

## Proposal Summary

2024 4% LIHTC Only Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Reserve at Maryland Avenue

### Basic Project Information

Project Name	Reserve at Maryland Avenue
LIHTC Type	4%
Project Address	1750 Maryland Avenue
Project City or Township	Columbus, OH MSA
Project County	Franklin
Construction Type	New Construction
Age Restriction	General Occupancy

### OHFA Resource Request Requiring Board Approval

Residential Rental PABs:	\$14,600,000
Housing Development Loan:	\$2,000,000
Multifamily Lending Program:	N/A

### Development and Operations Team

Lead Developer	Connect Realty, LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	Buckeye Community Hope Foundation
LIHTC Syndicator/Investor	National Equity Fund, Inc.
GP/MM #1 Parent Entity	Brad DeHays, Individual
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Connect Construction
Architect of Record	Berardi + Partners, Inc.
Property Management Firm	RLJ Management

### Project Rendering



### Project Narrative

The Reserve at Maryland is the proposed new construction of an 84-unit housing community that will provide a high-quality, safe housing option that is affordable to residents of Columbus' Near East Side. The project, which is located in a QCT and within a specifically designated CRA target area within the city of Columbus, is an important part of the Near East Side Plan for revitalization.

The unit mix will consist of 24 one-bedroom units, 48 two-bedroom units, and 12 three-bedroom units in four residential buildings and a clubhouse. The project will offer competitive unit sizes and amenities including fully equipped kitchens with dishwashers and garbage disposals, washer/dryer hookups, and spacious closets. Project amenities will consist of a playground, ample green space, and a separate community center with a kitchenette, flexible tenant amenity space, and common

### Site Information

Site Size (Acres)	5.83
Scattered Sites?	No
Total Number of Buildings	4
Total Parking Spaces	128
Parking Ratio (Parking Spaces per Unit)	1.5
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	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	90,742	84%
Manager's Unit Area		
Common Area	11,797	11%
Support and Program Space	268	0%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	4,742	4%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	107,549	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	84	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	84	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	24	29%	0	0%
2-BR	48	57%	0	0%
3-BR	12	14%	0	0%
4-BR				
5-BR				
Total Units	84	100%	0	0%

### Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,228,224	\$14,622
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$85,976)	(\$1,024)
Effective Gross Income (EGI)	\$1,142,248	\$13,598
Administrative Expenses	\$104,222	\$1,241
Property Management Fee	\$85,669	\$1,020
Owner-Paid Utility Expenses	\$60,900	\$725
Maintenance Expenses	\$111,400	\$1,326
Real Estate Taxes	\$12,000	\$143
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$39,900	\$475
Other Insurance and Tax Expenses	\$40,000	\$476
Ongoing Reserve Contributions (Operating Subsidy)	\$33,600	\$400
	\$0	\$0
Total Annual Operating Expenses	\$487,691	\$5,806
Net Operating Income (EGI - OpEx)	\$654,558	\$7,792

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$26,108,873
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$26,108,873
Codified Basis Boost			\$33,941,535
Adjusted Eligible Basis			\$33,941,535
X Applicable Fraction			100%
Qualified Basis			\$33,941,535
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$1,357,661
Total 10-Year LIHTC Requested	\$13,576,614		
LIHTC Equity Generated	\$11,946,226		
Equity Price	\$0.88		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$4,151,226	15%
Construction Loan	\$14,600,000	53%
Housing Development Loan	\$2,000,000	7%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$1,858,870	7%
Sponsor Loan		
GP/MM Capital Contribution	\$1,800,000	7%
Post-Construction Costs		
Subordinate Mortgage 1	\$1,350,000	5%
Subordinate Mortgage 2	\$1,850,000	7%
N/A		
N/A		
N/A		
N/A		
N/A		
Total Construction Sources	\$27,610,096	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$400,000	\$4,762	\$0
Predevelopment	\$624,500	\$7,435	\$624,500
Site Development	\$1,692,000	\$20,143	\$1,692,000
Hard Construction	\$17,884,673	\$212,913	\$17,884,673
Financing	\$1,442,563	\$17,173	\$1,297,500
Professional Fees	\$415,000	\$4,940	\$285,000
Developer Fee	\$4,325,200	\$51,490	\$4,325,200
OHFA and Other Fees	\$298,160	\$3,550	\$0
Capitalized Reserves	\$528,000	\$6,286	\$0
Total Development Costs (TDC)	\$27,610,096	\$328,692	\$26,108,873
LIHTC Eligible Basis as a Percent of Total Development Costs			95%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$328,692	\$400,000	-18%
TDC per Gross Square Foot	\$257	\$420	-39%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$654,558	\$654,558
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$545,465	\$654,558
Interest Rate	5.18%	5.18%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$9,198,175	\$11,037,810
Actual Perm Loan Amount	\$8,805,000	
Variance	(\$393,175)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.25	1.47
OHFA Minimum DSCR	1.20	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$11,946,226	43%
Permanent First Mortgage	\$8,805,000	32%
Permanent Second Mortgage		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$1,858,870	7%
Sponsor Loan		
GP/MM Capital Contribution	\$1,800,000	7%
Subordinate Mortgage 1	\$1,350,000	5%
Subordinate Mortgage 2	\$1,850,000	7%
N/A		
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$27,610,096	100%