

Additional Information for 507 First Street

Cost To Repair/Rehabilitate the Structure: Our estimate is that it would take roughly \$252,997 to fully renovate this building. See the Scope of Work from JAW Housing for more details. If this property were to be sold through the Albany County Land Bank, we estimate that it would sell for \$5,000. As per Table 1, this would result in total Acquisition & Rehab expenses of \$257,977, without accounting for any closing costs.

Total Stabilization & Rehab Expenses	\$ 252,977.0
Sales Price (If purchased from ACLB)	\$ 5,000.00
Total Acquisition & Rehab Expenses	\$ 257,977.0

Next we looked to determine what the Median Rent is for this neighborhood. According to the 2019 ACS Census 5-year Estimates, the median rent in the Census Block Group was \$1,115. Being that this is a single family building, the yearly rental income would total \$13,380.

Median Monthly Rent - West Hill	\$ 1,115.00
507 First Street Rental Income per month	\$ 1,115.00
507 First Street Rental Income per year	\$ 13,380.00

Next we took those projected rent totals and Total Acquisition & Rehab Expenses and put them into a simple Pro Forma to project the 20 year budget for this property. As you can see in the following table, it would take over 20 years for the property owner to recoup their initial rehab costs, barring any large public subsidies, or increases in rent that are significantly above what the market currently carries.

Yearly Budget	Rental Income	Minus Vacancy & Turnover (10%)	Maintenance Set Aside (5%)	Contingency (10%)	Utilities	Estimated Taxes (\$58,000 Assessed Value)	Property Insurance	Yearly Total Income	Total Property Balance
Year 1	\$ 13,380.00	\$ (1,338.00)	\$ (669.00)	\$ (1,338.00)	\$ (1,920.00)	\$ (2,334.59)	\$ (900.00)	\$ 4,880.41	\$ (253,096.59)
Year 2	\$ 13,380.00	\$ (1,338.00)	\$ (669.00)	\$ (1,338.00)	\$ (1,920.00)	\$ (2,334.59)	\$ (900.00)	\$ 4,880.41	\$ (248,216.18)
Year 17	\$ 13,380.00	\$ (1,338.00)	\$ (669.00)	\$ (1,338.00)	\$ (1,920.00)	\$ (2,334.59)	\$ (900.00)	\$ 4,880.41	\$ (175,010.03)
Year 18	\$ 13,380.00	\$ (1,338.00)	\$ (669.00)	\$ (1,338.00)	\$ (1,920.00)	\$ (2,334.59)	\$ (900.00)	\$ 4,880.41	\$ (170,129.62)
Year 19	\$ 13,380.00	\$ (1,338.00)	\$ (669.00)	\$ (1,338.00)	\$ (1,920.00)	\$ (2,334.59)	\$ (900.00)	\$ 4,880.41	\$ (165,249.21)
Year 20	\$ 13,380.00	\$ (1,338.00)	\$ (669.00)	\$ (1,338.00)	\$ (1,920.00)	\$ (2,334.59)	\$ (900.00)	\$ 4,880.41	\$ (160,368.80)

Since this property is a single-family home, we also took a look at the average sales price of single family homes in this neighborhood. Using a similar methodology as the City Assessor’s Office, we could not identify a comparable sale over the last few years. The average sales price of a single family home in the same Census Block Group is \$92,549.72. The adjacent Census Block Group across Quail Street had an average sales price of \$52,202.68 for a single family home.

Theory/Strategy behind the selection for demolition: This property is a part of the City of Albany’s Proactive Demolitions program funded through the Cities RISE grant from the NYS Attorney General’s Office. The City is conducting this program in an attempt to test and learn about what a proactive (as opposed to emergency) demolition process would entail. This building was identified by community members as a vacant building they would like to see demolished. It was also a building that had been foreclosed upon by Albany County, opening up a pathway to ownership for the City of Albany.

Plans for the site post demolition: The City of Albany will take ownership of the property and make it available for sale to neighbors, following the demolition. Another option would be to enroll it in our Mow to Own program, also funded through Cities RISE, where a local resident can enroll as a Steward of the property. Following a year of violation-free stewardship, the property will be sold to the steward for \$1. The City will cover closing costs for the transaction.

Impact of the demolitions on any adjacent structure: As noted in the Engineering Report, the adjoining structure at 505 First Street is being adversely impacted by the present and active water damage from runoff at 507 First Street. The Albany Community Development Agency has determined that the adjacent structure at 505 First Street is eligible for their Homeowner Assistance Program (HOAP) and Lead-based Paint Hazard Control Program. Part of the repairs for these two programs includes work on the roof at 505 First Street. Due to the conditions at the adjoining property at 507 First Street, the roof repairs at 505 are more difficult and costly to perform and would possibly have a shorter lifespan, unless 507 First Street were to be demolished.