

Application for Federal Assistance SF-424

Version 02

| | | |
|--|--|---|
| * 1. Type of Submission: <input type="radio"/> Preapplication <input checked="" type="radio"/> Application <input type="radio"/> Changed/Corrected Application | * 2. Type of Application: <input checked="" type="radio"/> New <input type="radio"/> Continuation <input type="radio"/> Revision | * If Revision, select appropriate letter(s): _____ * Other (Specify) _____ |
|--|--|---|

| | |
|--|--|
| * 3. Date Received: 06/20/2007 | 4. Applicant Identifier: _____ |
|--|--|

| | |
|--|---|
| 5a. Federal Entity Identifier: _____ | * 5b. Federal Award Identifier: _____ |
|--|---|

State Use Only:

| | |
|---|---|
| 6. Date Received by State: _____ | 7. State Application Identifier: _____ |
|---|---|

8. APPLICANT INFORMATION:

*** a. Legal Name:** NCR of Northern Columbus, OH

| | |
|--|---|
| * b. Employer/Taxpayer Identification Number (EIN/TIN): 31-1288291 | * c. Organizational DUNS: _____ |
|--|---|

d. Address:

| | |
|-----------------------------|----------------------|
| * Street1: | 165 N. Stygler Drive |
| Street2: | _____ |
| * City: | Gahanna |
| County: | _____ |
| * State: | OH: Ohio |
| Province: | _____ |
| * Country: | USA: UNITED STATES |
| * Zip / Postal Code: | 43230 |

e. Organizational Unit:

| | |
|----------------------------------|--------------------------------|
| Department Name: _____ | Division Name: _____ |
|----------------------------------|--------------------------------|

f. Name and contact information of person to be contacted on matters involving this application:

| | |
|----------------------------|-----------------------------|
| Prefix: Mr. | * First Name: Thomas |
| Middle Name: _____ | |
| * Last Name: Herihy | |
| Suffix: _____ | |

Title: Development Specialist

Organizational Affiliation:

| | |
|----------------------------------|---------------------------------|
| * Telephone Number: _____ | Fax Number: 614-273-2170 |
|----------------------------------|---------------------------------|

*** Email:** _____

Application for Federal Assistance SF-424

9. Type of Applicant 1: Select Applicant Type:

[M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)]

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

US Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.314

CFDA Title:

Assisted Living Conversion for Eligible Multifamily Housing Projects

*** 12. Funding Opportunity Number:**

FR-5100-N-28

* Title:

Assisted Living Conversion Program

13. Competition Identification Number:

ALCP-28

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

*** 15. Descriptive Title of Applicant's Project:**

Conversion of 32 units from a 202 to an assisted living facility

Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424

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16. Congressional Districts Of:

* a. Applicant OH-12

* b. Program/Project OH-12

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date: 01/01/2008

* b. End Date: 06/01/2008

18. Estimated Funding (\$):

| | |
|---------------------|--------------|
| * a. Federal | 2,194,899.00 |
| * b. Applicant | 0.00 |
| * c. State | 0.00 |
| * d. Local | 0.00 |
| * e. Other | 0.00 |
| * f. Program Income | 0.00 |
| * g. TOTAL | 2,194,899.00 |

* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

- a. This application was made available to the State under the Executive Order 12372 Process for review on []
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

* 20. Is the Applicant Delinquent On Any Federal Debt? (if "Yes", provide explanation.)

- Yes
- No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: [] * First Name: Thomas
Middle Name: []
* Last Name: Herlihy
Suffix: []
* Title: Development Specialist
* Telephone Number: [] Fax Number: []
* Email: []
* Signature of Authorized Representative: Teresa Allon * Date Signed: 08/20/2007

Application for Federal Assistance SF-424

Version 02

*** Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

[Empty text input field]

Attachments

AdditionalCongressionalDistricts
File Name

Mime Type

AdditionalProjectTitle
File Name

Mime Type

**Grant Applications
Detailed Budget**

U.S. Department of Housing
and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2005)

* Organization Name: NCR of Northern Columbus, OH

* Project/Activity Name: ALCP for Stygler Commons

| Functional Categories | | | | | | | | | |
|---|----------------|----------------------|----------------------|----------------------|------------------|-------------------------|------------------|---------------------|--------------|
| Year 1: <input checked="" type="radio"/> Year 2: <input type="radio"/> Year 3: <input type="radio"/> All Years: <input type="radio"/> | | | | | | | | | |
| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 | Column 9 |
| | HUD Share (\$) | Applicant Match (\$) | Other HUD Funds (\$) | Other Fed Share (\$) | State Share (\$) | Local/Tribal Share (\$) | Other Share (\$) | Program Income (\$) | Total (\$) |
| a. Personnel (Direct Labor) | | | 22,352.00 | | | | | | |
| b. Fringe Benefits | | | 6,706.00 | | | | | | |
| c. Travel | | | | | | | | | |
| d. Equipment (only items > \$5,000 depreciated value) | 67,800.00 | | | | | | | | |
| e. Supplies (only items < \$5,000 depreciated value) | 98,511.00 | | | | | | | | |
| f. Contractual | 0.00 | | | | | | | | |
| g. Construction | | | | | | | | | |
| 1. Administration and Legal Expenses | 110,000.00 | | | | | | | | |
| 2. Land, Structures, Rights-of-Way, Appraisals, etc. | 0.00 | | | | | | | | |
| 3. Relocation Expenses and Payments | 53,530.00 | | | | | | | | |
| 4. Architectural and Engineering Fees | 138,000.00 | | | | | | | | |
| 5. Other Architectural and Engineering Fees | 0.00 | | | | | | | | |
| 6. Project Inspection Fees | 37,000.00 | | | | | | | | |
| 7. Site Work | 101,371.00 | | | | | | | | |
| 8. Demolition and Removal | 0.00 | | | | | | | | |
| 9. Construction | 1,466,687.00 | | | | | | | | |
| 10. Equipment | 26,000.00 | | | | | | | | |
| 11. Contingencies | 96,000.00 | | | | | | | | |
| 12. Miscellaneous | 0.00 | | | | | | | | |
| h. Other Direct Costs | 0.00 | | | | | | | | |
| i. Subtotal of Direct Costs | 2,194,899.00 | | | | | | | | |
| j. Indirect Costs (% Approved Indirect Cost Rate: <input type="text"/> %) | | | | | | | | | |
| Grand Total (Year <input type="text"/> 1): | | | | | | | | | 2,194,899.00 |
| Grand Total (All Years): | | | | | | | | | 2,194,899.00 |

**Grant Applications
Detailed Budget**

U.S. Department of Housing
and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2005)

* Organization Name: NCR of Northern Columbus, OH

* Project/Activity Name: ALCP for Stygler Commons

| Functional Categories | | | | | | | | | | Year 1: | <input type="radio"/> Year 2: | <input checked="" type="radio"/> Year 3: | <input type="radio"/> All Years: |
|--|----------------|----------------------|----------------------|----------------------|------------------|-------------------------|------------------|---------------------|------------|---------|-------------------------------|--|----------------------------------|
| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 | Column 9 | | | | |
| | HUD Share (\$) | Applicant Match (\$) | Other HUD Funds (\$) | Other Fed Share (\$) | State Share (\$) | Local/Tribal Share (\$) | Other Share (\$) | Program Income (\$) | Total (\$) | | | | |
| a. Personnel (Direct Labor) | | | | | | | | | | | | | |
| b. Fringe Benefits | | | | | | | | | | | | | |
| c. Travel | | | | | | | | | | | | | |
| d. Equipment (only items > \$5,000 depreciated value) | | | | | | | | | | | | | |
| e. Supplies (only items < \$5,000 depreciated value) | | | | | | | | | | | | | |
| f. Contractual | | | | | | | | | | | | | |
| g. Construction | | | | | | | | | | | | | |
| 1. Administration and Legal Expenses | | | | | | | | | | | | | |
| 2. Land, Structures, Rights-of-Way, Appraisals, etc. | | | | | | | | | | | | | |
| 3. Relocation Expenses and Payments | | | | | | | | | | | | | |
| 4. Architectural and Engineering Fees | | | | | | | | | | | | | |
| 5. Other Architectural and Engineering Fees | | | | | | | | | | | | | |
| 6. Project Inspection Fees | | | | | | | | | | | | | |
| 7. Site Work | | | | | | | | | | | | | |
| 8. Demolition and Removal | | | | | | | | | | | | | |
| 9. Construction | | | | | | | | | | | | | |
| 10. Equipment | | | | | | | | | | | | | |
| 11. Contingencies | | | | | | | | | | | | | |
| 12. Miscellaneous | | | | | | | | | | | | | |
| h. Other Direct Costs | | | | | | | | | | | | | |
| i. Subtotal of Direct Costs | | | | | | | | | | | | | |
| j. Indirect Costs (% Approved) | | | | | | | | | | | | | |
| Indirect Cost Rate: <input type="text"/> (%) | | | | | | | | | | | | | |
| Grand Total (Year <input 154="" 28="" 942="" 957"="" data-label="Page-Footer" type="text" value="2>):</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>Grand Total (All Years):</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>2,194,899.00</td></tr> </tbody> </table> </div> <div data-bbox="/> <p>Tracking Number: GRANT00295198</p> | | | | | | | | | | | | | |

**Grant Applications
Detailed Budget**

U.S. Department of Housing
and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2005)

* Organization Name: NCR of Northern Columbus, OH

* Project/Activity Name: ALCP for Stygler Commons

| Functional Categories | | | | | | | | | | Year 1: | Year 2: | Year 3: | All Years: |
|--|----------------|----------------------|----------------------|----------------------|------------------|-------------------------|------------------|---------------------|------------|---------|---------|---------|------------|
| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 | Column 9 | | | | |
| | HUD Share (\$) | Applicant Match (\$) | Other HUD Funds (\$) | Other Fed Share (\$) | State Share (\$) | Local/Tribal Share (\$) | Other Share (\$) | Program Income (\$) | Total (\$) | | | | |
| a. Personnel (Direct Labor) | | | | | | | | | | | | | |
| b. Fringe Benefits | | | | | | | | | | | | | |
| c. Travel | | | | | | | | | | | | | |
| d. Equipment (only items > \$5,000 depreciated value) | | | | | | | | | | | | | |
| e. Supplies (only items < \$5,000 depreciated value) | | | | | | | | | | | | | |
| f. Contractual | | | | | | | | | | | | | |
| g. Construction | | | | | | | | | | | | | |
| 1. Administration and Legal Expenses | | | | | | | | | | | | | |
| 2. Land, Structures, Rights-of-Way, Appraisals, etc. | | | | | | | | | | | | | |
| 3. Relocation Expenses and Payments | | | | | | | | | | | | | |
| 4. Architectural and Engineering Fees | | | | | | | | | | | | | |
| 5. Other Architectural and Engineering Fees | | | | | | | | | | | | | |
| 6. Project Inspection Fees | | | | | | | | | | | | | |
| 7. Site Work | | | | | | | | | | | | | |
| 8. Demolition and Removal | | | | | | | | | | | | | |
| 9. Construction | | | | | | | | | | | | | |
| 10. Equipment | | | | | | | | | | | | | |
| 11. Contingencies | | | | | | | | | | | | | |
| 12. Miscellaneous | | | | | | | | | | | | | |
| h. Other Direct Costs | | | | | | | | | | | | | |
| i. Subtotal of Direct Costs | | | | | | | | | | | | | |
| j. Indirect Costs (% Approved) | | | | | | | | | | | | | |
| Indirect Cost Rate: <input type="text"/> % | | | | | | | | | | | | | |
| Grand Total (Year <input 158="" 32="" 942="" 956"="" data-label="Page-Footer" type="text" value="3>):</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>Grand Total (All Years):</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>2,194,899.00</td></tr> </tbody> </table> </div> <div data-bbox="/> <p>Tracking Number: GRANT00295198</p> | | | | | | | | | | | | | |

**Grant Applications
Detailed Budget**

U.S. Department of Housing
and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2005)

* Organization Name: NCR of Northern Columbus, OH

* Project/Activity Name: ALCP for Stygler Commons

| Functional Categories | | | | | | | | | | Year 1: | Year 2: | Year 3: | All Years: |
|---|----------------------|----------------------|----------------------|------------------|------------------------|------------------|---------------------|------------|------------|---------|---------|---------|--------------|
| Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 | Column 9 | Column 9 | | | | |
| HUD Share (\$) | Applicant Match (\$) | Other HUD Funds (\$) | Other Fed Share (\$) | State Share (\$) | Local/Inbal Share (\$) | Other Share (\$) | Program Income (\$) | Total (\$) | Total (\$) | | | | |
| a. Personnel (Direct Labor) | | | | | | | | | | | | | |
| b. Fringe Benefits | | | | | | | | | | | | | |
| c. Travel | | | | | | | | | | | | | |
| d. Equipment (only items > \$5,000 depreciated value) | | | | | | | | | | | | | |
| e. Supplies (only items < \$5,000 depreciated value) | | | | | | | | | | | | | |
| f. Contractual | | | | | | | | | | | | | |
| g. Construction | | | | | | | | | | | | | |
| 1. Administration and Legal Expenses | | | | | | | | | | | | | |
| 2. Land, Structures, Rights-of-Way, Appraisals, etc. | | | | | | | | | | | | | |
| 3. Relocation Expenses and Payments | | | | | | | | | | | | | |
| 4. Architectural and Engineering Fees | | | | | | | | | | | | | |
| 5. Other Architectural and Engineering Fees | | | | | | | | | | | | | |
| 6. Project Inspection Fees | | | | | | | | | | | | | |
| 7. Site Work | | | | | | | | | | | | | |
| 8. Demolition and Removal | | | | | | | | | | | | | |
| 9. Construction | | | | | | | | | | | | | |
| 10. Equipment | | | | | | | | | | | | | |
| 11. Contingencies | | | | | | | | | | | | | |
| 12. Miscellaneous | | | | | | | | | | | | | |
| h. Other Direct Costs | | | | | | | | | | | | | |
| i. Subtotal of Direct Costs | | | | | | | | | | | | | |
| j. Indirect Costs (% Approved) | | | | | | | | | | | | | |
| Indirect Cost Rate: <input type="text"/> (%) | | | | | | | | | | | | | |
| Grand Total (Year <input type="text"/> All): | | | | | | | | | | | | | |
| Grand Total (All Years): | | | | | | | | | | | | | 2,194,899.00 |

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 11

➤ **FORMS AND CERTIFICATIONS**

- a) Form HUD-92045
- b) Form SF-424 (please refer to electronic application documents)
- c) SF-424 Supplement (please refer to electronic application documents)
- d) Form HUD-424-CB (please refer to electronic application documents)
- e) Form HUD-424-CBW
- f) Form HUD-2880 (please refer to electronic application documents)
- g) Form HUD-2991
- h) Form HUD-2994-A (optional)
- i) Standard Form-LLL (please refer to electronic application documents)
- j) Form HUD-96010
- k) Form HUD-27300 (please refer to electronic application documents)
- l) Form HUD-2990 – **NOT APPLICABLE**
- m) HUD-96011 (please refer to electronic application documents)

**Multifamily Housing Assisted
Living Conversion Program
APPLICATION SUMMARY SHEET**

**U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner**

OMB Approval No. 2502-0542
(exp. 8/31/2008)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is required for HUD's Assisted Living Conversion Program (ALCP). This program is authorized under Section 522(c) of the Appropriations Act of 2000. The information is necessary to assist HUD in determining applicant eligibility and ability to convert multifamily housing projects designated for the elderly (in whole or in part) into assisted living facilities. A thorough evaluation of an applicant's qualifications and capabilities is critical to protect the Government's financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds. This collection of information does not collect any sensitive information. HUD does not ensure confidentiality.

Owner (Funds Recipient) Name NCR of Northern Columbus, OH

Address 165 N. Stygler Drive

City Columbus State OH Zip 43230

Phone (Include Area Code) [REDACTED]

Grant Contact Person (Name) Thomas Herlihy

Phone (Include Area Code) [REDACTED]

E-mail address [REDACTED]

List the specific development(s) targeted for assistance under this grant. Use additional sheets as needed.

Development Name Stygler Commons

Address 165 N. Stygler Drive

City Columbus State OH Zip 43230

FHA/Project Number 043-EH315 Sec.8 Number [REDACTED]

Project Type (e.g., 236) 202 No. of Units 32

Location (Urban, suburban, or rural) Suburban

Number of Residents 32 Estimated Number of Frail Elderly 7

Estimated Number of Non-elderly People with Disabilities 1

Estimated Number of At-risk Elderly 14

Are you applying for a Service Coordinator Grant? Yes No

Will this development share a service coordinator with other developments? Yes No

If yes, please give name and address of the development(s) if different.

Senators 1. Sherrod Brown 2. George Voinovich

Congressional Representative(s) Name(s) 1. Patrick Tiberi District(s) 1. OH-12

2. _____ 2. _____

Grant Application Detailed Budget Worksheet

(Exp. 01/31/2008)

| | |
|---------------------------------------|------------------------------|
| Name and Address of Applicant: | NCR of Northern Columbus, OH |
| | 165 N. Stygler Drive |
| | Gahanna, OH 43230 |
| | |

| Category | Detailed Description of Budget (for full grant period) | | | | | | | | | | |
|---|--|---------------|----------------|-----------|-----------------|-----------------|---------------------|-------------|--------------------|-------|----------------|
| 1. Personnel (Direct Labor) | Estimated Hours | Rate per Hour | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| Position or Individual | | | | | | | | | | | |
| Total Direct Labor Cost | | | NA | | | | | | | | |
| 2. Fringe Benefits | Rate (%) | Base | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| | | | | | | | | | | | |
| Total Fringe Benefits Cost | | | NA | | | | | | | | |
| 3. Travel | | | | | | | | | | | |
| 3a. Transportation - Local Private Vehicle | Mileage | Rate per Mile | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| NA | | | NA | | | | | | | | |
| Subtotal - Trans - Local Private Vehicle | | | NA | | | | | | | | |

Grant Application Detailed Budget Worksheet

Detailed Description of Budget

| 3b. Transportation - Airfare (show destination) | Trips | Fare | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
|---|-----------------|---------------------|-----------------------|------------------|------------------------|------------------------|----------------------------|--------------------|---------------------------|--------------|-----------------------|
| NA | | | NA | | | | | | | | |
| Subtotal - Transportation - Airfare | | | NA | | | | | | | | |
| 3c. Transportation - Other | Quantity | Unit Cost | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| NA | | | NA | | | | | | | | |
| Subtotal - Transportation - Other | | | NA | | | | | | | | |
| 3d. Per Diem or Subsistence (Indicate location) | Days | Rate per Day | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| NA | | | NA | | | | | | | | |
| Subtotal - Per Diem or Subsistence | | | | | | | | | | | |
| Total Travel Cost | | | NA | | | | | | | | |
| 4. Equipment (Only items over \$5,000 Depreciated value) | Quantity | Unit Cost | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| Hood | 1 | \$11,500.00 | \$11,500 | | | | | | | | |
| Refrigerator (reach-in) | 1 | \$5,119.00 | \$5,119 | | | | | | | | |
| Dishwasher (undercounter) | 1 | \$5,181.00 | \$5,181 | | | | | | | | |
| Steam tables | 2 | \$5,000.00 | \$10,000 | | | | | | | | |
| Medical Charts-Hardware | 1 | \$16,000.00 | \$16,000 | | | | | | | | |
| Medical Charts-Software | 1 | \$20,000.00 | \$20,000 | | | | | | | | |
| Total Equipment Cost | | | \$67,800 | \$67,800 | | | | | | | |

Grant Application Detailed Budget Worksheet

| 8. Construction Costs | | | | Detailed Description of Budget | | | | | | | |
|--|----------|-----------|----------------|--------------------------------|-----------------|-----------------|---------------------|-------------|--------------------|-------|----------------|
| | Quantity | Unit Cost | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| 8a. Administrative and legal expenses | | | | | | | | | | | |
| National Church Residences | | | \$100,000 | | | | | | | | |
| Legal, grant/construction documents | | | \$10,000 | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| Subtotal - Administrative and legal expenses | | | \$110,000 | \$110,000 | | | | | | | |
| 8b. Land, structures, rights-of way, appraisal, etc | | | | | | | | | | | |
| NA | | | NA | | | | | | | | |
| | | | | | | | | | | | |
| Subtotal - Land, structures, rights-of way, ... | | | NA | | | | | | | | |
| 8c. Relocation expenses and payments | | | | | | | | | | | |
| On-site moves | 21 | 350 | \$7,350 | | | | | | | | |
| Off-site moves | 22 | 425 | \$9,350 | | | | | | | | |
| Move contingency | 10 | 350 | \$3,500 | | | | | | | | |
| Packing - 3hours at \$40/hour | 44 | 120 | \$5,280 | | | | | | | | |
| Unpacking - 2 hours at \$40/hour | 44 | 80 | \$3,520 | | | | | | | | |
| Off-site rent - months | 29 | 700 | \$20,300 | | | | | | | | |
| Off-site storage - months | 29 | 70 | \$2,030 | | | | | | | | |
| Phone transfers | 44 | 50 | \$2,200 | | | | | | | | |
| | | | | | | | | | | | |
| Subtotal - Relocation expenses and payments | | | \$53,530 | \$53,530 | | | | | | | |
| 8d. Architectural and engineering fees | | | | | | | | | | | |
| Design | | | \$104,000 | | | | | | | | |
| Engineering | | | \$10,000 | | | | | | | | |
| Construction Supervision | | | \$24,000 | | | | | | | | |
| | | | | | | | | | | | |
| Subtotal - Architectural and engineering fees | | | \$138,000 | \$138,000 | | | | | | | |
| 8e. Other architectural and engineering fees | | | | | | | | | | | |
| NA | | | NA | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| Subtotal - Other architectural and engineering fees | | | NA | | | | | | | | |

Grant Application Detailed Budget Worksheet

| | Quantity | Unit Cost | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
|---|----------|-----------|--------------------|--------------------|-----------------|-----------------|---------------------|-------------|--------------------|-------|----------------|
| 8f. Project Inspection fees | | | | | | | | | | | |
| Sponsor construction oversight | | | \$12,000 | | | | | | | | |
| City Inspect Fees/Building Permit | | | \$25,000 | | | | | | | | |
| Subtotal - Project Inspection fees | | | \$37,000 | \$37,000 | | | | | | | |
| 8g. Site work | | | | | | | | | | | |
| Generator Fence & Enclosure | | | \$1,800 | | | | | | | | |
| Site lighting | | | \$9,000 | | | | | | | | |
| Drainage modification | | | \$24,321 | | | | | | | | |
| Landscaping | | | \$10,000 | | | | | | | | |
| Concrete curb/sidewalk/ramps | | | \$1,900 | | | | | | | | |
| Asphalt | | | \$39,600 | | | | | | | | |
| Signage | | | \$3,750 | | | | | | | | |
| Dumpster area | | | \$11,000 | | | | | | | | |
| Subtotal - Site work | | | \$101,371 | \$101,371 | | | | | | | |
| 8h. Demolition and removal | | | | | | | | | | | |
| Included in Common Area Construction | | | NA | | | | | | | | |
| Subtotal - Demolition and removal | | | NA | | | | | | | | |
| 8i. Construction | | | | | | | | | | | |
| Building Exterior | | | \$45,300 | | | | | | | | |
| Common Areas | | | \$650,498 | | | | | | | | |
| Living Units | | | \$264,403 | | | | | | | | |
| Plumbing | | | \$21,000 | | | | | | | | |
| HVAC | | | \$90,220 | | | | | | | | |
| Electrical | | | \$69,850 | | | | | | | | |
| Fire Protection | | | \$68,750 | | | | | | | | |
| 8% General Requirements | | | \$106,991 | | | | | | | | |
| 2% Overhead | | | \$28,888 | | | | | | | | |
| 7% Profit | | | \$101,107 | | | | | | | | |
| Bond | | | \$19,680 | | | | | | | | |
| Subtotal - Construction | | | \$1,466,687 | \$1,466,687 | | | | | | | |
| 8j. Equipment | | | | | | | | | | | |
| Generator | | | \$26,000 | | | | | | | | |
| Subtotal - Equipment | | | \$26,000 | \$26,000 | | | | | | | |
| 8k. Contingencies | | | | | | | | | | | |
| Construction (6%) | | | \$96,000 | | | | | | | | |
| Subtotal - Contingencies | | | \$96,000 | \$96,000 | | | | | | | |
| 8l. Miscellaneous | | | | | | | | | | | |
| NA | | | NA | | | | | | | | |
| Subtotal - Miscellaneous | | | | | | | | | | | |
| Total Construction Costs | | | | | | | | | | | |

Grant Application Detailed Budget Worksheet

| Grant Application Detailed Budget Worksheet | | | | | | | | | | | |
|---|----------|-----------|----------------|-------------|-----------------|-----------------|---------------------|-------------|--------------------|-------|----------------|
| 9. Other Direct Costs | Quantity | Unit Cost | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| NA | Item | | NA | | | | | | | | |
| Total Other Direct Costs | | | NA | | | | | | | | |
| Subtotal of Direct Costs | | | | | | | | | | | |
| | | | | | | | | | | | |
| 10. Indirect Costs | Rate | Base | Estimated Cost | HUD Share | Applicant Match | Other HUD Funds | Other Federal Share | State Share | Local/Tribal Share | Other | Program Income |
| NA | Type | | NA | | | | | | | | |
| Total Indirect Costs | | | NA | | | | | | | | |
| Total Estimated Costs | | | \$2,194,899 | \$2,194,899 | | | | | | | |

**Certification of Consistency
with the Consolidated Plan**

**U.S. Department of Housing
and Urban Development**

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: National Church Residences of Northern Columbus, OH

Project Name: Stygler Commons

Location of the Project: 165 North Stygler Drive, Gahanna, OH 43230-2488
Franklin County, OH

Name of the Federal Program to which the applicant is applying: U.S. Dept. of HUD, Assisted Living Conversion Program

Name of Certifying Jurisdiction: FRANKLIN COUNTY OHIO

Certifying Official of the Jurisdiction Name: JAMES SCHUMMER

Title: DIRECTOR

Signature: [Handwritten Signature]

Date: 5.24.07

ousing and Urban Developer
535-0114 exp. 09/30/2007

Component Name:

Evaluation Tools

7

Accountability

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 11 supplement

➤ Documents requested for Service Coordination
Multifamily Grant Application

1. HUD-91186: First-Time Funding Request
2. SF-424 for Service Coordination Grant

| Multifamily Housing Service Coordinator First-Time Funding Request | | | | | | |
|---|--|---|--|---------------------------------|---------------------|-------------|
| The public reporting burden for this collection of information for the Multifamily Housing Service Coordinator Programs is estimated to average 40 hours per response for applicants, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information and preparing the application package for submission to HUD. When providing comments, please refer to OMB Approval No. 2502-0447. HUD may not conduct, and a person is not required to respond to, a collection of information unless the collection displays a valid control number. The information submitted in response to the Notice of Funding Availability for the Service Coordinator Program is subject to the disclosure requirements of the Department of Housing and Urban Development Reform Act of 1989 (Public Law 101-235, approved December 15, 1989, 42 U.S.C. 3545). | | | | | | |
| Name and Address of Applicant/Owner: National Church Residences of Northern Columbus | | | | | | |
| 2335 North Bank Drive Columbus, OH 43220 | | | | | | |
| 1. Project Information: Please provide the information for every project included in your request; add more rows if needed. | | | | | | |
| a. Project Name and Address | b. Project Type (i.e. Sec. 202, 236, 221(d)(3)BMIR, or Sec. 8) | c. FHA or Project Number | d. Section 8 Number | e. # of Subsidized Rental Units | | |
| Styglers Commons 164 N. Styglers Drive Gahanna, Ohio 43230 | Section 202 | 043-EH315 | [REDACTED] | 32 | | |
| f. Resident Information | Number of Residents | % of Total Residents | g. If the SC will serve multiple eligible projects, give proportionate amount of time planned for each site. | | | |
| Estimate # of Frail Elderly | 7 | 22% | Project Name(s) | | # of Hours per week | |
| Estimate # of at Risk Elderly | 14 | 44% | | | | |
| Estimate # Non-Elderly People w/ Disabilities | 1 | 3% | | | | |
| Remaining Residents | 10 | 31% | | | | |
| Total | 32 | 100% | | | | |
| h. Is there an SC currently working at this project? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | | | | |
| If yes: 1. How many hours per week does the Service Coordinator currently work? | 2. How many hours per week do you want to add to your program? | 3. Will you extend current employees hours or hire additional staff? Extend Current Employee's Hours | | | | |
| 16 | 24 | | | | | |
| 2. Budget Information** | | | | | | |
| a. Personnel (Direct Labor/Salary) <i>Identify Position - SC or Aide</i> | Hours | Rate per Hour | Year 1 | Year 2 | Year 3 | Tot 3-Year |
| Service Coordinator | 1248 | \$17.91 | \$22,351.68 | \$23,022.23 | \$23,712.90 | \$69,086.81 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Total Direct Labor Cost | | | \$22,351.68 | \$23,022.23 | \$23,712.90 | \$69,086.81 |

| b. Fringe Benefits | Rate (%) | Base | Year1 | Year 2 | Year 3 | Tot 3-Year |
|--|----------|---------------|------------|------------|------------|-------------|
| 30% of Service Coordinator's Salary | 30% | \$22,351.68 | \$6,705.50 | \$6,906.67 | \$7,113.87 | \$20,726 |
| | | | | | | |
| | | | | | | |
| Total Fringe Benefits Cost | | | \$6,705.50 | \$6,906.67 | \$7,113.87 | \$20,726.04 |
| c. Quality Assurance/Program Evaluation (cap - 10% of line "a", Personnel) | Hours | Rate Per Hour | Year1 | Year 2 | Year 3 | Tot 3-Year |
| National Church Residences' Quality Assurance Program | 25 | \$90.00 | \$2,235.16 | \$2,302.21 | \$2,371.28 | \$6,908.66 |
| | | | | | | |
| | | | | | | |
| Total Quality Assurance | | | \$2,235.16 | \$2,302.21 | \$2,371.28 | \$6,908.66 |
| d. Training | Hours | Rate Per Hour | Year 1 | Year 2 | Year 3 | Tot 3-Year |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| Total Training | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| e. Travel (Indicate local private vehicle, (mileage and rate per mile) airfare (trips and fare), other (quantity and unit cost), per diem (days and rate per day). | | | Year 1 | Year 2 | Year 3 | Tot 3-Year |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| Total Travel | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| f. Supplies and Materials | Quantity | Unit Cost | Year 1 | Year 2 | Year 3 | Tot 3-Year |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| | | | | \$0.00 | \$0.00 | \$0.00 |
| Total Supplies and Materials | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

| g. Start-up Costs | | | | | | |
|--------------------------------------|-----------|-----------|-------------|-------------|-------------|-------------|
| 1. Creating Private Office Space | Quantity | Unit Cost | Year 1 | Year 2 | Year 3 | Tot 3-Year |
| Office Space (needs renovated) | | | | X | X | \$0.00 |
| Please see ALCP Grant Application | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| Subtotal for Private Office Space | | | \$0.00 | | | \$0.00 |
| 2. Office Furniture/Equipment | Quantity | Unit Cost | Year 1 | Year 2 | Year 3 | Tot 3-Year |
| None | | | | X | X | \$0.00 |
| | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| | | | | | | \$0.00 |
| Subtotal Cost of Furniture/Equipment | | | \$0.00 | | | \$0.00 |
| Total Start-Up Costs | | | \$0.00 | | | \$0.00 |
| h. Other Direct Costs | | | | | | |
| Quantity | Unit Cost | Year 1 | Year 2 | Year 3 | Tot 3-Year | |
| | | | \$0.00 | \$0.00 | \$0.00 | |
| | | | \$0.00 | \$0.00 | \$0.00 | |
| | | | \$0.00 | \$0.00 | \$0.00 | |
| | | | \$0.00 | \$0.00 | \$0.00 | |
| Total Other Direct Costs | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal of Direct Costs | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| i. Indirect Costs | | | | | | |
| Quantity | Unit Cost | Year 1 | Year 2 | Year 3 | Tot 3-Year | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Total Indirect Costs | | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total Estimated Costs | | | \$31,292.34 | \$32,231.11 | \$33,198.05 | \$96,721.51 |

** Please note: You may increase costs from year to year by no more than 3%.

k. Contracts: If you plan to contract out for a Service Coordinator or for Quality Assurance, list related cost. Give item and related cost.

