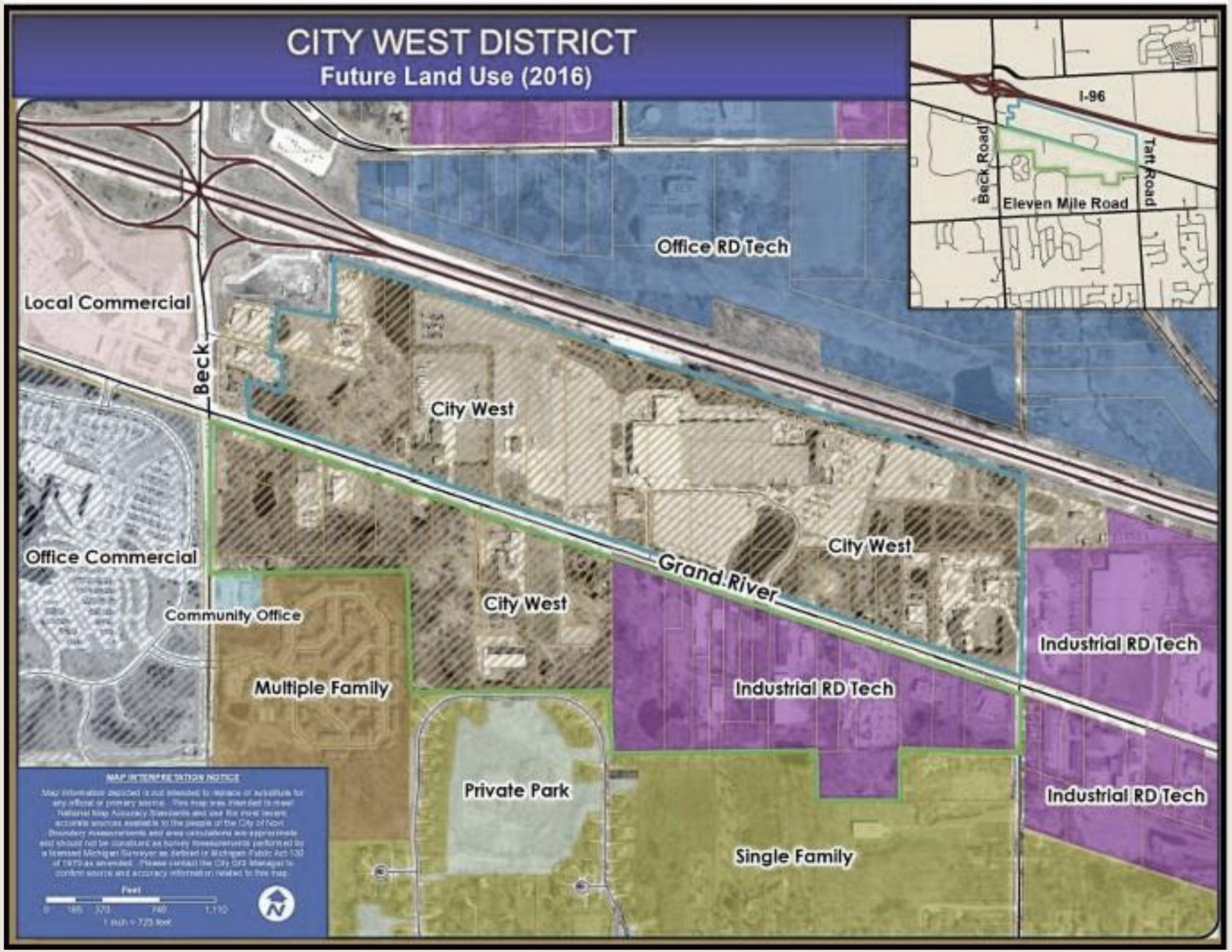
LINCOLN AVENUE COMMUNITIES

45500 GRAND RIVER AVE

Novi's City West District presents a transformative opportunity to reimagine Grand River Avenue as a vibrant, mixed-use neighborhood.



City West has the potential respond to Novi's housing supply shortage – a shortage that is driving increased housing costs that disproportionately impact renter households.

