Capitol Hill Urban Cohousing

An Affordable Rental Model

Grace Kim, AIA | Schemata Workshop

Photo by William Wright Photography

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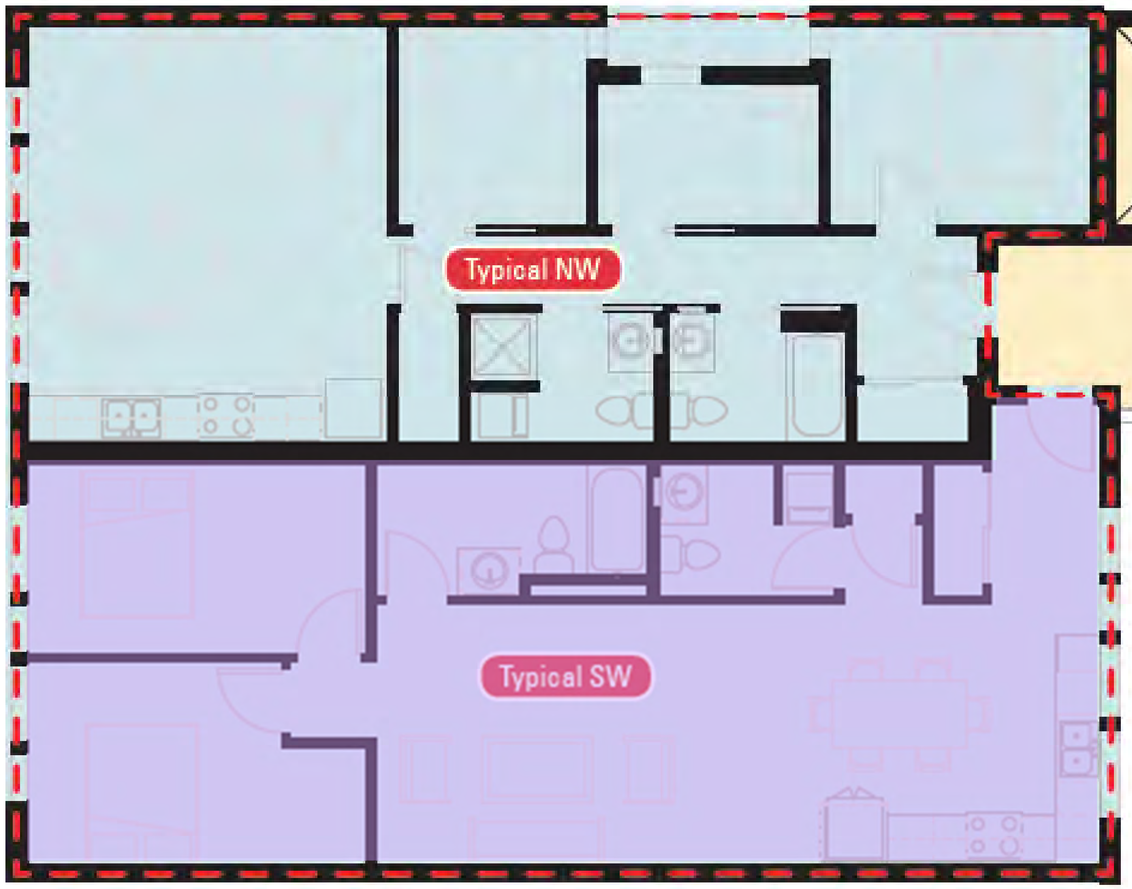
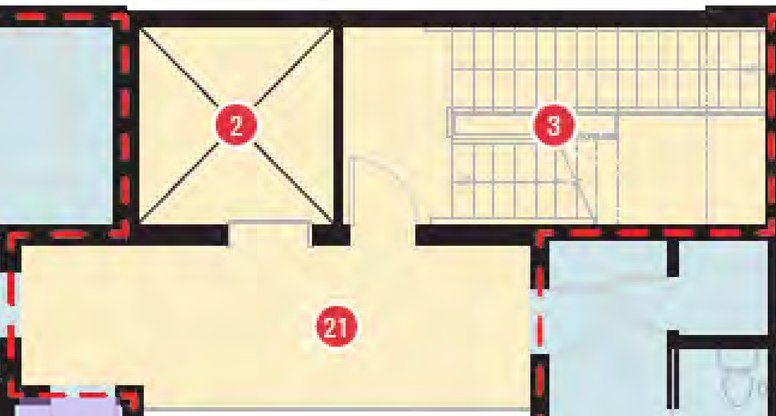
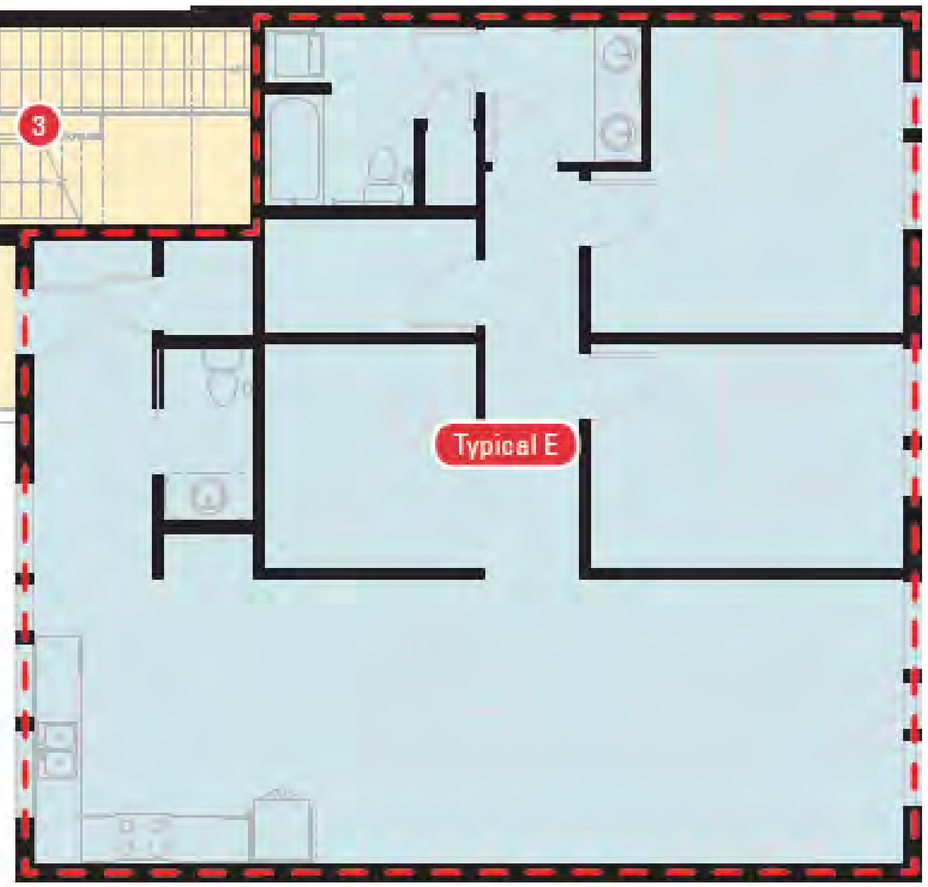
Northwest stack
3 bedroom, 1.75 bath
810-850sf