Quality Assurance = \$90.00 an hour Part time = 24 hours Full time = 36 hours

l. Quality Assurance is 10% of line a, "Personnel (Direct Labor)". (Cannot exceed 10%.)

3. Funding Sources and Time Periods (Indicate all that apply.)

| Grant | \$ Amount | # of Years | # of Months | | |
|--|-------------|------------|-------------|-----------|---------|
| | \$96,721.51 | 3 | 0 | | |
| Section 8 Operating Funds (i.e. Budget-based) | \$ Amount | # of Years | # of Months | From Date | To Date |
| | | | | | |
| Residual Receipts | \$ Amount | # of Years | # of Months | From Date | To Date |
| | | | | | |
| Excess Income | \$ Amount | # of Years | # of Months | From Date | To Date |
| | | | | | |

Signature: _____ Date: _____

Contact Name: Mark Ricketts, Senior VP and COO Phone # [REDACTED] Email: [REDACTED]

Application for Federal Assistance SF-424 **Version 02**

| | | |
|---|---|---|
| * 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application | * 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision | * If Revision, select appropriate letter(s): _____ * Other (Specify) _____ |
|---|---|---|

| | |
|--|--|
| * 3. Date Received: Completed by Grants.gov upon submission. | 4. Applicant Identifier: _____ |
|--|--|

| | |
|--|---|
| 5a. Federal Entity Identifier: _____ | * 5b. Federal Award Identifier: _____ |
|--|---|

State Use Only:

| | |
|---|---|
| 8. Date Received by State: _____ | 7. State Application Identifier: _____ |
|---|---|

8. APPLICANT INFORMATION:

*** a. Legal Name:** National Church Residences of Northern Columbus

| | |
|--|--|
| * b. Employer/Taxpayer Identification Number (EIN/TIN): 31-1288291 | * c. Organizational DUNS: [REDACTED] |
|--|--|

d. Address:

| | |
|-----------------------------|-------------------------|
| * Street 1: | 165 North Stygler Drive |
| Street 2: | _____ |
| * City: | Gahanna |
| County: | Franklin |
| * State: | OH: Ohio |
| Province: | _____ |
| * Country: | USA: UNITED STATES |
| * Zip / Postal Code: | 43230-2488 |

e. Organizational Unit:

| | |
|--|--------------------------------|
| Department Name: Stygler Commons | Division Name: _____ |
|--|--------------------------------|

f. Name and contact information of person to be contacted on matters involving this application:

| | | |
|---------------------|-----------------------------|--|
| Prefix: Mrs. | * First Name: Teresa | |
| Middle Name: | _____ | |
| * Last Name: | Allton | |
| Suffix: | _____ | |

Title: Vice President of Support Services

Organizational Affiliation:
National Church Residents, 2335 N. Bank Drive, Columbus, OH

| | |
|---------------------------------------|---------------------------------|
| * Telephone Number: [REDACTED] | Fax Number: 614-451-0351 |
|---------------------------------------|---------------------------------|

*** Email:** [REDACTED]

Application for Federal Assistance SF-424

Version 02

9. Type of Applicant 1: Select Applicant Type:

M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*** Other (specify):**

*** 10. Name of Federal Agency:**

US Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.181

CFDA Title:

Multifamily Housing Service Coordinators

*** 12. Funding Opportunity Number:**

FR-5100-N-03

*** Title:**

Service Coordinators in Multifamily Housing

13. Competition Identification Number:

SCMH-03

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Gahanna, Franklin, OH

*** 15. Descriptive Title of Applicant's Project:**

Section 202

Attach supporting documents as specified in agency instructions.

[Add Attachments](#) [Delete Attachments](#) [View Attachments](#)

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

* a. Applicant

* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

| | |
|---------------------|--|
| * a. Federal | <input type="text" value="96,721.51"/> |
| * b. Applicant | <input type="text" value="0.00"/> |
| * c. State | <input type="text" value="0.00"/> |
| * d. Local | <input type="text" value="0.00"/> |
| * e. Other | <input type="text" value="0.00"/> |
| * f. Program Income | <input type="text" value="0.00"/> |
| * g. TOTAL | <input type="text" value="96,721.51"/> |

* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)

Yes No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:
Middle Name:
* Last Name:
Suffix:

* Title:

* Telephone Number: Fax Number:

* Email:

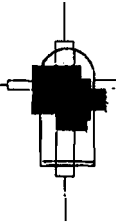
* Signature of Authorized Representative: * Date Signed:

Application for Federal Assistance SF-424

Version 02

*** Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.



National Church Residences

2335 NORTH BANK DRIVE, COLUMBUS, OHIO 43220-5499

(614) 451-2151 FAX (614) 451-0351 TDD (800) 925-8689 www.ncr.org

June 19, 2007

Ms. Faye Norman
Headquarters
U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, DC 20410

RE: *National Church Residences of Northern Columbus, OH dba Stygler Commons
Gahanna, OH, HUD # 043-EH315*

Dear Ms. Norman:

On behalf of the owner, National Church Residences of Northern Columbus, OH and National Church Residences Health Care, I am pleased to submit our application for the Assisted Living Conversion Program.

National Church Residences is one of the foremost nonprofit housing providers in the country, having sponsored more than 250 housing developments for seniors in communities across the nation. National Church Residences, in conjunction with National Church Residences Health Care, has also developed and manages two skilled nursing facilities and three assisted living facilities. Throughout our thirty-nine years of owning and operating affordable housing for seniors, we have taken great pride in providing a housing environment enriched with services for our residents. This application for funding proposes the same high quality of housing and services in an assisted living environment.

All of Stygler Commons' 32 units will be improved converted to assisted living, complimenting the independent living facility and skilled nursing facility on the same campus. The project proposes a 3,700 square foot addition that would create space for congregate dining and a full service kitchen, an additional elevator, and therapy and activities' room. The project would also include a redevelopment of 3,000 square feet that would allow for nurse's offices, community space, and storage on each floor.

When funded, National Church Residences Health Care will apply for the appropriate ALF licensing in a timely manner when it is appropriate.

Should you have any questions regarding this application or require any clarification of the information presented, please do not hesitate to call Thomas J. Herlihy, Development Specialist at 614/273.3529.

Sincerely,

Thomas Slemmer @

Thomas W. Slemmer
President / CEO

Enclosures

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 1

- APPLICATION SUMMARY FOR THE ASSISTED LIVING
CONVERSION PROGRAM (FORM HUD-92045)

**Multifamily Housing Assisted
Living Conversion Program
APPLICATION SUMMARY SHEET**

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0542
(exp. 8/31/2008)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is required for HUD's Assisted Living Conversion Program (ALCP). This program is authorized under Section 522(c) of the Appropriations Act of 2000. The information is necessary to assist HUD in determining applicant eligibility and ability to convert multifamily housing projects designated for the elderly (in whole or in part) into assisted living facilities. A thorough evaluation of an applicant's qualifications and capabilities is critical to protect the Government's financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds. This collection of information does not collect any sensitive information. HUD does not ensure confidentiality.

Owner (Funds Recipient) Name NCR of Northern Columbus, OH
Address 165 N. Stygler Drive

City Columbus State OH Zip 43230

Phone (Include Area Code) [REDACTED]

Grant Contact Person (Name) Thomas Herlihy

Phone (Include Area Code) [REDACTED]

E-mail address [REDACTED]

List the specific development(s) targeted for assistance under this grant. Use additional sheets as needed.

Development Name Stygler Commons

Address 165 N. Stygler Drive

City Columbus State OH Zip 43230

FHA/Project Number 043-EH315 Sec.8 Number [REDACTED]

Project Type (e.g., 236) 202 No. of Units 32

Location (Urban, suburban, or rural) Suburban

Number of Residents 32 Estimated Number of Frail Elderly 7

Estimated Number of Non-elderly People with Disabilities 1

Estimated Number of At-risk Elderly 14

Are you applying for a Service Coordinator Grant? Yes No

Will this development share a service coordinator with other developments? Yes No

If yes, please give name and address of the development(s) if different.

Senators 1. Sherrod Brown 2. George Voinovich

Congressional Representative(s) Name(s) 1. Patrick Tiberi District(s) 1. OH-12

2. _____ 2. _____

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 10

➤ DESCRIPTION OF PROJECT'S RESOURCES

- a) Copy of most recent reserve and replacement account statements and analysis
- b) Copy of most recent residual receipts account statement
- c) Annual financial statement

Exhibit 10: Description of Project Resources

Stygler Commons has been a responsible steward of its available resources. This property has managed to sustain itself over the last fifteen years in regards to capital improvements. This property has minimal funds in both its Reserve Replacement accounts and its Residual Receipts account.

10(a) Reserves Account

Attached documentation illustrates that the total portfolio value in the Reserves account is \$44,616 as of 3/31/07. Management is planning a proposal to be submitted to HUD to utilize \$16,000 of these funds for improvements to resurface the parking lot. This proposal has not yet been submitted or approved.

10(b) Residual Receipts Account

The current residual receipt account balance as of 03/30/2007 is \$ 2.44. Please see attached documentation.

10(c) Annual Financial Statement (AFS)

Documentation that HUD received Stygler Commons most recent AFS is attached to this application. On September 18, 2006 HUD confirmed that the AFS was successfully received through electronic submission as part of the Real Estate Assessment Center (REAC) process (attached). This AFS is from 7/1/05 – 6/30/06. The next fiscal year AFS for this property will be from 7/1/06 – 6/30/07, which has yet to be completed. A complete AFS is also attached with this documentation entitled "National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons" (HUD Project no. 043-EH315).

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 10a

- COPY OF MOST RECENT RESERVE AND REPLACEMENT ACCOUNT STATEMENT AND ANALYSIS

Account Number: [REDACTED]
Account Name: [REDACTED]
Statement Date: 03/01/2007 to 03/31/2007



MESSAGES

Fifth Third Securities also reminds you to please promptly report any inaccuracy or discrepancy in your account to Brokerage Operations by calling 888-889-1025. Please re-confirm any oral communication in writing to your Investment Professional to further protect your rights, including rights under the Securities Investor Protection Act - SIPA.

The 2006 IRA contribution limit is \$4,000. You may also make an additional \$1,000 catch-up contribution if you reached age 50 or older at any time in 2006. For 2007, the limits remain the same. So, if you turned 50+ in 2006, you may contribute up to \$10,000 total toward meeting your retirement savings goals. Make your contribution today or set up automatic payments each month. Call your Fifth Third Investment Professional to get started today!

FOOTNOTES AND COST BASIS INFORMATION

Cost basis and gain(loss) information is included for your convenience and is based on information you provided or that is otherwise known to NFS at the time the statement is issued. The information may not reflect all adjustments or reportable transactions that are required for tax purposes and may not be accurate for tax reporting purposes. It is not a substitute for your own tax records. If you have any questions about your specific tax situation, please consult your tax advisor. Cost basis information is not adjusted for investments in Master Limited Partnerships (MLPs). In order to calculate basis for MLPs, you will need supplemental information from the partnership related to the income and distributions during the period you held your investment.

T - Cost basis information was provided by a third party. We treat it as original cost basis, as of the date it is provided, and we assume that for equities, it reflects any prior corporate actions, and for asset-backed fixed income securities, it reflects any prior principal pay downs. We do not apply any wash sale rules to tax lots with third party- provided cost basis.

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 10b

- COPY OF MOST RECENT RESIDUAL RECEIPTS
ACCOUNT STATEMENT

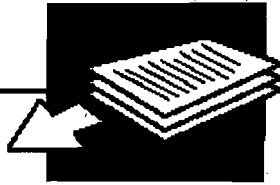
Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 10c

➤ ANNUAL FINANCIAL STATEMENT

| | |
|---|--|
| Annual Financial Statement Electronic Submission U.S. Department of Housing and Urban Development Real Estate Assessment Center (REAC) |  |
|---|--|

Your AUD-A133 Statement Data for

| Project Name | FHA/Contract Number | Date From | Date To |
|-----------------|---------------------|------------|------------|
| Stygler Commons | 043EH315 | 07/01/2005 | 06/30/2006 |

has been Accepted on Sep 18, 2006 11:14 AM!

[FASSUB Main Menu](#)

[<REAC Financial Assessment for FHA/MF Housing>](#)

[Comments or Questions <REAC Technical Assistance Center>](#)

**National Church Residences of Northern
Columbus, Ohio d/b/a Stygler Commons
(a not-for-profit corporation)
HUD Project No. 043-EH315**

**Financial Report
with Supplemental Information
June 30, 2006**

**National Church Residences of Northern Columbus,
Ohio d/b/a Stygler Commons
HUD Project No. 043-EH315**

Certificate of Officers

We certify that we have examined the attached financial statements and supplemental information of HUD Project No. 043-EH315, National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons, and to the best of our knowledge and belief, the same is a true statement of the financial condition as of June 30, 2006.

Mr. Mark Ricketts
President

July 31, 2006

Date

Mr. Joseph Kasberg
Vice President/Secretary/Treasurer

July 31, 2006

Date

ID# 

Employer Identification Number

**National Church Residences of Northern Columbus,
Ohio d/b/a Stygler Commons
HUD Project No. 043-EH315**

Management Agent's Certification

We certify that we have examined the attached financial statements and supplemental information of HUD Project No. 043-EH315, National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons, and to the best of our knowledge and belief, the same is a true statement of the financial condition as of June 30, 2006.

Mr. Mark Ricketts
Senior VP/COO of Housing Division
for National Church Residences as
Management Agent for the
Corporation

July 31, 2006

Date

(614) 451-2151

Telephone Number

ID# 

Management Company Employer
Identification Number

Gregory Brandwene

Property Manager

**National Church Residences of Northern Columbus,
Ohio d/b/a Stygler Commons
HUD Project No. 043-EH3 I 5**

Contents

| | |
|---|--------------|
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Plante & Moran, PLLC
Suite 600
65 E. State St.
Columbus, OH 43215
Tel: 614.849.3000
Fax: 614.221.3535
plantemoran.com

Independent Auditor's Report

To the Board of Directors
National Church Residences of Northern Columbus,
Ohio d/b/a Stygler Commons

We have audited the accompanying balance sheet of HUD Project No. 043-EH315, National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons (the Corporation), as of June 30, 2006 and 2005 and the related statements of activities, changes in deficiency in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HUD Project No. 043-EH315, National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons, as of June 30, 2006 and 2005 and the results of its operations, changes in deficiency in net assets, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 31, 2006 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide opinions on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Plante & Moran, PLLC

July 31, 2006

By: Robert E. Shenton
Engagement Partner
65 East State Street, Suite 600
Columbus, Ohio 43215-4227
Federal ID Number: 38-1357951
Phone Number: (614) 849-3000



A worldwide association of independent accounting firms



Plante & Moran, PLLC
Suite 600
65 E. State St.
Columbus, OH 43215
Tel: 614.849.3000
Fax: 614.221.3535
plantemoran.com

To the Board of Directors
National Church Residences of Northern
Columbus, Ohio d/b/a Stygler Commons

We have audited the financial statements of HUD Project No. 043-EH315, National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons, for the year ended June 30, 2006. Our audit was performed for the purpose of forming an opinion on the financial statements of National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons taken as a whole. The accompanying supplemental information, including the schedule of expenditures of federal awards, is presented for the purpose of additional analysis as required by HUD and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. For the purpose of electronic submission to the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), the supplemental information is also deemed to include the financial data template information as presented in the balance sheet and statements of activities, changes in deficiency in net assets, and cash flows. Such information utilizes the same basis of accounting as the financial statements and has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Plante & Moran, PLLC

July 31, 2006

**Report on Internal Control Over Financial
Reporting and on Compliance and Other
Matters Based on an Audit of Financial
Statements Performed in Accordance with
*Government Auditing Standards***

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
National Church Residences of Northern
Columbus, Ohio d/b/a Stygler Commons

We have audited the financial statements of National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons, HUD Project No. 043-EH315, as of and for the year ended June 30, 2006 and have issued our report thereon dated July 31, 2006. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Directors
National Church Residences of Northern
Columbus, Ohio d/b/a Stygler Commons

This report is intended solely for the information and use of the board of directors, audit committee, management, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Morse, PLLC

July 31, 2006

**Report on Compliance with Requirements
Applicable to Each Major Program and on
Internal Control Over Compliance with OMB
Circular A-133**

Report on Compliance with Requirements Applicable to Each Major Program and
on Internal Control Over Compliance with OMB Circular A-133

To the Board of Directors
National Church Residences of Northern
Columbus, Ohio d/b/a Stygler Commons

Compliance

We have audited the compliance of National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons, HUD Project No. 043-EH315, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs as of and for the year ended June 30, 2006. The major federal programs of National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons' management. Our responsibility is to express an opinion on National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons' compliance with those requirements.

In our opinion, National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

To the Board of Directors
National Church Residences of Northern
Columbus, Ohio d/b/a Stygler Commons

Internal Control Over Compliance

The management of National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered National Church Residences of Northern Columbus, Ohio d/b/a Stygler Commons' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the board of directors, audit committee, management, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

July 31, 2006

Schedule of Findings and Questioned Costs

**National Church Residences of Northern Columbus,
Ohio d/b/a Stygler Commons
HUD Project No. 043-EH315**

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2006**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

• Material weakness(es) identified? _____ Yes X No

• Reportable condition(s) identified that are not considered to be material weaknesses? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

• Material weakness(es) identified? _____ Yes X No

• Reportable condition(s) identified that are not considered to be material weaknesses? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ Yes X No

Identification of major programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u> | <u>Opinion</u> |
|---------------------|--|----------------|
| 14.157 | Supportive Housing for the Elderly (Section 202) - Direct Loan | Unqualified |
| 14.195 | Section 8 - Housing Assistance Payments | Unqualified |

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes _____ No

**National Church Residences of Northern Columbus,
Ohio d/b/a Stygler Commons
HUD Project No. 043-EH3 I 5**

**Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2006**

Section II - Financial Statement Audit Findings

| Reference Number | Finding | Questioned Costs |
|---------------------|---------|---------------------|
|---------------------|---------|---------------------|

**Current
Year:** None

| Reference Number | Finding | Questioned Costs |
|---------------------|---------|---------------------|
|---------------------|---------|---------------------|

**Prior
Year:** None

Section III - Federal Program Audit Findings

| Reference Number | Finding | Questioned Costs |
|---------------------|---------|---------------------|
|---------------------|---------|---------------------|

**Current
Year:** None

| Reference Number | Finding | Questioned Costs |
|---------------------|---------|---------------------|
|---------------------|---------|---------------------|

| | | |
|--------|----------------------------|------|
| 2005-1 | Status Indicator - Cleared | None |
|--------|----------------------------|------|

Statement of Condition - The Corporation failed to make the required reserve for replacements deposits in the prior fiscal year.

Narrative - Management deposited the underfunded amount to the reserve for replacements account in July 2005.

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 2

➤ LEGAL STATUS OF NONPROFIT SPONSOR

a) Articles of Incorporation

b) By-Laws

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 2a

➤ ARTICLES OF INCORPORATION

Stygler Commons

| DATE: | DOCUMENT ID | DESCRIPTION | FILING | EXPED | PENALTY | CERT | COPY |
|------------|--------------|---|--------|-------|---------|------|------|
| 10/03/2002 | 200227502126 | DOMESTIC AGENT SUBSEQUENT APPOINTMENT (AGS) | 25.00 | .00 | .00 | .00 | .00 |

Receipt

This is not a bill. Please do not remit payment.

COPORATION SERVICE COMPANY
ATTENTION COA
PO BOX 5828
TALLAHASSEE, FL 32314-5828

STATE OF OHIO
CERTIFICATE
Ohio Secretary of State, J. Kenneth Blackwell

761528

It is hereby certified that the Secretary of State of Ohio has custody of the business records for
NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH
and, that said business records show the filing and recording of:

Document(s)
DOMESTIC AGENT SUBSEQUENT APPOINTMENT

Document No(s):
200227502126



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 2nd day of October, A.D. 2002.

J. Kenneth Blackwell
Ohio Secretary of State



| DATE: | DOCUMENT ID | DESCRIPTION | FILING | EXPED | PENALTY | CERT | COPY |
|------------|--------------|------------------------------|--------|-------|---------|------|------|
| 08/08/2001 | 200115802164 | DOMESTIC/REINSTATEMENT (REN) | 10.00 | .00 | .00 | .00 | .00 |

Receipt

This is not a bill. Please do not remit payment.

NATIONAL CHURCH RESIDENCES
2335 NORTH BANK DRIVE
COLUMBUS, OH 43220

STATE OF OHIO

Ohio Secretary of State, J. Kenneth Blackwell

761528

It is hereby certified that the Secretary of State of Ohio has custody of the business records for
NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH
and, that said business records show the filing and recording of:

Document(s)
DOMESTIC/REINSTATEMENT

Document No(s):
200115802164



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of
the Secretary of State at Columbus,
Ohio this 29th day of May, A.D.
2001.

J. Kenneth Blackwell
Ohio Secretary of State



Prescribed by **J. Kenneth Blackwell**

Please obtain fee amount and mailing instructions from the Forms Inventory List (using the 3 digit form # located at the bottom of this form). To obtain the Forms Inventory List or for assistance, please

call Customer Service:

Central Ohio: (614)-466-3910 Toll Free: 1-877-SOS-FILE (1-877-767-3453)

*2018
Styler Comm
Art of Inc. Fil*

APPLICATION FOR REINSTATEMENT FOR A NON PROFIT CORPORATION

National Church Residences of Northern Columbus, OH

Charter Number 761528

(Name of Corporation)

a not-for-profit corporation, whose articles of incorporation or license to transact business in Ohio was cancelled on

12/15/99

(date)

, hereby makes application for reinstatement pursuant to Section 1702.59 or 1703.15 of the Ohio Revised Code.

This document is signed by a corporate officer.

Signature: _____

Name: _____

Joseph R. Kasberg

Title: _____

Secretary/Treasurer



Prescribed by
 BOB TAFT, Secretary of State
 30 East Broad Street, 14th Floor
 Columbus, Ohio 43266-0418

| | |
|-------------|--------|
| Charter No. | _____ |
| Approved | _____ |
| Date | _____ |
| Fee | \$5.00 |

STATEMENT OF CONTINUED EXISTENCE OF CORPORATION NOT FOR PROFIT

The undersigned, a trustee, officer, or three members in good standing of the corporation named below, hereby verifies/verify that the corporation is still actively engaged in exercising its corporate privileges, and that:

1. The exact corporate name is: NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS,

2. The city, villiage or township AND county in which its principal office is located are:

2335 NORTH BANK DRIVE, COLUMBUS, OH

3. The date of its incorporation was:

NOVEMBER 14, 1989

DATE

761528

CHARTER NUMBER

4. a. The name of the current statutory agent is: ROBERT C. MILLER

b. The complete address of the agent is: 2335 NORTH BANK DRIVE

COLUMBUS, OH 43220

(P.O. BOX ADDRESSES ARE NOT ACCEPTABLE.)

THIS DOCUMENT IS SIGNED BY A TRUSTEE, CORPORATE OFFICER, OR
 THREE MEMBERS IN GOOD STANDING.

BY: *James R. Kucy*

NOTE: If a new agent has been appointed on line 4a above, the agent whose name appears on line 4a must acknowledge his or her acceptance of such appointment below.

ACCEPTANCE OF APPOINTMENT

The undersigned, _____, named herein as the statutory agent for the corporation named in line 1 of this statement, hereby acknowledges and accepts the appointment of statutory agent.

 Signature of Statutory Agent



Prescribed by **J. Kenneth Blackwell**

Please obtain fee amount and mailing instructions from the Forms Inventory List (using the 3 digit form # located at the bottom of this form). To obtain the Forms Inventory List or for assistance, please

call Customer Service:

Central Ohio: (614)-466-3910 Toll Free: 1-877-SOS-FILE (1-877-767-3453)

*Styler, Common
Aut. File*

SUBSEQUENT APPOINTMENT OF AGENT

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH hereby appoints
(Name of Corporation)

THOMAS W. SLEMMER 2335 NORTH BANK DRIVE
(name of agent) (street and number)
COLUMBUS, Ohio 43220
(city, village or township) (zip code)

NOTE: P.O. Box addresses are not acceptable.

to succeed ROBERT C. MILLER as agent upon whom any process,
(Name of Former Agent)
notice or demand required or permitted by statute to be served upon the corporation may be served.

This line is to be signed by a corporate officer.

Signature: *[Handwritten Signature]*
Title: SECRETARY/TREASURER

Acceptance of Appointment

The undersigned, THOMAS W. SLEMMER named herein as the statutory agent for
NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH hereby acknowledges and accepts the
(Name of Corporation)
appointment of statutory agent for said corporation.

[Handwritten Signature]
(Statutory Agent)



1. **DATE** 12/15/1999 **TRANSACTION DESCRIPTION** Canceled, Failure to File Statement of Continued Existence (XCE)

Slyper Com-

Mail To:
ROBERT C MILLER
2335 N BANK DR
COLUMBUS, OH 43220

cut along dotted line



The State of Ohio
 *Certificate* 

Secretary of State - J. Kenneth Blackwell

761528

It is hereby certified that the Secretary of State of Ohio has custody of the business records for NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH and that said business records show the recording of:

CANCELLATION
FAILURE TO FILE STATEMENT OF CONTINUED EXISTENCE

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary
of State at Columbus, Ohio, This 15th day of
December, A.D. 1999



J. Kenneth Blackwell
J. Kenneth Blackwell
Secretary of State

RECEIVED

DEC 29 1999

HOUSING



The State of Ohio

Bob Taft
Secretary of State

04312-1652

761528

Certificate

It is hereby certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous Filings; that said records show the filing and recording of: CCE

of:

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH

United States of America
State of Ohio
Office of the Secretary of State

Recorded on Roll 4312 at Frame 1653 of
the Records of Incorporation and Miscellaneous Filings.

Witness my hand and the seal of the Secretary of State at

Columbus, Ohio, this 14TH day of NOV

A.D. 19 94 .



Bob Taft
Bob Taft
Secretary of State



Prescribed by
 BOB TAFT, Secretary of State
 30 East Broad Street, 14th Floor
 Columbus, Ohio 43266-0418

| | |
|-------------|-----------------|
| Charter No. | <u>761528</u> |
| Approved | <u>gmo</u> |
| Date | <u>11-14-94</u> |
| Fee | \$5.00 |

04312-1653

94111429201 *gk*

STATEMENT OF CONTINUED EXISTENCE OF CORPORATION NOT FOR PROFIT

The undersigned, a trustee, officer, or three members in good standing of the corporation named below, heraby verifies/verify that the corporation is still actively engaged in exercising its corporate privileges, and that:

1. The exact corporate name is: NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH

2. The city, villiage or township AND county in which its principal office is located are:

2335 NORTH BANK DRIVE, COLUMBUS, OH FRANKLIN

3. The date of its incorporation was:

NOVEMBER 14, 1989
DATE

761528
CHARTER NUMBER

4. a. The name of the current statutory agent is: ROBERT C. MILLER

b. The complete address of the agent is: 2335 NORTH BANK DRIVE

COLUMBUS, OH 43220

(P.O. BOX ADDRESSES ARE NOT ACCEPTABLE.)

**THIS DOCUMENT IS SIGNED BY A TRUSTEE, CORPORATE OFFICER, OR
 THREE MEMBERS IN GOOD STANDING.**

BY: *James R. Kucy*

NOTE: If a new agent has been appointed on line 4a above, the agent whose name appears on line 4a must acknowledge his or her acceptance of such appointment below.

ACCEPTANCE OF APPOINTMENT

The undersigned, _____, named herein as the statutory agent for the corporation named in line 1 of this statement, hereby acknowledges and accepts the appointment of statutory agent.

 Signature of Statutory Agent

G0749-1084



Department of State

The State of Ohio

Sherrod Brown
Secretary of State

761528

Certificate

It is hereby certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous Filings; that said records show the filing and recording of: ARN

of:

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH

United States of America
State of Ohio
Office of the Secretary of State

Recorded on Roll 6749 at Frame 1085 of
the Records of Incorporation and Miscellaneous Filings.

Witness my hand and the seal of the Secretary of State, at the
City of Columbus, Ohio, this 14TH day of NOV,
A.D. 19 89.



Sherrod Brown
Sherrod Brown
Secretary of State

G0749-1085

Form C-102 Corporation Not For Profit
Prescribed by Secretary of State - Sherrod Brown

APPROVED
FOR FILING

By LO
Date 11-24-89
Amount \$25
FOR OFFICIAL
USE ONLY

Articles of Incorporation

-OF-

National Church Residences of Northern Columbus, OH
(Name of Corporation)

The undersigned, desiring to form a corporation, not for profit, under Sections 1702.01 et seq., Revised Code of Ohio, do hereby certify:

FIRST. The name of said corporation shall be _____

National Church Residences of Northern Columbus, OH

SECOND. The place in Ohio where the principal office of the corporation is to be located is

City of Columbus, Franklin County.
(City, Village or Township)

THIRD. The purpose or purposes for which said corporation is formed are:

A. GENERAL PURPOSES OF THE CORPORATION:

The Corporation may engage in any lawful purpose or purposes that organized not-for-profit corporations may conduct under Ohio Non-profit Corporation Law and Section 501(c)(3) of the Internal Revenue Code, specifically including, but not limited to the development, ownership, and operations of housing for elderly and/or handicapped low- and moderate-income families, under private and/or governmental housing programs, specifically including but not limited to Section 202 of the National Housing Act of 1959 (P.L. 86-372), as amended, and Section 8 of Title II of the Housing and Community Development Act of 1974 (P.L. 93-383), as amended.

B. ONE SPECIFIC PURPOSE OF THE CORPORATION:

One of the specific purposes, among others, of the Corporation is:

A. To provide elderly persons and handicapped persons with housing facilities and services specifically designed to meet their physical, social and psychological needs and to promote their health, security, happiness, and usefulness in longer living, the charges for such facilities and services to be predicated upon the provision, maintenance, and operation thereof on a non-profit basis.

C. IRREVOCABLE NON-PROFIT PURPOSE OF THE CORPORATION:

The Corporation is irrevocably dedicated to and operated exclusively for non-profit purposes; and no part of the income or assets of the Corporation shall be distributed to, nor inure to the benefit of, any individual.

D. POWERS OF THE CORPORATION:

The Corporation is hereby empowered to specifically perform but is not limited to the following acts:

1. To buy, own, sell, convey, assign, mortgage, or lease any interest in real estate and personal property and to construct, maintain and operate improvements thereon necessary or incident to the accomplishment of its purposes but solely in connection with the project assisted under Section 202 of the Housing Act of 1959 as amended.

2. To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, and to secure the same by mortgage, pledge, or other lien on the Corporation's property.

