45500 GRAND RIVER AVENUE

I. EXECUTIVE SUMMARY

Lincoln Avenue Communities (LAC) proposes the development of a 269-unit, high-quality affordable multifamily community located at 45500 Grand River Avenue in Novi, Michigan, one of the most economically vibrant and supply-constrained housing markets in Oakland County.

The project will deliver new construction family housing serving households at a range of income levels (30%–80% AMI) in a market where existing rental housing options are overwhelmingly oriented toward high-income households. The development will leverage MSHDA Direct Lending and Gap Financing, Housing TIF, and local support, including potential Oakland County soft funding, to close the affordability gap and deliver long-term community benefit.

Strategically located within the City's newly established City West zoning district, the site sits at the center of a rapidly transforming corridor envisioned as a walkable, mixed-use district anchored by major employment, retail, and entertainment uses. The project aligns directly with this vision by combining high-density residential development with public open space amenities, contributing to placemaking while addressing a critical shortage of workforce and affordable housing.

This development represents a rare opportunity to introduce institutional-quality affordable housing into one of Southeast Michigan's most desirable suburban communities.

II. PROJECT NARRATIVE

Development Overview

The proposed development is envisioned as a high-quality multifamily community that advances the objectives of Novi's newly formed City West district. The unit mix is deliberately structured to accommodate larger households, with a strong emphasis on two-, three-, and four-bedroom units. This approach reflects both demonstrated market demand and the limited availability of larger, affordable units within Novi and the broader Oakland County region. Utilizing the income-averaging, the project will accommodate households with incomes ranging from 30% to 80% AMI. Units set aside for 30% AMI households will be subsidized with Project-Based Vouchers, and at least one full-time staff member will be dedicated to providing resident services to these households.

	Efficiency	1	2	3	4	Total
0%	–	–	–	–	–	**–**
10%	–	–	–	–	–	**–**
20%	–	–	–	–	–	**–**
30%	–	4	10	8	3	**25**
40%	–	–	–	–	–	**–**
50%	–	1	3	2	–	**6**
60%	–	30	89	59	20	**198**
70%	–	–	–	–	–	**–**
80%	–	6	18	12	4	**40**
LIHTC	–	41	120	81	27	**269**
Other Restricte	–	–	–	–	–	**–**
Market	–	–	–	–	–	**–**
	–	**41**	**120**	**81**	**27**	**269**

Figure: Unit Mix by AMI Set-Aside and Unit Type

Beds	Baths	Income Limit	Units	Comparable Mkt Rent	Spread to Market	2026 Gross Rent	Utility Allowance	2026 Net Rent
1	1	30.0 %	4	$ 1,825	PBV	PBV	PBV	PBV
2	2	30.0 %	10	2,244	PBV	PBV	PBV	PBV
3	2	30.0 %	8	2,376	PBV	PBV	PBV	PBV
4	3	30.0 %	3	3,000	PBV	PBV	PBV	PBV
1	1	50.0 %	1	1,825	(50.0) %	983	70	913
2	2	50.0 %	3	2,244	(51.2) %	1,180	86	1,094
3	2	50.0 %	2	2,376	(46.8) %	1,362	98	1,264
4	2	50.0 %	–	3,000	(53.1) %	1,520	114	1,406
1	1	60.0 %	30	1,825	(39.2) %	1,179	70	1,109
2	2	60.0 %	89	2,244	(40.7) %	1,416	86	1,330
3	2	60.0 %	59	2,376	(35.3) %	1,635	98	1,537
4	2	60.0 %	20	3,000	(43.0) %	1,824	114	1,710
1	1	80.0 %	6	1,825	(17.6) %	1,573	70	1,503
2	2	80.0 %	18	2,244	(19.7) %	1,888	86	1,802
3	2	80.0 %	12	2,376	(12.4) %	2,180	98	2,082
4	2	80.0 %	4	3,000	(22.7) %	2,432	114	2,318
Total / Weighted Average		**60.0 %**	**269**	**2,296**	**(32.5) %**	**1,416**	**$ 82**	**$ 1,334**

Figure: Rent and Unit Mix

Beyond housing, the development will incorporate a publicly accessible open space element—such as a park, plaza, or gathering area—to satisfy zoning requirements and enhance the project's integration into the surrounding neighborhood. This feature is intended not only as a compliance measure, but as a meaningful amenity that contributes to the broader vision for a walkable, mixed-use district.

Market Opportunity

Oakland County is widely recognized as one of Michigan's most economically robust regions, supported by a diverse employment base and a highly educated workforce. Novi, in particular, stands out as a key growth node within the county, characterized by strong household incomes, high-quality schools, and a concentration of retail and commercial activity.

Despite these strengths, the local housing market presents a clear imbalance. The existing multifamily inventory is heavily skewed toward market-rate product, much of which commands rents that are out of reach for moderate-income households. Affordable housing options are extremely limited, particularly within Novi itself, where few income-restricted properties exist.