Southwest stack
2 bedroom, 1.5 bath
850sf

East stack
2 bedroom + den, 1.5 bath
1150-1300sf

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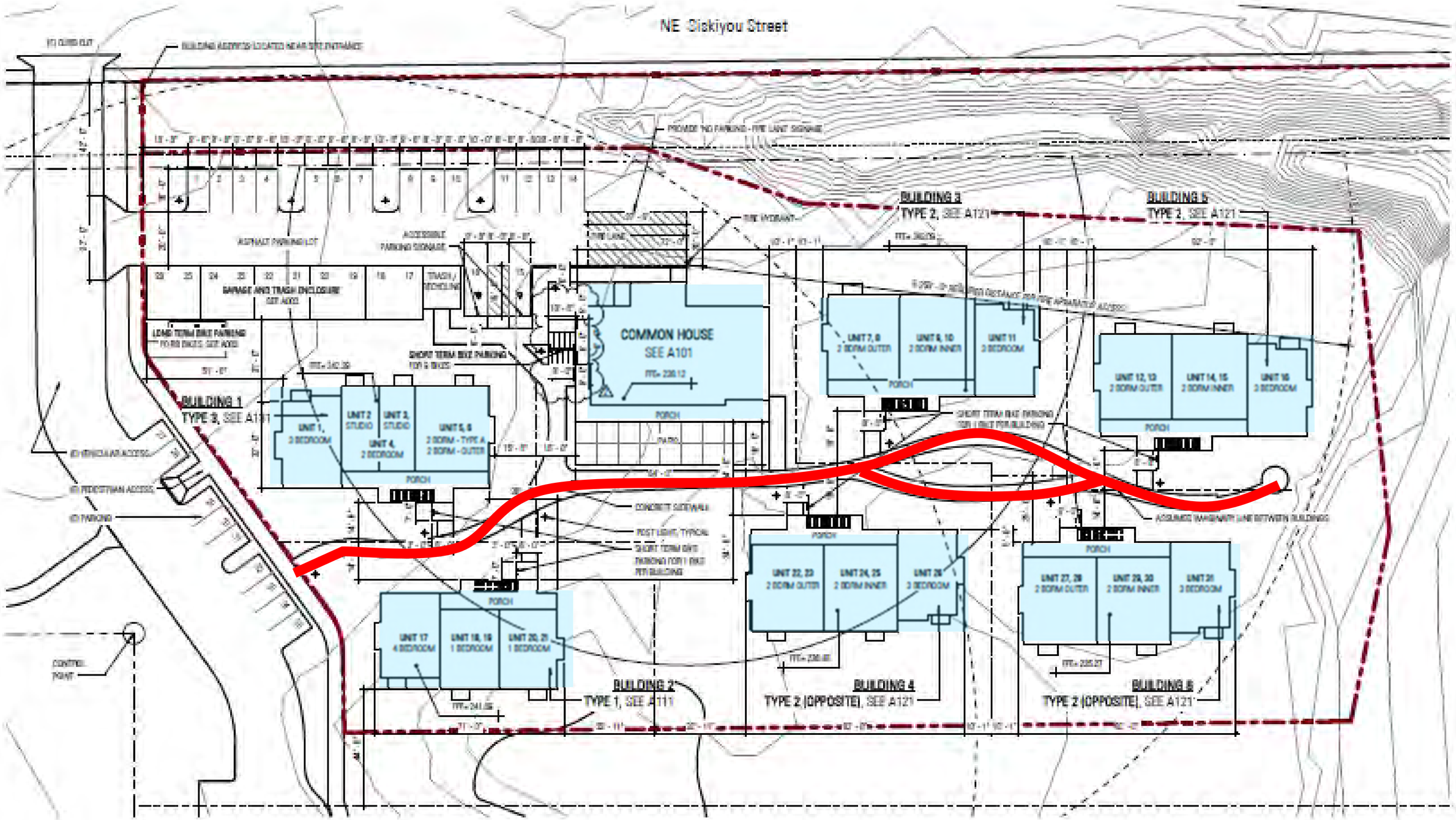
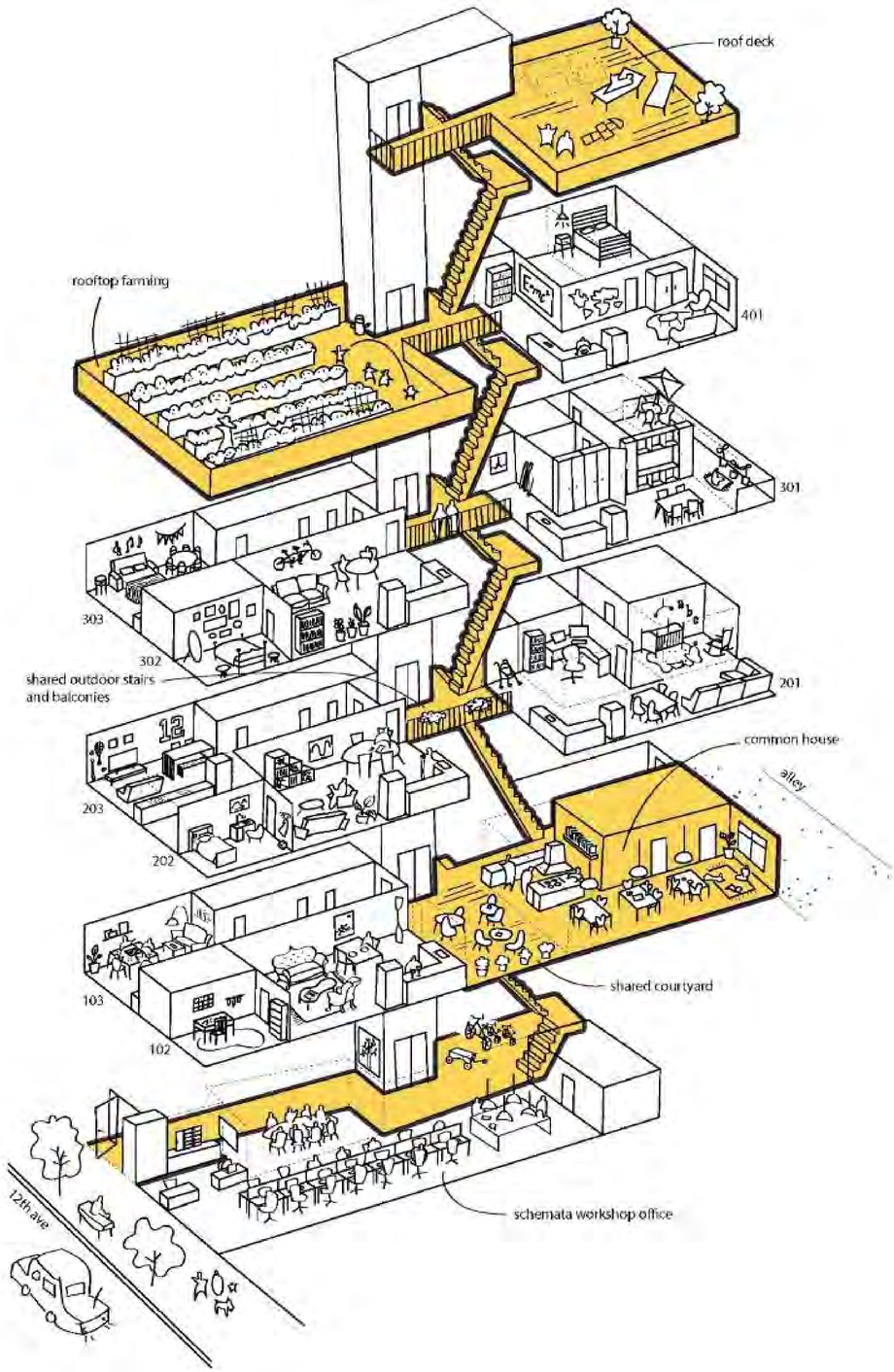
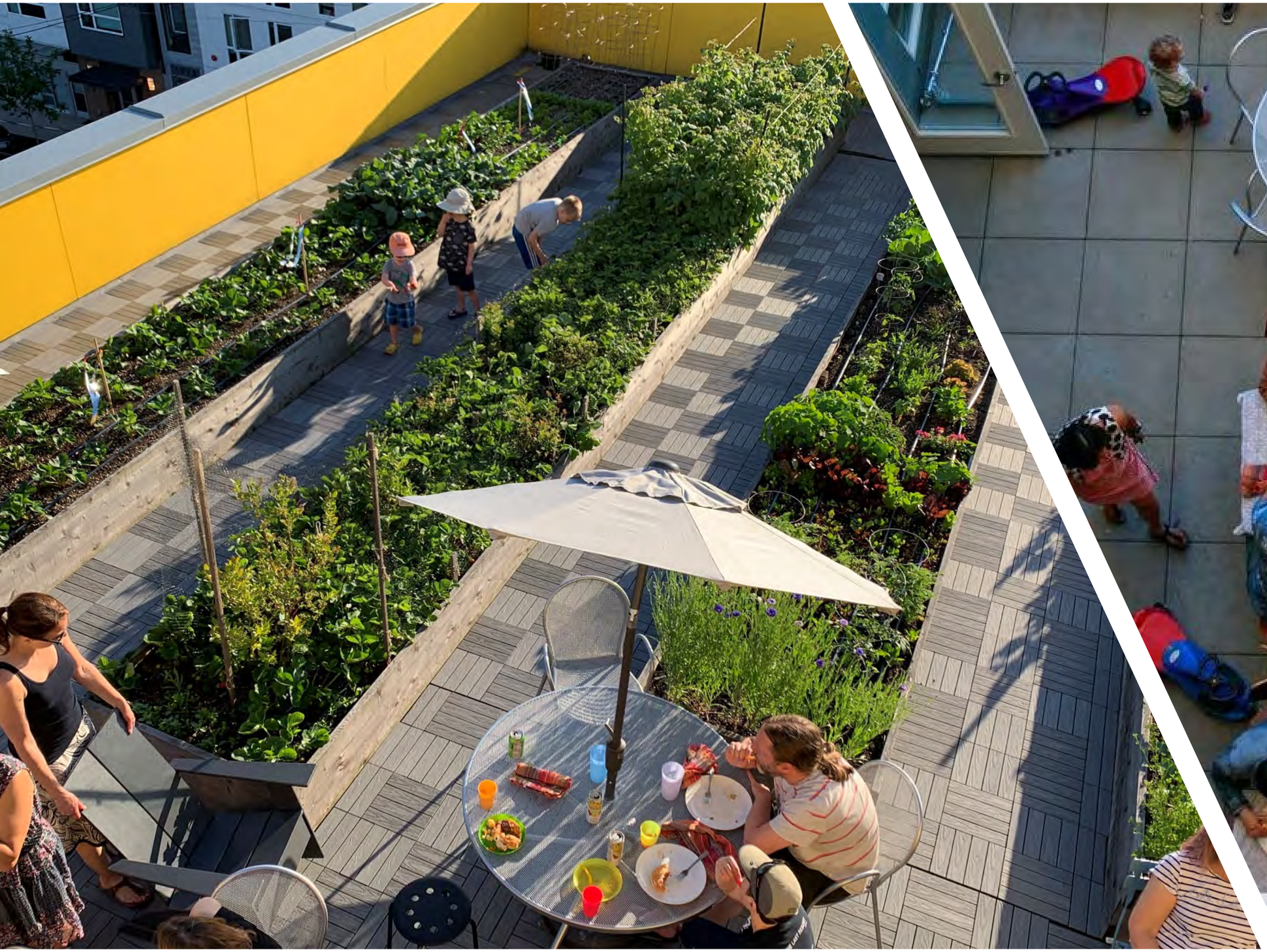