3. To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation, including the execution of a Regulatory Agreement with the Secretary of Housing and Urban Development, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 202 of the Housing Act of 1959. Such Regulatory Agreement and other instruments and undertakings shall remain binding upon the Corporation, its successors, and assigns, so long as a mortgage on the Corporation's property is held by the Secretary of Housing and Urban Development.

4. In the event of the dissolution of the Corporation or the winding up of its affairs, or other liquidation or conveyance of its assets, the Corporation's property shall not be conveyed to any organization created or operated for profit or to any individual for less than the fair market value of such property, and all assets remaining after payment of the Corporation's debts shall be conveyed or distributed only to another non-profit corporation which is at that time exempt under Section 501(c)(3) of the Internal Revenue Code, and other than one created for religious purposes, PROVIDED, however, that the Corporation shall at all times have the power to convey any or all of its property to the Secretary of Housing and Urban Development to be used exclusively for public purposes.

E. SOLE MEMBER OF THE CORPORATION:

The Corporation shall at all times have one, and only one, Member in which shall vest all of the voting and other rights, authority, powers, and privileges of or pertaining to the Corporation that are conferred upon members of non-profit corporations formed under the Ohio Non-Profit Corporation Law (as amended), (or any future statute of like tenor or effect). Such sole member shall at all times be National Church Residences, an Ohio not-for-profit corporation, and its successors and assigns.

The member of the Corporation shall have the maximum voting and other rights, authority, powers, and privileges afforded members under the said Ohio Non-Profit Corporation Law, and nothing now or hereafter contained in these Articles of Incorporation or the Code of Regulations or By-Laws of the Corporation shall, or shall be deemed to, limit or restrict any such maximum rights, authority, powers and privileges, or elect or adopt any alternative means of exercising any right, authority, power or privilege that constitutes or would constitute a limitation, restriction or revocation of any right, authority, power or privilege to which the member would be entitled absent such election or adoption.

F. TRUSTEES OF THE CORPORATION:

The Trustees of the Corporation shall be selected by the Member of the Corporation and shall serve until their successors are selected by said Member. Said Trustees shall serve without compensation.

G. BY-LAWS OF THE CORPORATION:

By-Laws of the Corporation may be adopted by the Trustees at any regular meeting or any special meeting called for that purpose, so long as they are not inconsistent with the provisions of these Articles of Incorporation or of the Regulatory Agreement, if any, between the Corporation and the Secretary of Housing and Urban Development.

H. OFFICERS OF THE CORPORATION:

The officers of the Corporation, as provided by the By-Laws of the Corporation shall be elected by the Trustees of the Corporation in the manner therein set out and shall serve until their successors are elected and have qualified. The Trustees shall elect the regular officers of the Corporation at the annual meeting for terms of one (1) year. The secretary and treasurer may be one and the same person, and need not be a Trustee.

I. NET EARNINGS:

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its Member, Trustees, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes. No substantial part of the activities of the Corporation shall be the carrying on of propoganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

J. MORTGAGE:




So long as a mortgage, if any, on the Corporation's property is insured or held by the Secretary of Housing and Urban Development, these Articles of Incorporation may not be amended without the prior written approval of said Secretary.

G0749-1088

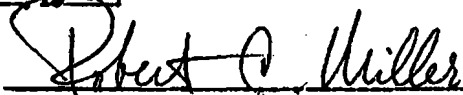
K. FURTHER RESOLVED, that the President of the said Member of this Corporation is hereby authorized and directed to execute and file in the office of the Secretary of State of Ohio these Articles of Incorporation.

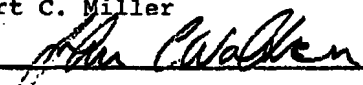
FOURTH. The following persons, not less than three, shall serve said corporation as trustees until the first annual meeting or other meeting called to elect trustees.

GIVE STREET AND POST OFFICE ADDRESS

| | | |
|----------------|--|--------------------|
| John Jones |  | Columbus, OH 43220 |
| William Blaine |  | Columbus, OH 43220 |
| Helen McDaniel |  | Columbus, OH 43220 |

IN WITNESS WHEREOF, We have hereunto subscribed our names, this 10th day of November 1929


Robert C. Miller


John G. Walker

(INCORPORATORS' NAMES SHOULD BE TYPED OR PRINTED BENEATH SIGNATURES)

N. B. Articles will be returned unless accompanied by Form C-103 designating statutory agent.

See Section 1702.06, Revised Code.

G0749-1089

CONSENT FOR USE
OF SIMILAR NAME

On the 5th day of October, 19 89
the Board of Directors of NATIONAL CHURCH RESIDENCES #303267
(Name of Corporation)

passed the following resolution:

Resolved that NATIONAL CHURCH RESIDENCES
(Name of Corporation)

gives its consent to NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH
(Name of New Company of Persons)

to the use of the name NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH
(Name of New Company)

Signed *Donald K. ...*
(Secretary or Assistant Secretary)

CONSENT

G0749-1090



Original Appointment of Statutory Agent

The undersigned, being at least a majority of the incorporators of National Church Residences of
(Name of Corporation)

Northern Columbus, OH, hereby appoint Robert C. Miller to be statutory agent
(Name of Agent)

upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served.

The complete address of the agent is: 2335 North Bank Drive
(Street)

Columbus, Franklin County, Ohio 43220
(City or Village) (Zip Code)

Date: November 10, 1989

Robert C. Miller
Robert C. Miller (Incorporator)

John C. Walker
John C. Walker (Incorporator)

(Incorporator)

Instructions

- 1) Profit and non-profit articles of incorporation must be accompanied by an original appointment of agent. R.C. 1701.04(C), 1702.04(C).
- 2) The statutory agent for a corporation may be (a) a natural person who is a resident of Ohio, or (b) an Ohio corporation or a foreign profit corporation licensed in Ohio which has a business address in this state and is explicitly authorized by its articles of incorporation to act as a statutory agent. R.C. 1701.07(A), 1702.06(A).
- 3) The agent's complete street address must be given; a post office box number is not acceptable. R.C. 1701.07(C), 1702.06(C).
- 4) An original appointment of agent form must be signed by at least a majority of the incorporators of the corporation. R.C. 1701.07(B), 1702.06(B).

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 2b

➤ **BY-LAWS**

BY-LAWS
OF
NATIONAL CHURCH RESIDENCES OF
NORTHERN COLUMBUS, OH.

ARTICLE I

NAME AND ADDRESS OF THE CORPORATION

Section 1. The name of the Corporation is National Church Residences of Northern Columbus, OH. Its principal office is located at 2335 North Bank Drive, Franklin County, Columbus, Ohio 43220.

ARTICLE II

PURPOSE OF THE CORPORATION

Section 1. **GENERAL PURPOSES OF THE CORPORATION**

The Corporation may engage in any lawful purpose that Ohio organized not-for-profit corporations may conduct under Ohio Non-Profit Corporation Law, specifically including, but not limited to, the development, ownership, and operations of housing for elderly and/or handicapped low and moderate income families, under private and/or governmental housing programs, specifically including but not limited to Section 202 of the National Housing Act of 1959 (P.L. 86-372), as amended, and Section 8 of Title II of the Housing and Community Development Act of 1974 (P.L. 93-383), as amended.

Section 2. **ONE SPECIFIC PURPOSE OF THE CORPORATION**

One of the specific purposes, among others, of the Corporation is:

- a. To provide elderly persons and handicapped persons with housing facilities and services specially designed to meet their physical, social and psychological needs and to promote their health, security, happiness, and usefulness in longer living, the charges for such facilities and services to be predicated upon the provision, maintenance, and operation thereof on a non-profit basis.

Section 3. IRREVOCABLE NON-PROFIT PURPOSE OF THE CORPORATION

The Corporation is irrevocably dedicated to and operated exclusively for, non-profit purposes; and no part of the income of assets of the Corporation shall be distributed to, nor inure to the benefit of, any individual.

Section 4. POWERS OF THE CORPORATION:

The Corporation is hereby empowered to specifically perform, but is not limited to the following acts:

a. To buy, own, sell, convey, assign mortgage, or lease any interest in real estate and personal property and to construct, maintain, and operate improvements thereon necessary or incident to the accomplishment of its purposes.

b. To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, and to secure the same by mortgage, pledge, or other lien on the Corporation's property.

c. To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation, including the execution of a Regulatory Agreement with the Secretary of Housing and Urban Development, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing under Section 202 of the Housing Act of 1959. Such Regulatory Agreement and other instruments and undertakings shall remain binding upon the Corporation, its successors and assigns, so long as a mortgage on the Corporation's property is held by the Secretary of Housing and Urban Development.

d. In the event of the dissolution of the Corporation or the winding up of its affairs or other liquidation or conveyance of its assets, the Corporation's property shall not be conveyed to any organization created or operated for profit or to any individual for less than the fair market value of such property, and all assets remaining after payment of the Corporation's debts shall be conveyed or distributed only to an organization or organizations created and operated for non-profit purposes similar to those of the Corporation: PROVIDED, HOWEVER, THAT the Corporation shall at all times have the power to convey any or all of its property to the Secretary of Housing and Urban Development.

Section 5. SOLE MEMBER OF THE CORPORATION

The Corporation shall at all times have one, and only one, Member in which shall vest all of the voting and other rights, authority, powers and privileges of or pertaining to the Corporation that are conferred upon members of non-profit corporations formed under the Ohio Non-Profit Corporation Law (as amended) (or any future statute of like tenor or effect). Such sole member shall at all times be NATIONAL CHURCH RESIDENCES, an Ohio not-for-profit corporation, and its successors and assigns.

Section 5. SOLE MEMBER OF THE CORPORATION (Continued)

The member of the Corporation shall have the maximum voting and other rights, authority, powers and privileges afforded members under the said Ohio Non-Profit Corporation Law, and nothing now or hereafter contained in the Articles of Incorporation or these By-Laws of the Corporation shall, or shall be deemed to, limit or restrict any such maximum rights, authority, powers and privileges, or elect or adopt any alternative means of exercising any right, authority, power or privilege that constitutes or would constitute a limitation, restriction, or revocation of any right, authority, power or privilege to which the Member would be entitled absent such election or adoption.

Section 6. TRUSTEES OF THE CORPORATION

The Trustees of the Corporation shall be elected by the Member of the Corporation and shall serve until their successors are selected by said Member. Said Trustee shall serve without compensation.

Section 7. OFFICERS OF THE CORPORATION

The officers of the Corporation, as provided by these By-Laws of the Corporation, shall be elected by the Trustees of the Corporation in the manner herein set out and shall serve until their successors are elected and have qualified. The Trustees shall elect the regular officers of the Corporation at the annual meeting for terms of one (1) year. The secretary and treasurer may be one and the same person, and need not be a Trustee.

Section 8. NET EARNINGS

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its Members, Trustees, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from Federal Income Tax under Section 501 (c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), or (b) by a Corporation contributions to which are deductible under Section 170 (c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Section 9. MORTGAGE

So long as a mortgage, if any, on the Corporation's property is insured or held by the Secretary of Housing and Urban Development, these Articles may not be amended without the prior written approval of the said Secretary.

ARTICLE III

MEMBERSHIP OF THE CORPORATION

The Corporation shall at all times have one, and only one, Member in which shall vest all of the voting and other rights, authority, powers and privileges of or pertaining to the Corporation that are conferred upon members of non-profit corporations formed under Chapter 1702 of the Ohio Revised Code (or any future statute of like tenor or effect). Such sole member shall at all times be NATIONAL CHURCH RESIDENCES, an Ohio Corporation not-for-profit, and its successors and assigns.

The member of the Corporation shall have the maximum voting and other rights, authority, powers, and privileges afforded members under said Chapter 1702 and nothing now or hereafter contained in these By-Laws of the Corporation shall, or shall be deemed to, limit or restrict any such maximum rights, authority, power or privilege that constitutes or would constitute a limitation, restriction, or revocation of any right, authority, power, or privilege to which the member would be entitled absent such election or adoption.

ARTICLE IV

MEETINGS OF MEMBER OF THE CORPORATION

Section 1. PLACE OF MEETING -- Meetings of the membership shall be held at the principal office or place of business of the Corporation, or at such other suitable place convenient to the member as may be designated by the Board of Trustees.

Section 2. ANNUAL MEETING -- The annual meeting of the Corporation shall be held on the second Tuesday of March of each year, except that if such day is a legal holiday, the meeting shall be held on the first following business day. At such annual meeting, there shall be elected by the Member, a Board of Trustees in accordance with the requirements of Section 1 of Article V of these By-Laws. The Member may also transact such other business of the Corporation as may properly come before such annual meeting.

ARTICLE IV (Continued)

MEETINGS OF MEMBER OF THE CORPORATION (Continued)

Section 3. SPECIAL MEETINGS -- Special meetings may be called by the President or shall be called by him as directed by a resolution adopted by the Board of Trustees or upon a written request by the Member or at the request of the United States Department of Housing and Urban Development. The notice of any special meeting shall state the time and place of such meeting and purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice, unless by consent of the Member, of its proxy.

Section 4. NOTICE OF MEETINGS -- It shall be the duty of the Secretary to mail notice of each Annual Meeting, stating the purpose thereof as well as the time and place where it is to be held, to the Member, at its address as it appears on the membership book of the Corporation, or if no such address appears, at its last known place of address, at least ten (10) but not more than sixty (60) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.

Section 5. VOTING -- The Member of the Corporation shall have the maximum voting and other rights, authority, powers, and privileges afforded members under applicable Ohio Law including the right to vote by proxy. The President of NATIONAL CHURCH RESIDENCES, the sole Member, or in his absence, any officer of National Church Residences, shall cast the official vote of the Member on all matters requiring a vote and serves as the official representative of the Member at all meetings of the member.

Section 6. ORDER OF BUSINESS -- The order of business at all meetings of the Membership shall be as follows (items inapplicable to the particular meeting may be omitted):

- a. Roll Call.
- b. Proof of Notice of Meeting or waiver of notice.
- c. Reading of Minutes of preceding meeting.
- d. Reports of Officers.
- e. Report of Government Representative, if present.
- f. Report of Committees.
- g. Election of Inspectors of Election.
- h. Election of Trustees.
- i. Unfinished business.
- j. New business.

ARTICLE V

BOARD OF TRUSTEES OF THE CORPORATION

Section 1. NUMBER OF QUALIFICATIONS -- The Corporation shall be governed by the Board of Trustees composed of three (3) persons. The President of the sole Member, National Church Residences, shall automatically serve as a member of the Board of Trustees.

Section 2. GOVERNING POWERS -- The Board of Trustees shall have all the powers and duties necessary or appropriate for the administration of the affairs of the Corporation, and may do all such acts and things as are not, by law, or by the Articles of Incorporation, or by these By-Laws, directed to be exercised and done by the Member.

Section 3. NOMINATION OF TRUSTEES -- The Trustees, other than the President of the sole member who serves automatically, shall be nominated by the sole Member except that the President or Chairperson of the Board of Governors, as described in Article X of these By-Laws, shall be automatically nominated by his position.

Section 4. ELECTION AND TERM OF TRUSTEES -- The Trustees, other than the President of the sole Member, shall be elected from among the nominations as follows: At the first election, the term of the office of one of such Trustees shall be fixed for two (2) years; and the term of the other Trustees shall be fixed for three (3) years. At the expiration of the initial term of office of each such respective Trustee, his successor shall be elected and qualified.

Section 5. VACANCIES -- Vacancies in the Board of Trustees caused by any reason, whether by the removal of a Trustee, by a vote of the Membership, or at the request of the United States Department of Housing and Urban Development, or otherwise, shall be filled by a vote of the remaining trustees and each person so elected shall be a Trustee until a successor is elected by the Member at the next meeting.

Section 6. REMOVAL OF TRUSTEES -- At any annual or special meeting duly called, any one or more of the Trustees may be removed with or without cause by a vote of the Member or at the request of the U.S. Department of Housing and Urban Development. A successor Trustee may then and there be elected to fill the vacancy thus created, but only in accordance with the procedure set forth in Section 5 or Article V of these By-Laws.

Section 7. COMPENSATION -- Trustees shall receive no compensation for their services as Trustees.

ARTICLE V (Continued)

BOARD OF TRUSTEES OF THE CORPORATION

Section 8. ANNUAL MEETING -- Except as otherwise provided by, a meeting of the Board of Trustees for the purpose of election of Officers and the consideration of any other business that may be properly brought before it shall be held immediately after the annual meeting of the Member, at such place as the Board of Trustees may, from time to time, determine, and no notice of such meeting shall be necessary.

Section 9. REGULAR MEETINGS -- Regular meetings of the Board of Trustees shall be at the call of the President. Notice of regular meetings of the Board of Trustees shall be given to each Trustee, personally or by mail, telephone, telegraph, at least three (3) days prior to the day named for such meeting.

Section 10. SPECIAL MEETINGS -- Special meetings of the Board of Trustees may be called by the President on three (3) days' notice to each Trustee, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Trustees shall be called by the President or Secretary in like manner and on like notice on the written request of one or more Trustee.

Section 11. WAIVER OF NOTICE -- Before, or at, any meeting of the Board of Trustees, any Trustee may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Trustee at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. To the extent permitted by law, any lawful action of the Board of Trustees may be taken without a meeting, if written consent to such action is signed by all Trustees and filed with the Minutes of the Board.

Section 12. QUORUM -- At all meetings of the Board of Trustees, a majority of the Trustees shall constitute a quorum for the transaction of business, and the acts of the majority of the Trustees present shall be the acts of the Board of Trustees. If, at any meeting of the Board of Trustees, there is less than a quorum present, the Trustees present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. VOTING -- Each individual Trustee of the Board of Trustees for the Corporation shall have one (1) vote and the maximum voting and other rights, authority, powers, and privileges afforded Trustees under applicable Ohio law.

ARTICLE V (Continued)

BOARD OF TRUSTEES OF THE CORPORATION (Continued)

Section 14. ORDER OF BUSINESS -- The order of business at all meetings of the Board of Trustees shall be as follows (items inapplicable to the particular meeting may be omitted):

- a. Roll Call;
- b. Proof of Nature of Meeting or Waiver of Notice;
- c. Reading of Minutes of Previous Meeting;
- d. Reports of Officers;
- e. Report of Government Representative, if any;
- f. Report of Committees;
- g. Election of Inspectors of Election;
- h. Election of Officers;
- i. Unfinished Business;
- j. New Business.

ARTICLE VI

OFFICERS OF THE CORPORATION

Section 1. DESIGNATION -- The principal officers of the Corporation shall be a President, one Vice-President, a Secretary and Treasurer, all of whom shall be elected by the Board of Trustees.

Section 2. ELECTION OF OFFICERS -- The Officers of the Corporation shall be elected annually by the Board of Trustees at its Annual Meeting and, unless sooner removed by the Board, these elected Officers shall serve for a term of one (1) year and until their successors are elected and shall qualify. Any vacancies occurring in offices shall be filled by the Board of Trustees, from time to time. The Board of Trustees shall appoint such temporary or acting Officers as may be necessary during the temporary absence or disability of the regular Officers.

Section 3. REMOVAL -- Upon an affirmative vote of a majority of the members of the Board of Trustees, any Officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Trustees, or at any special meeting called for that purpose.

ARTICLE VI (Continued)

OFFICERS OF THE CORPORATION (Continued)

Section 4. PRESIDENT -- The President shall be the chief executive officer of the Corporation. He shall have all the general powers and duties which are usually vested in the office of President of a corporation, including the power to appoint committees, from time to time, as in his discretion he may deem appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. VICE-PRESIDENT -- There shall be one Vice-President, as the Board of Trustees shall, from time to time, determine. In the absence of, or disability of the President, the Vice-President shall perform the duties and exercise the powers of the President. The Vice-President shall also perform such other duties as shall be prescribed by the Board of Trustees.

Section 6. SECRETARY -- The Secretary shall keep the minutes of all meetings of the Board of Trustees and of the Membership. He shall have custody of the seal of the Corporation, and of such other books and records of the Corporation as the Board of Trustees may require. He shall perform the duties and functions customarily performed by the Secretary of a corporation, together with such other duties as the Board of Trustees may prescribe.

Section 7. TREASURER -- The Treasurer shall maintain custody of the Corporate funds and securities and shall keep a full and accurate account of all receipts and disbursements and shall render an account of all his transactions as Treasurer and of the financial condition of the Corporation whenever called upon to do so.

Section 8. ASSISTANT VICE-PRESIDENT -- There shall be one or more Assistant Vice-President(s), as the Board of Trustees shall, from time to time, determine. In the absence of, or disability of the President and the Vice-President, the Assistant Vice-President shall perform the duties and exercise the powers of the president. The Assistant VicePresident shall also perform such other duties as shall be prescribed by the Board of Trustees.

Section 9. ASSISTANT SECRETARY -- There shall be one or more Assistant Secretaries as the Board of Trustees shall from time to time determine. The Assistant Secretary, in the absence of the Secretary, shall keep the minutes of all meetings of the Board of Trustees and of the Membership, and shall perform the duties and functions customarily performed by the Secretary of the corporation, together with such other duties as the Board of Trustees may prescribe.

ARTICLE VII

AMENDMENTS TO THE BY-LAWS OF THE CORPORATION

Section 1. AMENDMENTS -- Except as otherwise required by law, or otherwise limited with the Articles of Incorporation for the Corporation, these By-Laws may be amended at any regular meeting of the Board of Trustees or at any special meeting called for that purpose provided that written notice of the proposed amendment shall have been given at least ten (10) days prior to such meeting. Such amendment shall require an affirmative vote of two-thirds (2/3rds) of the members of the Board of Trustees present at a duly constituted meeting and shall further require the prior written approval of the United States Department of Housing and Urban Development.

ARTICLE VIII

FISCAL MANAGEMENT OF THE CORPORATION

Section 1. FISCAL YEAR -- The fiscal year of the Corporation shall be July 1 of each year to the next June 30 of the following year, except that the first fiscal year of the Corporation shall begin at the date of incorporation and end on the next following June 30. The commencement date of the Corporation's Fiscal Year herein established shall be subject to change by the Board of Trustees, with the prior written approval of the United States Department of Housing and Urban Development and the United States Treasury Department--Internal Revenue Service Division.

Section 2. BOOKS AND ACCOUNTS -- Books and accounts of the Corporation shall be kept under the direction of the Treasurer of the Corporation in accordance with the requirements of the Loan Agreement and Regulatory Agreement entered into with the United States Department of Housing and Urban Development.

Section 3. AUDITING AND REPORTS -- At the close of each Fiscal year, the books and records of the Corporation shall be audited in accordance with the requirements of the United States Department of Housing and Urban Development, as prescribed by the applicable Loan Agreement and Regulatory Agreement. The President of the Corporation shall cause to be prepared annually a full and correct statement of the affairs of the Corporation, including a balance sheet and financial statement of operations for the preceding Fiscal Year which shall be submitted at the Annual Meeting of the Member and the Board of Trustees, and filed with the Secretary of the Corporation.

ARTICLE VIII (Continued)

FISCAL MANAGEMENT OF THE CORPORATION (Continued)

Section 4. EXECUTION OF CORPORATE DOCUMENTS -- With the prior authorization of the Board of Trustees, all notes, contracts and checks shall be executed on behalf of the Corporation by either the President or the Vice President and attested by the Secretary or Treasurer.

Section 5. FIDELITY BONDS -- The Board of Trustees shall require that all officers and employees of the Corporation having custody or control of corporate funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

ARTICLE IX

INDEMNIFICATION BY CORPORATION OF ITS TRUSTEES, OFFICERS,
AND EMPLOYEES

Section 1. INDEMNIFICATION OF TRUSTEES, OFFICERS AND EMPLOYEES -- The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a Trustee, Officer or Employee of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer or employee of another Corporation, domestic or foreign non-profit or for profit, partnership, joint venture, trust or other enterprise or foreign, non-profit or for profit, partnership, joint venture, trust or other enterprise against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, to the extent and under the circumstances permitted by the General Corporation Law of the State of Ohio. Such indemnification (unless ordered by a court) shall be made as authorized in a specific case upon a determination that indemnification of the Director, Trustee, Officer or Employee is proper in the circumstances because he has met the applicable standards of conduct set forth in the General Corporation Law of the State of Ohio. Such determination shall be made (1) by the Board of Trustees by a majority vote of a quorum consisting of Trustees who were not, and are not, parties to or threatened with any such action, suit, or proceeding; or (2) if such a quorum is not obtainable, or if a majority vote of a quorum of disinterested Trustees so directs, in a written opinion by independent legal counsel meeting the requirements of independence required by the General Corporation Law of Ohio; or (3) by the members; or (4) by the Court of Common Pleas or the court in which such action, suit or proceeding was brought.

ARTICLE IX (Continued)

INDEMNIFICATION BY CORPORATION OF ITS TRUSTEES, OFFICERS,
AND EMPLOYEES (Continued)

Section 2. OTHER RIGHTS -- The foregoing right of indemnification shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of Incorporation, these Regulations, any agreement, vote of Member, or disinterested Trustees or otherwise, and shall continue as to a person who has ceased to be a Trustee, Officer or Employee, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 3. ADVANCE PAYMENT OF EXPENSES -- The Corporation may pay expenses, including attorney's fees, incurred in defending any action, suit or proceeding referred to in Section 1 of Article IX of these By-Laws in advance of final disposition of such action, suit or proceeding as authorized by the Trustees in the specific case, upon receipt of an undertaking by or on behalf of the Trustee, Officer or Employee to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation.

Section 4. INSURANCE -- The Corporation may purchase and maintain insurance on behalf of any person who is or was a Trustee, Officer or Employee of the Corporation, or is or was serving at the request of the Corporation as a Director, Trustee, Officer or Employee of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability.

ARTICLE X

BOARD OF GOVERNORS TO THE CORPORATION

Section 1. ROLE -- The Board of Trustees may create an advisory Board of such size as may be determined by the Board of Trustees, to be known as the Board of Governors, to which the Board of Trustees may delegate duties and responsibilities as set forth in Section 2 of this Article X, but subject always to the supervision and direction of the Board of Trustees. The Board of Governors shall be nominated from the co-sponsoring organizations.

ARTICLE X (Continued)

BOARD OF GOVERNORS TO THE CORPORATION (Continued)

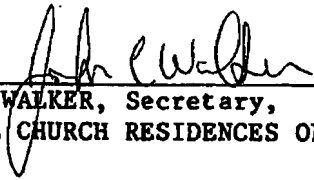
Section 2. DUTIES -- The Board of Governors may be delegated certain duties and responsibilities for the operation of the specific housing project, for which this Corporation was organized to own, develop, operate and manage. These duties may include, but are not limited to, admissions, activities, religious programs, public relations, building and grounds, medical and health programs, fund raising and resident relations.

Section 3. BY-LAWS -- The Board of Governors shall prepare their own By-Laws of operation.

Section 4. MINUTES -- Minutes shall be taken at all Board of Governors' meetings, copies of which shall be promptly provided to both the Member and the Board of Trustees of the Corporation and shall be preserved with all other records of the Board of Governors.

Section 5. AUTOMATIC NOMINATION OF PRESIDENT TO BOARD OF TRUSTEES
The President or Chairperson of the Board of Governors shall be automatically nominated to serve as a Member of the Board of Trustees by his position as provided in Section 3, Article V, of these By-Laws.

The undersigned hereby certifies that the foregoing
is a true and correct copy of the By-Laws of
NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH.



JOHN C. WALKER, Secretary,
NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH.

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 3

➤ **DESCRIPTION OF COMMUNITY SUPPORT**

- a) Description of links to the community
- b) Efforts to involve elderly persons in the development of this application
- c) Description of involvement in community's consolidated planning and analysis of impediments to fair housing processes
- d) Description of how the ALF will implement practical solutions that will improve living
- e) Description of support for state and local efforts to remove regulatory barriers to affordable housing

Exhibit 3: Description of Our Community Support

3(a) Description of Links to Community

Stygler Commons is located in Gahanna, Ohio. Gahanna is a suburban community that borders Columbus, Ohio. National Church Residences Healthcare (NCRHC) organization is the division of NCR that provides skilled nursing care, assisted living, home health care and hospice services. NCRHC and Stygler Commons facility have a unique relationship with the surrounding community.

Stygler Commons is on a campus with two other senior sites which are owned and managed by NCR. The first is Traditions of Stygler, a skilled nursing facility, and Stygler Village, which consists of 150 affordable housing units. Having this large campus including affordable housing and skilled nursing services makes this an ideal community for an assisted living facility.

As of the census of 2000, there were 32,632 people, 11,990 households, and 8,932 families residing in the city of Gahanna, Ohio. There were 12,390 housing units. The racial makeup of the city was 86.46% White, 8.14% African American, 0.20% Native American, 3.25% Asian, 0.03% Pacific Islander, 0.48% from other races, and 1.44% from two or more races. Hispanic or Latino of any race were 1.32% of the population.

There were 11,990 households out of which 40.4% had children under the age of 18 living with them, 62.4% were married couples living together, 9.2% had a female householder with no husband present, and 25.5% were non-families. 20.9% of all households were made up of individuals and **6.6% had someone living alone who was 65 years of age or older**. The average household size was 2.70 and the average family size was 3.17.

In the city the population was spread out with 28.9% under the age of 18, 6.5% from 18 to 24, 31.7% from 25 to 44, 24.3% from 45 to 64, and **8.7% who were 65 years of age or older**. The median age was 36 years. For every 100 females there were 94.2 males. For every 100 females age 18 and over, there were 90.4 males.

The median income for a household in the city was \$66,031, and the median income for a family was \$74,260. Males had a median income of \$51,391 versus \$35,922 for females. The per capita income for the city was \$29,040. About 2.2% of families and 3.7% of the population were below the poverty line, including 4.1% of those under age 18 and 4.4% of those age 65 or over.

So, the area has an aging population with an increasing number of those in poverty being age 65 or over. In reaching out to this community, the skilled nursing facility and the service coordinator at Stygler Commons have played key roles.

Exhibit 3: Description of Our Community Support

The current Service Coordinator (SC) at Stygler Commons is responsible for the primary linkages to the community. The SC has brought in a number of available services provided by community resources, including area hospitals such as Mt. Carmel Health and Riverside Hospital services. She has coordinated transportation, home delivered meals and food pantry services through FirstLink and Fresh Start Church of God.

A Neighborhood Network center is available to the residents at their neighboring community of Stygler Village. The high school students at Gahanna Lincoln teach the residents of Stygler Village on how to utilize the computer and internet services. Each month, educational programs are available to residents and provided by NCR at Home, (a home health care agency) including exercise and nutrition programs.

