

## Proposal Summary

2025 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Wesley Village Apartments I &amp; II

### Basic Project Information

Project Name:	Wesley Village Apartments I & II
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	150 West South Street
Project City or Township:	Painesville
Project County:	Lake
Construction Type:	Rehabilitation
Age Restriction:	Senior 62+
Funding Pool:	Preserved Affordability
Lead Developer:	Neighborhood Development Services, Inc
Total Number of Units:	104
Total Number of Buildings:	2

### Existing Photograph



### OHFA Resource Request Requiring Board Approval

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

### Project Narrative

Wesley Village Apartments I & II is the substantial rehab of 2 residential buildings plus a separate community building. Wesley I contains 42 existing units and Wesley II contains 62 existing units. The community room will house a new fitness room. This project sits on a 3.2 acre site in the area south of downtown Painesville, OH. The project will be 100% set aside for seniors and 100% affordable. The project is in desperate need of a rehabilitation to replace elements which exceeded their useful life and are in need of immediate replacement.

### 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:	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
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)	3.2548
Scattered Sites?	No
Total Number of Buildings	2
Total Number of Elevator-Serviced Buildings	2
Total Parking Spaces	71
Parking Ratio (Parking Spaces per Unit)	0.7
Urban Suburban Rural (USR) Geography	Metro/Suburban
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	Giant Eagle	1.9
Medical Clinic	Signature Health	0.7
Childcare Facility	Little Fingers Little Toes	0.8
Senior Center	Fairport Senior Center	2.1
Pharmacy	Giant Eagle Pharmacy	1.9
Public Library	Morley Library	0.8
Public Park	Veterans Park	0.6
Public School	Mange Elementary School	0.9
Public Recreation Center	Lake County YMCA Central	1.2

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	77,040	73%
Manager's Unit Area		
Common Area	22,391	21%
Support and Program Space	3,428	3%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	3,188	3%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	106,047	100%

**Units by LIHTC Income Restrictions**

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	11	11%
40% AMI		
50% AMI	31	30%
60% AMI	62	60%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>104</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	18	17%	0	0%
2-BR	86	83%	0	0%
3-BR				
4-BR				
5-BR				
<b>Total Units</b>	<b>104</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 and Fee Income	\$825,460	\$7,937
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$57,782)	(\$556)
<b>Effective Gross Income (EGI)</b>	<b>\$767,678</b>	<b>\$7,382</b>
(Administrative Expenses)	(\$128,697)	(\$1,237)
(Property Management Fee)	(\$56,042)	(\$539)
(Owner-Paid Utility Expenses)	(\$67,936)	(\$653)
(Maintenance Expenses)	(\$171,085)	(\$1,645)
(Net Real Estate Taxes)	(\$92,083)	(\$885)
(Property and Liability Insurance)	(\$14,807)	(\$142)
(Other Insurance and Tax Expenses)	(\$20,445)	(\$197)
(Ongoing Reserve Contributions)	(\$36,400)	(\$350)
Operating Subsidy	\$0	\$0
<b>(Total Operating Expenses)</b>	<b>(\$587,495)</b>	<b>(\$5,649)</b>
<b>Net Operating Income (EGI - Operating Expenses)</b>	<b>\$180,183</b>	<b>\$1,733</b>

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,815,000	\$17,452	\$425,000
Predevelopment	\$409,000	\$3,933	\$409,000
Site Development	\$465,250	\$4,474	\$465,250
Hard Construction	\$9,923,750	\$95,421	\$9,923,750
Financing	\$570,000	\$5,481	\$560,000
Professional Fees	\$200,000	\$1,923	\$2,490,000
Developer Fee	\$2,370,000	\$22,788	\$0
OHFA and Other Fees	\$360,820	\$3,469	\$0
Capitalized Reserves	\$200,000	\$1,923	\$0
<b>Total Development Costs (TDC)</b>	<b>\$16,313,820</b>	<b>\$156,864</b>	<b>\$14,273,000</b>
<b>LIHTC Eligible Basis as a Percent of Total Development Costs</b>			<b>87%</b>

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$156,864	\$277,573	-43%
TDC per Gross Square Foot	\$154	\$348	-56%

**LIHTC Calculation**

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$425,000	\$13,848,000	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$425,000	\$13,848,000	
Codified Basis Boost (DDA/QCT)		\$18,002,400	
Agency Discretionary Basis Boost		\$16,711,089	
Adjusted Eligible Basis	\$425,000	\$18,002,400	
X Applicable Fraction	100%	100%	
Qualified Basis	\$425,000	\$18,002,400	
70% Present Value Rate	4%	9%	
<b>Annual LIHTC Generated</b>	<b>\$17,000</b>	<b>\$1,620,216</b>	
Total 10-Year LIHTC Generated	\$16,372,160		
Total 10-Year LIHTC Requested	\$15,270,000		
LIHTC Equity Generated	\$13,208,550		
Equity Price	\$0.8651		

**Maximum Permanent Debt Sizing**

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$180,183	\$180,183
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$150,152	\$180,183
Interest Rate	7.35%	7.35%
Amortization Period (Years)	30	30
Loan Term (Years)	17	17
<b>Maximum Perm Loan Amount</b>	<b>\$1,816,139</b>	<b>\$2,179,367</b>
Actual Perm Loan Amount	\$1,500,000	
Amount Variance	(\$316,139)	
Percent Variance	-17.4%	
	<b>Year 1</b>	<b>Year 15</b>
Debt Service Coverage Ratio	1.45	1.00
OHFA Minimum DSCR	1.20	1.00

**Construction Sources of Funds**

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$470,000	3%
Construction Loan	\$10,628,950	65%
Housing Development Loan	\$1,750,000	11%
Deferred Developer Fee	\$490,000	3%
Post-Construction Costs	\$1,974,870	12%
HDAP: HOME	\$1,000,000	6%
<b>Total Construction Sources</b>	<b>\$16,313,820</b>	<b>100%</b>

**Permanent Sources of Funds**

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$13,208,550	81%
Permanent First Mortgage	\$1,500,000	9%
Deferred Developer Fee	\$490,000	3%
GP/MM Capital Contribution	\$115,270	1%
HDAP: HOME	\$1,000,000	6%
<b>Total Permanent Sources</b>	<b>\$16,313,820</b>	<b>100%</b>