

## Proposal Summary

4% LIHTC AAL AHFA Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Findlay AAL

### Basic Project Information

Project Name:	Findlay AAL
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	8455 CO RD 140
Project City or Township:	Findlay
Project County:	Hancock
Construction Type:	New Construction
Age Restriction:	Assisted Living
Funding Pool:	Rural
Lead Developer:	Leo Brown Development, LLC
Total Number of Units:	124
Total Number of Buildings:	1

### Project Rendering



### OHFA Resource Request Requiring Board Approval

Amount	Approval Date

### Project Narrative

Findlay AAL is a 124-unit affordable assisted living facility in Findlay, Hancock County, Ohio. The project is a collaboration of Leo Brown Group and Homeport. Springfield AAL will offer 56 one-bedroom units and 68 studio units. When complete, the property will offer residents assistance with daily living, medication reminders, activities, utilities, housekeeping, and three meals a day in the comfort of a desirable and safe purpose-built community with numerous amenities. Grand Contracting and Traditions Management, affiliates of Leo Brown Group, will be the General Contractor and Medicaid Service provider. Traditions Management currently manages 15 assisted living communities that accept medicaid waivers. Oberer Management will be the Property Manager.

### Development and Operations Team

Lead Developer	Leo Brown Development, LLC
Co-Developer #1	Homeport
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Affordable Housing Partners, Inc.
OLIHTC Syndicator/Investor	
GP/MM #1 Parent Entity	Leo Brown Group, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Grand Contracting, LLC
Architect of Record	pH7 Architects, Inc.
Property Management Firm	Oberer Management Services, LLC

### Site Information

Site Size (Acres)	6.377
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	74
Parking Ratio (Parking Spaces per Unit)	0.6
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very High
Census Tract Change Index	Slight Growth

### Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Walmart	1
Medical Clinic	Mercy Health Urgent Care	1.73
Childcare Facility	YMCA Child Development	2.1
Senior Center	50 North	2.65
Pharmacy	Walmart Pharmacy	1
Public Library	Findlay-Hancock County Public	1.77
Public Park	Rawson Park	1.16
Public School	Liberty-Benton Highschool	1
Public Recreation Center	Findlay Riverside City Park	2.78

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	59,232	65%
Manager's Unit Area	1,637	2%
Common Area	25,049	27%
Support and Program Space	4,823	5%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	874	1%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	91,615	100%

### 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	124	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	124	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	68	55%	0	0%
1-BR	56	45%	0	0%
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	124	100%	0	0%

## Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,409,136	\$11,364
Potential Gross Commercial Income	\$0	\$0
Potential Gross AAL & Service Income	\$6,562,700	\$52,925
Vacancy Allowance (Blended) 57%	(\$797,184)	(\$6,429)
Effective Gross Income (EGI)	\$7,174,652	\$57,860
Administrative Expenses	\$615,409	\$4,963
Property Management Fee	\$358,571	\$2,892
Owner-Paid Utility Expenses	\$240,226	\$1,937
Assisted Living Expenses	\$2,320,760	\$18,716
Maintenance Expenses	\$310,824	\$2,507
Real Estate Taxes	\$165,000	\$1,331
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$170,226	\$1,373
Other Insurance and Tax Expenses	\$383,849	\$3,096
Ongoing Reserve Contributions (Operating Subsidy)	\$62,000	\$500
	\$0	\$0
Total Annual Operating Expenses	\$4,626,865	\$37,313
Net Operating Income (EGI - OpEx)	\$2,547,787	\$20,547

## LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$32,986,038
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$32,986,038
Codified Basis Boost			\$42,881,849
Adjusted Eligible Basis			\$42,881,849
X Applicable Fraction			100%
Qualified Basis			\$42,881,849
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$1,715,274
Total 10-Year LIHTC Requested	\$17,152,740		
LIHTC Equity Generated	\$14,235,351		
Equity Price	\$0.83		

## Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$4,270,605	10%
Construction Loan	\$26,100,000	62%
GP/MM Capital Contribution	\$100	0%
Post-Construction Costs	\$8,968,233	21%
Construction Loan - Taxable Tail	\$2,850,000	7%
Total Construction Sources	\$42,188,938	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$477,750	\$3,853	\$0
Predevelopment	\$890,725	\$7,183	\$890,725
Site Development	\$2,283,250	\$18,413	\$2,283,250
Hard Construction	\$20,495,178	\$165,284	\$20,495,178
Financing	\$5,187,212	\$41,832	\$3,329,212
Professional Fees	\$847,500	\$6,835	\$490,000
Developer Fee	\$5,497,673	\$44,336	\$5,497,673
OHFA and Other Fees	\$409,017	\$3,299	\$0
Capitalized Reserves	\$6,100,633	\$49,199	\$0
Total Development Costs (TDC)	\$42,188,938	\$340,233	\$32,986,038
LIHTC Eligible Basis as a Percent of Total Development Costs			78%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$340,233	\$391,000	-13%
TDC per Gross Square Foot	\$461	\$390	18%

## Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$2,547,787	\$2,547,787
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$2,123,156	\$2,547,787
Interest Rate	6.50%	6.50%
Amortization Period (Years)	40	40
Loan Term (Years)	20	20
Maximum Perm Loan Amount	\$30,220,791	\$36,264,950
Actual Perm Loan Amount	\$26,100,000	
Variance	(\$4,120,791)	
Debt Service Coverage Ratio	Year 1 1.39	Year 15 1.36
OHFA Minimum DSCR	1.20	1.00

## Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$14,235,351	34%
Permanent First Mortgage	\$26,100,000	62%
Deferred Developer Fee	\$1,853,387	4%
GP/MM Capital Contribution	\$200	0%
Total Permanent Sources	\$42,188,938	100%