# **Proposal Summary**

Affordable Housing Funding Application (AHFA)

### SFY2025 4% LIHTC w/ OLIHTC AHFA Proposal Application

Project Name: Silver Hills at Lorain

### **Basic Project Information**

Project Name:	Silver Hills at Lorain
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	5430 W. Erie Ave
Project City or Township:	Lorain
Project County:	Lorain
Construction Type:	New Construction
Age Restriction:	Senior 55+
Funding Pool:	Metropolitan
Lead Developer:	Silver Hills Lorain LLC
Total Number of Units:	94
Total Number of Buildings:	1

#### **Project Rendering**



### **OHFA Resource Request Requiring Board Approval**

Est. Total 10-Year Ohio LIHTCs:	Amount \$10,000,000	Approval Date
Multifamily Bonds (Inducement): Multifamily Bonds (Final): Housing Development Loan:	\$14,100,000 \$2,500,000	

### **Project Narrative**

Silver Hills at Lorain will provide 94 units of new construction for seniors 55+ along the lakefront in Lorain, Ohio. The community is located within close proximity to supermarkets, national retailers and major thoroughfares with easy access to Cleveland. Across the street is a hospital, medical offices, senior services and a nearby walking trail. Our apartments enjoy upscale finishes and spacious floor plans. Our amenities include a swimming pool, and an oversized clubhouse including a gym with state-of-the art exercise equipment and recreation center for community gatherings. The project brings together individuals with extensive LIHTC backgrounds who have formed Silver Hills Development, with SL Nusbaum, which is highly experienced in both development and property management.

### **Development and Operations Team**

Lond Davidanan
Lead Developer
Co-Developer #1
Co-Developer #2
Development Consultant
LIHTC Syndicator/Investor
OLIHTC Syndicator/Investor
GP/MM #1 Parent Entity
GP/MM #2 Parent Entity
GP/MM #3 Parent Entity
General Contractor
Architect of Record
Property Management Firm

Silver Hills Lorain LLC S.L. Nusbaum N/A Lowenstein Development, LLC Huntington Community Impact Capital Huntington Community Impact Capital Silver Hills Investments III, LLC N/A N/A Silver Hills Construction, LLC Dimit Architects S.L. Nusbaum	
N/A Lowenstein Development, LLC Huntington Community Impact Capital Huntington Community Impact Capital Silver Hills Investments III, LLC N/A N/A Silver Hills Construction, LLC Dimit Architects	Silver Hills Lorain LLC
Lowenstein Development, LLC  Huntington Community Impact Capital  Huntington Community Impact Capital  Silver Hills Investments III, LLC  N/A  N/A  Silver Hills Construction, LLC  Dimit Architects	S.L. Nusbaum
Huntington Community Impact Capital Huntington Community Impact Capital Silver Hills Investments III, LLC N/A N/A Silver Hills Construction, LLC Dimit Architects	N/A
Huntington Community Impact Capital Silver Hills Investments III, LLC N/A N/A Silver Hills Construction, LLC Dimit Architects	Lowenstein Development, LLC
Silver Hills Investments III, LLC  N/A  N/A  Silver Hills Construction, LLC  Dimit Architects	Huntington Community Impact Capital
N/A N/A Silver Hills Construction, LLC Dimit Architects	Huntington Community Impact Capital
N/A Silver Hills Construction, LLC Dimit Architects	Silver Hills Investments III, LLC
Silver Hills Construction, LLC Dimit Architects	N/A
Dimit Architects	N/A
	Silver Hills Construction, LLC
S.I. Nushaum	Dimit Architects
O.L. Nasbaum	S.L. Nusbaum

#### **Site Information**

Site Size (Acres)	
Scattered Sites?	ſ
Total Number of Buildings	Γ
Total Number of Elevator-Serviced Buildings	ſ
Total Parking Spaces	Γ
Parking Ratio (Parking Spaces per Unit)	
Urban Suburban Rural (USR) Geography	
Located in a Participating Jurisdiction (PJ)?	
Located in a Qualfied Census Tract (QCT)?	
Located in a Difficult Development Area (DDA)?	
Census Tract Opportunity Index	
Census Tract Change Index	

5.25
No
1
1
187
2.0
Rural
Yes
No
No
High
No Change
·

# Nearby Amenities

Grocery Store Medical Clinic Childcare Facility Senior Center Pharmacy Public Library Public Park Public School
Childcare Facility Senior Center Pharmacy Public Library Public Park
Pharmacy Public Library Public Park
Public Park
Dublic School
Public Recreation Center

