



Old Northside apartment projects reviving two buildings

Scott Olson July 23, 2013

New property owners are spending a total of about \$4.6 million on a couple of apartment projects, breathing new life into a near-north intersection.

Locally based Flock Real Estate Group is investing \$1 million to refurbish side-by-side apartment buildings at the northeast corner of 13th and Alabama streets. At the same time, Indianapolis-based Englewood Group is spending \$3.6 million to convert a former church at the southeast corner.

Both projects are welcome additions to the neighborhood. The apartment buildings had become neglected under the previous owner, and the church had become a haven for the homeless.

“The neighbors, generally as a whole, are extremely pleased with both of them,” said Paul DePrez, chairman of the Old Northside Neighborhood Association’s land use committee.

Flock paid \$300,000 about a year ago to acquire its property from local owners Veston and Maude Hudson following Veston's death. The firm plans to sink about \$1 million into the property, using historic tax credits to help finance the renovation.

The buildings were constructed in the late 1800s and were only about 40 percent occupied. Residents paid just \$450 a month including heat, said Kurt Flock, who is a principal in the company along with his wife, Kate.

Plans call for 18 market-rate apartments with refinished hardwood floors, high ceilings, new windows, track lighting and new kitchens with stainless appliances. The buildings will have 12 one-bedroom units and six-two bedroom units, with rents starting at \$900.



Flock Real Estate Group is investing about \$1 million in rehabbing apartment buildings at 13th and Alabama streets. (IBJ Photo/Scott Olson)

The buildings, named the Heartwell and Arletta, have been re-dubbed The Veston and The Maude by the Flocks to pay homage to their former owners.

“Some people in the neighborhood may question that, because of their ownership,” Kurt Flock said. “But my wife and I liked the names.”

Flock launched the renovation in August. Tenants could start moving in next month.

Flock is known primarily as a residential real estate brokerage specializing in downtown listings. The company also owns rental properties in the Old Northside and Chatham Arch and manages a handful of properties for clients.

Flock developed Chelsea Manor on Central Avenue with Core Redevelopment LLC, whose portfolio now includes the Stadium Lofts project within the old Bush Stadium on West 16th Street. But Flock’s redevelopment at 13th and Alabama Streets is its biggest solo project to date.

Meanwhile, Englewood Group, which launched the redevelopment of the church in January, hopes to finish its project by the end of the year.

It plans an affordable-housing project with for 24 apartments—15 one-bedroom and nine two-bedroom units—with maximum monthly rents of \$600 to \$730, based on incomes.

Some units will be flats and others lofts with two levels, because of the church’s high ceiling, said Nick Surak, in charge of acquisitions and development for Englewood, which specializes in affordable housing.

Englewood bought the church in September for \$150,000



Englewood Group plans to convert the 1895 church into affordable housing. (IBJ Photo/Scott Olson)

from a Florida-based religious organization and was awarded affordable housing tax credits in February to finance the renovation.

The church was built in 1895 but hasn't housed an active congregation for several years, which contributed to its dilapidated condition. At one time, it served as a Quaker meeting house.

“The building was in an advanced state of disrepair when we bought it,” Surak said. “It was literally falling down.”

Indeed, a few days after Englewood closed on the property the roof collapsed.

Bringing an affordable-housing project into a relatively affluent neighborhood typically might meet opposition. But DePrez of the Old Northside Neighborhood Association said residents concluded that it was the only viable option to save the church.

“Architecturally, it's a great historic asset to the neighborhood,” he said. “We were definitely concerned about losing the church, that it would implode and just be a disaster.”

Founded in 1974, Englewood has developed more than 2,800 rental units in Indiana, Illinois and Arizona.