

Proposal Summary

2025 4% LIHTC AHFA Final Application

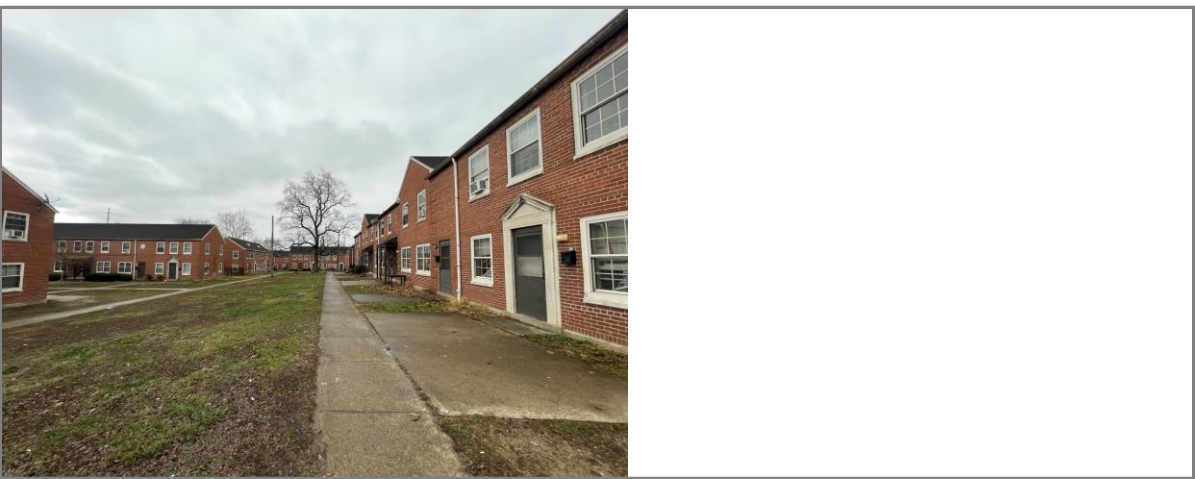
Affordable Housing Funding Application (AHFA)

Project Name: Winton Terrace Phase I

Basic Project Information

Project Name:	Winton Terrace Phase I
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
Lead Developer:	Gorman & Company, LLC
Total Number of Units:	185
Total Number of Buildings:	29

Existing Photograph



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Multifamily Bonds (Inducement):	\$44,073,489	
Multifamily Bonds (Final):		

Project Narrative

The Winton Terrace Phase I development will consist of 29 buildings and a total of 185 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 The existing buildings have outdated systems and are in need of substantial rehabilitation.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. To maximize equity, the project is using a master tenant/lease structure.

Development and Operations Team

Lead Developer	Gorman & Company, LLC
Co-Developer #1	Cincinnati Metropolitan Housing Authority
Co-Developer #2	N/A
Development Consultant	Novogradac
LIHTC Syndicator/Investor	Merchants Capital
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	N/A
GP/MM #2 Parent Entity	Winton Terrace Phase I, LLC
GP/MM #3 Parent Entity	Winton Terrace Phase I, LLC
General Contractor	Gorman General Contractors, LLC
Architect of Record	Gorman Architectural Ohio, Inc.
Property Management Firm	Gorman Property Management USA, LLC

Site Information

Site Size (Acres)	10.24
Scattered Sites?	No
Total Number of Buildings	29
Total Number of Elevator-Serviced Buildings	0
Total Parking Spaces	129
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 Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very Low
Census Tract Change Index	Slight Decline

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kroger	1.3
Medical Clinic	Mercy Health - Winton Road	2.3
Childcare Facility	Winton Campus Early Learning	0.8
Senior Center	North College Hill Senior Center	4.8
Pharmacy	Kroger Pharmacy	1.3
Public Library	St. Bernard Branch Library	1.6
Public Park	Elmwood Place Elementary	1
Public School	#REF!	2.1
Public Recreation Center	Winton Hills Recreation Center	0.4

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	212,598	100%
Manager's Unit Area		
Common Area		
Support and Program Space		
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	212,598	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	185	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	185	100%

