



Writer's Extension: 131
Writer's Email: dlevy@ahmi.org

VIA EMAIL

June 30, 2016

RE: Bingham-English Street Apartments

Dear Ms. Blue:

Affordable Housing Management, Inc. (AHM) has had ongoing discussions with City staff for a number of years in order to determine how best to resolve the issues resulting from AHM agreeing to take over ownership of the Bingham/English Street Apartments. In 1999, after the Greensboro Episcopal Housing Ministry filed for bankruptcy, the City requested and AHM agreed to acquire the apartments located at 225 Bingham and 316 English Street, although the property had extremely low rents with residents in place who could not afford to pay higher rent, resulting in negative operating cash flow.

After years of AHM covering operating losses (currently AHM has \$54,918.14 owed for expenses it has covered due to the operating losses), it was determined the building/units physical condition had reached a point that would require significant renovations but infeasible due to having a City loan balance of approximately \$214,000.

AHM respectfully requests the City do the following:

Approve the offer to purchase both of the properties for a total of \$189,000.

From the sale proceeds, allow AHM to recoup its September 2008, \$72,438 investment used to pay off the original Wachovia loan that AHM assumed when acquiring the property in 1999. AHM paid the loan off to decrease the annual negative cash flow.

Allow AHM to recoup an additional \$3,500 it loaned the property to have some trees removed and/or trimmed in 2012. One of those trees was huge and dying which was a significant threat of damage to the property or persons.

City would receive remaining sale proceeds of \$113,062, cancel remainder of the debt, and provide lien satisfaction document for recordation.

Subject to the City agreeing to the above, AHM is willing to absorb \$51,418.14 of operating losses.

Sincerely,

David B. Levy
Executive Director