

Proposal Summary

2024 9% LIHTC Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: The Friary

Basic Project Information

Project Name	The Friary
LIHTC Type	9%
Allocation Pool	Service-Enriched Housing
Project Address	1615 Vine Street
Project City or Township	Cincinnati, OH-KY-IN MSA
Project County	Hamilton
Construction Type	Adaptive Reuse
Age Restriction	General Occupancy

OHFA Resource Request Requiring Board Approval

HDAP: HOME	N/A
Housing Development Loan	\$2,500,000
Multifamily Lending Program:	N/A

Development and Operations Team

Lead Developer	Tender Mercies, Inc.
Co-Developer #1	Urban Sites Capital Advisors, LLC
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
GP/MM #1 Parent Entity	N/A
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Urban Sites Construction, LLC
Architect of Record	Urban Sites Construction, LLC
Property Management Firm	Tender Mercies, Inc.

Site Information

Site Size (Acres)	0.828
Scattered Sites?	No
Total Number of Buildings	1
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)?	No
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Low
Census Tract Change Index	Growth

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	22	51%
40% AMI		
50% AMI		
60% AMI	21	49%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	43	100%

Existing Photograph



Project Narrative

Tender Mercies and Urban Sites are partnering to deliver 43 units of Permanent Supportive Housing at 1615 Vine Street in Over-the-Rhine. The property is currently owned by the Franciscan Friars of St. John the Baptist Province and features two adjoining buildings with separate uses. The Church and Sanctuary are located in the building fronting Vine Street and will continue to be used for religious operations. The building in the rear is underutilized space previously used to house the friars, and will be renovated by the Project Team into 43 units of housing for individuals earning less than 30% AMI. Please note that all bedrooms will be Studios which is consistent with other Tender Mercies projects that serve this tenant population.

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space	20,370	28%
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	20,743	28%
Manager's Unit Area		
Common Area	15,087	21%
Support and Program Space	11,466	16%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	5,788	8%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	73,454	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	43	100%	43	100%
1-BR				
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	43	100%	43	100%

Consolidated Annual Operating Budget

Operating Line Item		Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income		\$417,960	\$9,720
Potential Gross Commercial Income		\$0	\$0
Potential Gross Service Income		\$0	\$0
Vacancy Allowance (Blended)	5%	(\$20,898)	(\$486)
Effective Gross Income (EGI)		\$397,062	\$9,234
Administrative Expenses		\$20,137	\$468
Property Management Fee		\$21,500	\$500
Owner-Paid Utility Expenses		\$93,560	\$2,176
Maintenance Expenses		\$289,517	\$6,733
Real Estate Taxes		\$1,800	\$42
(Abated Real Estate Taxes)		\$0	\$0
Property and Liability Insurance		\$40,000	\$930
Other Insurance and Tax Expenses		\$8,268	\$192
Ongoing Reserve Contributions (Operating Subsidy)		\$18,275	\$425
		(\$250,000)	(\$5,814)
Total Annual Operating Expenses		\$243,057	\$5,652
Net Operating Income (EGI - OpEx)		\$154,005	\$3,582

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$1,000,000	\$18,278,271	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$1,000,000	\$18,278,271	
Codified Basis Boost; or		\$23,761,752	
Discretionary Basis Boost		\$23,761,752	
Adjusted Eligible Basis	\$1,000,000	\$23,761,752	
X Applicable Fraction	100%	100%	
Qualified Basis	\$1,000,000	\$23,761,752	
70% Present Value Rate	9.00%	9.00%	
Annual LIHTC Generated	\$90,000	\$2,138,558	
Total 10-Year LIHTC Requested	\$17,500,000		
LIHTC Equity Generated	\$14,860,125		
Equity Price	\$0.85		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$750,000	4%
Construction Loan	\$16,408,137	77%
HDAP: HOME		
Housing Development Loan	\$2,500,000	12%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee		
Sponsor Loan		
GP/MM Capital Contribution		
Post-Construction Costs		
City of Cincinnati HOME	\$900,000	4%
Hamilton County HOME	\$620,747	3%
City of Cincinnati AHTF	\$180,000	1%
N/A		
N/A		
Total Construction Sources	\$21,358,884	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$2,000,000	\$46,512	\$1,000,000
Predevelopment	\$736,800	\$17,135	\$736,800
Site Development	\$0	\$0	\$0
Hard Construction	\$13,464,298	\$313,123	\$13,464,298
Financing	\$1,406,835	\$32,717	\$936,368
Professional Fees	\$263,305	\$6,123	\$140,805
Developer Fee	\$3,000,000	\$69,767	\$3,000,000
OHFA and Other Fees	\$227,800	\$5,298	\$0
Capitalized Reserves	\$259,846	\$6,043	\$0
Total Development Costs (TDC)	\$21,358,884	\$496,718	\$19,278,271
LIHTC Eligible Basis as a Percent of Total Development Costs			90%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$496,718	\$485,710	2%
TDC per Gross Square Foot	\$291	\$428	-32%

Maximum Permanent Debt Sizing

N/A - No Hard Debt

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$14,860,125	70%
Permanent First Mortgage		
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity	\$3,009,124	14%
Deferred Developer Fee	\$1,327,952	6%
Sponsor Loan		
GP/MM Capital Contribution	\$172,048	1%
City of Cincinnati HOME	\$1,100,000	5%
Hamilton County HOME	\$689,635	3%
City of Cincinnati AHTF	\$200,000	1%
N/A		
N/A		
Total Permanent Sources	\$21,358,884	100%