

## Proposal Summary

2024 9% LIHTC Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Brookside Place

### Basic Project Information

|                          |                         |
|--------------------------|-------------------------|
| Project Name             | Brookside Place         |
| LIHTC Type               | 9%                      |
| Allocation Pool          | Preserved Affordability |
| Project Address          | 69 S. Township Road     |
| Project City or Township | Pataskala               |
| Project County           | Licking                 |
| Construction Type        | Rehabilitation          |
| 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            | LEADS                                |
| Co-Developer #1           |                                      |
| Co-Developer #2           | N/A                                  |
| Development Consultant    | Stock Development Company LLC        |
| LIHTC Syndicator/Investor | Ohio Capital Corporation for Housing |
| GP/MM #1 Parent Entity    | LEADS                                |
| GP/MM #2 Parent Entity    | N/A                                  |
| GP/MM #3 Parent Entity    | N/A                                  |
| General Contractor        | TBD                                  |
| Architect of Record       | Berardi Partners                     |
| Property Management Firm  | RLJ Management Company               |

### Site Information

|  |                |
|--|----------------|
| Site Size (Acres)                              | 2.88           |
| Scattered Sites?                               | No             |
| Total Number of Buildings                      | 1              |
| Total Parking Spaces                           | 64             |
| Parking Ratio (Parking Spaces per Unit)        | 2.1            |
| 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                      | Strong Decline |

### Units by LIHTC Income Restrictions

| LIHTC Income Restriction | Number of Units | Percent of Total Units |
|--------------------------|-----------------|------------------------|
| 20% AMI                  |                 |                        |
| 30% AMI                  | 4               | 13%                    |
| 40% AMI                  |                 |                        |
| 50% AMI                  | 4               | 13%                    |
| 60% AMI                  | 8               | 26%                    |
| 70% AMI                  | 15              | 48%                    |
| 80% AMI                  |                 |                        |
| Unrestricted             |                 |                        |
| Manager's                |                 |                        |
| <b>Total Units</b>       | <b>31</b>       | <b>100%</b>            |

### Existing Photograph



### Project Narrative

Brookside located in Pataskala, Licking County will soon end its extended use period. It began operations in 1994 and has solid occupancy, the Pataskala market has seen well above average growth due to Amazon and New Albany growth. Due to the age of the property, extensive rehab is in order. The property is not age restricted and is in a Transformative Economic development area.

### Building Square Footage Breakdown

|   | Size (SF)     | Pct of Total |
|---|---------------|--------------|
| Commercial and Fee-Driven Space                     |               |              |
| Unrestricted/Market-Rate Unit Area                  |               |              |
| LIHTC Unit Area                                     | 25,393        | 92%          |
| Manager's Unit Area                                 |               |              |
| Common Area   |               |              |
| Support and Program Space                           | 819           | 3%           |
| Tenant Storage Space                                | 1,400         | 5%           |
| Major Vertical Penetrations (Elevator/Stairs, Etc.) |               |              |
| Structured Parking/Garage                           |               |              |
| Basement  |               |              |
| <b>Total Square Footage of all Buildings</b>        | <b>27,612</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               |                 |                        |                           |                                   |
| 2-BR               | 31              | 100%                   | 0                         | 0%                                |
| 3-BR               |                 |                        |                           |                                   |
| 4-BR               |                 |                        |                           |                                   |
| 5-BR               |                 |                        |                           |                                   |
| <b>Total Units</b> | <b>31</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 | \$293,916     | \$9,481                |
| Potential Gross Commercial Income            | \$0           | \$0                    |
| Potential Gross Service Income               | \$0           | \$0                    |
| Vacancy Allowance (Blended) 7%               | (\$20,574)    | (\$664)                |
| Effective Gross Income (EGI)                 | \$273,342     | \$8,817                |
| Administrative Expenses                      | \$30,909      | \$997                  |
| Property Management Fee                      | \$16,023      | \$517                  |
| Owner-Paid Utility Expenses                  | \$39,120      | \$1,262                |
| Maintenance Expenses                         | \$45,130      | \$1,456                |
| Real Estate Taxes                            | \$16,380      | \$528                  |
| (Abated Real Estate Taxes)                   | \$0           | \$0                    |
| Property and Liability Insurance             | \$32,171      | \$1,038                |
| Other Insurance and Tax Expenses             | \$5,070       | \$164                  |
| Ongoing Reserve Contributions                | \$12,400      | \$400                  |
| (Operating Subsidy)                          | \$0           | \$0                    |
| Total Annual Operating Expenses              | \$197,203     | \$6,361                |
| Net Operating Income (EGI - OpEx)            | \$76,139      | \$2,456                |