3(b) Efforts to involve elderly persons in the development of application

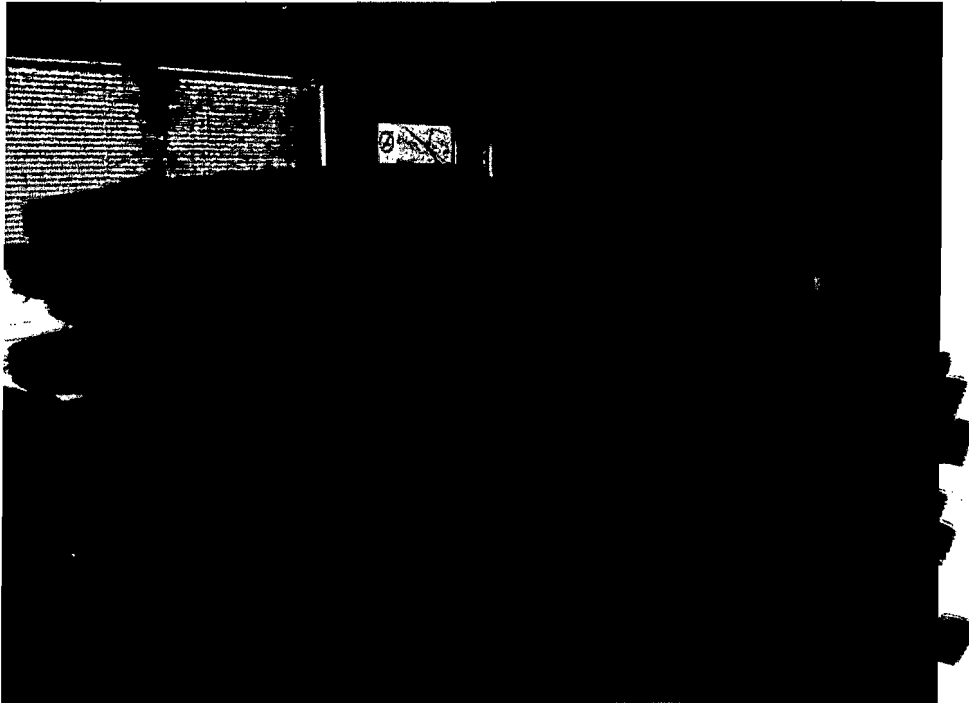
The following details our efforts to involve elderly persons, including minority elderly persons and persons with disabilities in:

(1) The development of the application

On May 10, 2007 a focus group was conducted by Terry Allton, VP of Support Services with a random group of residents at Stygler Commons. Eight of the 32 residents met with Ms. Allton to discuss the potential and possibilities of applying for the Assisted Living Conversion Grant. The residents included:

| <u>Name</u> | <u>Apt #</u> | <u>Age</u> | <u># of Yrs residing at Stygler Commons</u> |
|-------------|--------------|------------|---|
| [REDACTED] | [REDACTED] | 78 | 15 |
| [REDACTED] | [REDACTED] | 81 | 1 |
| [REDACTED] | [REDACTED] | 68 | 3 |
| [REDACTED] | [REDACTED] | 88 | 13 |
| [REDACTED] | [REDACTED] | 75 | 9 |
| [REDACTED] | [REDACTED] | 70 | 3 |
| [REDACTED] | [REDACTED] | 84 | 15 |
| [REDACTED] | [REDACTED] | 81 | 7 |

Exhibit 3: Description of Our Community Support



Stygler Commons residents attend a Focus Group to discuss the ALCP application process and the need for services at this site. (5/10/07)

The average age of the participating residents was 78.1 years and their average length of stay was 8.25 years. We discussed with the residents their existing service needs and how they felt about the accessibility of services. We discussed with them what this grant could provide and if they were interested in pursuing the program.

The residents overwhelmingly supported the grant application process and provided us with several recommendations, related to both services and capital improvements. Overall, the residents are concerned about the building being "outdated" and lacking "accessibility" as the resident's age-in-place. They were concerned about the parking lot and being able to enter and exit due to the lack of a drop-off area and the condition of the asphalt.

The tables below outline the residents concerns and requests for improvement for the purposes of this application ranked by resident priorities.

| CAPITAL IMPROVEMENT RECOMMENDATIONS | |
|--|--|
| 1 | Bathtubs to be converted to walk-in showers |
| 2 | Improve side door access to be secure and wheel chair accessible |
| 3 | Improve outdoor lighting in parking lot |
| 4 | Improve lobby entrance area |
| 5 | Extend Patio / Outdoor areas need improvement |

Exhibit 3: Description of Our Community Support

| | |
|----|--|
| 6 | Increase community space |
| 7 | Improve HVAC system |
| 8 | Improve wheelchair accessibility overall |
| 9 | Design a library/computer resource room |
| 10 | Need a smoking area – smokers need designated area outside |
| 11 | Balconies with each unit |
| 12 | More social activity space |
| 13 | Office for service coordinator |
| 14 | Parking lot re-sealed |

Residents also discussed concerns and issues regarding service needs. Most services are available to residents via the service coordinator. The service coordinator has been successful in identifying an array of services that are affordable to the residents including meals-on-wheels, home health care, and medical transportation. However, there were some services that the residents would like addressed.

| SERVICE IMPROVEMENT RECOMMENDATIONS | |
|--|---|
| 1 | Requested a formal Residents Association – facility is lacking in social activities |
| 2 | Requested an “Activities Director” |
| 3 | Need more healthcare services – accessibility and affordability were the two primary concerns related to healthcare. |
| 4 | Hairdresser on-site |
| 5 | Grocery store transportation – medical transportation is provided, but there is nothing available for trips for non-medical needs |
| 6 | Public Transportation availability – need a bus line |
| 7 | Increase the number of exercise & wellness clinics |
| 8 | Access to the Senior Center – another issue related to the non-medical transportation |

On May 21st & 22nd, 2007, a team of nurses and assisted living administrators met individually with 29 out of the 32 residents of Stygler Commons to conduct individual health assessments. These assessments were conducted to determine need and eligibility of assisted living services for the existing residents of Stygler Commons.

During these assessments, the nurses discussed what “assisted living” services entailed and how each resident could potentially benefit from the program. A 15 page assessment was completed for each resident reviewing the following components:

Exhibit 3: Description of Our Community Support

- Health history
- Medication profile
- Vital Statistics
- Systems review
(included respiratory, cardiovascular, gastrointestinal, nutritional, musculoskeletal, neurological, & blood disorders)
- ADL & IADL
- Environmental review (each apartments safety issues)
- Behavioral assessment
- Emotional status
- Social & Family Resources
- Informal & Formal Support Systems

This individual review helped each resident more thoroughly understand what the assisted living conversion grant could help provide to them. Because NCRHC's Assisted Living staff conducted the individual assessments, it has given NCRHC the ability to help begin their plan for providing these needed services to the residents. An overview of these individual assessments will help NCR Healthcare in developing their business model for this specific site based on the overall assessment needs.

(2) The development of the ALF operating philosophy;

As an ever-growing organization, National Church Residences (NCR) is committed to maintaining a steadfast standard of excellence, in housing, health care, and supportive services. Within the past two decades, NCR has expanded its services to include assisted living communities, home health care, nursing homes, rehabilitation, and long-term, continuing care communities for the nation's increasing older adult population. Stygler Commons is located on a campus in Gahanna, Ohio that also has a NCR skilled nursing facility.

NCR Healthcare will provide assisted living services at Stygler Commons. Due to the extensive experience NCR has in providing assisted living services, the operating philosophy will be based on the person centered care model. This model has been well received by the residents of the other (4) assisted living facilities that NCR Healthcare currently operates.

Whether it is providing assistance to seniors who want to maintain cherished independence within an assisted living community or providing fully staffed accredited nursing care in one of our state-of-the-art nursing homes, NCR works with each resident and his or her family to ensure meaningful living for all. NCR is a leader in Quality First, a comprehensive initiative of the American Association of Homes and Services for the Aging (AAHSA). Quality First is a philosophy of

Exhibit 3: Description of Our Community Support

quality and a framework for earning public trust in aging services. This is a renewal of NCR's commitment as aging-services providers to help older adults and their loved ones live their lives to the fullest potential.

Specifically within assisted living services, NCRHC will offer a full range of health care and rehabilitation services to the residents at Stygler Commons that will enable them to spend time doing what they enjoy most. Daily chores will no longer be a concern and the professional staff will help these residents manage their health conditions. NCRHC offers extensive, flexible services that change with each resident's needs, and will provide them at lower rates than most other assisted living communities. As well, NCRHC will work with each resident that qualifies to provide them with a Medicaid Waiver for assisted living services in the State of Ohio.

Current assisted living facilities operated by NCR Healthcare include:

Traditions at Mill Run
3550 Fishinger Rd.
Hilliard, OH 43026

Traditions of Chillicothe
142 University Drive
Chillicothe, OH 45601

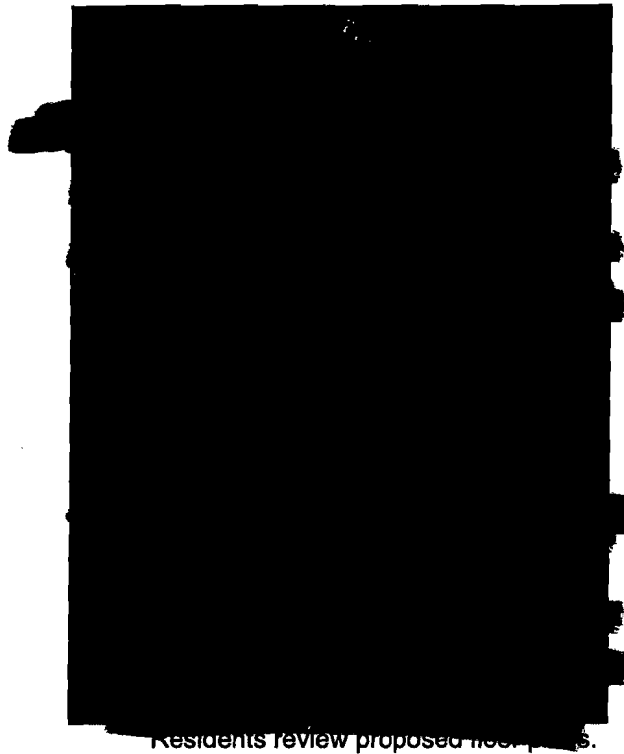
Traditions at Bristol Village
444 Cherry Street
Waverly, OH 45690

Traditions at Bath Road
300 East Bath Road
Cuyahoga Falls, OH 44223

(3) Review of the application prior to submission to HUD;

On Wednesday, May 23, 2007, the ALC Application Team met with 15 residents to review the proposed application. This presentation included a review of the Assisted Living Staffs' assessments and offered to answer any follow up questions.

Exhibit 3: Description of Our Community Support

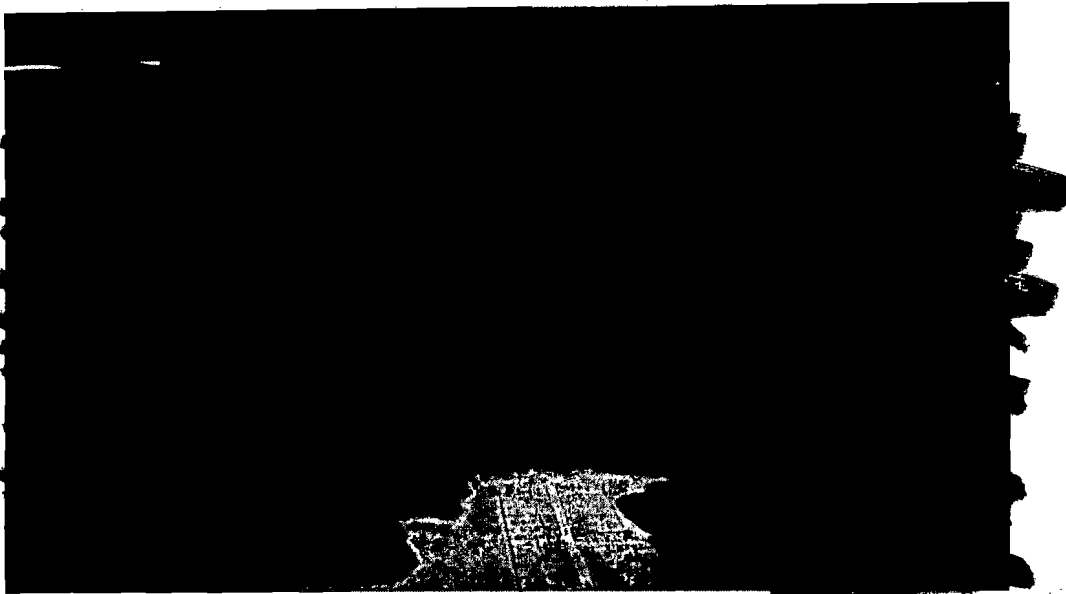


The team presented to the residents an overview of the operating philosophy of NCR Healthcare and how the programs will be provided to them. The residents were pleased with the level of autonomy and independence they would be able to maintain. They were also in favor of the person-centered care model. When they understood that services would be provided based on when the individual resident wanted them, as opposed to a nursing plan of care schedule, they were more confident in the overall decision to move forward with the application.

Preliminary architectural renderings and floor plans were also shared with the residents. The residents were shown drawings of the individual apartment upgrades; the additions to the main building, and how these upgrades will effect the parking and outdoor areas.

Residents were asked to draw on the plans, provide feedback and verbalize any questions or concerns they had about the proposal.

Exhibit 3: Description of Our Community Support



Stygler Commons residents review proposed building additions that will allow new therapies and services to be available to them on site. (5/23/07)

In review of the meeting to discuss the proposed building renovation plans, residents were overwhelmingly pleased. Residents stated that they were very supportive of having each unit be equipped with a walk-in shower, as bath tubs were difficult for them to step into at times. The nursing/therapy areas were reviewed as adequate. Overall the group was more interested in the larger entrance area, activity spaces, security improvements, larger kitchen and the addition of terrace/patio spaces. There is a lack of space in the current floor plan that allows for socialization or activities and this idea of increasing the space on each of the three floors was very exciting to them.

(4) *Your intent whether or not to involve eligible ALF residents in the operation of the project.*

Residents have always been an integral component of the operational decisions in NCR communities and within the NCR Healthcare division. The Stygler Commons Assisted Living Program will plan to include the residents in three distinct ways.

1. **INDIVIDUAL FEEDBACK / Utilizing the Service Coordinator** - Each resident will be encouraged to routinely meet with the service coordinator. At this facility, the service coordinator will serve as a liaison between property management and the assisted living services program. Should a resident identify that they need more assistance or have a concern/issue with the program, they can confidentially provide that information to the service coordinator.

Exhibit 3: Description of Our Community Support

The service coordinator will plan to meet weekly with management and ALF staff to discuss any individual resident concerns about their individual needs, or concerns related to the operations of the program.

2. **ANONYMOUS FEEDBACK / Resident Satisfaction Surveys** - Annually, the quality assurance component of the service coordinator program conducts a resident satisfaction survey. This survey addresses questions related to the quality of programming and services that are available to the residents. These survey results are reviewed so that action steps can be taken to rectify any resident concerns.

In addition, National Church Residences Housing & Healthcare divisions also conduct resident satisfaction surveys to assess residents concerns regarding the facilities, environment, management staff, services staff and any other concerns the residents may have.

3. **GROUP FEEDBACK / Resident Association** - The service coordinator will be charged with the task to assist the residents in implementing a formal residents association. This was one of the requests of the residents during the first "ALCP Focus Group." A formal residents association will allow the residents to address any concerns, issues, ideas or suggestions they may have related to the building or services.

3(c) Description of involvement in community's consolidated planning and analysis of impediments to fair housing processes

The Consolidated Plan provides an opportunity for citizens and community groups to identify the community needs and develop plans to address those needs. NCR takes this role in this process extremely serious. NCR understands that its participation in the plans includes designing program strategies and setting goals, as described in the Logic Model to meet the needs of the community in question and using its results to improve future Consolidated Plan Strategies.

(1) Identification of Lead Agencies:

For the City of Gahanna, The City of Columbus Department of Development and Franklin County Community and Economic Development Department are the lead agencies that organize the consolidated and comprehensive plan process and administers funding. The most recent Consolidated and Comprehensive plans for Franklin County and the City of Columbus was completed for the 4 years 2005-2009. During the preparation of these plans, the City of Columbus Department of Development and Franklin County Community and Economic Development Department surveyed the local community agencies and

Exhibit 3: Description of Our Community Support

organizations regarding their existing programs and activities. National Church Residences is on the mailing list and receives notices for review of Annual Action Plans from the Franklin County Commissioners. NCR responds to the requests for review/comment and has participated in previous hearings.

(2) Analysis of Impediments areas in which NCR participates:

As a MISSION driven organization committed to creating and preserving affordable senior housing, development of nearly all new housing consists of overcoming the Public and Private Impediments which exist in the community.

Public Sector Impediments

NIMBY Attitudes: NCR provides written and web based educational information to the public to dispel NIMBY attitudes. Nearly all public hearings for projects in development consist of educational information to eradicate NIMBYism.

Development Regulations/Site Selection: NCR has worked with local government to establish special zoning for elderly.

Visitability: All NCR facilities are designed to comply with UFAS and ADA requirements.

Taxes/Fees: NCR applies for tax exemptions wherever possible and requests reductions in local fees as a form of local participation on projects being developed.

Public/HUD Housing: NCR's main mission is the creation and preservation of affordable housing. NCR has purchased and preserved numerous properties which were at risk of being lost as affordable housing. NCR is heavily involved with American Association of Homes and Services for the Aging (AAHSA). NCR's President/CEO, Thomas Slemmer is currently Chair-Elect of AAHSA and will help direct and shape national policy to improve upon affordable housing.

Intergovernmental Coordination: A large majority of NCR developments require and have participation both cooperatively and financially of Federal, State and Local governmental agencies.

Environmental Issues: New projects developed by NCR contain *Energy Star* equipment and we are exploring *Green Development* whenever possible.

Smart Growth: Many of NCR's recent projects have met *Smart Growth* criteria.

Gentrification: Many NCR facilities are located in area's of gentrification where NCR's development facilitates older homeowner's to downsize and the existing housing stock is recycled.

Private Sector Impediments

Rental Housing: NCR operates more than 25,000 units of rental housing.

Differential Treatment: NCR has on going fair housing training for all employees and managers to eradicate any differential treatment.

Accessibility Requirements: All new NCR facilities are designed to be UFAS and ADA compliant. NCR is currently involved in updating much of its older stock and improving accessibility at those facilities in the process.

Fair Housing Training: NCR provides regular Fair Housing Training to its staff.

Exhibit 3: Description of Our Community Support

Labor shortage/Turnover: NCR implements/offers numerous programs to maintain and train employees.

Affordable Rental in Suburban Areas: The majority of NCR's properties are located in suburban areas.

(3) Level of Participation:

In preparation of the proposed project, NCR established relationships with the following people:

- Anthony F. Forte, Director Community of Economic Development Department, Franklin County
- [REDACTED] Housing Administrator, City of Columbus
- [REDACTED] Planning, City of Gahanna
- [REDACTED] Housing, MORPC
- Dennis Guest, Executive Director, CMHA
- Cindy Farson, Director, Central Ohio Area Agency on Aging
- Rebecca S. Maust, Chief, Ohio Department of Health
- Barbara E. Riley, Executive Director, Ohio Dept. of Health

We obtained a copy of the Consolidated Plan and familiarized ourselves with the planning process. NCR will continue participate in the Consolidated and/or Comprehensive Plan process in accordance with the Community and Economic Development Department of Franklin County's citizens participation plan and through the following activities:

PUBLIC HEARINGS: The Sponsor has participated and will stay apprised of Public Hearings that discuss the amount of funds Franklin County and the City of Columbus expects to receive, the range of activities to be undertaken with funds, the needs of the community, any proposed amendments to the Consolidated Plan and annual performance reports. To the extent that NCR feels it necessary to comment or to provide suggestions, we will attend hearings, or provide written comments to the agencies requesting input.

REVIEW OF DRAFT MATERIALS: NCR reviews draft materials including the Consolidated and/or Comprehensive Plans, Annual Plans, any amendments to the Plans, annual action plans, and the annual performance reports. NCR will provide written comments to the Department, should it deem such comments necessary, within the comment period prescribed by the Department.

COMMUNITY FORUMS: NCR has held numerous neighborhood forums in communities where it is developing to educate the public of the unique character and benefits to the community of providing elderly housing. MKost recently we presented to the North Columbus Council Area in May 2007 regarding affordable senior housing in response to local NIMBY opposition.

Exhibit 3: Description of Our Community Support

LOBBYING: NCR is involved in lobbying at a national level by participating in representative organizations such as AAHSA, where NCR's President/CEO is currently Chair Elect.

PUBLIC INFORMATION: NCR through its award winning newsletter *Home Front*, website and other public literature, disseminates information to the public dispelling many of the myths which are impediment to affordable housing.

National Church Residences will pay attention to the issues of Affordable Housing, particularly for persons 60 years and older and will advocate on behalf of the population.

3(d) Description of how the ALF will implement practical solutions that will improve living

NCRHC will implement practical solutions that will result in assisting residents in achieving independent living and an improved living environment.

The person centered care model encourages practical solutions to help residents achieve the highest level of independence in an assisted living environment. By providing the services on a schedule that meets the needs and desires of the resident, as opposed to a nurse or staff schedule, NCRHC encourages resident's self-direction and autonomy.

Modifications and renovations that will be made to the building also encourage an improved living environment:

- **Additional elevator**
The addition of a second elevator that will allow for patient-transport gurneys and more space will be a definite improvement. Residents are currently waiting longer periods of time for elevators, and when they are on gurneys, they have to be propped up into a sitting position to fit onto the elevator.
- **Congregate dining**
Assisted Living facilities are required to provide meals, so this improved dining site will allow for an improved environment for meals to be prepared and served. Also, a primary complaint of the residents at Stygler Commons during the focus group was that there few social activities and not enough opportunities to meet with fellow residents. By providing a congregate dining site, this will encourage socialization and provide an adequate space for congregating and conducting activities.

Exhibit 3: Description of Our Community Support

- **Social areas on each floor**

As previously mentioned, socialization is a concern. This concern should be eliminated by providing small lounges and activity areas on each floor. Isolationism is a primary health concern for the aging population. Providing them meeting areas is the first step into addressing this problem.

- **Patios**

Outdoor patios will invite residents to visit and relax. The outdoor patio areas are often times the only place residents have to go outside. Since half of the residents of Stygler Commons do not drive, it is imperative that they have the ability to congregate in an outdoor setting.

- **Care staff**

The new nursing offices on each floor will allow care staff to be on site 24 hours a day; 7 days a week and should provide an increased level of security and confidence on the part of the residents. By having a nurse and/or nurse aide available to address immediate health questions, many unnecessary trips to the emergency room can be avoided.

- **Home safety inspections**

Care staff will be in and out of residents units much more frequently. The observations that care staff make about the condition of the apartment can be very effective in falls prevention and removal of unsafe environmental hazards.

3(e) Description of support for state and local efforts to remove regulatory barriers to affordable housing

NCR has worked closely with the following on past projects and this project to help overcome the Impediments previously listed. NCR's success in providing affordable housing and services in Franklin County and Central Ohio is evidence of our success in overcoming the Impediments/Barriers to Affordable Housing:

- Anthony F. Forte, Director Community of Economic Development Department, Franklin County
- [REDACTED] Housing Administrator, City of Columbus
- [REDACTED] Planning, City of Gahanna
- [REDACTED] Housing, MORPC
- Dennis Guest, Executive Director, CMHA
- [REDACTED], Columbus Urban League
- Cindy Farson, Director, Central Ohio Area Agency on Aging
- Rebecca S. Maust, Chief, Ohio Department of Health
- Barbara E. Riley, Executive Director, Ohio Dept. of Health

Exhibit 3: Description of Our Community Support

BARRIERS TO AFFORDABLE HOUSINGS

PUBLIC SECTOR: NCR has previously been successful in working with local officials to:

- Create special senior housing zoning districts
- Obtain variances to allow increased density for senior housing
- Obtain variances to allow reduced parking requirements for senior developments
- Obtain reductions in R.E. Taxes for affordable facilities
- Obtain reductions in Impact Fees, City Fees, Building Permit Fees for affordable housing
- Obtain reduced fees for utility services
- Obtain land from public agencies to facilitate the development of affordable housing
- Obtain funds to facilitate development of affordable housing
- **PRIVATE SECTOR:**
- Obtain funds to facilitate development of affordable housing
- **FAIR HOUSING**
- Coordinate and work with local organizations to contact minorities that may not be reached through typical forms of advertising
- Education and Outreach
- Monitoring and Enforcement
- Provide information to combat NIMBY racial attitudes
- Work with local Real Estate organizations to educate them of the unique character of senior housing

Listed below are suggested actions and possible solutions that we will utilize in the development of this project to overcome the barriers listed above.

- **PUBLIC SECTOR**
- Redevelop of an existing facility will remove NIMBY, land cost, and general opposition to Section 8 issues
- Seek additional local funding or HOME funds if necessary
- We are working with the City of Gahanna to overcome potential zoning issues in the transition from independent to assisted living.
- **PRIVATE SECTOR**
- **FAIR HOUSING**
- Continue to implement and utilize existing AFHMP plan and gain additional comments and suggestions from Columbus Urban League to improve our current AFHMP.

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS

NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 4

- EVIDENCE OF PROJECT BEING OCCUPIED FOR AT
LEAST FIVE YEARS PRIOR TO DATE OF
APPLICATION

Exhibit 4: Evidence of 5 Years Project Occupied

Evidence of Occupation for Stygler Commons – Previous 5 Years

Stygler Commons has been an affordable housing community in Gahanna, Ohio since November, 1990. In order to provide evidence of occupancy for the last five years, please review the two attached documents.

Certificate of Occupancy

The Stygler Commons community received a Certificate of Approval and Occupancy on November 8, 1990 from the city of Gahanna, Ohio, Division of Building Regulations. In the months following the receipt of this certificate, Stygler Commons began leasing available apartment units to low-income elderly tenants. Approximately five of the existing residents of Stygler Commons were original tenants having moved in to the building immediately upon its opening.

Balance Sheets

To demonstrate that Stygler Commons has been open and functioning as an affordable housing apartment community, we have also attached Balance Sheets from years ending 6/30/01 – 6/30/06. Each Balance Sheet itemizes tenant rents, security deposits and tenant refunds, all providing evidence of the building being occupied.

DIVISION OF BUILDING REGULATIONS
GAHANNA, OHIO
CERTIFICATE OF APPROVAL & OCCUPANCY

Permit No. 520

Gahanna, Ohio 11-8-90

This is to certify that the residence commercial building other structure located at 155
NORTH STYGLER ROAD, Township of MIFFLIN, erected or constructed by

WALLICK CONSTRUCTION COMPANY, POST OFFICE BOX 1023, 6800 TISSING RD, REYNOLDSBURG, OH
43068

under Permit Number 391-90 issued to SAVE

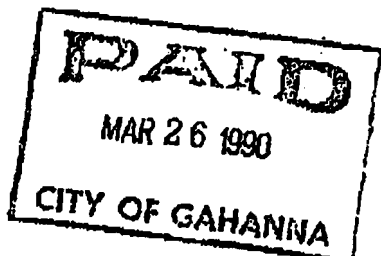
on 26 day of NOVEMBER, 1990, has been inspected and approved for occupancy,
has conformed to

Building Regulations Lot No. _____

Use and Occupancy Subdivision _____

Zoning Resolution

- Use of Land
- Changing Classification of Occupancy
- Changing Non-Conforming Use



Fee paid for building certificates of occupancy

\$ 10.00 For New Construction

\$ _____ For Change for Occupancy

Gahanna Building Inspector

By [Signature] 11-14-90

Any addition to, or alteration other than that covered by said permit or the zoning resolution makes this certificate void. This Certificate of Occupancy will be signed when this office is notified that your house is ready for occupancy before moving in.

It is understood that I or we will notify your office a minimum of 48 hours prior to moving in.

[Signature]
Owner

Assisted Living Conversion Program Application

NATIONAL CHURCH RESIDENCES OF NORTHERN COLUMBUS, OH, dba STYGLER COMMONS
NATIONAL CHURCH RESIDENCES, 2335 NORTH BANK DRIVE COLUMBUS, OHIO 43220

Exhibit 5

➤ **MARKET ANALYSIS**

- a) Evidence of need for ALF by current project residents
- b) Evidence of the need for ALF units by very low-income elderly and disabled in the market area
- c) Description of the alternate care for the local low income population
- d) Description of how information in the community's AI to fair housing choice was used in documenting the need for ALF

MARKET FEASIBILITY ANALYSIS

OF

STYGLER COMMONS
165 STYGLER ROAD
GAHANNA, OHIO

FOR

MR. TOM HERLIHY
NATIONAL CHURCH RESIDENCES
2335 NORTH BANK DRIVE
COLUMBUS, OHIO 43220

EFFECTIVE DATE

JUNE 1, 2007

JOB REFERENCE NUMBER

3886NY

869 W. Goodale Blvd.

Columbus, OH 43212

(614) 225-9500

Fax (614) 225-9505

12731 Research Blvd.

Building A, Suite 110

Austin, TX 78759

(512) 351-4781

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vwbresearch.com

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SECTION 7 – Current Conditions

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ADDENDUM A – Field Survey of Senior Residential Care Facilities

ADDENDUM B – Field Survey of Conventional Rentals

ADDENDUM C – Qualifications

ADDENDUM D – Area Demographics

INTRODUCTION

A. PURPOSE

The purpose of this report is to evaluate the market feasibility of Stygler Commons, an existing HUD Section 202 project that will be converted to assisted-living and will use Medicaid waivers to provide residents with assistance with activities of daily living. Upon completion of renovations, Stygler Commons will continue to operate under HUD Section 202 guidelines. Note that with a HAP contract, renovations to the structure will be funded by HUD while the Medicaid Waiver Program is state funded. Stygler Commons is located at 165 Stygler Road in Gahanna, Franklin County, Ohio. Mr. Tom Herlihy of National Church Residences initiated this study.

B. METHODOLOGIES

Methodologies used by VWB Research include the following:

- A Primary Market Area (PMA) that impacts the subject site is established. The PMA is generally described as the smallest geographic area expected to generate most of the support for the subject project. PMAs are not defined by radii. The use of a radius is an ineffective approach, since it does not consider mobility patterns, changes in socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors including, but not limited to:

- A detailed demographic and socioeconomic evaluation.
- Interviews with area planners, realtors, and other individuals who are familiar with area growth patterns.
- A drive-time analysis to the site.
- Personal observations by the field analyst.
- Field surveys of senior residential facilities, including independent-living, congregate care, assisted-living and nursing care facilities, are conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the senior housing market. This is accomplished by evaluation of unit mix, vacancies, rent levels, and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the project under analysis.

- An evaluation of area economic and demographic characteristics is conducted. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics, and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine the characteristics of the market when the subject project achieves a stabilized occupancy.
- Building statistics and interviews with development officials provide information on planned or proposed properties that will impact the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project, and its impact on the market and the subject development.
- An analysis of the subject project's market penetration into the number of potential age-/income-/asset-qualified population within the PMA. Those penetration rates are compared with acceptable market penetration rates for similar types of projects to determine whether the subject development's penetration rate is achievable.

C. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. VWB Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, VWB Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. VWB Research is not responsible for errors or omissions in the data provided by other sources.

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D. SOURCES

VWB Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 1990 and 2000 Census on Housing
- Claritas
- HISTA
- Applied Geographic Solutions
- Area Chamber of Commerce
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local Housing Authority representatives
- Real Estate Center at Texas A&M University

SECTION 1 - EXECUTIVE SUMMARY

This report evaluates the market feasibility of the existing Stygler Commons Senior apartment project located at 165 Stygler Road in Gahanna, Ohio to operate as an affordable assisted living facility that will accept Medicaid waivers while still operating as a HUD Section 202 property with a Housing Assistance Payment (HAP) contract.

Site Evaluation – The site's surrounding land uses will have a positive impact on the marketability of the site. Visibility and access are considered good. The site's surrounding neighborhood is very conducive to senior living, as it is located directly next to a nursing care facility if these services were ever needed. Note that the nursing care facility is also operated by National Church Residences.

The site is within close proximity to shopping, employment, recreation, entertainment, and education opportunities. Social services, public transportation, and public safety services are within 2.0 miles of the site. The site has convenient access to major highways, as well as the major arterial road that serves the city of Gahanna. Overall, we consider the site's location and proximity to community services to have a very positive impact on its marketability.

