

# **Proposal Summary**

# Affordable Housing Funding Application (AHFA)

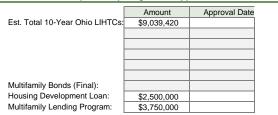
# SFY2025 4% LIHTC w/ OLIHTC AHFA Proposal Application

Project Name: Hub 27 Senior Lofts

#### **Basic Project Information**

Hub 27 Senior Lofts Project Name: OHFA Project Number: TBD LIHTC Type: 4% 2500 W 27th Street Project Address: Project City or Township: Cleveland Project County: Cuyahoga Construction Type: New Construction Age Restriction: Senior 55+ Funding Pool: Metropolitan St. Mary Development Corporation Lead Developer: Total Number of Units: 53 Total Number of Buildings:

#### **OHFA Resource Request Requiring Board Approval**



#### **Development and Operations Team**

Lead Developer	St. Mary Development Corporation
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Key Community Development Corp
OLIHTC Syndicator/Investor	Key Community Development Corp
GP/MM #1 Parent Entity	St. Mary Development Corporation
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Ruscilli Construction Co. LLC
Architect of Record	BDCL Architects, PC
Property Management Firm	Pivotal Management LLC

#### **Nearby Amenities**

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Save A Lot	<0.5 miles
Medical Clinic	Ohio City Health Center	<1.00 miles
Childcare Facility	Horizon Learning Center	<0.30 miles
Senior Center	Golden Age Center	<0.70 miles
Pharmacy	Walgreens	<0.70 miles
Public Library	Cleveland Public Library	<0.65 miles
Public Park	Lincoln Park	<0.30 miles
Public School	Paul L Dunbar Elementary	<0.30 miles
Public Recreation Center	Roberto Clemente Park	<0.60 miles

#### Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI	11	21%
60% AMI	35	66%
70% AMI	7	13%
80% AMI		
Unrestricted		
Manager's		
Total Units	53	100%

# Project Rendering



#### **Project Narrative**

HUB 27 is a 53 unit building for Senior residents in Cleveland OH. The property will be a single 5 story building with one- and two-bedroom units. The building will adhere to Energy Star and Enterprise Green Communities standards. There is a community room with a kitchenette and computer area, as well as a fitness room located within the building. The site is conveniently located close to several essential community amenities - within a mile of a convenience store, Save A Lot grocery store, senior center (Golden Age Center), a public library and various recreation sites. Within two miles of the site, there is a Wal-Mart, Cleveland Clinic, Metro Health Center and a community resource center.

#### Site Information

Site Size (Acres)	1.2
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	57
Parking Ratio (Parking Spaces per Unit)	1.1
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualfied Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very High
Census Tract Change Index	Growth

#### **Building Square Footage Breakdown**

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	42,640	77%
Manager's Unit Area		
Common Area	6,570	12%
Support and Program Space	2,040	4%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	3,800	7%
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	55,050	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	29	55%	0	0%
2-BR	24	45%	0	0%
3-BR				
4-BR				
5-BR				
Total Units	53	100%	0	0%

# **Consolidated Annual Operating Budget**

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$653,249	\$12,325
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$45,727)	(\$863)
Effective Gross Income (EGI)	\$607,522	\$11,463
Administrative Expenses	\$111,750	\$2,108
Property Management Fee	\$30,386	\$573
Owner-Paid Utility Expenses	\$44,150	\$833
Maintenance Expenses	\$51,000	\$962
Real Estate Taxes	\$66,000	\$1,245
(Abated Real Estate Taxes)	(\$62,700)	(\$1,183)
Property and Liability Insurance	\$38,500	\$726
Other Insurance and Tax Expenses	\$0	\$0
Ongoing Reserve Contributions	\$21,200	\$400
(Operating Subsidy)	\$0	\$0
Total Annual Operating Expenses	\$300,286	\$5,666
Net Operating Income (EGI - OpEx)	\$307,236	\$5,797

# LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$17,704,348
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$17,704,348
Codified Basis Boost			\$23,015,652
Adjusted Eligible Basis			\$23,015,652
X Applicable Fraction			100%
Qualified Basis			\$23,015,652
30% Present Value Rate			4.00%
Annual LIHTC Generated			\$920,626
Total 10-Year LIHTC Requested	\$9,206,261		
LIHTC Equity Generated	\$8,586,594	1	
Equity Price	\$0.93		

### **Construction Sources of Funds**

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$4,079,928	21%
Ohio LIHTC Equity	\$3,118,286	16%
Construction Loan	\$10,000,000	51%
Housing Development Loan	\$2,500,000	13%
Deferred Developer Fee	\$65,019	0%
Total Construction Sources	\$19,763,233	100%

# Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,100,000	\$20,755	\$0
Predevelopment	\$812,771	\$15,335	\$812,771
Site Development	\$1,126,583	\$21,256	\$1,126,583
Hard Construction	\$11,172,594	\$210,804	\$11,172,594
Financing	\$1,736,247	\$32,759	\$1,365,400
Professional Fees	\$345,000	\$6,509	\$290,000
Developer Fee	\$2,937,000	\$55,415	\$2,937,000
OHFA and Other Fees	\$223,038	\$4,208	\$0
Capitalized Reserves	\$310,000	\$5,849	\$0
Total Development Costs (TDC)	\$19,763,233	\$372,891	\$17,704,348
LIHTC Eligible Basis as a Percent of Total Development Costs		90%	

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$372,891	\$400,000	-7%
TDC per Gross Square Foot	\$359	\$420	-15%

1.26

1.20

# Maximum Permanent Debt Sizing

\_

	Max Loan for
	Stabilized Y1
Net Operating Income (NOI)	\$307,236
Debt Service Coverage Ratio	1.20
NOI Available for Debt Service	\$256,030
Interest Rate	5.88%
Amortization Period (Years)	40
Loan Term (Years)	17
Maximum Perm Loan Amount	\$3,937,427
Actual Perm Loan Amount	\$3,750,000
Variance	(\$187,427)

Debt Service Coverage Ratio

#### \$256,030 5.88% \$307,236 5.88% 40 40 40 17 \$3,937,427 \$3,750,000 (\$187,427) 17 \$4,724,913 Year 1 Year 15

Max Loan to Stabilized Y15 \$307,236 1.00

1.42

1.00

OHFA Minimum DSCR

### Permanent Sources of Funds

Souce Name	Total	Percent of Total
Federal LIHTC Equity	\$8,586,594	43%
Ohio LIHTC Equity	\$6,236,572	32%
Permanent First Mortgage	\$3,750,000	19%
Deferred Developer Fee	\$1,190,067	6%
Total Permanent Sources	\$19,763,233	100%