NE Siskiyou Street
BUILDING 1
TYPE 3, SEE A101
BUILDING 2
TYPE 1, SEE A111
BUILDING 3
TYPE 2, SEE A121
BUILDING 4
TYPE 2 (OPPOSITE), SEE A121
BUILDING 5
TYPE 2, SEE A121
BUILDING 6
TYPE 2 (OPPOSITE), SEE A121
COMMON HOUSE
SEE A101
ASPHALT PARKING LOT
GARAGE AND TRASH ENCLOSURE
SHORT TERM BIKE PARKING
LONG TERM BIKE PARKING
PROVIDE "NO PARKING - FIRE LANE" SIGNAGE
FIRE HYDRANT
CONCRETE SIDEWALK
PORCH
UNIT 1, 3 BEDROOM
UNIT 2 STUDIO
UNIT 3 STUDIO
UNIT 4, 2 BEDROOM
UNIT 5, 6 2 BDRM - TYPE A 2 BDRM - OUTER
UNIT 7, 8 2 BDRM OUTER
UNIT 9, 10 2 BDRM INNER
UNIT 11 2 BEDROOM
UNIT 12, 13 2 BDRM OUTER
UNIT 14, 15 2 BDRM INNER
UNIT 16 2 BEDROOM
UNIT 17 4 BEDROOM
UNIT 18, 19 1 BEDROOM
UNIT 20, 21 1 BEDROOM
UNIT 22, 23 2 BDRM OUTER
UNIT 24, 25 2 BDRM INNER
UNIT 26 2 BEDROOM
UNIT 27, 28 2 BDRM OUTER
UNIT 29, 30 2 BDRM INNER
UNIT 31 2 BEDROOM
CONTROL POINT


