

Proposal Summary

2024 9% LIHTC Proposal Application

Affordable Housing Funding Application (AHFA)

e: Washington Park Apartments + Wesley Estates

Basic Project Information

Project Name	Washington Park Apartments + Wesley Estates
LIHTC Type	9%
Allocation Pool	Preserved Affordability
Project Address	31 W 13th Street (multiple)
Project City or Township	Cincinnati
Project County	Hamilton
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	Preservation of Affordable Housing, LLC
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Enterprise Community Investments (Enterprise Ho
GP/MM #1 Parent Entity	Preservation of Affordable Housing, Inc.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Model Construction, LLC
Architect of Record	New Republic Architecture
Property Management Firm	POAH Communities

Site Information

Site Size (Acres)	0.71
Scattered Sites?	No
Total Number of Buildings	7
Total Parking Spaces	0
Parking Ratio (Parking Spaces per Unit)	0.0
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Moderate
Census Tract Change Index	Strong 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	66	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	66	100%

Existing Photograph



Project Narrative

Washington Park Apartments and Wesley Estates is a 66-unit scattered site redevelopment project in the Over-the-Rhine neighborhood of Cincinnati. Residents include families, seniors, and individuals with disabilities. The buildings were originally built between 1875 and 1910. In 2004, the buildings were renovated as two separate properties using Low-Income Housing Tax Credits. As the buildings age and have reached 20 years beyond their last rehab, there is significant need for updates to systems, exteriors, windows, and interior finishes. All 66 units receive rental subsidy through a HAP contract. The project has maintained 95% occupancy with demand for units remaining strong.

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space	5,800	6%
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	62,761	62%
Manager's Unit Area		
Common Area	3,125	3%
Support and Program Space	6,654	7%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	4,815	5%
Structured Parking/Garage		
Basement	18,123	18%
Total Square Footage of all Buildings	101,278	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	18	27%	18	100%
2-BR	33	50%	33	100%
3-BR	13	20%	13	100%
4-BR	2	3%	2	100%
5-BR				
Total Units	66	100%	66	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$653,782	\$9,906
Potential Gross Commercial Income	\$3,828	\$58
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 5%	(\$32,689)	(\$495)
Effective Gross Income (EGI)	\$624,921	\$9,469
Administrative Expenses	\$112,567	\$1,706
Property Management Fee	\$45,144	\$684
Owner-Paid Utility Expenses	\$115,947	\$1,757
Maintenance Expenses	\$122,830	\$1,861
Real Estate Taxes	\$46,000	\$697
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$39,526	\$599
Other Insurance and Tax Expenses	\$4,901	\$74
Ongoing Reserve Contributions (Operating Subsidy)	\$28,050	\$425
	\$0	\$0
Total Annual Operating Expenses	\$514,965	\$7,803
Net Operating Income (EGI - OpEx)	\$109,956	\$1,666

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$3,687,881	\$16,907,441	
- Reductions in Eligible Basis	\$0	\$2,717,236	
= Net Eligible Basis	\$3,687,881	\$14,190,205	
Codified Basis Boost; or Discretionary Basis Boost		\$17,230,963	
		\$18,447,267	
Adjusted Eligible Basis	\$3,687,881	\$18,447,267	
X Applicable Fraction	100%	100%	
Qualified Basis	\$3,687,881	\$18,447,267	
70% Present Value Rate	9.00%	9.00%	
Annual LIHTC Generated	\$331,909	\$1,660,254	
Total 10-Year LIHTC Requested	\$15,000,000		
LIHTC Equity Generated	\$13,198,680		
Equity Price	\$0.88		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$4,223,578	18%
Construction Loan	\$10,787,000	47%
HDAP: HOME		
Housing Development Loan	\$1,750,000	8%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee		
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs	\$820,338	4%
Assumed Loans	\$3,457,202	15%
City of Cincinnati Loan	\$1,935,000	8%
N/A		
N/A		
N/A		
Total Construction Sources	\$22,973,118	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$4,687,202	\$71,018	\$3,515,402
Predevelopment	\$881,324	\$13,353	\$835,724
Site Development	\$475,000	\$7,197	\$475,000
Hard Construction	\$11,779,034	\$178,470	\$11,729,034
Financing	\$1,066,992	\$16,167	\$690,592
Professional Fees	\$527,500	\$7,992	\$350,000
Developer Fee	\$2,999,570	\$45,448	\$2,999,570
OHFA and Other Fees	\$268,000	\$4,061	\$0
Capitalized Reserves	\$288,496	\$4,371	\$0
Total Development Costs (TDC)	\$22,973,118	\$348,078	\$20,595,322
LIHTC Eligible Basis as a Percent of Total Development Costs			90%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$348,078	\$272,476	28%
TDC per Gross Square Foot	\$227	\$298	-24%

Maximum Permanent Debt Sizing

N/A - No Hard Debt

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$13,198,680	57%
Permanent First Mortgage		
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity	\$2,717,236	12%
Deferred Developer Fee	\$450,000	2%
Sponsor Loan		
GP/MM Capital Contribution	\$1,000,000	4%
City of Cincinnati Loan	\$2,150,000	9%
Assumed Loans	\$3,457,202	15%
N/A		
N/A		
N/A		
Total Permanent Sources	\$22,973,118	100%