

Proposal Summary

SFY2025 4% LIHTC w/ OLIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Sandstone Family Apartments II

Basic Project Information

Project Name:	Sandstone Family Apartments II
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	Appx 102 North Plains Road
Project City or Township:	The Plains
Project County:	Athens
Construction Type:	New Construction
Age Restriction:	General Occupancy
Funding Pool:	Rural
Lead Developer:	Frontier Community Services
Total Number of Units:	44
Total Number of Buildings:	1

Project Rendering



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Est. Total 10-Year Ohio LIHTCs:	\$6,681,121	
HDAP: OHTF	\$3,600,000	
Multifamily Bonds (Inducement):	\$7,100,000	
Multifamily Bonds (Final):		
Housing Development Loan:	\$2,500,000	

Project Narrative

Sandstone Family Apartments II represents the new construction of 44 affordable units for families in The Plains, Athens County, Ohio. The project will feature 24 one-bedroom and 20 two-bedroom units in a two-story multifamily building. The units will be restricted to those earning between 50% and 70% of Area Median Income (AMI). The project will neighbor the existing Sandstone Family Apartments, owned by Frontier Community Services (FCS). FCS will be developing phase II with The Finch Group dba TFG Housing Resources. The project will have a modern amenity package and will bring much needed affordable housing to the community.

Development and Operations Team

Lead Developer	Frontier Community Services
Co-Developer #1	The Finch Group dba TFG Housing Resources
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
OLIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
GP/MM #1 Parent Entity	Frontier Community Services
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	To-Be-Determined
Architect of Record	Lusk Architecture
Property Management Firm	Community Investment Management Services

Site Information

Site Size (Acres)	2.0351
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	56
Parking Ratio (Parking Spaces per Unit)	1.3
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very High
Census Tract Change Index	Growth

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Piggly Wiggly	0.52
Medical Clinic	Hopewell Health Centers, Inc.	2.23
Childcare Facility	Child Development Center	4.15
Senior Center	The Athens Village	2.83
Pharmacy	Rite Aid	0.1
Public Library	The Plains Branch -- Athens	0.6
Public Park	The Plains Community Park	0.538
Public School	Ahtens High School	0.5
Public Recreation Center	Athens Community Center	4.24

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	36,884	73%
Manager's Unit Area		
Common Area	9,735	19%
Support and Program Space	1,010	2%
Tenant Storage Space	1,853	4%
Major Vertical Penetrations (Elevator/Stairs, Etc.)	1,316	3%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	50,798	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI	16	36%
60% AMI	21	48%
70% AMI	7	16%
80% AMI		
Unrestricted		
Manager's		
Total Units	44	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	24	55%	0	0%
2-BR	20	45%	0	0%
3-BR				
4-BR				
5-BR				
Total Units	44	100%	0	0%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$399,312	\$9,075
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$27,952)	(\$635)
Effective Gross Income (EGI)	\$371,360	\$8,440
Administrative Expenses	\$62,000	\$1,409
Property Management Fee	\$19,695	\$448
Owner-Paid Utility Expenses	\$42,000	\$955
Maintenance Expenses	\$60,000	\$1,364
Real Estate Taxes	\$37,400	\$850
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$18,700	\$425
Other Insurance and Tax Expenses	\$11,700	\$266
Ongoing Reserve Contributions (Operating Subsidy)	\$17,600	\$400
	\$0	\$0
Total Annual Operating Expenses	\$269,095	\$6,116
Net Operating Income (EGI - OpEx)	\$102,265	\$2,324

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$12,848,310
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$12,848,310
Codified Basis Boost			\$16,702,803
Adjusted Eligible Basis			\$16,702,803
X Applicable Fraction			100%
Qualified Basis			\$16,702,803
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$668,112
Total 10-Year LIHTC Requested	\$6,681,121		
LIHTC Equity Generated	\$5,677,217		
Equity Price	\$0.85		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$540,000	4%
Ohio LIHTC Equity	\$551,190	4%
Construction Loan	\$7,100,000	49%
Housing Development Loan	\$2,500,000	17%
Deferred Developer Fee	\$300,000	2%
Sponsor Loan	\$225,643	2%
HDAP: OHTF	\$3,240,000	22%
Total Construction Sources	\$14,456,833	100%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$570,000	\$12,955	\$0
Predevelopment	\$589,000	\$13,386	\$582,500
Site Development	\$1,000,000	\$22,727	\$900,000
Hard Construction	\$8,220,510	\$186,830	\$8,220,510
Financing	\$1,247,819	\$28,360	\$880,300
Professional Fees	\$390,000	\$8,864	\$165,000
Developer Fee	\$2,100,000	\$47,727	\$2,100,000
OHFA and Other Fees	\$162,287	\$3,688	\$0
Capitalized Reserves	\$177,217	\$4,028	\$0
Total Development Costs (TDC)	\$14,456,833	\$328,564	\$12,848,310
LIHTC Eligible Basis as a Percent of Total Development Costs			89%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$328,564	\$391,000	-16%
TDC per Gross Square Foot	\$285	\$390	-27%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$102,265	\$102,265
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$85,221	\$102,265
Interest Rate	7.50%	7.50%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$1,079,177	\$1,295,012
Actual Perm Loan Amount	\$875,000	
Variance	(\$204,177)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.48	1.20
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$5,677,217	39%
Ohio LIHTC Equity	\$3,674,616	25%
Permanent First Mortgage	\$875,000	6%
Deferred Developer Fee	\$300,000	2%
Sponsor Loan	\$330,000	2%
HDAP: OHTF	\$3,600,000	25%
Total Permanent Sources	\$14,456,833	100%