

Proposal Summary	2024 9% LIHTC Proposal Application
Affordable Housing Funding Application (AHFA)	Project Name: Park Village Apts Preservation

Basic Project Information

Project Name	Park Village Apts Preservation
LIHTC Type	9%
Allocation Pool	Preserved Affordability
Project Address	9221 Hough Avenue
Project City or Township	Cleveland
Project County	Cuyahoga
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	Famicos Foundation
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	Lowenstein Development, LLC
LIHTC Syndicator/Investor	Key Community Development Corp.
GP/MM #1 Parent Entity	Famicos Foundation
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Developer's Specialty Services
Architect of Record	City Architecture
Property Management Firm	Famicos Foundation

Site Information

Site Size (Acres)	3.33
Scattered Sites?	No
Total Number of Buildings	8
Total Parking Spaces	63
Parking Ratio (Parking Spaces per Unit)	0.8
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 Low
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	33	44%
40% AMI		
50% AMI	16	21%
60% AMI	26	35%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	75	100%

Existing Photograph



Project Narrative

Park Village is a 75-unit HUD-funded family housing property in Cleveland, Ohio. The site includes 8 residential buildings and a community center/office building, for a total of 9 buildings across two parcels of land. Famicos Foundation, as lead developer, is applying for 9% Low-Income Housing Tax Credits (LIHTC) in the Preserved Affordability category to complete a substantial rehabilitation of all units and the community building.

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	82,629	84%
Manager's Unit Area		
Common Area	12,153	12%
Support and Program Space	3,517	4%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	98,299	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	42	56%	42	100%
3-BR	12	16%	12	100%
4-BR	21	28%	21	100%
5-BR				
Total Units	75	100%	75	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,061,490	\$14,153
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 5%	(\$53,075)	(\$708)
Effective Gross Income (EGI)	\$1,008,415	\$13,446
Administrative Expenses	\$140,363	\$1,872
Property Management Fee	\$51,500	\$687
Owner-Paid Utility Expenses	\$168,273	\$2,244
Maintenance Expenses	\$238,300	\$3,177
Real Estate Taxes	\$47,000	\$627
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$83,500	\$1,113
Other Insurance and Tax Expenses	\$42,000	\$560
Ongoing Reserve Contributions (Operating Subsidy)	\$31,875	\$425
	\$0	\$0
Total Annual Operating Expenses	\$802,811	\$10,704
Net Operating Income (EGI - OpEx)	\$205,604	\$2,741

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$2,205,000	\$14,760,005	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$2,205,000	\$14,760,005	
Codified Basis Boost; or Discretionary Basis Boost		\$19,188,007	
		\$17,395,720	
Adjusted Eligible Basis	\$2,205,000	\$19,188,007	
X Applicable Fraction	100%	100%	
Qualified Basis	\$2,205,000	\$19,188,007	
70% Present Value Rate	9.00%	9.00%	
Annual LIHTC Generated	\$198,450	\$1,726,921	
Total 10-Year LIHTC Requested	\$15,000,000		
LIHTC Equity Generated	\$12,900,000		
Equity Price	\$0.86		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$2,311,817	13%
Construction Loan	\$7,325,000	40%
HDAP: HOME		
Housing Development Loan	\$1,750,000	9%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee		
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs	\$3,513,183	19%
[Specify Here]	\$2,540,000	14%
[Specify Here]	\$1,050,000	6%
N/A		
N/A		
N/A		
Total Construction Sources	\$18,490,000	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$2,540,000	\$33,867	\$2,205,000
Predevelopment	\$474,000	\$6,320	\$474,000
Site Development	\$987,500	\$13,167	\$987,500
Hard Construction	\$9,845,000	\$131,267	\$9,845,000
Financing	\$853,917	\$11,386	\$557,188
Professional Fees	\$266,317	\$3,551	\$136,317
Developer Fee	\$2,760,000	\$36,800	\$2,760,000
OHFA and Other Fees	\$294,600	\$3,928	\$0
Capitalized Reserves	\$468,666	\$6,249	\$0
Total Development Costs (TDC)	\$18,490,000	\$246,533	\$16,965,005
LIHTC Eligible Basis as a Percent of Total Development Costs			92%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$246,533	\$272,476	-10%
TDC per Gross Square Foot	\$188	\$298	-37%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$205,605	\$205,605
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$171,337	\$205,605
Interest Rate	6.69%	6.69%
Amortization Period (Years)	30	30
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$2,214,980	\$2,657,976
Actual Perm Loan Amount	\$1,500,000	
Variance	(\$714,980)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.77	1.00
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$12,900,000	70%
Permanent First Mortgage	\$1,500,000	8%
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$500,000	3%
Sponsor Loan		
GP/MM Capital Contribution		
Seller Note	\$2,540,000	14%
HOME funds	\$1,050,000	6%
N/A		
N/A		
N/A		
Total Permanent Sources	\$18,490,000	100%