

Milner and Caringella, Inc.

Serving clients with real estate development and project management needs since 1985, Milner and Caringella has established itself as a leader in developing **Permanent Supportive Housing for Homeless Veterans.**

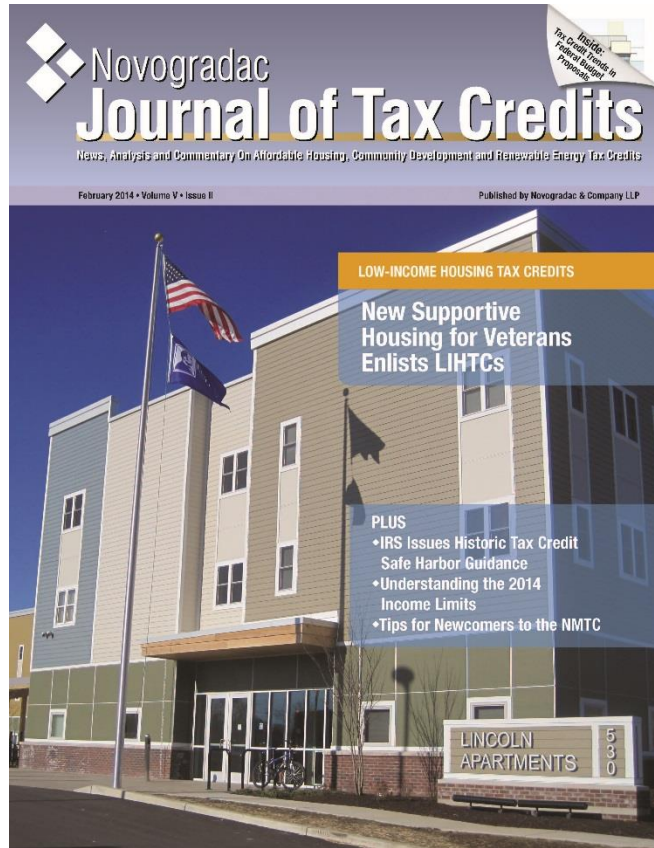
Our Mission is to provide development consulting and project turnkey services to create high quality, energy efficient, affordable housing for individuals and families with on-site supportive services.

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OUR INDIANA, ILLINOIS AND WASHINGTON, DC PROJECTS



LINCOLN APARTMENTS, INDIANAPOLIS
75 APARTMENTS FOR HOMELESS VETERANS



DANVILLE VETERANS HOUSING, ILLINOIS
65 APARTMENTS FOR HOMELESS VETERANS



WALTER REED APARTMENTS, WASHINGTON, DC
75 APARTMENTS FOR HOMELESS VETERANS

OUR CHICAGO, DETROIT AND NEW YORK PROJECTS



Hope Manor II Apartments, Chicago, Volunteers of America
73 Multi-Family Apartments for Veteran Families



Canandaigua Veterans Housing, NY
48 Apartments, Geneva Housing Authority



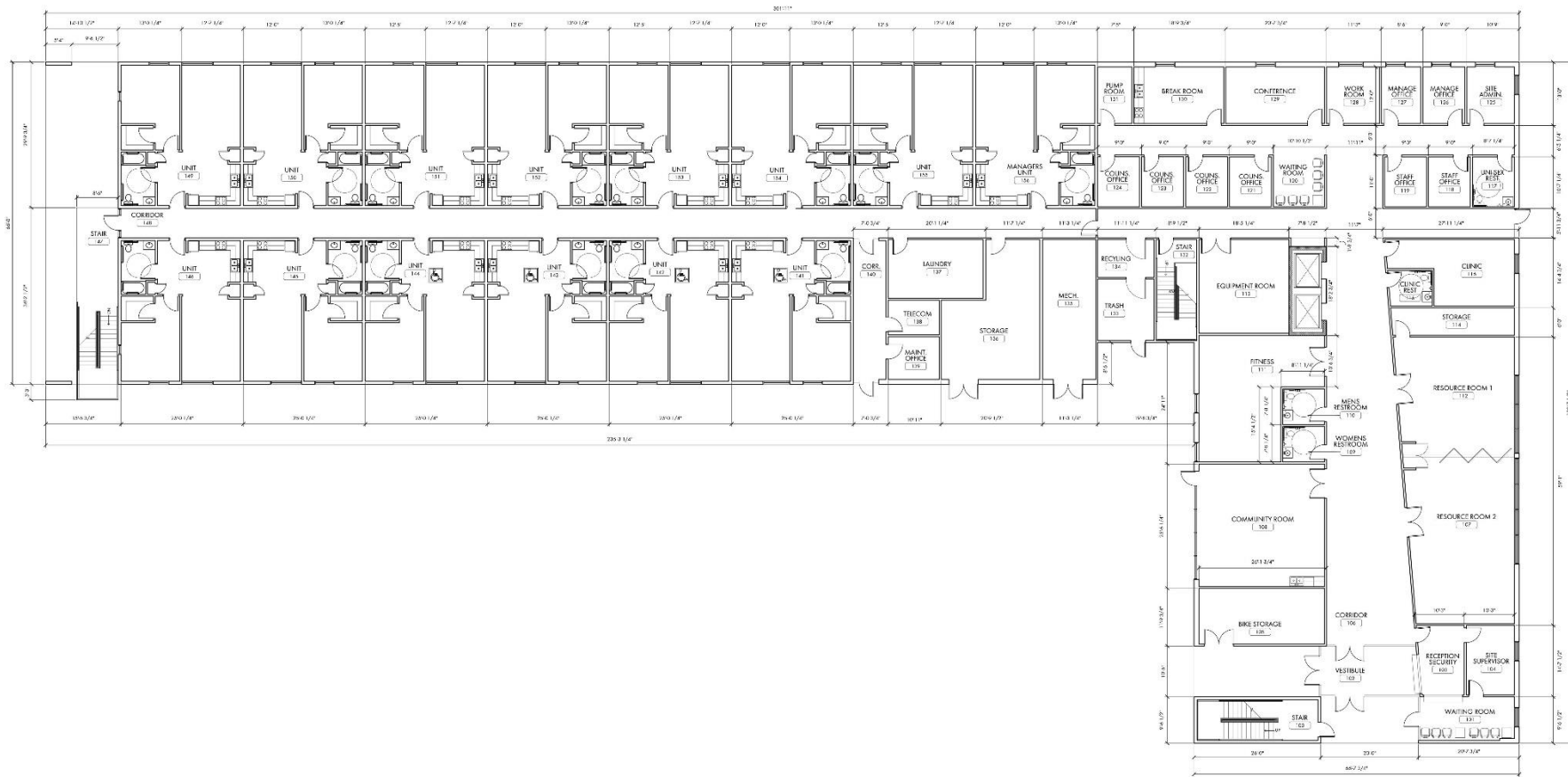
Piquette Square Apartments, Detroit, Michigan
150 Apartments for Homeless Veterans, Southwest Solutions



