

SPECIAL EDITION

177 Homes

A Message from Our CEO

About the Project

From Mayor Bliss

# Blueprints

INNER CITY CHRISTIAN FEDERATION

SPECIAL EDITION WINTER 2018

# A MESSAGE FROM OUR CEO

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Dear ICCF friends and partners,

On November 21, ICCF closed on what is by far the largest real estate transaction we have ever completed – 213 homes, owned by one out-of-state investment firm managing them to provide an above-average return to investors. All of them are now being repurposed by ICCF to assure their continuing availability and affordability for low and moderate income households.

This is not something ICCF has done on our own. This was truly a community effort, including strong financial backing and leadership by key local foundations who provided nearly \$10 Million in grants and investment, together with enthusiastic support by the cities of Grand Rapids and Wyoming, as well as other area nonprofit housing organizations.

Here at ICCF, we often hear stories from families who have seen their rents go up hundreds of dollars in the span of a month or two and then end up with no place to go. Maybe you have heard them too. Area residents personally impacted by the affordable housing crisis have been vocal about the loss of affordable housing. They raised their voices in the media, at city commission meetings, to businesses and to organizations like ours. It was their persistent advocacy that gave ICCF and our partners the incentive to work together, primed for shared action.

Perhaps you, like me, have benefited from our area's hot housing market – my own home value is way up and my family's future is more secure. But, what about others? For instance, 26% of Grand Rapids residents live in poverty, including 31% of families with children and more than half (52%!) of our area's single female parent families with children. Where do they go when their building is sold and the new landlord raises the rent?

I believe deeply that God has called and positioned ICCF and others in our community to make a significant difference at such a time as this. Please keep your eyes, your ears, and your heart open over the next several months for ways in which you too can join this effort.

Shalom,



Ryan VerWys  
President and CEO  
[rverwys@iccf.org](mailto:rverwys@iccf.org)



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contact Katie Brower at  
[kbrower@iccf.org](mailto:kbrower@iccf.org) or (616)336-9333.

# THE CHALLENGE

## Hot Housing Market = Rising Rental Rates

Grand Rapids' housing market is now one of the hottest in the nation. Houses sell quickly and prices keep increasing. The area is thriving and property investors are confident and plentiful.

But for those of us who are concerned about housing for low and moderate income families and individuals, there is true cause for concern. The dynamics in today's hot housing market are very different than they were in preceding decades, when urban neighborhoods were too often characterized by disinvestment and discrimination. Today, the chief concern in urban neighborhoods is not disinvestment but displacement caused by rapidly escalating prices and rents.

Here are the facts:

- Between 2011 and 2016, area median income rose 18%
- Since 2011, the median home price has risen 64%
- Since 2011, the average rent for a two-person bedroom apartment has increased by 49%
- Between 2011 and 2016, the percentage of area homes sold for less than \$100,000 decreased from 49% to 15%, dropping to 11% in 2017 to date
- Of the 44,880 single family homes in the city of Grand Rapids 24% are investor-owned

Sources: US Census Bureau ACS, Grand Rapids Association of Realtors, Department of Numbers, Michigan Radio, RentJungle.com



# THE OPPORTUNITY

## Single Family Homes Portfolio Initiative

ICCF recently purchased 177 properties throughout the greater Grand Rapids and Lansing areas that will bring housing stability to hundreds of neighbors. The acquisition of these properties, which include 213 units of housing, will preserve affordable rental rates and provide new homeownership opportunities for low and moderate income families and individuals.

Members of the ICCF team spent the last several months ensuring each of the properties included in the purchase could be sustainably preserved as affordable housing. The team is convinced this purchase is a sound community investment, one that will make a significant impact in Grand Rapids area neighborhoods.

Key goals and objectives for the properties include:

- Partnering with other local housing nonprofits to assure 50% of the homes are sold to low and moderate income households within 5-10 years. Ensuring current tenants who desire to purchase their home, have the opportunity to do so
- Investing \$4.5 million to improve the properties with special attention to increasing energy efficiency and environmental stability of the homes, with 75% of the properties meeting the Green Home Institute's standards for Green Star Certification
- Hiring local contractors who are committed to employing low income residents of the neighborhoods in which the homes are located.



# TIMELINE

Letter of intent to purchase submitted

**MAY 26, 2017**



Due diligence and research of properties began

**JULY 1, 2017**



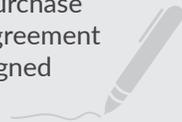
Launch nonprofit project collaborators initiative

