

**MH Strategies II, LP: Borda Towers and Venson Center**

**Applicant:** MH Strategies, LP  
 1910 Farmerville Highway  
 Ruston, LA 71270  
 318-513-3313

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**Management:** Envolve (f/k/a LEDIC Management)  
 555 Perkins Extd., Suite 200  
 Memphis, TN 38117  
 901-435-7700

**PILOT Application Summary:** MH Strategies II, LP is comprised of two sites all located within Memphis, TN. The proposed development is a rehabilitation of 421 units. Properties are currently owned by the Memphis Housing Authority and the proposed management company for each property is LEDIC Management Company. The project will be using 4% Low Income Housing Tax Credits (LIHTC) and tax-exempt bonds. The project will have Section 3 and Minority Contractor Outreach Events. MH Strategies, LP is an existing portfolio of multifamily rental communities undergoing a transformation into HUD’s Rental Assistance Demonstration Program (RAD) and 100% of the units will serve tenants at or below 60% of the Area Median Income and is comprised of the rehabilitation of 2 sites.

Borda Towers

Total Units	BR/BA	Units	SF	Rent: Post Rehab	Rent: Post \$/SF
206	Studio/1 BA	114	407	\$763	\$1.87
	Studio/1 BA	18	407	653	1.60
	1 BR/1 BA	71	544	871	1.60
	2 BR/2 BA	3	698	1,003	1.44

Venson

Total Units	BR/BA	Units	SF	Rent: Post Rehab	Rent: Post \$/SF
215	Studio/1 BA	122	360	\$666	\$1.85
	1 BR/1 BA	92	484	761	1.57
	2 BR/1.5 BA	1	829	1,003	1.21

**Total Development Cost:** \$ 49,877,750  
**Development Cost per Unit:** \$ 118,474  
**Location:** **MH Strategies II, LP**  
 21 Neely Street, 38105 (Borda Towers, 205 Units)  
 439 Beale Street, 38103 (Venson, 215 Units)

**Sources and Uses of Funds:**

Sources		Uses	
1 <sup>st</sup> Mortgage	\$19,800,000	Building Acquisition	\$5,979,000
Seller Note	5,979,000	Hard Costs	24,110,900
Cash Flow	1,563,940	Soft Costs	8,640,850
Cash Flow During Rehab	818,497	Reserves	2,448,000
Developer Equity	3,256,157	Development Fee	8,669,000
Equity	18,460,156		
<b>Total Development Costs</b>	<b>\$49,877,750</b>	<b>Total All Costs</b>	<b>\$49,877,750</b>

<u>Tenant Benefit Breakdown</u>	<u>Actual Cost</u>
Higher Efficiency Lighting	\$165,200
Higher Efficiency Water	82,600
Higher Efficiency HVAC	991,200
Upgraded Flooring	(no cost provided)
<b>Subtotal</b>	<b>\$1,239,000</b>

Borda Towers



Venson Center