roof deck
rooftop farming
401
301
303
302
shared outdoor stairs
and balconies
201
common house
alley
203
202
103
102
shared courtyard
12th ave
schemata workshop office

Photos by William Wright Photography



NUT-FREE ZONE

GROW TOGETHER
The Rooftop Farm

Standard Forms of Ownership

FEE SIMPLE

- DETACHED HOUSE OR TOWNHOME
- HOMEOWNER OWNS LAND & STRUCTURE
- HOMEOWNER RESONSIBLE FOR ALL IMPROVEMENTS AND REPAIRS
- NO COMMON AGREEMENT UNLESS HOMEOWNERS ASSOCIATION WITH CCRs

CONDO

- ATTACHED HOMES OR STACKED FLATS
- CAN BE DETACHED
- HOMEOWNER OWNS INSIDE FACE OF 4 WALLS
- HOMEOWNER RESPONSIBLE FOR IMPROVEMENTS W/IN UNIT
- CONDO HOA RESPONSIBLE FOR COMMON ELEMENTS

CO-OP

- ATTACHED HOMES OR STACKED FLATS
- SINGLE BLDG MORTGAGE W INDIVIDUAL UNIT MORTGAGES
- CO-OP MAKES DECISIONS COLLECTIVELY

COMMUNITY LAND TRUST

- USUALLY DETACHED HOMES
- LAND OWNED BY CLT
- HOME/IMPROVEMENTS OWNED BY HOMEOWNER
- CLT MAKES DECISIONS COLLECTIVELY

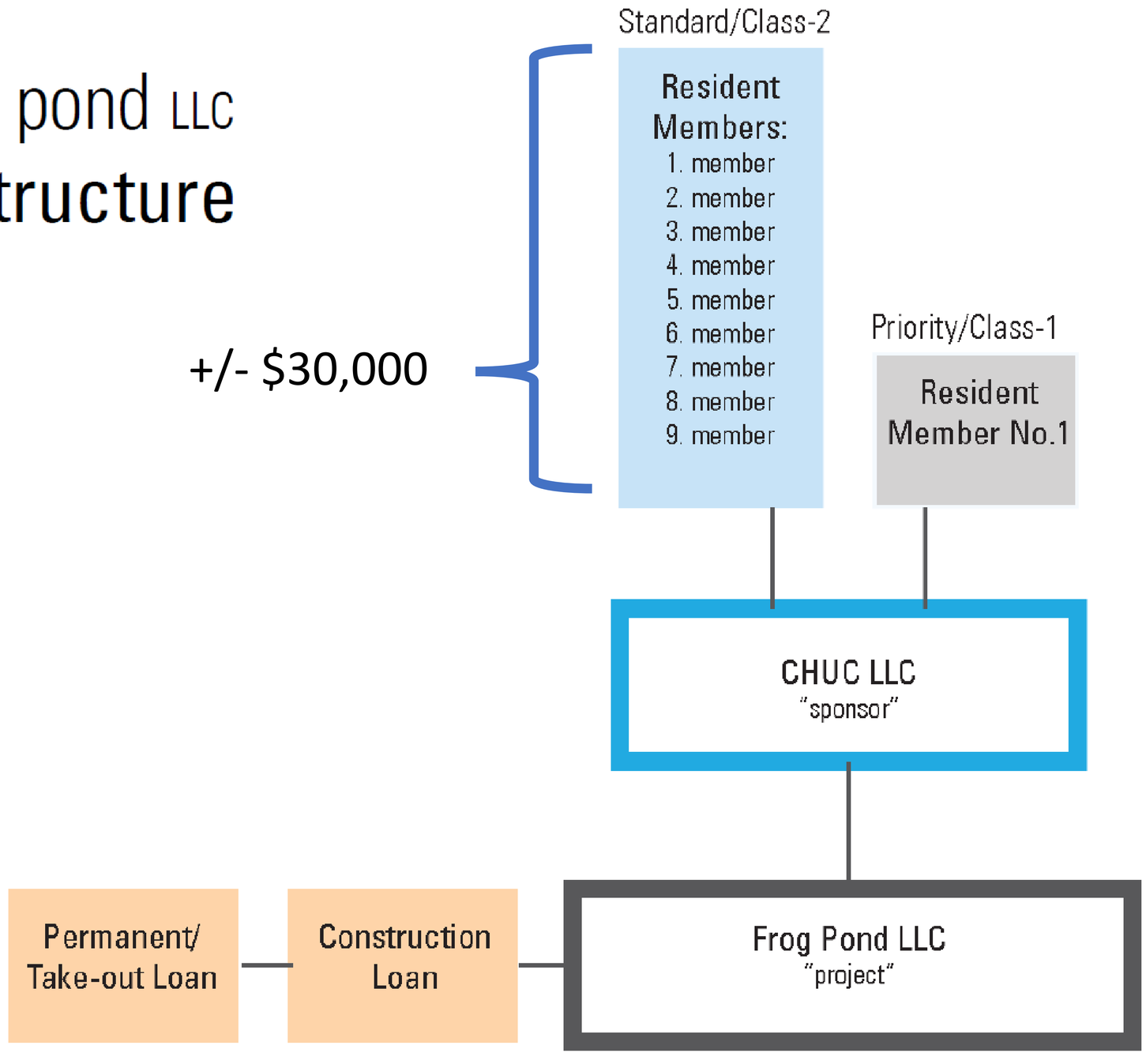
TENANTS IN COMMON

- DETACHED OR ATTACHED UNITS
- SHARED USE
- SHARED OWNERSHIP

APARTMENT BUILDING

- STACKED FLATS
- SINGLE OWNERSHIP - COMPANY OWNS BUILDING(S)
- COMPANY RENTS UNITS

frog pond LLC
: : structure



Process to become member

Contact through website & talk with membership outreach team

Attend monthly Cohousing 101

Attend 2 socials and business meeting

Associate member - $1500 (non-refundable)

