

The developer is requesting gap financing from the City to ensure feasibility of the project. The tax credit application deadline is May 9, 2025.

Applicants for tax credits proposing to use government gap financing must include a letter of binding commitment from the local government in their full applications to NCHFA. Greenway Residential Development, LLC is one of three multifamily developers making a request to the City for funding.

The proposed development will be two two/three-story garden style buildings with a community building. It will consist of ten one-bedroom, 30 two-bedroom, and 20 three-bedroom units and serve families with incomes below 80% of area median income.

Unit Count by Area Median Income				
<30%	31-50%	51-60%	61-80%	Total Units
15	12	17	16	60

The community center will be designed for families and will feature a computer center and 24-hour fitness center via key card access. The site will also have a covered picnic area, playground, and on-site laundry facility.

Greenway Residential Development, LLC was formed in 2009 by Bradley Parker, principal of Greenway Development, LLC, and the principals of two other companies that develop and construct affordable single-family, multifamily, and senior housing. Greenway Residential constructs, owns and operates all of its projects and has 28 communities to date in North Carolina and South Carolina. Mr. Parker has over 30 years of experience in residential development and banking. Sage Pointe Apartments, LLC, its affiliates and/or assigns, will be the borrowing entity.

Proposed financing for the development is summarized as follows:

\$10,920,000	Federal Tax Credit Equity
2,120,000	First Mortgage Bank Loan
1,600,000	Requested City Mortgage Loan
<u>1,500,000</u>	Workforce Housing Loan Program
\$16,140,000	TOTAL

A resolution to provide a \$1,600,000 subordinate mortgage loan for Sage Pointe Apartments is presented for consideration. The proposed fund source is the Affordable Housing Development funds. This commitment is contingent upon an award of 2025 Low Income Housing Tax Credits by NCHFA, attainment of all other sources of financing, availability of City funds, and completion of construction in compliance with the provisions of the attached Exhibit A to the Resolution.

The project will be subject to a 30-year affordability period, and Sage Pointe Apartments, LLC will be required to adhere to the City's Affordable Housing Ordinance (AHO) and Housing Justice Act. The development project is required to be completed with a certificate of occupancy within two years of the fully executed award agreement/contract.