The scarcity of affordable units is compounded by strong demand fundamentals, including population stability, employment growth, and continued private investment. Nearby market-rate developments achieve rents that are significantly higher than those projected for the proposed project, often exceeding affordable rent levels by 30% to 50%.

Site and Location Advantages

The subject site comprises approximately 10.74 acres and is currently improved with a series of low-density office and light industrial structures. Following the City's 2024 rezoning of the property to the City West district, these existing uses have become non-conforming, creating a clear opportunity for redevelopment consistent with the City's long-term planning framework.

From a locational standpoint, the site benefits from immediate access to Interstate 96, positioning it within a major regional employment corridor. It is also directly adjacent to the Suburban Collection Showplace, one of the largest conference and event facilities in Michigan, which serves as a significant economic anchor for the area. Major employers such as Harman International and Henry Ford Providence Hospital are located nearby, further reinforcing the site's connectivity to employment centers.

Perhaps most notably, the surrounding area is poised for substantial transformation. A large-scale mixed-use development is currently being advanced immediately west of the site within the City West district. Planned components include residential units, hospitality uses, retail space, and entertainment venues. This level of adjacent investment signals strong confidence in the corridor and is expected to catalyze additional growth, further enhancing the desirability and long-term value of the proposed development.

Figure: Key Adjacencies

Zoning and Entitlements

The City West zoning district was established to implement a vision first articulated in Novi's 2016 Master Plan, which called for the creation of a dense, walkable, mixed-use environment along the Grand River corridor. The district explicitly encourages the integration of residential uses with complementary commercial and public-oriented spaces, fostering a more urban, connected development pattern.

Within this framework, multifamily housing is permitted at a density of 25 units per acre when paired with a qualifying non-residential or public use. LAC's development concept has been structured to meet this requirement through the inclusion of a public gathering space, ensuring compliance while also contributing to the district's broader design intent.

Initial engagement with City planning staff has been positive, with indications that affordable housing is viewed as a desirable and appropriate use for the site. Continued collaboration with the City will focus on ensuring that the project's design, scale, and amenities align with local expectations and reinforce the goals of the City West district.

Financial Overview and Feasibility

The project is structured to leverage the Michigan State Housing Development Authority's Direct Lending and Gap Financing Program, which provides both construction and permanent financing alongside subordinate funding. This approach allows for an efficient capital stack while maintaining long-term affordability.

In addition to MSHDA financing, the development anticipates utilizing Housing Tax Increment Financing and subordinate financing available through Oakland County. Receipt of these additional sources is crucial for project feasibility.

Uses		
Acquisition	$	5,300,000
Construction/Rehabilitation		63,536,728
Professional Fees		2,207,300
Interim Construction Costs		6,997,033
Permanent Financing		1,682,194
Other Costs (In Basis)		3,665,238
Other Costs (NOT In Basis)		921,794
Project Reserves		3,719,495
Developer Fee		12,528,005
Total	**$**	**100,557,787**
Sources		
MSHDA Permanent Mortgage	$	41,979,181
Equity Contribution From Tax Credit Syndication		37,088,421
MSHDA Gap Funding		8,000,000
Oakland County Funds		3,000,000
Other Equity		100
Cashflow During Construction		185,120
Deferred Developer Fee		10,304,965
Total	**$**	**100,557,787**

Community Impact

The proposed development will deliver meaningful benefits to the City of Novi and Oakland County by expanding access to high-quality affordable housing in a high-opportunity area where such options are currently limited. By providing housing for working families near major employment centers, the project will support workforce stability and contribute to a more economically diverse community.

Beyond housing delivery, the project is expected to generate significant economic activity. The combined impact of construction, operations, and resident spending is projected to total approximately $172 million in regional economic output, driven primarily by more than $133 million in construction activity. Ongoing operations and resident spending will continue to support local businesses and economic activity over time.

The development is also anticipated to support approximately 739 jobs across the regional economy, including roughly 565 construction-related positions during the development phase. Additional jobs will be supported through property operations and indirect economic activity generated by residents.

These economic benefits are complemented by LAC's resident-focused operating model, which connects households to services such as workforce development, education, and financial resources, supporting long-term stability and mobility.

The project will further contribute to the City West district through the inclusion of publicly accessible open space, reinforcing the City's vision for a walkable, mixed-use environment. Collectively, the development represents a significant investment in both housing and the broader economic vitality of Novi and Oakland County.

III. DEVELOPER OVERVIEW

About Lincoln Avenue Communities

Lincoln Avenue Communities is a nationally recognized owner, developer, and operator of affordable housing, with a mission-driven approach to delivering high-quality, sustainable communities. Founded in 2016, LAC has rapidly grown into one of the most active affordable housing platforms in the United States, with a portfolio that now includes more than 180 communities across 30 states serving over 80,000 residents. This growth has been driven by the firm's ability to combine institutional capital with an entrepreneurial approach, supported in part by its affiliation with the Bronfman Family Office, which provides flexible access to capital and enables LAC to move quickly and structure complex transactions.

