290 | 15,737 | 16,193 | 16,717 | 17,249 | 17,779 | 18,327 | 18,815 | 19,378 | 19,961 | 20,559 | 21,176 | 21,812 | Advertising, Accounting, Legal Fees |
| Payroll, Payroll Taxes and Benefits | 143,000 | 147,290 | 151,709 | 156,260 | 160,948 | 165,776 | 170,749 | 175,872 | 181,148 | 186,583 | 192,180 | 197,945 | 203,884 | 210,000 | 216,300 | 222,789 | Payroll, Payroll Taxes and Benefits |
| Property Insurance | 60,500 | 62,315 | 64,184 | 66,110 | 68,093 | 70,136 | 72,240 | 74,407 | 76,640 | 78,939 | 81,307 | 83,746 | 86,259 | 88,846 | 91,512 | 94,257 | Property Insurance |
| Mt., Repairs and Mt. Contracts | 71,500 | 73,045 | 75,854 | 78,130 | 80,474 | 82,888 | 85,375 | 87,936 | 90,574 | 93,291 | 96,090 | 98,973 | 101,942 | 105,000 | 108,150 | 111,395 | Mt., Repairs and Mt. Contracts |
| Utilities (gas/electric/fuel/water/sewer) | 44,000 | 45,320 | 46,680 | 48,080 | 49,522 | 51,008 | 52,538 | 54,114 | 55,738 | 57,410 | 59,132 | 60,906 | 62,733 | 64,615 | 66,554 | 68,551 | Utilities (gas/electric/fuel/water/sewer) |
| Property Mgmt | 106,076 | 109,876 | 113,172 | 116,568 | 120,065 | 123,667 | 127,377 | 131,198 | 135,134 | 139,188 | 143,363 | 147,664 | 152,094 | 156,657 | 161,357 | 166,198 | Property Mgmt |
| Operating Reserve Pmt | 33,000 | 33,900 | 34,810 | 35,730 | 36,660 | 37,600 | 38,550 | 39,510 | 40,480 | 41,460 | 42,450 | 43,450 | 44,460 | 45,480 | 46,510 | 47,550 | Operating Reserve Pmt |
| Redevelopment Reserve Pmt | 99,667 | 102,451 | 105,235 | 108,019 | 111,851 | 115,710 | 119,596 | 123,522 | 127,498 | 131,516 | 135,576 | 139,678 | 143,822 | 148,010 | 152,242 | 156,518 | Redevelopment Reserve Pmt |
| Support Services | | | | | | | | | | | | | | | | | Support Services |
| Other (List) | | | | | | | | | | | | | | | | | Other (List) |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Operating Expenses | 797,643 | 821,572 | 846,220 | 871,606 | 897,794 | 924,687 | 952,428 | 981,000 | 1,010,430 | 1,040,743 | 1,071,966 | 1,104,125 | 1,137,248 | 1,171,366 | 1,206,507 | 1,242,702 | Total Operating Expenses |
| Net Operating Income | 1,344,022 | 1,362,926 | 1,381,968 | 1,401,145 | 1,420,452 | 1,439,884 | 1,459,435 | 1,479,090 | 1,498,871 | 1,518,744 | 1,538,712 | 1,558,766 | 1,578,900 | 1,599,106 | 1,619,374 | 1,639,697 | Net Operating Income |
| Debt Service: | | | | | | | | | | | | | | | | | Debt Service: |
| First Mortgage | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | First Mortgage |
| Second Mortgage | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Second Mortgage |
| Other (List) | | | | | | | | | | | | | | | | | Other (List) |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Debt Service | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | 1,032,240 | Total Debt Service |
| Total Annual Cash Expenses | 1,829,883 | 1,853,812 | 1,878,680 | 1,903,840 | 1,929,480 | 1,955,920 | 1,982,479 | 2,009,253 | 2,036,240 | 2,063,483 | 2,090,980 | 2,118,740 | 2,146,763 | 2,175,050 | 2,203,600 | 2,232,418 | Total Annual Cash Expenses |
| Total Net Operating Income | 311,782 | 330,686 | 349,728 | 368,905 | 388,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | Total Net Operating Income |
| Debt Service Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Debt Service Reserve |
| Deferred Developer Fee | 311,782 | 330,686 | 349,728 | 368,905 | 388,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | 398,212 | Deferred Developer Fee |
| Cash Flow | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Cash Flow |
| AHF City Interest Loan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | AHF City Interest Loan |
| AHF Principal Repayment (Half of City Award) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,375,000 | AHF Principal Repayment (Half of City Award) |

