

Proposal Summary

2024 9% LIHTC Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Knollwood Commons

Basic Project Information

Project Name	Knollwood Commons
LIHTC Type	9%
Allocation Pool	Preserved Affordability
Project Address	413 N. Division Street
Project City or Township	Union City, Ohio
Project County	Darke
Construction Type	Rehabilitation
Age Restriction	General Occupancy

Existing Photograph



OHFA Resource Request Requiring Board Approval

HDAP: HOME	N/A
Housing Development Loan	N/A
Multifamily Lending Program:	N/A

Development and Operations Team

Lead Developer	Fairfield Homes, Inc
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	NDC Corporate Equity Fund
GP/MM #1 Parent Entity	N/A
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Gorsuch Construction
Architect of Record	Hooker & DeJong
Property Management Firm	Fairfield Homes, Inc

Project Narrative

Knollwood Commons is a fully subsidized community serving families in Union City, Darke County, Ohio. The 30-unit community constructed in 1977 consists of 16 two-bedroom and 14 three-bedroom units in three two-story buildings. The property has been well maintained and has not undergone recapitalization since inception. The proposed renovations will address outdated building systems with a focus on enhancing community amenities and updating interior finishes to ensure safe, healthy, high-quality housing for the current and future residents. Knollwood Commons will secure a new commitment for a long-term project-based subsidy contract, extending its affordability for another 20 years. The Knollwood Commons residents will benefit from a new community space including a fitness area, a new property management office, and a covered outdoor patio space. Knollwood Commons is within walking distance of neighborhood amenities including grocery stores.

Site Information

Site Size (Acres)	3.7
Scattered Sites?	No
Total Number of Buildings	3
Total Parking Spaces	46
Parking Ratio (Parking Spaces per Unit)	1.5
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	Low
Census Tract Change Index	No Change

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	29,100	91%
Manager's Unit Area		
Common Area	2,629	8%
Support and Program Space	354	1%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	32,083	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI		
60% AMI	30	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	30	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				
1-BR				
2-BR	16	53%	16	100%
3-BR	14	47%	14	100%
4-BR				
5-BR				
Total Units	30	100%	30	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$325,864	\$10,862
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 5%	(\$16,293)	(\$543)
Effective Gross Income (EGI)	\$309,571	\$10,319
Administrative Expenses	\$49,685	\$1,656
Property Management Fee	\$22,810	\$760
Owner-Paid Utility Expenses	\$30,270	\$1,009
Maintenance Expenses	\$59,160	\$1,972
Real Estate Taxes	\$7,022	\$234
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$18,658	\$622
Other Insurance and Tax Expenses	\$12,800	\$427
Ongoing Reserve Contributions	\$12,750	\$425
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$213,155	\$7,105
Net Operating Income (EGI - OpEx)	\$96,416	\$3,214

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$880,000	\$6,122,421	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$880,000	\$6,122,421	
Codified Basis Boost; or		\$6,122,421	
Discretionary Basis Boost		\$7,959,147	
Adjusted Eligible Basis	\$880,000	\$7,959,147	
X Applicable Fraction	100%	100%	
Qualified Basis	\$880,000	\$7,959,147	
70% Present Value Rate	9.00%	9.00%	
Annual LIHTC Generated	\$79,200	\$716,323	
Total 10-Year LIHTC Requested	\$7,500,000		
LIHTC Equity Generated	\$6,171,820		
Equity Price	\$0.82		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$637,436	8%
Construction Loan	\$3,940,000	49%
HDAP: HOME		
Housing Development Loan		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$350,500	4%
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs	\$754,384	9%
Seller Loan	\$546,724	7%
OHFA HDL	\$1,750,000	22%
N/A		
N/A		
N/A		
Total Construction Sources	\$7,979,044	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,100,000	\$36,667	\$880,000
Predevelopment	\$487,000	\$16,233	\$487,000
Site Development	\$535,500	\$17,850	\$535,500
Hard Construction	\$3,453,320	\$115,111	\$3,453,320
Financing	\$629,554	\$20,985	\$399,031
Professional Fees	\$333,000	\$11,100	\$80,500
Developer Fee	\$1,167,070	\$38,902	\$1,167,070
OHFA and Other Fees	\$136,600	\$4,553	\$0
Capitalized Reserves	\$137,000	\$4,567	\$0
Total Development Costs (TDC)	\$7,979,044	\$265,968	\$7,002,421
LIHTC Eligible Basis as a Percent of Total Development Costs			88%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$265,968	\$233,638	14%
TDC per Gross Square Foot	\$249	\$257	-3%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$96,416	\$96,416
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$80,347	\$96,416
Interest Rate	7.00%	7.00%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$1,077,439	\$1,292,927
Actual Perm Loan Amount	\$910,000	
Variance	(\$167,439)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.42	1.27
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$6,171,820	77%
Permanent First Mortgage	\$910,000	11%
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$350,500	4%
Sponsor Loan		
GP/MM Capital Contribution		
Seller Loan	\$546,724	7%
N/A		
N/A		
N/A		
N/A		
Total Permanent Sources	\$7,979,044	100%