

Artem on Gay

Proposal Application Summary

4% LIHTC with BGF Round

Basic Project Information

Project Name	Artem on Gay
LIHTC Type	4% LIHTC
BGF Pool/Subpool	New Affordability in a PJ
Lead Developer	Finance Fund
Project Address	347 E Gay St
Project City or Township	Columbus
Project County	Franklin
Construction Type	New Construction
Population Served	Families
Total Units	78
HDAP Request	\$2,339,922
Total 10-Year LIHTC Request	\$9,966,323
Total Development Cost	\$28,100,885

Project Rendering



Development and Operations Team

Lead Developer	Finance Fund
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corp for Housing
GP/MM #1 Parent Entity	Finance Fund
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Finance Fund Construction, LLC
Architect of Record	Columbus Design, LLC
Property Management Firm	TBD

Project Narrative

Finance Fund introduces Artem on Gay. This 78-unit, 126-bed project will be built on an approximately .4-acre site in the Discovery District of downtown Columbus. This 6-story building will be constructed on top of structured parking. The development comprises 1- and 2-bedroom units with nearly 80,000 square feet and 46 parking spaces. Artem is located across the street from Vera on Broad, an unsubsidized middle-income project developed by Finance Fund, and The Abigail, a market-rate project, creating a spectrum of affordability within a single block of downtown. This highly desirable location is also adjacent to luxury condos, multiple restaurants, and coffee shops. It is within walking distance of three higher education facilities, Grant Hospital, and numerous bus lines. Artem on Gay will activate a decades-long underutilized site in a growing area and will look and feel like its higher-rent neighbors.

Site Information

Site Size (Acres)	0.407
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	46
Parking Ratio (Parking Spaces per Unit)	0.6
Urban Suburban Rural (USR) Geography	Urban
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area?	No
Census Tract Opportunity Index	Very High
Census Tract Change Index	Growth

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	57,259	71%
Manager's Unit Area		
Common Area	8,995	11%
Support and Program Space	949	1%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	3,956	5%
Structured Parking/Garage	9,298	12%
Basement		
Total Square Footage of all Buildings	80,457	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	8	10%
40% AMI		
50% AMI	34	44%
60% AMI	4	5%
70% AMI	14	18%
80% AMI	18	23%
Unrestricted		
Manager's		
Total Units	78	100%

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	38%	0	0%
2-BR	48	62%	0	0%
3-BR				
4-BR				
5-BR				
Total Units	78	100%	0	0%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$961,968	\$12,333
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 7%	(\$67,338)	(\$863)
Interest Income and Other Financial Income	\$0	\$0
Laundry, Tenant Charges, and Service Income	\$0	\$0
Effective Gross Income (EGI)	\$894,630	\$11,470
Administrative Expenses	\$169,939	\$2,179
Owner-Paid Utilities	\$80,500	\$1,032
Maintenance Costs	\$73,080	\$937
Taxes and Insurance	\$93,000	\$1,192
Tax Abatement and/or Operating Subsidy	\$0	\$0
Reserves and Other Expenses	\$31,200	\$400
Total Operating Expenses	\$447,719	\$5,740
Net Operating Income (EGI - OpEx)	\$446,911	\$5,730

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$15,000		\$24,920,809
- Reductions in Eligible Basis	\$0		\$0
= Net Eligible Basis	\$15,000		\$24,920,809
Basis Boost for QCT/DDA	(\$15,000)		\$0
Adjusted Eligible Basis	\$0		\$24,920,809
X Applicable Fraction	100%		100%
Qualified Basis	\$0		\$24,920,809
30% Present Value Rate	4.00%		4.00%
Annual LIHTC Generated	\$0		\$996,832
Total 10-Year LIHTC	\$9,968,323		
LIHTC Equity Generated	\$8,400,415		
Equity Price	\$0.84		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$648,349	2%
Historic Tax Credit Equity		
Construction Loan	\$15,000,000	53%
OHFA HDAP Request		
Deferred Developer Fee	\$2,142,456	8%
City Grant	\$7,722,000	27%
N/A		
OHFA HDL	\$2,000,000	7%
Reserves	\$508,079	2%
Equity Fee	\$80,000	0%
Total Construction Sources	\$28,100,884	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,365,000	\$17,500	\$15,000
Predevelopment	\$709,000	\$9,090	\$709,000
Site Development	\$1,700,000	\$21,795	\$1,400,000
Hard Construction	\$16,197,558	\$207,661	\$16,197,558
Financing	\$2,926,615	\$37,521	\$2,316,616
Professional Fees	\$290,000	\$3,718	\$145,000
Developer Fee	\$4,152,635	\$53,239	\$4,152,635
OHFA and Other Fees	\$251,998	\$3,231	\$0
Capitalized Reserves	\$508,079	\$6,514	\$0
Total Development Costs (TDC)	\$28,100,885	\$360,268	\$24,935,809
LIHTC Eligible Basis as a Percent of Total Development Costs			89%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$360,268	\$388,000	-7%
TDC per Gross Square Foot	\$349	\$390	-10%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$446,911	\$446,911
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$372,426	\$446,911
Interest Rate	7.00%	7.00%
Amortization Period (Years)	30	30
Loan Term (Years)	30	30
Maximum Perm Loan Amount	\$4,664,871	\$5,597,845
Actual Perm Loan Amount	\$4,646,232	
Variance	(\$18,639)	
Debt Service Coverage Ratio	1.20	1.36
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$8,400,415	30%
Historic Tax Credit Equity		
Permanent First Mortgage	\$4,646,232	17%
Permanent Second Mortgage		
OHFA HDAP Request	\$2,339,922	8%
Deferred Developer Fee	\$1,529,390	5%
City of Columbus Bond Fund	\$8,580,000	31%
N/A		
Capital Contribution	\$2,550,000	9%
Solar Equity	\$54,925	0%
N/A		
Total Permanent Sources	\$28,100,884	100%