*Including commercial tenants, laundry facilities, vending machines, parking spaces, storage spaces or application fees.

| | | | | | | | | | | | | | | | | | |
|----------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|----------------|
| DCR Hard Debt | 1.30 | 1.32 | 1.34 | 1.36 | 1.38 | 1.24 | 1.26 | 1.27 | 1.29 | 1.31 | 1.32 | 1.34 | 1.36 | 1.38 | 1.39 | 1.41 | DCR Hard Debt |
| DCR Total Debt | 1.30 | 1.32 | 1.34 | 1.36 | 1.38 | 1.24 | 1.26 | 1.27 | 1.29 | 1.31 | 1.32 | 1.34 | 1.36 | 1.31 | 1.33 | 1.35 | DCR Total Debt |

Assumptions

Vacancy Rate

Annual Increase Income

Annual Increase Expenses

Other

5.0%
2.0%
3.0%

*Please list all fees (per unit per month) and non-residential income

Annual Charge

Late Fees \$ 4,950
Application 8,250
Pet Fee Inc 11,550
Pet Rent 16,170
Deposit Fee -
NSF Fees 2,970
Early Termi -
Garage 79,200
Residential 9,900
Tenant Mov 4,950
Misc. Incon 25,000

APPLICANT: **Volkor & LSS & Edifici - Grand Teton**

3. PROJECT PROCFORMA (cont.)

Enter total Revenue and Expense information for the proposed project for a 30 year period.

