

## Proposal Summary

SFY2025 4% LIHTC w/ OLIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Westerville Road Apartments

### Basic Project Information

|                            |                             |
|----------------------------|-----------------------------|
| Project Name:              | Westerville Road Apartments |
| OHFA Project Number:       | TBD                         |
| LIHTC Type:                | 4%                          |
| Project Address:           | 3251 Westerville Road       |
| Project City or Township:  | Mifflin Township            |
| Project County:            | Franklin                    |
| Construction Type:         | New Construction            |
| Age Restriction:           | General Occupancy           |
| Funding Pool:              | Metropolitan                |
| Lead Developer:            | Connect Realty, LLC         |
| Total Number of Units:     | 52                          |
| Total Number of Buildings: | 1                           |

### Project Rendering



### OHFA Resource Request Requiring Board Approval

|                                 | Amount       | Approval Date |
|---------------------------------|--------------|---------------|
| Est. Total 10-Year Ohio LIHTCs: | \$10,000,000 |               |
|                                 |              |               |
|                                 |              |               |
|                                 |              |               |
| Multifamily Bonds (Inducement): | \$11,400,000 |               |
| Multifamily Bonds (Final):      |              |               |
| Housing Development Loan:       | \$2,500,000  |               |
|                                 |              |               |

### Project Narrative

The Westerville Road Apartments Project is the proposed new construction of a 52-unit housing community that will provide a high-quality, safe housing option affordable to Alvis, Inc.'s Amethyst clients, which specifically works with women in addiction recovery. The unit mix will consist of 15 one-bdrm, 30 two-bdrm, and 7 three-bdrm units in a 5-story elevator building. The project will offer competitive unit sizes and amenities including fully equipped kitchens with dishwashers, washer/dryer hookups, spacious closets, patios/ balconies, and exterior storage. Project amenities will consist of a playground, ample green space, and a separate community center with a kitchenette, exercise room, computer center, sitting area, and covered patio. Amethyst will have on-site and off-site services, with their new HQ within walking distance of the project. This project is an Amethyst client project.

### Development and Operations Team

|                            |                                   |
|----------------------------|-----------------------------------|
| Lead Developer             | Connect Realty, LLC               |
| Co-Developer #1            | Buckeye Community Hope Foundation |
| Co-Developer #2            | N/A                               |
| Development Consultant     | N/A                               |
| LIHTC Syndicator/Investor  | National Equity Fund, Inc.        |
| OLIHTC Syndicator/Investor | National Equity Fund, Inc.        |
| GP/MM #1 Parent Entity     | Alvis, Inc.                       |
| GP/MM #2 Parent Entity     | Connect Realty, LLC               |
| GP/MM #3 Parent Entity     | N/A                               |
| General Contractor         | Connect Construction, LLC         |
| Architect of Record        | Berardi + Partners, Inc.          |
| Property Management Firm   | RLJ Management Company, Inc.      |

### Site Information

|                                                |               |
|------------------------------------------------|---------------|
| Site Size (Acres)                              | 1.71          |
| Scattered Sites?                               | No            |
| Total Number of Buildings                      | 1             |
| Total Number of Elevator-Serviced Buildings    | 1             |
| Total Parking Spaces                           | 113           |
| Parking Ratio (Parking Spaces per Unit)        | 2.2           |
| Urban Suburban Rural (USR) Geography           | Central City  |
| 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                 | Moderate      |
| Census Tract Change Index                      | Slight Growth |

### Nearby Amenities

| Amenity Type             | Name of Amenity                | Linear Distance from Proposed Project (miles) |
|--------------------------|--------------------------------|-----------------------------------------------|
| Grocery Store            | Save A Lot                     | 0.35                                          |
| Medical Clinic           | Heart of Ohio Family Health at | 0.14                                          |
| Childcare Facility       | Columbus Day Care Center       | 0.2                                           |
| Senior Center            | Gillie Senior Community Center | 1.72                                          |
| Pharmacy                 | CVS Pharmacy                   | 0.54                                          |
| Public Library           | Columbus Metropolitan Library: | 1.11                                          |
| Public Park              | Kenlawn Park                   | 0.75                                          |
| Public School            | Innis Elementary School        | 0.35                                          |
| Public Recreation Center | Fedderson Community Center     | 1.11                                          |

