

## Beechwood

Proposal Application Summary

4% LIHTC with BGF Round

### Basic Project Information

Project Name	Beechwood
LIHTC Type	4% LIHTC
BGF Pool/Subpool	Preserved Affordability in a PJ
Lead Developer	Cincinnati Metropolitan Housing Authority
Project Address	330 FOREST AVE
Project City or Township	CINCINNATI
Project County	Hamilton
Construction Type	Rehabilitation
Population Served	Families
Total Units	146
HDAP Request	\$3,000,000
Total 10-Year LIHTC Request	\$19,240,109
Total Development Cost	\$42,238,907

### Existing Photograph



### Development and Operations Team

Lead Developer	Cincinnati Metropolitan Housing Authority
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	OEF Investment Fund LLC
GP/MM #1 Parent Entity	Cincinnati Metropolitan Housing Authority
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	To Be Determined
Architect of Record	Berardi + Partners
Property Management Firm	Touchstone Property Services, Inc.

### Project Narrative

Beechwood includes 149 public housing units built in 1967 on 5.37 acres. CMHA is proposing that 146 out of the 149 existing public housing apartments convert to RAD PBRA and that 3 apartments (one-bedrooms) be removed from CMHA's public housing inventory through the agency's de minimis reduction authority. All Beechwood apartments will be converted from public housing subsidy to 146 RAD PBRA/LIHTC apartments, financed by 4% LIHTC and bonds, and a 40-year FHA insured mortgage through the 221 d4 program. The apartments include 13 zero bedrooms, 132 one-bedroom and 1 two-bedroom apartments.

### Site Information

Site Size (Acres)	5.37
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	34
Parking Ratio (Parking Spaces per Unit)	0.2
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	Moderate
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	78,313	74%
Manager's Unit Area		
Common Area	15,617	15%
Support and Program Space	5,113	5%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	6,289	6%
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>105,332</b>	<b>100%</b>

### Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	16	11%
40% AMI		
50% AMI	55	38%
60% AMI	75	51%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>146</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	13	9%	13	100%
1-BR	132	90%	132	100%
2-BR	1	1%	1	100%
3-BR				
4-BR				
5-BR				
<b>Total Units</b>	<b>146</b>	<b>100%</b>	<b>146</b>	<b>100%</b>

### Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$1,496,454	\$10,250
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 5%	(\$74,823)	(\$512)
Interest Income and Other Financial Income	\$0	\$0
Laundry, Tenant Charges, and Service Income	\$0	\$0
Effective Gross Income (EGI)	\$1,421,631	\$9,737
Administrative Expenses	\$223,842	\$1,533
Owner-Paid Utilities	\$240,315	\$1,646
Maintenance Costs	\$296,433	\$2,030
Taxes and Insurance	\$115,466	\$791
Tax Abatement and/or Operating Subsidy	\$0	\$0
Reserves and Other Expenses	\$62,050	\$425
Total Operating Expenses	\$938,106	\$6,425
Net Operating Income (EGI - OpEx)	\$483,526	\$3,312

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$7,450,000	\$31,269,440	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$7,450,000	\$31,269,440	
Basis Boost for QCT/DDA	(\$7,450,000)	\$9,380,832	
Adjusted Eligible Basis	\$0	\$40,650,272	
X Applicable Fraction	100%	100%	
Qualified Basis	\$0	\$40,650,272	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$0	\$1,626,011	
Total 10-Year LIHTC	\$16,260,109		
LIHTC Equity Generated	\$16,931,295		
Equity Price	\$0.88		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$3,386,260	8%
Historic Tax Credit Equity		
Construction Loan	\$5,557,500	13%
OHFA HDAP Request	\$3,000,000	7%
Deferred Developer Fee		
GP Capital Contribution and L	\$2,160,000	5%
CMHA Seller Note	\$7,611,906	18%
CMHA Capital Funds	\$2,655,706	6%
Equity Bridge Loan	\$11,950,815	28%
Outside Construction Period	\$5,916,720	14%
Total Construction Sources	\$42,238,907	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$8,050,000	\$55,137	\$7,450,000
Predevelopment	\$732,848	\$5,020	\$732,848
Site Development	\$1,041,756	\$7,135	\$879,979
Hard Construction	\$22,985,476	\$157,435	\$22,614,252
Financing	\$1,514,505	\$10,373	\$525,361
Professional Fees	\$368,160	\$2,522	\$227,000
Developer Fee	\$6,290,000	\$43,082	\$6,290,000
OHFA and Other Fees	\$470,841	\$3,225	\$0
Capitalized Reserves	\$785,321	\$5,379	\$0
Total Development Costs (TDC)	\$42,238,907	\$289,308	\$38,719,440
LIHTC Eligible Basis as a Percent of Total Development Costs			92%

### Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$289,308	\$250,000	16%
TDC per Gross Square Foot	\$401	\$280	43%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$483,526	\$456,843
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$420,457	\$456,843
Interest Rate	6.55%	6.55%
Amortization Period (Years)	40	40
Loan Term (Years)	40	40
Maximum Perm Loan Amount	\$5,948,516	\$6,463,300
Actual Perm Loan Amount	\$5,700,000	
Variance	(\$248,516)	
Debt Service Coverage Ratio	1.20	1.13
OHFA Minimum DSCR	1.15	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$16,931,295	40%
Historic Tax Credit Equity		
Permanent First Mortgage	\$5,700,000	13%
Permanent Second Mortgage		
OHFA HDAP Request	\$3,000,000	7%
Deferred Developer Fee	\$850,000	2%
CMHA Seller Note	\$7,611,906	18%
CMHA GP Capital Contribution	\$3,200,000	8%
CMHA Capital Funds	\$2,655,706	6%
CMHA Loan	\$1,050,000	2%
CMHA GP Equity	\$1,240,000	3%
Total Permanent Sources	\$42,238,907	100%