

Silver Birch of Cuyahoga Falls

30. Project Summary

Proposal Summary

4% LIHTC AAL AHFA Final Application

Affordable Housing Funding Application (AHFA)

Project Name: Silver Birch of Cuyahoga Falls

Basic Project Information

Project Name:	Silver Birch of Cuyahoga Falls
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	392 East Bath Road
Project City or Township:	Cuyahoga Falls
Project County:	Summit
Construction Type:	New Construction
Age Restriction:	Senior 62+
Funding Pool:	Metropolitan
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
Multifamily Bonds (Inducement):	\$25,380,000	
Multifamily Bonds (Final):		

Project Narrative

Silver Birch of Cuyahoga Falls will consist of the new construction of 120 LIHTC apartments also offering optional affordable assisted living services at 392 East Bath Road, Cuyahoga Falls in Summit 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 affordable assisted living communities. SB currently serves 1,100 residents in 10 communities.

Development and Operations Team

Lead Developer	Vermilion Ohio AAL Developer LLC
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	Lowenstein Development, LLC
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 Cuyahoga Falls LLC

Site Information

Site Size (Acres)	7.428
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	Metro/Suburban
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Low
Census Tract Change Index	Decline

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Walmart, Sav-a-lot	1.3
Medical Clinic	Hometown Urgent Care	1.2
Childcare Facility	Childtime on W Portage Trail	1.8
Senior Center	Stow Senior Center	3.5
Pharmacy	CVS	0.5
Public Library	Cuyahoga Falls Library	2.2
Public Park	Newberry Park	1.1
Public School	Cuyahoga Falls High School	1.7
Public Recreation Center	The Natatorium	1.8

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space	396	0%
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	53,838	58%
Manager's Unit Area		
Common Area	18,165	20%
Support and Program Space	18,325	20%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,187	2%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	92,911	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		

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%

Manager's		
Total Units	120	100%

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,222,560	\$10,188
Potential Gross Commercial Income	\$6,534	\$54
Potential Gross AAL & Service Income	\$6,453,720	\$53,781
Vacancy Allowance (Blended) 63%	(\$767,628)	(\$6,397)
Effective Gross Income (EGI)	\$6,915,186	\$57,627
Administrative Expenses	\$187,242	\$1,560
Property Management Fee	\$55,206	\$460
Owner-Paid Utility Expenses	\$206,372	\$1,720
Assisted Living Expenses	\$3,347,210	\$27,893
Maintenance Expenses	\$210,231	\$1,752
Real Estate Taxes	\$150,000	\$1,250
(Abated Real Estate Taxes)	\$0	\$0
Property and Liability Insurance	\$44,573	\$371
Other Insurance and Tax Expenses	\$102,067	\$851
Ongoing Reserve Contributions	\$60,000	\$500
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$4,362,901	\$36,358
Net Operating Income (EGI - OpEx)	\$2,552,285	\$21,269

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$28,460,109
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$28,460,109
Codified Basis Boost			\$28,460,109
Adjusted Eligible Basis			\$28,460,109
X Applicable Fraction			100%
Qualified Basis			\$28,460,109
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$1,138,404
Total 10-Year LIHTC Requested	\$11,384,044		
LIHTC Equity Generated	\$9,447,811		
Equity Price	\$0.83		

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$4,355,290	12%
Construction Loan	\$25,380,000	69%
Deferred Developer Fee	\$2,199,479	6%
GP/MM Capital Contribution	\$100	0%
Post-Construction Costs	\$5,092,521	14%
Total Construction Sources	\$37,027,390	100%

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,025,000	\$8,542	\$0
Predevelopment	\$881,064	\$7,342	\$881,064
Site Development	\$1,552,387	\$12,937	\$1,512,387
Hard Construction	\$18,617,484	\$155,146	\$18,617,484
Financing	\$3,511,166	\$29,260	\$2,463,407
Professional Fees	\$596,768	\$4,973	\$405,768
Developer Fee	\$4,580,000	\$38,167	\$4,580,000
OHFA and Other Fees	\$364,805	\$3,040	\$0
Capitalized Reserves	\$5,898,717	\$49,156	\$0
Total Development Costs (TDC)	\$37,027,390	\$308,562	\$28,460,109
LIHTC Eligible Basis as a Percent of Total Development Costs			77%

TDC per Unit	\$308,562	\$400,000	-23%
TDC per Gross Square Foot	\$399	\$420	-5%

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$2,552,285	\$2,552,285
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$2,126,904	\$2,552,285
Interest Rate	6.75%	6.75%
Amortization Period (Years)	40	40
Loan Term (Years)	20	20
Maximum Perm Loan Amount	\$29,375,985	\$35,251,182
Actual Perm Loan Amount	\$25,380,000	
Variance	(\$3,995,985)	

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

Souce Name	Total	Percent of Total
Federal LIHTC Equity	\$9,447,811	26%
Permanent First Mortgage	\$25,380,000	69%
Deferred Developer Fee	\$2,199,479	6%
Sponsor Loan	\$100	0%
Total Permanent Sources	\$37,027,390	100%