Name of Amenity	Linear Distance from Proposed Project (miles)
Walmart	1.59
Mercy Health Lorain Hospital	0.12
Little People's Place Lorain	0.47
HealthPlex & Empowered	1.62
Harness Health Pharmacy	0.32
Library on the Lake	2
Kennedy Park	0.9
Frank Jacinto Elementary School	0.75
Health Center Walking Trail	0.1

### **Building Square Footage Breakdown**

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	71,812	79%
Manager's Unit Area		
Common Area	16,968	19%
Support and Program Space	1,756	2%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	90,536	100%

### **Units by LIHTC Income Restrictions**

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	8	9%
40% AMI		
50% AMI	11	12%
60% AMI	46	49%
70% AMI	23	24%
80% AMI	6	6%
Unrestricted		
Manager's		
Total Units	94	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	27	29%	0	0%
2-BR	67	71%	0	0%
3-BR				
4-BR				
5-BR				
Total Units	94	100%	0	0%

#### **Consolidated Annual Operating Budget**

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,481,682	\$15,763
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$103,718)	(\$1,103)
Effective Gross Income (EGI)	\$1,377,964	\$14,659
Administrative Expenses	\$108,700	\$1,156
Property Management Fee	\$42,000	\$447
Owner-Paid Utility Expenses	\$89,820	\$956
Maintenance Expenses	\$135,390	\$1,440
Real Estate Taxes	\$43,710	\$465
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$47,000	\$500
Other Insurance and Tax Expenses	\$25,000	\$266
Ongoing Reserve Contributions	\$28,200	\$300
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$519,820	\$5,530

\$858,144

\$9,129

#### **LIHTC Calculation**

Net Operating Income (EGI - OpEx)

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$25,065,855
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$25,065,855
Codified Basis Boost			\$25,065,855
Adjusted Eligible Basis			\$25,065,855
X Applicable Fraction			100%
Qualified Basis			\$25,065,855
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$1,002,634
Total 10-Year LIHTC Requested	\$10,026,342		
LIHTC Equity Generated	\$8,521,537		
Equity Price	\$0.85		

# **Construction Sources of Funds**

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$1,756,491	6%
Ohio LIHTC Equity	\$1,140,000	4%
Construction Loan	\$19,000,000	68%
Housing Development Loan	\$2,500,000	9%
	\$3,496,046	13%
Total Construction Sources	\$27,892,537	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$500,000	\$5,319	\$0
Predevelopment	\$1,316,000	\$14,000	\$1,301,000
Site Development	\$1,700,000	\$18,085	\$1,672,220
Hard Construction	\$15,372,000	\$163,532	\$15,372,000
Financing	\$3,688,265	\$39,237	\$2,440,493
Professional Fees	\$233,000	\$2,479	\$140,500
Developer Fee	\$4,139,642	\$44,039	\$4,139,642
OHFA and Other Fees	\$302,359	\$3,217	\$0
Capitalized Reserves	\$641,271	\$6,822	\$0
Total Development Costs (TDC)	\$27,892,537	\$296,729	\$25,065,855
LIHTC Eligible Basis as a Percent of Total Development Costs			90%

TDC per Gross Square Foot

Project	Maximum	Variance
\$296,729	\$391,000	-24%
\$308	\$390	-21%

#### **Maximum Permanent Debt Sizing**

Max Loan for Max Loan to Stabilized Y1 Stabilized Y15 Net Operating Income (NOI) \$858,144 \$858,144 Debt Service Coverage Ratio 1.20 1.00 NOI Available for Debt Service \$858,144 \$715,120 Interest Rate 5.56% 5.56% Amortization Period (Years) 40 40 Loan Term (Years) 40 40 Maximum Perm Loan Amount \$11,463,369 \$13,756,043 Actual Perm Loan Amount \$11,500,000 Variance \$36,631

Debt Service Coverage Ratio OHFA Minimum DSCR

Year 1	Year 15
1.20	1.44
1.20	1.00

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## **Permanent Sources of Funds**

Souce Name	Total	Percent of Total
Federal LIHTC Equity	\$8,521,537	31%
Ohio LIHTC Equity	\$5,700,000	20%
Permanent First Mortgage	\$11,500,000	41%
Deferred Developer Fee	\$2,171,000	8%
Total Permanent Sources	\$27,892,537	100%