

---

The logo for Crain's Cleveland Business. It features the word "CRAIN'S" in white, uppercase letters inside a red rectangular box. Below this box, the words "CLEVELAND" and "BUSINESS" are stacked in a large, bold, serif font. "CLEVELAND" is in black, and "BUSINESS" is in red.

## Chesler and partner have a sense of history

By [STAN BULLARD](#)

9:00 am, October 18, 2014

Historic rehabilitation-oriented developer Michael Chesler and his Novelty-based Chesler Group are branching into a new business associated with their roots: operating a real estate investment fund to contribute equity to federal historic tax credit-funded real estate projects costing less than \$15 million.

The fund is dubbed "The MainStreet America Fund." Chesler said it's set up to be developer-friendly and low-cost, because most financial and investment types who seek benefits of historic tax credits know tax law but not the development process.

Moreover, he said, his experience doing projects in small towns such as Chillicothe and Warren has shown him that small projects have the hardest time finding investors but yield the most impact for communities.

Ironically, Chesler Group said it already has the hard part of doing a fund covered: getting the money. The fund has a partnership with a publicly traded company that neither Chesler nor Daniel Budish, managing director of the fund, would identify by name, headquarters or industry. They said that company has agreed to invest about \$10 million in such investments over the next five years to a total of \$50 million.

The fund may invest in projects Chesler plans to continue to undertake, Chesler said. However, he emphasized the objective is to help other real estate developers pony up equity to make projects go.

"We're not soliciting funds. We're not brokers," Chesler said. "We seek investments, in projects, the developer who is teed up but is missing that last 10% or 20% of equity."

Budish said the projects may be in Northeast Ohio, but the fund will be run nationally. They plan soon to inspect a potential deal in New Orleans.

Chesler, whose outfit got its start saving old MidTown Cleveland mansions by converting them to offices, added, "As a developer of close to 30 historic projects. I realized that we could drastically increase our capacity to restore historic buildings by investing as a partner."

PRINTED FROM: <http://www.crainscleveland.com/article/20141018/FREE/141019805/chesler-and-partner-have-a-sense-of-history?template=printart>

---

© 2014 [Crain Communications Inc.](#)

---