

Proposal Summary

2024 4% LIHTC Only Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Marquette Manor

Basic Project Information

Project Name	Marquette Manor
LIHTC Type	4%
Project Address	1999 Sutter Avenue
Project City or Township	Cincinnati, OH-KY-IN MSA
Project County	Hamilton
Construction Type	Rehabilitation
Age Restriction	General Occupancy

OHFA Resource Request Requiring Board Approval

Residential Rental PABs:	\$23,500,000
Housing Development Loan:	\$2,000,000
Multifamily Lending Program:	N/A

Development and Operations Team

Lead Developer	Cincinnati Metropolitan Housing Authority
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	Community Development Strategies
LIHTC Syndicator/Investor	R4 Capital, LLC
GP/MM #1 Parent Entity	Cincinnati Metropolitan Housing Authority
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Wallick Construction, LLC
Architect of Record	LDA Architects, Inc.
Property Management Firm	Touchstone Property Services, Inc.

Site Information

Site Size (Acres)	4.38
Scattered Sites?	No
Total Number of Buildings	0
Total Parking Spaces	115
Parking Ratio (Parking Spaces per Unit)	0.8
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 Low
Census Tract Change Index	Growth

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	140	100%
70% AMI		
80% AMI		
Unrestricted Manager's		
Total Units	140	100%

Existing Photograph



Project Narrative

Marquette Manor is a 15-story public housing elevator building located at 1999 Sutter Ave in English Woods, approximately five-miles from downtown Cincinnati. Built in 1967, the site includes 140 one-BR apts, a management office, community/laundry facilities. All apartments will be converted to RAD PBRA, financed with 4% LIHTC/bonds, CMHA and City funds, deferred developer fee, a seller note and a GP capital contribution. During rehab, residents will be moved from one floor to another, to the extent possible. The rehab scope includes kitchens, bathrooms, doors, lighting, plumbing fixtures, flooring, painting and appliances. The gas hot water boiler, sanitary sewer, domestic water systems will be replaced, and the electrical systems and elevators will be upgraded. The brick exterior will be point-tucked, sidewalks repaired, and the existing parking lot expanded. It is expected that rehab will begin in Jan 2025 and take 14 months. CMHA is considerable onsite renewable energy elements.

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	85,820	68%
Manager's Unit Area		
Common Area	24,943	20%
Support and Program Space	6,557	5%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	9,242	7%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	126,562	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	140	100%	140	100%
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	140	100%	140	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,764,000	\$12,600
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 5%	(\$88,200)	(\$630)
Effective Gross Income (EGI)	\$1,675,800	\$11,970
Administrative Expenses	\$429,293	\$3,066
Property Management Fee	\$85,000	\$607
Owner-Paid Utility Expenses	\$200,000	\$1,429
Maintenance Expenses	\$208,256	\$1,488
Real Estate Taxes	\$0	\$0
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$57,462	\$410
Other Insurance and Tax Expenses	\$0	\$0
Ongoing Reserve Contributions (Operating Subsidy)	\$59,500	\$425
Total Annual Operating Expenses	\$1,039,511	\$7,425
Net Operating Income (EGI - OpEx)	\$636,289	\$4,545

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$12,720,000	\$30,707,650	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$12,720,000	\$30,707,650	
Codified Basis Boost		\$39,919,945	
Adjusted Eligible Basis	\$12,720,000	\$39,919,945	
X Applicable Fraction	100%	100%	
Qualified Basis	\$12,720,000	\$39,919,945	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$508,800	\$1,596,798	
Total 10-Year LIHTC Requested	\$21,055,978		
LIHTC Equity Generated	\$18,560,952		
Equity Price	\$0.88		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$6,558,300	14%
Construction Loan	\$23,500,000	49%
Housing Development Loan	\$2,000,000	4%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee		
Sponsor Loan	\$12,790,000	26%
GP/MM Capital Contribution		
Post-Construction Costs		
CMHA HUD Capital Funds	\$2,700,000	6%
N/A		
Costs outside Construction	\$723,113	1%
N/A		
N/A		
N/A		
N/A		
Total Construction Sources	\$48,271,413	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$13,210,000	\$94,357	\$12,720,000
Predevelopment	\$1,030,310	\$7,359	\$988,310
Site Development	\$660,063	\$4,715	\$520,063
Hard Construction	\$21,399,346	\$152,852	\$20,804,346
Financing	\$2,686,923	\$19,192	\$1,115,331
Professional Fees	\$492,260	\$3,516	\$204,600
Developer Fee	\$7,175,000	\$51,250	\$7,075,000
OHFA and Other Fees	\$477,436	\$3,410	\$0
Capitalized Reserves	\$1,140,075	\$8,143	\$0
Total Development Costs (TDC)	\$48,271,413	\$344,796	\$43,427,650
LIHTC Eligible Basis as a Percent of Total Development Costs			90%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$344,796	\$347,000	-1%
TDC per Gross Square Foot	\$381	\$390	-2%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$636,289	\$636,289
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$553,295	\$636,289
Interest Rate	6.40%	6.40%
Amortization Period (Years)	40	40
Loan Term (Years)	16	16
Maximum Perm Loan Amount	\$7,972,352	\$9,168,205
Actual Perm Loan Amount	\$7,790,000	
Variance	(\$182,352)	
Debt Service Coverage Ratio	Year 1 1.18	Year 15 1.18
OHFA Minimum DSCR	1.15	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$18,560,952	38%
Permanent First Mortgage	\$7,790,000	16%
Permanent Second Mortgage		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$1,505,361	3%
Sponsor Loan	\$12,790,000	26%
GP/MM Capital Contribution	\$100	0%
CMHA HUD Capital Funds	\$2,700,000	6%
CMHA Funds	\$4,925,000	10%
N/A		
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$48,271,413	100%