### Building Square Footage Breakdown

|                                                     | Size (SF)     | Pct of Total |
|-----------------------------------------------------|---------------|--------------|
| Commercial and Fee-Driven Space                     |               |              |
| Unrestricted/Market-Rate Unit Area                  |               |              |
| LIHTC Unit Area                                     | 56,027        | 72%          |
| Manager's Unit Area                                 |               |              |
| Common Area                                         | 17,388        | 22%          |
| Support and Program Space                           | 1,171         | 2%           |
| Tenant Storage Space                                |               |              |
| Major Vertical Penetrations (Elevator/Stairs, Etc.) | 2,731         | 4%           |
| Structured Parking/Garage                           |               |              |
| Basement                                            |               |              |
| <b>Total Square Footage of all Buildings</b>        | <b>77,317</b> | <b>100%</b>  |

### Units by LIHTC Income Restrictions

| LIHTC Income Restriction | Number of Units | Percent of Total Units |
|--------------------------|-----------------|------------------------|
| 20% AMI                  |                 |                        |
| 30% AMI                  |                 |                        |
| 40% AMI                  |                 |                        |
| 50% AMI                  |                 |                        |
| 60% AMI                  | 52              | 100%                   |
| 70% AMI                  |                 |                        |
| 80% AMI                  |                 |                        |
| Unrestricted             |                 |                        |
| Manager's                |                 |                        |
| <b>Total Units</b>       | <b>52</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               | 15              | 29%                    | 0                         | 0%                                |
| 2-BR               | 30              | 58%                    | 0                         | 0%                                |
| 3-BR               | 7               | 13%                    | 0                         | 0%                                |
| 4-BR               |                 |                        |                           |                                   |
| 5-BR               |                 |                        |                           |                                   |
| <b>Total Units</b> | <b>52</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      |    | \$761,120     | \$14,637               |
| Potential Gross Commercial Income                 |    | \$0           | \$0                    |
| Potential Gross Service Income                    |    | \$0           | \$0                    |
| Vacancy Allowance (Blended)                       | 7% | (\$53,278)    | (\$1,025)              |
| Effective Gross Income (EGI)                      |    | \$707,842     | \$13,612               |
| Administrative Expenses                           |    | \$58,792      | \$1,131                |
| Property Management Fee                           |    | \$52,370      | \$1,007                |
| Owner-Paid Utility Expenses                       |    | \$48,650      | \$936                  |
| Maintenance Expenses                              |    | \$102,630     | \$1,974                |
| Real Estate Taxes                                 |    | \$50,000      | \$962                  |
| (Abated Real Estate Taxes)                        |    | \$0           | \$0                    |
| Property and Liability Insurance                  |    | \$32,500      | \$625                  |
| Other Insurance and Tax Expenses                  |    | \$30,900      | \$594                  |
| Ongoing Reserve Contributions (Operating Subsidy) |    | \$20,800      | \$400                  |
|                                                   |    | \$0           | \$0                    |
| Total Annual Operating Expenses                   |    | \$396,642     | \$7,628                |
| Net Operating Income (EGI - OpEx)                 |    | \$311,200     | \$5,985                |

**LIHTC Calculation**

|                                | Acquisition  | Rehabilitation | New Construction |
|--------------------------------|--------------|----------------|------------------|
| LIHTC Eligible Basis           |              |                | \$20,496,960     |
| - Reductions in Eligible Basis |              |                | \$0              |
| = Net Eligible Basis           |              |                | \$20,496,960     |
| Codified Basis Boost           |              |                | \$26,646,048     |
| Adjusted Eligible Basis        |              |                | \$26,646,048     |
| X Applicable Fraction          |              |                | 100%             |
| Qualified Basis                |              |                | \$26,646,048     |
| 30% Present Value Rate         |              |                | 4.00%            |
| Annual LIHTC Generated         |              |                | \$1,065,842      |
| Total 10-Year LIHTC Requested  | \$10,658,419 |                |                  |
| LIHTC Equity Generated         | \$9,378,471  |                |                  |
| Equity Price                   | \$0.88       |                |                  |