Demographic Trends – The Gahanna Site PMA population base has increased by 4,571 between 2000 and 2006. This increase represents an 8.0% increase over the 2000 total population, or an annual rate of 1.3%. It is projected that the total population will increase by 8,062 people, or 14.1%, between 2000 and 2011. The elderly population in the Site PMA age 70 and over is projected to increase from 4,012 in 2000 to 5,196 in 2011. This represents a 29.5% increase over the eleven-year period. Specifics on the demographic composition of the subject site can be found in Section 7 of this report.

Overall Senior Housing Market Conditions – We personally visited and surveyed four conventional housing projects designated for senior households containing a total of 305 units within the Gahanna Site PMA. We also identified and surveyed nine senior residential care facilities, including three congregate care facilities and six assisted-living facilities.

The conventional senior-only apartment properties surveyed have an overall occupancy rate of 100.0%, an indication that the Gahanna Site PMA senior specific apartment market is very healthy. Among the four projects surveyed, three projects are HUD 202 projects, and the one remaining project operates under the Section 42 Tax Credit program. Note that other than the congregate care facilities surveyed, there were no market-rate projects in the Gahanna Site PMA that market exclusively to senior households. All HUD 202 projects surveyed are similar to the subject site in that they target senior households age 62 and over and require residents to pay 30% of income to rent. The one Tax Credit project, Corban Commons, targets senior households age 55 and over.

We identified and surveyed three congregate care and six assisted-living facilities within the Gahanna Site PMA and surrounding areas. The following table summarizes the projects, units/beds, and occupancies among the facilities surveyed:

| FACILITY TYPE | TOTAL PROJECTS | TOTAL UNITS/BEDS | OCCUPANCY RATE |
|-----------------|----------------|------------------|----------------|
| CONGREGATE CARE | 3 | 280 | 95.7% |
| ASSISTED-LIVING | 6 | 648 | 98.0% |

The above table indicates a 95.7% occupancy rates among the congregate care facilities surveyed, and a 98.0% occupancy rate among the assisted-living facilities surveyed. These are high occupancy rates and an indication that the market could support additional assisted-living beds. Additional information of individual projects can be found in Section 6 of this report.

Depth of Market – It is assumed that the majority of tenants will be receiving social security. The basic monthly SSI payment nationwide for 2007 is \$623. This equates to a yearly sum of \$7,476, of which 30% (\$2,243) will go towards rent. As a HUD Section 202 project with a HAP contract, a tenant is required to pay 30% of their income to rent and could have no income. Therefore, the minimal income requirement to reside at the subject site could go down to \$0.

Renovations at the subject site are expected to be complete in 2009. Based on the household projections found in the Demographic Characteristics and Trends of this report indicate that there will be an estimated 1,785 age and income-eligible households within the Site PMA in 2009. The 32 units at the subject site represent a required capture rate of 1.8%.

The total demand for assisted-living units in 2009 is expected to number 156 units from households with incomes less than \$22,428. Note that the maximum allowable income under the Medicaid waiver program is within acceptable income ranges under the HAP contract, where the maximum allowable income is 50% of the area median household income established by HUD. The 32 total units at the subject site represent a required capture rate of 20.5%. Given the lack of affordable assisted living housing options in the subject site PMA, we consider the 20.5% capture rate to be highly achievable.

The current effective capture rate of the project is 0.0% as the subject site is fully occupied and tenant displacement is expected to be minimal. As reported by Ms. Andreas, the head of nursing of a local nursing care facility that performed the assisted living assessment of residents of Stygler Commons, there is sufficient need for assisted-living services at the subject site. Any resident that does not require assisted-living services or does not qualify for the Medicaid waiver will still be able to reside at the subject site.

Absorption Projections – The subject project has and is expected to continue to be a HUD Section 202 property with a HAP contract, and all units will likely be rented to those households eligible under the HUD Section 202 program. We also assume most current tenants will remain at the site once renovations are complete. However, for the purpose of this analysis, we have calculated an absorption assuming all of the units will be vacated and will need to be re-rented.

Due to the fact there is no comparable product in the Gahanna area, we expect that as many as all 32 units will be leased in the first two months or as quickly as the health screenings and Medicaid paperwork can be processed.

The demand for low-income senior units is strong as evident by the 1.8% capture calculated in section 5 of this report. There are no affordable assisted living units in the market. The 20.5% capture rate for these units is considered highly achievable given the lack of this type of housing

In reality, all residents at the subject site are expected to remain during and following renovations. The project will only need to occupy units that may become vacant during normal turnover. Medicaid Waiver eligible households will likely fill any vacancies that may arise given that this type of housing is not readily available in the market.

2.9 Unit and Project Amenities:

Unit amenities: range, refrigerator, disposal, carpet, window air conditioning, window coverings, intercom, and E-call buttons in both the bathroom and bedroom.

Project amenities: Community room, laundry facilities, computer learning center, picnic area, and central kitchen.

2.10 Detail Scope of Work:

The subject property will include the following renovations:

- Replace all flooring
- Install new kitchen appliances, cabinets, and countertops
- Paint the interior of all the units
- New bathroom fixtures, replace tubs with walk-in showers in all units
- Install medicine/locker cabinets in all units
- Install new furnaces
- Install new mini-blind at all windows
- Update exterior
- Repair all sidewalks to remove any trip hazards
- Repair, seal coat, and re-strip the parking lots
- Replace roofs where necessary
- Addition of new elevator/lobby area, therapy room, common kitchen, dining room, and activities room

2.11 Projected Placed in Service Date:

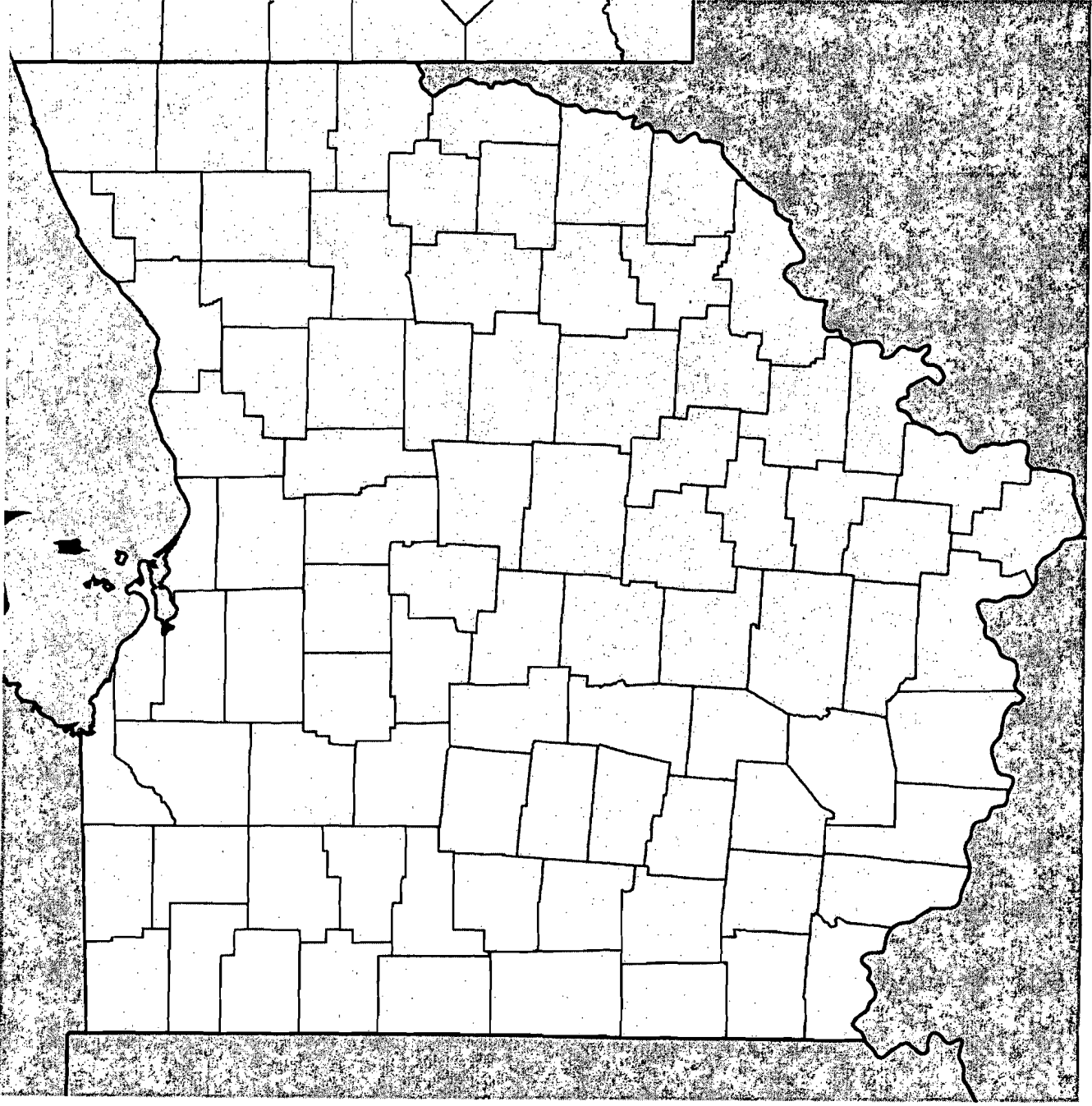
The developer proposes to have renovations completed by summer of 2009.

2.12 Statistical Area:

Columbus, Ohio MSA (2007)

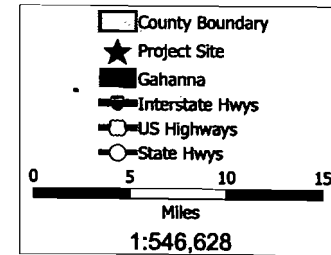
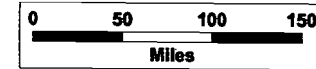
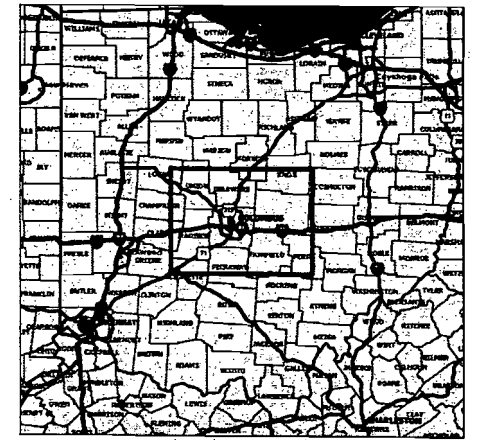
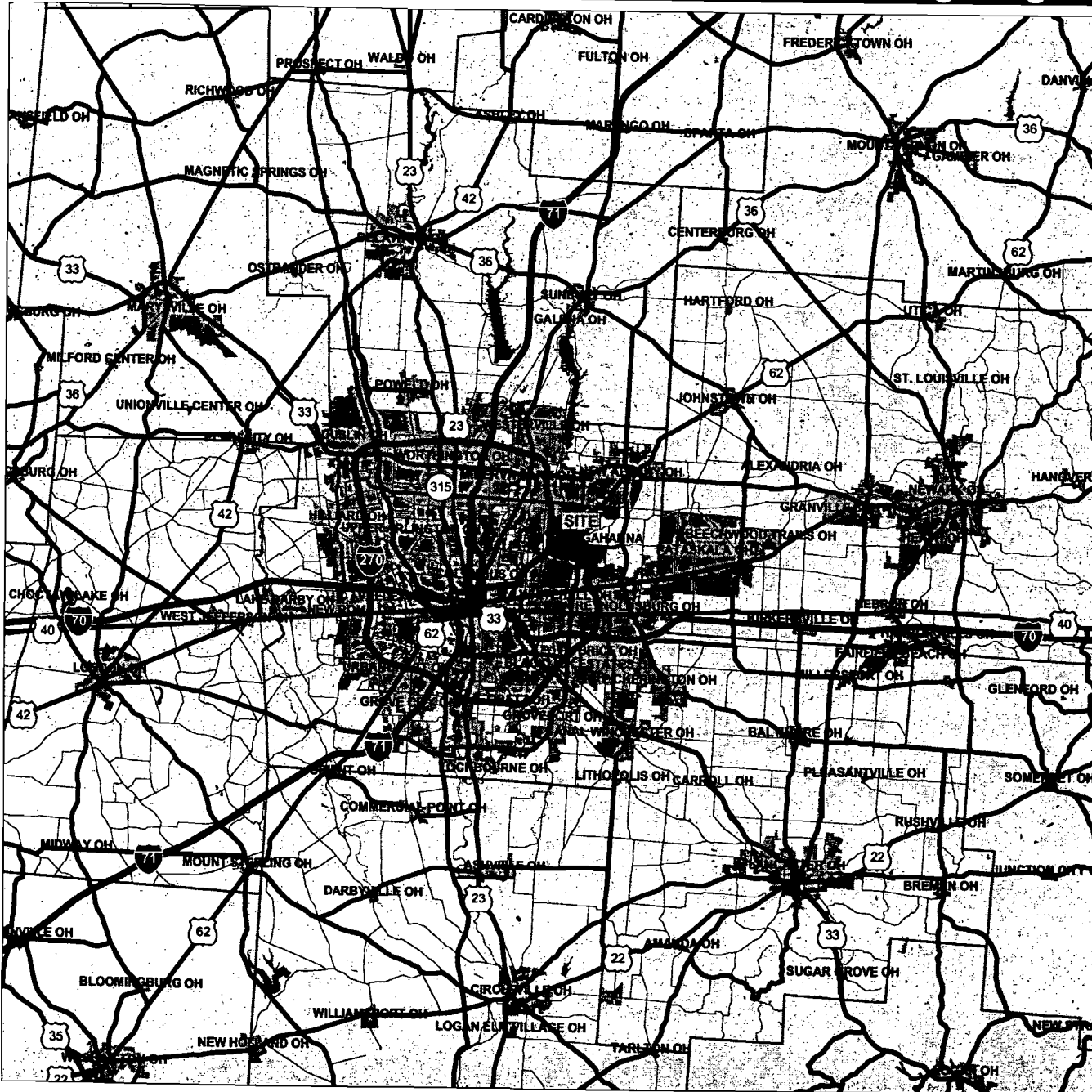
A state map, regional map, and a site neighborhood map are on the following pages.

State of Ohio



WILVER
v o s t w i l l i a m s b o w e n
RESEARCH

Gahanna, OH: Surrounding Region



VOGT WILLIAMS BOWEN
RESEARCH

SECTION 3 – SITE EVALUATION

SITE DESCRIPTION AND EVALUATION

3.1. Location:

The subject site is an existing brick and mortar building in good condition located at 165 Stygler Road in the southwest portion of Gahanna, Ohio. Located within Franklin County, Gahanna is 8.0 miles northeast of the Columbus downtown business district.

3.2. Surrounding Land Uses:

The subject site is within an established area of Gahanna, Ohio. Surrounding land uses include an independent care and nursing care senior facility, single-family homes in fair to good condition, shopping/retail, and a child care facility. Adjacent land uses are detailed as follows:

| | |
|---------|---|
| North - | North of the site is the Traditions Nursing Home facility. This 186-bed facility is operated by National Church Residences. Further north are single-family homes in fair to good condition, followed by Gahanna Middle School West. |
| East - | Stygler Road, a two-lane road with a turning lane, borders the site to the east. Continuing east are single-family homes in fair to good condition. Further east is a cemetery. Note that the cemetery is not visible from the site. |
| South - | South of the site is the Kinder Care Learning Center. This is a childcare center in excellent condition. Beyond are restaurant and retail establishments, followed by Agler Road and U.S. Highway 62. Further south are retail and dining establishments. |
| West - | A tree line outlines the western edge of the site. Continuing west is Stygler Village. This is an independent HUD 202 senior project operated by National Church Residences. Further west are single-family homes in fair to excellent condition. |

Overall, the subject property fits well with the surrounding land uses.

3.3. Visibility and Access:

The subject property is located at 165 Stygler Road. Traffic along Stygler Road is considered moderate during off-business hours and moderate to heavy during peak business hours. Visibility is considered excellent and unimpeded by other buildings. Access to the site is excellent and easily available to traffic traveling in either direction.

3.4. Proximity to Community Services and Infrastructure:

a. Commercial/Retail Areas

The area is served by numerous shopping opportunities. Easton Mall, which includes over 100 retailers, is located 4.5 miles northwest of the site and also serves as one of the area's major entertainment venues. South of the site is the Royal Plaza shopping center, which offers 10 retailers, including an Advanced Auto Parts and Speedway. There is another small shopping center 0.2 miles south of the site with eight retailers, such as Family Dollar, The Gahanna License Agency, and a grocery store. The Strawberry Plaza is another shopping center near the site that maintains 11 retailers, including a United States Post Office, located 1.3 miles east of the site. The closest pharmacy is CVS, located on the corner of Agler Road and Stygler Road approximately 0.2 miles south of the site.

b. Employers/Employment Centers

The subject site is within 8.0 miles of the downtown Columbus Central Business District, which has numerous employment opportunities. Major employers in the area include the state of Ohio, The Ohio State University, the U.S. Government, Honda, Banc One, The Limited, Inc., and Nationwide, all of which are within 15.0 miles of the subject site. A list of the major employers within the Gahanna city limits is included in Section 4 of this report.

c. Recreation Areas and Facilities

There are numerous parks within the city of Gahanna, the closest of which is Royal Garden Park, which consists of a gazebo and a nice garden arrangement that is maintained by the residents. The local YMCA is 2.7 miles northeast of the site. The Gahanna Community Center, known as the Olde Gahanna Sanctuary, is located 1.2 miles east of the site.

d. Entertainment Venues

The site is within close proximity to many area entertainment options offered by the city of Columbus. Easton Mall, which offers retail stores, as well as many restaurants and entertainment venues such as the Funny Bone, Shadowbox Cabaret and the AMC Theaters, is located 4.5 miles northwest of the site. The Wexner Center for the Arts features both art exhibits and live performances and is located on The Ohio State University campus, 9.4 miles west of the site. Nationwide Arena, located in the Arena District, is home to the Columbus Blue Jackets and is 8.1 miles southwest of the site. The Columbus Crew, a major league soccer team, plays at Crew Stadium, located 7.8 miles west of the site. The Schottenstein Center, a multi-purpose venue, is

home to many Ohio State Buckeye sports, concerts, and family productions and is located near the Ohio State Campus, 9.6 miles west of the site. There are also many restaurants and bars located near the site within the city of Gahanna.

e. Education Facilities

The Gahanna Public School District serves the subject site area. The elementary, middle, and high schools are all within 2.0 miles of the site.

Columbus State Community College, the area's largest two-year university, is approximately 7.7 miles southwest of the site and has an average enrollment of 22,000 students.

The nearest four-year, higher education institution is The Ohio State University, located 9.4 miles west of the site. The school has typical fall enrollment of 36,000 students.

f. Social Services

The Gahanna City Hall, which includes most local government services, is located 2.0 miles east of the site. The Gahanna Public Library is located 1.5 miles east of the site. The Gahanna Senior Center, which offers numerous social, educational, and counseling programs to elderly residents, is located 2.1 miles east of the site.

g. Transportation Services

The Central Ohio Transit Authority (COTA) system is a public bus service that serves Columbus and surrounding communities. The nearest bus stop is at the corner of Stygler Road and Agler Road, less than 0.2 miles south of the site. The site has convenient access to Interstates 270 and 670, as well as U.S. Highway 62.

h. Public Safety

The Gahanna Police Department maintains an office 2.1 miles east of the site, while the Gahanna Fire Department Station is 0.8 miles north of the site. Mount Carmel Hospital East is the closest major medical facility to the site and is located 6.9 miles southeast along East Broad Street. The closest local healthcare provider is located approximately 1.3 miles east of the site in the Gahanna Medical and Professional Building, which houses offices for numerous physicians.

3.5. Overall Site Evaluation:

The site's surrounding land uses have a positive impact on the marketability of the site. Visibility and access are considered good. The site's surrounding neighborhood is very conducive to senior living, as it is located directly next to a nursing care facility if these services were ever needed.

The site is within close proximity to shopping, employment, recreation, entertainment, and education opportunities. Social services, public transportation, and public safety services are within 2.0 miles of the site. The site has convenient access to major highways, as well as the major arterial road that serves the city of Gahanna. Overall, we consider the site's location and proximity to community services to have a very positive impact on its marketability.

A map illustrating the location of community services and photographs of the site are on the following pages.

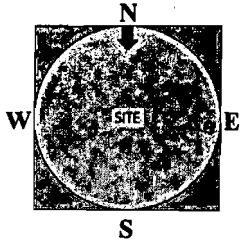
Gahanna, OH: Community Services



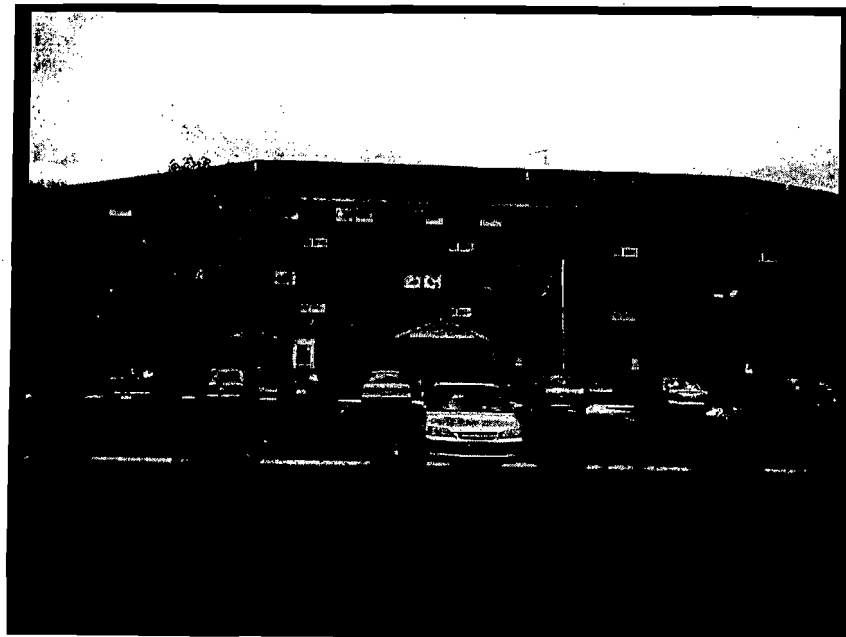
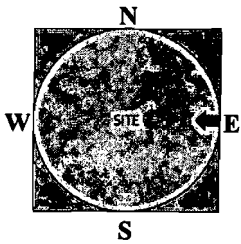
- ★ Project Site
- ⊙ Police
- ⊕ Fire Department
- ⊕ Med Center
- ◆ Shopping
- 🛒 Grocery
- 📮 Post Office
- Senior Center
- ⊙ Park/Recreation
- 🏢 Employment Center
- 📖 Library
- 🎓 Elementary School
- 🎓 Middle School
- 🎓 High School
- 🏦 Bank
- 🍽️ Restaurant
- 🏪 Pharmacy
- 🏛️ City Government
- 🚏 Bus Stop
- 🛣️ Interstate Hwys
- 🛣️ US Hwys
- 🛣️ State Hwys

0 .5 1 1.5
Miles
1:51,394

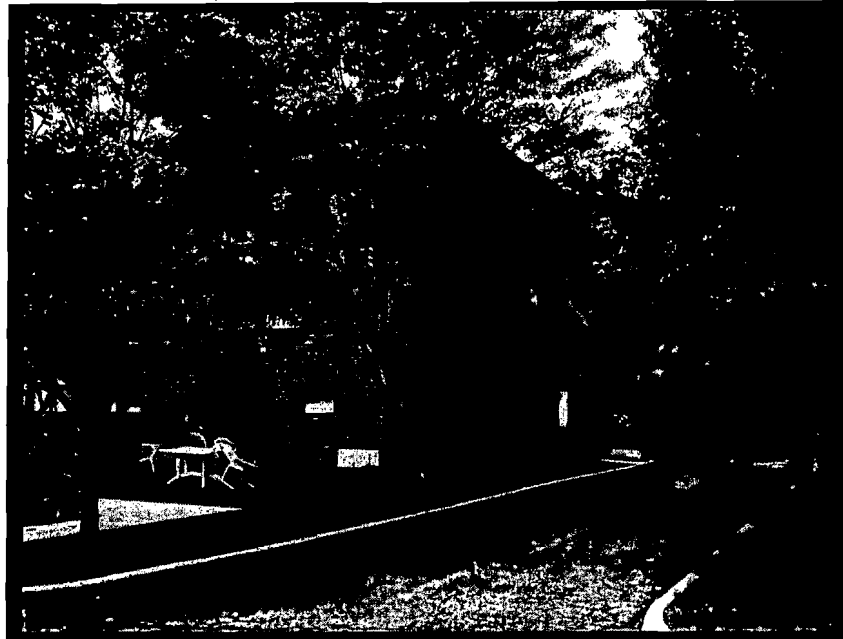
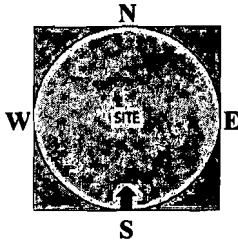
SITE PHOTOGRAPHS



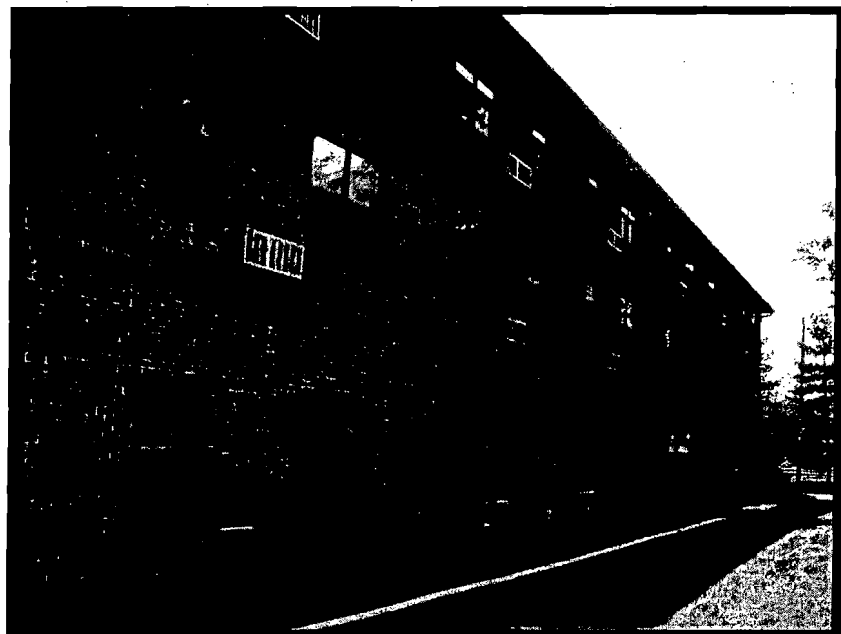
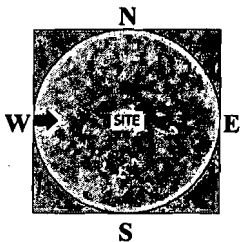
North view of site



