Schroeder Road Apartments

Project Developer: Stone House Development, Inc.
Helen Bradbury, Rich Arnesen
Stone House Development, Inc.

- Formed in 1996
- Development, Property Management, Property Accounting, Section 42 Compliance
- Specializes in Mixed Use, Mixed Income and 100% Affordable Multifamily Rental
- Completed 22 Projects to Date
- 9 Current Projects in Madison
Madison Properties

The Lyric – 138 Units

The Breese – 65 Units

Madison Mark – 112 Units

City Row – 83 Units

Pinney Lane – 70 Units
Madison Properties

Overlook at Midtown – 88 Units

Overlook at Hilldale – 96 Units

Arbor Crossing – 80 Units

Park Central – 76 Units
General Development Concept

- 4 story, 96 unit multi-family property with ample parking (82 underground and 67 surface stalls)

- The development will include a 4,000 square foot restaurant

- Site outdoor amenities such as community gardens, tot lot and grilling area

- Use plantings and construction to help mitigate traffic noise

- Onsite supportive service office for The Road Home
Schroeder Road – Comparable Exterior

Overlook at Midtown – Opened in 2010

Arbor Crossing – Opened in 2013
Schroeder Road – Comparable Common Areas

City Row – Opened in 2010
Common Area Property Features

- Business Center
- Tot Lot
- Community Garden
- Community Room
- Fitness Center
Apartment Property Features

- In Unit Washer/Dryer
- Energy Star Appliances
- Window Coverings
- Large Windows, Low E Glass
- Walk-in Closets
- Vinyl Plank Flooring
Schroeder Road – Comparable Interior

Arbor Crossing – Opened in 2013
96 Total Project Units

81 Affordable Units

20 Supportive Housing Units
- (10) 30% Formerly Homeless
  - 4 – Two Bedrooms
  - 6 – Three Bedrooms
- (10) 30% Military Veterans
  - 7 – One Bedrooms
  - 3 – Two Bedrooms
- (37) 50% Units
  - 12 – One Bedrooms
  - 16 – Two Bedrooms
  - 9 – Three Bedrooms

61 Non-Supportive Housing

15 Market Rate Units (One Bedrooms)

(24) 60% Units
- 10 – One Bedrooms
- 14 – Two Bedrooms
What is Section 42 Affordable Housing?

- A federal tax credit given to large corporations to encourage their investment in work-force or affordable housing
- Each state receives an allocation based on their population – developers compete for an allocation in the state the project is to be built in
- The program has been in existence since 1988
- Investors receive the tax credit over a ten year span
- Incomes and rents are adjusted annually by HUD
- Projects must remain affordable for 30 years
- If during the holding period the project goes into foreclosure the tax credits are recaptured
- Developers, like Stone House, guarantee that the project will remain viable and that only qualified residents will reside in it
- Section 42 is not Section 8. Section 42 properties have rents that are capped at a fixed amount and residents pay their own rent. Section 8 properties have tenant rent that is based on 30% of the tenant's income and the difference is paid by the federal government. The Schroeder Road Apts does not have Project Based Section 8 Rental Assistance.
Supportive Housing Unit Mix

Unit Mix of Supportive Housing Units (20 Total)

- Formerly homeless households residing in permanent supportive housing units no longer in need of supportive services (Moving Up Program)
  1. Two Bedrooms – 30% CMI
  2. Three Bedrooms – 30% CMI
  - Supportive Service Provider: The Road Home (Part of Continuum Care) – This office will be located onsite.
- Military Veterans (10% of Project)
  1. One Bedrooms – 30% CMI
  2. Two Bedrooms – 30% CMI
  - Supportive Service Provider: Dane County Veterans Service Office (Housing Referrals will also come from the Madison VA Homeless Program and VASH)
Supportive Services

- The Road Home will provide on-site supportive services to the 10 (30% CMI) 2 and 3 bedroom apartments for those that have occupied supportive housing units successfully for 2+ years and no longer require intensive supportive services.

- The Dane County Veterans Office will provide supportive services to the 10 (30% CMI) 1 bedroom apartments for military veterans. The DCVO will provide referral and outreach to connect potential Veteran residents with local and state Veteran-specific services and resources.

- Both organizations will work with Stone House’s management team to finalize a screening program that seeks to advance the housing needs of homeless families and veterans while maintaining our Resident Selection Criteria standards.

