

Hunters Hill

Proposal Application Summary

4% LIHTC with BGF Round

Basic Project Information

Project Name	Hunters Hill
LIHTC Type	4% LIHTC
BGF Pool/Subpool	Preserved Affordability Outside a PJ
Lead Developer	Fairfield Homes, Inc
Project Address	857 Elizabeth Drive
Project City or Township	Lancaster
Project County	Fairfield
Construction Type	Rehabilitation
Population Served	Families
Total Units	96
HDAP Request	\$2,880,000
Total 10-Year LIHTC Request	\$8,303,749
Total Development Cost	\$19,665,354

Existing Photograph



Development and Operations Team

Lead Developer	Fairfield Homes, Inc
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	NDC
GP/MM #1 Parent Entity	Gorsuch FHI Holdings, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Gorsuch Construction
Architect of Record	KontoGiannis & Associates
Property Management Firm	Fairfield Homes, Inc

Project Narrative

Hunters Hill is an affordable housing community located in Lancaster, Ohio originally constructed in 1993. The development consists of one, two, and three bedroom apartments located in a beautiful setting surrounded by trees and a creek. Hunters Hill sits adjacent to the Lancaster Bike Path and is just minutes away from shopping, restaurants, and entertainment. The development is conveniently located to a pharmacy, restaurants, shopping, and the Lancaster City school district. Fairfield Homes is proposing a re-syndication to fund a substantial rehabilitation of the property to ensure long-term viability and maintain affordability.

Site Information

Site Size (Acres)	7.39
Scattered Sites?	No
Total Number of Buildings	12
Total Parking Spaces	199
Parking Ratio (Parking Spaces per Unit)	2.1
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area?	No
Census Tract Opportunity Index	Low
Census Tract Change Index	Slight Decline

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	99,920	91%
Manager's Unit Area		
Common Area	7,776	7%
Support and Program Space		
Tenant Storage Space	1,536	1%
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	109,232	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI	34	35%
60% AMI	62	65%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	96	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	20	21%	20	100%
2-BR	56	58%	56	100%
3-BR	20	21%	20	100%
4-BR				
5-BR				
Total Units	96	100%	96	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$1,223,024	\$12,740
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 5%	(\$61,151)	(\$637)
Interest Income and Other Financial Income	\$0	\$0
Laundry, Tenant Charges, and Service Income	\$0	\$0
Effective Gross Income (EGI)	\$1,161,873	\$12,103
Administrative Expenses	\$227,310	\$2,368
Owner-Paid Utilities	\$76,500	\$797
Maintenance Costs	\$169,170	\$1,762
Taxes and Insurance	\$154,840	\$1,613
Tax Abatement and/or Operating Subsidy	\$0	\$0
Reserves and Other Expenses	\$44,800	\$467
Total Operating Expenses	\$672,620	\$7,006
Net Operating Income (EGI - OpEx)	\$489,253	\$5,096

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$4,080,000	\$10,011,906	\$2,818,381
- Reductions in Eligible Basis	\$0	\$0	\$0
= Net Eligible Basis	\$4,080,000	\$10,011,906	\$2,818,381
Basis Boost for QCT/DDA	(\$4,080,000)	\$3,003,572	\$845,514
Adjusted Eligible Basis	\$0	\$13,015,478	\$3,663,895
X Applicable Fraction	100%	100%	100%
Qualified Basis	\$0	\$13,015,478	\$3,663,895
30% Present Value Rate	4.00%	4.00%	4.00%
Annual LIHTC Generated	\$0	\$520,619	\$146,556
Total 10-Year LIHTC	\$6,671,749		
LIHTC Equity Generated	\$7,223,539		
Equity Price	\$0.87		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$713,539	4%
Historic Tax Credit Equity		
Construction Loan	\$9,420,000	48%
OHFA HDAP Request	\$2,880,000	15%
Deferred Developer Fee	\$1,237,316	6%
FHI Seller Loan	\$2,377,132	12%
Acquired Reserves	\$173,267	1%
GP Equity	\$100	0%
OHFA HDL	\$2,500,000	13%
Deferred Costs	\$364,000	2%
Total Construction Sources	\$19,665,354	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$5,273,267	\$54,930	\$4,080,000
Predevelopment	\$392,500	\$4,089	\$392,500
Site Development	\$1,086,000	\$11,313	\$1,086,000
Hard Construction	\$7,674,520	\$79,943	\$7,674,520
Financing	\$1,529,463	\$15,932	\$798,886
Professional Fees	\$145,000	\$1,510	\$60,000
Developer Fee	\$2,818,381	\$29,358	\$2,818,381
OHFA and Other Fees	\$285,223	\$2,971	\$0
Capitalized Reserves	\$461,000	\$4,802	\$0
Total Development Costs (TDC)	\$19,665,354	\$204,847	\$16,910,287
LIHTC Eligible Basis as a Percent of Total Development Costs			86%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$204,847	\$250,000	-18%
TDC per Gross Square Foot	\$180	\$280	-36%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$489,253	\$489,253
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$425,437	\$489,253
Interest Rate	7.00%	7.00%
Amortization Period (Years)	40	40
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$5,705,072	\$6,560,833
Actual Perm Loan Amount	\$5,524,000	
Variance	(\$181,072)	

	Year 1	Year 15
Debt Service Coverage Ratio	1.15	1.22
OHFA Minimum DSCR	1.15	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$7,223,539	37%
Historic Tax Credit Equity		
Permanent First Mortgage	\$5,524,000	28%
Permanent Second Mortgage		
OHFA HDAP Request	\$2,880,000	15%
Deferred Developer Fee	\$1,237,316	6%
FHI Seller Loan	\$2,377,132	12%
Acquired Reserves	\$173,267	1%
GP Equity	\$100	0%
City of Lancaster Loan	\$250,000	1%
N/A		
Total Permanent Sources	\$19,665,354	100%