

Proposal Summary

2024 9% LIHTC Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Artem on Gay

Basic Project Information

Project Name	Artem on Gay
LIHTC Type	9%
Allocation Pool	New Affordability - General Occupancy
Project Address	347 E. Gay St.
Project City or Township	Columbus
Project County	Franklin
Construction Type	New Construction
Age Restriction	General Occupancy

OHFA Resource Request Requiring Board Approval

HDAP: HOME	N/A
Housing Development Loan	\$1,750,000
Multifamily Lending Program:	N/A

Development and Operations Team

Lead Developer	Finance Fund
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corp for Housing
GP/MM #1 Parent Entity	Finance Fund
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Finance Fund Construction, LLC
Architect of Record	Columbus Design, LLC
Property Management Firm	TBD

Site Information

Site Size (Acres)	0.32
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	25
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)?	No
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very High
Census Tract Change Index	Growth

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	19	27%
40% AMI		
50% AMI		
60% AMI	35	49%
70% AMI	4	6%
80% AMI	13	18%
Unrestricted		
Manager's		
Total Units	71	100%

Project Rendering



Project Narrative

Artem on Gay is a six-story, 71-unit, 96-bed project to be built on an approximately .3-acre site in Downtown Columbus. The 70,000 sq. ft. development will include 25 onsite parking spaces, a fitness center, a community room, a first floor covered patio, a second-floor lounge and deck area, and onsite property management. The development is comprised of 0 to 3-bedroom units, with rents affordable to families between 30% and 80% AMI. Artem is located adjacent to Vera on Broad, a middle-income project, and The Abigail, a market-rate project, creating a spectrum of affordability within a single block of downtown. This highly desirable location is also near luxury condos, multiple restaurants, coffee shops, a full-service grocery store, and falls within the services of the Discovery District SID. Artem on Gay is within walking distance of three higher education facilities, Grant Hospital, Columbus Museum of Art, major employment and government institutions, and numerous bus

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	49,133	69%
Manager's Unit Area		
Common Area	8,638	12%
Support and Program Space	717	1%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	3,573	5%
Structured Parking/Garage	8,716	12%
Basement		
Total Square Footage of all Buildings	70,777	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	4	6%	0	0%
1-BR	50	70%	11	22%
2-BR	9	13%	0	0%
3-BR	8	11%	0	0%
4-BR				
5-BR				
Total Units	71	100%	11	15%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$902,892	\$12,717
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$63,202)	(\$890)
Effective Gross Income (EGI)	\$839,690	\$11,827
Administrative Expenses	\$102,500	\$1,444
Property Management Fee	\$58,000	\$817
Owner-Paid Utility Expenses	\$105,800	\$1,490
Maintenance Expenses	\$87,000	\$1,225
Real Estate Taxes	\$24,000	\$338
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$30,000	\$423
Other Insurance and Tax Expenses	\$20,000	\$282
Ongoing Reserve Contributions (Operating Subsidy)	\$28,400	\$400
	\$0	\$0
Total Annual Operating Expenses	\$455,700	\$6,418
Net Operating Income (EGI - OpEx)	\$383,990	\$5,408

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$21,249,905
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$21,249,905
Codified Basis Boost; or Discretionary Basis Boost			\$21,249,905
			\$27,624,877
Adjusted Eligible Basis			\$27,624,877
X Applicable Fraction			100%
Qualified Basis			\$27,624,877
70% Present Value Rate			9.00%
Annual LIHTC Generated			\$2,486,239
Total 10-Year LIHTC Requested	\$17,500,000		
LIHTC Equity Generated	\$15,471,394		
Equity Price	\$0.88		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$700,000	3%
Construction Loan	\$17,105,468	74%
HDAP: HOME		
Housing Development Loan	\$1,750,000	8%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$1,450,000	6%
Sponsor Loan		
GP/MM Capital Contribution	\$900,000	4%
Post-Construction Costs	\$332,669	1%
HOME Funds	\$585,000	3%
City non-Federal Funds	\$270,000	1%
N/A		
N/A		
N/A		
Total Construction Sources	\$23,093,137	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$800,000	\$11,268	\$0
Predevelopment	\$695,000	\$9,789	\$695,000
Site Development	\$750,000	\$10,563	\$450,000
Hard Construction	\$15,331,318	\$215,934	\$15,331,318
Financing	\$1,688,750	\$23,785	\$1,578,750
Professional Fees	\$274,837	\$3,871	\$194,837
Developer Fee	\$3,000,000	\$42,254	\$3,000,000
OHFA and Other Fees	\$295,000	\$4,155	\$0
Capitalized Reserves	\$258,232	\$3,637	\$0
Total Development Costs (TDC)	\$23,093,137	\$325,255	\$21,249,905
LIHTC Eligible Basis as a Percent of Total Development Costs			92%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$325,255	\$353,438	-8%
TDC per Gross Square Foot	\$326	\$372	-12%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$383,990	\$383,990
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$319,991	\$383,990
Interest Rate	6.50%	6.50%
Amortization Period (Years)	35	35
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$4,413,763	\$5,296,516
Actual Perm Loan Amount	\$4,400,000	
Variance	(\$13,763)	
Debt Service Coverage Ratio	Year 1: 1.20	Year 15: 1.31
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$15,471,394	67%
Permanent First Mortgage	\$4,400,000	19%
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$661,743	3%
Sponsor Loan		
GP/MM Capital Contribution	\$900,000	4%
Grant: FHLB	\$710,000	3%
Grant: Bond Funds	\$300,000	1%
HOME Funds	\$650,000	3%
N/A		
N/A		
Total Permanent Sources	\$23,093,137	100%