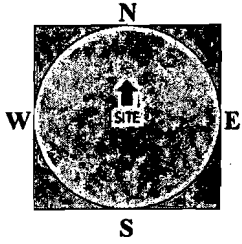
East view of site



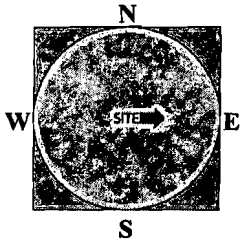
South view of site



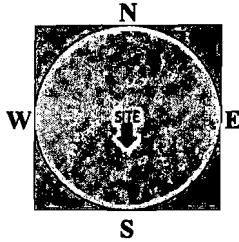
West view of site



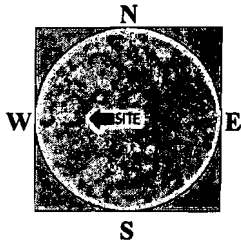
North view from site



East view from site



South view from site



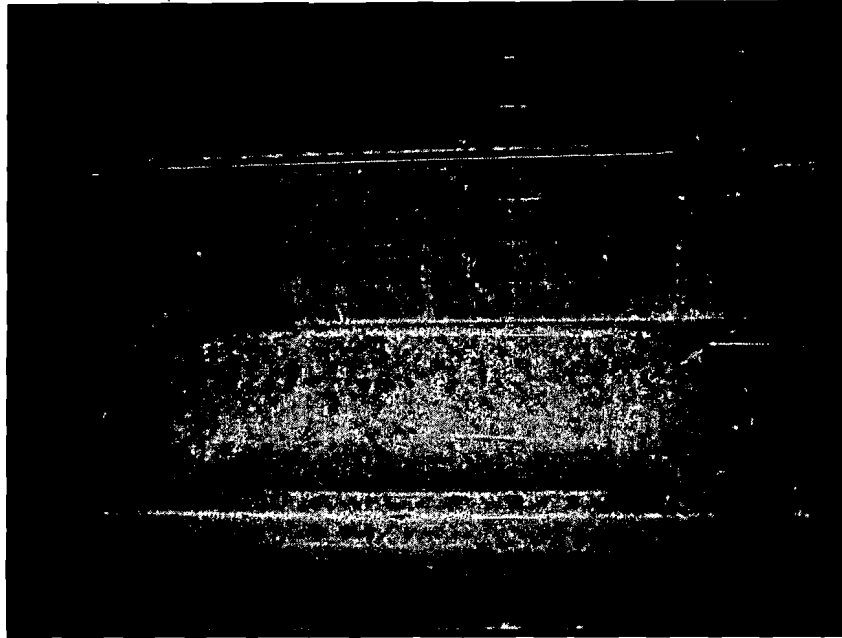
West view from site



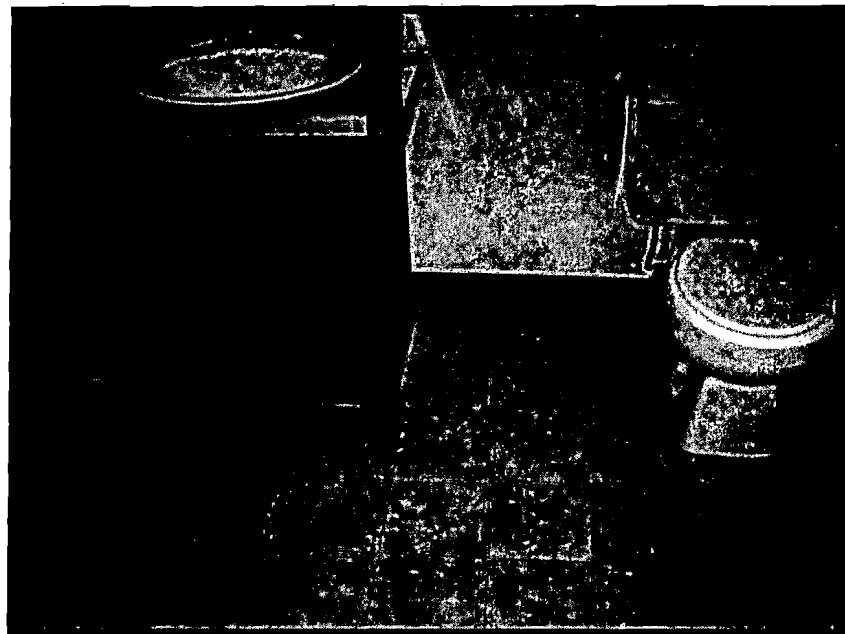
View to the North Along Stygler road



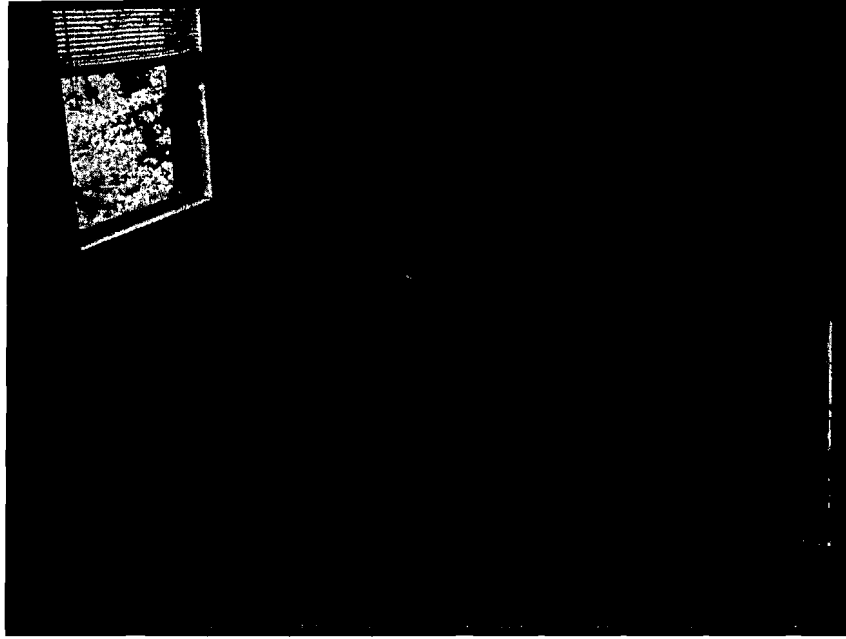
View to the south along Stygler road



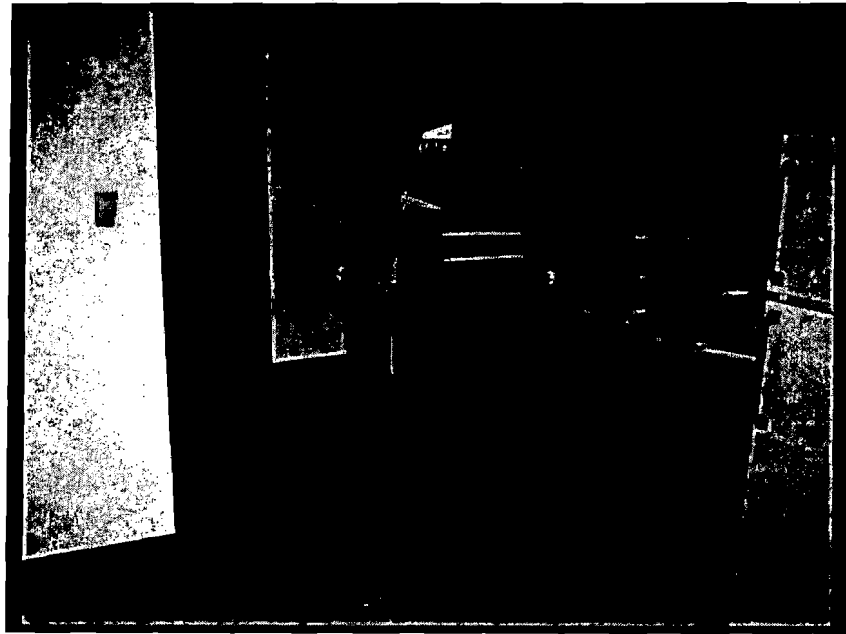
Studio Bathroom



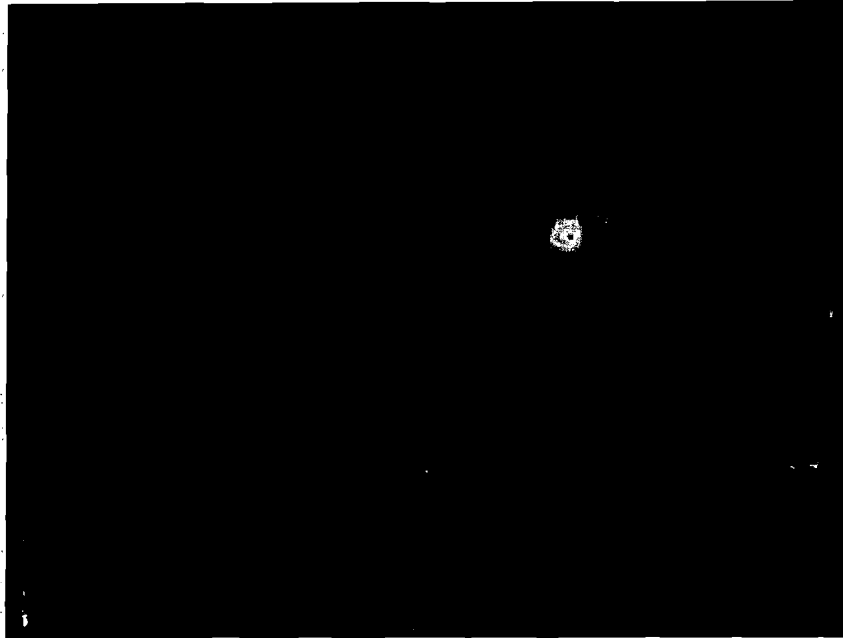
Studio Bathroom



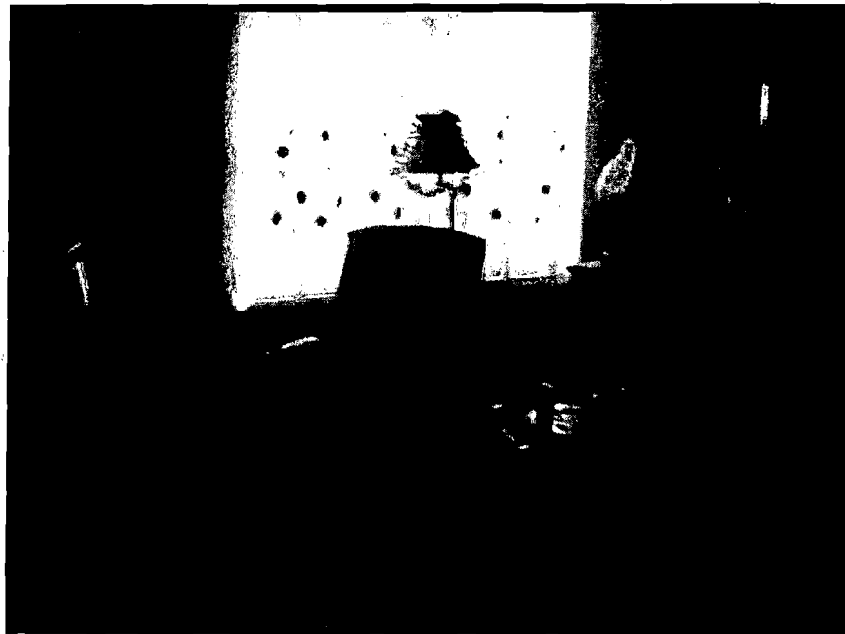
Studio living area



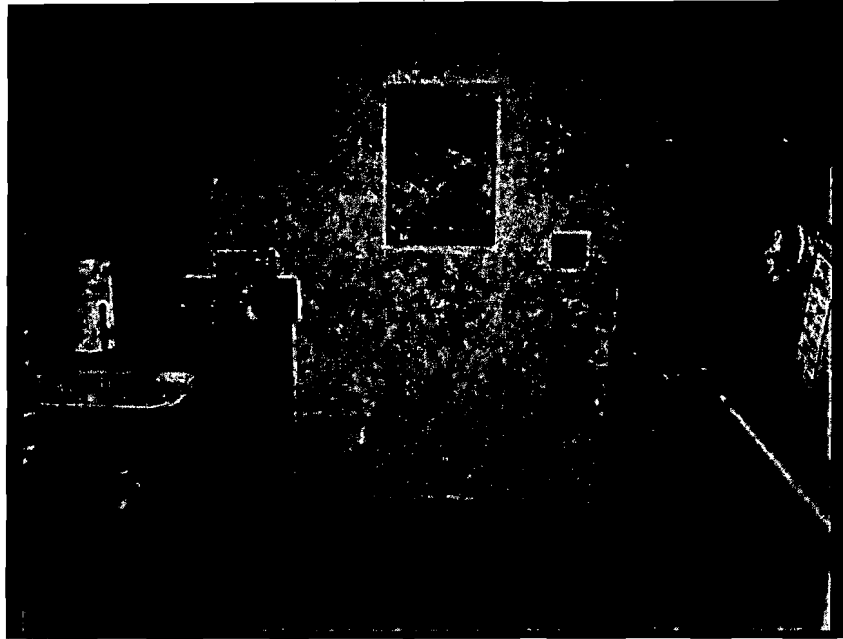
Studio kitchen



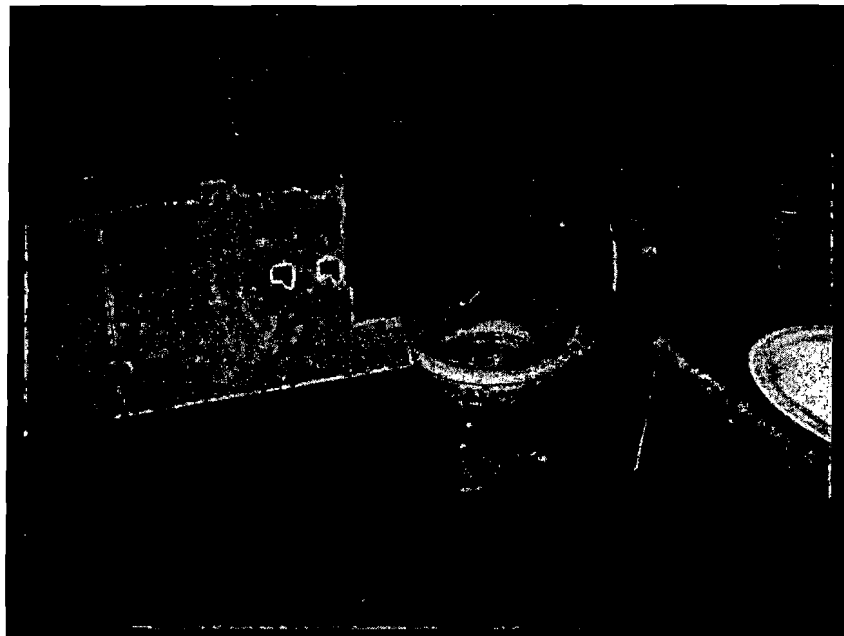
one-bedroom



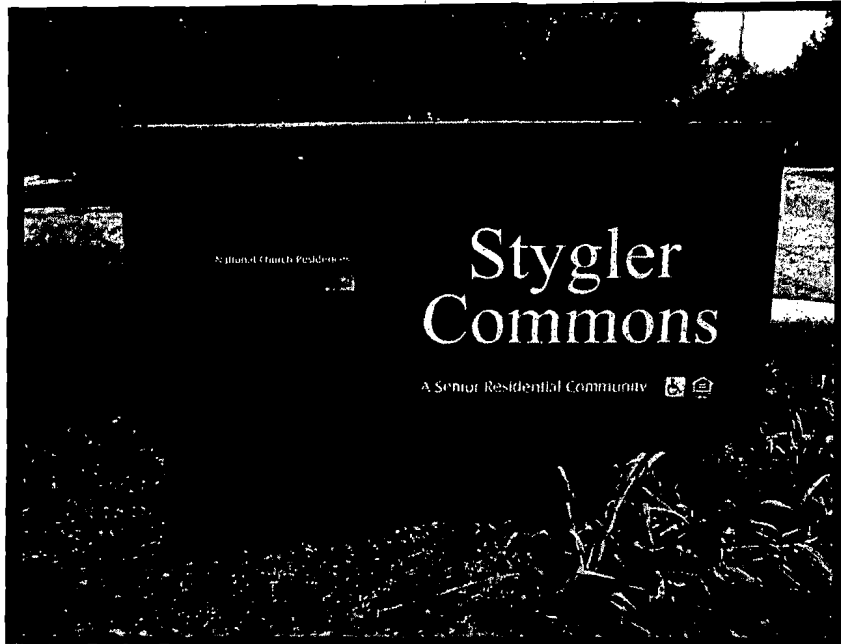
One-bedroom living room



One-bedroom kitchen



One-bedroom bathroom



Property Sign

SECTION 4 – PRIMARY MARKET AREA DELINEATION

4.1 Primary Market Area:

The Primary Market Area (PMA) is the geographical area from which most (70%) of the support for the development originates. The Gahanna Site PMA was determined through interviews with the property manager and service coordinator for the subject site, area administrators at existing senior facilities, government officials, economic development representatives, and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

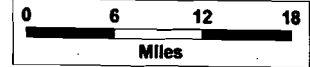
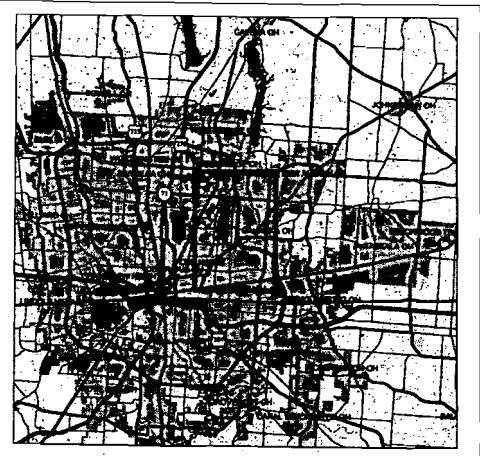
The Gahanna Site PMA includes the western portion of the city of Gahanna and eastern portions of the city of Columbus. The boundaries of the Site PMA include State Route 161 to the north, Hamilton Road to the east, State Route 16 (Broad Street) to the south, and Alum Creek to the west.

[REDACTED] the service coordinator for Stygler Commons, reports that the majority of their residents come from within the Gahanna and nearby Columbus areas. Generally seniors to the east of Hamilton Road will chose to reside in the New Albany area to be closer to family and friends. [REDACTED] did mention that she does receive support from the Reynoldsburg area located approximately 6.0 miles southwest of the site. However, support from this community is not significant.

A small portion of support may originate from some other lower-income portions of the city of Columbus; however, we have not considered any secondary market area in this report. The areas to the east and south of the PMA were not considered, as these are higher-income areas that consist primarily of single-family home dwellings with households that would not be income-eligible to reside at a HUD Section 202 project.

A map delineating the boundaries of the Senior Care Facility Site PMA is included on the following page.

Gahanna, OH: Primary Market Area



★ Project Site
 □ PMA
 ● Interstate Hwys
 □ US Hwys
 ○ State Hwys

Miles
1:64,603

V O G
 v o g t w i l l i a m s b o w e n
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4.2.1 Population Trends:

The Gahanna Site PMA population base has increased by 4,571 between 2000 and 2006. This represents an 8.0% increase over the 2000 total population, or an annual rate of 1.3%. The Site PMA population base for 2000, 2006 (estimated), 2009 (projected, year open), and 2011 (projected) are summarized as follows:

| | YEAR | | | |
|-------------------|------------------|---------------------|---------------------|---------------------|
| | 2000 (CENSUS) | 2006 (ESTIMATED) | 2009 (PROJECTED) | 2011 (PROJECTED) |
| POPULATION | 57,279 | 61,850 | 63,945 | 65,341 |
| POPULATION CHANGE | - | 4,571 | 2,095 | 1,396 |
| PERCENT CHANGE | - | 8.0% | 3.4% | 2.2% |

Source: Census; Claritas; VWB Research

It is projected that the total population will increase by 8,062 people, or 14.1%, between 2000 and 2011.

4.2.2 Population By Age Group:

The Site PMA population bases by age are summarized as follows:

| POPULATION BY AGE | 2000 CENSUS | | 2006 (ESTIMATED) | | 2009 (PROJECTED) | | 2011 (PROJECTED) | |
|----------------------|-------------|---------|------------------|---------|------------------|---------|------------------|---------|
| | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT |
| 17 & UNDER | 16,270 | 28.4% | 17,209 | 27.8% | 17,479 | 27.3% | 17,659 | 27.0% |
| 18 TO 24 | 4,703 | 8.2% | 4,868 | 7.9% | 5,194 | 8.1% | 5,411 | 8.3% |
| 25 TO 34 | 9,817 | 17.1% | 9,298 | 15.0% | 8,891 | 13.9% | 8,620 | 13.2% |
| 35 TO 44 | 9,813 | 17.1% | 9,746 | 15.8% | 9,814 | 15.3% | 9,859 | 15.1% |
| 45 TO 54 | 7,248 | 12.7% | 8,767 | 14.2% | 9,152 | 14.3% | 9,408 | 14.4% |
| 55 TO 59 | 2,327 | 4.1% | 3,352 | 5.4% | 3,855 | 6.0% | 4,191 | 6.4% |
| 60 TO 64 | 1,742 | 3.0% | 2,509 | 4.1% | 2,885 | 4.5% | 3,137 | 4.8% |
| 65 TO 69 | 1,346 | 2.4% | 1,486 | 2.4% | 1,710 | 2.7% | 1,859 | 2.8% |
| 70 TO 74 | 1,238 | 2.2% | 1,367 | 2.2% | 1,573 | 2.5% | 1,710 | 2.6% |
| 75 TO 79 | 1,334 | 2.3% | 1,562 | 2.5% | 1,631 | 2.6% | 1,676 | 2.6% |
| 80 TO 84 | 758 | 1.3% | 888 | 1.4% | 927 | 1.4% | 953 | 1.5% |
| 85 & OVER | 682 | 1.2% | 798 | 1.3% | 833 | 1.3% | 856 | 1.3% |
| TOTAL | 57,279 | 100.0% | 61,850 | 100.0% | 63,945 | 100.0% | 65,341 | 100.0% |

Source: Census; Claritas; VWB Research

As the preceding table illustrates, most of the age groups listed above will experience population gains between 2006 and 2009. Note that all age groups over the age of 34 will experience population growth, with significant population growth in the 60 to 74 age group. These age groups represent a substantial share of future potential residents.

4.2.3 Number of Elderly and Non-Elderly:

The following is a distribution of population by age for the PMA:

| POPULATION | 2000 (CENSUS) | 2006 (ESTIMATED) | 2009 (PROJECTED) | 2011 (PROJECTED) |
|----------------|---------------|------------------|------------------|------------------|
| TOTAL | 57,279 | 61,850 | 63,945 | 65,341 |
| AGE 69 & UNDER | 53,267 | 57,234 | 58,981 | 60,145 |
| AGE 70 & OVER | 4,012 | 4,616 | 4,964 | 5,196 |

Source: 2000 Census; Claritas; VWB Research

The elderly population in the Site PMA age 70 and over is projected to increase from 4,012 in 2000 to 5,196 in 2011. This represents a 29.5% increase over the eleven-year period.

4.2.4 Special Needs Population:

The subject project will be built to serve older adults, typically 75 years and over, who need some assistance with daily living activities (ADLs). However, the project will continue to operate as a HUD Section 202 project that will serve seniors age 62 and over. We have focused much of our demand on those age 65 and older. According to an abstract from the Survey of Income and Program Participation (SIPP) generated by the Census Bureau, approximately 7.3% of the non-institutional population age 65 and over need help with at least one ADL.

Definitions of ADLs within the survey included personal care, getting around outside, preparing meals, doing housework, and keeping track of bills and/or money.

It is of note that many organizations now use more detailed definitions for ADLs. Following are some primary activities included within these definitions.

| ACTIVITIES OF DAILY LIVING (ADL) | INSTRUMENTAL ACTIVITIES OF DAILY LIVING (IADL) |
|---|--|
| TRANSFERRING BETWEEN LOCATIONS (FROM CHAIR TO BED) | MANAGEMENT OF MEDICATIONS |
| MOVING FROM ONE PLACE TO ANOTHER (FROM ROOM TO ROOM) | SHOPPING |
| DRESSING | ARRANGING FOR TRANSPORTATION |
| EATING | MANAGING FINANCES |
| TOILET USE | PREPARING SNACKS AND MEALS |
| MAINTAINING PERSONAL HYGIENE | HOUSEWORK |

Following are the estimated number of older adults in the Site PMA who require assistance with activities of daily living based on the SIPP Survey:

| AGE CATEGORY | PERCENTAGE WITH ADLS | 2006 PMA POPULATION | POPULATION WITH ADLS |
|--------------|----------------------|---------------------|----------------------|
| 45-64 | 2.2% | 14,627 | 322 |
| 65-69 | 4.1% | 1,486 | 61 |
| 70-74 | 4.1% | 1,367 | 56 |
| 75-84 | 9.6% | 2,451 | 235 |
| 85+ | 22.9% | 798 | 183 |
| TOTAL | | 20,729 | 857 |

The affliction rate of the population age 65 and older is 8.8%. This represents the total universe of persons age 65 and older who need or require some level of assistance with ADLs. While the total universe of people with moderate and severe disabilities is significant, the share of those who are income- and asset-qualified and likely to respond to elderly housing is considerably smaller. A high percentage of the population with ADLs will use home health care and assistance from family and friends to remain in their current residence.

4.2.5 Household Trends:

Within the Gahanna Site PMA, the total number of households increased by 2,342 (10.1%) between 2000 and 2006. This equates to an annual average of 1.7%. Household trends within the Gahanna Site PMA are summarized as follows:

| | YEAR | | | |
|------------------------|------------------|---------------------|---------------------|---------------------|
| | 2000 (CENSUS) | 2006 (ESTIMATED) | 2009 (ESTIMATED) | 2011 (PROJECTED) |
| HOUSEHOLDS | 23,280 | 25,622 | 26,681 | 27,387 |
| HOUSEHOLD CHANGE | - | 2,342 | 3,401 | 706 |
| PERCENT CHANGE | - | 10.1% | 14.6% | 2.6% |
| AVERAGE HOUSEHOLD SIZE | - | 2.38 | 2.36 | 2.35 |

Source: Census; Claritas; VWB Research

Total household growth has increased between 2000 and 2006, and is projected to continue to increase when in 2011, there will be a total of 27,387 households. This is an increase of 373 households annually between 2000 and 2011.

4.2.6 Household By Tenure:

Households by tenure are distributed as follows:

| DISTRIBUTION OF HOUSEHOLDS | 2000 (CENSUS) | | 2006 (ESTIMATED) | | 2009 (PROJECTED) | | 2011 (PROJECTED) | |
|----------------------------|---------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT |
| OWNER-OCCUPIED (< AGE 62) | 10,655 | 45.8% | 10,741 | 41.9% | 10,720 | 40.2% | 10,706 | 39.1% |
| OWNER-OCCUPIED (AGE 62+) | 2,728 | 11.7% | 3,755 | 14.7% | 4,281 | 16.0% | 4,632 | 16.9% |
| RENTER-OCCUPIED (< AGE 62) | 8,546 | 36.7% | 9,606 | 37.5% | 10,046 | 37.7% | 10,339 | 37.8% |
| RENTER-OCCUPIED (AGE 62+) | 1,351 | 5.8% | 1,520 | 5.9% | 1,634 | 6.1% | 1,710 | 6.2% |
| TOTAL | 23,280 | 100.0% | 25,622 | 100.0% | 26,681 | 100.0% | 27,387 | 100.0% |

Source: 2000 Census; Claritas; VWB Research

In 2006, 5.9% of all households age 62 and over within the Site PMA were renter-occupied. In comparison, 37.5% of households under age 62 were renter households.

4.2.7 Household by Income:

The distribution of non-elderly (under age 62) households by income within the Site PMA is summarized as follows:

NON-ELDERLY HOUSEHOLDS (UNDER AGE 62) GAHANNA, OH PMA

| HOUSEHOLD INCOME | 2000 (CENSUS) | | 2006 (ESTIMATED) | | 2009 (PROJECTED) | | 2011 (PROJECTED) | |
|---------------------|---------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT |
| LESS THAN \$10,000 | 1,663 | 8.7% | 1,710 | 8.4% | 1,740 | 8.4% | 1,759 | 8.4% |
| \$10,000 - \$19,999 | 1,661 | 8.7% | 1,561 | 7.7% | 1,552 | 7.5% | 1,547 | 7.4% |
| \$20,000 - \$29,999 | 2,069 | 10.8% | 1,827 | 9.0% | 1,724 | 8.3% | 1,655 | 7.9% |
| \$30,000 - \$39,999 | 2,269 | 11.8% | 2,197 | 10.8% | 2,052 | 9.9% | 1,955 | 9.3% |
| \$40,000 - \$49,999 | 1,770 | 9.2% | 1,615 | 7.9% | 1,753 | 8.4% | 1,845 | 8.8% |
| \$50,000 - \$59,999 | 2,164 | 11.3% | 1,684 | 8.3% | 1,546 | 7.4% | 1,454 | 6.9% |
| \$60,000 - \$74,999 | 2,769 | 14.4% | 2,856 | 14.0% | 2,668 | 12.8% | 2,542 | 12.1% |
| \$75,000 - \$99,999 | 2,381 | 12.4% | 2,976 | 14.6% | 3,145 | 15.1% | 3,257 | 15.5% |
| \$100,000 & HIGHER | 2,455 | 12.8% | 3,921 | 19.3% | 4,587 | 22.1% | 5,031 | 23.9% |
| TOTAL | 19,201 | 100.0% | 20,347 | 100.0% | 20,766 | 100.0% | 21,045 | 100.0% |

Source: 2000 Census; Claritas; VWB Research

Between 2000 and 2006, most of the household growth was among households with incomes of \$60,000 or higher.

Since the subject project will be age-restricted, we have evaluated household incomes for this age cohort. The distribution of elderly (age 62 and over) households by income within the Site PMA is summarized as follows:

**ELDERLY HOUSEHOLDS (AGE 62 OR OLDER)
GAHANNA, OH PMA**

| HOUSEHOLD INCOME (AGE 62+) | 2000 (CENSUS) | | 2006 (ESTIMATED) | | 2009 (PROJECTED) | | 2011 (PROJECTED) | |
|-------------------------------|---------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT | NUMBER | PERCENT |
| LESS THAN \$10,000 | 693 | 17.0% | 792 | 15.0% | 803 | 13.6% | 811 | 12.8% |
| \$10,000 - \$19,999 | 735 | 18.0% | 867 | 16.4% | 895 | 15.1% | 913 | 14.4% |
| \$20,000 - \$29,999 | 649 | 15.9% | 604 | 11.5% | 645 | 10.9% | 673 | 10.6% |
| \$30,000 - \$39,999 | 589 | 14.4% | 677 | 12.8% | 703 | 11.9% | 720 | 11.4% |
| \$40,000 - \$49,999 | 281 | 6.9% | 535 | 10.1% | 626 | 10.6% | 687 | 10.8% |
| \$50,000 - \$59,999 | 311 | 7.6% | 373 | 7.1% | 443 | 7.5% | 490 | 7.7% |
| \$60,000 - \$74,999 | 279 | 6.8% | 427 | 8.1% | 500 | 8.5% | 549 | 8.7% |
| \$75,000 - \$99,999 | 225 | 5.5% | 425 | 8.1% | 523 | 8.8% | 589 | 9.3% |
| \$100,000 & HIGHER | 317 | 7.8% | 575 | 10.9% | 776 | 13.1% | 910 | 14.3% |
| TOTAL | 4,079 | 100.0% | 5,275 | 100.0% | 5,915 | 100.0% | 6,342 | 100.0% |

Source: 2000 Census; Claritas; VWB Research

Between 2000 and 2006, most of the senior household growth was among households with incomes of \$30,000 or higher. This trend is expected to continue through 2011. Note that there is also growth expected among seniors with incomes under \$20,000. This demonstrates a continued need for housing for the low-income elderly population.

The following tables illustrate renter household (age 62 and older) income by household size for 2000, 2006, 2009, and 2011 for the Site PMA:

| RENTER HOUSEHOLDS | 2000 CENSUS | | | | | |
|----------------------|-------------|------------|-----------|----------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 411 | 58 | 10 | 1 | 1 | 480 |
| \$10,000 - \$20,000 | 263 | 69 | 5 | 3 | 0 | 341 |
| \$20,000 - \$30,000 | 156 | 87 | 0 | 0 | 0 | 243 |
| \$30,000 - \$40,000 | 43 | 35 | 7 | 0 | 0 | 85 |
| \$40,000 - \$50,000 | 23 | 35 | 9 | 0 | 0 | 67 |
| \$50,000 - \$60,000 | 4 | 26 | 4 | 0 | 12 | 46 |
| \$60,000+ | 29 | 26 | 26 | 0 | 8 | 88 |
| TOTAL | 930 | 335 | 61 | 4 | 21 | 1,351 |

Source: Ribbon Demographics, Claritas

| RENTER HOUSEHOLDS | 2006 ESTIMATED | | | | | |
|---------------------|----------------|------------|-----------|----------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 427 | 51 | 10 | 1 | 2 | 491 |
| \$10,000 - \$20,000 | 303 | 79 | 8 | 3 | 0 | 393 |
| \$20,000 - \$30,000 | 166 | 64 | 0 | 0 | 0 | 230 |
| \$30,000 - \$40,000 | 48 | 41 | 12 | 1 | 1 | 103 |
| \$40,000 - \$50,000 | 31 | 49 | 21 | 0 | 0 | 102 |
| \$50,000 - \$60,000 | 10 | 38 | 7 | 3 | 31 | 90 |
| \$60,000+ | 37 | 35 | 32 | 0 | 8 | 111 |
| TOTAL | 1,021 | 359 | 91 | 8 | 42 | 1,520 |

Source: Ribbon Demographics, Claritas

| RENTER HOUSEHOLDS | 2009 ESTIMATED | | | | | |
|---------------------|----------------|------------|-----------|----------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 439 | 45 | 9 | 1 | 1 | 495 |
| \$10,000 - \$20,000 | 322 | 81 | 9 | 3 | 0 | 415 |
| \$20,000 - \$30,000 | 191 | 70 | 0 | 0 | 0 | 262 |
| \$30,000 - \$40,000 | 52 | 45 | 14 | 1 | 1 | 113 |
| \$40,000 - \$50,000 | 31 | 71 | 24 | 0 | 0 | 125 |
| \$50,000 - \$60,000 | 19 | 37 | 7 | 3 | 29 | 95 |
| \$60,000+ | 45 | 40 | 37 | 0 | 7 | 129 |
| TOTAL | 1,099 | 388 | 99 | 8 | 39 | 1,634 |

Source: Ribbon Demographics, Claritas

| RENTER HOUSEHOLDS | 2011 PROJECTED | | | | | |
|---------------------|----------------|------------|------------|----------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 447 | 41 | 8 | 1 | 1 | 498 |
| \$10,000 - \$20,000 | 335 | 82 | 9 | 3 | 1 | 430 |
| \$20,000 - \$30,000 | 209 | 75 | 0 | 0 | 0 | 284 |
| \$30,000 - \$40,000 | 55 | 47 | 16 | 1 | 1 | 119 |
| \$40,000 - \$50,000 | 31 | 85 | 25 | 0 | 0 | 141 |
| \$50,000 - \$60,000 | 24 | 36 | 7 | 3 | 28 | 98 |
| \$60,000+ | 51 | 42 | 40 | 0 | 7 | 140 |
| TOTAL | 1,152 | 408 | 105 | 8 | 38 | 1,710 |

Source: Ribbon Demographics, Claritas

The following tables illustrate owner household (age 62 and older) income by household size for 2000, 2006, 2009 and 2011 for the Site PMA:

| OWNER HOUSEHOLDS | 2000 CENSUS | | | | | |
|---------------------|--------------|--------------|------------|-----------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 184 | 38 | 6 | 1 | 0 | 229 |
| \$10,000 - \$20,000 | 261 | 118 | 0 | 1 | 0 | 380 |
| \$20,000 - \$30,000 | 205 | 148 | 23 | 0 | 13 | 389 |
| \$30,000 - \$40,000 | 168 | 266 | 64 | 6 | 0 | 504 |
| \$40,000 - \$50,000 | 70 | 144 | 22 | 0 | 0 | 236 |
| \$50,000 - \$60,000 | 23 | 227 | 8 | 0 | 8 | 267 |
| \$60,000+ | 111 | 472 | 85 | 48 | 7 | 723 |
| TOTAL | 1,022 | 1,413 | 208 | 57 | 28 | 2,728 |

Source: Ribbon Demographics, Claritas

| OWNER HOUSEHOLDS | 2006 ESTIMATED | | | | | |
|---------------------|----------------|--------------|------------|------------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 211 | 35 | 8 | 1 | 1 | 256 |
| \$10,000 - \$20,000 | 306 | 139 | 0 | 1 | 1 | 448 |
| \$20,000 - \$30,000 | 197 | 137 | 24 | 0 | 8 | 366 |
| \$30,000 - \$40,000 | 206 | 272 | 95 | 6 | 0 | 580 |
| \$40,000 - \$50,000 | 127 | 283 | 34 | 0 | 0 | 444 |
| \$50,000 - \$60,000 | 34 | 239 | 10 | 4 | 10 | 297 |
| \$60,000+ | 229 | 879 | 154 | 91 | 13 | 1,365 |
| TOTAL | 1,311 | 1,983 | 324 | 104 | 33 | 3,755 |

Source: Ribbon Demographics, Claritas

| OWNER HOUSEHOLDS | 2009 ESTIMATED | | | | | |
|---------------------|----------------|--------------|------------|------------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 211 | 32 | 9 | 1 | 1 | 255 |
| \$10,000 - \$20,000 | 318 | 137 | 1 | 0 | 1 | 457 |
| \$20,000 - \$30,000 | 197 | 148 | 26 | 0 | 7 | 379 |
| \$30,000 - \$40,000 | 213 | 260 | 115 | 6 | 1 | 595 |
| \$40,000 - \$50,000 | 165 | 307 | 37 | 0 | 0 | 510 |
| \$50,000 - \$60,000 | 47 | 293 | 11 | 5 | 9 | 364 |
| \$60,000+ | 299 | 1,091 | 194 | 120 | 15 | 1,720 |
| TOTAL | 1,450 | 2,269 | 394 | 133 | 35 | 4,281 |

Source: Ribbon Demographics, Claritas

| OWNER HOUSEHOLDS | 2011 PROJECTED | | | | | |
|---------------------|----------------|--------------|------------|------------|-----------|--------------|
| | 1-PERSON | 2-PERSON | 3-PERSON | 4-PERSON | 5+-PERSON | TOTAL |
| \$0 - \$10,000 | 211 | 30 | 10 | 1 | 1 | 254 |
| \$10,000 - \$20,000 | 325 | 136 | 1 | 0 | 1 | 464 |
| \$20,000 - \$30,000 | 198 | 156 | 28 | 0 | 6 | 388 |
| \$30,000 - \$40,000 | 217 | 252 | 129 | 6 | 1 | 605 |
| \$40,000 - \$50,000 | 191 | 324 | 40 | 0 | 0 | 554 |
| \$50,000 - \$60,000 | 55 | 329 | 12 | 5 | 9 | 410 |
| \$60,000+ | 346 | 1,232 | 221 | 140 | 17 | 1,957 |
| TOTAL | 1,543 | 2,459 | 440 | 153 | 36 | 4,632 |

Source: Ribbon Demographics, Claritas

Data from the preceding tables is used in the capture and penetration rate analyses.