Established priority of invitation to become member of PNE (potential new entity)

Member of PNE (aka CHUC, LLC) - $30,000 (non-refundable until another member took your place)

Established order of unit selection

Development Costs	$4,250,000	hard+soft costs
Land Value	$1,350,000	
Total Development Costs	**$5,600,000**	
Loan (10-year mortgage)	$4,100,000	capped by NOI
Equity Required	**$1,500,000**	

Estimated Value Created	NOI / %
Cap Rate 4.0%	$8,375,000
Cap Rate 4.5%	$7,500,000
Cap Rate 5.0%	$6,700,000

$1,500,000	**Projected Equity Required by Lender**
	Sources of Equity Funds (long-term)
$325,000	CHUC LLC : initial investment (property acquisition)
$250,000	CHUC LLC : (9) resident memberships ($15-30K)
	Friendly Money (4.0% annual interest)
$5,000	Cohousing supporter 1
$100,000	Cohousing supporter 2
$50,000	Cohousing supporter 3
$20,000	Cohousing supporter 4
$50,000	Cohousing supporter 5
$75,000	Cohousing supporter 6
$350,000	Resident investor 1 (condo sale proceeds)
$75,000	Resident investor 2
$100,000	Resident investor 3
$100,000	Developer consultant
$1,500,000	Subtotal of Additional Equity Identified
$0	**Amount of Shortage or Surplus**

What happens at move out

- Indicate desire to leave at end of lease
- Community recruits new member
- New member pays membership fee
- Leaving resident is reimbursed their membership fee
- New member moves in

What about Equity?

