

Case Study: Historic Redevelopment

In 2013, Third Wave Housing (TWH) contracted Oneida Mill from a local investor through Dowell Commercial. This investor had tried to do this historic rehabilitation himself but found the complexity associated with historic entitlement to be too much. TWH was the second historic developer to work on this asset. A Triangle historic developer contract this asset first and dropped the project after due diligence. The market had seen little new construction in a decade.

Property: 1880's mill of approx. 160,000 SF on 6.8 acres in Graham's CBD. Graham is the count seat of Alamance County.

Agency & Team: Buyer Representation of TWH by Sean Dowell of Dowell Commercial Realty in partnership with Ken Born of Born Commercial LLC

Approach

- *Patience & Understanding of Historic Development:* TWH had to fully entitle this property historically. This was almost a two year process due to the change in state historic tax credits, the fact this asset had to have its facade removed to show qualification for historic status, and also to line up numerous financing vehicles (NCHFA tax credits and also bonds sponsored by the city of Burlington). Dowell Commercial aided TWH with this process where possible and when ever requested.
- *Ability to Respond to Declining Conditions:* Building condition was an issue before contracting and even more during entitlement. This long vacant building had areas with full roof collapse, which as expected only got worse over time. During entitlement, a winter ice storm created a much larger problem when it completely demolished a wing. The team worked with the city and architects to respond to this significant change and adjust the project accordingly. Also, during the course of this transaction, the seller went into bankruptcy. These additional complications were also resolved.



Results

- In late 2015, Third Wave Housing close on this asset. After completion of financing and sixteen months of construction, this 133 unit multi-family project delivered in late 2017 / early 2018.