4.2.8 Employment by Industry:

The Gahanna labor force is dominated by Services, Retail Trade, and Manufacturing. Within these larger industry groups, the more specific categories Education Services, Health Services, Retail, Government, and Printing and Publishing (Manufacturing) rank highly within top 10 lists by establishment, number of employees, and sales.

| SIC GROUP | ESTAB. | PERCENT | EMPLOYEES | PERCENT | AVG. E.P.E. |
|---------------------------------|--------|---------|-----------|---------|-------------|
| AGRICULTURE & NATURAL RESOURCES | 27 | 1.0% | 265 | 0.4% | 9.8 |
| MINING | 1 | 0.0% | 1 | 0.0% | 1.0 |
| CONSTRUCTION | 183 | 6.9% | 3,192 | 5.0% | 17.4 |
| MANUFACTURING | 146 | 5.5% | 4,019 | 6.2% | 27.5 |
| TRANSPORTATION & UTIL. | 103 | 3.9% | 2,358 | 3.7% | 22.9 |
| WHOLESALE TRADE | 114 | 4.3% | 1,686 | 2.6% | 14.8 |
| RETAIL TRADE | 635 | 24.1% | 19,036 | 29.6% | 30.0 |
| F.I.R.E. | 308 | 11.7% | 7,357 | 11.4% | 23.9 |
| SERVICES | 994 | 37.7% | 17,100 | 26.6% | 17.2 |
| GOVERNMENT | 34 | 1.3% | 6,878 | 10.7% | 202.3 |
| NON-CLASSIFIABLE | 90 | 3.4% | 2,426 | 3.8% | 27.0 |
| TOTAL | 2,635 | 100.0% | 64,318 | 100.0% | 24.4 |

Source: 2000 Census; Claritas; VWB Research

E.P.E.- Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. However, these employees are included in our labor force calculations because their places of employment are located within the Site PMA.

4.2.9 Major Employers:

Gahanna's 10 largest employers by total employment and tax withholder status are summarized as follows:

| CITY OF GAHANNA-LARGEST EMPLOYERS | | | |
|-----------------------------------|----------------------|----------------|------------------|
| BUSINESS NAME | NUMBER OF EMPLOYEEES | BUSINESS TYPE | WITHHOLDER RANK* |
| GAHANNA-JEFFERSON SCHOOLS | 865 | EDUCATION SVS. | 1 |
| ALLIANCE DATA SYSTEMS | 597 | BUSINESS SVS. | 3 |
| AMERICAN ELECTRIC POWER | 594 | UTILITIES | 2 |
| THE KROGER COMPANY | 378 | RETAIL GROCER | 10 |
| MCGRAW-HILL COMPANIES | 330 | PUBLISHING | 4 |
| THE COLUMBUS ACADEMY | 195 | EDUCATION SVS. | 8 |
| CITY OF GAHANNA | 150 | GOVERNMENT | 6 |
| DONATOS PIZZERIA, LLC | 129 | RESTAURANT | 9 |
| COLUMBUS SOUTHERN POWER | 126 | UTILITIES | * |
| STATE OF OHIO | 20 | GOVERNMENT | 7 |
| TOTAL | 3,258 | | |

*City of Gahanna Finance Department; EMH&T, no longer in top employer list, ranks fifth on withholder list; Columbus Southern Power included in withholding for American Electric Power

The largest private sector employers in Gahanna are within the Utilities, Manufacturing, and Retail industry sectors, while private-sector service providers are under-represented. It should be noted that the civil engineering firm Evans, Mechwart, Hambleton & Tilton Inc. (EMH&T) and data processing company Alliance Data Systems, formerly major Gahanna area employers, recently moved from Gahanna to new Columbus locations. While these employers are represented in our Census estimates, they are absent from the major employers listing.

4.2.10 Unemployment & Workforce Trends:

The following tables were collected from the U.S Department of Labor, Bureau of Labor Statistics and reflect employment trends within the county in which the site is located.

The unemployment rate in Franklin County has remained between 3.1% and 5.4%, well below the state average since 2000. Employment rates for Franklin County and Ohio are illustrated as follows:

| UNEMPLOYMENT RATE | | |
|-------------------|-----------------|------|
| YEAR | FRANKLIN COUNTY | OHIO |
| 2000 | 3.1% | 4.0% |
| 2001 | 3.4% | 4.4% |
| 2002 | 5.0% | 5.7% |
| 2003 | 5.4% | 6.2% |
| 2004 | 5.4% | 6.2% |
| 2005 | 5.2% | 5.9% |
| 2006 | 4.7% | 5.5% |
| 2007* | 4.5% | 5.8% |

Source: Department of Labor, Bureau of Labor Statistics
*As of March

The historically low unemployment rate for Franklin County is a positive indicator of the economic stability of the area. Note that since 2004, the unemployment rate has declined every year.

The workforce trends for Franklin County are summarized as follows:

| TOTAL PERSONS EMPLOYED | | |
|------------------------|-----------------|-----------|
| YEAR | FRANKLIN COUNTY | OHIO |
| 2000 | 575,658 | 5,573,154 |
| 2001 | 578,993 | 5,566,735 |
| 2002 | 570,766 | 5,503,109 |
| 2003 | 567,764 | 5,502,110 |
| 2004 | 566,449 | 5,507,404 |
| 2005 | 568,573 | 5,546,537 |
| 2006 | 581,069 | 5,609,056 |
| 2007* | 579,377 | 5,573,557 |

Source: Department of Labor, Bureau of Labor Statistics
*As of March

Total number of persons employed in Franklin County declined in 2002. The Franklin County economy rebounded by 2006 where there were a reported 581,069 persons employed. Note that the employment figure for 2007 only reports through March. The slight decline in total employment may be an indication of seasonal employment trends in Franklin County.

4.2.11 Economic Summary & Forecast:

Over the past three years, Gahanna experienced the exodus of two major area employers, as well as approximately 60 jobs at Grange Mutual, which began consolidation of its Columbus area offices to a new site in the Brewery District in late 2005. Lured by TIF incentives from the city of Columbus, the site on South Front Street is expected to house an estimated 1,500+ workers.

Also in 2006, Evans, Mechwart, Hambleton & Tilton, Inc. (EMH&T), a civil engineering firm with a 75-year tenure in Gahanna, relocated 330 jobs to a Columbus location at the corner of State Route 161 and New Albany Road.

Alliance Data Systems, Inc., a credit card processing organization, relocated approximately 530 employees to Easton in late 2006, striking another blow to Gahanna's tax base. The business, which spun off from The Limited Companies, maintained several offices in Gahanna prior to relocation. The Gahanna offices were spread over several buildings, an inefficient configuration, according to an Alliance spokesperson. Another disadvantage of the Gahanna location cited by Alliance is the industrial district location.

Two major Gahanna employers chose to expand to different areas of Central Ohio:

In 2006, McGraw-Hill Publishing, which maintains manufacturing and transportation operations in Gahanna, opted to locate a large number of office jobs to the newly developed Easton Commons I, a 101,500 square foot office building. Easton Commons II is currently under construction. Both buildings target larger office users.

McGraw-Hill also expanded some transportation operations to Duke's Groveport Commerce Center, receiving a 100.0%, 15-year real property tax abatement from that community. The company's existing Gahanna abatements expire in 2008-09. PetSmart Maintains Gahanna operations, but expanded operations to a location in the Franklin Community Improvement Corporation's Alum Creek West Development in the City of Columbus. PetSmart received an Enterprise Zone real property tax abatement.

While Gahanna's proximity to "hot" residential areas Easton and New Albany will continue to benefit Gahanna's retail/commercial climate, our field analysis indicates that retail growth will likely slow over the next five years because of geographic constraints, as well as highly competitive market conditions. The high-profile Easton area will continue to impact Gahanna's ability to attract large office users, particularly when we consider generous tax incentives offered by the city of Columbus to several new tenants in 2006.

Gahanna's residential construction employers will likely see sags in activity. According to national projections, a 10.0% decline in residential construction can be expected over 2007. Although growth is expected in non-residential building, commercial construction accounts for a little over one-third of the private construction industry. According to the Blue Chip panel report, total residential permits were down nearly 35.0% within the Columbus MSA, compared with a 14.0% decline nationwide.

While Gahanna's strong Education, Services, and Government employment bases should continue to have a stabilizing effect on the local economy, the city will likely experience a recovery period after the loss of two of their major employers. Largely, manufacturing tenants reported stable employment numbers, and two companies, La Boit, Inc. and Seimens Airfield Solutions, are adding office/warehouse and industrial space to their existing facilities in Gahanna in 2007.

The advent of Central Park, a planned mixed-use office/industrial/recreational/site, will have a significant impact on the city's capacity to draw larger employers. The former landfill site is the only such case funded under the Clean Ohio Redevelopment Program in the state of Ohio and is expected to bring a number of new, high profile tenants to Gahanna. The site's proximity to Columbus International Airport and Interstate 270 puts the 191-acre site at a strategic advantage, say city economic development officials. Fully developed, Central Park is expected to offer 1.2 million square feet of commercial space, including built-to-suit, corporate campus options, office condominiums, and retail.

The Central Park Golf Academy includes a lighted nine-hole executive golf course and driving range. A resident golf pro and snack bar will appeal to the office users. Also within Central Park, an open-air meeting pavilion, walking trails, a conference center, and retail space will enhance the site for daytime tenants, as well as attract visitors that do not work on site.

The Creekside Development, a mixed-use office/retail/condominium project located in Olde Gahanna, has received substantial attention during its development phase, and when the project opens in 2007, it is expected to increase downtown Gahanna's draw on a regional basis.

The Buckles Tract, approximately 122 acres located at the southern edge of the city, offers potential for development of hotels, office, and retail. The property, a Community Reinvestment Area (CRA) created by the city of Gahanna, is also located in the City of Columbus Empowerment Zone. Approximately 80 acres of the Buckles Tract are developable. The un-developable land could be converted to parkland that would complement the surrounding commercial uses.

These developments are indicators of public and private interest in keeping the city on track economically. Based upon anticipated trends, the city will likely experience some slowing of retail absorption rates. Of course, higher vacancies within Class A office space following the opening of Central Park are to be expected. Gahanna's proximity to Columbus International Airport and other transport nodes and a strengthening commercial/industrial tenant base are expected to benefit the city in the long-term.

SECTION 5 – PROJECT SPECIFIC DEMAND ANALYSIS

5.1 Income Restrictions:

To determine demand from income-eligible households, we first establish the income range households will be required to meet under the HUD Section 202 HAP program.

Under the HUD Section 202 HAP program, household eligibility is based on household income not exceeding 50% of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Columbus, Ohio Metropolitan Statistical Area (MSA), which has a median household income of \$64,200 for 2007. The subject property is restricted to households with incomes of up to 50% of AMHI. The following table summarizes the maximum allowable income by household size at 50% of AMHI.

| HOUSEHOLD SIZE | MAXIMUM ALLOWABLE INCOME |
|-------------------|-----------------------------|
| | 50% |
| ONE-PERSON | \$22,550 |
| TWO-PERSON | \$25,750 |

The largest units (one-bedroom) at the subject site generally house one-person households. As such, the maximum allowable income at the subject site is \$22,550. Note that management reports that they have had two-person households occupying one-bedroom units in the past. In this instance, the maximum allowable income would be \$25,750. It is rare that there would be more than a one-person household occupying a unit at the subject site. Therefore, we have used the practical maximum income of \$22,550.

5.2 Affordability:

It is assumed that the majority of tenants will be receiving social security. The basic monthly SSI payment nationwide for 2007 is \$623. This equates to a yearly sum of \$7,476 of which 30% (\$2,243) will go towards rent. As a HUD Section 202 project, a tenant is required to pay 30% of their income to rent and could have no income. Therefore, the minimal income requirement to reside at the subject site could go down to \$0.

Based on the preceding analyses, the income-appropriate range required to live at the subject project is as follows:

| UNIT TYPE | INCOME RANGE | |
|--------------------------------|--------------|----------|
| | MINIMUM | MAXIMUM |
| HUD 202 PROJECT AT 50% OF AMHI | \$0 | \$22,550 |

5.3 Demand – Independent Living (No services):

Renovations at the subject site are expected to be complete in 2009. The household projections found in the Demographic Characteristics and Trends of this report indicate that there will be an estimated 1,785 age and income-eligible households within the Site PMA in 2009. The 32 units at the subject site represent a required capture rate of 1.8%. This calculation is summarized as follows:

| | CAPTURE RATE |
|---|--------------|
| NUMBER OF PROPOSED UNITS | 32 |
| AGE AND INCOME-ELIGIBLE HOUSEHOLDS – 2009 | / 1,785 |
| CAPTURE RATE | = 1.8% |

The 1.8% capture rate for the subject development is excellent and considered highly achievable. Note that the subject site is currently 100.0% occupied. Therefore, the effective capture rate is 0.0% as the project is fully occupied and all tenants are expected to remain at the subject site following renovations.

5.3.1 Demand for Affordable Assisted-Living Services:

In Ohio, Medicaid Waivers are available to pay for assistance with daily living activities in assisted-living facilities. In addition, there are a variety of funding sources to pay for the cost of meals and other non-assisted living services at the subject.

These funding sources are summarized as follows:

- To be eligible for a Medicaid Waiver, the tenant must require assistance with Activities of Daily Living (ADL) and have a monthly income that does not exceed \$1,869 or 300% of SSI per month. There is no minimum monthly requirement but we are assuming the tenant will receive at least \$623 per month (100% of SSI).
- The Medicaid Waiver will reimburse the Service Provider up to \$2,100 per month for services. Actual payment is based on services delivered, and the Service Provider (not the tenant or landlord) will be responsible for any overages.
- The tenant is responsible for room and board expenses. This includes food costs.

Based on these funding sources, older adult renters who need assistance with daily living and with assets of \$1,500 or less will be eligible for the property (note: there are exceptions such as automobiles and burial plots). In addition, elderly homeowners who are income-qualified but not asset-qualified could also live in the facility and spend down the asset from their home to the point at which the Medicaid Waiver pays for the services.

In Section 4 of this report, an estimated 535 (8.8%) of the projected 2006 Site PMA population age 65 and over will require ADL assistance. Only 2.2% of the population age 45-64 will require ADL assistance. Our HISTA data in Section 4 of this report breaks down age to 62 plus. We will use the 8.8% affliction rate of individuals needing assistance with ADLs in our demand calculations. Note that there is minimal discrepancy that may arise in using data calculated for individuals age 62 and over and individuals age 65 and over. Variations will be minimalized through rounding and subsequent calculations.

As mentioned earlier, the subject site will continue to operate as a HUD Section 202 with a HAP contract project following renovations in which residents are required to pay 30% of their gross income for rent, and their monthly incomes could be as low as \$0. In reality, most residents will have minimal incomes of \$623 per month or \$7,476 per year for individuals (100% of Social Security Supplemental Income or SSI - effective January 2007) and \$934 per month or \$11,208 per year for couples. Since it is possible for individuals who have no incomes to still be able to reside at the subject site, we have calculated demand using a minimal income of \$0. The maximum income is \$22,428 (300% of SSI).

Our calculations of support for these households follow:

| | DEMAND FOR MEDICAID WAIVERS \$0-\$22,428 |
|---|---|
| TOTAL POPULATION AGE 62+ (2009) THAT ARE INCOME-QUALIFIED | 1,778 |
| SHARE REQUIRING ASSISTANCE WITH ADLS | X 8.8% |
| =TOTAL POPULATION DEMAND FOR ASSISTED-LIVING | = 156 |

Source of ADLs - Survey of Income and Program Participation (SIPP)

* This assumes one person is in need of assisted living services per household

According to the above demand calculations, the total demand for assisted-living units in 2009 is expected to number 156 units from households with incomes less than \$22,428. Note that the maximum allowable income under the Medicaid waiver program is within acceptable income ranges under the HUD Section 202 HAP program where the maximum allowable income is 50% of the area median household income established by HUD.

5.4 Capture Rate Calculation (Affordable Assisted-Living):

The 32 total units at the subject site represent a required capture rate of 20.5%. This calculation is summarized as follows:

| | CAPTURE RATE |
|--|--------------|
| NUMBER OF PROPOSED UNITS | 32 |
| AGE- & INCOME-ELIGIBLE ADL HOUSEHOLDS – 2009 | / 156 |
| CAPTURE RATE | = 20.5% |

As the preceding table illustrates, the capture rates for the 32 proposed ADL units is moderate at 20.5%. It is our opinion that this capture rate is achievable given the need for affordable assisted living among the elderly population. This type of housing is not readily available. As such, seniors are relying on outside services to supplement needs and many seniors are prematurely entering nursing homes where an assisted living environment would better suit their immediate needs. We expect some support to originate from outside the Gahanna Site PMA, since this housing alternative is not readily available in nearby cities.

Tiffany Andreas, the director of nursing for the Traditions at Mill Run, an assisted living facility operated by National Church Residences, conducted an assessment on 28 of the 31 residents currently residing at the subject site. There are four levels of care and they are generally described below:

- Level 0: Does not require services
- Level 1: They are independent with medication. No individual nursing care is required. These individuals may need up to 2.75 hours per day of assistance with ADLs
- Level 2: Daily cuing and or supervision with medications are necessary. Weekly care needed by a licensed nurse. Requires between 2.75 and 3.35 hours per day of assistance with ADLs
- Level 3: Requires on-going cuing and prompts. Requires medication to be administered by a licensed staff. Requires more than 3.35 hours per day of assistance with ADLs

Of the 28 residents evaluated, Ms. Andreas determined that the following number of residents fell within the respective levels:

- Level 0: 8 residents
- Level 1: 6 residents
- Level 2: 4 residents
- Level 3: 10 residents

As evidenced by the previous analysis conducted by Ms. Andreas, the majority of the residents at the subject site would benefit from or require assistance with ADLs. [REDACTED], the outgoing service coordinator for the subject site, mentioned that the majority of the residents are on either Passport or utilize some sort of home health service. We expect that the majority of residents will utilize the Medicaid Waiver Program. As the project will continue to operate as a HUD Section 202 property, those residents currently residing at the subject site that are not asset or health eligible to qualify for the Medicaid Waiver Program will still be able to reside at the subject site.

5.5 Penetration Rate Calculation:

The only other project in the Primary Market Area that accepts Medicaid Waivers is the Village Courtyards at Kensington Place. This facility draws the majority of its support from the central and near east side of Columbus. The administration at this project reports that none of their residents are using the Medicaid Waiver. The Village Courtyards at Kensington Place target higher income households as the fees charged at the facility are among the highest in the market. There are no other HUD Section 202 projects in the market area that accept the Medicaid Waiver or are licensed to operate as an assisted living facility. Due to the lack of this type of housing, the penetration is the same as the capture rate at 20.5%. The effective penetration rate for the subject site is 0.0%, as the site is fully occupied and tenant displacement during and following renovations is expected to be minimal.

5.6 Absorption Rate Calculation:

The subject project has and is expected to continue to maintain a HUD Section 202 contract and all units will likely be rented to those households eligible under the HUD Section 202 program. We also assume most current tenants will remain at the site once renovations are complete. However, for the purpose of this analysis, we have calculated an absorption assuming all of the units will be vacated and need to be re-rented.

For the purpose of this analysis, we assume the absorption period at the site begins as soon as the first renovated units are available for occupancy. We assume that initial units at the site will be available for rent sometime in 2009. Note that this absorption projection assumes units will be pre-leased prior to opening.

Due to the fact there is no comparable product in the Gahanna area, we expect that as many as all 32 units will be leased in the first two months or as quickly as the health screenings and Medicaid paperwork can be processed.

The demand for low-income senior units is strong as evident by the 1.8% capture calculated earlier in this section. There are no affordable assisted living units in the market. The 20.5% capture rate for these units is considered highly achievable given the lack of this type of housing

In reality, all residents at the subject site are expected to remain during and following renovations. The project will only need to occupy units that may become vacant during normal turnover. Medicaid Waiver eligible households will likely fill any vacancies that may arise given that this type of housing is not readily available in the market.

SECTION 6- ANALYSIS OF SENIOR COMMUNITIES

6.1. Introduction:

The senior housing alternatives surveyed include housing for older adults who are in need assistance with activities of daily living (ADLs), independent living facilities, and independent living facilities that offer services for a fee.

Independent-living and congregate care have often been used to describe the same type of housing. Independent-living (in its purest form) is shelter only without services. Congregate care provides shelter and services such as meals and housekeeping.

In Ohio, assisted-living facilities are licensed as Residential Care Facilities by the Ohio Department of Health. This licensure dictates that a facility must meet a certain building standard that dictates construction, fire rating, and other health and safety issues.

In July 2006, the state of Ohio began to cover assisted-living services for up to 1,800 Medicaid-eligible Ohioans in nursing homes or receiving in-home services through the PASSPORT, Ohio's home health care program.

At the time this report was published, only four assisted-living facilities in Franklin County, Ohio have been certified by the state to accept Medicaid patients. One of these projects, Village Courtyards at Kensington Place, is in the subject site market area.

The new program represents a significant savings to tax payers. State coverage of assisted-living residents is approximately \$70 per day for care services, as compared with approximately \$37 a day for PASSPORT and \$160 a day for nursing-home care. However, state officials say they have met with challenges in getting facilities to participate. More than 100 have obtained applications for Medicaid certification. Essentially, they must meet various staffing and service requirements.

Jean Thompson, executive director of the Ohio Assisted Living Association, said many facilities want to participate but harbor concerns about those requirements and the rates. Thompson notes that while the state is paying a fixed rate statewide, costs vary among the different Ohio counties, making reimbursement coverage uneven.

Further, under the program, maximum staffing and care offerings are required. The costs for these services now vary greatly. Many facilities would incur a lot of expense to qualify. For example, one requirement mandates meal preparation to meet patients' special diets, as well as supervision of those diets. Some facilities

As mentioned earlier, there are no vacancies among the senior projects surveyed in the Gahanna Site PMA. Stygler Village is located adjacent to the site to the southwest. Stygler Village is also a National Church Residences community and will be undergoing renovations later this year. Management expects there to be minimal displacement of current residents. [REDACTED] the service coordinator for Stygler Commons, is also the service coordinator for Stygler Village. [REDACTED] reports that a number of residents at Stygler Village are on PASSPORT or some other home health aid program. Since these residents reside at a HUD Section 202 project, these individuals would be income- and asset-qualified for the Medicaid waiver program. This further demonstrates the need for affordable assisted-living in the Gahanna Site PMA. Note that management at both New Salem Apartments and Corban Commons report a need for affordable assisted-living as many of their residents can only receive assisted-living services through the county because they cannot afford the high fees charged at traditional market-rate assisted-living facilities.

The unit sizes (square footage) and number of bathrooms included in each of the senior projects surveyed are detailed in the following table.

| MAP I.D. | PROJECT NAME | SQUARE FOOTAGE | | | NUMBER OF BATHS | | |
|----------|----------------------------|----------------|---------|---------|-----------------|---------|---------|
| | | STUDIO | ONE-BR. | TWO-BR. | STUDIO | ONE-BR. | TWO-BR. |
| SITE | STYGLER COMMONS | 420 | 520 | - | 1.0 | 1.0 | - |
| 2 | STYGLER VILLAGE | 400 | 552-569 | - | 1.0 | 1.0 | - |
| 3 | NEW SALEM MANOR APARTMENTS | 400 | 515 | - | 1.0 | 1.0 | - |
| 4 | CORBAN COMMONS | - | 576 | 720 | - | 1.0 | 1.0 |

The subject site units are appropriately sized when compared with other senior projects in the market. Note that Corban Commons offers the only two-bedroom conventional senior specific units in the market and that the unit sizes are generally larger than units at comparable projects. Corban Commons is a Tax Credit project that targets senior households at 40% and 60% of AMHI. Residents occupying the 60% units would not be income eligible to reside at the subject site as they have incomes that are too high. Corban Commons is not considered to be competitive with the subject site as it targets a different tenant profile.

The project targets seniors who are frail and may need assistance with Activities of Daily Living (ADLs). The studio- and one-bedroom unit sizes are not considered to be excessively small by conventional rental standards, and would likely be more navigable to older, frailer residents. Furthermore, the subject site is currently 100.0% occupied and maintains a waiting list. This demonstrates demand for these units and that the units are appropriately sized.

6.3. Senior Facilities:

In May 2007, we identified and surveyed three congregate care and six assisted-living facilities within the Gahanna Site PMA and surrounding areas. The following table summarizes the projects, units/beds, and occupancies among the facilities surveyed:

| FACILITY TYPE | TOTAL PROJECTS | TOTAL UNITS/BEDS | OCCUPANCY RATE |
|-----------------|----------------|------------------|----------------|
| CONGREGATE CARE | 3 | 280 | 95.7% |
| ASSISTED-LIVING | 6 | 648 | 98.0% |

The above table indicates a 95.7% occupancy rates among the congregate care facilities surveyed and a 98.0% occupancy rate among the assisted-living facilities surveyed. These are high occupancy rates and an indication that the market could support additional assisted-living beds.

As mentioned earlier, there is one project (Village Courtyards at Kensington Place) that accepts the Medicaid Waiver. Administration at this facility reports that they currently do not have any residents using Medicaid Waivers. The high fees charged at the Village Courtyards at Kensington Place are prohibiting individuals from being able to use the Medicaid Waiver. The Waiver only covers assisted-living services. The tenant or resident is still responsible for room and board charges.

Congregate Care

The following tables outline the distribution of unit types, fees for private occupancy units, and fees for the congregate care facilities surveyed:

| CONGREGATE CARE | | | | | | |
|-----------------|-----------------|--------------|------------|---------------|-----------|--------------|
| UNIT TYPE | MONTHLY RATE | ENTRANCE FEE | UNITS | SHARE | VACANT | OCCUPIED |
| STUDIO | \$1,488-\$3,408 | - | 98 | 35.0% | 6 | 93.9% |
| ONE-BEDROOM | \$2,075-\$2,848 | - | 100 | 35.7% | 1 | 99.0% |
| TWO-BEDROOM | \$2,775-\$3,183 | - | 74 | 26.4% | 5 | 93.2% |
| OTHER | \$4,146 | - | 8 | 2.9% | 0 | 100.0% |
| TOTAL | | | 280 | 100.0% | 12 | 95.7% |

Monthly fees range from \$1,488 for a studio unit to \$4,146 for a three-bedroom unit. Note that none of the projects surveyed require an entrance fee. All of the fees at the congregate care facilities include utilities where the only additional charges are phone, Internet, and cable.

Additional meals, direct nursing services, on-site physician care, and guest suites for visitors are additional services/amenities within all of the congregate care communities.

The following table summarizes the individual congregate care facilities surveyed:

| CONGREGATE CARE | | | | | | |
|-----------------|-----------------------|-----------|-------------|---------------|--------------|---------------------|
| MAP I.D. | PROJECT NAME | YEAR OPEN | TOTAL UNITS | NUMBER VACANT | PERCENT OCC. | MILES FROM SUBJECT* |
| C-1 | KENSINGTON PLACE | 1992 | 126 | 2 | 98.4% | 3.43 |
| C-2 | VILLAS AT ST. THERESE | 1998 | 42 | 2 | 95.2% | 4.70 |
| C-3 | THE WORTHINGTON | 2006 | 112 | 8 | 92.9% | 3.20 |
| TOTAL | | | 280 | 12 | 95.7% | |

*Driving distance
Occ. - Occupancy

The following table details unit types and sizes for the congregate care facilities surveyed.

| CONGREGATE CARE | | | | | |
|-----------------|-----------------------|--|--------------------|-------------------|--------------|
| MAP I.D. | PROJECT NAME | NUMBER OF UNITS (UNIT SQUARE FOOTAGE) | | | |
| | | STUDIO | ONE-BR. | TWO-BR. | OTHER |
| C-1 | KENSINGTON PLACE | 20 (494-567) | 60 (678-1,002) | 38 (998-1,036) | 8 (1,355) |
| C-2 | VILLAS AT ST. THERESE | 42 (250-300) | - | - | - |
| C-3 | THE WORTHINGTON | 36 (388-476) | 40 (672-750) | 36 (800-971) | - |
| TOTAL | | 98 (250-567) | 100 (672-1,002) | 74 (800-1,036) | 8 (1,355) |

Unit sizes range from 250 square feet for a studio unit to 1,355 square feet for a three-bedroom unit. One-bedroom units comprise the greatest share (35.7%) of all units surveyed, followed by studio units, with 35.0%.

