

**Proposal Summary** 2024 9% LIHTC Proposal Application

Affordable Housing Funding Application (AHFA) Project Name: Berkshire Commons

**Basic Project Information**

Project Name	Berkshire Commons
LIHTC Type	9%
Allocation Pool	New Affordability - General Occupancy
Project Address	0 State Route 37
Project City or Township	Berkshire Twp (Sunbury Mailing Address)
Project County	Delaware
Construction Type	New Construction
Age Restriction	General Occupancy

**OHFA Resource Request Requiring Board Approval**

HDAP: HOME	N/A
Housing Development Loan	\$1,750,000
Multifamily Lending Program:	N/A

**Development and Operations Team**

Lead Developer	Pivotal Development LLC
Co-Developer #1	
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Ohio Capital Corporation for Housing
GP/MM #1 Parent Entity	Pivotal GP Holding LLC
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

**Site Information**

Site Size (Acres)	4.65
Scattered Sites?	No
Total Number of Buildings	1
Total Parking Spaces	93
Parking Ratio (Parking Spaces per Unit)	1.6
Urban Suburban Rural (USR) Geography	Rural
Located in a Participating Jurisdiction (PJ)?	No
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Very High
Census Tract Change Index	Growth

**Units by LIHTC Income Restrictions**

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	17	29%
40% AMI		
50% AMI	6	10%
60% AMI	11	19%
70% AMI	24	41%
80% AMI		
Unrestricted		
Manager's		
<b>Total Units</b>	<b>58</b>	<b>100%</b>

**Project Rendering**



**Project Narrative**

Berkshire Commons is a proposed 58-unit workforce housing development located in Berkshire Township, Ohio. The energy-efficient development will be situated on a vacant infill lot north of Tanger Outlets Columbus and less than 20 miles from Intel's new multibillion-dollar, 1,000-acre plant. The workforce development will feature amenity-rich 1-, 2-, and 3-bedroom units within a 4-story, elevator-served building. These units will boast modern and open floor plans, a living area, full-size kitchens, spacious bedrooms, and extensive family-friendly amenities. Building amenities will include a community room, professionally trained on-site management, a playground, a fitness center, a computer center, an outdoor pavilion/gazebo, and extensive energy efficiency features.

**Building Square Footage Breakdown**

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	53,103	80%
Manager's Unit Area		
Common Area	8,114	12%
Support and Program Space	2,451	4%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)	2,880	4%
Structured Parking/Garage		
Basement		
<b>Total Square Footage of all Buildings</b>	<b>66,548</b>	<b>100%</b>

**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	15	26%	0	0%
2-BR	31	53%	0	0%
3-BR	12	21%	0	0%
4-BR				
5-BR				
<b>Total Units</b>	<b>58</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

### Consolidated Annual Operating Budget

Operating Line Item		Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income		\$709,092	\$12,226
Potential Gross Commercial Income		\$0	\$0
Potential Gross Service Income		\$0	\$0
Vacancy Allowance (Blended)	7%	(\$49,637)	(\$856)
Effective Gross Income (EGI)		\$659,455	\$11,370
Administrative Expenses		\$68,600	\$1,183
Property Management Fee		\$32,973	\$569
Owner-Paid Utility Expenses		\$50,300	\$867
Maintenance Expenses		\$103,100	\$1,778
Real Estate Taxes		\$46,345	\$799
(Abated Real Estate Taxes)		\$0	\$0
Property and Liability Insurance		\$43,500	\$750
Other Insurance and Tax Expenses		\$0	\$0
Ongoing Reserve Contributions (Operating Subsidy)		\$23,200	\$400
		\$0	\$0
Total Annual Operating Expenses		\$368,018	\$6,345
Net Operating Income (EGI - OpEx)		\$291,437	\$5,025

### LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$17,905,269
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$17,905,269
Codified Basis Boost; or Discretionary Basis Boost			\$17,905,269
Adjusted Eligible Basis			\$23,276,850
X Applicable Fraction			100%
Qualified Basis			\$23,276,850
70% Present Value Rate			9.00%
Annual LIHTC Generated			\$2,094,916
Total 10-Year LIHTC Requested	\$17,399,420		
LIHTC Equity Generated	\$15,629,346		
Equity Price	\$0.90		

### Construction Sources of Funds

Construction Sources	Amount	Percent of Total
Federal LIHTC Equity	\$1,583,189	8%
Construction Loan	\$13,600,000	68%
HDAP: HOME		
Housing Development Loan	\$1,750,000	9%
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$937,189	5%
Sponsor Loan		
GP/MM Capital Contribution	\$216,877	1%
Post-Construction Costs	\$1,846,157	9%
N/A		
Total Construction Sources	\$19,933,412	100%

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

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$950,000	\$16,379	\$0
Predevelopment	\$756,895	\$13,050	\$746,895
Site Development	\$1,123,207	\$19,366	\$1,123,207
Hard Construction	\$11,481,362	\$197,955	\$11,481,362
Financing	\$1,784,798	\$30,772	\$1,404,605
Professional Fees	\$285,000	\$4,914	\$165,000
Developer Fee	\$2,984,200	\$51,452	\$2,984,200
OHFA and Other Fees	\$263,197	\$4,538	\$0
Capitalized Reserves	\$304,753	\$5,254	\$0
Total Development Costs (TDC)	\$19,933,412	\$343,680	\$17,905,269
LIHTC Eligible Basis as a Percent of Total Development Costs			90%

### Cost Containment Standards

	Project	Maximum	Variance
TDC per Unit	\$343,680	\$301,458	14%
TDC per Gross Square Foot	\$300	\$342	-12%

### Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$291,438	\$291,438
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$242,865	\$291,438
Interest Rate	7.00%	7.00%
Amortization Period (Years)	35	35
Loan Term (Years)	15	15
Maximum Perm Loan Amount	\$3,167,961	\$3,801,553
Actual Perm Loan Amount	\$3,150,000	
Variance	(\$17,961)	
	Year 1	Year 15
Debt Service Coverage Ratio	1.21	1.30
OHFA Minimum DSCR	1.20	1.00

### Permanent Sources of Funds

Permanent Sources	Total	Percent of Total
Federal LIHTC Equity	\$15,629,346	78%
Permanent First Mortgage	\$3,150,000	16%
Permanent Second Mortgage		
HDAP: HOME		
Fed. Historic Tax Credit Equity		
Deferred Developer Fee	\$937,189	5%
Sponsor Loan		
GP/MM Capital Contribution	\$216,877	1%
N/A		
Total Permanent Sources	\$19,933,412	100%