

Proposal Summary

2026 Ohio LIHTC AHFA Proposal Application

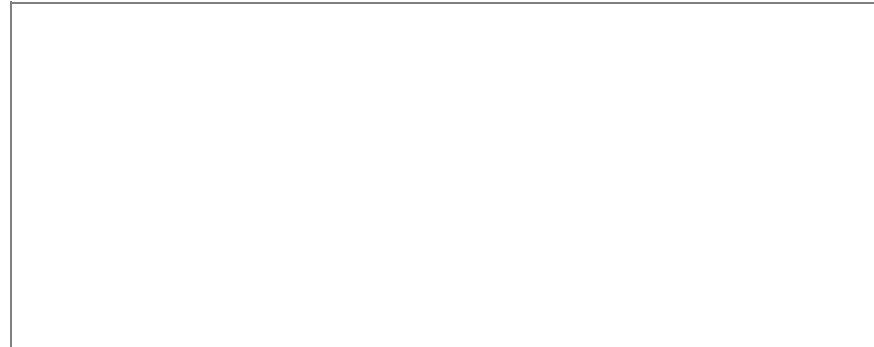
Affordable Housing Funding Application (AHFA)

Project Name: MLK Plaza Phse 1A

Basic Project Information

Project Name:	MLK Plaza Phse 1A
OHFA Project Number:	26-0623
LIHTC Type:	4%
Project Address:	6300 Wade Park Avenue
Project City or Township:	Cleveland
Project County:	Cuyahoga
Construction Type:	New Construction
Age Restriction:	General Occupancy
Funding Pool:	Metro - General Occupancy
Lead Developer:	Northern Real Estate Urban Ventures
Total Number of Units:	117
Total Number of Buildings:	2

Project Rendering



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Est. Total 10-Year Ohio LIHTCs:	\$8,083,530	
Multifamily Bonds (Inducement):	\$19,984,812	
Multifamily Bonds (Final):		

Project Narrative

Phase 1A begins the redevelopment of the Martin Luther King Shopping Plaza, which was constructed in 1972. Cleveland residents' suburban flight in the 1960s and 70s, combined with systemic erosion of neighborhood retail has left this once-bustling shopping plaza all but abandoned. Phase 1A includes 117 affordable apartments including 1,2, and 3 bedroom units. The project will include robust amenity spaces including a community room, fitness center, library/computer room, playground and supportive services offices. The completed master project on the plaza site will include these 117 units, 25 townhomes and a 7,000 SF market/food hall operated by local entrepreneurs, transforming a distressed, underutilized parcel into a vibrant community asset. Northern Real Estate Urban Ventures (NREUV), a black woman-owned firm specializing in affordable housing and community development projects, will serve as

Development and Operations Team

Lead Developer	Northern Real Estate Urban Ventures
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Enterprise Housing Credit Investments, LLC
OLIHTC Syndicator/Investor	Enterprise Housing Credit Investments, LLC
GP/MM #1 Parent Entity	NREUV

Site Information

Site Size (Acres)	2.128
Scattered Sites?	No
Total Number of Buildings	2
Total Number of Elevator-Serviced Buildings	2
Total Parking Spaces	59
Parking Ratio (Parking Spaces per Unit)	0.5
Urban Suburban Rural (USR) Geography	Central City

GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	Mistick Construction
Architect of Record	RDL Architects
Property Management Firm	PK Management

Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very Low
Census Tract Change Index	Slight Decline

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	Save-a-Lot	0.808712121
Medical Clinic	Cleveland Clinic Walk-In Clinic	0.946969697
Childcare Facility	Cleveland Music School Settlement Preschool	0.745833333
Senior Center		
Pharmacy	Walgreens	0.663257576
Public Library	Langston Hughes Branch	0.458712121
Public Park	Rockefeller Park	0.140151515
Public School	Daniel Morgan K-8 School	0.166856061
Public Recreation Center	Cleveland Thurgood Marshall	0.417613636

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	108,879	88%
Manager's Unit Area		
Common Area	15,083	12%
Support and Program Space		
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	123,962	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	9	8%
40% AMI		
50% AMI	24	21%
60% AMI	84	72%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	117	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,531,826	\$13,093
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$107,228)	(\$916)
Effective Gross Income (EGI)	\$1,424,598	\$12,176
(Administrative Expenses)	(\$140,100)	(\$1,197)
(Property Management Fee)	(\$75,000)	(\$641)
(Owner-Paid Utility Expenses)	(\$95,636)	(\$817)
(Maintenance Expenses)	(\$171,000)	(\$1,462)
(Net Real Estate Taxes)	(\$5,000)	(\$43)
(Property and Liability Insurance)	(\$60,000)	(\$513)
(Other Insurance and Tax Expenses)	(\$37,250)	(\$318)
(Ongoing Reserve Contributions)	(\$46,800)	(\$400)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$630,786)	(\$5,391)
Net Operating Income (EGI - Operating Expenses)	\$793,812	\$6,785

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$1,040,443		\$37,507,482
- Reductions in Eligible Basis	\$0		\$0

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	43	37%	0	0%
2-BR	56	48%	0	0%
3-BR	18	15%	0	0%
4-BR				
5-BR				
Total Units	117	100%	0	0%

Total Number of 504-Compliant Units	18
Mobility Units	14
Sensory Units	4

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,525,050	\$13,035	\$1,040,443
Predevelopment	\$1,213,028	\$10,368	\$1,213,028
Site Development	\$1,608,337	\$13,746	\$1,608,337
Hard Construction	\$26,811,104	\$229,155	\$26,811,104
Financing	\$2,770,681	\$23,681	\$1,432,013
Professional Fees	\$1,643,000	\$14,043	\$1,643,000
Developer Fee	\$4,800,000	\$41,026	\$4,800,000
OHFA and Other Fees	\$440,421	\$3,764	\$0
Capitalized Reserves	\$693,396	\$5,926	\$0
Total Development Costs (TDC)	\$41,505,017	\$354,744	\$38,547,925
LIHTC Eligible Basis as a Percent of Total Development Costs			93%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$354,744	\$448,000	-21%
TDC per Gross Square Foot	\$335	\$430	-22%

	Year 1	Year 15
Debt Service Coverage Ratio	1.16	1.38
OHFA Minimum DSCR	1.20	1.00

= Net Eligible Basis	\$1,040,443		\$37,507,482
Codified Basis Boost (DDA/QCT)			\$48,759,727
Agency Discretionary Basis Boost			\$48,759,727
Adjusted Eligible Basis	\$1,040,443		\$48,759,727
X Applicable Fraction	100%		100%
Qualified Basis	\$1,040,443		\$48,759,727
30% Present Value Rate	4%		4%
Annual LIHTC Generated	\$41,618		\$1,950,389
Total 10-Year LIHTC Generated	\$19,920,068		
Total 10-Year LIHTC Requested	\$19,920,068		
LIHTC Equity Generated	\$17,262,737		
Equity Price	\$0.8667		

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$9,667,132	23%
Ohio LIHTC Equity	\$2,957,000	7%
Construction Loan	\$19,984,812	48%
Deferred Developer Fee	\$1,919,721	5%
HOME	\$6,781,035	16%
Refundable Deposit	\$195,317	0%
Total Construction Sources	\$41,505,017	100%

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$17,262,737	42%
Ohio LIHTC Equity	\$5,280,360	13%
Permanent First Mortgage	\$9,765,850	24%
Deferred Developer Fee	\$1,919,718	5%
HOME	\$6,781,035	16%
Brownfields	\$300,000	1%
Refundable Deposit	\$195,317	0%
Total Permanent Sources	\$41,505,017	100%