

1001 Covington, Detroit, MI. 60,000 Square Foot Albert Kahn building constructed in 1926.

The Challenge

- Make apartment building with a negative NOI profitable.
- Convert steam heat system to tenant paid forced air
- Obtain NEZ tax abatement from City Council
- Obtain alley from city and combine with vacant land to create secure parking
- Renovate building, market and sell-out the Condos



The Solutions

- Obtained NEZ tax abatement working closely with city
- Implemented heat system conversion, while maintaining building above 90% occupancy
- Vacated alley and assembled land for secure parking
- Replaced windows, roof, electric and renovated units
- Addressed environmental issues
- Market and sell condos
- Website: www.1001covington.com



The Results

- Took negative NOI building to a project yielding \$3.2M revenue, and over \$1M in profit
- 400% return on capital employed
- Achieved project profitability in 18 months acquisition