**NOVEMBER 31, 2018**



**JUNE 23, 2017**

Purchase agreement signed



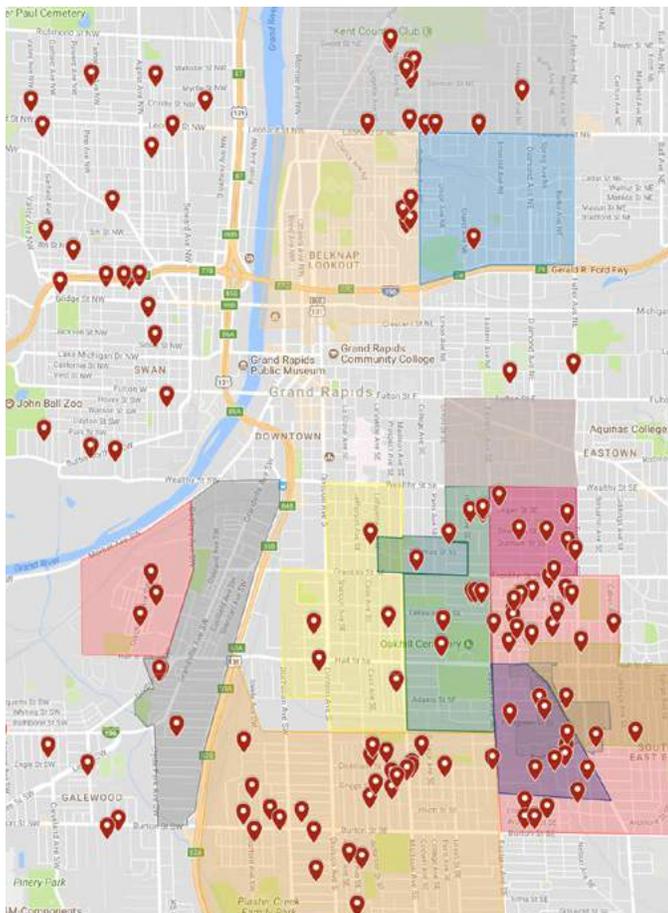
**NOVEMBER 21, 2017**

Closed on the portfolio



**NOVEMBER 31, 2020**

Estimated 25 homes purchased by low and moderate income homeowners



## BY THE NUMBERS:

**177**

Total number of properties

**153**

Number of single family homes

**26**

Number of duplexes & multi-family buildings

**213**

Total number of housing units

– **153** In Grand Rapids and Wyoming

– **60** In Lansing and Eaton Rapids

**\$4.5 Million**

Anticipated cost of renovations and capital improvements (over 10 years)

# GET INVOLVED

This significant purchase provides new avenues for collaboration in our community. Please consider how you might get involved:

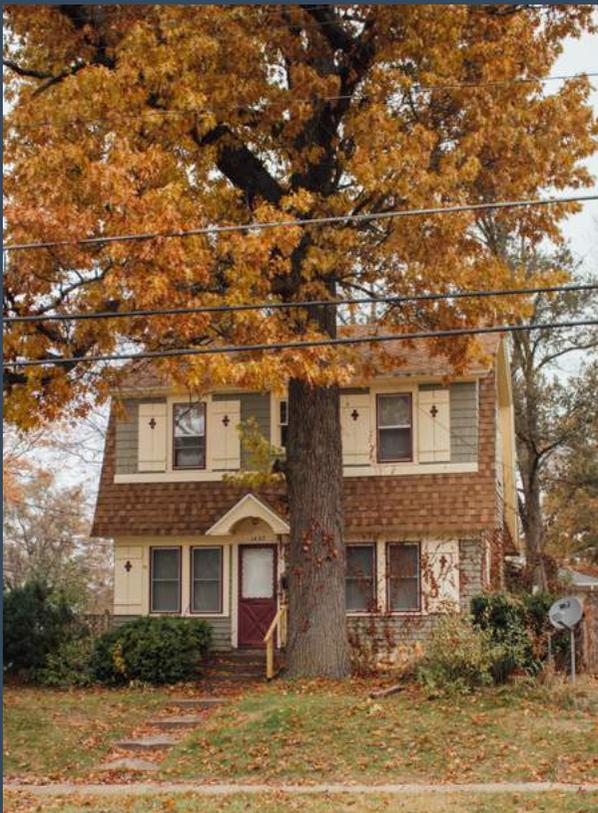
**Pray** for families and individuals who are experiencing homelessness or whose housing is at risk; for those whose housing is inadequate and who long for a home that fits their family's needs; for those who feel locked into circumstances which offer them no hope; for ICCF and others who seek to provide affordable options and services to help people cope, grow, and thrive.

**Volunteer** Stay tuned for ways that you as an individual, or your church or service club, can help ICCF make the best use of these homes.

**Give** Your financial contribution is critical in this new day when dramatically rising rents and home prices are creating enormous challenges for those of our neighbors living in poverty and those whose limited incomes are simply not enough.

“ Affordable housing is a critical need in our city, and we are grateful to ICCF for its incredible work around this issue. This initiative will provide real and lasting change in our community for generations to come.

– **MAYOR ROSALYNN BLISS**



Many, many thanks to our equity and financing partners:

- Barnabas Foundation
- CDV5 Foundation
- Peter C. and Emajean Cook Foundation
- Dick and Betsy DeVos Family Foundation
- Doug and Maria DeVos Foundation
- Frey Foundation
- Jandernoa Foundation
- National Christian Foundation West Michigan
- David and Carol Van Andel Family Foundation
- The Wege Foundation

# ICCF

Inner City Christian Federation

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Grand Rapids, Michigan 49506

## OUR MISSION

*Equitable Opportunity | Affordable Homes | Thriving Neighborhoods*



(P) 616-336-9333 | [WWW.ICCF.ORG](http://WWW.ICCF.ORG)



**"...REAL AND LASTING CHANGE IN OUR COMMUNITY  
FOR GENERATIONS TO COME..."** *More inside.*