Limited (no) equity model.

Capital accounts accrue equity shares.

Equity only available IF building sold.

Selling building is not our business model.

In practicality all shares stay in CHUC in perpetuity.

home ≠ real estate transaction

home = belonging

home = support

home = security

home = well-being

home = community

Ownership over Time

Tax purposes – all money had to be accounted for

65% Class A

9 “equal” Class B shares

As bank loan is paid off

Class B shares grow based on % of rent going towards principle pay down

Class A shares dilute to a 15% floor

Rent stability

Maximing the Loan Principle required that we start with market rate rents

We have elected to keep rents stable – mimicking predictability of mortgage.

Our rents prioritize long tenure – modest increases over time to accommodate increased expenses (property tax, utilities, insurance).

Join later – start at market rate rents but also stabilize after first year.

The Paradigm Shift

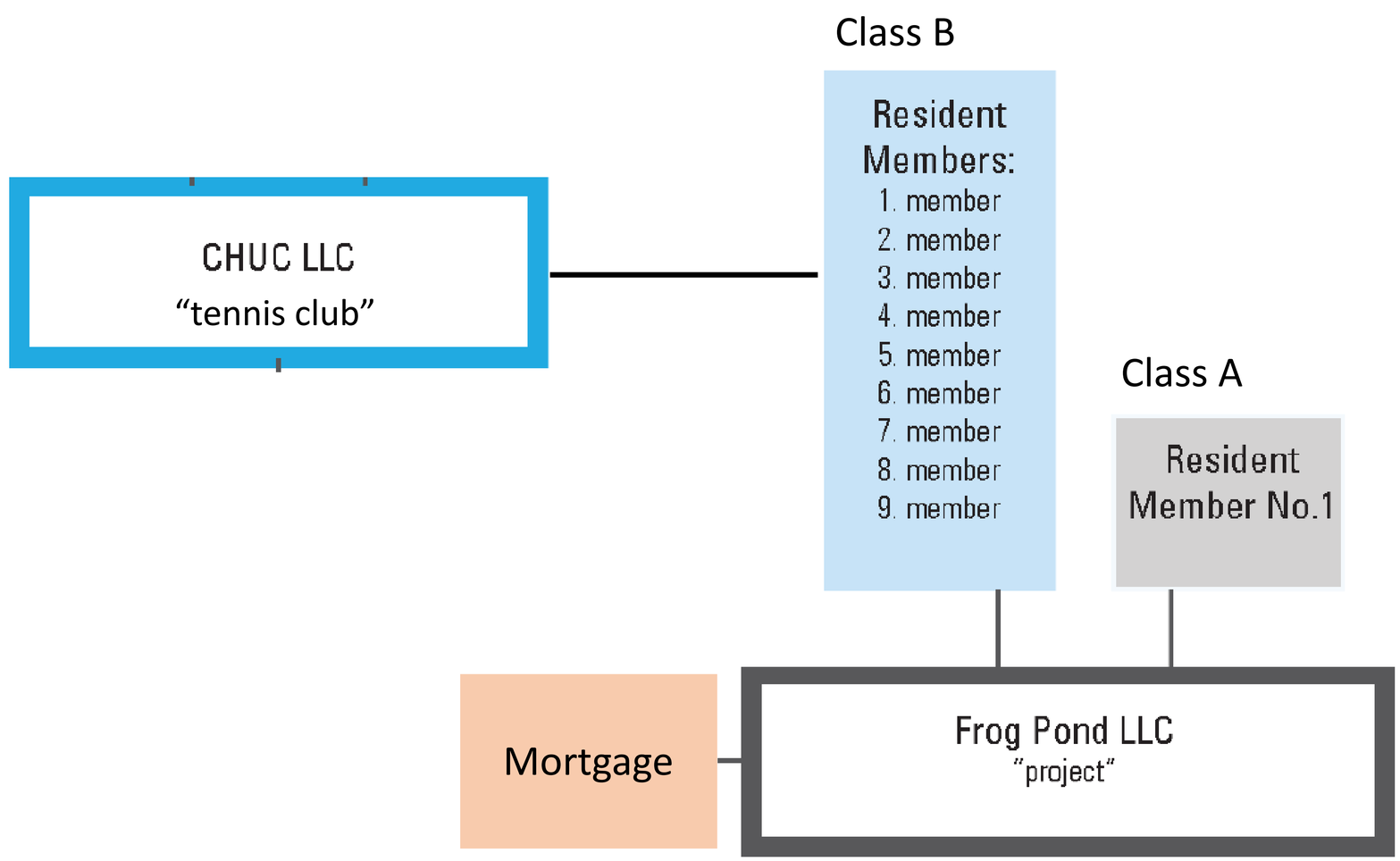
Home not commodity

The founders had different attitude – not interested in making a profit on land

Power dynamic still exists – many intersections

Challenges – upkeep and improvements, how to pay for it, keeping track of equity

frog pond LLC
: : structure



CHUC Timeline

2008

- Purchase Site
- Recession…

2010

- First Group Meeting
- Trainings & Workshops

