

Silver Birch of Zanesville

30. Project Summary PDF

Proposal Summary

4% LIHTC AAL AHFA Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Silver Birch of Zanesville

Basic Project Information

Project Name:	Silver Birch of Zanesville
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	3357 Northpointe Drive
Project City or Township:	Zanesville
Project County:	Muskingum
Construction Type:	New Construction
Age Restriction:	Senior 62+
Funding Pool:	N/A
Lead Developer:	Vermilion Ohio AAL Developer LLC
Total Number of Units:	120
Total Number of Buildings:	1

Project Rendering



OHFA Resource Request Requiring Board Approval

Amount	Approval Date

Project Narrative

Silver Birch of Zanesville will consist of the new construction of 120 LIHTC apartments also offering optional affordable assisted living services, located east of the intersection of Northpointe and Kearns Drs., in Zanesville, Muskingum County. The improvements are a wood-framed, 3-story elevator building with studio & 1-bedroom apartments. The community will feature laundry facilities, barber/beauty shop, library, physical therapy/gym, wellness areas, & a walking path. The community will advance a major policy initiative of the Ohio General Assembly (House Bill 33 approved in the 2023 session) by expanding the supply of affordable assisted living. For Ohio's Medicaid program, assisted living is roughly half the cost of more expensive nursing home care. The service provider is Silver Birch Living, an affiliate of owner & developer who has achieved 8609 on 10.

Development and Operations Team

Lead Developer	Vermilion Ohio AAL Developer LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Affordable Housing Partners, LLC
OLIHTC Syndicator/Investor	
GP/MM #1 Parent Entity	David J. Cocagne 2016 Revocable Trust
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	The Douglas Company
Architect of Record	WJW Architects
Property Management Firm	Silver Birch of Zanesville LLC

Site Information

Site Size (Acres)	4.9 acres
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	70
Parking Ratio (Parking Spaces per Unit)	0.6
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	52.73
Census Tract Change Index	37.94

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kroger	1.24
Medical Clinic	Genesis Hospital	1.65
Childcare Facility	North Terrace Christian	0.85
Senior Center	The Center	3.3
Pharmacy	Walgreens	1.5
Public Library	Muskingum County Library	3.55
Public Park	Riverside Park	3.12
Public School	Zanesville High School	2.1
Public Recreation Center	Muskingum County YMCA	1.46

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space	427	0%
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	52,622	57%
Manager's Unit Area		
Common Area	17,188	19%
Support and Program Space	19,458	21%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,730	3%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	92,425	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI	40	33%
50% AMI		
60% AMI	40	33%
70% AMI		
80% AMI	40	33%
Unrestricted		
Manager's		
Total Units	120	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	96	80%	0	0%
1-BR	24	20%	0	0%
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	120	100%	0	0%

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,196,352	\$9,970
Potential Gross Commercial Income	\$7,046	\$59
Potential Gross AAL & Service Income	\$6,532,848	\$54,440
Vacancy Allowance (Blended) 65%	(\$772,920)	(\$6,441)
Effective Gross Income (EGI)	\$6,963,326	\$58,028
Administrative Expenses	\$193,433	\$1,612
Property Management Fee	\$54,154	\$451
Owner-Paid Utility Expenses	\$211,545	\$1,763
Assisted Living Expenses	\$3,520,644	\$29,339
Maintenance Expenses	\$208,563	\$1,738
Real Estate Taxes	\$120,000	\$1,000
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$46,695	\$389
Other Insurance and Tax Expenses	\$103,145	\$860
Ongoing Reserve Contributions	\$45,000	\$375
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$4,503,179	\$37,526
Net Operating Income (EGI - OpEx)	\$2,460,147	\$20,501

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$30,185,712
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$30,185,712
Codified Basis Boost			\$30,185,712
Adjusted Eligible Basis			\$30,185,712
X Applicable Fraction			100%
Qualified Basis			\$30,185,712
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$1,207,428
Total 10-Year LIHTC Requested	\$12,074,285		
LIHTC Equity Generated	\$10,020,669		
Equity Price	\$0.83		

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$5,794,204	15%
Construction Loan	\$25,750,000	67%
Deferred Developer Fee	\$1,837,235	5%
Sponsor Loan	\$452,000	1%
GP/MM Capital Contribution	\$100	0%
Post-Construction Costs	\$4,226,465	11%
Taxable Bonds shown as Perm S	\$500,000	1%
Total Construction Sources	\$38,560,004	100%

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$950,000	\$7,917	\$0
Predevelopment	\$922,700	\$7,689	\$922,700
Site Development	\$2,341,617	\$19,513	\$2,241,617
Hard Construction	\$19,101,848	\$159,182	\$19,101,848
Financing	\$3,907,025	\$32,559	\$2,631,993
Professional Fees	\$644,454	\$5,370	\$412,554
Developer Fee	\$4,875,000	\$40,625	\$4,875,000
OHFA and Other Fees	\$386,946	\$3,225	\$0
Capitalized Reserves	\$5,430,414	\$45,253	\$0
Total Development Costs (TDC)	\$38,560,004	\$321,333	\$30,185,712
LIHTC Eligible Basis as a Percent of Total Development Costs			78%

TDC per Unit	\$321,333	\$391,000	-18%
TDC per Gross Square Foot	\$417	\$390	7%

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$2,460,147	\$2,460,147
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$2,050,122	\$2,460,147
Interest Rate	6.25%	6.25%
Amortization Period (Years)	35.8	35.8
Loan Term (Years)	20	20
Maximum Perm Loan Amount	\$29,280,780	\$35,136,936
Actual Perm Loan Amount	\$26,250,000	
Variance	(\$3,030,780)	

	Year 1	Year 15
Debt Service Coverage Ratio	1.29	1.33
OHFA Minimum DSCR	1.20	1.00

Souce Name	Total	Percent of Total
Federal LIHTC Equity	\$10,020,669	26%
Permanent First Mortgage	\$25,750,000	67%
Permanent Second Mortgage	\$500,000	1%
Deferred Developer Fee	\$1,837,235	5%
Sponsor Loan	\$452,000	1%
GP/MM Capital Contribution	\$100	0%
Total Permanent Sources	\$38,560,004	100%