

## Proposal Summary

2024 4% LIHTC Only Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Pinewood Gardens

### Basic Project Information

Project Name	Pinewood Gardens
LIHTC Type	4%
Project Address	40 Pinewood Circle
Project City or Township	Trotwood
Project County	Montgomery
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	Hernandez Construction Services, Inc.
Architect of Record	ATA Beilharz Architects
Property Management Firm	PK Management, LLC

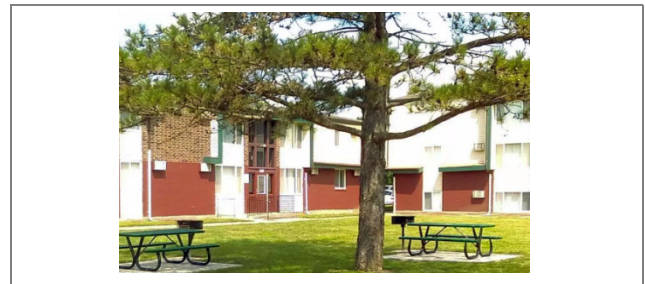
### Site Information

Site Size (Acres)	4.33
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	121
Parking Ratio (Parking Spaces per Unit)	1.5
Urban Suburban Rural (USR) Geography	Metro/Suburban
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	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	80	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	80	100%

### Existing Photograph



### Project Narrative

Pinewood Gardens is an 80-unit, project-based Section 8 family affordable property located in Trotwood, OH. The property, originally built in 1973 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 Pinewood Gardens 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	65,546	92%
Manager's Unit Area		
Common Area	1,463	2%
Support and Program Space	1,115	2%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,760	4%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	70,884	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	14	18%	14	100%
2-BR	42	53%	42	100%
3-BR	20	25%	20	100%
4-BR	4	5%	4	100%
5-BR				
Total Units	80	100%	80	100%

### Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,077,263	\$13,466
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended)	5% (\$53,863)	(\$673)
Effective Gross Income (EGI)	\$1,023,400	\$12,793
Administrative Expenses	\$128,846	\$1,611
Property Management Fee	\$38,400	\$480
Owner-Paid Utility Expenses	\$60,365	\$755
Maintenance Expenses	\$144,065	\$1,801
Real Estate Taxes	\$0	\$0
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$44,690	\$559
Other Insurance and Tax Expenses	\$45,945	\$574
Ongoing Reserve Contributions (Operating Subsidy)	\$34,000	\$425
	\$0	\$0
Total Annual Operating Expenses	\$496,311	\$6,204
Net Operating Income (EGI - OpEx)	\$527,089	\$6,589

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$3,300,000	\$9,577,608	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$3,300,000	\$9,577,608	
Codified Basis Boost		\$12,450,890	
Adjusted Eligible Basis	\$3,300,000	\$12,450,890	
X Applicable Fraction	100%	100%	
Qualified Basis	\$3,300,000	\$12,450,890	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$132,000	\$498,036	
Total 10-Year LIHTC Requested	\$6,300,356		
LIHTC Equity Generated	\$5,244,000		
Equity Price	\$0.83		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$4,719,600	33%
Construction Loan	\$7,400,000	52%
Housing Development Loan		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$1,586,488	11%
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs		
Income from Operations	\$451,700	3%
N/A		
N/A		
N/A		
N/A		
N/A		
N/A		
Total Construction Sources	\$14,157,788	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$3,000,000	\$37,500	\$2,750,000
Predevelopment	\$495,642	\$6,196	\$493,142
Site Development	\$279,000	\$3,488	\$279,000
Hard Construction	\$6,669,891	\$83,374	\$6,669,891
Financing	\$831,400	\$10,393	\$474,035
Professional Fees	\$230,272	\$2,878	\$155,272
Developer Fee	\$2,056,268	\$25,703	\$2,056,268
OHFA and Other Fees	\$233,303	\$2,916	\$0
Capitalized Reserves	\$362,012	\$4,525	\$0
Total Development Costs (TDC)	\$14,157,788	\$176,972	\$12,877,608
LIHTC Eligible Basis as a Percent of Total Development Costs			91%

### Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$176,972	\$347,000	-49%
TDC per Gross Square Foot	\$200	\$390	-49%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$527,089	\$527,089
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$458,338	\$527,089
Interest Rate	5.50%	5.50%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$7,405,398	\$8,516,208
Actual Perm Loan Amount	\$7,400,000	
Variance	(\$5,398)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.15	1.31
OHFA Minimum DSCR	1.15	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$5,244,000	37%
Permanent First Mortgage	\$7,400,000	52%
Permanent Second Mortgage		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$1,062,088	8%
Sponsor Loan		
GP/MM Capital Contribution		
Income from Operations	\$451,700	3%
N/A		
N/A		
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$14,157,788	100%