

<b>Proposal Summary</b>	2024 9% LIHTC Proposal Application
Affordable Housing Funding Application (AHFA)	Project Name: Residences at Ascend

### Basic Project Information

Project Name	Residences at Ascend
LIHTC Type	9%
Allocation Pool	New Affordability - General Occupancy
Project Address	20 W. Mill St.
Project City or Township	Akron
Project County	Summit
Construction Type	Adaptive Reuse
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	Testa Enterprises, Inc.
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
GP/MM #1 Parent Entity	Testa Enterprises, Inc.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Testa Builders, Inc
Architect of Record	MOTA Design Group
Property Management Firm	Testa Real Estate Group

### Site Information

Site Size (Acres)	0.5
Scattered Sites?	No
Total Number of Buildings	0
Total Parking Spaces	71
Parking Ratio (Parking Spaces per Unit)	1.0
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	High
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	19	27%
40% AMI		
50% AMI	30	42%
60% AMI	22	31%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>71</b>	<b>100%</b>

### Existing Photograph



### Project Narrative

Testa Enterprises, Inc. is proposing the development of the Residences at Ascend, a 71 modern apartment community in downtown Akron. The development will be part of the Ascend Akron redevelopment of the former Akron City Centre Hotel, originally constructed as a Holiday Inn in 1971. Residences of Ascend will provide 71 one-, two-, & three bedroom apartments on floors 4-11 of the 19-story building. The remaining portions of the building will be developed for market rate apartments and community amenities. Residents of Ascend Akron will have free access to all amenities of the Ascend Akron residential community, including a 19th floor pool with panoramic views of Akron, an underground parking deck with 225 dedicated spaces, a 2000 ft2 fitness center, recreation room, and a plaza level restaurant.

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space	109,413	53%
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	64,979	32%
Manager's Unit Area		
Common Area	19,733	10%
Support and Program Space	6,367	3%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	5,637	3%
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>206,129</b>	<b>100%</b>

### 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	47	66%	0	0%
2-BR	16	23%	0	0%
3-BR	8	11%	0	0%
4-BR				
5-BR				
<b>Total Units</b>	<b>71</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

### Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$686,616	\$9,671
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$48,063)	(\$677)
Effective Gross Income (EGI)	\$638,553	\$8,994
Administrative Expenses	\$37,600	\$530
Property Management Fee	\$51,127	\$720
Owner-Paid Utility Expenses	\$112,800	\$1,589
Maintenance Expenses	\$97,020	\$1,366
Real Estate Taxes	\$49,918	\$703
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$31,950	\$450
Other Insurance and Tax Expenses	\$0	\$0
Ongoing Reserve Contributions (Operating Subsidy)	\$30,175	\$425
	\$0	\$0
Total Annual Operating Expenses	\$410,590	\$5,783
Net Operating Income (EGI - OpEx)	\$227,963	\$3,211

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis		\$17,533,409	
- Reductions in Eligible Basis		\$0	
= Net Eligible Basis		\$17,533,409	
Codified Basis Boost; or Discretionary Basis Boost		\$22,793,432	
		\$21,397,075	
Adjusted Eligible Basis		\$22,793,432	
X Applicable Fraction		100%	
Qualified Basis		\$22,793,432	
70% Present Value Rate		9.00%	
Annual LIHTC Generated		\$2,051,409	
Total 10-Year LIHTC Requested	\$17,500,000		
LIHTC Equity Generated	\$15,218,228		
Equity Price	\$0.87		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$1,520,435	8%
Construction Loan	\$11,947,793	62%
HDAP: HOME		
Housing Development Loan	\$1,750,000	9%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$589,684	3%
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs		
Permanent First Mortgage	\$2,650,000	14%
Local HOME	\$750,000	4%
N/A		
N/A		
N/A		
Total Construction Sources	\$19,207,912	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$844,000	\$11,887	\$0
Predevelopment	\$888,405	\$12,513	\$888,405
Site Development	\$507,415	\$7,147	\$507,415
Hard Construction	\$12,424,801	\$174,997	\$12,424,801
Financing	\$1,024,038	\$14,423	\$889,788
Professional Fees	\$262,000	\$3,690	\$147,000
Developer Fee	\$2,676,000	\$37,690	\$2,676,000
OHFA and Other Fees	\$295,000	\$4,155	\$0
Capitalized Reserves	\$286,253	\$4,032	\$0
Total Development Costs (TDC)	\$19,207,912	\$270,534	\$17,533,409
LIHTC Eligible Basis as a Percent of Total Development Costs			91%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$270,534	\$485,710	-44%
TDC per Gross Square Foot	\$93	\$428	-78%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$227,963	\$227,963
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$189,969	\$227,963
Interest Rate	6.50%	6.50%
Amortization Period (Years)	40	40
Loan Term (Years)	40	40
Maximum Perm Loan Amount	\$2,704,001	\$3,244,801
Actual Perm Loan Amount	\$2,650,000	
Variance	(\$54,001)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.22	1.19
OHFA Minimum DSCR	1.20	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$15,218,228	79%
Permanent First Mortgage	\$2,650,000	14%
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$589,684	3%
Sponsor Loan		
GP/MM Capital Contribution		
Local HOME	\$750,000	4%
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$19,207,912	100%