

## Proposal Summary

2025 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Walnut Grove Apartments - Phase I

### Basic Project Information

Project Name:	Walnut Grove Apartments - Phase I
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	751 Chestnut Drive
Project City or Township:	Blacklick
Project County:	Franklin
Construction Type:	Rehabilitation
Age Restriction:	General Occupancy
Funding Pool:	Preserved Affordability
Lead Developer:	Preservation of Affordable Housing LLC
Total Number of Units:	64
Total Number of Buildings:	9

### Existing Photograph



### OHFA Resource Request Requiring Board Approval

Amount	Approval Date

### Project Narrative

Walnut Grove Apartments - Phase I is the first phase of a comprehensive strategy to modernize a 176-unit community in the Columbus metro area. Phase I includes the renovation of 64 townhome and garden apartments with 2 and 3 bedrooms, replacing roofing and heating/cooling systems and upgrading kitchens, bathrooms, flooring and fixtures with durable and sustainable materials. The community and management building will be improved and expanded. Existing market rate units will be converted to LIHTC/affordable and existing Project Based Voucher and affordable units will be preserved. This community provides nearby access to quality schools, employment opportunities, and amenities.

### Set Asides Sought

Set Aside Type	Sought?
Community Housing Development Organization:	No
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:	No
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
<b>Total</b>	<b>37</b>	<b>35</b>

### Development and Operations Team

Lead Developer	Preservation of Affordable Housing LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	National Affordable Housing Trust
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	Preservation of Affordable Housing, Inc.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Model Construction
Architect of Record	Berardi + Partners LLC
Property Management Firm	POAH Communities LLC

### Site Information

Site Size (Acres)	4.88
Scattered Sites?	No
Total Number of Buildings	9
Total Number of Elevator-Serviced Buildings	0
Total Parking Spaces	113
Parking Ratio (Parking Spaces per Unit)	1.8
Urban Suburban Rural (USR) Geography	Metro/Suburban
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	Low
Census Tract Change Index	Decline

### Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Meijer	1.3
Medical Clinic	Walk In Urgent Care	1.3
Childcare Facility	Waggoner Academy Learning	0.8
Senior Center	Gahanna Senior Center	6.3
Pharmacy	Walgreens	1.3
Public Library	Licking County Library	3.1
Public Park	Crawford Farms Park	1.1
Public School	Licking Heights West	1.8
Public Recreation Center	The All-Purpose Center	2.9

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	65,324	96%
Manager's Unit Area		
Common Area	2,243	3%
Support and Program Space	248	0%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>67,815</b>	<b>100%</b>

**Units by LIHTC Income Restrictions**

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	22	34%
40% AMI		
50% AMI		
60% AMI	42	66%
70% AMI		
80% AMI		
Unrestricted Manager's		
<b>Total Units</b>	<b>64</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	36	56%	8	22%
3-BR	28	44%	14	50%
4-BR				
5-BR				
<b>Total Units</b>	<b>64</b>	<b>100%</b>	<b>22</b>	<b>34%</b>

**Consolidated Annual Operating Budget**

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$913,848	\$14,279
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$63,969)	(\$1,000)
<b>Effective Gross Income (EGI)</b>	<b>\$849,879</b>	<b>\$13,279</b>
(Administrative Expenses)	(\$113,174)	(\$1,768)
(Property Management Fee)	(\$45,965)	(\$718)
(Owner-Paid Utility Expenses)	(\$70,273)	(\$1,098)
(Maintenance Expenses)	(\$168,474)	(\$2,632)
(Net Real Estate Taxes)	(\$73,996)	(\$1,156)
(Property and Liability Insurance)	(\$68,958)	(\$1,077)
(Other Insurance and Tax Expenses)	(\$18,269)	(\$285)
(Ongoing Reserve Contributions)	(\$27,200)	(\$425)
Operating Subsidy	\$0	\$0
<b>(Total Operating Expenses)</b>	<b>(\$586,309)</b>	<b>(\$9,161)</b>
<b>Net Operating Income (EGI - Operating Expenses)</b>	<b>\$263,570</b>	<b>\$4,118</b>

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$4,696,120	\$73,377	\$3,756,896
Predevelopment	\$556,863	\$8,701	\$536,863
Site Development	\$687,042	\$10,735	\$687,042
Hard Construction	\$8,294,247	\$129,598	\$8,294,247
Financing	\$867,101	\$13,548	\$630,584
Professional Fees	\$580,480	\$9,070	\$3,157,328
Developer Fee	\$2,800,000	\$43,750	\$0
OHFA and Other Fees	\$253,214	\$3,956	\$0
Capitalized Reserves	\$463,308	\$7,239	\$0
<b>Total Development Costs (TDC)</b>	<b>\$19,198,375</b>	<b>\$299,975</b>	<b>\$17,062,960</b>
LIHTC Eligible Basis as a Percent of Total Development Costs			89%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$299,975	\$277,573	8%
TDC per Gross Square Foot	\$283	\$348	-19%

**LIHTC Calculation**

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$3,816,896	\$13,133,736	\$112,328
- Reductions in Eligible Basis	\$0	\$0	\$0
= Net Eligible Basis	\$3,816,896	\$13,133,736	\$112,328
Codified Basis Boost (DDA/QCT)		\$13,133,736	\$112,328
Agency Discretionary Basis Boost		\$17,073,857	\$146,026
Adjusted Eligible Basis	\$3,816,896	\$17,073,857	\$146,026
X Applicable Fraction	100%	100%	100%
Qualified Basis	\$3,816,896	\$17,073,857	\$146,026
70% Present Value Rate	4%	9%	9%
<b>Annual LIHTC Generated</b>	<b>\$152,676</b>	<b>\$1,536,647</b>	<b>\$13,142</b>
Total 10-Year LIHTC Generated	\$17,024,653		
Total 10-Year LIHTC Requested	\$15,269,000		
LIHTC Equity Generated	\$13,282,702		
Equity Price	\$0.8700		

**Maximum Permanent Debt Sizing**

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$263,570	\$263,570
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$219,642	\$263,570
Interest Rate	7.25%	7.25%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
<b>Maximum Perm Loan Amount</b>	<b>\$2,861,384</b>	<b>\$3,433,661</b>
Actual Perm Loan Amount	\$1,951,729	
Amount Variance	(\$909,655)	
Percent Variance	-31.8%	
	<b>Year 1</b>	<b>Year 15</b>
Debt Service Coverage Ratio	1.76	1.57
OHFA Minimum DSCR	1.20	1.00

**Construction Sources of Funds**

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$3,984,810	21%
Construction Loan	\$8,200,000	43%
Deferred Developer Fee	\$840,000	4%
Sponsor Loan	\$692,837	4%
Post-Construction Costs	\$3,049,620	16%
Existing Soft Loan to be Assumed	\$760,790	4%
Existing Soft Loan to be Assumed	\$84,127	0%
Existing Soft Loan to be Assumed	\$1,586,191	8%
<b>Total Construction Sources</b>	<b>\$19,198,375</b>	<b>100%</b>

**Permanent Sources of Funds**

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$13,282,702	69%
Permanent First Mortgage	\$1,951,729	10%
Deferred Developer Fee	\$840,000	4%
Sponsor Loan	\$692,837	4%
Existing Soft Loan to be Assumed	\$760,790	4%
Existing Soft Loan to be Assumed	\$84,127	0%
Existing Soft Loan to be Assumed	\$1,586,191	8%
<b>Total Permanent Sources</b>	<b>\$19,198,375</b>	<b>100%</b>