

Emerald Place

Proposal Application Summary
SFY2024 4% LIHTC with Ohio LIHTC Round

Basic Project Information

Project Name	Emerald Place
LIHTC Type	4% LIHTC
Funding Pool	New Affordability - Central City and Metro/Sub
Lead Developer	LDG Multifamily, LLC
Project Address	730 South Ewing Street
Project City or Township	Lancaster
Project County	Fairfield
Construction Type	New Construction
Population Served	Families
Total Units	216
10-Year LIHTC Request	\$31,818,871
10-Year OLIHTC Request	\$10,000,000
Total Development Cost	\$66,066,834

Project Rendering



Development and Operations Team

Lead Developer	LDG Multifamily, LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	Lowenstein Development
LIHTC Syndicator/Investor	Key CDC
OLIHTC Syndicator/Investor	Key CDC
GP/MM #1 Parent Entity	Ohio Quad Equities, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Xpert Design & Construction, LLC
Architect of Record	Berardi + Partners
Property Management Firm	Winterwood, Inc.

Project Narrative

Emerald Place is a proposed 216 unit family development located conveniently 1.25 miles from the center of Lancaster, near retail and restaurants along East Main St. and employment growth anticipated just to the east. The development includes three-story walk-up buildings with a mix of one-bedroom, two-bedroom, three-bedroom and four-bedroom apartments and common area amenities including a community room, fitness center and an on-site leasing and management office. The development has received full support from the City of Lancaster due in large part to the significant need for new high-quality affordable housing in Lancaster.

Site Information

Site Size (Acres)	16.13
Scattered Sites?	No
Total Number of Buildings	5
Total Parking Spaces	289
Parking Ratio (Parking Spaces per Unit)	1.3
Urban Suburban Rural (USR) Geography	Central City
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area?	No
Census Tract Opportunity Index	Moderate
Census Tract Change Index	Slight Decline
Discount to Market Rent	-7.0%

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	213,000	80%
Manager's Unit Area		
Common Area	48,700	18%
Support and Program Space	414	0%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,673	1%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	264,787	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI	22	9%
50% AMI	44	18%
60% AMI	150	63%
70% AMI	22	9%
80% AMI		
Unrestricted		
Manager's		
Total Units	238	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	30	14%	0	0%
2-BR	108	50%	0	0%
3-BR	75	35%	0	0%
4-BR	3	1%	0	0%
5-BR				
Total Units	216	100%	0	0%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$3,284,832	\$13,802
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 7%	(\$234,138)	(\$984)
Interest Income and Other Financial Income	\$17,750	\$75
Laundry, Tenant Charges, and Service Income	\$0	\$0
Effective Gross Income (EGI)	\$3,068,444	\$12,893
Administrative Expenses	\$364,540	\$1,532
Owner-Paid Utilities	\$250,860	\$1,054
Maintenance Costs	\$333,540	\$1,401
Taxes and Insurance	\$444,000	\$1,866
Tax Abatement and/or Operating Subsidy	(\$259,200)	(\$1,089)
Reserves and Other Expenses	\$86,400	\$363
Total Operating Expenses	\$1,220,140	\$5,127
Net Operating Income (EGI - OpEx)	\$1,848,304	\$7,766

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$61,190,136
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$61,190,136
Basis Boost for QCT/DDA			\$18,357,041
Adjusted Eligible Basis			\$79,547,177
X Applicable Fraction			100%
Qualified Basis			\$79,547,177
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$3,181,887
Total 10-Year LIHTC	\$31,818,871		
LIHTC Equity Generated	\$27,995,001		
Equity Price	\$0.88		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$5,608,801	8%
OLIHTC Equity	\$1,100,000	2%
Historic Tax Credit Equity		
Construction Loan	\$43,000,000	65%
OHFA HDAP Request		
Deferred Developer Fee		
Affordable Housing Trust	\$5,000,000	8%
Affordable Housing Trust	\$500,000	1%
City of Lancaster CDBG	\$250,000	0%
Costs not incurred until perm	\$8,108,033	12%
OHFA HDL	\$2,500,000	4%
Total Construction Sources	\$66,066,834	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$600,000	\$2,521	\$0
Predevelopment	\$2,747,177	\$11,543	\$2,747,177
Site Development	\$4,514,684	\$18,969	\$4,514,684
Hard Construction	\$39,460,502	\$165,800	\$39,460,502
Financing	\$5,946,394	\$24,985	\$4,036,917
Professional Fees	\$485,000	\$2,038	\$262,500
Developer Fee	\$10,168,356	\$42,724	\$10,168,356
OHFA and Other Fees	\$712,814	\$2,995	\$0
Capitalized Reserves	\$1,431,907	\$6,016	\$0
Total Development Costs (TDC)	\$66,066,834	\$277,592	\$61,190,136
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$277,592	\$403,000	-31%
TDC per Gross Square Foot	\$250	\$410	-39%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$1,848,304	\$1,908,304
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$1,540,253	\$1,908,304
Interest Rate	5.80%	5.80%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$23,931,701	\$29,650,291
Actual Perm Loan Amount	\$24,698,000	
Variance	\$766,299	

	Year 1	Year 15
Debt Service Coverage Ratio	1.20	1.44
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$27,995,001	42%
OLIHTC Equity	\$5,500,000	8%
Historic Tax Credit Equity		
Permanent First Mortgage	\$24,698,000	37%
Permanent Second Mortgage		
OHFA HDAP Request		
Deferred Developer Fee	\$7,123,833	11%
Affordable Housing Trust	\$500,000	1%
City of Lancaster CDBG	\$250,000	0%
N/A		
N/A		
N/A		
Total Permanent Sources	\$66,066,834	100%