2011

- Programming and Priorities
- Early Design
- Trainings & Workshops

2012

- 1st Public Design Review
- Hire GC for Precon
- Living Building Charrette w/ILFI
- 2nd Public Design Review
- Trainings & Workshops
- Annual Retreat

2013

- Hire Consulting Developer
- Sign Operating Agreement
- Trainings & Workshops
- Annual Retreat

2014

- Submit Building Permit
- Final Public Design Review
- Hire GC
- Building Permit Approved
- Construction Loan
- Start Construction
- Roof Farm Barnraiser
- Trainings & Workshops
- Annual Retreat

2015

- Construction
- Trainings & Workshops
- Amend Operating Agreement
- Annual Retreat

2016

- Move-in
  - Residents
  - Office
- Perm Loan
- Annual Retreat

Other Affordability Measures

MULTIFAMILY TAX EXEMPTION (MFTE) PROGRAM

MEALS PROGRAM

UTILITIES – inclusive and extra

REDUCED CAR USAGE

Walkscore

1722 12th Avenue

Capitol Hill, Seattle, 98122

Commute to **Downtown Seattle**

4 min | 16 min | 6 min | 23 min | View Routes

Favorite | Map | Nearby Apartments

Looking for a home for sale in Seattle?

Walk Score **98**

Walker's Paradise

Daily errands do not require a car.

Transit Score **79**

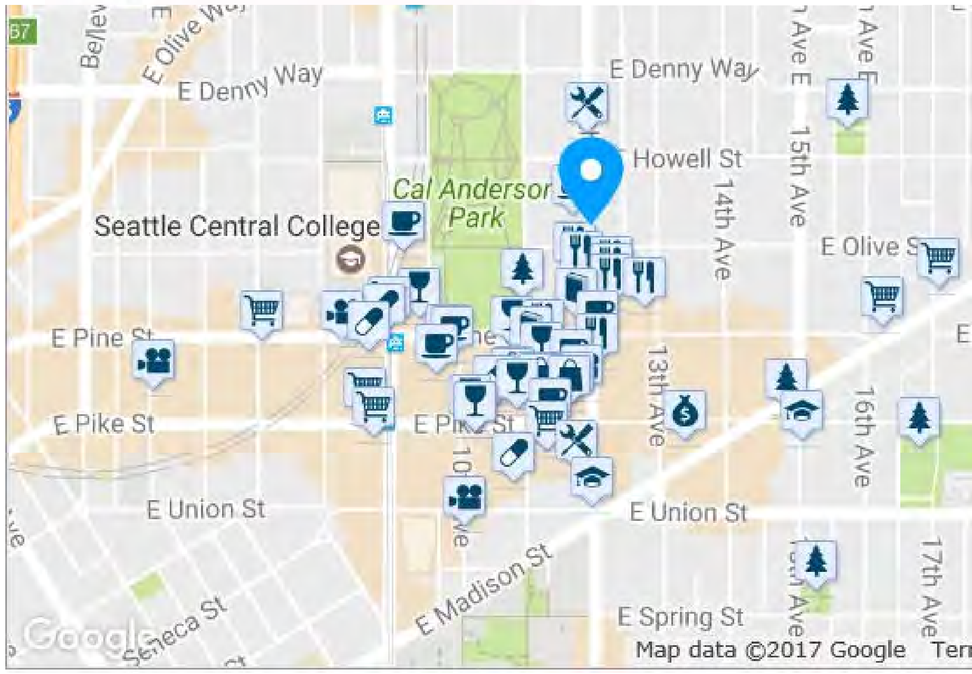
Excellent Transit

Transit is convenient for most trips.

Bike Score **89**

Very Bikeable

Mostly flat, excellent bike lanes.



Thank you

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