

Mending Friendship Acres

Model Group hopes to renovate seniors' residences

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Nathan Kraatz / Wilmington News Journal One of the apartments at Friendship Acres stands Tuesday. One of the two buildings providing affordable housing for seniors may be renovated in coming years, if financing works out.

BLANCHESTER — Affordable housing for senior residents in Blanchester may be about to get “a shot in the arm.”

The Cincinnati-based Model Group hopes to renovate one of the two buildings that make up Friendship Acres in Blanchester. Both buildings house 125 people, mostly seniors. A decision to continue with renovation plans will be made in June, when the Ohio Housing Finance Agency is expected to announce recipients of tax credits. Model Group is also working to solicit private lenders.

The building Model Group hopes to rehabilitate is about 35 years old and houses 68 people. Both buildings are owned by Blanchester Friends Housing, a nonprofit.

Model Group, through a company called Brickstone Properties, has managed Friendship Acres since late 2013.

Blanchester Council member Cindy Sutton is the chair of Blanchester Friends Housing. She said the project is what seniors in Blanchester “deserve.”

“This facility needs to be the safest, cleanest facility for anyone who qualifies to be here,” she said. “It’s time we renovate it, and I’m not talking about a new stove or a new appliance” but a complete renovation.

“What we’re hoping to do is a pretty substantial rehab of the property,” said Bobby Maly, Model Group’s Chief Operating Officer. “It is in great need of some capital improvements. It’s been 35 years and (the units) have certainly reached their expected useful life.”

Maly added that the project would represent a \$9 million development.

The existing 64 units would be renovated, including work on the doors, windows, finishes, appliances, HVAC, flooring and sidewalk repairs.

“Honestly, it’s a great property, it just isn’t up to current living standards,” Maly said. “I think it is a great property, just long term it’s not going to be able to stand up to” competition and long-term operating costs.

“It’s outdated to say the least,” he added.

Blanchester isn’t expected to help financially, but its council did draft a letter of support for Model Group’s application.

“It’s going to help the community,” said interim Blanchester Mayor John Carman. “It looks like it’s going to be a good fit for the people that are there. There may be a few relocations that have to take place but that’s something Model Group is willing” to do.

Carman added that the renovations should add longevity to the buildings and extra security for their senior residents.

Maly said Model Group was working to secure public and private financing for the project in addition to its own contribution. He said the decision to proceed with the project would likely occur in June and would be based on the company’s ability to secure financing.

One of those options includes applying for a \$700,000 federal tax credit, the Low-Income Housing Tax Credit, which is administered by the Ohio Housing Finance Authority. If awarded,

Nathan Kraatz / Wilmington News Journal The interior of one of the apartments sits vacant Tuesday. This apartment was a one bedroom, one bathroom with a small living room and the pictured kitchenette.



that credit could be leveraged to secure private lenders, Maly said, which would increase working capital.

“We hope this goes through,” said Sutton. “It would be a good asset for Blanchester.”

The credit would then require the company to set rent according to LIHTC regulations, which limit how high rent can be set.

Residents would be spoken with one-on-one in June and July to determine who needs to be relocated and how best to do it, Maly also said.

An email from the Model Group to interim Blanchester Mayor John Carman said, “The residents that live in the building now will all be able to return as the building will continue to operate.”

Construction is tentatively planned to begin in April of 2016 and should finish in a year, according to Maly.

Brickstone Properties Property Manager Charlee Smith said Model Group also manages properties in Wilmington and has filled a niche in Clinton County, where about 16.5 percent of people live in poverty, according to the U.S. Census Bureau.

“Model’s put a good shot in the arm of Clinton County,” Smith said. “They really don’t give themselves enough credit.”

Sutton, however, did give Model Group much credit. She spoke well of the company’s work in Cincinnati, where the company is headquartered. She said the buildings there were beautiful inside and out.

“We couldn’t have a better company doing this,” Sutton said. The seniors “deserve that kind of facility.”

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