LAC is uniquely equipped to manage the full development lifecycle through its integrated platform spanning development, construction management, asset services, and policy and impact. These teams work collaboratively to source opportunities, navigate entitlements, structure financing, and deliver projects efficiently, while ensuring long-term operational success. The firm's development team brings deep experience across new construction, preservation, and mixed-income housing, with a demonstrated ability to execute complex transactions involving layered capital structures and multiple public and private funding sources.

LAC has extensive experience structuring and executing a wide range of affordable housing transactions, including new construction, acquisition-rehabilitation, and mixed-income developments. The firm regularly utilizes 4% and 9% Low-Income Housing Tax Credits, tax-exempt bond financing, and forward or immediate funding debt structures, in combination with local, state, and federal soft funding sources such as HOME, CDBG, and housing trust funds. LAC also incorporates complementary financing tools where appropriate, including solar and other energy-related tax credits, tax increment financing, PILOT structures, and project-based rental assistance. This breadth of experience allows LAC to tailor capital stacks to meet project-specific needs while maximizing financial feasibility and long-term affordability.

Core Development Team Members

Kyle Brasser, Vice President & Project Partner
Kyle Brasser is a Vice President and Project Partner at Lincoln Avenue Communities, where he leads the sourcing, structuring, and execution of affordable housing developments across the Midwest. Kyle brings extensive experience in both affordable and market-rate housing, having developed more than 2,500 multifamily units totaling over $500 million in development costs. Prior to joining LAC, he held development roles with several nationally recognized firms, including Dominium, Sherman & Associates, and Mountain Real Estate Capital. Kyle holds a Bachelor of Business Administration from the Wisconsin School of Business.

Erica Meissner, Director – Development
Erica Meissner is a Director on Lincoln Avenue Communities' Development Team, where she is responsible for managing the execution of affordable and mixed-income housing developments from predevelopment through closing. Prior to joining LAC, Erica served as a Vice President of Development at KCG Companies, where she led the development of more than 1,200 units of housing and managed a team of development analysts. Earlier in her career, she worked as a consultant with Brailsford & Dunlavey, advising institutional clients on real estate strategy and housing development. Erica holds an MPhil in Development Studies from the University of Cambridge and a Bachelor of Arts in Anthropology from Auburn University.

Representative Projects

Huron Vista & Residences at Huron – Ypsilanti, Michigan

Huron Vista and Residences at Huron are two complementary affordable housing communities currently under construction in Ypsilanti, Michigan, developed by Lincoln Avenue Communities. Together, the projects will deliver more than 300 units of new construction housing serving both families and seniors across a range of income levels.

Huron Vista is a 156-unit family community consisting of multiple residential buildings and a standalone clubhouse with amenities including a community room, fitness center, outdoor play areas, and a pool. The property serves households primarily at or below 60% of area median income, with additional units set aside for lower-income households. Residences at Huron is a 152-unit senior community designed as a single elevator building with a full suite of amenities, including community gathering spaces, wellness-oriented features, and recreational facilities, also serving residents across multiple affordability tiers.

Both developments were financed using a complex capital stack that included approximately $50 million in tax-exempt bonds issued by the Michigan State Housing Development Authority, along with more than $45 million in Low-Income Housing Tax Credit equity. The projects also benefit from local support through a PILOT and related agreements, reflecting strong public-sector partnership and alignment with community housing goals.

These developments demonstrate LAC's ability to execute large-scale, multi-phase affordable housing projects in Michigan, effectively layer public and private financing sources, and deliver high-quality communities that meet diverse resident needs.

Flats at Bishops Woods – Brookfield, Wisconsin

Flats at Bishops Woods is a 203-unit affordable multifamily housing community in Brookfield, Wisconsin, developed by Lincoln Avenue Communities. The project will transform a portion of the Bishops Woods Office Park through the demolition of two vacant office buildings and the delivery of new construction housing serving households across a range of affordability levels.

The community will consist of a single four-story residential building offering one-, two-, and three-bedroom units, all restricted to households earning up to 70% of area median income. The property will utilize income averaging, with units set aside for households at 50%, 60%, and 70% of AMI. Planned amenities include an on-site management office, community room with views of a nearby nature preserve, secure package delivery room, fitness facilities, exterior courtyard, 246 underground parking stalls, and 62 surface parking stalls.

The development was financed using a complex capital stack that included approximately $38.7 million in tax-exempt bonds issued through the Wisconsin Housing and Economic Development Authority, 4% Low-Income Housing Tax Credits, Solar Tax Credits, more than $50 million in tax credit equity, $1 million in WHEDA Vacancy-to-Vitality funds, construction and permanent debt, deferred developer fee, bond reinvestment proceeds, and cash flow from operations. Construction commenced following closing in May 2024, with substantial completion projected for December 2025.

Flats at Bishops Woods demonstrates LAC's ability to execute projects in high-opportunity suburban markets, convert underutilized commercial land into needed housing, and layer state, federal, public, and private financing sources to deliver high-quality affordable communities.