

Proposal Summary

2026 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: MLK Plaza Phase 1A

Basic Project Information

Project Name:	MLK Plaza Phase 1A
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	9300 Wade Park 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:	Northern Real Estate Urban Ventures, LLC
Total Number of Units:	53
Total Number of Buildings:	1

Project Rendering



OHFA Resource Request Requiring Board Approval

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

Project Narrative

Phase 1A begins the redevelopment of Martin Luther King Plaza, constructed in 1972. Cleveland residents' suburban flight and the erosion of neighborhood retail has left this once-bustling shopping center all but abandoned. Phase 1A includes 53 affordable apartments including 1-, 2-, and 3-BR units. The project will include robust amenity spaces including a community room, fitness center, library/computer room, playground, and supportive services offices. The completed project will involve 120 multifamily 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 developer.

Set Asides Sought

Set Aside Type

	Potentially Eligible?	Sought by Applicant?
Community Housing Development Organization:	No	No
QCT with Concerted Community Revitalization Plan:	No	Yes
Community Impact Strategic Initiative:	Yes	Yes
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	14.7	14.7
Housing Needs Index:	35	22.6	22.6
LIHTC Request per LIHTC Unit:	25	25.0	25.0
Total:	100	62.3	62.3

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

Development and Operations Team

Lead Developer	Northern Real Estate Urban Ventures, LLC
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	N/A
GP/MM #1 Parent Entity	N/A
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
Supportive Services Provider	Project Community Capital

Site Information

Site Size (Acres)	.938 acres
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	30
Parking Ratio (Parking Spaces per Unit)	0.6
Metropolitan or Rural?	Metropolitan
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Neighborhood Opportunity General Occupancy Index	36.71
Housing Needs Index	64.52
Neighborhood Change Index	31.79

Residential Units by Income Restrictions

Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	6	11%
40% AMI		
50% AMI	18	34%
60% AMI	29	55%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	53	100%

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	25	47%	10	40%
2-BR	20	38%	0	0%
3-BR	8	15%	0	0%
4-BR				
5-BR				
Total Units	53	100%	10	19%

Consolidated Annual Operating Budget

Operating Line Item		Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income		\$678,978	\$12,811
Potential Gross Commercial Income		\$0	\$0
Potential Gross Service Income		\$0	\$0
Vacancy Allowance (Blended)	7%	(\$47,529)	(\$897)
Effective Gross Income (EGI)		\$631,449	\$11,914
(Administrative Expenses)		(\$92,350)	(\$1,742)
(Property Management Fee)		(\$32,000)	(\$604)
(Owner-Paid Utility Expenses)		(\$55,220)	(\$1,042)
(Maintenance Expenses)		(\$68,700)	(\$1,296)
(Net Real Estate Taxes)		(\$5,000)	(\$94)
(Property and Liability Insurance)		(\$30,000)	(\$566)
(Other Insurance and Tax Expenses)		(\$22,690)	(\$428)
(Ongoing Reserve Contributions)		(\$22,260)	(\$420)
Operating Subsidy		\$0	\$0
(Total Operating Expenses)		(\$328,220)	(\$6,193)
Net Operating Income (EGI - Operating Expenses)		\$303,229	\$5,721

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$16,831,376
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$16,831,376
QCT/DDA Codified Basis Boost			\$1
OHFA Discretionary Basis Boost			\$1
Adjusted Eligible Basis			\$21,880,789
X Applicable Fraction			100%
Qualified Basis			\$21,880,789
70% Present Value Rate			9%
Annual LIHTC Generated			\$1,969,271
Total 10-Year LIHTC Generated	\$19,692,710		
Total 10-Year LIHTC Requested	\$14,800,000		
LIHTC Equity Generated	\$12,430,757		
LIHTC Net Equity Price	\$0.8400		

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$6,215,378	33%
Construction Loan	\$8,251,133	44%
Housing Development Loan	\$1,750,000	9%
Deferred Developer Fee	\$1,000,000	5%
Construction Funding Source	\$1,100,000	6%
Construction Funding Source	\$300,000	2%
Total Construction Sources	\$18,616,511	100%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$580,899	\$10,960	\$0
Predevelopment	\$821,167	\$15,494	\$821,167
Site Development	\$412,976	\$7,792	\$265,476
Hard Construction	\$12,649,271	\$238,665	\$12,649,271
Financing	\$1,354,370	\$25,554	\$919,197
Professional Fees	\$281,274	\$5,307	\$176,265
Developer Fee	\$2,000,000	\$37,736	\$2,000,000
OHFA and Other Fees	\$243,550	\$4,595	\$0
Capitalized Reserves	\$273,004	\$5,151	\$0
Total Development Costs (TDC)	\$18,616,511	\$351,255	\$16,831,376
LIHTC Eligible Basis as a Percent of Total Development Costs			90%

Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$351,255	\$382,909	-8%
TDC per Gross Square Foot	\$299	\$388	-23%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$303,230	\$336,722
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$252,691	\$336,722
Interest Rate	6.00%	6.00%
Amortization Period	40	40
Loan Term (Years)	18	18
Maximum Perm Loan Amount	\$3,820,000	\$5,090,000
Actual Perm Loan Amount	\$3,785,754	
Amount Variance	(\$34,246)	
Percent Variance	-0.9%	

	Year 1	Year 15
Debt Service Coverage Ratio	1.92	1.68
OHFA Minimum DSCR	1.20	1.00

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$12,430,757	67%
Permanent First Mortgage	\$3,785,754	20%
Deferred Developer Fee	\$1,000,000	5%
Permanent Financing Source	\$1,100,000	6%
Permanent Financing Source	\$300,000	2%
Total Permanent Sources	\$18,616,511	100%