

## Parkside Homes East

Proposal Application Summary

SFY2024 4% LIHTC with Ohio LIHTC Round

### Basic Project Information

Project Name	Parkside Homes East
LIHTC Type	4% LIHTC
Funding Pool	New Affordability - Central City and Metro/Suburban
Lead Developer	CHN Housing Partners
Project Address	Scattered Sites
Project City or Township	Cleveland
Project County	Cuyahoga
Construction Type	New Construction
Population Served	Families
Total Units	55
10-Year LIHTC Request	\$10,024,069
10-Year OLIHTC Request	\$10,000,000
Total Development Cost	\$20,649,739

### Project Rendering



### Development and Operations Team

Lead Developer	CHN Housing Partners
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Enterprise
OLIHTC Syndicator/Investor	Enterprise
GP/MM #1 Parent Entity	CHN Housing Partners
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	CHN Housing Partners
Architect of Record	City Architecture
Property Management Firm	CHN Housing Partners

### Project Narrative

Parkside Homes East is a 55-unit, scattered site, single-family project that will provide 55 homes for families at or below 60% of the area median income. Parkside Homes East will contain approximately 49 three-bedroom two-story homes and 6 three-bedroom one-story accessible homes. The project will be sited on vacant lots formerly held by the City of Cleveland Land Bank in the Glenville and Buckeye neighborhoods on Cleveland's east side.

CHN's nationally recognized lease-purchase program has created homeownership opportunities by successfully transferring more than 1,200 homes to income eligible buyers. CHN's service delivery program will provide wrap-around services to LP families to help improve their education, career, and physical and financial health. By engaging with our families to develop and pursue long term goals and supporting them with targeted services, our residents will progress to self-sufficiency and thrive.

### Site Information

Site Size (Acres)	Various
Scattered Sites?	Yes
Total Number of Buildings	55
Total Parking Spaces	55
Parking Ratio (Parking Spaces per Unit)	1.0
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	18.0%

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	74,540	56%
Manager's Unit Area		
Common Area	8,370	6%
Support and Program Space		
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage	16,330	12%
Basement	33,148	25%
<b>Total Square Footage of all Buildings</b>	<b>132,388</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		
60% AMI	55	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>55</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				
2-BR				
3-BR	55	100%	0	0%
4-BR				
5-BR				
<b>Total Units</b>	<b>55</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	\$594,000	\$10,800
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 7%	(\$41,580)	(\$756)
Interest Income and Other Financial Income	\$0	\$0
Laundry, Tenant Charges, and Service Income	\$0	\$0
<b>Effective Gross Income (EGI)</b>	<b>\$552,420</b>	<b>\$10,044</b>
Administrative Expenses	\$80,499	\$1,464
Owner-Paid Utilities	\$87,587	\$1,592
Maintenance Costs	\$96,663	\$1,758
Taxes and Insurance	\$80,685	\$1,467
Tax Abatement and/or Operating Subsidy	\$0	\$0
Reserves and Other Expenses	\$22,000	\$400
<b>Total Operating Expenses</b>	<b>\$367,434</b>	<b>\$6,681</b>
<b>Net Operating Income (EGI - OpEx)</b>	<b>\$184,986</b>	<b>\$3,363</b>

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			#####
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			#####
Basis Boost for QCT/DDA			\$5,783,117
Adjusted Eligible Basis			#####
X Applicable Fraction			100%
Qualified Basis			#####
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$1,002,407
Total 10-Year LIHTC	#####	#	
LIHTC Equity Generated	\$9,105,846		
Equity Price	\$0.91		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$2,318,776	11%
OLIHTC Equity	\$1,892,463	9%
Historic Tax Credit Equity		
Construction Loan	\$11,000,000	53%
OHFA HDAP Request		
Deferred Developer Fee		
City of Cleveland HOME	\$1,575,000	8%
Cuyahoga County HOME	\$427,500	2%
GP Equity - Recontributed Dev	\$1,344,875	7%
Post Construction Costs	\$2,091,125	10%
N/A		
<b>Total Construction Sources</b>	<b>\$20,649,739</b>	<b>100%</b>

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$11,000	\$200	\$0
Predevelopment	\$385,130	\$7,002	\$375,130
Site Development	\$531,667	\$9,667	\$531,667
Hard Construction	\$14,667,058	\$266,674	\$14,667,058
Financing	\$1,293,800	\$23,524	\$419,200
Professional Fees	\$112,500	\$2,045	\$84,000
Developer Fee	\$3,200,000	\$58,182	\$3,200,000
OHFA and Other Fees	\$195,645	\$3,557	\$0
Capitalized Reserves	\$252,939	\$4,599	\$0
<b>Total Development Costs (TDC)</b>	<b>\$20,649,739</b>	<b>\$375,450</b>	<b>\$19,277,055</b>
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$375,450	\$403,000	-7%
TDC per Gross Square Foot	\$156	\$410	-62%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$184,986	\$173,130
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$154,155	\$173,130
Interest Rate	7.45%	7.45%
Amortization Period (Years)	30	30
Loan Term (Years)	15	15
Maximum Perm Loan Amount	\$1,846,272	\$2,073,525
Actual Perm Loan Amount	\$1,650,000	
Variance	(\$196,272)	

  

	Year 1	Year 15
Debt Service Coverage Ratio	1.34	1.26
OHFA Minimum DSCR	1.20	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$9,105,846	44%
OLIHTC Equity	\$5,799,420	28%
Historic Tax Credit Equity		
Permanent First Mortgage	\$1,650,000	8%
Permanent Second Mortgage		
OHFA HDAP Request		
Deferred Developer Fee	\$549,598	3%
City of Cleveland HOME	\$1,750,000	8%
Cuyahoga County HOME	\$450,000	2%
GP Equity - Recontributed Develop	\$1,344,875	7%
N/A		
N/A		
<b>Total Permanent Sources</b>	<b>\$20,649,739</b>	<b>100%</b>