

Greensboro United Methodist Housing
2608 Merritt Drive
Greensboro, NC 27407

February 1, 2017

Dear Members of City Council,

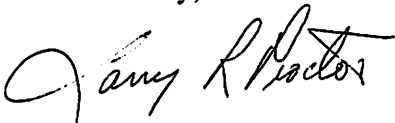
The board of Greensboro United Methodist Housing is requesting City Council approval for the sale of property located at 2608 Merritt Drive to our nonprofit. We have been leasing this property since the opening of Aldersgate I Apartments in 1978. The space is used as an office and a community building for both Aldersgate I and Aldersgate II. These apartment communities (118 units) provide an affordable, safe, and nurturing home for senior and disabled individuals with low and very low incomes (based on HUD's income limits). Each resident only pays 30% of his/her income in rent, and HUD provides rental assistance for the balance of the rent.

The community building provides a gathering place for resident activities. It is a hub for exercise classes, wellness checks, bingo, Spanish classes, and luncheons. There is a computer available for resident use and there is a small library. The building has been maintained through the years (new roofing, a patio/sunroom addition, and addition of a small kitchen).

The current loans for Aldersgate I & II are being refinanced with a HUD insured 223(f) loan. We are borrowing additional funds to finance a major renovation for both properties. Due to its age, the community building needs upgrades to meet 504 accessibility requirements and we plan to use the additional funds for those improvements. The focus will be on improvements to the kitchen area, bathrooms, and office space.

One of the requirements for using the 223(f) loan proceeds is that the borrower have title to the property where the improvements will be made. We are requesting City Council allow Greensboro United Methodist Housing to purchase the property with a 10 year loan, forgivable over the term of the loan as long as the property maintains its affordability. The new 223(f) loan will require the property to stay affordable over the 35 year loan period.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry R. Proctor". The signature is fluid and cursive, with the first name "Larry" being more prominent than the last name "Proctor".

Larry R. Proctor
President