

## Lincoln and Gilbert Family II

Proposal Application Summary

SFY2024 4% LIHTC with Ohio LIHTC Round

### Basic Project Information

Project Name	Lincoln and Gilbert Family II
LIHTC Type	4% LIHTC
Funding Pool	New Affordability - Central City and Metro/Subu
Lead Developer	Pennrose, LLC
Project Address	935 Foraker Avenue
Project City or Township	Cincinnati
Project County	Hamilton
Construction Type	New Construction
Population Served	Families
Total Units	36
10-Year LIHTC Request	\$5,701,238
10-Year OLIHTC Request	\$5,701,240
Total Development Cost	\$12,715,080

### Project Rendering



### Development and Operations Team

Lead Developer	Pennrose, LLC
Co-Developer #1	Walnut Hills Redevelopment Foundation
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
OLIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
GP/MM #1 Parent Entity	Pennrose LLC
GP/MM #2 Parent Entity	Pennrose LLC
GP/MM #3 Parent Entity	Walnut Hills Redevelopment Foundation, Inc.
General Contractor	The Douglas Company
Architect of Record	New Republic Architecture
Property Management Firm	Pennrose Management Company

### Project Narrative

Lincoln & Gilbert Family II will be a 36-unit new construction development. The proposed project is a partnership between Pennrose LLC and the Walnut Hills Redevelopment Foundation to redevelop the property adjacent to the Harriet Beecher Stowe House museum, which was previously home to several vacant and dilapidated structures. The project will redevelop two corners of Monfort Street between Lincoln Avenue and Foraker Avenue, and provide new construction general occupancy housing in one low-rise building, and a surface parking lot. This application is for a follow-up project to the first phase of Lincoln & Gilbert Family I, which created 50 new units of housing, a Welcome Center with community and fitness facilities, and on-site management and supportive services offices. The development team has acquired building permits and has positioned the project to begin construction promptly receiving approval. Additionally, we are expecting units to be delivered within 12 months of approval.

### Site Information

Site Size (Acres)	0.5
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	51
Parking Ratio (Parking Spaces per Unit)	1.4
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	High
Census Tract Change Index	Growth
Discount to Market Rent	-7.7%

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	27,027	89%
Manager's Unit Area		
Common Area	2,982	10%
Support and Program Space	265	1%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>30,274</b>	<b>100%</b>

### Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI	9	25%
60% AMI	27	75%
70% AMI		
80% AMI		
Unrestricted Manager's		
<b>Total Units</b>	<b>36</b>	<b>100%</b>

### 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	15	42%	0	0%
2-BR	18	50%	0	0%
3-BR	3	8%	0	0%
4-BR				
5-BR				
<b>Total Units</b>	<b>36</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

### Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$496,992	\$13,805
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 7%	(\$35,056)	(\$974)
Interest Income and Other Financial Income	\$0	\$0
Laundry, Tenant Charges, and Service Income	\$0	\$0
<b>Effective Gross Income (EGI)</b>	<b>\$461,936</b>	<b>\$12,832</b>
Administrative Expenses	\$105,170	\$2,921
Owner-Paid Utilities	\$34,823	\$967
Maintenance Costs	\$56,331	\$1,565
Taxes and Insurance	\$140,813	\$3,911
Tax Abatement and/or Operating Subsidy Reserves and Other Expenses	(\$45,867)	(\$1,274)
	\$14,400	\$400
<b>Total Operating Expenses</b>	<b>\$305,670</b>	<b>\$8,491</b>
<b>Net Operating Income (EGI - OpEx)</b>	<b>\$156,266</b>	<b>\$4,341</b>

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			#####
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			#####
Basis Boost for QCT/DDA			\$3,289,176
Adjusted Eligible Basis			#####
X Applicable Fraction			100%
Qualified Basis			#####
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$570,124
Total 10-Year LIHTC	\$5,701,238		
LIHTC Equity Generated	\$5,006,946		
Equity Price	\$0.88		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$696,940	5%
OLIHTC Equity	\$396,394	3%
Historic Tax Credit Equity		
Construction Loan	\$6,040,671	48%
OHFA HDAP Request		
Deferred Developer Fee	\$1,061,320	8%
Housing Development Loan	\$2,000,000	16%
CDF - Note A	\$155,042	1%
CDF - Note B	\$435,587	3%
City of Cincinnati	\$500,000	4%
CDF Affordable Housing Leverage	\$1,429,126	11%
<b>Total Construction Sources</b>	<b>\$12,715,080</b>	<b>100%</b>

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$619,414	\$17,206	\$0
Predevelopment	\$586,192	\$16,283	\$549,900
Site Development	\$1,143,658	\$31,768	\$1,107,328
Hard Construction	\$6,735,849	\$187,107	\$6,735,849
Financing	\$947,380	\$26,316	\$595,832
Professional Fees	\$277,274	\$7,702	\$147,690
Developer Fee	\$1,827,320	\$50,759	\$1,827,320
OHFA and Other Fees	\$366,583	\$10,183	\$0
Capitalized Reserves	\$211,410	\$5,873	\$0
<b>Total Development Costs (TDC)</b>	<b>\$12,715,080</b>	<b>\$353,197</b>	<b>\$10,963,919</b>
LIHTC Eligible Basis as a Percent of Total Development Costs			86%

  

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$353,197	\$403,000	-12%
TDC per Gross Square Foot	\$420	\$410	2%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$156,266	\$152,188
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$130,222	\$152,188
Interest Rate	5.82%	5.82%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$2,018,119	\$2,358,553
Actual Perm Loan Amount	\$1,947,457	
Variance	(\$70,662)	

  

	Year 1	Year 15
Debt Service Coverage Ratio	1.27	1.20
OHFA Minimum DSCR	1.20	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$5,006,946	39%
OLIHTC Equity	\$2,847,768	22%
Historic Tax Credit Equity		
Permanent First Mortgage	\$1,792,415	14%
Permanent Second Mortgage	\$155,042	1%
OHFA HDAP Request		
Deferred Developer Fee	\$548,196	4%
CDF - Note B	\$435,587	3%
City of Cincinnati	\$500,000	4%
CDF Affordable Housing Leverage	\$1,429,126	11%
N/A		
N/A		
<b>Total Permanent Sources</b>	<b>\$12,715,080</b>	<b>100%</b>