

Proposal Summary		2024 4% LIHTC Only Final Application
Affordable Housing Funding Application (AHFA)		Project Name: Asbury Apartments

### Basic Project Information

Project Name	Asbury Apartments
LIHTC Type	4%
Project Address	215 McDaniel Street
Project City or Township	Dayton
Project County	Montgomery
Construction Type	Rehabilitation
Age Restriction	Senior 62+

### OHFA Resource Request Requiring Board Approval

Residential Rental PABs:	N/A
Housing Development Loan:	N/A
Multifamily Lending Program:	N/A

### Development and Operations Team

Lead Developer	Related Affordable, LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Merchants Capital Investments, LLC
GP/MM #1 Parent Entity	The Related Companies, L.P.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Hernandez Construction Services, Inc.
Architect of Record	ATA Beilharz Architects
Property Management Firm	PK Management, LLC

### Site Information

Site Size (Acres)	0.86
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	50
Parking Ratio (Parking Spaces per Unit)	0.4
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	High
Census Tract Change Index	No Change

### 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	119	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	119	100%

### Existing Photograph



### Project Narrative

Asbury Apartments is a 119-unit, project-based Section 8 senior affordable property located in Dayton, OH. The property, originally built in 1971 and last rehabilitated in 2007, came off its 15-year compliance period in 2022. It is currently managed by PK Management. Today, Related Affordable (via Asbury Housing, L.P.) is seeking to acquire and rehabilitate the asset through the use of tax-exempt bonds and Low Income Housing Tax Credits ("LIHTC") to ensure its preservation as a safe and reliable community for low-income residents of the greater Dayton area.

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	57,274	74%
Manager's Unit Area		
Common Area	12,413	16%
Support and Program Space	984	1%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	3,585	5%
Structured Parking/Garage		
Basement	2,906	4%
Total Square Footage of all Buildings	77,162	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	50	42%	50	100%
1-BR	69	58%	69	100%
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	119	100%	119	100%

Consolidated Annual Operating Budget

Operating Line Item		Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income		\$1,706,061	\$14,337
Potential Gross Commercial Income		\$0	\$0
Potential Gross Service Income		\$81,858	\$688
Vacancy Allowance (Blended)	5%	(\$85,303)	(\$717)
Effective Gross Income (EGI)		\$1,702,616	\$14,308
Administrative Expenses		\$251,762	\$2,116
Property Management Fee		\$57,120	\$480
Owner-Paid Utility Expenses		\$154,292	\$1,297
Maintenance Expenses		\$134,900	\$1,134
Real Estate Taxes		\$0	\$0
(Abated Real Estate Taxes)		\$0	\$0
Property and Liability Insurance		\$49,455	\$416
Other Insurance and Tax Expenses		\$56,465	\$474
Ongoing Reserve Contributions (Operating Subsidy)		\$41,650	\$350
		\$0	\$0
Total Annual Operating Expenses		\$745,644	\$6,266
Net Operating Income (EGI - OpEx)		\$956,972	\$8,042

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$10,416,000	\$14,128,372	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$10,416,000	\$14,128,372	
Codified Basis Boost		\$18,366,884	
Adjusted Eligible Basis	\$10,416,000	\$18,366,884	
X Applicable Fraction	100%	100%	
Qualified Basis	\$10,416,000	\$18,366,884	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$416,640	\$734,675	
Total 10-Year LIHTC Requested	\$11,513,153		
LIHTC Equity Generated	\$9,568,000		
Equity Price	\$0.83		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$8,611,200	33%
Construction Loan	\$13,400,000	51%
Housing Development Loan		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$3,462,836	13%
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs		
Income from Operations	\$786,500	3%
N/A		
N/A		
N/A		
N/A		
N/A		
N/A		
Total Construction Sources	\$26,260,536	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$8,800,000	\$73,950	\$8,680,000
Predevelopment	\$587,395	\$4,936	\$586,195
Site Development	\$588,849	\$4,948	\$588,849
Hard Construction	\$9,735,944	\$81,815	\$9,735,944
Financing	\$1,363,292	\$11,456	\$820,522
Professional Fees	\$293,487	\$2,466	\$178,487
Developer Fee	\$3,954,375	\$33,230	\$3,954,375
OHFA and Other Fees	\$358,179	\$3,010	\$0
Capitalized Reserves	\$579,015	\$4,866	\$0
Total Development Costs (TDC)	\$26,260,536	\$220,677	\$24,544,372
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$220,677	\$347,000	-36%
TDC per Gross Square Foot	\$340	\$390	-13%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$956,972	\$956,972
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$832,150	\$956,972
Interest Rate	5.50%	5.50%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$13,445,096	\$15,461,861
Actual Perm Loan Amount	\$13,400,000	
Variance	(\$45,096)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.15	1.35
OHFA Minimum DSCR	1.15	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$9,568,000	36%
Permanent First Mortgage	\$13,400,000	51%
Permanent Second Mortgage		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$2,437,879	9%
Sponsor Loan		
GP/MM Capital Contribution		
Income from Operations	\$786,500	3%
Solar ITC Equity	\$68,157	0%
N/A		
N/A		
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$26,260,536	100%