

Proposal Summary

2025 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Madison Woods Apartments

Basic Project Information

Project Name:	Madison Woods Apartments
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	300 Kim Drive
Project City or Township:	Madison
Project County:	Lake
Construction Type:	Rehabilitation
Age Restriction:	Senior 62+
Funding Pool:	Preserved Affordability
Lead Developer:	Neighborhood Development Services, Inc
Total Number of Units:	65
Total Number of Buildings:	9

Existing Photograph



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
HDAP: HOME	\$1,000,000	
Housing Development Loan:	\$1,750,000	

Project Narrative

Madison Woods Apartments, located in Madison, OH is a 40 unit, existing USDA 515 project, with 28 units of RD Rental Assistance. This would be the renovation of all 40 units, including the community building and maintenance area. The proposed application also includes the addition of 25 one bedroom, new construction units, strictly designated to seniors 62+ on a parcel owned by the developer, adjacent to the existing project. The additional 25 units will not have rental subsidy.

Set Asides Sought

Set Aside Type	Sought?
Community Housing Development Organization:	Yes
Community Impact Strategic Initiative:	Ineligible Pool
Appalachian County:	Ineligible Pool
Transformative Economic Development:	Ineligible Pool
Refugee Resettlement Agency Partnership:	Ineligible Pool
USDA Rural Development Subsidy Preservation:	Yes
Balance of State or Small Continuum of Care:	Ineligible Pool

Competitive Scoring: Preserved Affordability Pool

Competitive Criterion	Maximum Score	Developer Self-Score
Discount to Market Rent	5	3
Rehabilitation Hard Costs per Unit	10	10
Building Amenities	6	6
Annual LIHTC Request per LIHTC Unit	16	16
Total	37	35

Development and Operations Team

Lead Developer	Neighborhood Development Services, Inc
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	Neighborhood Development Services, Inc.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	GB Hawk
Architect of Record	Four Points Architectural Services
Property Management Firm	Neighborhood Property Management

Site Information

Site Size (Acres)	4
Scattered Sites?	No
Total Number of Buildings	9
Total Number of Elevator-Serviced Buildings	0
Total Parking Spaces	72
Parking Ratio (Parking Spaces per Unit)	1.1
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Moderate
Census Tract Change Index	Growth

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Marc's	3.3
Medical Clinic	UH Madison Physicians Office	1.6
Childcare Facility	Little Scholars Early Learning	1.7
Senior Center	Madison Senior Center	2.4
Pharmacy	Marc's Pharmacy	3.3
Public Library	Madison Public Library	3.2
Public Park	Hogback Ridge Park	5.4
Public School	Madison High School	3.1
Public Recreation Center	YMCA Lake County East End	1.7

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	40,526	96%
Manager's Unit Area		
Common Area	1,473	3%
Support and Program Space	180	0%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	42,179	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	7	11%
40% AMI		
50% AMI	19	29%
60% AMI	39	60%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	65	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	64	98%	27	42%
2-BR	1	2%	1	100%
3-BR				
4-BR				
5-BR				
Total Units	65	100%	28	43%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$437,560	\$6,732
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$30,629)	(\$471)
Effective Gross Income (EGI)	\$406,931	\$6,260
(Administrative Expenses)	(\$92,715)	(\$1,426)
(Property Management Fee)	(\$35,500)	(\$546)
(Owner-Paid Utility Expenses)	(\$17,750)	(\$273)
(Maintenance Expenses)	(\$99,000)	(\$1,523)
(Net Real Estate Taxes)	(\$34,500)	(\$531)
(Property and Liability Insurance)	(\$13,000)	(\$200)
(Other Insurance and Tax Expenses)	(\$10,075)	(\$155)
(Ongoing Reserve Contributions)	(\$22,750)	(\$350)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$325,290)	(\$5,004)
Net Operating Income (EGI - Operating Expenses)	\$81,641	\$1,256

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$913,285	\$14,051	\$500,000
Predevelopment	\$396,000	\$6,092	\$396,000
Site Development	\$852,500	\$13,115	\$852,500
Hard Construction	\$7,866,500	\$121,023	\$7,866,500
Financing	\$343,500	\$5,285	\$340,000
Professional Fees	\$185,000	\$2,846	\$2,085,000
Developer Fee	\$1,980,000	\$30,462	\$0
OHFA and Other Fees	\$248,434	\$3,822	\$0
Capitalized Reserves	\$197,000	\$3,031	\$0
Total Development Costs (TDC)	\$12,982,219	\$199,726	\$12,040,000
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$199,726	\$245,828	-19%
TDC per Gross Square Foot	\$308	\$264	17%

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$500,000	\$11,540,000	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$500,000	\$11,540,000	
Codified Basis Boost (DDA/QCT)		\$11,540,000	
Agency Discretionary Basis Boost		\$13,288,485	
Adjusted Eligible Basis	\$500,000	\$13,288,485	
X Applicable Fraction	100%	100%	
Qualified Basis	\$500,000	\$13,288,485	
70% Present Value Rate	4%	9%	
Annual LIHTC Generated	\$20,000	\$1,195,964	
Total 10-Year LIHTC Generated	\$12,159,636		
Total 10-Year LIHTC Requested	\$12,138,900		
LIHTC Equity Generated	\$10,500,149		
Equity Price	\$0.8651		

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$81,641	\$81,641
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$68,034	\$81,641
Interest Rate	1.00%	1.00%
Amortization Period (Years)	50	50
Loan Term (Years)	30	30
Maximum Perm Loan Amount	\$2,676,070	\$3,211,284
Actual Perm Loan Amount	\$1,182,070	
Amount Variance	(\$1,494,000)	
Percent Variance	-55.8%	
	Year 1	Year 15
Debt Service Coverage Ratio	1.83	1.01
OHFA Minimum DSCR	1.20	1.00

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$420,000	3%
Construction Loan	\$6,997,933	54%
Housing Development Loan	\$1,750,000	13%
Deferred Developer Fee	\$300,000	2%
Post-Construction Costs	\$1,601,001	12%
HDAP: HOME	\$1,000,000	8%
	\$913,285	7%
Total Construction Sources	\$12,982,219	100%

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$10,500,149	81%
Permanent First Mortgage	\$913,285	7%
Permanent Second Mortgage	\$268,785	2%
Deferred Developer Fee	\$300,000	2%
HDAP: HOME	\$1,000,000	8%
Total Permanent Sources	\$12,982,219	100%