



Red Iron Housing Development Company
A non-profit affiliate of the Housing Fund of Central Alabama
Birmingham, AL

Increasing the supply of safe, decent moderately priced housing has been at the center of the mission of the Housing Enterprise of Central Alabama (HECA) and the Housing Fund of Central Alabama (the Fund) since the two companies opened their doors in 2003.

Now, HECA and the Fund have formed a new, non-profit development company to renovate affordable housing using HECA loan dollars and Fund grant dollars.

Called Red Iron Housing Development Company, the affiliate of the Fund opened in 2006, and will focus initially on rehab and resale of single-family homes.

“In the Birmingham market, quality, affordable single-family homes available to families whose annual incomes range from \$34,000-\$57,000 are few,” said HECA Chief Executive Officer Michele Jenkins-Utomi. “Red Iron allows the Fund to become an even bigger part of the housing solution by focusing on the renovation and resale of neglected houses in underserved neighborhoods.”

The first two single-family homes that Red Iron has purchased for renovation are in the Bush Hills neighborhood of Birmingham: one on Bush Boulevard and the other on Bush Circle one block off of the Boulevard. Red Iron also has purchased an apartment in South Avondale. The company is working with Realtors to identify other properties in the City of Birmingham.

Company description

Non-profit development company formed to rehab and resale single-family homes for sale in the \$120,000-\$170,000 range.

Purpose

Bring more quality houses to the moderate-income market. Help further the company's mission of significantly increasing the supply of quality affordable housing.

Capacity

HECA's CEO will oversee and coordinate Red Iron activities, working closely with Censeo, HECA's financial consultants, and the real estate team. HECA and Censeo will form partnerships with experienced contractors and real estate agents in order to ensure the project's success.

Financing

\$500,000 revolving line of credit from Housing Enterprise of Central Alabama for rehab;
\$300,000 grant from the Housing Fund of Central Alabama to purchase homes

www.housingenterprise.com

