

Proposal Summary

4% LIHTC AAL AHFA Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Springfield AAL

Basic Project Information

Project Name:	Springfield AAL
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	1990 N Belmont Ave
Project City or Township:	Springfield city
Project County:	Clark
Construction Type:	New Construction
Age Restriction:	Assisted Living
Funding Pool:	Metropolitan
Lead Developer:	Leo Brown Development, LLC
Total Number of Units:	124
Total Number of Buildings:	1

Project Rendering



OHFA Resource Request Requiring Board Approval

Amount	Approval Date

Project Narrative

Springfield AAL is a 124-unit affordable assisted living facility in Springfield, Clark County, Ohio. The project is a collaboration of Leo Brown Group and Homeport. Springfield AAL will offer 89 1 bedroom units and 35 studio units. When complete, the property will offer residents assistance with daily living, medication reminders, activities, utilities, housekeeping, and three meals a day in the comfort of a desirable and safe purpose-built community with numerous amenities. Grand Contracting and Traditions Management, affiliates of Leo Brown Group, will be the General Contractor and Medicaid Service provider. Traditions Management currently manages 15 assisted living communities that accept medicaid waivers. Oberer Management will be the Property Manager.

Development and Operations Team

Lead Developer	Leo Brown Development, LLC
Co-Developer #1	Homeport
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Affordable Housing Partners, Inc.
OLIHTC Syndicator/Investor	
GP/MM #1 Parent Entity	Leo Brown Group, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Grand Contracting, LLC
Architect of Record	pH7 Architects, Inc.
Property Management Firm	Oberer Management Services, LLC

Site Information

Site Size (Acres)	5.56
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	71
Parking Ratio (Parking Spaces per Unit)	0.6
Urban Suburban Rural (USR) Geography	Metro/Suburban
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very Low
Census Tract Change Index	Decline

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kroger	1.09
Medical Clinic	Kettering Health Springfield	1.39
Childcare Facility	Creative World of Learning	1.34
Senior Center	Kettering Health Springfield	1.39
Pharmacy	CVS Pharmacy	1.18
Public Library	Thomas Library	2.19
Public Park	Old Reid Park	1.02
Public School	Simon Kenton Elementary School	0.79
Public Recreation Center	Prairie View Recreation Area	1.22

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	61,765	66%
Manager's Unit Area	1,441	2%
Common Area	16,937	18%
Support and Program Space	12,338	13%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	870	1%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	93,351	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI		
60% AMI	124	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	124	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	35	28%	0	0%
1-BR	89	72%	0	0%
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	124	100%	0	0%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,358,640	\$10,957
Potential Gross Commercial Income	\$0	\$0
Potential Gross AAL & Service Income	\$6,562,700	\$52,925
Vacancy Allowance (Blended) 58%	(\$792,134)	(\$6,388)
Effective Gross Income (EGI)	\$7,129,206	\$57,494
Administrative Expenses	\$418,118	\$3,372
Property Management Fee	\$356,298	\$2,873
Owner-Paid Utility Expenses	\$210,226	\$1,695
Assisted Living Expenses	\$2,445,760	\$19,724
Maintenance Expenses	\$295,144	\$2,380
Real Estate Taxes	\$25,000	\$202
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$170,226	\$1,373
Other Insurance and Tax Expenses	\$383,849	\$3,096
Ongoing Reserve Contributions (Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$4,366,621	\$35,215
Net Operating Income (EGI - OpEx)	\$2,762,585	\$22,279

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$36,305,653
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$36,305,653
Codified Basis Boost			\$47,197,349
Adjusted Eligible Basis			\$47,197,349
X Applicable Fraction			100%
Qualified Basis			\$47,197,349
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$1,887,894
Total 10-Year LIHTC Requested	\$18,878,940		
LIHTC Equity Generated	\$15,667,953		
Equity Price	\$0.83		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$5,013,745	11%
Construction Loan	\$29,235,000	62%
GP/MM Capital Contribution	\$100	0%
Post-Construction Costs	\$10,820,818	23%
Construction Loan - Taxable Tail	\$1,800,000	4%
Total Construction Sources	\$46,869,663	100%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$250,000	\$2,016	\$0
Predevelopment	\$1,377,675	\$11,110	\$1,377,675
Site Development	\$800,000	\$6,452	\$800,000
Hard Construction	\$23,259,040	\$187,573	\$23,259,040
Financing	\$7,779,219	\$62,736	\$4,357,996
Professional Fees	\$646,713	\$5,215	\$460,000
Developer Fee	\$6,050,942	\$48,798	\$6,050,942
OHFA and Other Fees	\$419,374	\$3,382	\$0
Capitalized Reserves	\$6,286,700	\$50,699	\$0
Total Development Costs (TDC)	\$46,869,663	\$377,981	\$36,305,653
LIHTC Eligible Basis as a Percent of Total Development Costs			77%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$377,981	\$400,000	-6%
TDC per Gross Square Foot	\$502	\$420	20%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$2,762,585	\$2,762,585
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$2,302,154	\$2,762,585
Interest Rate	6.50%	6.50%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$32,768,631	\$39,322,357
Actual Perm Loan Amount	\$29,235,000	
Variance	(\$3,533,631)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.35	1.36
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$15,667,953	33%
Permanent First Mortgage	\$29,235,000	62%
Deferred Developer Fee	\$1,966,610	4%
GP/MM Capital Contribution	\$100	0%
Total Permanent Sources	\$46,869,663	100%