

**Proposal Summary** 2024 9% LIHTC Proposal Application

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Affordable Housing Funding Application (AHFA) Project Name: McGregor PACE Independent Living

**Basic Project Information**

Project Name	McGregor PACE Independent Living
LIHTC Type	9%
Allocation Pool	New Affordability - Seniors
Project Address	Midway Blvd. & Leona St. - SW Corner
Project City or Township	Elyria
Project County	Lorain
Construction Type	New Construction
Age Restriction	Senior 62+

**OHFA Resource Request Requiring Board Approval**

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

**Development and Operations Team**

Lead Developer	CHN Housing Partners
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Enterprise Housing Credit Investments, LLC
GP/MM #1 Parent Entity	CHN Housing Partners
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	TBD
Architect of Record	Hiti, DiFrancesco and Siebold, Inc.
Property Management Firm	CHN Housing Partners

**Site Information**

Site Size (Acres)	2.36
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	70
Parking Ratio (Parking Spaces per Unit)	1.0
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	High
Census Tract Change Index	Slight Decline

**Units by LIHTC Income Restrictions**

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	11	16%
40% AMI		
50% AMI	17	24%
60% AMI	21	30%
70% AMI		
80% AMI	21	30%
Unrestricted Manager's		
<b>Total Units</b>	<b>70</b>	<b>100%</b>

**Project Rendering**



**Project Narrative**

McGregor PACE Independent Living is a new construction senior housing development consisting of a single, approximately 61,000 square foot, multi-family 3-story apartment building with seventy (70) one-bedroom units, located in the City of Elyria. The apartment building will be constructed adjacent to a new senior PACE facility serving Lorain County, which is concurrently being planned for the site by the McGregor Foundation. Common areas for the development will include a community room, pantry/kitchen, laundry rooms, lobby/lounge, outdoor patio, elevator, management office, and mailbox area, along with back-of-house support spaces. CHN Housing Partners will be the developer, owner, property manager, and supportive service provider for McGregor PACE Independent Living.

**Building Square Footage Breakdown**

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	43,677	71%
Manager's Unit Area		
Common Area	10,746	17%
Support and Program Space	4,994	8%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,073	3%
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>61,490</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	70	100%	0	0%
2-BR				
3-BR				
4-BR				
5-BR				
<b>Total Units</b>	<b>70</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	\$745,840	\$10,655
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$52,209)	(\$746)
<b>Effective Gross Income (EGI)</b>	<b>\$693,631</b>	<b>\$9,909</b>
Administrative Expenses	\$110,230	\$1,575
Property Management Fee	\$48,554	\$694
Owner-Paid Utility Expenses	\$152,250	\$2,175
Maintenance Expenses	\$134,880	\$1,927
Real Estate Taxes	\$40,000	\$571
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$31,500	\$450
Other Insurance and Tax Expenses	\$50,054	\$715
Ongoing Reserve Contributions (Operating Subsidy)	\$21,000	\$300
	\$0	\$0
<b>Total Annual Operating Expenses</b>	<b>\$588,468</b>	<b>\$8,407</b>
<b>Net Operating Income (EGI - OpEx)</b>	<b>\$105,163</b>	<b>\$1,502</b>

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$21,480,886
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$21,480,886
Codified Basis Boost; or Discretionary Basis Boost			\$21,480,886
			\$27,925,152
Adjusted Eligible Basis			\$27,925,152
X Applicable Fraction			100%
Qualified Basis			\$27,925,152
70% Present Value Rate			9.00%
Annual LIHTC Generated			\$2,513,264
Total 10-Year LIHTC Requested	\$17,499,000		
LIHTC Equity Generated	\$16,045,275		
Equity Price	\$0.92		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$3,661,300	16%
Construction Loan	\$11,000,000	49%
HDAP: HOME	\$1,000,000	4%
Housing Development Loan		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee		
Sponsor Loan		
GP/MM Capital Contribution	\$1,329,702	6%
Post-Construction Costs	\$2,565,502	11%
HUD 202 Capital Advance	\$2,918,633	13%
N/A		
N/A		
N/A		
N/A		
<b>Total Construction Sources</b>	<b>\$22,475,137</b>	<b>100%</b>

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$500,000	\$7,143	\$0
Predevelopment	\$794,500	\$11,350	\$794,500
Site Development	\$770,645	\$11,009	\$770,645
Hard Construction	\$15,745,158	\$224,931	\$15,745,158
Financing	\$882,083	\$12,601	\$877,083
Professional Fees	\$294,000	\$4,200	\$293,500
Developer Fee	\$3,000,000	\$42,857	\$3,000,000
OHFA and Other Fees	\$292,594	\$4,180	\$0
Capitalized Reserves	\$196,157	\$2,802	\$0
<b>Total Development Costs (TDC)</b>	<b>\$22,475,137</b>	<b>\$321,073</b>	<b>\$21,480,886</b>
LIHTC Eligible Basis as a Percent of Total Development Costs			96%

### Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$321,073	\$301,458	7%
TDC per Gross Square Foot	\$366	\$342	7%

### Maximum Permanent Debt Sizing

N/A - No Hard Debt

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$16,045,275	71%
Permanent First Mortgage		
Permanent Second Mortgage		
HDAP: HOME	\$1,000,000	4%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$857,235	4%
Sponsor Loan		
GP/MM Capital Contribution	\$1,329,702	6%
HUD 202 Capital Advance	\$3,242,925	14%
N/A		
N/A		
N/A		
N/A		
<b>Total Permanent Sources</b>	<b>\$22,475,137</b>	<b>100%</b>