

Center City Senior Apartments

Proposal Application Summary

4% LIHTC with BGF Round

Basic Project Information

Project Name	Center City Senior Apartments
LIHTC Type	4% LIHTC
BGF Pool/Subpool	New Affordability in a PJ
Lead Developer	Model Property Development, LLC
Project Address	40 S. Main Street
Project City or Township	Dayton
Project County	Montgomery
Construction Type	Adaptive Reuse
Population Served	Seniors
Total Units	80
HDAP Request	\$3,500,000
Total 10-Year LIHTC Request	\$9,281,514
Total Development Cost	\$24,490,786

Existing Photograph



Development and Operations Team

Lead Developer	Model Property Development, LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Royal Bank of Canada
GP/MM #1 Parent Entity	Model Group, Inc.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Model Construction, LLC
Architect of Record	Browning Day
Property Management Firm	National Church Residences

Project Narrative

The Centre City Senior Apartments project is one phase of the \$92 Million full rehabilitation and adaptive reuse of the Centre City Building, a completely vacant former office building in downtown Dayton, Ohio. Model Group plans to transform the property into a character-filled, mixed-use showplace, including the creation of 200 housing units, 80 of which will be carved out as an affordable project for seniors with incomes less than 60% AMI. The Centre City Senior Apartments will offer 21 efficiencies, 53 one-bedroom units and six two-bedroom units. The site will also include free wireless internet and supportive service coordination. The Centre City Senior Apartment units will be indistinguishable from the market rate units, with energy-efficient appliances, including dishwashers. Model Group is committed to integrating varying income levels, and this project is a continuation of our efforts to positively transform Dayton's urban core.

Site Information

Site Size (Acres)	0.532
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	0
Parking Ratio (Parking Spaces per Unit)	0.0
Urban Suburban Rural (USR) Geography	Urban
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes
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	207,890	73%
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	52,840	19%
Manager's Unit Area		
Common Area	18,276	6%
Support and Program Space		
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	4,404	2%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	283,410	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI	33	41%
60% AMI	47	59%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	80	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	21	26%	0	0%
1-BR	53	66%	0	0%
2-BR	6	8%	0	0%
3-BR				
4-BR				
5-BR				
Total Units	80	100%	0	0%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$808,092	\$10,101
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 7%	(\$56,566)	(\$707)
Interest Income and Other Financial Income	\$0	\$0
Laundry, Tenant Charges, and Service Income	\$0	\$0
Effective Gross Income (EGI)	\$751,526	\$9,394
Administrative Expenses	\$210,122	\$2,627
Owner-Paid Utilities	\$116,500	\$1,456
Maintenance Costs	\$154,000	\$1,925
Taxes and Insurance	\$526,385	\$6,580
Tax Abatement and/or Operating Subsidy	(\$449,815)	(\$5,623)
Reserves and Other Expenses	\$32,000	\$400
Total Operating Expenses	\$589,192	\$7,365
Net Operating Income (EGI - OpEx)	\$162,334	\$2,029

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis		\$22,276,956	
- Reductions in Eligible Basis		\$4,427,891	
= Net Eligible Basis		\$17,849,065	
Basis Boost for QCT/DDA		\$5,354,720	
Adjusted Eligible Basis		\$23,203,785	
X Applicable Fraction		100%	
Qualified Basis		\$23,203,785	
30% Present Value Rate		4.00%	
Annual LIHTC Generated		\$928,151	
Total 10-Year LIHTC	\$9,281,514		
LIHTC Equity Generated	\$7,974,117		
Equity Price	\$0.86		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$313,319	1%
Historic Tax Credit Equity		
Construction Loan	\$12,716,234	52%
OHFA HDAP Request	\$3,150,000	13%
Deferred Developer Fee		
City of Dayton	\$1,700,000	7%
OHFA HDL	\$2,500,000	10%
Non Construction Sources	\$4,111,232	17%
N/A		
N/A		
Total Construction Sources	\$24,490,785	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$650,000	\$8,125	\$0
Predevelopment	\$1,033,194	\$12,915	\$1,020,694
Site Development	\$0	\$0	\$0
Hard Construction	\$16,641,690	\$208,021	\$16,313,444
Financing	\$1,556,661	\$19,458	\$1,117,818
Professional Fees	\$144,000	\$1,800	\$115,000
Developer Fee	\$3,710,000	\$46,375	\$3,710,000
OHFA and Other Fees	\$252,690	\$3,159	\$0
Capitalized Reserves	\$502,551	\$6,282	\$0
Total Development Costs (TDC)	\$24,490,786	\$306,135	\$22,276,956
LIHTC Eligible Basis as a Percent of Total Development Costs			91%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$306,135	\$388,000	-21%
TDC per Gross Square Foot	\$86	\$390	-78%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$162,334	\$101,204
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$135,278	\$101,204
Interest Rate	7.00%	7.00%
Amortization Period (Years)	30	30
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$1,694,442	\$1,267,638
Actual Perm Loan Amount	\$1,200,000	
Variance	(\$67,638)	

	Year 1	Year 15
Debt Service Coverage Ratio	1.69	1.06
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$7,974,117	33%
Historic Tax Credit Equity	\$3,759,944	15%
Permanent First Mortgage	\$1,200,000	5%
Permanent Second Mortgage		
OHFA HDAP Request	\$3,500,000	14%
Deferred Developer Fee	\$584,659	2%
City of Dayton	\$3,500,000	14%
Royal Bank of Canada	\$1,872,065	8%
GP Capital	\$2,100,000	9%
N/A		
N/A		
Total Permanent Sources	\$24,490,785	100%