**Construction Sources of Funds**

| Construction Sources       | Amount       | Percent of Total |
|----------------------------|--------------|------------------|
| Federal LIHTC Equity       | \$187,500    | 1%               |
| Ohio LIHTC Equity          | \$99,900     | 0%               |
| Construction Loan          | \$14,450,000 | 67%              |
| Housing Development Loan   | \$2,500,000  | 12%              |
| Deferred Developer Fee     | \$1,039,640  | 5%               |
| GP/MM Capital Contribution | \$1,800,000  | 8%               |
| Post-Construction Costs    | \$465,571    | 2%               |
| Franklin County            | \$956,000    | 4%               |
|                            |              | #VALUE!          |
| Total Construction Sources | \$21,498,611 | 100%             |

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

| Development Costs                                            | Amount       | Per Unit Amount | LIHTC Eligible Basis |
|--------------------------------------------------------------|--------------|-----------------|----------------------|
| Acquisition                                                  | \$200,000    | \$3,846         | \$0                  |
| Predevelopment                                               | \$537,700    | \$10,340        | \$531,700            |
| Site Development                                             | \$750,000    | \$14,423        | \$750,000            |
| Hard Construction                                            | \$14,346,760 | \$275,899       | \$14,346,760         |
| Financing                                                    | \$1,460,000  | \$28,077        | \$1,348,500          |
| Professional Fees                                            | \$260,000    | \$5,000         | \$106,000            |
| Developer Fee                                                | \$3,414,000  | \$65,654        | \$3,414,000          |
| OHFA and Other Fees                                          | \$205,351    | \$3,949         | \$0                  |
| Capitalized Reserves                                         | \$324,800    | \$6,246         | \$0                  |
| Total Development Costs (TDC)                                | \$21,498,611 | \$413,435       | \$20,496,960         |
| LIHTC Eligible Basis as a Percent of Total Development Costs |              |                 | 95%                  |

| Cost Containment Standards | Project   | Maximum   | Variance |
|----------------------------|-----------|-----------|----------|
| TDC per Unit               | \$413,435 | \$400,000 | 3%       |
| TDC per Gross Square Foot  | \$278     | \$420     | -34%     |

**Maximum Permanent Debt Sizing**

|                                | Max Loan for Stabilized Y1 | Max Loan to Stabilized Y15 |
|--------------------------------|----------------------------|----------------------------|
| Net Operating Income (NOI)     | \$311,200                  | \$311,200                  |
| Debt Service Coverage Ratio    | 1.20                       | 1.00                       |
| NOI Available for Debt Service | \$259,333                  | \$311,200                  |
| Interest Rate                  | 7.18%                      | 7.18%                      |
| Amortization Period (Years)    | 40                         | 40                         |
| Loan Term (Years)              | 17                         | 17                         |
| Maximum Perm Loan Amount       | \$3,405,743                | \$4,086,892                |
| Actual Perm Loan Amount        | \$3,325,000                |                            |
| Variance                       | (\$80,743)                 |                            |
|                                | Year 1                     | Year 15                    |
| Debt Service Coverage Ratio    | 1.23                       | 1.32                       |
| OHFA Minimum DSCR              | 1.20                       | 1.00                       |

**Permanent Sources of Funds**

| Source Name                | Total        | Percent of Total |
|----------------------------|--------------|------------------|
| Federal LIHTC Equity       | \$9,378,471  | 44%              |
| Ohio LIHTC Equity          | \$4,999,500  | 23%              |
| Permanent First Mortgage   | \$3,325,000  | 15%              |
| Deferred Developer Fee     | \$1,039,640  | 5%               |
| GP/MM Capital Contribution | \$1,800,000  | 8%               |
| Franklin County            | \$956,000    | 4%               |
| Total Permanent Sources    | \$21,498,611 | 100%             |