### LIHTC Calculation

|                                | Acquisition | Rehabilitation | New Construction |
|--------------------------------|-------------|----------------|------------------|
| LIHTC Eligible Basis           | \$930,000   | \$4,686,828    |                  |
| - Reductions in Eligible Basis | \$0         | \$0            |                  |
| = Net Eligible Basis           | \$930,000   | \$4,686,828    |                  |
| Codified Basis Boost; or       |             | \$4,686,828    |                  |
| Discretionary Basis Boost      |             | \$6,092,876    |                  |
| Adjusted Eligible Basis        | \$930,000   | \$6,092,876    |                  |
| X Applicable Fraction          | 100%        | 100%           |                  |
| Qualified Basis                | \$930,000   | \$6,092,876    |                  |
| 70% Present Value Rate         | 9.00%       | 9.00%          |                  |
| Annual LIHTC Generated         | \$83,700    | \$548,359      |                  |
| Total 10-Year LIHTC Requested  | \$5,430,000 |                |                  |
| LIHTC Equity Generated         | \$4,774,890 |                |                  |
| Equity Price                   | \$0.88      |                |                  |

### Construction Sources of Funds

| Construction Sources            | Amount      | Percent of Total |
|---------------------------------|-------------|------------------|
| Federal LIHTC Equity            | \$900,000   | 14%              |
| Construction Loan               | \$2,450,000 | 38%              |
| HDAP: HOME                      |             |                  |
| Housing Development Loan        | \$1,750,000 | 27%              |
| Fed. Historic Tax Credit Equity |             |                  |
| Deferred Developer Fee          |             |                  |
| Sponsor Loan                    | \$931,680   | 14%              |
| GP/MM Capital Contribution      |             |                  |
| Post-Construction Costs         | \$424,890   | 7%               |
| N/A                             |             |                  |
| N/A                             |             |                  |
| N/A                             |             |                  |
| N/A                             |             |                  |
| N/A                             |             |                  |
| Total Construction Sources      | \$6,456,570 | 100%             |

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

| Development Costs  | Amount      | Per Unit Amount | LIHTC Eligible Basis |
|--|-------------|-----------------|----------------------|
| Acquisition  | \$1,254,000 | \$40,452        | \$930,000            |
| Predevelopment   | \$385,000   | \$12,419        | \$372,000            |
| Site Development   | \$310,000   | \$10,000        | \$210,000            |
| Hard Construction  | \$2,876,300 | \$92,784        | \$2,876,300          |
| Financing  | \$205,567   | \$6,631         | \$133,528            |
| Professional Fees  | \$105,000   | \$3,387         | \$45,000             |
| Developer Fee  | \$1,050,000 | \$33,871        | \$1,050,000          |
| OHFA and Other Fees  | \$126,580   | \$4,083         | \$0                  |
| Capitalized Reserves   | \$144,123   | \$4,649         | \$0                  |
| Total Development Costs (TDC)                                | \$6,456,570 | \$208,276       | \$5,616,828          |
| LIHTC Eligible Basis as a Percent of Total Development Costs |             |                 | 87%                  |

| Cost Containment Standards | Project   | Maximum   | Variance |
|----------------------------|-----------|-----------|----------|
| TDC per Unit               | \$208,276 | \$233,638 | -11%     |
| TDC per Gross Square Foot  | \$234     | \$257     | -9%      |

### Maximum Permanent Debt Sizing

|                                | Max Loan for Stabilized Y1 | Max Loan to Stabilized Y15 |
|--------------------------------|----------------------------|----------------------------|
| Net Operating Income (NOI)     | \$76,139                   | \$76,139                   |
| Debt Service Coverage Ratio    | 1.20                       | 1.00                       |
| NOI Available for Debt Service | \$63,449                   | \$76,139                   |
| Interest Rate                  | 6.70%                      | 6.70%                      |
| Amortization Period (Years)    | 40                         | 40                         |
| Loan Term (Years)              | 17                         | 17                         |
| Maximum Perm Loan Amount       | \$881,586                  | \$1,057,903                |
| Actual Perm Loan Amount        | \$750,000                  |                            |
| Variance                       | (\$131,586)                |                            |
|                                | Year 1                     | Year 15                    |
| Debt Service Coverage Ratio    | 1.41                       | 1.16                       |
| OHFA Minimum DSCR              | 1.20                       | 1.00                       |

### Permanent Sources of Funds

| Permanent Sources               | Total       | Percent of Total |
|---------------------------------|-------------|------------------|
| Federal LIHTC Equity            | \$4,774,890 | 74%              |
| Permanent First Mortgage        | \$750,000   | 12%              |
| Permanent Second Mortgage       |             |                  |
| HDAP: HOME                      |             |                  |
| Fed. Historic Tax Credit Equity |             |                  |
| Deferred Developer Fee          |             |                  |
| Sponsor Loan                    | \$931,680   | 14%              |
| GP/MM Capital Contribution      |             |                  |
| N/A                             |             |                  |
| N/A                             |             |                  |
| N/A                             |             |                  |
| N/A                             |             |                  |
| N/A                             |             |                  |
| Total Permanent Sources         | \$6,456,570 | 100%             |