

Proposal Summary

2024 4% LIHTC Only Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Kinsey Greene

Basic Project Information

Project Name	Kinsey Greene
LIHTC Type	4%
Project Address	1554 Greene Lake Drive
Project City or Township	Xenia
Project County	Greene
Construction Type	Rehabilitation
Age Restriction	General Occupancy

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	Legacy Construction Services, LLC
Architect of Record	DNA Workshop
Property Management Firm	PK Management

Existing Photograph



Project Narrative

Kinsey Greene is a 110-unit family affordable property located in Xenia, OH. 64 of the units benefit from a project-based Section 8 HAP contract. The property, originally built in 1973, is currently managed by PK Management. Today, Related Affordable 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 Greene County. Please note that "Rehabilitation" was not an available option under "Construction Type" above - this is not an "Adaptive Reuse" project.

Site Information

Site Size (Acres)	12.072
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	162
Parking Ratio (Parking Spaces per Unit)	1.5
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Moderate
Census Tract Change Index	Slight Decline

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	108,554	86%
Manager's Unit Area	2,740	2%
Common Area	7,868	6%
Support and Program Space	2,130	2%
Tenant Storage Space	4,578	4%
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	125,870	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	110	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	110	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	16	15%	0	0%
2-BR	58	53%	28	48%
3-BR	36	33%	36	100%
4-BR				
5-BR				
Total Units	110	100%	64	58%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,698,415	\$15,440
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$118,890)	(\$1,081)
Effective Gross Income (EGI)	\$1,579,525	\$14,359
Administrative Expenses	\$137,164	\$1,247
Property Management Fee	\$52,800	\$480
Owner-Paid Utility Expenses	\$63,483	\$577
Maintenance Expenses	\$185,228	\$1,684
Real Estate Taxes	\$0	\$0
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$65,932	\$599
Other Insurance and Tax Expenses	\$70,287	\$639
Ongoing Reserve Contributions	\$46,750	\$425
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$621,644	\$5,651
Net Operating Income (EGI - OpEx)	\$957,881	\$8,708

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$9,912,884	\$14,473,631	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$9,912,884	\$14,473,631	
Codified Basis Boost		\$14,473,631	
Adjusted Eligible Basis	\$9,912,884	\$14,473,631	
X Applicable Fraction	100%	100%	
Qualified Basis	\$9,912,884	\$14,473,631	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$396,515	\$578,945	
Total 10-Year LIHTC Requested	\$9,754,606		
LIHTC Equity Generated	\$8,046,748		
Equity Price	\$0.83		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$7,644,410	29%
Construction Loan		
Housing Development Loan		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$3,921,793	15%
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs		
Permanent First Mortgage	\$14,307,000	54%
Income from Operations	\$780,000	3%
N/A		
N/A		
N/A		
N/A		
N/A		
Total Construction Sources	\$26,653,203	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$9,500,000	\$86,364	\$9,000,000
Predevelopment	\$410,700	\$3,734	\$410,700
Site Development	\$330,000	\$3,000	\$330,000
Hard Construction	\$9,610,926	\$87,372	\$9,610,926
Financing	\$1,308,983	\$11,900	\$780,000
Professional Fees	\$545,470	\$4,959	\$190,470
Developer Fee	\$4,064,419	\$36,949	\$4,064,419
OHFA and Other Fees	\$326,028	\$2,964	\$0
Capitalized Reserves	\$556,677	\$5,061	\$0
Total Development Costs (TDC)	\$26,653,203	\$242,302	\$24,386,515
LIHTC Eligible Basis as a Percent of Total Development Costs			91%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$242,302	\$229,000	6%
TDC per Gross Square Foot	\$212	\$270	-22%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$957,882	\$957,882
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$798,235	\$957,882
Interest Rate	4.97%	4.97%
Amortization Period (Years)	35	35
Loan Term (Years)	16	16
Maximum Perm Loan Amount	\$13,230,461	\$15,876,553
Actual Perm Loan Amount	\$14,307,000	
Variance	\$1,076,539	
	Year 1	Year 15
Debt Service Coverage Ratio	1.11	1.33
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$8,046,748	30%
Permanent First Mortgage	\$14,307,000	54%
Permanent Second Mortgage		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$3,519,455	13%
Sponsor Loan		
GP/MM Capital Contribution		
Income from Operations	\$780,000	3%
N/A		
N/A		
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$26,653,203	100%