

## Proposal Summary

**2025 4% LIHTC AHFA Final Application**

Affordable Housing Funding Application (AHFA)

Project Name: Hamilton Phase Three

### Basic Project Information

Project Name:	Hamilton Phase Three
OHFA Project Number:	TBD
LIHTC Type:	4%
Project Address:	115 Knapp Drive
Project City or Township:	Hamilton
Project County:	Butler
Construction Type:	Rehabilitation
Age Restriction:	General Occupancy
Funding Pool:	Preserved Affordability
Lead Developer:	TCG Development Advisors
Total Number of Units:	160
Total Number of Buildings:	6

### Existing Photograph



### OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Multifamily Bonds (Inducement):	\$25,500,000	
Multifamily Bonds (Final):		

### Project Narrative

Hamilton Phase Three is one of two Rental Assistance Demonstration (RAD) conversions that comprise the final portion of the Butler Metropolitan Housing Authority's conversion of 1,138 public housing units. BMHA's intent is to utilize approximately \$25.5 million in tax-exempt bond financing issued by the Ohio Housing Finance Agency and accompanying 4% Low-Income Housing Tax Credits to revitalize the properties. Hamilton Phase Three contains three separate sites in the city of Hamilton: Mark Petty Plaza located at 115 Knapp Drive (110 units in 1 building), Winding Creek, located at 125 Knapp Drive. (40 units in 25 building) and Glenbrook, located at 5 Westbrook Drive (10 units in 5 buildings) are not located in Qualified Census Tracts and do not benefit from a 130% basis boost as a result.

### Development and Operations Team

Lead Developer	TCG Development Advisors
Co-Developer #1	Butler Metro Housing Authority
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	TCG Middletown Phase Three, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Marous Brothers Construction
Architect of Record	REB Architects
Property Management Firm	Van Rooy Properties

### Site Information

Site Size (Acres)	13.91
Scattered Sites?	Yes
Total Number of Buildings	31
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	176
Parking Ratio (Parking Spaces per Unit)	1.1
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	Moderate
Census Tract Change Index	Growth

### Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Kroger	0.3
Medical Clinic	Kettering Primary Care	0.1
Childcare Facility	Kid Works	4.3
Senior Center	Butler County Elderly Services	3.9
Pharmacy	CVS Pharmacy	0.6
Public Library	Hamilton Lane Library	3
Public Park	Armstead Park	2.3
Public School	Wilson Middle School	1.2
Public Recreation Center	Hamilton Recreation Center	3

### Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	117,459	73%
Manager's Unit Area		
Common Area	20,269	13%
Support and Program Space	4,226	3%
Tenant Storage Space	435	0%
Major Vertical Penetrations (Elevator/Stairs, Etc.)	3,574	2%
Structured Parking/Garage	10,286	6%
Basement	4,395	3%
Total Square Footage of all Buildings	160,644	100%

#### Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI		
60% AMI	160	100%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	160	100%

#### Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$2,114,520	\$13,216
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 5%	(\$105,726)	(\$661)
Effective Gross Income (EGI)	\$2,008,794	\$12,555
(Administrative Expenses)	(\$124,098)	(\$776)
(Property Management Fee)	(\$126,835)	(\$793)
(Owner-Paid Utility Expenses)	(\$167,162)	(\$1,045)
(Maintenance Expenses)	(\$151,669)	(\$948)
(Net Real Estate Taxes)	(\$10,206)	(\$64)
(Property and Liability Insurance)	(\$73,700)	(\$461)
(Other Insurance and Tax Expenses)	(\$48,500)	(\$303)
(Ongoing Reserve Contributions)	(\$68,000)	(\$425)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$770,170)	(\$4,814)
Net Operating Income (EGI - Operating Expenses)	\$1,238,624	\$7,741

#### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$10,550,000	\$36,727,440	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$10,550,000	\$36,727,440	
Codified Basis Boost (DDA/QCT)		\$36,727,440	
Agency Discretionary Basis Boost		\$47,745,672	
Adjusted Eligible Basis	\$10,550,000	\$36,727,440	
X Applicable Fraction	100%	100%	
Qualified Basis	\$10,550,000	\$36,727,440	
30% Present Value Rate	4%	4%	
Annual LIHTC Generated	\$422,000	\$1,469,098	
Total 10-Year LIHTC Generated	\$18,910,976		
Total 10-Year LIHTC Requested	\$0		
LIHTC Equity Generated	\$16,261,813		
Equity Price	\$0.0000		

#### 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	110	69%	110	100%
2-BR	40	25%	40	100%
3-BR	10	6%	10	100%
4-BR				
5-BR				
Total Units	160	100%	160	100%

#### Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$10,550,000	\$65,938	\$10,550,000
Predevelopment	\$1,292,138	\$8,076	\$1,292,138
Site Development	\$1,086,060	\$6,788	\$1,086,060
Hard Construction	\$24,125,888	\$150,787	\$24,125,888
Financing	\$4,099,543	\$25,622	\$2,032,274
Professional Fees	\$341,080	\$2,132	\$8,191,080
Developer Fee	\$7,850,000	\$49,063	\$0
OHFA and Other Fees	\$472,000	\$2,950	\$0
Capitalized Reserves	\$896,657	\$5,604	\$0
Total Development Costs (TDC)	\$50,713,366	\$316,959	\$47,277,440
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$316,959	\$375,000	-15%
TDC per Gross Square Foot	\$316	\$400	-21%

#### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$1,238,624	\$1,238,624
Debt Service Coverage Ratio	1.15	1.00
NOI Available for Debt Service	\$1,077,064	\$1,238,624
Interest Rate	5.70%	5.70%
Amortization Period (Years)	40	40
Loan Term (Years)	18	18
Maximum Perm Loan Amount	\$16,952,656	\$19,495,555
Actual Perm Loan Amount	\$16,000,000	
Amount Variance	(\$952,656)	
Percent Variance	-5.6%	
	Year 1	Year 15
Debt Service Coverage Ratio	1.22	1.46
OHFA Minimum DSCR	1.15	1.00

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$9,269,233	18%
Construction Loan	\$9,500,000	19%
Deferred Developer Fee	\$630,074	1%
A-1 perm Bond	\$16,000,000	32%
Ground Lease Loan	\$6,550,000	13%
Surplus Cash Loan	\$4,169,456	8%
Reserve Loan	\$4,594,603	9%
Total Construction Sources	\$50,713,366	100%

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$16,261,813	32%
Permanent First Mortgage	\$16,000,000	32%
Deferred Developer Fee	\$3,137,494	6%
Ground lease Loan	\$6,550,000	13%
Surplus cash Loan	\$4,169,456	8%
Reserve loan	\$4,594,603	9%
Total Permanent Sources	\$50,713,366	100%