

Proposal Summary

2024 4% LIHTC Only Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Community & Pendleton Apartments

Basic Project Information

Project Name	Community & Pendleton Apartments
LIHTC Type	4%
Project Address	Multiple Addresses
Project City or Township	Cincinnati
Project County	Hamilton
Construction Type	Rehabilitation
Age Restriction	General Occupancy

OHFA Resource Request Requiring Board Approval

Residential Rental PABs:	\$12,000,000
Housing Development Loan:	N/A
Multifamily Lending Program:	N/A

Development and Operations Team

Lead Developer	Preservation of Affordable Housing, LLC
Co-Developer #1	Model Property Development, LLC
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Enterprise Community Investments (ECI, LLC)
GP/MM #1 Parent Entity	Preservation of Affordable Housing, Inc.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Model Construction, LLC
Architect of Record	City Studios Architecture
Property Management Firm	POAH Communities

Site Information

Site Size (Acres)	0.771
Scattered Sites?	Yes
Total Number of Buildings	12
Total Parking Spaces	0
Parking Ratio (Parking Spaces per Unit)	0.0
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes - 75% of the buildings are in a
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Moderate
Census Tract Change Index	Strong Growth

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI	25	41%
60% AMI	36	59%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	61	100%

Existing Photograph



Project Narrative

Community & Pendleton Apartments is the resyndication of two previous 9% LIHTC projects that are beyond their 15-year compliance period. The whole project includes 61 units, efficiencies to 5-bedroom apartments, in 10 historic buildings built prior to 1900. The buildings are in the Over-the-Rhine and Pendleton neighborhoods of Cincinnati and represent POAH's commitment to keeping units affordable for individuals and families in these rapidly changing neighborhoods.

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space	2,179	2%
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	69,725	67%
Manager's Unit Area		
Common Area	2,895	3%
Support and Program Space	1,456	1%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	8,919	9%
Structured Parking/Garage		
Basement	18,762	18%
Total Square Footage of all Buildings	103,936	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	2%	1	100%
1-BR	7	11%	7	100%
2-BR	27	44%	15	56%
3-BR	21	34%	21	100%
4-BR	2	3%	2	100%
5-BR	3	5%	3	100%
Total Units	61	100%	49	80%

Consolidated Annual Operating Budget

Operating Line Item		Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income		\$1,031,700	\$16,913
Potential Gross Commercial Income		\$14,220	\$233
Potential Gross Service Income		\$0	\$0
Vacancy Allowance (Blended)	5%	(\$53,007)	(\$869)
Effective Gross Income (EGI)		\$992,913	\$16,277
Administrative Expenses		\$120,600	\$1,977
Property Management Fee		\$26,614	\$436
Owner-Paid Utility Expenses		\$90,973	\$1,491
Maintenance Expenses		\$189,196	\$3,102
Real Estate Taxes		\$85,000	\$1,393
(Abated Real Estate Taxes)		\$0	\$0
Property and Liability Insurance		\$63,021	\$1,033
Other Insurance and Tax Expenses		\$29,204	\$479
Ongoing Reserve Contributions (Operating Subsidy)		\$25,925	\$425
		\$0	\$0
Total Annual Operating Expenses		\$630,533	\$10,337
Net Operating Income (EGI - OpEx)		\$362,380	\$5,941

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$3,705,000	\$17,598,271	
- Reductions in Eligible Basis	\$0	\$1,159,795	
= Net Eligible Basis	\$3,705,000	\$16,438,476	
Codified Basis Boost		\$20,137,133	
Adjusted Eligible Basis	\$3,705,000	\$20,137,133	
X Applicable Fraction	100%	100%	
Qualified Basis	\$3,705,000	\$20,137,133	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$148,200	\$805,485	
Total 10-Year LIHTC Requested	\$9,596,030		
LIHTC Equity Generated	\$8,323,191		
Equity Price	\$0.87		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$2,425,428	10%
Construction Loan	\$11,500,000	47%
Housing Development Loan		
Fed. Historic Tax Credit Equity	\$467,440	2%
Deferred Developer Fee		
Sponsor Loan	\$984,912	4%
GP/MM Capital Contribution	\$140,088	1%
Post-Construction Costs	\$3,439,779	14%
Assumed Loans, See memo	\$2,965,685	12%
City Of Cincinnati Loan	\$900,000	4%
State Historic Tax Credit Equity	\$2,500	0%
Cincinnati Development Fund	\$1,350,000	6%
Construction Period Income	\$100,000	0%
Transferred Reserves	\$75,000	0%
N/A		
Total Construction Sources	\$24,350,832	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$5,665,000	\$92,869	\$3,705,000
Predevelopment	\$957,007	\$15,689	\$944,871
Site Development	\$600,000	\$9,836	\$600,000
Hard Construction	\$11,666,160	\$191,249	\$11,666,160
Financing	\$1,009,955	\$16,557	\$731,439
Professional Fees	\$285,000	\$4,672	\$233,500
Developer Fee	\$3,422,301	\$56,103	\$3,422,301
OHFA and Other Fees	\$219,050	\$3,591	\$0
Capitalized Reserves	\$526,359	\$8,629	\$0
Total Development Costs (TDC)	\$24,350,832	\$399,194	\$21,303,271
LIHTC Eligible Basis as a Percent of Total Development Costs			87%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$399,194	\$347,000	15%
TDC per Gross Square Foot	\$234	\$390	-40%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$362,380	\$362,380
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$301,983	\$362,380
Interest Rate	7.00%	7.00%
Amortization Period (Years)	35	35
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$3,939,114	\$4,726,936
Actual Perm Loan Amount	\$3,800,000	
Variance	(\$139,114)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.20	1.17
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$8,323,191	34%
Permanent First Mortgage	\$3,800,000	16%
Permanent Second Mortgage		
Fed. Historic Tax Credit Equity	\$1,168,600	5%
Deferred Developer Fee	\$1,066,020	4%
Sponsor Loan	\$140,088	1%
GP/MM Capital Contribution	\$1,500,000	6%
State Historic Tax Credit Equity	\$1,029,630	4%
Construction Period Income	\$100,000	0%
Seller Note	\$1,682,618	7%
Assumed Loans, See memo	\$2,965,685	12%
City of Cincinnati Loan	\$1,000,000	4%
Cincinnati Development fund	\$1,500,000	6%
Transferred Reserves	\$75,000	0%
Total Permanent Sources	\$24,350,832	100%