NOVI'S HOUSING STORY

Housing stock growth vs. population growth

13% vs. 20%

Housing demand is outpacing supply. *Between 2010 and 2020 the number of housing units in Novi grew 13% while the total population grew by 20%*

Average home sale price

$457,440

Homeownership is increasingly out of reach. *Between 2010 and 2021 the average home sale price increased 80%. Today, affordable homeownership is out of reach for more than half of households.*

Share of households that rent

32%

Demand for rental housing persists. *With homeownership widely unattainable, nearly 1/3 of the population rents.*

Share of renters that are housing cost burdened

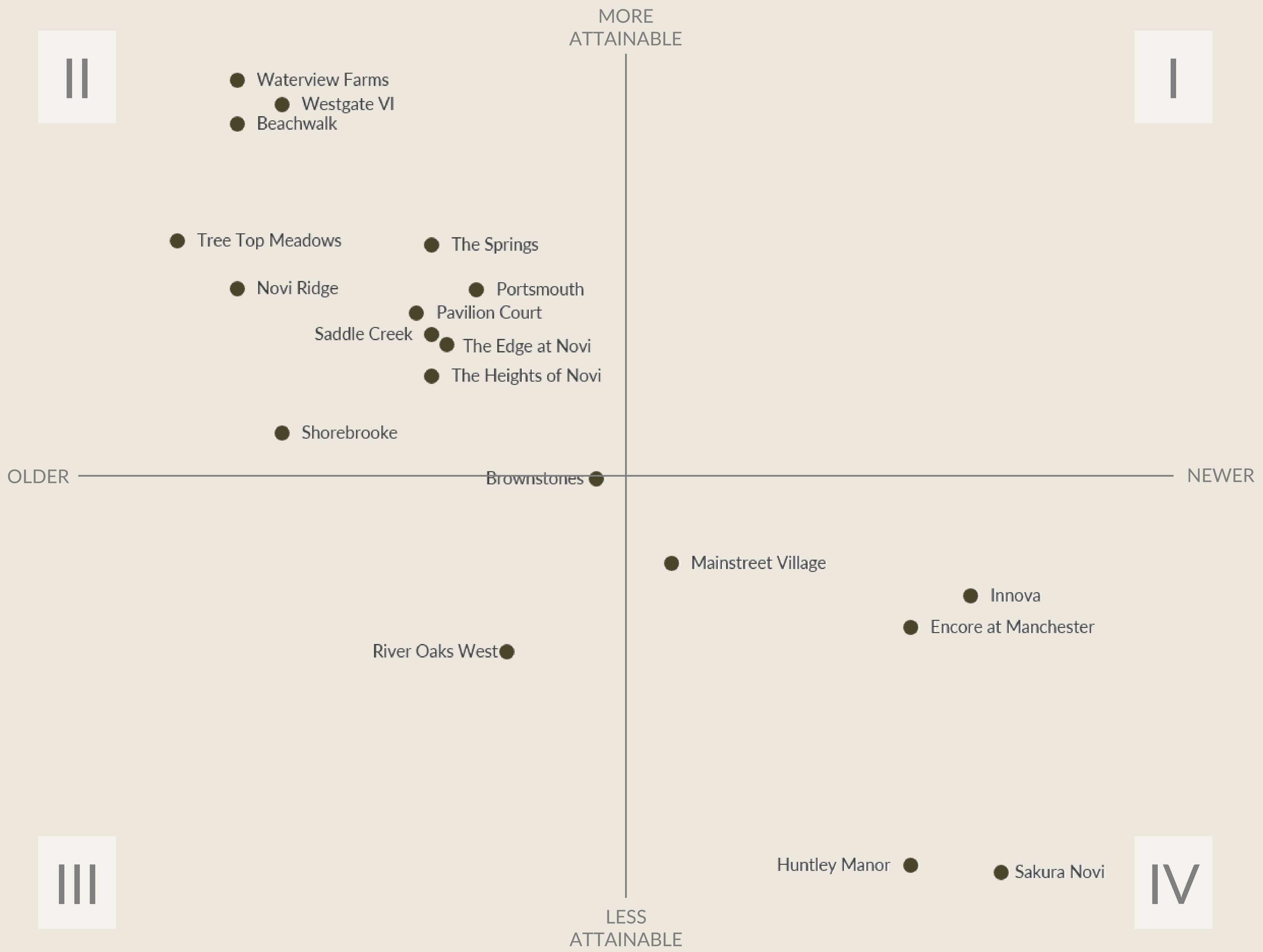
40%

Sustained demand for rental housing keeps rental costs high. *40% of renter households in are housing cost burdened, meaning they spend >30% of their income on housing costs – i.e., rent plus utilities.*

Notably, the cost burden carried by renters exists despite the age of Novi's rental housing stock.

