

## Emerald Place

Proposal Application Summary

4% LIHTC with BGF Round

### Basic Project Information

Project Name	Emerald Place
LIHTC Type	4% LIHTC
BGF Pool/Subpool	New Affordability Outside a PJ
Lead Developer	LDG Multifamily, LLC
Project Address	730 South Ewing Street
Project City or Township	Lancaster
Project County	Fairfield
Construction Type	New Construction
Population Served	Families
Total Units	216
HDAP Request	\$4,500,000
Total 10-Year LIHTC Request	\$30,669,775
Total Development Cost	\$63,332,626

### Project Rendering



### Development and Operations Team

Lead Developer	LDG Multifamily, LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	Lowenstein Development LLC
LIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	Ohio Quad Equities, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Xpert Design & Construction
Architect of Record	Berardi + Partners
Property Management Firm	Winterwood, Inc.

### Project Narrative

Emerald Place Apartments is a proposed 216 unit family development located conveniently 1.25 miles from the center of Lancaster, near retail and restaurants along East Main St. and employment growth anticipated just to the east. The development includes three-story walk-up buildings with a mix of one-bedroom, two-bedroom, three-bedroom and four-bedroom apartments and common area amenities including a community room, fitness center and an on-site leasing and management office. The development has received full support from the City of Lancaster due in large part to the significant need for new high-quality affordable housing in Lancaster.

### Site Information

Site Size (Acres)	16.13
Scattered Sites?	No
Total Number of Buildings	5
Total Parking Spaces	303
Parking Ratio (Parking Spaces per Unit)	1.4
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area?	No
Census Tract Opportunity Index	Very Low
Census Tract Change Index	Decline

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	211,270	78%
Manager's Unit Area		
Common Area	55,588	21%
Support and Program Space	718	0%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,520	1%
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>270,096</b>	<b>100%</b>

### Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	19	9%
40% AMI		
50% AMI	57	26%
60% AMI	140	65%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>216</b>	<b>100%</b>

### Units by Bedroom Type and Rental Subsidy

Bedroom Type	Number of Units	Percent of Total Units	Units with Rental Subsidy	Percent of Total Units Subsidized
Studio				
1-BR	30	14%	7	23%
2-BR	111	51%	8	7%
3-BR	72	33%	4	6%
4-BR	3	1%	0	0%
5-BR				
<b>Total Units</b>	<b>216</b>	<b>100%</b>	<b>19</b>	<b>9%</b>

### Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$2,995,052	\$13,866
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 7%	(\$209,654)	(\$971)
Interest Income and Other Financial Income	\$17,000	\$79
Laundry, Tenant Charges, and Service Income	\$0	\$0
<b>Effective Gross Income (EGI)</b>	<b>\$2,802,398</b>	<b>\$12,974</b>
Administrative Expenses	\$308,084	\$1,426
Owner-Paid Utilities	\$28,000	\$130
Maintenance Costs	\$298,570	\$1,382
Taxes and Insurance	\$374,700	\$1,735
Tax Abatement and/or Operating Subsidy	(\$216,000)	(\$1,000)
Reserves and Other Expenses	\$86,400	\$400
<b>Total Operating Expenses</b>	<b>\$879,754</b>	<b>\$4,073</b>
<b>Net Operating Income (EGI - OpEx)</b>	<b>\$1,922,644</b>	<b>\$8,901</b>

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$58,980,337
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$58,980,337
Basis Boost for QCT/DDA			\$17,694,101
Adjusted Eligible Basis			\$76,674,438
X Applicable Fraction			100%
Qualified Basis			\$76,674,438
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$3,066,978
Total 10-Year LIHTC	\$30,669,775		
LIHTC Equity Generated	\$26,984,004		
Equity Price	\$0.88		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$5,396,801	9%
Historic Tax Credit Equity		
Construction Loan	\$43,000,000	68%
OHFA HDAP Request	\$4,500,000	7%
Deferred Developer Fee		
Affordable Housing Trust	\$500,000	1%
City of Lancaster CDBG	\$250,000	0%
Costs not incurred until perm	\$4,685,825	7%
Affordable Housing Trust	\$5,000,000	8%
N/A		
<b>Total Construction Sources</b>	<b>\$63,332,626</b>	<b>100%</b>

### Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$600,000	\$2,778	\$0
Predevelopment	\$2,027,377	\$9,386	\$1,995,877
Site Development	\$4,512,100	\$20,889	\$4,512,100
Hard Construction	\$39,292,862	\$181,911	\$39,292,862
Financing	\$5,163,183	\$23,904	\$3,199,199
Professional Fees	\$400,411	\$1,854	\$187,743
Developer Fee	\$9,792,556	\$45,336	\$9,792,556
OHFA and Other Fees	\$707,419	\$3,275	\$0
Capitalized Reserves	\$836,718	\$3,874	\$0
<b>Total Development Costs (TDC)</b>	<b>\$63,332,626</b>	<b>\$293,207</b>	<b>\$58,980,337</b>
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

  

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$293,207	\$388,000	-24%
TDC per Gross Square Foot	\$234	\$390	-40%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$1,922,644	\$1,922,644
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$1,602,204	\$1,922,644
Interest Rate	6.25%	6.25%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$23,517,291	\$28,220,750
Actual Perm Loan Amount	\$23,520,000	
Variance	\$2,709	

  

	Year 1	Year 15
Debt Service Coverage Ratio	1.20	1.48
OHFA Minimum DSCR	1.20	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$26,984,004	43%
Historic Tax Credit Equity		
Permanent First Mortgage	\$23,520,000	37%
Permanent Second Mortgage		
OHFA HDAP Request	\$4,500,000	7%
Deferred Developer Fee	\$7,578,622	12%
Affordable Housing Trust	\$500,000	1%
City of Lancaster	\$250,000	0%
N/A		
N/A		
N/A		
<b>Total Permanent Sources</b>	<b>\$63,332,626</b>	<b>100%</b>