REALIZE
REAL ESTATE AS MINISTRY

CASE STUDY · MADISON, WISCONSIN

Using Historic Tax Credits to Preserve Affordable Homes in Madison

How Realize combined phased rehabilitation, direct investment, and Wisconsin historic rehabilitation tax credits to upgrade a historic duplex and preserve two units of naturally occurring affordable housing.

LOCATION

Madison, Wisconsin

A historic duplex where investment in existing housing supported both building preservation and continued affordability.

CHALLENGE

Essential infrastructure, historic character

The project addressed plumbing, electrical, and heating infrastructure alongside interior improvements and window work, bringing practical building needs into alignment with historic preservation requirements.

OUTCOME

Two affordable homes preserved

A $33,000 rehabilitation investment preserved two housing units through a phased capital improvement program, with Realize serving as developer, investor, and project manager.

The situation

Preserving affordable housing can begin with a building that already exists. In Madison, Realize undertook the rehabilitation of a historic duplex with a clear purpose: upgrade essential infrastructure while preserving two units of naturally occurring affordable housing, or NOAH.

The work brought together development planning, capital investment, project delivery, and historic preservation compliance. Realize served as developer, investor, and project manager, connecting the financial strategy with the work required on the property.

Why it mattered

The value of this project was not measured by the size of the development. It was measured by the continued availability of two affordable homes and the investment made in the building that supports them.

Historic preservation and housing preservation were part of the same undertaking. The project needed to address contemporary infrastructure needs without losing the character of the existing building. It also needed a financing approach appropriate to a modest-scale rehabilitation rather than a large redevelopment.

The work

Realize delivered the rehabilitation through a phased capital improvement program. Phase I comprised a three-month interior rehabilitation, including electrical and plumbing upgrades and window and storm-window work. Phase II followed with a furnace replacement, completing the heating infrastructure investment.

Development and capital investment

Realize served as developer and investor, committing $33,000 to the overall rehabilitation. The investment supported improvements to the existing duplex while preserving its two affordable housing units.

Project management and phased delivery

Realize oversaw delivery across both phases. Phase I established the core interior scope; Phase II addressed the furnace as a subsequent capital improvement, showing how a small residential asset can be improved through deliberate phasing.

Historic rehabilitation tax credits

Wisconsin's historic homeowner rehabilitation tax credit supported eligible work. The Wisconsin Historical Society certified $14,349.50 in qualifying electrical, plumbing, HVAC, and window expenses as meeting the Secretary of the Interior's Standards, and the credits were claimed.

What changed

Essential infrastructure was upgraded
Electrical and plumbing improvements, window and storm-window work, and a later furnace replacement addressed the building's rehabilitation needs across two phases.

Historic preservation became part of the financial strategy
The project secured certification of completed rehabilitation work and used the homeowner historic tax credit program to support qualifying investment.

Two affordable homes were preserved
Two units of affordable housing remain in service, providing six people housing with dignity and grace in a walkable, central neighborhood.

Meaningful stewardship can involve reinvesting in an existing asset, using an appropriate funding tool, and delivering improvements through a phased plan.

The property today

The rehabilitated building continues to provide two homes affordable to households earning 50% of Dane County's Area Median Income (AMI). Its story is presented at the city level to preserve the privacy of its residents.

Project highlights

Invested with purpose

A $33,000 capital commitment supported the preservation of existing affordable housing.

Delivered through phasing

A three-month Phase I interior rehabilitation was followed by a Phase II furnace replacement.

Preserved with care

Infrastructure improvements and certified historic rehabilitation showed that building character and continued housing use can be addressed together.

Why this story belongs in Realize's portfolio

This project demonstrates Realize's hands-on development experience: connecting capital, project management, preservation requirements, and a community-serving outcome.

Although this was a residential project rather than a congregational campus, the lesson is relevant to faith communities considering their own property: meaningful stewardship can involve reinvesting in an existing asset, using an appropriate funding tool, and delivering improvements through a phased plan.