



29

Proposal Summary

Pleasant House
1440 Pleasant Street
Cincinnati, OH 45202

Proposal Summary

2025 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Pleasant House

Basic Project Information

Project Name:	Pleasant House
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	1440 Pleasant Street
Project City or Township:	Cincinnati
Project County:	Hamilton
Construction Type:	New Construction
Age Restriction:	General Occupancy
Funding Pool:	Service-Enriched Housing
Lead Developer:	Over-the-Rhine Community Housing
Total Number of Units:	25
Total Number of Buildings:	1

Project Rendering



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Housing Development Loan:	\$2,500,000	

Project Narrative

The Pleasant House project will redevelop an existing property at 1440 Pleasant Street that Tender Mercies currently owns and operates into a new, modern 25 unit PSH building. The new building will feature all efficiency apartments, providing the tenants with greater independence. Additional features include a secured, 24-hour monitored, front entry, common lounge, laundry room and case management offices. The new building will provide handicap accessibility both in the units and throughout the building, a feature lacking in the current structure. On-site case management and supportive services will be provided by Tender Mercies and others. The project will continue to serve homeless and formerly homeless individuals who have experienced mental illness. The tenants currently residing in the building will be moving to other Tender Mercies properties and will be given an opportunity to move

Set Asides Sought

Set Aside Type	Sought?
Community Housing Development Organization:	No
Community Impact Strategic Initiative:	No
Appalachian County:	Ineligible Pool
Transformative Economic Development:	Ineligible Pool
Refugee Resettlement Agency Partnership:	Ineligible Pool
USDA Rural Development Subsidy Preservation:	Ineligible Pool
Balance of State or Small Continuum of Care:	No

Competitive Scoring: Service-Enriched Housing Pool

Competitive Criterion	Maximum Score	Developer Self-Score
Areas of Opportunity and Revitalization	10	6
Proximity to Amenities	10	10
Building Amenities	10	10
Experienced Service Coordinator	15	15
Local Partners	15	15
Expert Recommendations	15	15
Total	75	71

Development and Operations Team

Lead Developer	Over-the-Rhine Community Housing
Co-Developer #1	Tender Mercies, Inc
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	N/A
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	TBD
Architect of Record	New Republic Architecture
Property Management Firm	Tender Mercies, Inc

Site Information

Site Size (Acres)	0.11
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	0
Parking Ratio (Parking Spaces per Unit)	0.0
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	Yes
Census Tract Opportunity Index	Moderate
Census Tract Change Index	Strong Growth

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kroger	0.43
Medical Clinic	Crossroads Health Center	0.15
Childcare Facility		
Senior Center	Over-the-Rhine Senior Center	0.25
Pharmacy	CVS	0.58
Public Library	Public Library of Cincinnati &	0.45
Public Park	Washington Park	0.17
Public School	School for the Creative and	0.2
Public Recreation Center	Over-the-Rhine Recreation	0.25

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	13,267	68%
Manager's Unit Area		
Common Area	3,365	17%
Support and Program Space	732	4%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,218	11%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	19,582	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	15	60%
40% AMI		
50% AMI	10	40%
60% AMI		
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	25	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	25	100%	15	60%
1-BR				
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	25	100%	15	60%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$268,980	\$10,759
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$135,000	\$5,400
Vacancy Allowance (Blended) 7%	(\$18,829)	(\$753)
Effective Gross Income (EGI)	\$385,151	\$15,406
(Administrative Expenses)	(\$160,906)	(\$6,436)
(Property Management Fee)	(\$16,140)	(\$646)
(Owner-Paid Utility Expenses)	(\$38,750)	(\$1,550)
(Maintenance Expenses)	(\$57,545)	(\$2,302)
(Net Real Estate Taxes)	(\$1,880)	(\$75)
(Property and Liability Insurance)	(\$18,750)	(\$750)
(Other Insurance and Tax Expenses)	(\$25,176)	(\$1,007)
(Ongoing Reserve Contributions)	(\$10,625)	(\$425)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$329,772)	(\$13,191)
Net Operating Income (EGI - Operating Expenses)	\$55,379	\$2,215

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$0	\$0	\$0
Predevelopment	\$410,650	\$16,426	\$410,650
Site Development	\$135,000	\$5,400	\$135,000
Hard Construction	\$6,645,630	\$265,825	\$6,645,630
Financing	\$275,003	\$11,000	\$273,503
Professional Fees	\$222,500	\$8,900	\$107,500
Developer Fee	\$1,000,000	\$40,000	\$1,000,000
OHFA and Other Fees	\$139,600	\$5,584	\$0
Capitalized Reserves	\$166,699	\$6,668	\$0
Total Development Costs (TDC)	\$8,995,082	\$359,803	\$8,572,283
LIHTC Eligible Basis as a Percent of Total Development Costs			95%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$359,803	\$361,268	0%
TDC per Gross Square Foot	\$459	\$378	22%

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$8,572,283
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$8,572,283
Codified Basis Boost (DDA/QCT)			\$11,143,968
Agency Discretionary Basis Boost			\$8,620,099
Adjusted Eligible Basis			\$11,143,968
X Applicable Fraction			100%
Qualified Basis			\$11,143,968
70% Present Value Rate			9%
Annual LIHTC Generated			\$1,002,957
Total 10-Year LIHTC Generated	\$10,029,571		
Total 10-Year LIHTC Requested	\$10,000,000		
LIHTC Equity Generated	\$7,739,504		
Equity Price	\$0.7740		

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$55,379	\$55,379
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$46,149	\$55,379
Interest Rate	0.00%	0.00%
Amortization Period (Years)	0	0
Loan Term (Years)	0	0
Maximum Perm Loan Amount	\$0	\$0
Actual Perm Loan Amount	\$0	
Amount Variance	\$0	
Percent Variance	0.0%	

	Year 1	Year 15
Debt Service Coverage Ratio	N/A	N/A
OHFA Minimum DSCR	1.20	1.00

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$1,547,901	17%
Construction Loan	\$2,686,322	30%
Housing Development Loan	\$2,500,000	28%
Post-Construction Costs	\$1,135,859	13%
City of Cincinnati	\$1,125,000	13%
Total Construction Sources	\$8,995,082	100%

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$7,739,504	86%
Deferred Developer Fee	\$5,578	0%
City of Cincinnati	\$1,250,000	14%
Total Permanent Sources	\$8,995,082	100%