

Proposal Summary

2024 4% LIHTC w/ BGF AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Hidden Ridge Apartments

Basic Project Information

Project Name:	Hidden Ridge Apartments
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	222 Curtis Street
Project City or Township:	Delaware
Project County:	Delaware
Construction Type:	Rehabilitation
Age Restriction:	General Occupancy
Funding Pool:	Preserved Affordability - LIHTC Resyndications
Lead Developer:	Wallick Development, LLC
Total Number of Units:	60
Total Number of Buildings:	8

Existing Photograph



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
HDAP: HOME	\$2,660,000	
Multifamily Bonds (Inducement):	\$5,600,000	
Multifamily Bonds (Final):		
Housing Development Loan:	\$1,500,000	

Project Narrative

Located in Delaware, Delaware County, Hidden Ridge Apartments is an existing 60-unit, family apartment community comprised of 2- and 3-bedroom units. The property contains 8 residential buildings and a separate management/community building along with parking and a playground. Originally constructed in 1998 with 9% Tax Credits, Hidden Ridge exhibits many of its original components and is in need of a substantial rehabilitation. This proposed rehab will include the replacement of building exteriors, windows, MEP systems, new kitchens and bathrooms, appliances, new flooring throughout, and ADA upgrades. Site work includes new playground equipment, upgrades to the concrete walks and curbs for improved accessibility, as well as landscaping improvements. The resyndication will preserve the affordability of the development for another 30 years.

Development and Operations Team

Lead Developer	Wallick Development, LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Merchants Capital Investments
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	Wallick Asset Management, LLC
GP/MM #2 Parent Entity	Resident Resources Network, Inc.
GP/MM #3 Parent Entity	N/A
General Contractor	Wallick Construction LLC
Architect of Record	RDL Architects, Inc.
Property Management Firm	Wallick Properties Midwest, LLC

Site Information

Site Size (Acres)	5.919
Scattered Sites?	No
Total Number of Buildings	8
Total Number of Elevator-Serviced Buildings	0
Total Parking Spaces	145
Parking Ratio (Parking Spaces per Unit)	2.4
Urban Suburban Rural (USR) Geography	Metro/Suburban
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	Growth

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kroger	2.04
Medical Clinic	Grace Clinic	0.9
Childcare Facility	Grace Community Children's	0.7
Senior Center	Senior Service-Independent	1.2
Pharmacy	Walgreens	1.1
Public Library	Delaware County District Library	1.8
Public Park	Marvin Lane Park	0.5
Public School	Schultz Elementary School	0.5
Public Recreation Center	Delaware Community Center	1.3

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	56,522	94%
Manager's Unit Area		
Common Area	3,366	6%
Support and Program Space	451	1%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	60,339	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	6	10%
40% AMI		
50% AMI	21	35%
60% AMI	33	55%
70% AMI		
80% AMI		
Unrestricted Manager's		
Total Units	60	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	70%	4	10%
3-BR	18	30%	2	11%
4-BR				
5-BR				
Total Units	60	100%	6	10%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$709,008	\$11,817
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$49,631)	(\$827)
Effective Gross Income (EGI)	\$659,377	\$10,990
Administrative Expenses	\$113,000	\$1,883
Property Management Fee	\$37,000	\$617
Owner-Paid Utility Expenses	\$84,000	\$1,400
Maintenance Expenses	\$88,000	\$1,467
Real Estate Taxes	\$48,000	\$800
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$35,100	\$585
Other Insurance and Tax Expenses	\$35,000	\$583
Ongoing Reserve Contributions (Operating Subsidy)	\$25,500	\$425
	\$0	\$0
Total Annual Operating Expenses	\$465,600	\$7,760
Net Operating Income (EGI - OpEx)	\$193,777	\$3,230

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$3,050,000	\$6,692,600	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$3,050,000	\$6,692,600	
Codified Basis Boost		\$6,692,600	
Adjusted Eligible Basis	\$3,050,000	\$6,692,600	
X Applicable Fraction	100%	100%	
Qualified Basis	\$3,050,000	\$6,692,600	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$122,000	\$267,704	
Total 10-Year LIHTC Requested	\$3,897,040		
LIHTC Equity Generated	\$3,331,800		
Equity Price	\$0.86		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$399,816	4%
Construction Loan	\$900,000	8%
Housing Development Loan	\$1,500,000	13%
Deferred Developer Fee	\$232,959	2%
Sponsor Loan	\$1,931,724	17%
GP/MM Capital Contribution	\$500,000	4%
Post-Construction Costs	\$1,697,984	15%
HDAP: HOME	\$2,394,000	22%
Transferred Replacement Reserve	\$150,000	1%
Construction Period Income	\$133,100	1%
	\$1,280,000	12%
Total Construction Sources	\$11,119,583	100%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$3,800,000	\$63,333	\$3,050,000
Predevelopment	\$317,500	\$5,292	\$317,500
Site Development	\$451,000	\$7,517	\$451,000
Hard Construction	\$3,866,000	\$64,433	\$3,866,000
Financing	\$381,100	\$6,352	\$313,100
Professional Fees	\$195,000	\$3,250	\$1,745,000
Developer Fee	\$1,600,000	\$26,667	\$0
OHFA and Other Fees	\$183,983	\$3,066	\$0
Capitalized Reserves	\$325,000	\$5,417	\$0
Total Development Costs (TDC)	\$11,119,583	\$185,326	\$9,742,600
LIHTC Eligible Basis as a Percent of Total Development Costs			88%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$185,326	\$347,000	-47%
TDC per Gross Square Foot	\$184	\$390	-53%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$193,777	\$193,777
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$161,481	\$193,777
Interest Rate	3.48%	3.48%
Amortization Period (Years)	28	28
Loan Term (Years)	28	28
Maximum Perm Loan Amount	\$2,886,470	\$3,463,764
Actual Perm Loan Amount	\$2,180,000	
Variance	(\$706,470)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.35	1.17
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$3,331,800	30%
Permanent First Mortgage	\$1,280,000	12%
Permanent Second Mortgage	\$900,000	8%
Deferred Developer Fee	\$232,959	2%
Sponsor Loan	\$1,931,724	17%
GP/MM Capital Contribution	\$500,000	4%
HDAP: HOME	\$2,660,000	24%
Transferred Replacement Reserve	\$150,000	1%
Construction Period Income	\$133,100	1%
Total Permanent Sources	\$11,119,583	100%