- Examples of supportive services that will be offered are: housing and personal needs, child care assistance, health care assistance, financial benefits, caregiver assistance and acting as a liaison for other agencies assisting the resident(s).
Income and Rent Limits

- Income Limits (Based on Household Size)

<table>
<thead>
<tr>
<th>County</th>
<th>%</th>
<th>1 Person</th>
<th>2 People</th>
<th>3 People</th>
<th>4 People</th>
<th>5 People</th>
<th>6 People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dane</td>
<td>30</td>
<td>$19,260</td>
<td>$22,020</td>
<td>$24,780</td>
<td>$27,510</td>
<td>$29,730</td>
<td>$31,920</td>
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<tr>
<td>Dane</td>
<td>50</td>
<td>$32,100</td>
<td>$36,700</td>
<td>$41,300</td>
<td>$45,850</td>
<td>$49,550</td>
<td>$53,200</td>
</tr>
<tr>
<td>Dane</td>
<td>60</td>
<td>$38,520</td>
<td>$44,040</td>
<td>$49,560</td>
<td>$55,020</td>
<td>$59,460</td>
<td>$63,840</td>
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</table>

- Maximum Rent Limits (Based on Apartment Size)

<table>
<thead>
<tr>
<th>County</th>
<th>%</th>
<th>Efficiency</th>
<th>1 Bdrm</th>
<th>2 Bdrm</th>
<th>3 Bdrm</th>
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<tbody>
<tr>
<td>Dane</td>
<td>30</td>
<td>$481</td>
<td>$516</td>
<td>$619</td>
<td>$715</td>
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<tr>
<td>Dane</td>
<td>50</td>
<td>$802</td>
<td>$860</td>
<td>$1,032</td>
<td>$1,192</td>
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<tr>
<td>Dane</td>
<td>60</td>
<td>$963</td>
<td>$1,032</td>
<td>$1,239</td>
<td>$1,431</td>
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- Schroeder Road Affordable Unit Mix

<table>
<thead>
<tr>
<th>CMI %</th>
<th>Quantity</th>
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</thead>
<tbody>
<tr>
<td>30%</td>
<td>20</td>
</tr>
<tr>
<td>50%</td>
<td>37</td>
</tr>
<tr>
<td>60%</td>
<td>24</td>
</tr>
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</table>
### Rent Comparison

<table>
<thead>
<tr>
<th>Property</th>
<th>1 Bedroom</th>
<th>2 Bedroom</th>
<th>3 Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subject Property - Affordable</strong></td>
<td>$420 to $935</td>
<td>$505 to $1125</td>
<td>$600 to $1060</td>
</tr>
<tr>
<td><strong>Subject Property – Market Rate</strong></td>
<td>Starting at $1150</td>
<td>Starting at $1370</td>
<td>n/a</td>
</tr>
<tr>
<td>Wellington Apartments</td>
<td>$810</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Schroeder Square Apartments</td>
<td>$875</td>
<td>$1000</td>
<td>n/a</td>
</tr>
<tr>
<td>Tyberius Apartments</td>
<td>$1150 - $1270</td>
<td>$1370 - $1600</td>
<td>$1550+</td>
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Tenant Selection Plan

• Minimum income requirements
  ➢ All of the tenants will pay rent and minimum income standards will be set.

• Occupancy limits of no more than 2 people per bedroom

• Credit and housing history
  ➢ 2 years of a positive housing history including a positive payment history and no lease violations
  ➢ No pending bankruptcy
  ➢ Eviction History: No evictions in the past 2 years, cannot currently be under eviction, cannot have a past history of 2 or more evictions or owe another landlord money.

• Criminal conviction records
  ➢ All criminal conviction records that present a demonstrable risk to resident and employee safety will be reviewed.
  ➢ Any conviction involving the manufacturing or distributing a controlled substance as defined in Sec. 102 of the Controlled Substances Act will result in an automatic denial.
  ➢ Registry on the Sex Offenders Registry will result in an automatic denial.
  ➢ Convictions of any other crime(s) that shows a demonstrable risk to tenant safety and/or property within the past 10 years will result in a denial.
Resident Profile of a 96 Unit Stone House Property

- 25% - Work at retail establishments
- 20% - Work at local hospitals / clinics
- 18% - Work at clerical positions
- 15% - Work in the construction industry, clergy, are self-employed or teachers/day care employees
- 12% - Receive Social Security benefits
- 10% - Work at bars / restaurants