

Terri Manor

Proposal Application Summary

4% LIHTC with BGF Round

Basic Project Information

Project Name	Terri Manor
LIHTC Type	4% LIHTC
BGF Pool/Subpool	Preserved Affordability in a PJ
Lead Developer	Preservation of Affordable Housing, LLC
Project Address	Scattered Sites
Project City or Township	Cincinnati
Project County	Hamilton
Construction Type	Rehabilitation
Population Served	Families
Total Units	81
HDAP Request	\$2,429,919
Total 10-Year LIHTC Request	\$8,161,537
Total Development Cost	\$21,808,483

Existing Photograph



Development and Operations Team

Lead Developer	Preservation of Affordable Housing, LLC
Co-Developer #1	Model Property Development, LLC
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Enterprise Community Partners
GP/MM #1 Parent Entity	Preservation of Affordable Housing, Inc.
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Model Construction, LLC
Architect of Record	New Republic Architecture
Property Management Firm	POAH Communities

Project Narrative

Terri Manor is an 81-unit scattered site redevelopment project in the Lower Price Hill neighborhood of Cincinnati. All 19 buildings are located in a Federal Historic district. Residents include families, seniors, and individuals with disabilities. Most of the buildings were originally built between 1875 and 1900. In 2002, the buildings were renovated using Low-Income Housing Tax Credits. As the buildings age and have reached 20 years beyond their last rehab, there is significant need for updates to systems, exteriors, windows, and interior finishes. All 81 units receive rental subsidy through a HAP contract. The project has maintained 95% occupancy with demand for units remaining strong.

Site Information

Site Size (Acres)	2
Scattered Sites?	Yes
Total Number of Buildings	19
Total Parking Spaces	2
Parking Ratio (Parking Spaces per Unit)	0.0
Urban Suburban Rural (USR) Geography	Urban
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area?	No
Census Tract Opportunity Index	Very Low
Census Tract Change Index	Decline

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	80,319	58%
Manager's Unit Area		
Common Area	12,297	9%
Support and Program Space	26,524	19%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	96	0%
Structured Parking/Garage		
Basement	19,519	14%
Total Square Footage of all Buildings	138,755	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	9	11%
40% AMI		
50% AMI	33	41%
60% AMI	39	48%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	81	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	3	4%	3	100%
1-BR	20	25%	20	100%
2-BR	15	19%	15	100%
3-BR	35	43%	35	100%
4-BR	6	7%	6	100%
5-BR	2	2%	2	100%
Total Units	81	100%	81	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income	\$761,316	\$9,399
Potential Gross Commercial Income	\$0	\$0
Vacancy Allowance 5%	(\$38,066)	(\$470)
Interest Income and Other Financial Income	\$2,512	\$31
Laundry, Tenant Charges, and Service Income	\$0	\$0
Effective Gross Income (EGI)	\$725,762	\$8,960
Administrative Expenses	\$189,596	\$2,341
Owner-Paid Utilities	\$119,095	\$1,470
Maintenance Costs	\$113,547	\$1,402
Taxes and Insurance	\$90,623	\$1,119
Tax Abatement and/or Operating Subsidy	\$0	\$0
Reserves and Other Expenses	\$34,425	\$425
Total Operating Expenses	\$547,286	\$6,757
Net Operating Income (EGI - OpEx)	\$178,476	\$2,203

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$1,090,000	\$18,707,423	
- Reductions in Eligible Basis	\$0	\$3,850,622	
= Net Eligible Basis	\$1,090,000	\$14,856,801	
Basis Boost for QCT/DDA	(\$1,090,000)	\$4,457,040	
Adjusted Eligible Basis	\$0	\$19,313,841	
X Applicable Fraction	100%	100%	
Qualified Basis	\$0	\$19,313,841	
30% Present Value Rate	4.00%	4.00%	
Annual LIHTC Generated	\$0	\$772,554	
Total 10-Year LIHTC	\$7,725,537		
LIHTC Equity Generated	\$7,413,800		
Equity Price	\$0.91		

Construction Sources of Funds

Construction Sources	Amount	Percent of Total
LIHTC Equity	\$1,482,760	7%
Historic Tax Credit Equity		
Construction Loan	\$11,498,028	53%
OHFA HDAP Request	\$2,186,927	10%
Deferred Developer Fee		
City HOME	\$900,000	4%
Cincinnati AHLF	\$900,000	4%
Existing Reserves	\$350,000	2%
Assumed HDAP	\$301,000	1%
Paid post construction	\$4,189,768	19%
Total Construction Sources	\$21,808,483	100%

Development Budget, Eligible Basis and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,720,000	\$21,235	\$1,090,000
Predevelopment	\$852,626	\$10,526	\$852,626
Site Development	\$135,000	\$1,667	\$101,250
Hard Construction	\$13,884,100	\$171,409	\$13,609,100
Financing	\$1,124,037	\$13,877	\$651,447
Professional Fees	\$237,250	\$2,929	\$218,000
Developer Fee	\$3,275,000	\$40,432	\$3,275,000
OHFA and Other Fees	\$248,370	\$3,066	\$0
Capitalized Reserves	\$332,100	\$4,100	\$0
Total Development Costs (TDC)	\$21,808,483	\$269,241	\$19,797,423
LIHTC Eligible Basis as a Percent of Total Development Costs			91%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$269,241	\$250,000	8%
TDC per Gross Square Foot	\$157	\$280	-44%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$178,476	\$129,809
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$155,197	\$129,809
Interest Rate	7.50%	7.50%
Amortization Period (Years)	30	30
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$1,849,655	\$1,547,077
Actual Perm Loan Amount	\$1,467,000	
Variance	(\$80,077)	
Debt Service Coverage Ratio	1.45	1.05
OHFA Minimum DSCR	1.15	1.00

Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
LIHTC Equity	\$7,413,800	34%
Historic Tax Credit Equity	\$3,850,622	18%
Permanent First Mortgage	\$1,467,000	7%
Permanent Second Mortgage		
OHFA HDAP Request	\$2,429,919	11%
Deferred Developer Fee	\$401,142	2%
City HOME + Cincinnati AHLF	\$2,000,000	9%
Seller Note	\$590,000	3%
HUD GRRP	\$1,600,000	7%
GP Capital	\$1,255,000	6%
Asmd HDAP, existing reserves, c	\$801,000	4%
Total Permanent Sources	\$21,808,483	100%