	Units	Avg Age	Avg 2BR Rent
I	-	-	-
II	4,052	41	$1,426
III	680	31	$2,221
IV	1,153	13	$2,409

X-axis: age of property = 1 (newer) to 56 years old (older)
Y-axis: average rent = $1,150 (more attainable) to $2,850 (less attainable)



Redeveloping 45500 Grand River Avenue with affordable rental housing will activate a critical intersection in Novi's City West District while delivering attainable housing.

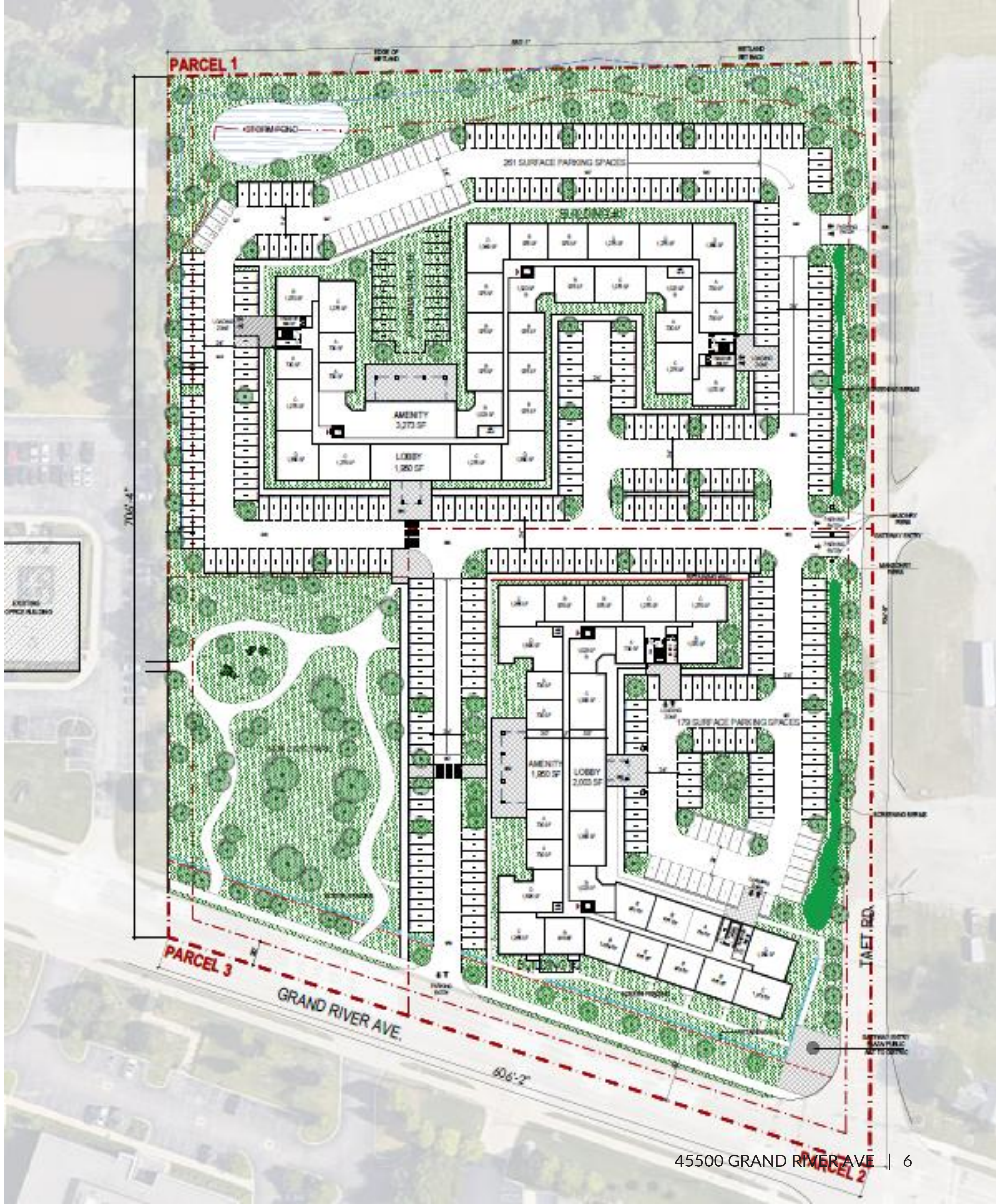
AERIAL VIEW, GOOGLE MAPS


STREET VIEW, GOOGLE MAPS

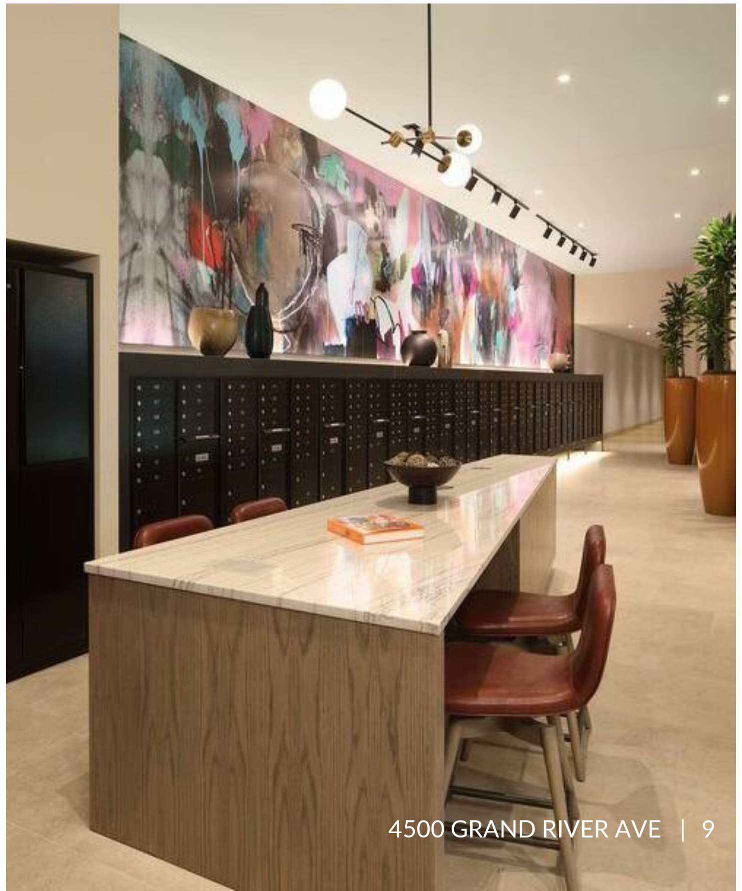

SOUTH PERSPECTIVE FROM NORTH PERIMETER, LINCOLN AVENUE


NORTHEAST PERSPECTIVE FROM WEST PERIMETER, LINCOLN AVENUE

Lincoln Avenue proposes to redevelop 45500 Grand River with approximately 267 units of high-quality rental housing for low- and moderate-income households.

