Housing Finance Agency

# Proposal Summary

4% LIHTC AAL AHFA Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Ashford of Tiffin

## Basic Project Information

| | |
|---|---|
| Project Name: | Ashford of Tiffin |
| OHFA Project Number: | TBD |
| LIHTC Type: | 4% |
| Project Address: | 89 Augusta Lane |
| Project City or Township: | Tiffin |
| Project County: | Seneca |
| Construction Type: | New Construction |
| Age Restriction: | Assisted Living |
| Funding Pool: | N/A |
| Lead Developer: | Wallick Development, LLC |
| Total Number of Units: | 122 |
| Total Number of Buildings: | 1 |

## Project Rendering

## OHFA Resource Request Requiring Board Approval

| | Amount | Approval Date |
|---|---|---|
| | | |
| Interest Income | $300,723 | |
| | | |
| | | |
| | | |
| Multifamily Bonds (Inducement): | $29,020,000 | |
| Multifamily Bonds (Final): | | |
| | | |
| | | |

## Project Narrative

The Ashford of Tiffin provides 122 studio units of truly affordable Assisted Living services for seniors 65 and older. The three story elevator building boasts 82,464 square feet of residential living space, a commercial kitchen, dining area, medical offices, amenitiy spaces, and community rooms. Services offered to residents include housekeeping, medical assistance, scheduled daily activities and transportation. All units will be Medicaid eligible.

## Development and Operations Team

| | |
|---|---|
| Lead Developer | Wallick Development, LLC |
| Co-Developer #1 | N/A |
| Co-Developer #2 | N/A |
| Development Consultant | N/A |
| LIHTC Syndicator/Investor | Affordable Equity Partners, Inc. |
| OLIHTC Syndicator/Investor | |
| GP/MM #1 Parent Entity | Wallick Asset Management, LLC |
| GP/MM #2 Parent Entity | N/A |
| GP/MM #3 Parent Entity | N/A |
| General Contractor | Wallick Construction, LLC |
| Architect of Record | MA Design |
| Property Management Firm | Gardant Management Solutions, Inc. |

## Site Information

| | |
|---|---|
| Site Size (Acres) | 7.34 |
| Scattered Sites? | No |
| Total Number of Buildings | 1 |
| Total Number of Elevator-Serviced Buildings | 1 |
| Total Parking Spaces | 92 |
| Parking Ratio (Parking Spaces per Unit) | 0.8 |
| Urban Suburban Rural (USR) Geography | Rural |
| Located in a Participating Jurisdiction (PJ)? | No |
| Located in a Qualfied Census Tract (QCT)? | No |
| Located in a Difficult Development Area (DDA)? | No |
| Census Tract Opportunity Index | 44.25 |
| Census Tract Change Index | 38.53 |

## Nearby Amenities

| Amenity Type | Name of Amenity | Linear Distance from Proposed Project (miles) |
|---|---|---|
| Grocery Store | Bassett's IGA | .75 miles |
| Medical Clinic | Tiffin Community Health Center | 2.22 miles |
| Childcare Facility | Sylvan Learning of Tiffin | 1.41 miles |
| Senior Center | Seneca County Commission on | 1.18 miles |
| Pharmacy | CVS | 2.47 miles |
| Public Library | Pfiefer Library | 1.21 miles |
| Public Park | Oakley Park | .25 miles |
| Public School | Tiffin Noble Elementary School | .50 miles |
| Public Recreation Center | Tiffin University Heminger | 1.4 miles |

## Building Square Footage Breakdown

| | Size (SF) | Pct of Total |
|---|---|---|
| Commercial and Fee-Driven Space | | |
| Unrestricted/Market-Rate Unit Area | | |
| LIHTC Unit Area | 50,478 | 61% |
| Manager's Unit Area | | |
| Common Area | 23,906 | 29% |
| Support and Program Space | 5,818 | 7% |
| Tenant Storage Space | | |
| Major Vertical Penetrations (Elevator/Stairs, Etc.) | 2,262 | 3% |
| Structured Parking/Garage | | |
| Basement | | |
| Total Square Footage of all Buildings | 82,464 | 100% |

## Units by LIHTC Income Restrictions

| LIHTC Income Restriction | Number of Units | Percent of Total Units |
|---|---|---|
| 20% AMI | | |
| 30% AMI | | |
| 40% AMI | | |
| 50% AMI | 20 | 16% |
| 60% AMI | 82 | 67% |
| 70% AMI | 20 | 16% |
| 80% AMI | | |
| Unrestricted | | |
| Manager's | | |
| Total Units | 122 | 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 | 122 | 100% | 0 | 0% |
| 1-BR | | | | |
| 2-BR | | | | |
| 3-BR | | | | |
| 4-BR | | | | |
| 5-BR | | | | |
| Total Units | 122 | 100% | 0 | 0% |