Assisted-Living

We identified and surveyed six licensed assisted-living facilities within the Gahanna Site PMA and surrounding area. The six facilities contain a total of 648 beds. The following table summarizes the distribution of assisted-living units surveyed by bed type, monthly fee range for private occupancy rooms, and occupancy:

| ASSISTED-LIVING | | | | | | |
|----------------------|-----------------|---------------|-------|--------|--------|----------|
| UNIT TYPE | MONTHLY RATE | SECOND PERSON | UNITS | SHARE | VACANT | OCCUPIED |
| STUDIO | \$1,800-\$4,470 | \$1,350 | 140 | 21.6% | 5 | 96.4% |
| ONE-BEDROOM | \$2,100-\$6,300 | \$1,350 | 370 | 57.1% | 4 | 98.9% |
| TWO-BEDROOM | \$2,250-\$5,700 | - | 76 | 11.7% | 2 | 97.4% |
| ALZHEIMER'S/DEMENTIA | \$3,810-\$4,470 | - | 62 | 9.6% | 2 | 96.8% |
| TOTAL | | | 648 | 100.0% | 13 | 98.0% |

The facilities are individually summarized in the following table:

| MAP I.D. | NAME | YEAR OPEN | TOTAL BEDS | OCC. RATE | SQ. FT. RANGE | MONTHLY FEE RANGE* | MILES FROM SUBJECT ** |
|--------------------|--|-----------|------------|--------------|----------------|------------------------|-----------------------|
| A-1 | THE VILLAGE COURTYARDS AT KENSINGTON PLACE | 1992 | 186 | 96.8% | 150-310 | \$2,730-\$5,700 | 3.60 |
| A-2 | MOTHER ANGELINE AT MCCRORY MANOR | 2005 | 147 | 100.0% | 300 | \$6,150-\$6,300 | 4.70 |
| A-3 | SUNRISE OF GAHANNA | 1997 | 64 | 100.0% | 350 | \$2,370-\$3,330 | 2.03 |
| A-4 | NEW ALBANY GARDENS | 1998 | 36 | 94.4% | 400 | \$3,180 | 4.57 |
| A-5 | SUMMERVILLE AT CHESTNUT HILL | 1993 | 110 | 99.1% | 225-300 | \$2,000-\$4,400 | 3.83 |
| A-6 | WOODLANDS ASSISTED LIVING | 2001 | 105 | 96.2% | 385-570 | \$1,800-\$4,110 | 4.97 |
| TOTAL/RANGE | | | 648 | 98.0% | 150-570 | \$1,800-\$6,300 | |

*Base fees without additional service fees

**Driving miles

Occ. - Occupancy

Sq. Ft. - Square Footage

The assisted-living facilities have an overall occupancy rate of 98.0%. This is considered a high occupancy rate based upon a comparison with a national survey. In the annual survey, *The State of Seniors Housing (2005)*, the American Seniors Housing Association reports a 90.4% median occupancy rate among all assisted-living facilities surveyed.

Monthly fees range from \$1,800 for sleeping room unit types to \$6,300 for a deluxe one-bedroom. This is a typical range, according to our experience in assisted-living markets.

Fees at all of the facilities include all three daily meals, all utilities, regular housekeeping services, laundry/linen services, scheduled transportation, social director or activities, beauty/barber shop, lounges or community rooms, dining room(s), and physical therapy room(s).

Basic unit amenities include air conditioning, blinds, carpet, and emergency call systems. All six of the facilities offer some type of kitchen appliances such as refrigerator and microwave. The subject site will continue to operate as a HUD 202 project with units offering full kitchens.

Fees for ADL assistance can be bundled in levels of care, offered as a la carte services, based upon a point system, or included in the base monthly fee. Typically assisted-living facilities conduct regular assessments of residents to ensure that their assistance needs are being met.

According to our experience surveying assisted-living facilities, most residents need assistance with at least two ADLs per day (this most commonly involves medication reminders, mobility assistance, meal monitoring, dressing and grooming assistance, and/or personal laundry).

An analysis of additional fees for the six assisted-living projects surveyed follows:

| ASSISTED-LIVING FACILITIES | | | |
|-----------------------------------|--|---------------------------|---|
| MAP I.D. | PROJECT NAME | SITE CONFIGURATION | ASSISTANCE SERVICES MONTHLY FEE RANGE |
| A-1 | THE VILLAGE COURTYARDS AT KENSINGTON PLACE | CCRC | NONE |
| A-2 | MOTHER ANGELINE AT MCCRORY MANOR | CCRC | NONE |
| A-3 | SUNRISE OF GAHANNA | FREE STANDING | LEVEL 1-\$900 |
| A-4 | NEW ALBANY GARDENS | FREE STANDING | LEVEL 1-\$120 LEVEL 2-\$300 |
| A-5 | SUMMERVILLE AT CHESTNUT HILL | FREE STANDING | LEVEL 1-\$300 LEVEL 2-\$600 LEVEL 3-\$900 LEVEL 4-\$1,200 LEVEL 5-\$1,500 |
| A-6 | WOODLANDS ASSISTED LIVING | FREE STANDING | LEVEL 1-\$60 LEVEL 2-\$180 |

Four of the assisted-living facilities surveyed charge additional fees for assistance services. These additional charges can significantly impact the decision to choose an assisted-living facility. Monthly fees for ADL assistance within the facilities surveyed range from \$120 for basic assistance services and medication reminders to \$1,500 for assistance with incontinence, concentrated supervision, and high-level physical assistance. These fees are not affordable to a resident in a subsidized project. Senior households that cannot afford the fees charged at traditional market-rate assisted-living facilities have to rely on discount services available through private and government agencies. More often than not, a senior citizen is not receiving adequate assistance with ADL'S because of cost issues and there is not anyone monitoring their condition. An affordable assisted-living facility will offer those low-income senior households a living option that is not readily available in the market.

Unit configurations for assisted-living in the Gahanna Site PMA include studio, one- and two-bedroom units, and Alzheimer's-specific units. This distribution is typical of modern senior residential markets as. The following table summarizes the distribution of units by size for each of the assisted-living facilities surveyed:


| ASSISTED-LIVING FACILITIES | | | | | | |
|----------------------------|--|-------------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|
| MAP I.D. | PROJECT NAME | NUMBER OF UNITS (SQUARE FOOTAGE) | | | | |
| | | SLEEPING ROOM | STUDIO | ONE-BR. | TWO-BR. | ALZHEIMER'S/ DEMENTIA |
| A-1 | THE VILLAGE COURTYARDS AT KENSINGTON PLACE | - | 20 (150) | 88 (225) | 56 (310) | 22 (225) |
| A-2 | MOTHER ANGELINE AT MCCRORY MANOR | - | - | 147 (300) | - | - |
| A-3 | SUNRISE OF GAHANNA | - | - | 64 (350) | - | - |
| A-4 | NEW ALBANY GARDENS | - | 36 (400) | - | - | - |
| A-5 | SUMMERVILLE AT CHESTNUT HILL | - | 54 (225-275) | 36 (300) | - | 20 (225) |
| A-6 | WOODLANDS ASSISTED LIVING | - | 30 (285) | 35 (388) | 20 (570) | 20 (285) |
| | TOTAL RANGE | - | 140 (150-400) | 370 (225-388) | 76 (310-570) | 62 (225-285) |

6.4. Planned and Proposed

According to planning department officials, there are no plans for construction of new assisted-living or congregate care facilities within the subject site market area. Furthermore, there is nothing in the pipeline as far as affordable conventional rentals specifically targeting senior households. There are currently market-rate conventional rental being developed in Gahanna off State Route 62. However, these are upscale rentals that will target a different tenant profile than currently resides at the subject site.

One-page profiles of the comparable conventional rental properties are on the following pages, followed by one-page profiles for the comparable senior facilities.

APARTMENT PROJECT PROFILE - GAHANNA, OHIO

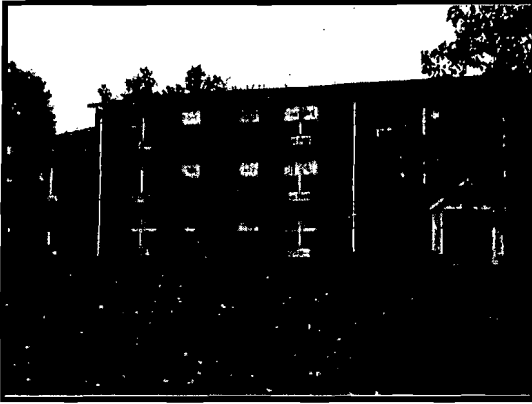
| | | | |
|--|------------------------|--------------------------------|--|
| Map Code 2 | Total Units 150 | Vacancies 0 |  |
| Project Name Stygler Village | | | |
| Address 140 Imperial Dr. Gahanna, OH | | | |
| Phone (614) 475-2255 | | Contact Ann | |
| Project Type Government-Subsidized | | | |
| Year Open 1977 | | Floors 4 | |
| Concessions No Rent Specials | | | |
| Parking Surface Parking | | Quality Rating B | Neighborhood Rating A |
| Waiting List 3-6 months | | Percent Occupied 100.0% | |

UNIT CONFIGURATION

| BEDROOMS | BATHS | TYPE | SQUARE FEET | UNITS | OCCUP. | VACANT | COLLECTED RENT |
|----------|-------|------|-------------|-------|--------|--------|----------------|
| 0 | 1 | G | 400 | 8 | 8 | 0 | \$593 |
| 1 | 1 | G | 552 to 569 | 142 | 142 | 0 | \$720 |

| | |
|--------------------------|---|
| Utilities | Landlord pays Electric, Electric Heat, Gas Hot Water, for Cooking Heat, Water, Sewer, Trash |
| Unit Amenities | Refrigerator, Range, Disposal, Central AC, Carpet, Patio/Deck/Balcony, Intercom, Blinds, E-Call Button |
| Project Amenities | On-site Management, Laundry Facility, Meeting Room, Fitness Center, Elevator, Business Center, Picnic Area, Social Services, shuffle board |
| Remarks | Government-subsidized, HUD Section 202; 100% senior (62+) or disabled; Will be undergoing renovations later this year; Several residents would benefit from AL services |

APARTMENT PROJECT PROFILE - GAHANNA, OHIO


| | |
|--|--|
| Map Code 374 Total Units 33 Vacancies 0 |  |
| Project Name New Salem Manor Apts. | |
| Address 2760 Sunbury Rd. Columbus, OH 43219 | |
| Phone (614) 337-2190 Contact Michaele | |
| Project Type Government-Subsidized | |
| Year Open 1995 Floors 3 | |
| Concessions No Rent Specials | |
| Parking Surface Parking | Quality Rating B Neighborhood Rating B |
| Waiting List 1-2 months | Percent Occupied 100.0% |

UNIT CONFIGURATION

| BEDROOMS | BATHS | TYPE | SQUARE FEET | UNITS | OCCUP. | VACANT | COLLECTED RENT |
|----------|-------|------|-------------|-------|--------|--------|----------------|
| 0 | 1 | G | 400 | 11 | 11 | 0 | N.A. |
| 1 | 1 | G | 515 | 22 | 22 | 0 | N.A. |

| | |
|--------------------------|---|
| Utilities | Landlord pays Gas Heat, Gas Hot Water, Water, Sewer, Trash |
| Unit Amenities | Refrigerator, Range, Window AC, Carpet, Intercom, Blinds |
| Project Amenities | On-site Management, Laundry Facility, Meeting Room, Elevator, Social Services |
| Remarks | Government-subsidized, HUD Section 202; 100% senior (62+) or disabled |

APARTMENT PROJECT PROFILE - GAHANNA, OHIO

| | |
|--|--|
| Map Code 4 Total Units 90 Vacancies 0 |  |
| Project Name Corban Commons | |
| Address 3426 Corban Commons Dr. Columbus, OH 43219 | |
| Phone (614) 337-1577 Contact Vanessa | |
| Project Type Tax Credit | |
| Year Open 1999 Floors 3 | |
| Concessions No Rent Specials | |
| Parking Surface Parking | Quality Rating A- Neighborhood Rating B |
| Waiting List 6-12 months | Percent Occupied 100.0% |

UNIT CONFIGURATION


| BEDROOMS | BATHS | TYPE | SQUARE FEET | UNITS | OCCUP. | VACANT | COLLECTED RENT | AMHI |
|----------|-------|------|-------------|-------|--------|--------|----------------|------|
| 1 | 1 | G | 576 | 24 | 24 | 0 | \$480 | 60% |
| 1 | 1 | G | 576 | 18 | 18 | 0 | \$358 | 40% |
| 2 | 1 | G | 720 | 27 | 27 | 0 | \$625 | 60% |
| 2 | 1 | G | 720 | 21 | 21 | 0 | \$565 | 40% |

| | |
|--------------------------|---|
| Utilities | Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash |
| Unit Amenities | Refrigerator, Range, Disposal, Central AC, Carpet, Ceiling Fan, Intercom, Blinds |
| Project Amenities | On-site Management, Laundry Facility, Meeting Room, Storage, Picnic Area, Social Services |
| Remarks | Tax Credit @ 40% (39 units) & 60% (51 units) AMHI; 100% senior (62+) |

Surveyed - May 2007

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**ASSISTED-LIVING FACILITY
PROJECT PROFILE**

| | |
|--|--|
| Map Code A-1 |  |
| Project Name Village Courtyards at Kensington Place | |
| Address 935 N. Cassady Ave. Columbus, OH 43219 | |
| Phone (614) 257-4343 Contact Patricia | |
| Project Type/Licensure RCF | |
| Profit/Nonprofit Nonprofit | |
| Year Open 1992 Renovated | |
| Site Configuration Nursing Care, Congregate Care | |
| Total Beds/Units 186 Vacancies 6 Percent Occupied 96.8% | Access Rating B- Neighborhood Rating C+ |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|-------------|-------------------|--------------|-------|--------|------------|
| STUDIO | \$2,730 - \$4,470 | - | 20 | 1 | 95.0% |
| ONE BEDROOM | \$3,990 - \$5,160 | - | 88 | 3 | 96.6% |
| TWO BEDROOM | \$4,350 - \$5,700 | - | 56 | 2 | 96.4% |
| ALZ/DEM | \$4,470 | - | 22 | 0 | 100.0% |
| | | | 186 | 6 | 96.8% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 6 | 6 | 2 | 14 | 12 | 5 |

| | |
|------------------------------------|--|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Window Treatments, Carpeting, Emergency Call System |
| Project Amenities | Bank, Beauty/Barber Shop, Billiards, Chapel, Lounges, Craft/Hobby Room, Public Dining Room, Private Dining Room, Exercise Room, Health Center, Snack Bar, Library, Whirlpool/Spa, Movie Theater, Secured Entrance, Outside Walk Path, Community Room |
| Comments | Unit breakdown estimated; Range in fees accounts for range in level of care |

CONGREGATE CARE FACILITY PROJECT PROFILE

| | |
|--|--|
| Map Code C-1 |  |
| Project Name Kensington Place | |
| Address 1001 Parkview Blvd. Columbus, OH 43081 | |
| Phone (614) 252-5276 Contact Patricia | |
| Project Type/Licensure | |
| Profit/Nonprofit Nonprofit | |
| Year Open 1992 Renovated | |
| Site Configuration Nursing Care, Assisted Living | |
| Total Beds/Units 126 Vacancies 2 Percent Occupied 98.4% | |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|-------------|-------------------|--------------|-------|--------|------------|
| STUDIO | \$1,488 - \$1,576 | - | 20 | 1 | 95.0% |
| ONE BEDROOM | \$2,163 - \$2,848 | - | 60 | 1 | 98.3% |
| TWO BEDROOM | \$3,147 - \$3,183 | - | 38 | 0 | 100.0% |
| OTHER | \$4,146 | - | 8 | 0 | 100.0% |
| | | | 126 | 2 | 98.4% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 0 | 0 | 0 | 0 | 0 | 0 |

| | |
|------------------------------------|---|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(2 per day), Laundry |
| Unit Amenities | Air Conditioning, Carpeting, Dishwasher, Disposal, Emergency Call System, Range, Refrigerator, Extra Storage |
| Project Amenities | Bank, Beauty/Barber Shop, Billiards, Chapel, Lounges, Craft/Hobby Room, Public Dining Room, Private Dining Room, Elevator, Exercise Room, Health Center, Snack Bar, Library, Whirlpool/Spa, Movie Theater, Secured Entrance, Outside Walk Path, Community Room, Concierge |
| Comments | Unit breakdown estimated; Lutheran Village facility |

**ASSISTED-LIVING FACILITY
PROJECT PROFILE**

| | |
|---|--|
| Map Code A-2 |  |
| Project Name Mother Angeline McCrory Manor | |
| Address 25 Noe-Bixby Rd. Columbus, OH 43213 | |
| Phone (614) 751-5700 Contact Sandy | |
| Project Type/Licensure RCF | |
| Profit/Nonprofit Nonprofit | |
| Year Open 2005 Renovated | |
| Site Configuration Congregate Care | |
| Total Beds/Units 147 Vacancies 0 Percent Occupied 100.0% | |
| Access Rating B+ Neighborhood Rating B | |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|-------------|--------------|--------------|-------|--------|------------|
| ONE BEDROOM | \$6,300 | \$6,150 | 147 | 0 | 100.0% |
| | | | 147 | 0 | 100.0% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 7 | 7 | 1 | 2 | 1 | 7 |

| | |
|------------------------------------|--|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Blinds, Carpeting, Emergency Call System |
| Project Amenities | Beauty/Barber Shop, Chapel, Lounges, Craft/Hobby Room, Public Dining Room, Private Dining Room, Elevator, Exercise Room, Health Center, Ice Cream Parlor, Free Laundry Room, Snack Bar, Library, Whirlpool/Spa, Movie Theater, Secured Entrance, Outside Walk Path, Community Room |
| Comments | |

**CONGREGATE CARE FACILITY
PROJECT PROFILE**

| | |
|---|--|
| Map Code C-2 |  |
| Project Name Villas at St. Therese | |
| Address 25 Noe-Bixby Rd. Columbus, OH . 43213 | |
| Phone (614) 864-3576 Contact Sister Francis | |
| Project Type/Licensure | |
| Profit/Nonprofit Nonprofit | |
| Year Open 1998 Renovated | |
| Site Configuration Assisted Living | |
| Total Beds/Unlts 42 Vacancies 2 Percent Occupied 95.2% | |
| Access Rating B+ Neighborhood Rating B | |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|----------|-------------------|--------------|-------|--------|------------|
| STUDIO | \$2,830 - \$3,408 | - | 42 | 2 | 95.2% |
| | | | 42 | 2 | 95.2% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 0 | 0 | 0 | 0 | 0 | 0 |

| | |
|------------------------------------|--|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Blinds, Carpeting, Dishwasher, Emergency Call System, Range, Refrigerator |
| Project Amenities | Beauty/Barber Shop, Chapel, Lounges, Craft/Hobby Room, Public Dining Room, Private Dining Room, Elevator, Exercise Room, Health Center, Ice Cream Parlor, Free Laundry Room, Snack Bar, Library, Whirlpool/Spa, Movie Theater, Secured Entrance, Outside Walk Path, Community Room |
| Comments | Garages are available for \$150/month |

**ASSISTED-LIVING FACILITY
PROJECT PROFILE**

| | |
|--|--|
| Map Code A-3 |  |
| Project Name Sunrise of Gahanna | |
| Address 775 E. Johnstown Rd. Gahanna, OH 43230 | |
| Phone (614) 418-9775 Contact Truli | |
| Project Type/Licensure RCF | |
| Profit/Nonprofit Profit | |
| Year Open 1997 Renovated | |
| Site Configuration | |
| Total Beds/Units 64 Vacancies 0 Percent Occupied 100.0% | Access Rating B+ Neighborhood Rating B |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|-------------|--------------|--------------|-------|--------|------------|
| ONE BEDROOM | \$3,330 | \$2,370 | 64 | 0 | 100.0% |
| | | | 64 | 0 | 100.0% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANT'S | | |
|-------------------------------------|-----|-------|----------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 2 | 2 | 0 | 5 | 4 | 2 |

| | |
|------------------------------------|---|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Carpeting, Emergency Call System |
| Project Amenities | Beauty/Barber Shop, Lounges, Public Dining Room, Snack Bar, Concierge |
| Comments | Levels of care are a minimum of \$900; Square footage estimated; Wait list: 4 persons |

**CONGREGATE CARE FACILITY
PROJECT PROFILE**

| | | | | |
|------------------------|--|-----------|---------------------|--|
| Map Code | C-3 | | |  |
| Project Name | The Worthington | | | |
| Address | 1201 Riva Ridge Ct. Gahanna, OH 43230 | | | |
| Phone | (614) 933-8640 | Contact | Patty | |
| Project Type/Licensure | | | | |
| Profit/Nonprofit | Profit | | | |
| Year Open | 2006 | Renovated | | |
| Site Configuration | | | | |
| Total Beds/Units | 112 | Vacancies | 8 | |
| Percent Occupied | 92.9% | | Access Rating | |
| | | | Neighborhood Rating | B+ |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|-------------|-------------------|--------------|-------|--------|------------|
| STUDIO | \$1,525 - \$1,995 | - | 36 | 3 | 91.7% |
| ONE BEDROOM | \$2,075 - \$2,675 | - | 40 | 0 | 100.0% |
| TWO BEDROOM | \$2,775 - \$3,125 | - | 36 | 5 | 86.1% |
| | | | 112 | 8 | 92.9% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 0 | 0 | 0 | 0 | 0 | 0 |

| | |
|-----------------------------|--|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Carpeting, Emergency Call System, Porch/Patio |
| Project Amenities | Beauty/Barber Shop, Billiards, Chapel, Lounges, Craft/Hobby Room, Public Dining Room, Private Dining Room, Elevator, Exercise Room, Free Laundry Room, Library, Secured Entrance, Community Room |
| Comments | Balconies; Property still in lease-up; Square footage & unit mix estimated |

**ASSISTED-LIVING FACILITY
PROJECT PROFILE**

| | |
|---|--|
| Map Code A-4 |  |
| Project Name New Albany Gardens | |
| Address 5691 Thompson Rd. Columbus, OH 43230 | |
| Phone (614) 855-8866 Contact Jessica | |
| Project Type/Licensure RCF | |
| Profit/Nonprofit Profit | |
| Year Open 1998 Renovated | |
| Site Configuration Nursing Care | |
| Total Beds/Units 36 Vacancies 2 Percent Occupied 94.4% | Access Rating B- Neighborhood Rating A- |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|----------|--------------|--------------|-------|--------|------------|
| STUDIO | \$3,180 | - | 36 | 2 | 94.4% |
| | | | 36 | 2 | 94.4% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 1 | 1 | 0 | 3 | 2 | 2 |

| | |
|------------------------------------|--|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Window Treatments, Carpeting, Emergency Call System |
| Project Amenities | Beauty/Barber Shop, Lounges, Public Dining Room, Private Dining Room, Snack Bar, Secured Entrance, Outside Walk Path, Community Room |
| Comments | There is a 67 unit nursing care facility on-site for \$229 per month for a private unit & \$199 per month for a semi-private unit |

**ASSISTED-LIVING FACILITY
PROJECT PROFILE**

| | |
|--|--|
| Map Code A-5 |  |
| Project Name Summerville at Chestnut Hill | |
| Address 5055 Thompson Rd. Columbus, OH 43230 | |
| Phone (614) 855-3700 Contact Jill | |
| Project Type/Licensure RCF | |
| Profit/Nonprofit Profit | |
| Year Open 1993 Renovated | |
| Site Configuration | |
| Total Beds/Units 110 Vacancies 1 Percent Occupied 99.0% | Access Rating A- Neighborhood Rating B+ |

UNIT CONFIGURATION


| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|-------------|-------------------|--------------|-------|--------|------------|
| STUDIO | \$2,450 - \$2,700 | \$2,000 | 54 | 1 | 98.1% |
| ONE BEDROOM | \$4,400 | \$3,500 | 36 | 0 | 100.0% |
| ALZ/DEM | \$4,250 | - | 20 | 0 | 100.0% |
| | | | 110 | 1 | 99.1% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 4 | 3 | 1 | 9 | 8 | 3 |

| | |
|------------------------------------|--|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Blinds, Carpeting, Emergency Call System, Microwave, Refrigerator |
| Project Amenities | Beauty/Barber Shop, Billiards, Chapel, Lounges, Craft/Hobby Room, Public Dining Room, Private Dining Room, Health Center, Free Laundry Room, Library, Whirlpool/Spa, Secured Entrance, Outside Walk Path, Community Room |
| Comments | All levels of care based on point system; Summerbrook Memory Care located on-site for Alz./Dem. Patients |

**ASSISTED-LIVING FACILITY
PROJECT PROFILE**

| | | | |
|------------------------|---|------------------------------------|--|
| Map Code | A-6 | |  |
| Project Name | Woodlands Assisted Living | | |
| Address | 5380 E. Broad St. Columbus, OH 43213 | | |
| Phone | (614) 755-7591 | Contact Amanda | |
| Project Type/Licensure | RCF | | |
| Profit/Nonprofit | Profit | | |
| Year Open | 2001 | Renovated | |
| Site Configuration | | | Access Rating B- Neighborhood Rating B- |
| Total Beds/Units | 105 | Vacancies 4 Percent Occupied 96.2% | |

UNIT CONFIGURATION

| BED TYPE | RENT PRIVATE | SEMI PRIVATE | UNITS | VACANT | % OCCUPIED |
|-------------|-------------------|--------------|-------|--------|------------|
| STUDIO | \$1,800 - \$2,550 | - | 30 | 1 | 96.7% |
| ONE BEDROOM | \$2,100 - \$2,850 | - | 35 | 1 | 97.1% |
| TWO BEDROOM | \$2,250 - \$3,300 | - | 20 | 0 | 100.0% |
| ALZ/DEM | \$3,810 - \$4,110 | - | 20 | 2 | 90.0% |
| | | | 105 | 4 | 96.2% |

STAFFING

| REGISTERED/LICENSED PRACTICAL NURSE | | | RESIDENT ASSISTANTS | | |
|-------------------------------------|-----|-------|---------------------|-----|-------|
| MORNING | DAY | NIGHT | MORNING | DAY | NIGHT |
| 3 | 3 | 1 | 7 | 6 | 3 |

| | |
|-----------------------------|--|
| Utilities/Services Included | Water/Sewer, Electricity, Heat, Trash Removal, Cable, Meals(3 per day), Laundry |
| Unit Amenities | Air Conditioning, Window Treatments, Carpeting, Emergency Call System, Microwave |
| Project Amenities | Beauty/Barber Shop, Billiards, Chapel, Lounges, Craft/Hobby Room, Public Dining Room, Private Dining Room, Health Center, Snack Bar, Library, Secured Entrance, Community Room |
| Comments | In the fees, the low cost does not include "hands on assistance" |

Adult Day Services: Community-based programs designed to meet the needs of functionally impaired adults in a protective setting are available. Program components include health services, personal care, meals, activities and transportation. Some programs include social work services and rehabilitation therapies.

Home Delivered meals: Well-balanced meals are delivered to the older adult's home to promote adequate nutrition. Hot meals are available Monday through Friday. A cold evening meal and/or weekend meals may also be provided.

Caregiver Relief (Respite Care): Trained individuals are available to help with the care of older adults who need 24-hour supervision.

Medical Transportation: Transportation to medical facilities is available for older adults. Wheelchair transportation is available.

Emergency Response Systems: A system designed to monitor an older adult's safety at home and provide access to emergency services through electronic communication devices is available.

According to a representative with the Franklin County Office on Aging, the above services are free to low-income individuals, and all services described above are available to Gahanna residents, which is the city of location for the subject site.

Note that there are no services directly provided by the site. However, National Church Residences, the operator of the subject site, does employ a service coordinator to assist residents in finding ways to have needs met. A service that is lacking at the site is transportation. The closest bus stop to the subject site is approximately 0.2 miles away. This distance is challenging to an individual with limited mobility. Many residents have to rely on alternative transportation if non-emergency medical or shopping needs can not be provided in the home.

- 7.3 A description of the cost of alternate care most frequently used is described below (Note that these figures were gathered from the Franklin County Office On Aging. The figures are average estimates as each privately contracted service provider would charge different rates):

Light Housekeeping/Laundry: \$16.50-\$20.00 per hour

Adult Day Care: \$30-\$45 per day

Home Delivered Meals: \$6.50 for each meal delivered to the home

On-Call Transportation (Non-Medical): \$2.00 per mile

In-Home Skilled Nursing Care: \$50-\$80 per hour

The above figures are estimated rates for private pay assuming that there is no financial assistance provided. The Office on Aging reports that they have a sliding scale of the cost of services based on a resident's income and assets. Representatives report that the majority of subsidized residents in the Columbus community have incomes and assets that qualify for 100.0% of services to be covered.

- 7.4 A description of how information in the community's analysis was used in documenting the need for assisted living facilities.

According to the consolidated plan for Columbus and Franklin County 2005-2009 there is a need for an additional 1,058 congregate care units and 933 assisted-living units. Many of these additional units of need are for low-income senior households that cannot afford the rates currently being charged at market-rate senior facilities. The proposed conversion at the subject site will certainly meet this need of housing within the Columbus and Franklin County area.

SECTION 8 – CONCLUSIONS AND RECOMMENDATIONS

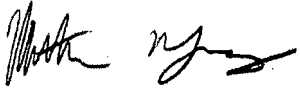
It is our opinion that a market exists for the proposed conversion of the existing 32-unit Stygler Commons, a HUD Section 202 property with a HAP contract, into an affordable assisted living facility. Based on our findings, the majority of the residents currently living at the subject site will be eligible for Medicaid Waivers that will cover the cost of assisted living services. Those residents at the subject site that are not eligible for the Medicaid Waivers will still be able to reside at the subject site given that the project will continue to operate as a HUD Section 202 project.

As outlined in Section 5 of this report, the capture rate for the 32 affordable units, assuming that no services are provided, is 1.8%. This is an excellent capture rate and an indication of high need for affordable senior housing. Based on estimations from the SIPP report, 8.8% of the age and income senior households within the subject site area require assistance with activities of daily living. This correlates in a demand of 156 affordable assisted living beds within the Gahanna Site PMA. The 32 units at the subject site require a capture rate of 20.5% of the 156 age and income eligible households that require assistance with activities of daily living. We consider the 20.5% capture rate to be highly achievable given the lack of this type of housing option available.

The effective capture rate for the project is 0.0% as the subject site is 100.0% occupied and tenant displacement during and following renovations is expected to be minimal. There is demand for affordable assisted-living units by residents currently occupying the subject site, and there is pent-up demand for future units of this type as evident by capture rate calculations. The units should be well received and will enhance the quality of life for the senior population within the Gahanna Site PMA.

SECTION 9 – SIGNED STATEMENT REQUIREMENT

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full study of the need and demand for affordable assisted living units. To the best of my knowledge, the market can support the project as shown in the study. I affirm that I have no interest in the project or relationship with the developer or ownership entity and my compensation is not contingent on this project being funded.



Nathan Young
Market Analyst
VWB Research
869 W. Goodale Blvd.
Columbus, Ohio 43212
(614) 225-9500

Date: June 1, 2007