

Proposal Summary

2024 9% LIHTC Proposal Application

Affordable Housing Funding Application (AHFA) Project Name: Stow Kent Gardens

Basic Project Information

Project Name	Stow Kent Gardens
LIHTC Type	9%
Allocation Pool	Preserved Affordability
Project Address	4480 Kent Road
Project City or Township	Stow
Project County	Summit
Construction Type	Rehabilitation
Age Restriction	Senior 62+

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	Wallick Development, LLC
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
GP/MM #1 Parent Entity	Wallick Asset Management, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Wallick Construction LLC
Architect of Record	Dimit Architects
Property Management Firm	Wallick Properties Midwest, LLC

Site Information

Site Size (Acres)	9.94
Scattered Sites?	No
Total Number of Buildings	5
Total Parking Spaces	150
Parking Ratio (Parking Spaces per Unit)	1.8
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	Very High
Census Tract Change Index	Slight Growth

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	85	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	85	100%

Existing Photograph



Project Narrative

Located in Stow, Summit County, Stow Kent Gardens is an existing 85-unit, apartment community that benefits from a Project-Based Section 8 HAP Contract that covers 100% of its units. The property contains 4 townhome-style buildings housing 38 units, along with a 3-story, elevator serviced building with 47 units for seniors. Originally constructed in 1983, Stow Kent Gardens exhibits many of its original components and is in need of a moderate rehabilitation. The proposed rehab of the townhomes will include new siding and covered entries, replacement of HVAC equipment, installation of new kitchen cabinets, countertops and appliances, new dishwashers, and ADA upgrades. The rehab of the senior building will include new windows, a new roof, replacement of HVAC equipment, installation of new kitchen cabinets, countertops and appliances, new flooring throughout, and ADA upgrades. Site work includes upgrades to the sidewalks and curbs for improved accessibility and a new patio with awning.

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	62,669	83%
Manager's Unit Area		
Common Area	10,813	14%
Support and Program Space	1,615	2%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	279	0%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	75,376	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	45	53%	0	0%
2-BR	34	40%	0	0%
3-BR	3	4%	0	0%
4-BR	3	4%	0	0%
5-BR				
Total Units	85	100%	0	0%

Consolidated Annual Operating Budget

Operating Line Item		Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income		\$885,580	\$10,419
Potential Gross Commercial Income		\$0	\$0
Potential Gross Service Income		\$0	\$0
Vacancy Allowance (Blended)	7%	(\$61,992)	(\$729)
Effective Gross Income (EGI)		\$823,588	\$9,689
Administrative Expenses		\$82,500	\$971
Property Management Fee		\$45,000	\$529
Owner-Paid Utility Expenses		\$75,000	\$882
Maintenance Expenses		\$133,000	\$1,565
Real Estate Taxes		\$71,000	\$835
(Abated Real Estate Taxes)		\$0	\$0
Property and Liability Insurance		\$46,750	\$550
Other Insurance and Tax Expenses		\$33,000	\$388
Ongoing Reserve Contributions (Operating Subsidy)		\$0	\$0
Total Annual Operating Expenses		\$522,375	\$6,146
Net Operating Income (EGI - OpEx)		\$301,213	\$3,544

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$4,512,500	\$11,804,871	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$4,512,500	\$11,804,871	
Codified Basis Boost; or Discretionary Basis Boost		\$11,804,871	
Adjusted Eligible Basis	\$4,512,500	\$15,346,332	
X Applicable Fraction	100%	100%	
Qualified Basis	\$4,512,500	\$15,346,332	
70% Present Value Rate	9.00%	9.00%	
Annual LIHTC Generated	\$406,125	\$1,381,170	
Total 10-Year LIHTC Requested	\$15,000,000		
LIHTC Equity Generated	\$13,049,340		
Equity Price	\$0.87		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$2,700,340	14%
Construction Loan	\$11,000,000	57%
HDAP: HOME		
Housing Development Loan	\$1,750,000	9%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$614,144	3%
Sponsor Loan	\$1,136,337	6%
GP/MM Capital Contribution	\$200,000	1%
Post-Construction Costs	\$1,009,000	5%
Transferred Reserves	\$500,000	3%
Construction Period Income	\$317,750	2%
N/A		
N/A		
N/A		
Total Construction Sources	\$19,227,571	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$6,250,000	\$73,529	\$4,512,500
Predevelopment	\$462,100	\$5,436	\$462,100
Site Development	\$596,500	\$7,018	\$596,500
Hard Construction	\$7,918,521	\$93,159	\$7,918,521
Financing	\$1,071,850	\$12,610	\$827,750
Professional Fees	\$255,000	\$3,000	\$100,000
Developer Fee	\$1,900,000	\$22,353	\$1,900,000
OHFA and Other Fees	\$313,600	\$3,689	\$0
Capitalized Reserves	\$460,000	\$5,412	\$0
Total Development Costs (TDC)	\$19,227,571	\$226,207	\$16,317,371
LIHTC Eligible Basis as a Percent of Total Development Costs			85%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$226,207	\$233,638	-3%
TDC per Gross Square Foot	\$255	\$257	-1%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$301,214	\$301,214
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$251,012	\$301,214
Interest Rate	6.75%	6.75%
Amortization Period (Years)	40	40
Loan Term (Years)	17.5	17.5
Maximum Perm Loan Amount	\$3,466,882	\$4,160,258
Actual Perm Loan Amount	\$3,410,000	
Variance	(\$56,882)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.22	1.20
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$13,049,340	68%
Permanent First Mortgage	\$3,410,000	18%
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$614,144	3%
Sponsor Loan	\$1,136,337	6%
GP/MM Capital Contribution	\$200,000	1%
Transferred Reserves	\$500,000	3%
Construction Period Income	\$317,750	2%
N/A		
N/A		
N/A		
Total Permanent Sources	\$19,227,571	100%