

<b>Proposal Summary</b>	<b>2024 9% LIHTC Proposal Application</b>
Affordable Housing Funding Application (AHFA)	Project Name: Walton Senior Apartments

### Basic Project Information

Project Name	Walton Senior Apartments
LIHTC Type	9%
Allocation Pool	New Affordability - Seniors
Project Address	Walton Avenue
Project City or Township	Cleveland
Project County	Cuyahoga
Construction Type	New Construction
Age Restriction	Senior 55+

### 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	Volker Development Inc.
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Key Community Development Corp.
GP/MM #1 Parent Entity	Volker Housing Partners, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Marous Brothers Construction
Architect of Record	RDL Architects, Inc.
Property Management Firm	LSC Service Corp. (dba Barton Communities)

### Site Information

Site Size (Acres)	0.891
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	18
Parking Ratio (Parking Spaces per Unit)	0.3
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 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	10	19%
40% AMI		
50% AMI	11	21%
60% AMI	17	33%
70% AMI	14	27%
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>52</b>	<b>100%</b>

### Project Rendering



### Project Narrative

Walton Senior Apartments is a proposed new construction, 52-unit senior project located in the Clark Fulton Neighborhood of Cleveland. The Project will capitalize on redevelopment efforts underway on the City's Near West Side and its close proximity to Downtown Cleveland and the MetroHealth Medical Campus. Walton Senior will provide holistic, service-oriented housing for the senior tenant population, providing residents with a wide-array of health, wellness and socialization services. The Project will serve seniors age 55 and older, who have incomes between 30% and 70% AMI. The building's amenities include a fitness center with senior specific equipment, a community room with kitchenette, and enhanced site and building security.

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	38,056	70%
Manager's Unit Area		
Common Area	10,757	20%
Support and Program Space	2,937	5%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,379	4%
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>54,129</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	36	69%	0	0%
2-BR	16	31%	0	0%
3-BR				
4-BR				
5-BR				
<b>Total Units</b>	<b>52</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	\$533,514	\$10,260
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$37,346)	(\$718)
Effective Gross Income (EGI)	\$496,168	\$9,542
Administrative Expenses	\$81,845	\$1,574
Property Management Fee	\$29,836	\$574
Owner-Paid Utility Expenses	\$46,800	\$900
Maintenance Expenses	\$74,464	\$1,432
Real Estate Taxes	\$20,000	\$385
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$29,900	\$575
Other Insurance and Tax Expenses	\$11,389	\$219
Ongoing Reserve Contributions	\$15,600	\$300
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$309,834	\$5,958
Net Operating Income (EGI - OpEx)	\$186,334	\$3,583

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$14,246,537
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$14,246,537
Codified Basis Boost; or			\$18,520,498
Discretionary Basis Boost			\$16,982,825
Adjusted Eligible Basis			\$18,520,498
X Applicable Fraction			100%
Qualified Basis			\$18,520,498
70% Present Value Rate			9.00%
Annual LIHTC Generated			\$1,666,845
Total 10-Year LIHTC Requested	\$12,999,480		
LIHTC Equity Generated	\$12,218,289		
Equity Price	\$0.94		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$2,053,149	13%
Construction Loan	\$10,192,965	64%
HDAP: HOME		
Housing Development Loan	\$1,750,000	11%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee		
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs	\$737,779	5%
City of Cleveland	\$1,133,025	7%
N/A		
N/A		
N/A		
N/A		
Total Construction Sources	\$15,866,918	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$695,400	\$13,373	\$0
Predevelopment	\$641,600	\$12,338	\$641,600
Site Development	\$782,389	\$15,046	\$782,389
Hard Construction	\$10,372,825	\$199,477	\$10,372,825
Financing	\$1,031,137	\$19,830	\$665,973
Professional Fees	\$213,750	\$4,111	\$108,750
Developer Fee	\$1,675,000	\$32,212	\$1,675,000
OHFA and Other Fees	\$222,397	\$4,277	\$0
Capitalized Reserves	\$232,420	\$4,470	\$0
Total Development Costs (TDC)	\$15,866,918	\$305,133	\$14,246,537
LIHTC Eligible Basis as a Percent of Total Development Costs			90%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$305,133	\$353,438	-14%
TDC per Gross Square Foot	\$293	\$372	-21%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$186,334	\$186,334
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$155,278	\$186,334
Interest Rate	6.80%	6.80%
Amortization Period (Years)	35	35
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$2,070,736	\$2,484,883
Actual Perm Loan Amount	\$2,068,000	
Variance	(\$2,736)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.20	1.20
OHFA Minimum DSCR	1.20	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$12,218,289	77%
Permanent First Mortgage	\$2,068,000	13%
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$321,712	2%
Sponsor Loan		
GP/MM Capital Contribution		
City of Cleveland	\$1,258,917	8%
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$15,866,918	100%