# **Proposal Summary**

Affordable Housing Funding Application (AHFA)

2024 4% LIHTC w/ BGF AHFA Proposal Application

Project Name: Winton Terrace Phase II

## **Basic Project Information**

Project Name:	Winton Terrace Phase II		
OHFA Project Number:	TBD		
LIHTC Type:	4%		
Project Address:	4848 Winneste Ave		
Project City or Township:	Cincinnati		
Project County:	Hamilton		
Construction Type:	Rehabilitation		
Age Restriction:	General Occupancy		
Funding Pool:	Preserved Affordability - Non-LIHTC Rental Sub		
Lead Developer:	Gorman & Company, LLC		
Total Number of Units:	217		
Total Number of Buildings:	32		

# OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
LIDAD AULTE		
HDAP: NHTF	\$3,000,000	
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Multifamily Bonds (Inducement):	\$61,708,000	
Multifamily Bonds (Final):		

## **Development and Operations Team**

Lead Developer	Gorman & Company, LLC
Co-Developer #1	Cincinnati Metropolitan Housing Authority
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	To Be Formed
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	N/A
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Gorman General Contractors, LLC
Architect of Record	Gorman Architectural
Property Management Firm	Gorman Property Management, LLC

#### **Nearby Amenities**

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kroger	<1.0
Medical Clinic	WinMed Health Services	<1.0
Childcare Facility	Winton Campus Early Learning	<1.0
Senior Center	North College Hill Senior	3.12
Pharmacy	Kroger Pharmacy	<1.0
Public Library	St. Bernard Branch Library	<1.0
Public Park	Ross Park	<1.0
Public School	St. Bernard-Elmwood Place	<1.0
Public Recreation Center	Winton Hills Recreation Center	<1.0

## Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	11	5%
40% AMI		
50% AMI	76	35%
60% AMI	130	60%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	217	100%

## **Existing Photograph**



#### **Project Narrative**

The Winton Terrace Phase 2 development will consist of 32 buildings and a total of 217 units. The project will be developed through a partnership between the Cincinnati Metropolitan Housing Authority (the current owner) and Gorman and Company LLC. It will implement the larger housing goals of CMHA to provide residents with safe and affordable housing with dignity and respect. The existing buildings have outdated systems and are in need of substantial rehabilitation. CMHA's funding for the units will be restructured and recapitalized through the Section 18 program. The redevelopment will also utilize Federal Low-Income Tax Credits, Federal Historic Tax Credits, a Seller Note, and deferred developer fee.

#### Site Information

Site Size (Acres)	12.725
Scattered Sites?	No
Total Number of Buildings	32
Total Number of Elevator-Serviced Buildings	0
Total Parking Spaces	156
Parking Ratio (Parking Spaces per Unit)	0.7
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualfied Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very Low
Census Tract Change Index	Slight Decline

#### **Building Square Footage Breakdown**

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	219,737	93%
Manager's Unit Area		
Common Area	15,540	7%
Support and Program Space		
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	235,277	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	67	31%	67	100%
2-BR	85	39%	85	100%
3-BR	38	18%	38	100%
4-BR	27	12%	27	100%
5-BR				
Total Units	217	100%	217	100%

## **Consolidated Annual Operating Budget**

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$3,525,972	\$16,249
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 5%	(\$176,299)	(\$812)
Effective Gross Income (EGI)	\$3,349,673	\$15,436
Administrative Expenses	\$396,428	\$1,827
Property Management Fee	\$200,980	\$926
Owner-Paid Utility Expenses	\$219,934	\$1,014
Maintenance Expenses	\$483,551	\$2,228
Real Estate Taxes	\$33,472	\$154
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$170,128	\$784
Other Insurance and Tax Expenses	\$74,431	\$343
Ongoing Reserve Contributions	\$92,225	\$425
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$1,671,149	\$7,701
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\$1,678,524 \$7,735

## LIHTC Calculation

Net Operating Income (EGI - OpEx)

		Acquisition	Rehabilitation	New Construction
	LIHTC Eligible Basis	\$21,697,345	\$60,668,763	\$24,610,875
	- Reductions in Eligible Basis	\$0	\$0	\$0
	= Net Eligible Basis	\$21,697,345	\$60,668,763	\$24,610,875
	Codified Basis Boost		\$78,869,392	\$31,994,138
	Adjusted Eligible Basis	\$21,697,345	\$78,869,392	\$31,994,138
	X Applicable Fraction	100%	100%	100%
	Qualified Basis	\$21,697,345	\$78,869,392	\$31,994,138
	30% Present Value Rate	4.00%	4.00%	4.00%
	Annual LIHTC Generated	\$867,894	\$3,154,776	\$1,279,766
I	Total 10-Year LIHTC Requested	\$53,024,350		
I	LIHTC Equity Generated	\$46,652,095		
ı	Equity Price	\$0.88		

## **Construction Sources of Funds**

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$9,796,939	8%
Construction Loan	\$65,016,000	56%
Fed. Historic Tax Credit Equity	\$2,307,787	2%
Post-Construction Costs	\$13,298,938	11%
HDAP: NHTF	\$3,000,000	3%
Seller Note	\$22,485,900	19%
Total Construction Sources	\$115,005,564	100%
Total Construction Sources	\$115,905,564	100%

## Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$23,570,900	\$108,622	\$21,322,310
Predevelopment	\$4,130,825	\$19,036	\$4,130,825
Site Development	\$7,675,715	\$35,372	\$7,675,715
Hard Construction	\$50,415,424	\$232,329	\$50,415,424
Financing	\$9,216,772	\$42,474	\$5,432,709
Professional Fees	\$900,000	\$4,147	\$14,017,175
Developer Fee	\$17,400,000	\$80,184	\$3,982,825
OHFA and Other Fees	\$843,947	\$3,889	\$0
Capitalized Reserves	\$1,751,981	\$8,074	\$0
Total Development Costs (TDC)		\$534,127	\$106,976,983
LIHTC Eligible Basis as a Percer	nt of Total Develop	ment Costs	92%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$534,127	\$347,000	54%
TDC per Gross Square Foot	\$493	\$390	26%

## **Maximum Permanent Debt Sizing**

	Max Loan for	Max Loan to
	Stabilized Y1	Stabilized Y15
Net Operating Income (NOI)	\$1,678,524	\$1,678,524
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$1,459,586	\$1,678,524
Interest Rate	5.75%	5.75%
Amortization Period (Years)	40	40
Loan Term (Years)	18	18
Maximum Perm Loan Amount	\$22,825,112	\$26,248,879
Actual Perm Loan Amount	\$21,875,000	
Variance	(\$950,112)	

	Year 1	Year 15
Debt Service Coverage Ratio OHFA Minimum DSCR	1.20	1.35
	1.15	1.00

## **Permanent Sources of Funds**

Souce Name	Total	Percent of Total
Federal LIHTC Equity	\$46,652,095	40%
Permanent First Mortgage	\$21,875,000	19%
Fed. Historic Tax Credit Equity	\$10,989,460	9%
Deferred Developer Fee	\$5,128,640	4%
Sponsor Loan	\$5,774,469	5%
HDAP: NHTF	\$3,000,000	3%
Seller Note	\$22,485,900	19%
Total Permanent Sources	\$115,905,564	100%