

Proposal Summary

2026 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Lorain West

Basic Project Information

Project Name:	Lorain West
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	5301 Lorain Avenue
Project City or Township:	Cleveland
Project County:	Cuyahoga
Construction Type:	New Construction
Age Restriction:	General Occupancy
Funding Pool:	New Affordability - General Occupancy
State Region:	Northeast
Lead Developer:	Volker Development Inc.
Total Number of Units:	65
Total Number of Buildings:	1

Project Rendering



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Housing Development Loan:	\$1,750,000	

Project Narrative

The Lorain West Project is a proposed new construction, 65-unit family project located on Lorain Avenue in the City of Cleveland, Ohio. Lorain West will provide much needed affordable housing for families in the City of Cleveland and Cuyahoga County. The Project will serve families with incomes between 30% and 70% AMI. The building's amenities will include open-concept floor plans, in-unit washers, dryers, and dishwashers, a community/multi-purpose room, enhanced indoor/outdoor security camera systems, and 24-hour secured access. Additionally, the project will capitalize on transit-oriented access to the W. 65-Lorain RTA Rapid Station and high frequency bus lines along Lorain Avenue.

Set Asides Sought

Set Aside Type	Potentially Eligible?	Sought by Applicant?
Community Housing Development Organization:	No	No
QCT with Concerted Community Revitalization Plan:	No	No
Community Impact Strategic Initiative:	No	No
Continuum of Care Referral Partnership:	Ineligible Pool	Ineligible Pool
Non-Continuum of Care Referral Partnership:	Ineligible Pool	Ineligible Pool
Balance of State or Small Continuum of Care:	Ineligible Pool	Ineligible Pool

Competitive Scoring: New Affordability - General Occupancy Pool

Competitive Criterion	Maximum Score	Auto-Calculated Score	Applicant Self-Score
Opportunity General Occ. Index	40	32.3	32.4
Housing Needs Index:	35	21.0	21.0
LIHTC Request per LIHTC Unit:	25	25.0	25.0
Total:	100	78.4	78.4

 Tiebreaker #1: LIHTC Awards in Census Tract over Past Three Years:

Development and Operations Team

Lead Developer	Volker Development Inc.
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Key Community Development Corp.
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	Volker Housing Partners, LLC
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	John G. Johnson Construction
Architect of Record	RDL Architects, Inc.
Property Management Firm	Involve Client Services Group, LLC
Supportive Services Provider	N/A

Site Information

Site Size (Acres)	1.017
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	17
Parking Ratio (Parking Spaces per Unit)	0.3
Metropolitan or Rural?	Metropolitan
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Neighborhood Opportunity General Occupancy Index	80.87
Housing Needs Index	60.10
Neighborhood Change Index	65.94

Residential Units by Income Restrictions

Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	17	26%
40% AMI		
50% AMI		
60% AMI	27	42%
70% AMI	21	32%
80% AMI		
Unrestricted		
Manager's		
Total Units	65	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$949,620	\$14,610
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$66,473)	(\$1,023)
Effective Gross Income (EGI)	\$883,147	\$13,587
(Administrative Expenses)	(\$111,291)	(\$1,712)
(Property Management Fee)	(\$52,985)	(\$815)
(Owner-Paid Utility Expenses)	(\$52,000)	(\$800)
(Maintenance Expenses)	(\$93,666)	(\$1,441)
(Net Real Estate Taxes)	(\$20,000)	(\$308)
(Property and Liability Insurance)	(\$42,250)	(\$650)
(Other Insurance and Tax Expenses)	(\$15,016)	(\$231)
(Ongoing Reserve Contributions)	(\$20,475)	(\$315)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$407,683)	(\$6,272)
Net Operating Income (EGI - Operating Expenses)	\$475,464	\$7,315

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$19,731,455
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$19,731,455
QCT/DDA Codified Basis Boost			\$0
OHFA Discretionary Basis Boost			\$1
Adjusted Eligible Basis			\$25,650,892
X Applicable Fraction			100%
Qualified Basis			\$25,650,892
70% Present Value Rate			9%
Annual LIHTC Generated			\$2,308,580
Total 10-Year LIHTC Generated	\$23,085,802		
Total 10-Year LIHTC Requested	\$18,000,000		
LIHTC Equity Generated	\$16,018,398		
LIHTC Net Equity Price	\$0.8900		

Residential 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	10	15%	0	0%
2-BR	44	68%	0	0%
3-BR	11	17%	0	0%
4-BR				
5-BR				
Total Units	65	100%	0	0%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,650,000	\$25,385	\$0
Predevelopment	\$614,715	\$9,457	\$614,715
Site Development	\$745,222	\$11,465	\$745,222
Hard Construction	\$15,152,059	\$233,109	\$15,152,059
Financing	\$1,558,432	\$23,976	\$1,102,709
Professional Fees	\$228,100	\$3,509	\$116,750
Developer Fee	\$2,000,000	\$30,769	\$2,000,000
OHFA and Other Fees	\$293,350	\$4,513	\$0
Capitalized Reserves	\$400,701	\$6,165	\$0
Total Development Costs (TDC)	\$22,642,579	\$348,347	\$19,731,455
LIHTC Eligible Basis as a Percent of Total Development Costs			87%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$348,347	\$382,909	-9%
TDC per Gross Square Foot	\$309	\$388	-20%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$475,463	\$548,636
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$396,219	\$548,636
Interest Rate	6.55%	6.55%
Amortization Period	35	35
Loan Term (Years)	17	17
Maximum Perm Loan Amount	\$5,430,000	\$7,520,000
Actual Perm Loan Amount	\$5,400,000	
Amount Variance	(\$30,000)	
Percent Variance	-0.6%	

	Year 1	Year 15
Debt Service Coverage Ratio	2.17	1.89
OHFA Minimum DSCR	1.20	1.00