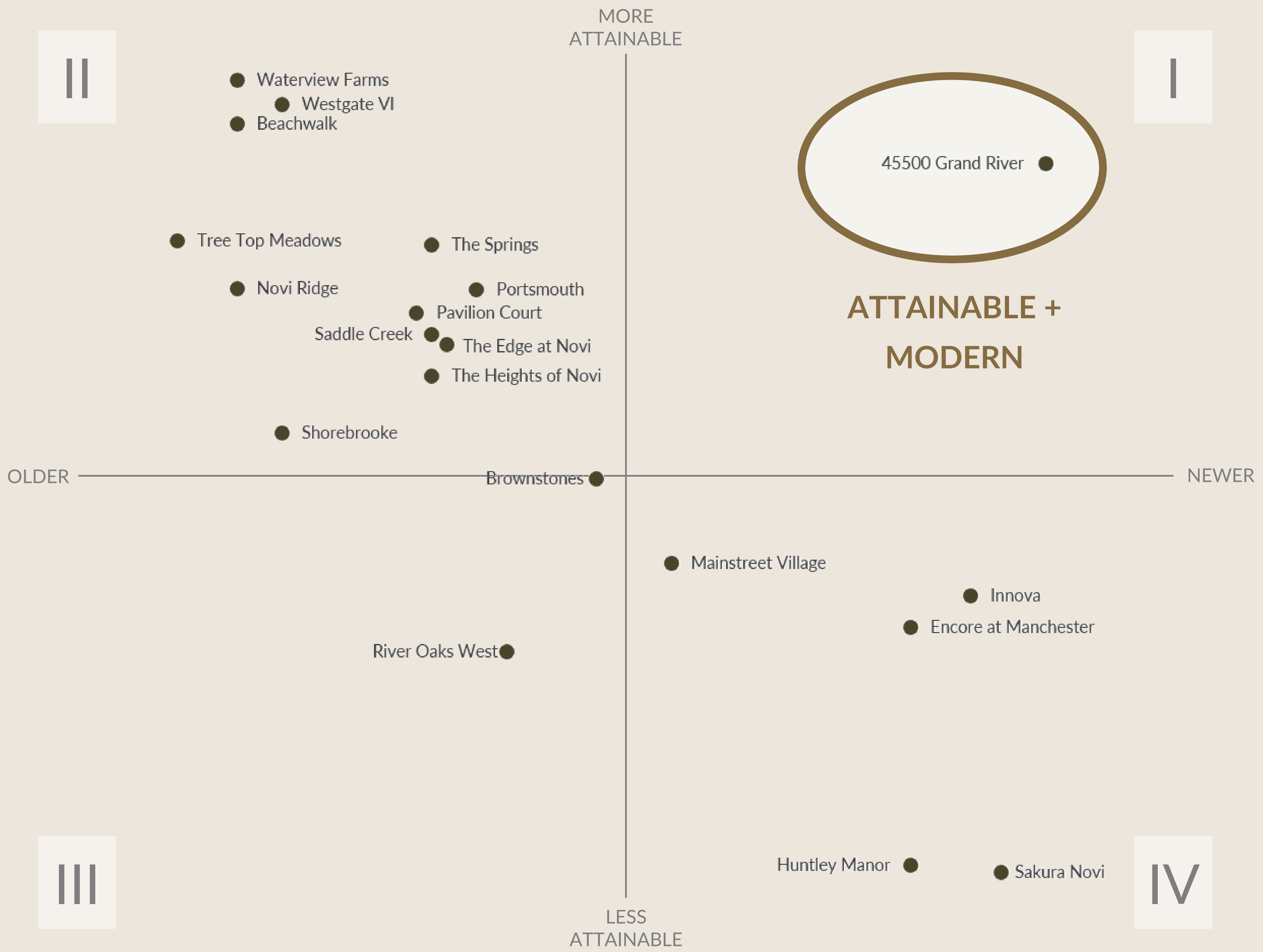


FLATS AT BISHOPS WOODS | LAC PROJECT



All units will be reserved for households earning an average of 60% of the area median income. In doing so, the project will fill a critical gap in Novi's rental housing supply.

	Projected Average Rent	Comparable Rents
1 BR / 1 BA	$1,110	$1,384
2 BR / 2 BA	$1,330	$1,834
3 BR / 2 BA	$1,536	$2,725
4 BR / 2 BA	$1,710	$2,760



To provide the proposed level of affordable, the project must receive tax relief. Lincoln Avenue is requesting tax relief in the form of a PILOT or TIF.

	TIF	PILOT
Term	40	40
Basis for Annual Payment	Current taxes + 10% of tax increment	3% of shelter rents
Payment	Each taxing entity receives its pro rate share of tax payment, as established by existing millage rates	Can be structured in such a way so that the city receive a greater share of the payment
Year 1 Payment	$121,600	$143,100
Average Annual Payment	$198,900	$216,100
Cumulative Payment (40 Years)	$7,956,200	$8,644,800
Remaining Financing Gap to Project	$1,221,500	$0

**All dollar values cited in relation to TIF and PILOT are estimates based on current underwriting. They are subject to change for a variety of reasons, including revisions to the building program that may result from site plan approval process, to-be-established lender and investor underwriting parameters, and changes to area median incomes and achievable rents.*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THANK YOU