## Consolidated Annual Operating Budget

| Operating Line Item | | Annual Amount | Annual Per Unit Amount |
|---|---|---|---|
| Potential Gross Rental Income and Fee Income | | $1,286,280 | $10,543 |
| Potential Gross Commercial Income | | $0 | $0 |
| Potential Gross AAL & Service Income | | $6,456,850 | $52,925 |
| Vacancy Allowance (Blended) | 60% | ($774,313) | ($6,347) |
| Effective Gross Income (EGI) | | $6,968,817 | $57,121 |
| | | | |
| Administrative Expenses | | $780,329 | $6,396 |
| Property Management Fee | | $349,521 | $2,865 |
| Owner-Paid Utility Expenses | | $206,302 | $1,691 |
| Assisted Living Expenses | | $1,861,671 | $15,260 |
| Maintenance Expenses | | $330,975 | $2,713 |
| Real Estate Taxes | | $103,629 | $849 |
| (Abated Real Estate Taxes) | | ($90,883) | ($745) |
| Property and Liability Insurance | | $170,422 | $1,397 |
| Other Insurance and Tax Expenses | | $486,024 | $3,984 |
| Ongoing Reserve Contributions | | $61,000 | $500 |
| (Operating Subsidy) | | $0 | $0 |
| Total Annual Operating Expenses | | $4,258,990 | $34,910 |
| | | | |
| Net Operating Income (EGI - OpEx) | | $2,709,827 | $22,212 |

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

| Development Costs | Amount | Per Unit Amount | LIHTC Eligible Basis |
|---|---|---|---|
| Acquisition | $640,000 | $5,246 | $0 |
| Predevelopment | $553,600 | $4,538 | $553,600 |
| Site Development | $1,808,027 | $14,820 | $1,808,027 |
| Hard Construction | $20,302,739 | $166,416 | $20,302,739 |
| Financing | $4,237,806 | $34,736 | $4,007,806 |
| Professional Fees | $423,380 | $3,470 | $325,880 |
| Developer Fee | $5,395,000 | $44,221 | $5,395,000 |
| OHFA and Other Fees | $397,344 | $3,257 | $0 |
| Capitalized Reserves | $6,663,039 | $54,615 | $0 |
| Total Development Costs (TDC) | $40,420,935 | $331,319 | $32,393,052 |
| LIHTC Eligible Basis as a Percent of Total Development Costs | | | 80% |

| Cost Containment Standards | Project | Maximum | Variance |
|---|---|---|---|
| TDC per Unit | $331,319 | $391,000 | -15% |
| TDC per Gross Square Foot | $490 | $390 | 26% |

## LIHTC Calculation

| | Acquisition | Rehabilitation | New Construction |
|---|---|---|---|
| LIHTC Eligible Basis | | | $32,393,052 |
| - Reductions in Eligible Basis | | | $0 |
| = Net Eligible Basis | | | $32,393,052 |
| Codified Basis Boost | | | $32,393,052 |
| Adjusted Eligible Basis | | | $32,393,052 |
| X Applicable Fraction | | | 100% |
| Qualified Basis | | | $32,393,052 |
| 30% Present Value Rate | | | 4.00% |
| Annual LIHTC Generated | | | $1,295,722 |
| Total 10-Year LIHTC Requested | $12,957,221 | | |
| LIHTC Equity Generated | $10,753,384 | | |
| Equity Price | $0.83 | | |

## Maximum Permanent Debt Sizing

| | Max Loan for Stabilized Y1 | Max Loan to Stabilized Y15 |
|---|---|---|
| Net Operating Income (NOI) | $2,709,827 | $2,709,827 |
| Debt Service Coverage Ratio | 1.20 | 1.00 |
| NOI Available for Debt Service | $2,258,189 | $2,709,827 |
| Interest Rate | 6.38% | 6.38% |
| Amortization Period (Years) | 40 | 40 |
| Loan Term (Years) | 20 | 20 |
| Maximum Perm Loan Amount | $32,637,991 | $39,165,590 |
| Actual Perm Loan Amount | $29,020,000 | |
| Variance | ($3,617,991) | |

| | Year 1 | Year 15 |
|---|---|---|
| Debt Service Coverage Ratio | 1.35 | 1.39 |
| OHFA Minimum DSCR | 1.20 | 1.00 |

## Construction Sources of Funds

| Construction Sources | Amount | Percent of Total |
|---|---|---|
| Federal LIHTC Equity | $2,580,812 | 6% |
| Construction Loan | $29,020,000 | 72% |
| | | |
| | | |
| GP/MM Capital Contribution | $100 | 0% |
| Post-Construction Costs | $8,070,023 | 20% |
| Taxable Bonds/Equity Bridge Lo | $750,000 | 2% |
| Total Construction Sources | $40,420,935 | 100% |

## Permanent Sources of Funds

| Souce Name | Total | Percent of Total |
|---|---|---|
| Federal LIHTC Equity | $10,753,384 | 27% |
| Permanent First Mortgage | $29,020,000 | 72% |
| | | |
| Deferred Developer Fee | $346,728 | 1% |
| | | |
| GP/MM Capital Contribution | $100 | 0% |
| Interest Income | $300,723 | 1% |
| Total Permanent Sources | $40,420,935 | 100% |