

Circle North Lease Purchase

2016 Low Income Housing Tax Credit Proposal

City: Cleveland

County: Cuyahoga

Photograph or Rendering



Project Narrative

Famicos Foundation is planning a scattered-site single-family lease-purchase project located in a concentrated area of the Circle North neighborhood in Glenville. Circle North boundaries are defined as Wade Park to Superior Avenues, East 105th to East 123rd Streets. This area was chosen as the project location as Famicos has spent the last several years heavily investing in real estate as well as community building and engagement. The area is immediately adjacent to University Circle, the second largest employment center in northeast Ohio as well as the largest cultural center in the state, boasting the Museum of Contemporary Art, Cleveland Institute of Art, and Natural History Museum. The project will utilize 9% Low Income Housing Tax Credits, applied for in Ohio's February, 2016 OHFA tax credit application. The project will consist of approximately 40 three- and four bedroom houses to be rented to families earning up to 60% of Area Median Income. After a 15-year rental period, the houses will be sold to the residents or other qualifying buyers. The lease-purchase houses will be located within a four-block area of Circle North, mainly on Orville, Lee, and East 109-12th. The streets are located within a fifteen-minute walk of many of University Circle's institutions and have easy access to public bus transportation via East 105th Street. The houses will be compatible with existing architecture and will be designed to meet 2015 Enterprise Green Communities standards. Total project costs are projected to be approximately \$9.2 million and will be funded primarily through equity raised from Low Income Housing Tax Credits. The Circle North Lease Purchase project supports several of Famicos Foundation's strategic goals including the development of affordable housing, the development of employment opportunities for area residents through connections with jobs, the strengthening of relationships between Famicos Foundation and University Circle institutions, the elimination of blight and strengthening of housing values in Circle North and the promotion of sustainable living through green construction that is located within a dense urban community offering multiple transportation options. Most important, the project will bring new, healthy homes to Glenville which will support potential residents in reaching their goals of homeownership and building wealth. The design of each home has been thoughtfully crafted to accommodate the busy lives of the modern

Project Information

Pool: Single-family Infill
 Construction Type: New Construction
 Population: Multiple
 Building Type: Single-Family
 Address:
 City, State Zip:
 Census Tract: 1183.01

Ownership Information

Ownership Entity: CNLP LP
 Majority Member: CNLP GP, Inc.
 Minority Member:
 Syndicator or Investor: Enterprise Community Investment, Inc.
 Non-Profit: Famicos Foundation

Development Team

Developer: Famicos Foundation
 Phone: 216-791-6476
 Street Address: 1325 Ansel Rd.
 City, State, Zip: Cleveland, OH 44106
 General Contractor: American Preservation Builders
 Management Co: Famicos Foundation
 Syndicator: Enterprise Community Investment, Inc.
 Architect: City Architecture



UNITS	Bedrooms	Bathrooms	Square Footage	Affordable to what AMGI?	Occupied by what AMGI?	Gross Rents	Tenant Paid Utilities	Rental Subsidy	Net Rent	Monthly Rental Income	Maximum Gross Rent
22	3	1.5	1,344	60%	60%	\$998	\$295	\$0	\$ 703	\$ 15,466	\$ 1,030
6	3	1.5	1,344	50%	50%	\$834	\$295	\$0	\$ 539	\$ 3,234	\$ 859
3	3	1.5	1,333	60%	60%	\$998	\$295	\$0	\$ 703	\$ 2,109	\$ 1,030
1	3	1.5	1,333	50%	50%	\$834	\$295	\$0	\$ 539	\$ 539	\$ 859
6	4	2	1,554	60%	60%	\$1,114	\$341	\$0	\$ 773	\$ 4,638	\$ 1,149
2	4	2	1,554	50%	50%	\$930	\$341	\$0	\$ 589	\$ 1,178	\$ 958
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40									\$ 27,164		

Financing Sources	
Construction Financing	
Construction Loan:	\$ 5,525,403
Tax Credit Equity:	\$ 698,395
Historic tax Credits:	\$ -
Deferred Developer Fee:	\$ 1,263,971
HDAP:	\$ 540,000
Other Sources:	\$ 1,290,000
Total Const. Financing:	\$ 9,317,769
Permanent Financing	
Permanent Mortgages:	\$ 1,250,000
Tax Credit Equity:	\$ 6,983,954
Historic tax Credits:	\$ -
Deferred Developer Fee:	\$ 200,000
HDAP:	\$ -
Other Soft Debt:	\$ 1,200,000
Other Financing:	\$ -
Total Perm. Financing:	\$ 9,633,954

Housing Credit Request		
Net Credit Request:		705,520
10 YR Total:		7,055,200
Development Budget		
	Total	Per Unit:
Acquisition:	\$ 8,000	\$ 200
Predevelopment:	\$ 345,150	\$ 8,629
Site Development:	\$ 948,664	\$ 23,717
Hard Construction:	\$ 6,033,976	\$ 150,849
Interim Costs/Finance:	\$ 553,862	\$ 13,847
Professional Fees:	\$ 1,235,000	\$ 30,875
Compliance Costs:	\$ 80,331	\$ 2,008
Reserves:	\$ 428,971	\$ 10,724
Total Project Costs:	\$ 9,633,954	\$ 240,849
Operating Expenses		
	Total	Per Unit
Annual Op. Expenses	\$ 207,095	\$ 5,177