Consolidated Annual Operating Budget

Operating Line Item		Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income		\$3,062,940	\$16,556
Potential Gross Commercial Income		\$0	\$0
Potential Gross Service Income		\$0	\$0
Vacancy Allowance (Blended)	5%	(\$153,147)	(\$828)
Effective Gross Income (EGI)		\$2,909,793	\$15,729
(Administrative Expenses)		(\$354,221)	(\$1,915)
(Property Management Fee)		(\$174,588)	(\$944)
(Owner-Paid Utility Expenses)		(\$182,000)	(\$984)
(Maintenance Expenses)		(\$403,353)	(\$2,180)
(Net Real Estate Taxes)		(\$29,092)	(\$157)
(Property and Liability Insurance)		(\$145,000)	(\$784)
(Other Insurance and Tax Expenses)		(\$67,975)	(\$367)
(Ongoing Reserve Contributions)		(\$85,916)	(\$464)
Operating Subsidy		\$0	\$0
(Total Operating Expenses)		(\$1,442,145)	(\$7,795)
Net Operating Income (EGI - Operating Expenses)		\$1,467,648	\$7,933

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$20,060,000	\$46,887,298	\$13,199,045
- Reductions in Eligible Basis	\$0	\$0	\$0
= Net Eligible Basis	\$20,060,000	\$46,887,298	\$13,199,045
Codified Basis Boost (DDA/QCT)		\$60,953,487	\$17,158,759
Agency Discretionary Basis Boost		\$59,781,916	\$16,828,955
Adjusted Eligible Basis	\$20,060,000	\$60,953,487	\$17,158,759
X Applicable Fraction	100%	100%	100%
Qualified Basis	\$20,060,000	\$60,953,487	\$17,158,759
30% Present Value Rate	4%	4%	4%
Annual LIHTC Generated	\$802,400	\$2,438,139	\$686,350
Total 10-Year LIHTC Generated	\$39,268,899		
Total 10-Year LIHTC Requested	\$0		
LIHTC Equity Generated	\$30,706,001		
Equity Price	\$0.0000		

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	8	4%	8	100%
2-BR	90	49%	90	100%
3-BR	48	26%	48	100%
4-BR	37	20%	37	100%
5-BR	2	1%	2	100%
Total Units	185	100%	185	100%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$20,410,000	\$110,324	\$20,060,000
Predevelopment	\$3,290,133	\$17,785	\$3,290,133
Site Development	\$5,115,040	\$27,649	\$5,115,040
Hard Construction	\$34,570,933	\$186,870	\$33,083,420
Financing	\$6,708,870	\$36,264	\$3,304,300
Professional Fees	\$1,338,750	\$7,236	\$10,326,402
Developer Fee	\$14,277,200	\$77,174	\$4,967,048
OHFA and Other Fees	\$705,914	\$3,816	\$0
Capitalized Reserves	\$792,403	\$4,283	\$0
Total Development Costs (TDC)	\$87,209,244	\$471,401	\$80,146,343
LIHTC Eligible Basis as a Percent of Total Development Costs			92%
Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$471,401	\$375,000	26%
TDC per Gross Square Foot	\$410	\$400	3%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$1,467,648	\$1,467,648
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$1,276,216	\$1,467,648
Interest Rate	6.00%	6.00%
Amortization Period (Years)	40	40
Loan Term (Years)	18	18
Maximum Perm Loan Amount	\$19,329,093	\$22,228,457
Actual Perm Loan Amount	\$18,399,000	
Amount Variance	(\$930,093)	
Percent Variance	-4.8%	
	Year 1	Year 15
Debt Service Coverage Ratio	1.21	1.36
OHFA Minimum DSCR	1.15	1.00

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$6,141,200	7%
Construction Loan	\$22,510,687	26%
Fed. Historic Tax Credit Equity	\$1,638,395	2%
Deferred Developer Fee	\$12,849,480	15%
GP/MM Capital Contribution	\$200	0%
Seller Loan	\$19,485,000	23%
Seller Loan Accrued Interest	\$2,229,077	3%
Tax-Exempt Construction Loan	\$21,562,802	25%
Total Construction Sources	\$86,416,841	100%

Permanent Sources of Funds

Souce Name	Total	Percent of Total
Federal LIHTC Equity	\$30,706,001	35%
Permanent First Mortgage	\$18,399,000	21%
Fed. Historic Tax Credit Equity	\$5,909,350	7%
Deferred Developer Fee	\$3,926,416	5%
Sponsor Loan	\$6,300,000	7%
GP/MM Capital Contribution	\$254,400	0%
Seller Loan	\$19,485,000	22%
Seller Loan Accrued Interest	\$2,229,077	3%
Total Permanent Sources	\$87,209,244	100%