Silver Star Apartments, Battle Creek, Michigan
75 Units for Veterans, Medallion Management

Permanent Supportive Housing (PSH) Differences:

1. On-site social services.
2. Coordination between property manager and social services staff for tenant selection and eviction and enforcement of building rules.
3. Higher level of building security; desk clerks and/or electronic monitoring including video cameras at entrances and in hallways.
4. Additional common space in building for social services offices, computer room, classrooms, group meeting rooms, fitness rooms, rooms for outside service providers and other spaces to support tenant programming.
5. Minimum project size requirements based on fixed costs for building security and on-site property management and social service costs



FIRST FLOOR PLAN - GROSS 23,682 SF

LINCOLN APARTMENTS VETERANS HOUSING
11.1.2011

SCALE: 1/8" = 1'-0"



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DETERMINING VETERAN HOUSING NEEDS

1. What data sets are available to determine need;
2. Is target veteran population local or regional;
3. Does local VA facility provide specific health or mental health care support which would draw target veterans to your site.
4. Assemble data from local providers.

Project Goals:

1. Affordability for persons under 30% AMI or lower.
2. Links to VA health care including mental health care; location near VA Medical facilities or accessible by public or privately arranged transportation.
3. On-site social services
4. Increased housing and financial stability for tenants.

LOCATION, LOCATION, LOCATION

1. Proximity to VA Medical Facility
2. Access to Jobs
3. Public transportation

DEVELOPMENT TASKS (1)

1. Overcome NIMBY issues which might include mobilization of local veteran organizations;
2. Need to secure rental subsidies including Project Based VASH, Project Based Vouchers or other subsidies;
3. What are the State Housing Authority's Qualified Allocation Plan requirements, if any, for provision of social services on-site and need for common spaces;

DEVELOPMENT TASKS (2)

1. Need for detailed building concept, i.e. target population and common space needs to guide architectural design;
2. Selection of project architect with PSH design experience if possible;
3. Consideration of owner paid utilities and centrally controlled heating and air conditioning;
4. For urban projects, controlled access into the building usually through a single entry and exit. Design might include front desk security for flexibility with security options in the future.
5. Individual apartment fire alarm monitoring should be considered if not code required.

PROVISION OF SOCIAL SERVICES ON-SITE:

1. For Developers who are not social service providers, many projects are structured with social services providers under contract to the owner.
2. Social service provider can be expected to create lender required social services plans and budgets.
3. Social services costs can be paid for from federal, state and local grants to the social services provider, from cash flow if allowed by lenders, and/or from capitalized reserves or developer fee.
4. Need to meet with local VA and State VA to determine support and possible commitment of resources to the project;
5. On-site resident manager is an option to increase security and emergency response time for tenants.

ADDED DEVELOPMENT COSTS:

1. Depending on project size, common spaces might add 20-25% more additional square footage to project design;
2. Centrally controlled HVAC is very costly; energy efficient design will produce savings for owner paid utilities.
3. Additional costs for upgraded fire alarm, front desk access point and security camera design;
4. Hard flooring in hallways and units are often included; more expensive than carpet.
5. For homeless projects, apartment furnishings are usually included in the capital budget. Furnishings must be all "bedbug proof" and furnishings with wood and conventional fabrics should be avoided.
6. Capitalized reserve requirements are usually higher.

ADDED OPERATING COSTS:

1. Staffing for front desk security and/or roving security for a scattered building design can be extremely expensive. Alternative electronic monitoring will also add cost.
2. Budget for on-site social services.
3. Tenants typically require more time from property management staff; expect lower tenant/property manager staff ratio.
4. Funders might require higher annual replacement reserves including a furniture replacement reserve