| | Year 17 | Year 18 | Year 19 | Year 20 | Year 21 | Year 22 | Year 23 | Year 24 | Year 25 | Year 26 | Year 27 | Year 28 | Year 29 | Year 30 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Gross Income | 2,859,331 | 2,916,510 | 2,974,648 | 3,034,340 | 3,095,032 | 3,156,933 | 3,220,072 | 3,284,473 | 3,350,162 | 3,417,169 | 3,485,509 | 3,555,216 | 3,626,324 | 3,698,800 |
| Less Vacancy/Bad Debt | 142,967 | 145,826 | 148,742 | 151,717 | 154,752 | 157,847 | 161,004 | 164,224 | 167,508 | 170,858 | 174,275 | 177,761 | 181,316 | 184,943 |
| Income from Non-Residential Use* | 223,882 | 228,155 | 232,718 | 237,373 | 242,120 | 246,963 | 251,902 | 256,940 | 262,079 | 267,320 | 272,667 | 278,120 | 283,682 | 289,356 |
| Total Revenue | 2,940,047 | 2,988,647 | 3,056,624 | 3,120,007 | 3,182,401 | 3,246,049 | 3,310,970 | 3,377,189 | 3,444,733 | 3,513,626 | 3,583,900 | 3,655,576 | 3,728,690 | 3,803,204 |
| Expenses: | | | | | | | | | | | | | | |
| Office Expenses and Phone | 35,304 | 36,363 | 37,454 | 38,577 | 39,734 | 40,908 | 42,154 | 43,419 | 44,721 | 46,063 | 47,445 | 48,868 | 50,334 | 51,844 |
| Real Estate Taxes | 338,558 | 338,364 | 346,444 | 356,838 | 367,544 | 378,570 | 389,927 | 401,625 | 413,674 | 426,084 | 438,866 | 452,032 | 465,593 | 479,501 |
| Advertising, Accounting, Legal Fees | 22,469 | 23,140 | 23,844 | 24,549 | 25,286 | 26,044 | 26,825 | 27,630 | 28,459 | 29,313 | 30,192 | 31,098 | 32,031 | 32,992 |
| Payroll, Payroll Taxes and Benefits | 229,473 | 236,357 | 243,448 | 250,751 | 258,274 | 266,022 | 274,003 | 282,223 | 290,690 | 299,410 | 308,383 | 317,644 | 327,174 | 336,989 |
| Property Insurance | 97,085 | 99,997 | 102,997 | 106,087 | 109,270 | 112,548 | 115,924 | 119,402 | 122,884 | 126,474 | 130,174 | 133,988 | 138,420 | 142,672 |
| Mt., Repairs and Mt. Contracts | 114,737 | 118,179 | 121,724 | 125,376 | 129,137 | 133,011 | 137,001 | 141,111 | 145,345 | 149,705 | 154,196 | 158,822 | 163,587 | 168,494 |
| Utilities (gas/electric/fuel/water/sewer) | 70,607 | 72,725 | 74,907 | 77,154 | 79,469 | 81,853 | 84,309 | 86,838 | 89,443 | 92,126 | 94,890 | 97,737 | 100,669 | 103,689 |
| Property Mgmt | 171,183 | 176,310 | 181,603 | 187,057 | 192,669 | 198,440 | 204,402 | 210,534 | 216,850 | 223,356 | 230,056 | 236,958 | 244,067 | 251,389 |
| Operating Reserve Pmt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Redevelopment Reserve Pmt | 52,959 | 54,544 | 56,180 | 57,866 | 59,602 | 61,390 | 63,241 | 65,168 | 67,162 | 69,226 | 71,368 | 73,593 | 75,902 | 77,767 |
| Support Services | 159,616 | 164,404 | 169,333 | 174,416 | 179,649 | 185,038 | 190,589 | 196,307 | 202,198 | 208,262 | 214,510 | 220,945 | 227,574 | 234,401 |
| Other (List) | | | | | | | | | | | | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenses | 1,279,983 | 1,318,382 | 1,357,934 | 1,398,672 | 1,440,632 | 1,483,851 | 1,528,367 | 1,574,218 | 1,621,444 | 1,670,087 | 1,720,190 | 1,771,796 | 1,824,950 | 1,879,098 |
| Net Operating Income | 1,669,064 | 1,669,465 | 1,700,890 | 1,721,329 | 1,741,769 | 1,762,198 | 1,782,603 | 1,802,972 | 1,823,289 | 1,843,540 | 1,863,710 | 1,883,783 | 1,903,740 | 1,923,566 |
| Debt Service: | | | | | | | | | | | | | | |
| First Mortgage | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 |
| Second Mortgage | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other (List) | | | | | | | | | | | | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Debt Service | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 | 1,161,597 |
| Total Annual Cash Expenses | 2,441,580 | 2,479,983 | 2,518,531 | 2,558,266 | 2,602,229 | 2,645,446 | 2,690,964 | 2,738,801 | 2,788,041 | 2,838,685 | 2,891,787 | 2,945,383 | 2,996,547 | 3,041,295 |
| Total Net Operating Income | 498,465 | 518,882 | 539,293 | 559,732 | 580,172 | 600,601 | 621,006 | 641,374 | 661,692 | 681,943 | 702,113 | 722,185 | 742,143 | 761,269 |
| Debt Service Reserve | | | | | | | | | | | | | | |
| Deferred Developer Fee | | | | | | | | | | | | | | |
| Cash Flow | 498,465 | 518,888 | 539,293 | 559,732 | 580,172 | 600,601 | 621,006 | 641,374 | 661,692 | 681,943 | 702,113 | 722,185 | 742,143 | 761,908 |
| AFF City Interest Loan | | | | | | | | | | | | | | |
| Principal Repayment (Half of City Award) | | | | | | | | | | | | | | |